

Integrated Care Board

Date of meeting	19 March 2025
Title of paper	Report of the Chief Executive
Presented by	Kevin Lavery
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Agenda item	7
Confidential	No

Executive summary

The purpose of this report is to update the Board on the ICB being placed in the NHS Oversight Framework segment 4 and recovery support programme, the latest update on intervention and to recognise and appreciate the hard work of our staff, and those across our system, who continue to work diligently and incredibly hard despite increased pressures.

It brings to the Board's attention the work taking place to plan for an improved financial position in 2025/26 whilst making a shift towards delivering against our vision for improved health and care across Lancashire and South Cumbria.

The report also shares an update on how we have been listening to our staff about their experiences in how we improve the organisations culture and values and updates to senior roles within the ICB since the last Board meeting.

Recommendations

The Board is asked to note the contents of the report.

Which Strategic Objective/s does the report relate to:			Tick
SO1	Improve quality, including safety, clinical outcomes, and patient experience		✓
SO2	To equalise opportunities and clinical outcomes across the area		✓
SO3	Make working in Lancashire and South Cumbria an attractive and desirable option for existing and potential employees		✓
SO4	Meet financial targets and deliver improved productivity		✓
SO5	Meet national and locally determined performance standards and targets		✓
SO6	To develop and implement ambitious, deliverable strategies		✓

Implications

	Yes	No	N/A	Comments
Associated risks			✓	<i>Highlight any risks and where they are included in the report</i>
Are associated risks detailed on the ICB Risk Register?			✓	

Financial Implications			✓	
Where paper has been discussed (list other committees/forums that have discussed this paper)				
Meeting	Date		Outcomes	
N/A				
Conflicts of interest associated with this report				
N/A				
Impact assessments				
	Yes	No	N/A	Comments
Quality impact assessment completed			✓	
Equality impact assessment completed			✓	
Data privacy impact assessment completed			✓	
Report authorised by: Kevin Lavery, chief executive				

Integrated Care Board – 19 March 2025

Report of the Chief Executive

1. Introduction

- 1.1 Intervention is tough! Maintaining our composure, compassion, determination and belief that we are on the right path is tough!
- 1.2 I believe we will get through this. We must keep our focus on doing what is right for our health and care system and our population – this must begin with recovering our financial position in order to deliver a shift towards a more community-focused model of care. This will ultimately prevent people from needing urgent and emergency care, reducing demand on our services, and supporting people at home and in the community. This can only be done through focusing on our statutory responsibilities and reshaping the way we commission and deliver health services in Lancashire and South Cumbria.
- 1.3 We have a difficult few months ahead of us, and we are already starting to see the impact that the heightened level of scrutiny is having on our people. We are asking our colleagues to hold some very tight lines but to do this with courage, compassion and kindness.
- 1.4 There are some very difficult decisions that our system is going to have to make, which may impact on some services that our population are used to being able to access. Making those decisions is never easy when there is a patient who isn't necessarily going to continue to receive their care in a way that they are used to, but we have to make those decisions based on evidence, best practice and always with patient safety at the fore.
- 1.5 American Robert H Schuller said: "Tough times never last, but tough people do". So, to all our colleagues I want to say thank you. Thank you for your continued hard work and support through these turbulent times.

2. NHS Oversight Framework Segment 4 and the National Recovery Support Programme

- 2.1 In early February, the Chair and I received a letter from the NHS England, Dr Dame Emily Lawson and the NHS England (North West) Regional Director, Louise Shepherd CBE, formally placing us in NHS Oversight Framework Segment 4 (NOF4) and thus being in receipt of support from the National Recovery Support Programme (RSP). Similar letters were also received by three of our acute trusts namely; Blackpool Teaching Hospitals NHS Foundation Trust, East Lancashire Hospitals NHS Trust and Lancashire Teaching Hospitals NHS Foundation Trust. Whilst not in NOF4 and as part of our challenged system, our other two Trusts – Lancashire and South Cumbria NHS Foundation Trust and University Hospitals Morecambe Bay NHS Foundation Trust – will also receive support through the RSP and be part of the heightened level of scrutiny in how

we move towards a more financially sustainable system, as we can only achieve this by working together.

- 2.2 For the ICB, and the other NOF4 organisations, this means formal enforcement undertakings whereby NHS England use their statutory powers to put limits on the ICB's powers of decision making, particularly in relation to finance and added oversight of our plans for 2025/2026. There will also be an assessment of our leadership and governance which will be led by the appointed Improvement Director.
- 2.3 This formality and the seriousness of the situation we find ourselves in is unsettling and indeed stressful, but I reiterate the sentiment from my last report that we **must** use this as an opportunity. We cannot lose sight of the excellent work that is done within our organisation and our system by dedicated staff to improve the lives of our patients and residents.
- 2.4 Much of the tone of the letter from NHS England was collaborative with particular emphasis on the support being offered from our colleagues in the NHS England Regional Office. Officers have already had extensive discussions to specify what support we need and when it might commence.
- 2.5 The support will be targeted into areas where the ICB and indeed the system have failed to get to grips or gain traction. But this gives us the opportunity to make the transformational changes our system requires.
- 2.6 As part of the RSP and as stipulated in the undertakings, the ICB will need to meet the NOF4 exit criteria which will be detailed and agreed through the Improvement and Assurance Group (IAG) process. These have yet to be agreed and so it is difficult to say at this time when we might exit NOF4.
- 2.7 In relation to the ICB's system role, part of our response will be to work with NHS England to more clearly define our roles and responsibilities in system assurance and to understand what could have been done differently. Going forward, we will need this clarity not only for ourselves, but for our providers, especially those who have also been put into NOF4.

