

## North West London Joint Health Overview Scrutiny Committee - 17 July 2025

<b>Report Title:</b>	Reconfiguration of the ICB and implications on services
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<b>Purpose</b> To provide committee members with an update on the reconfiguration of the ICB and potential implications on services.	
<b>Detail</b> <u>Background/Context:</u>  In March 2025, NHS England announced that that ICBs would face approximately <b>50% in cost reductions</b> in the 2025/26 financial year in order to refocus resource on frontline care as part of the 10 Year Health Plan. This paper seeks to update the JHOSC on NHS North West London's work to respond to this, in line with NHS England's Model ICB blueprint and a strategic commissioning approach.	

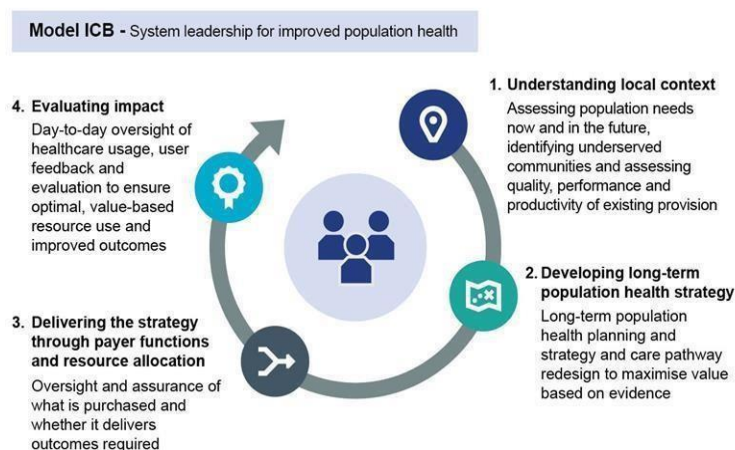
### Overview

In March 2025, NHS England announced that that Integrated Care Boards (ICBs) would face approximately 50% in cost reductions in the 2025/26 financial year, in order to refocus resource on frontline care as part of the 10 Year Health Plan. NHS Trusts were also directed to reduce spending on corporate functions to pre-pandemic levels.

The government also announced that it would be merging NHS England with the Department of Health Social Care, with similar cost reductions to the wider NHS.

This set of announcements was followed by NHS England's publication of a Model ICB Blueprint, setting out a new role for ICBs as a strategic commissioner – with the aim of assessing population needs and reducing inequalities, assessing the quality and performance of provision, developing a population health strategy, delivering the strategy, and evaluating impact.

Figure 1: A Model ICB



In May, we submitted to NHS England a draft operating model for what the organisation might look like, working within the new strategic commissioner remit and the target funding envelope of £19 per head of population budgets for each ICB, (expected to be met within this financial year.

In June we received NHS England's feedback on our Model ICB submission, which asked us develop an options appraisal on future clustering with North West and North Central London ICBs, including the option of full merger.

Our priority is to ensure that any decision is in the best interests of patients and residents in North West London, and that we become the most effective strategic commissioner that we can be.

In addition to developing as a strategic commissioner, there are many current functions undertaken by the ICB that will not be the ICB's responsibility in the future; ICBs are required to work partners to transfer responsibility for these safely over time:

To note:

- Further NHS England guidance on specific areas to build consistency and accelerate progress e.g. Safeguarding, SEND, CHC is expected by the end July.
- ICBs have been told they will continue to coordinate systems for this winter, therefore we will need to ensure that we have resilient processes in place for winter 25/26.

## Drivers for change

When ICBs were established in 2022, they were given a wide range of both commissioning and provision responsibilities.

The national view is that this wide remit, along with the requirement on ICBs to ensure systems deliver financial balance, means that ICBs have struggled to use their powers to commission to the four ICS objectives:

- Improve outcomes in population health and healthcare.
- Tackle inequalities in outcomes, experience and access.
- Enhance productivity and value for money.
- Help the NHS support broader social and economic development

The NHS needs strong commissioners who can better understand the health and care needs of their local populations, who can work with users and wider communities to develop strategies to improve health and tackle inequalities and who can contract with providers to ensure consistently high- quality and efficient care, in line with best practice.

Improving strategic commissioning will support the realisation of the national ambition on the 'three shifts' outlined in the now-published 10 Year Health Plan:

- Shifting focus towards prevention

- Hospital care towards community/neighbourhood
- Analogue to digital technology.

