

Operating framework for NHS England

Introduction

On 12 October NHS England (NHSE) published its **new operating framework**. This briefing summarises the content of the framework and includes NHS Providers' view. During the development phase of the framework we have worked closely with NHSE to provide feedback and facilitate conversations with our members. We will continue to do so throughout the framework's implementation. To share your views or for any questions you may have, please contact Mariya Stamenova (policy advisor for regulation) on mariya.stamenova@nhsproviders.org.

Overview of contents

NHS England's new operating framework sets out how the NHS will operate in the new statutory framework created by the Health and Care Act 2022. It reflects the formal establishment of integrated care systems (ICSs) in July this year and the need to change the way NHS England works and behaves in this new system architecture. It also reflects the needs of an expanding organisation, which will bring NHSE together with Health Education England (HEE) and NHS Digital.

This new operating framework (previously referred to as the 'operating model') has four core foundations, which define NHSE's:

- Purpose
- Areas of value
- Leadership behaviours and accountabilities
- Medium-term priorities and long-term aims

The development of these core foundations began in 2021 and has involved a series of engagement and co-production sessions, including with provider and ICB leaders, local government and other partners. The operating framework is now entering its implementation phase, which will focus on embedding these new ways of working and refining as needed.

NHSE's purpose

NHSE's purpose is defined as *"To lead the NHS in England to deliver high-quality services for all."*

NHSE aims to achieve this by:

- enabling local systems and providers to improve the health of their people and patients and reduce health inequalities
- making the NHS a great place to work, where people can make a difference and achieve their potential
- working collaboratively to ensure the healthcare workforce has the right knowledge, skills, values and behaviours to deliver accessible, compassionate care
- optimising the use of digital technology, research and innovation, and
- delivering value for money

NHSE's added value

NHSE will focus its activities around eight key areas where it is uniquely placed to add value:

- 1) **Setting direction**
- 2) **Allocating resources**
- 3) **Ensuring accountability**
- 4) **Supporting and developing people** (including role modelling culture and behaviours, establishing a "leadership culture", and creating the conditions for an inclusive and diverse NHS)
- 5) **Mobilising expert networks**
- 6) **Enabling improvement**
- 7) **Delivering services** (meaning driving the digital agenda, running centralised procurement, and commissioning some services)
- 8) **Driving transformation**

Changes in the way NHSE works

While many of the formal powers and accountabilities that NHSE has held historically will remain broadly the same, the organisation has committed to changing **how** it will deliver these – via a cultural reset and behavioural shift.

The operating framework details a set of leadership behaviours which NHSE has committed to, in order to deliver its purpose in the context of system-working. These are aligned to 6 key values linked to the NHS Constitution:

- Working to improve lives
- Being inclusive and collaborative
- Working as one team
- Getting things done
- Learning and improving
- Compassion and respect

In its approach to system working, NHSE has committed to the following:

- **Proportionate and streamlined** approach to oversight and performance management between integrated care boards (ICBs) and NHS England, using the System Oversight Framework (SOF), to avoid duplication and reduce unnecessary bureaucracy
- **Devolved** approach, whereby the primary relationship with NHS England for both ICBs and their partner NHS providers will be through the relevant regional team. The arrangements between regional teams, ICBs and providers will be set out in Memoranda of Understanding.
- **'No surprises'** approach and mature, respectful and collegiate relationships between NHS England, ICBs and providers, underpinned by effective lines of communication.
- **ICB annual assessments** that NHS England has a duty to complete, with the first on due to be completed in Q1 of 2023/24.

Accountabilities and responsibilities

The operating framework sets out the accountabilities and responsibilities of providers, ICBs and NHS England in light of the changes in legislation and the shift to system working. Some of the key elements of these are included below.

NHS providers will:

- retain their statutory responsibilities for the delivery of safe, effective, efficient, high-quality services
- continue to comply with the provider licence, Care Quality Commission (CQC) standards and NHS planning guidance requirements
- contribute to effective system working via ICS strategies and plans
- remain accountable to people, communities, services users, board of governors and ICS partners

- be accountable to ICBs for 'business as usual' delivery of services and performance, and for their agreed contribution to the system strategy and plan
- be accountable to NHSE as regulator by escalation/ exception or agreement with ICB
- deliver some of these accountabilities and responsibilities with the support of provider collaboratives

Integrated Care Boards will:

- provide effective system leadership and oversee delivery of system strategies, plans and Long Term Plan priorities
- commission and manage contracts, delegation and partnership agreements
- ensure delivery of the ICB core statutory functions
- oversee the budget for NHS services in their system
- be accountable to NHS England, via Regional Directors and to NHSE as a regulator, directly
- be accountable to CQC for leadership, quality, safety and integration of services, as part of ICS (not as individual organisations)
- provide first line oversight of health providers across the ICS to oversee performance and contribution to overarching plans; coordinate/help tailor any support for providers

NHS England will:

- agree the mandate for the NHS with government and secure required resources
- contribute to effective system working and delivery on a national and regional level
- foster relationship and alignment with government and be "stewards of the NHS"
- shape and set national policy, strategy and priorities, and support systems and providers to achieve these – including via statutory intervention
- remain accountable to Parliament, via the Secretary of State
- oversee ICBs' delivery of plans and performance
- directly oversee providers' delivery by exception and "generally in agreement" with ICBs
- lead on support for organisations in SOF segmentation three and four
- work jointly with other regulators including CQC

The framework includes two illustrative examples showing how activities may change as a result of the new approach. These are intended to demonstrate how, while formal powers and accountabilities remain the same, the way in which they are implemented will change.