3. Being honest about our plans for 2025/26

- 3.1 Our system is one of the most financially challenged in the country. We are currently spending beyond our means with a significant deficit expected at the end of the financial year 2024/25. We recognise the severity of the situation that we are in and as such we need a shift in how we approach the new financial year, which is an area the RSP is making a positive difference in. We need realistic and deliverable plans for 2025/26 which move the system towards becoming financially sustainable.
- 3.2 To make this shift, we will need to be honest about our plans and the decisions we will need to make. Going into 2025/26 with a clear set of commissioning intentions provides a robust prioritisation process to ensure we improve our financial position whilst meeting all nationally-mandated requirements. This should ultimately move us away from micro-commissioning and the unwarranted

variation in services we have had across our system and towards more mature commissioning where we can demonstrate impact from our services. There are examples in the commissioning intentions which will lead to services being decommissioned or where we are planning to review some services with the aim of these being reconfigured to deliver better quality, to support the shift from acute to community or to improve financial sustainability. These will be undertaken through the appropriate legal service change processes.

- 3.3 In previous years we have backloaded our cost improvement plans – expecting that we will deliver more savings in the final quarter of the year, but we need to move away from this way of working and get a grip of our savings at the beginning of the year with robust and detailed plans to give our system the best chance for success.
- 3.4 The reality is we will have to make some difficult decisions over the next few months which may not always be popular. This may include ward closures where we are not providing value for money or working in the most efficient way, or delivering services in a different way to how they are currently provided.
- 3.5 These decisions will require careful management, may not be quick to implement and, in some instances, will require engagement and consultation as per the NHSE service change process. Any proposed changes will be clinically led, subject to the necessary impact assessments, and we will commit to undertake the appropriate level of engagement with patients, members of the public, our staff and wider stakeholders. It is important that we carry out any of these changes with honesty and integrity.
- 3.6 Despite the financial challenges, we remain positive that there are excellent services, passionate and dedicated staff and positive examples of collaboration to build upon to achieve our system's vision for improving health and care. We have opportunities to reduce waste and duplication, and reconfigure services which will improve outcomes for our population whilst being more sustainable in the future.
- 3.7 Our LSC 2030 Roadmap will set out how we get from where we are, to where we aspire to be, over the next five years. The roadmap will have an overarching focus on improving urgent care across the system and will be enabled by working in our places, with particular importance on establishing integrated neighbourhood teams. These will be important local multidisciplinary teams which will help deliver transformation this year and as part of our 2030 Roadmap. These priorities will include delivering in-year impact for intermediate care, managing long-term conditions in primary care, improving end-of-life care and frailty in addition to delivering transformation in the way we provide cancer, mental health, children and young people's services, acute and elective care. All of these transformation priorities will reduce demand on our acute and urgent care services and help create the shift we need from acute to community and from treatment to prevention – key principles of Lord Darzi's national review.

4. National NHS Staff Survey

- 4.1 This week we expect the national NHS Staff Survey results will be published. The staff survey is carried out each year between October and November with results shared with organisations in late February.
- 4.2 ICB involvement in the staff survey is optional and we made the decision not to participate this year. We did not make the decision lightly and as an executive team we made this decision with the best interests of our staff in mind.
- 4.3 There were a number of reasons we decided not to participate – firstly, during October we had recently commenced a thorough staff engagement programme to reset our culture and improve experiences of our staff and the timing of the national survey, and the delay in hearing the insights, did not align with the pace of improvement we needed for our staff. This included engagement sessions to hear and understand at a granular level the things we are not getting right and where we need to improve. I previously reported on the success of this engagement and the work since to co-design our values and behaviours as an organisation. Secondly, our staff had been clear in the previous year that many parts of the survey were not relevant to staff working in the ICB and were more appropriate for staff in our hospitals or frontline services.
- 4.4 In January we participated in the quarterly annual NHS People Pulse survey and used the feedback from staff to ask some questions which were more specific to our staff.
- 4.5 384 staff out of 961 staff completed the Pulse survey which is approximately 40% of those eligible to take part. This is a positive indication of our levels of staff engagement. Here are some headline points from the findings:
- 82% of staff felt well supported in teams, an increase from 79.8% in July 2024 and 6.3% higher than other ICBs.
 - 57% felt well informed about changes in the ICB, up from 49.2% in July 2024 and 7% higher than other ICBs.
 - Over 60% felt the ICB proactively supports staff health and wellbeing, almost 7% higher than other ICBs.
 - 42% would recommend the ICB as a place to work, an increase from 39% in July 2024 but 6.6% lower than other ICBs.
 - 47% felt that patients/service users were the ICB's top priority, a drop from 53% in July 2024 and about 17% lower than other ICBs.
 - 37% were happy with the standard of care provided, compared to 36.6% in July 2024 and 19.7% lower than other ICBs.
- 4.6 We took the opportunity to add customised questions as decided by the ICB to ensure the survey was relevant to our staff. It is reassuring to see that 85% of respondents agree that colleagues are empathetic and supportive when needed. An area which demonstrates the impact from the work we have been doing to embed new values.
- 4.7 I recognise that we need to continue to improve our organisation's culture and to improve staff experiences. Doing so in difficult times is extremely hard, but it is