The Model ICB Blueprint set out expectations for functions that new ICBs are expected to invest in over time:

- Population health management
- Expertise in health inequalities and inclusion
- Commissioning neighbourhood health
- Commissioning clinical risk management and intervention
- Core commissioning (e.g. contracting, purchasing, resource allocation, etc)
- Commissioning pathways (incl. specialised services and primary care)
- Evaluation methodologies using quantitative and qualitative data
- Understanding the causes, management and prevention of illness
- Strategy and strategic planning, including service redesign
- Strategic partnerships to improve population health
- User involvement, user-led design and deliberative dialogue

It also set out expectations relating to functions that are expected to transfer out of ICBs over time, along with an indication of the likely hosts:

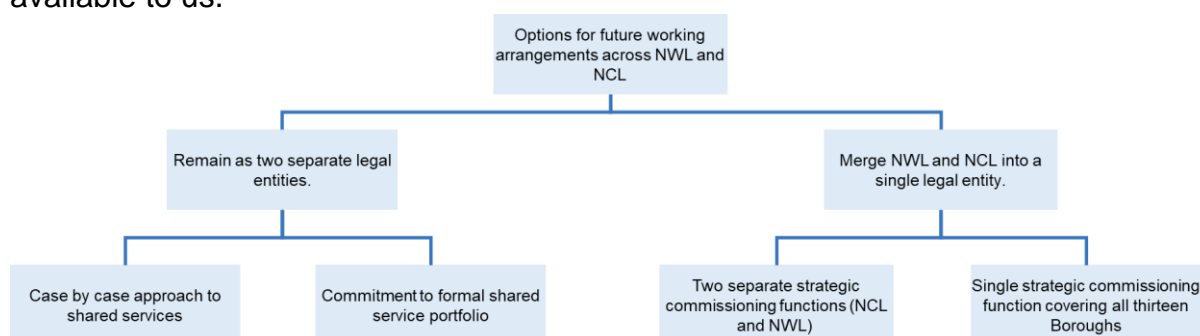
Function	Transfer to
Oversight of provider performance	Regions
Strategic workforce planning	Regions/national
Infection prevention and control	Providers
Continuing Healthcare	Providers
Service development programmes	Providers
Development of Neighbourhood Health and place-based partnerships	Neighbourhood health providers
Safeguarding	Explore options to streamline and transfer some activities out of ICBs

## The options appraisal on future organisation form

Following the feedback from NHS England, which asked us to develop an options appraisal for our future model, both NCL and NWL are working to develop these – considering the viability, benefits and risks of future design. The appraisal is being undertaken to support NHS North West London to become the best strategic commissioner for our population within the financial envelope we have available to us.

Draft options that are being assessed include:

An appraisal is being undertaken to support NHS North West London to become the best strategic commissioner for our population within the financial envelope we have available to us.



The options developed will be evaluated to provide clear recommendation to the NWL Board. The initial proposed set of criteria are set out below, and are being reviewed by the NWL executive and senior leadership teams:

1. Improving patient outcomes through effective strategic commissioning
2. Strengthening our Place and Neighbourhood arrangements to optimise outcomes
3. Retaining and attracting the best people
3. Protecting place neighbourhood, building neighbourhood health teams.
4. Resilient and cost-effective core functions
5. Time and cost of change.

The options appraisals will be discussed by the NCL and NWL Boards in public on 22 and 23 July respectively.

## Working effectively with partners to take forward the Model ICB Blueprint

Whilst the decision following the board will be an important step forward for us, the model ICB development work continues in many areas, with a particular focus on those functions/ services which will no longer be delivered by the ICB.

This includes but is not limited to the neighbourhood integrator function, CHC, Complex care and some primary care functions.

Key points for partners at this time:

1. **Co-design** - we are keen to continue to work most effectively with system partners to co-design the approach for services where responsibility for delivery is expected to transfer.
2. **Staff** - given all partners are having to restructure to some extent, we would like to work together to support staff and minimise the burden of redundancies.

#### Indicative timeline and next steps

**Now – Mid July:** Work with leadership teams and relevant stakeholders to develop options appraisal.

**Mid July – late July:** Pre-ICB Board engagement

**Late July:** NCL ICB Board in public

**Late July:** NWL ICB Board in public

#### Beyond late July:

- Work with stakeholders and partners to develop the implementation plan
- Discussions with NHS England based on Board outcomes to define next steps
- Chair and CEO appointments process
- ICB Executive team consultation
- All staff consultation

We continue to work towards 1 April 2026 as the start date for our new, reduced funding envelope.