

Stakeholder brief – NHS Transformation

The NHS in Leicester, Leicestershire and Rutland (LLR) is built on a strong foundation of partnership working, helping us make the most of available budgets to deliver high-quality care for our communities.

During the last financial year, we worked together as a system to deliver a challenging joint financial plan. Despite the difficulty, the system saved £150 million by improving the efficiency of how services are delivered.

However, the financial challenge continues — both locally and nationally. Demand for health and care services is rising, and the pressure to deliver savings this year is even greater. It is clear that we must live within our means and stay within budget. For LLR, our budget is £2 billion this means that we need to make savings of around £190 million.

National and local changes announced earlier this year have added further pressure. These include organisational restructures that are impacting staff, with the ICB in LLR required to reduce its running costs by up to 33%. NHS Trusts have also been given targets to reduce workforce growth, particularly in non-clinical/non-patient-facing areas roles and there has been a pause on recruitment to some vacancies in these areas.

Health and care partners across LLR are tackling these challenges head-on. Everyone working in our system remains committed to delivering the high-quality care our communities expect and deserve. We are focused on making every pound count — but the scale of the challenge means we will need to make difficult choices about how services are delivered or potentially stopped.

We will need to work closely with our partners — including councils, voluntary sector organisations, patients and the public, to become more efficient and make the changes needed to meet our financial targets. By working together as a system, we can make the changes needed to succeed.

We know there are three key areas to focus on:

- **Recruitment and staffing** – Prioritising the most critical, patient-facing roles, and reducing bank and agency spend, whilst maintaining our strong focus on putting patient safety first.
- **Tackling inefficiencies** – including inefficient processes to delivering care that doesn't meet patients' needs. We can all help by improving how we work and making sure we are delivering the right care in the right way.
- **Redesigning services** – We need to make sure we are using our budgets to fund the services our population most needs. That may mean changing or potentially

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stopping some established services and rethinking how to deliver better outcomes for patients.

As well as focusing on these areas, we are contributing to the development of the national 10-Year Health Plan, which aims to transform healthcare delivery by emphasising prevention, enhancing community-based care, and embracing digital technologies. Our local shorter-term operational plans will be developed alongside this to ensure we are aligned nationally while responding to local needs.

If you'd like to discuss anything in more detail, please do get in touch. We will continue to keep you informed through our usual channels.

To help support conversations with your constituents, teams, or communities, we've also **included a short briefing on the organisational changes to the NHS.**

Best wishes



Caroline Trevithick
CEO, LLR Integrated Care Board



Paula Clark
Chair, LLR Integrated Care Board

NHS transformation – briefing

National overview

The government announced during March that over the next two years, NHS England (NHSE) will be formally integrated into the Department of Health & Social Care (DHSC). The announcement also included that running costs of Integrated Care Boards (ICBs) will be reduced nationally by around 50%. There is also an ask to all NHS providers to focus on productivity and deliver value.

The new Chief Executive Officer of NHS England, Jim Mackey, wrote to the NHS to share further information on the transformation plans, including the future plans for Integrated Care Boards (ICBs) which can be read in full [here](#). A model for ICBs has now been shared to support executive teams to put in place next steps to support the changes – the full details can be found below.

The role of the ICB – what will it look like?

There are 42 ICBs across the country which are responsible for planning health services for their local populations. ICBs manage the NHS budget, allocate resource, and oversee the delivery of healthcare services to improve outcomes. The Leicester, Leicestershire and Rutland Integrated Care Board (LLR ICB) is the ICB for this region.

The national [10 Year Health Plan](#) sets out a leaner and simpler way of working, where every part of the NHS is clear on its purpose, what it is accountable for, and to whom. The 10 Year Health Plan will be published later this year and will include more detail on the wider system architecture and clarify the role and accountabilities of trusts, systems, and the centre of the NHS.

The new model for ICBs focusses on strategic commissioning to support the delivery of the 10 Year Health Plan to:

- Increase population health
- Improve access to more consistently high-quality care
- Help deliver strategies that move more funding and support out of hospitals and into local services.
- Reduce inequalities and work with people who use services and communities to develop strategies to improve and tackle inequalities

The model asks for ICBs to cluster where necessary in order to reduce running costs by up to 50%. The aim is to reduce duplication, improve efficiencies and support collaboration between health and care organisations. ICBs will be funded based on a per-head population cost, around £18 per head, as part of the transformation.