also the time that it is needed the most. I am committed to making sure that the values and behaviours that our staff have worked with us to develop are clearly demonstrated by our senior leadership team and our board to all of our teams working in the ICB. Being honest, leading with integrity and compassion, ensuring inclusion and being respectful in everything we do will go a long way to supporting the improvement our staff deserve. We will be taking part in the Pulse survey again in April and July.

- 4.8 I want to recognise the work taking place across our Trusts in relation to the National Staff Survey. We expect these will be published later this week and I want to recognise the work taking place across organisations to listen to staff and improve staff experience. Last year more than 45% of staff participated across our system so this is a great opportunity to listen to our staff and act on their feedback.

5. Feedback Fortnight

- 5.1 Our children and young people's team is leading a 'feedback fortnight' alongside partners across the region. Through a series of face-to-face sessions at family hubs and community and hospital clinics, the events will seek feedback from children and young people on how they find access to services, and their satisfaction levels with care, waiting times and information provided. The roadshow is accompanied by an online survey, and parents and carers are also being encouraged to feed in their views.
- 5.2 It is great to see this kind of initiative taking place, to gain a better understanding of experiences and support future service design, and it is absolutely the right thing to do in terms of improving services using the expertise of the people that are experiencing them firsthand.

6. Staffing updates

- 6.1 At the end of February, David Levy stepped down from his role as Medical Director at the ICB.
- 6.2 David led our medical directorate since 2022, and last summer NHS England asked him to independently lead a national review of adult gender services in addition to his role. At the same time, as an ICB it is important to take decisive action in response to being placed in the National Recovery Support Programme, and a large part of our journey will require significant transformation of clinical services.
- 6.3 David concluded that it is no longer possible to simultaneously lead both the national review and drive the clinical transformation needed across the ICB and he has therefore taken the decision to step away from his ICB role in order to complete the national review.
- 6.4 On behalf of the board, I would like to thank David for his hard work and invaluable contributions over the past two years as his experience and seasoned clinical judgement have provided real support in improvements to our clinical services.

- 6.5 Our Associate Medical Director for Transformation, Mr Andy Curran, has kindly agreed to step into the role until the end of March. During this time, an internal selection process will take place to fill the role on a six-month interim basis to ensure that we maintain strong clinical leadership during this period of change. Andy will work closely with the executive team and take on the Medical Director responsibilities throughout March, including attendance at board and committee meetings.
- 6.6 David's other responsibilities for the ICB included being the Caldicott Guardian, which will now be taken on by Sarah O'Brien, and being the Freedom to Speak up lead, which now passes to Asim Patel for an interim period whilst the recruitment process for the medical director is carried out.
- 6.7 Dr Neil Hartley-Smith was recently announced as the new Chief Medical Officer for Blackpool Teaching Hospitals. I am sure that Neil will be a great addition to the leadership team and his commitment to improving services, along with his real community approach will help to support the transformation and collaboration we need to improve health and care for our population. Neil will therefore be stepping down from his role as place-based clinical and care professional lead for Blackpool.
- 6.8 Finally, our Chief Finance Officer and Deputy CEO, Sam Proffitt, will retire in August. This timeline has always been part of Sam's plan, so although she will be missed, we fully support her decision. Sam remains committed to the ICB between now and her retirement. She has done an amazing job under difficult circumstances, and her contributions to the ICB over the last few years have been invaluable.

7. Conclusion

- 7.1 I believe as a system we have positive opportunities to improve – however we must work in collaboration with a focus on delivering our plans for 2025/26 early in the new financial year in order to achieve our aims of being a sustainable health and care system. We must keep our focus on doing what is right for our health and care system and the population – which begins by recovering our financial position in order to deliver a shift towards a more community-focused model of care, ultimately preventing people from needing urgent and emergency care, reducing demand on our services, and supporting people at home and in the community. This is in the best interests of our staff, patients and residents of Lancashire and South Cumbria.

8. Recommendations

- 8.1 The Board is requested to note the contents of the report.

Kevin Lavery

10 March 2025