- One example is the role of foundation trust governors in appointing a chair: under the new framework NHSE says the appointment process should “consistently seek the views and input of relevant partners, such as ICB leaders”.
- In the other example, NHSE sets out how it and ICBs will work on provider segmentation under the SOF. ICBs will lead on oversight and work with NHSE’s regional teams where providers are in segment 3. NHSE will lead on support and intervention for trusts in segment 4.

NHSE’s transformational priorities

NHSE has set out to deliver on five transformational priorities for the next 3-5 years. This focus on interim objectives is intended to help NHSE frame and achieve its long-term goals, as well as to more effectively address the challenges of today.

These priorities are as follows:

1. **STOP** avoidable illness & intervene early
2. **SHIFT** to digital and community
3. **SHARE** the best
4. **STRENGTHEN** the hands of the people we serve
5. **SUPPORT** our local partners

Next steps

NHSE says it must embed these ways of working into all its activities and interactions, and has identified the following objectives for its change programme:

1. **Doing what only we can do and focusing on how we deliver value**
2. **Adding value at the right place**
3. **Providing a single voice and clearer interactions with the system**
4. **Adapting ourselves to support the development of ICSs**
5. **A simpler and better coordinated organisation**
6. **Integrating the wisdom of frontline services in everything we do**

NHSE will formally merge with HEE and NHS Digital on 1 April 2023, although work on organisational design will continue into 2023/24.

An organisational development and transformation programme will be established, recognising that changes to ways of working will take time.

NHS Providers view

This long-awaited new operating framework signals a clear shift in mindset and approach for NHS England. With the new legislation in place, the formal establishment of integrated care systems in July, and evolving approaches from regulators, it should bring much-needed clarity to how the NHS will function.

During the development phase of this new framework we have facilitated engagement with our members and provided direct feedback to NHSE. We are pleased to see that many of the views we and our members shared have been taken on board.

The operating framework clarifies the respective roles and accountabilities of providers, ICBs and the NHSE national and regional teams. Trust leaders have previously flagged the potential for duplication of function, contradictory messaging, blurred boundaries of accountability, and increased bureaucracy in support, oversight and performance management. This clarity is, therefore, much welcome. We welcome the emphasis on NHSE doing what it is best placed to do, while supporting and empowering the rest of the system.

The framework understandably focuses on the role of the ICB as an executive function over ICSs and integrated care partnerships, given ICB's roles in commissioning, budget-holding, oversight and performance management. However, there is a risk that the other elements of system working – particularly with partners from outside the NHS, and the checks and balances built into ICSs – could be overlooked. This would result in many of the main opportunities of system working, particularly those related to the wider determinants of health and the interface with social care, being lost. It will be important that the future application and evaluation of the framework accounts for the contribution of the whole ICS to the delivery of system priorities.

The document makes a helpful reference to the value that provider collaboratives can bring to system working. We are encouraged to see that the statutory functions of providers and their accountability for the delivery of safe and effective services have been separated out from the non-statutory, supportive and enabling role that collaboratives can play in service delivery.

We note that the document refers to a shift in approach in relation to the accountability and powers of foundation trust governors to appoint the trust's chair. It should be emphasised that the role of governors in such appointments has not changed under the 2022 Health and Care Act, and that consistently seeking input from relevant partners, such as ICBs, is therefore not required under the law. It is important that guidance such as this reflects the need for governance to run in accordance with statute.

Finally, NHSE's framework shows a defined commitment to cultural and behavioural shift, which could helpfully re-emphasise subsidiarity as an organising principle in how the NHS works, and establish a constructive and respectful relationship with the provider sector. The specific references to proportionality, devolution and a 'no surprises' relationship is a welcome, positive signal – as is the acknowledgement of the "wisdom of frontline services". The key remains in NHSE's ability to live up to these commitments and to consciously apply the principles of collaboration and co-production in its day to day working with the rest of the system, and in any further refinement of its approach.

We look forward to being part of the ongoing collaborative evaluation of the framework, and to help facilitate and reflect the voice of providers on how it is being applied.

Contact info section

For any questions regarding this briefing, or to share your feedback on the framework, please contact Mariya Stamenova, policy advisor for regulation (mariya.stamenova@nhsproviders.org).