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# An Independent Review of Integrated Care Systems – The Hewitt Review

Rt Hon Patricia Hewitt

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Briefing Document prepared by Newmarket Strategy

*“Unless we transform our model of health and care, as a nation we will not achieve the health and wellbeing we want for all our communities” - Rt Hon Patricia Hewitt*

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## Background

During the Autumn Statement in November 2022, the Chancellor of the Exchequer, Jeremy Hunt MP, announced an independent review to consider the oversight and governance of Integrated Care Systems (ICSs). Rt Hon Patricia Hewitt was appointed by the Secretary of State for Health and Social Care, Steve Barclay, to lead this review, which was finally published on the 4<sup>th</sup> April 2023. The 89-page report makes 36 recommendations and has had the input of over a thousand leaders from across systems, local government, NHS trusts, social care providers, academics and other stakeholders.

This briefing note summarises the four key areas of recommendations that the report lays out:

1. Shifting the focus from treating illness to promoting health
2. Delivering on the promise of ICSs
3. Unlocking the potential of primary and social care and their workforce
4. Resetting the approach to finance to embed change

## Overview

### 1. Shifting the focus from treating illness to promoting health

The review states the importance of enabling a “*shift to **upstream investment in preventative services and interventions***”. It argues that waiting until current pressures have died down before focusing on long-term sustainability of the health and care system is not viable, as there will always be immediate pressures on the health system. The Department for Health and Social Care (DHSC) and NHS England (NHSE) are, therefore, advised to shift their focus from the treatment of illnesses to “*prevention, proactive population health management and tackling health inequalities*”.

Recommendations include increased funding, notably by establishing a baseline of how much ICSs spend on prevention, and systematically **increasing the total proportion of**

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**NHS spend by at least 1% over the next five years.** To do this there would need to be increased collaboration across the NHS, social care and government, through more partnerships and the creation of a **national mission for health improvement**.

There is however, a consistent theme that the NHS and government should not just look internally, when considering how to improve population health. As an example, Hewitt argues that **all new functions on the NHS App should become open source**, to allow innovators to easily develop solutions that can support different population groups.

## **2. Delivering on the promise of ICSs**

According to the review, a faster and more considerable **shift of accountability and decision-making from the centre to individual ICSs** is essential. Although ICSs should theoretically be able to make their own decisions and agree local priorities, many are driven largely by targets set in the [NHS Operating Plan](#).

The review recommends for national and regional organisations to set a **“clear pathway towards Integrated Care Board (ICB) maturity”** whereby those that are deemed to be performing well are given more space and freedom to ‘lead’. Recommendations also include **reducing the number of national NHS targets** to a maximum of 10 (down from 133 in 22/23) and **increasing data transparency and flow** between systems and national bodies to allow more effective integration.

## **3. Unlocking the potential of primary and social care and their workforce**

The report suggests that to enable integration and collaboration, **barriers need to be pulled down**. In primary care, for example, Hewitt argues for reform of primary care contracts to allow GP practices to work in innovative and transformative ways, freed from inflexible regulations.

Hewitt also calls for a **strategy for the social care workforce** that is complementary to the NHS workforce plan, while **making social care a national priority** for investment and workforce development – including making it easier for health staff to move into social care and vice versa.

Whilst ICBs are currently tasked with reducing headcounts Hewitt argues for a rethink of this policy, and instead argues for greater investment in some staff groups. As an example, for ICSs to achieve digital maturity, they need the **funding and support to recruit more skilled professionals**, in fields such as data science, cyber security, and analytics. The focus on improving use of data is a recurrent theme throughout, with Hewitt citing it as being key to reducing inequalities and moving to more proactive and preventative models of care.

## **4. Resetting our approach to finance to embed change**

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The report advocates for a **focus on creation of health value** rather than simply looking at costs. NHS funding is over-focused on treatment of illness or injury rather than prevention and is therefore not creating the best health value that it could from current investment. Part of the challenge around this is that many funding sources that the NHS relies on, such as winter pressure funding allocations that are routinely handed down in October or November each year, are non-recurrent. The report argues strongly for fewer funding pots and for **ICs to be awarded funding recurrently to allow them to plan with certainty and invest in interventions** that may have a longer lead time but deliver greater benefits.