These changes will mean that some work the ICB does at the moment will move to providers of services, local authorities or other parts of the NHS, subject to legislation changes.

To make these changes, staff working in the ICB will need to be supported through a management of change and the national timeframe for this is planned to be worked through and delivered by the end of the calendar year.

What does this mean for LLR?

The ICB executive team is working closely with colleagues across the East Midlands to consider the next steps. Discussions so far have focused on the future ICB model, the significant savings required based on per-head population costs, and the potential development of a cluster model as a planning assumption. In LLR, running costs will need to be reduced by 30 per cent.

Details around the emerging clusters across the East Midlands are still being worked through. As these are finalised, the national team will confirm the final cluster alignments.

There is still a significant amount of work to do to fully understand and implement the changes needed to deliver the ambition of the national transformation plan. To support this, weekly meetings are taking place at national, regional, and local levels to ensure progress is made at pace and with alignment across the system.

What does this mean for patients?

The changes will not impact patients' access to the NHS - it will still be free at the point of use.

The national changes being made are about who makes decisions and who spends the money.

In the long term, the NHS may look different - but patients going to see their GP or going into hospital will see little difference and any changes made to services will involve people.

Latest updates

We will continue to keep you updated through our stakeholder updates – Five for Friday. If you have any questions, please get in touch via llricb-llr.corporatecomms@nhs.net

More information

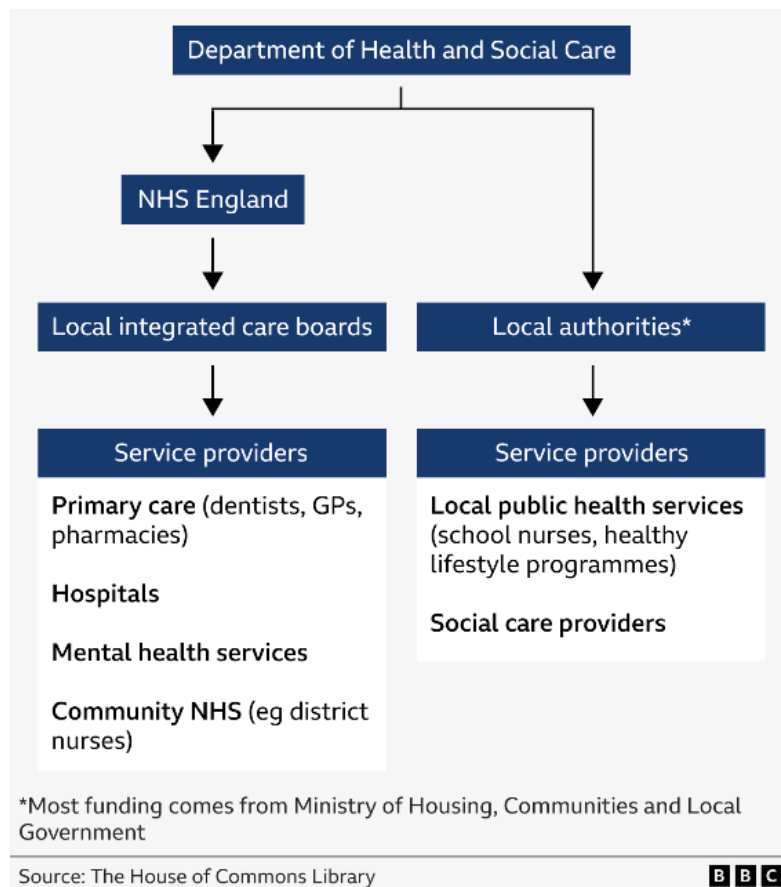
BBC – [What does NHS England do?](#)

NHS Confederation – [NHS Changes – all you need to know](#)

Kings Fund – [The reshaping of NHS Bodies](#)

For more information about [Leicester, Leicestershire and Rutland ICB](#)

How the NHS is funded



Model ICB