The report, therefore, recommends that national bodies together with ICs **identify the most effective payment models** to incentivise and enable better outcomes and look to move to local **population-based budgets** wherever possible.

Finally, the review states that a **cross-government review of the entire NHS capital regime** is needed and that **funding settlements for the NHS, social care and public health should be aligned** so that these services can be integrated.

## Stakeholder responses

*“I commissioned Patricia Hewitt to do this review in the Autumn Statement. She is absolutely right to say the NHS should scrap most national targets and move its focus to preventative care. If that now happens it will have a profound and positive impact.”*  
– **Jeremy Hunt MP, Chancellor of the Exchequer**

*“The focus on prevention is crucial for long term sustainability of both the NHS and more broadly to increase health and wellbeing of the population, and something for which we have long been advocating. Through our ICS Network and its members, we look forward to continuing to help enable joint working between ICS leaders as recommended in the review and ensuring that ICs can work closely with social care providers. We hope to see the government endorse and accept all of these recommendations, which are vital to the health and care system being able to meet the challenges and opportunities ahead.”* – **Matthew Taylor, Chief Executive of the NHS Confederation**

## Newmarket Commentary

Whilst unlikely that all of the 36 recommendations are taken forward by the government or NHS England, there are a number of key points that are likely to resonate and form part of national strategy.

The focus on **prevention and population health** is an approach supported across the political spectrum and is likely to be a major policy driver. This is consistent with national policies in areas such as **as remote monitoring and virtual wards** which aim to identify those most at risk, supporting them to stay well and out of hospital. In the short, medium and long term, physical and human capacity will be a major constraining factor for the

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NHS, and thus investment in anticipatory care at a national and local level becomes an absolute imperative. Whilst increasing the proportion of ICS spend on prevention by 1% may sound unambitious, it equates to **more than £1bn per year** and could present significant opportunities for growth in areas such as **digital health and preventative medicine**.

Better use of data will be critical, and this remains an area that ICSs have consistently struggled with. Although **the NHS is one of the best health systems in the world for collecting data, it consistently under-exploits the potential** it has for driving change. Historic underinvestment in data analytics, modelling and technology, means that the NHS is likely to need greater support from MedTech firms to make a step-change in this area.

The Chancellor has been an evangelist for reducing national targets and replacing them with an inspection framework via the CQC. The Health Secretary and DHSC are perhaps more cautious on this, and as they continue to feel the full weight of public pressure around waiting times and access standards, they will be far more reluctant to sanction anything which distracts NHS leaders from the task of recovering them. **Proposals to ring fence budgets for prevention would be a further challenge in the near term to the recovery of electives, emergency care and cancer pathway standards.**

Meanwhile, the proposed changes to payment and accounting rules would be a challenge to both short term operational priorities and to long held norms at HM Treasury. Much of the review serves as a thoughtful blueprint for a better future, rather than a practical plan which will enjoy consensus in the shorter term. Nonetheless, **there is support across Whitehall and much of the NHS for giving local ICBs a narrower focus on the absolute key performance areas and ensuring data and accountability around those.** These will undoubtedly influence the time and resource prioritisation of local systems and NHS partners will need to respond to these dynamics.

However, the consistent feedback we receive from clients is that **ICSs can be incredibly challenging to engage**. The number of constituent parts that form ICSs (ICBs, ICPs, Provider Collaboratives, Places etc) can make it difficult to know where decisions are made, and how to break through. Given that ICBs have been asked to reduce their headcount by 30% over the next 18 months, there is a material risk that systems become ever more inward facing rather than engage with the market.

## **How we can help**

Our team have extensive experience in working with ICSs, and **we have a deep understanding on how to navigate their complexity**. We are happy to advise on strategic approach, who the likely buyers and decision makers will be and how to develop successful partnerships. **If you would be interested in having further discussions on how to work with ICSs and what support we can offer in this area, please contact [david.reith@newmarket-strategy.com](mailto:david.reith@newmarket-strategy.com)**