

**REPORT TO:** Health and Social Care Policy & Performance Board

**DATE:** 23 September 2025

**REPORTING OFFICER:** NHS Director – Halton

**PORTFOLIO:** NHS

**SUBJECT:** Model ICB Update

**WARD(S):** Borough-wide

**1.0 PURPOSE OF THE REPORT**

1.1 To present the Board with an update on the Model ICB Blueprint.

**2.0 RECOMMENDATION: That the Board:**

*i)* That this report is received and noted.

**3.0 SUPPORTING INFORMATION**

3.1 On 01 April 2025, Sir Jim Mackey, Chief Executive of NHS England, wrote to all ICBs and NHS trusts to provide further detail on the Government's reform agenda for the NHS. <https://www.england.nhs.uk/long-read/working-together-in-2025-26-to-lay-the-foundations-for-reform/>

The letter highlighted the significant progress made in planning for 2025/26 and emphasised a move to a medium-term approach to planning, to be shaped by the Ten-Year Health Plan and the outcome of the Spending Review. The letter stated that ICBs will be central to future plans as strategic commissioners, playing a critical role in realising the ambitions of the Ten-Year Health Plan; however, all ICBs would be required to reduce their management (running and programme) costs by an average of 50%.

3.2 The letter outlined that in delivering the cost reductions, it will be essential to maintain some core staff, and to maintain or invest in strategic commissioning functions, building skills and capabilities in analytics, strategy, market management, and contracting. The need for ICBs to commission and develop neighbourhood health models was also set out. Additionally, NHS providers were also instructed to reduce their corporate cost growth by 50% by quarter three of 2025/26, with savings reinvested locally to enhance frontline services. The reform programme will also bring together NHS England and the Department of Health and Social Care to create a single aligned centre.

3.3 On 02 May 2025 the Draft Model ICB Blueprint version 1.0 document was shared with all ICBs (Appendix). The Blueprint outlines the future role and functions of

ICBs as strategic commissioners within the NHS. Developed collaboratively by ICB leaders and NHS England, the blueprint provides a clear direction for the evolution of ICBs, ensuring they are well-equipped to improve population health, ensure access to high-quality services, and manage health budgets effectively. It recognises the need to build strong strategic commissioning skills to improve population health and reduce inequalities and focus on the delivery of the three strategic shifts – sickness to prevention, hospital to community, analogue to digital.

- 3.4 Alongside the publication of the blueprint NHS England informed ICBs that the indicative management cost per head of the population is £18.76, and ICBs are expected to use the Model ICB Blueprint to create bottom-up plans for a new operating model for the ICB that are affordable within the reduced running cost envelope. These plans were submitted to NHS England on 30 May 2025 and are to be implemented during quarter three 2025/26 (and by December 2025), although it is possible that this timetable may slip. For NHS Cheshire and Merseyside ICB to meet this cost per head target this equates to a 31% reduction in management costs. ICBs are encouraged to expedite these changes as any in-year savings can be used on a non-recurrent basis to address in-year transition pressures or risks to delivery in wider system operational plans.
- 3.5 The ask of NHS Cheshire and Merseyside ICB this year is significant. We are required to maintain effective oversight of the delivery of the 2025/26 plans, build the foundation for neighbourhood health and manage the local changes with ICB redesign, including supporting staff through engagement and consultation. Over the coming months the ICB will be going through an organisational redesign process, which involves an organisation review throughout quarter one, implementation in quarter two and transitioning into the new ICB form in quarter three of this financial year.
- 3.6 To respond effectively to the ICB Blueprint, NHS Cheshire and Merseyside has mobilised a programme of work that will provide the necessary support structure to meet the requirements set within the document. It is a function-led approach to make sure the new form of our organisation is appropriate for delivering the future purpose of the ICB, and it is clear that a fundamental change of this nature will result in a very different structure for the organisation than what is currently in place.
- 3.7 One of the key requirements of the blueprint was to establish a Transition Committee or equivalent to have oversight of the organisational change and duties transfer. We have established the NHS Cheshire and Merseyside Reconfiguration and Transition Task and Finish Group to undertake this responsibility, and which now meets on a weekly basis.
- 3.8 A high-level programme plan has been developed based on the guidance published by NHS England, namely the key milestones that we are required to deliver on through quarters one to three of the financial year 2025/26.
- 3.9 In the coming months, NHS Cheshire and Merseyside will work to implement the new organisational structure and will keep all partners regularly updated as to progress.

#### **4.0 POLICY IMPLICATIONS**

- 4.1 As the national reforms and the new operating model are implemented during the coming period, NHS Cheshire and Merseyside will need to evolve and further develop and there will be a need to understand any potential impact on policies of all of the partner organisations within the system, including the Council.

#### **5.0 OTHER/FINANCIAL IMPLICATIONS**

- 5.1 NHS Cheshire and Merseyside works collaboratively with both statutory and non-statutory organisations serving residents and patients within Halton. As the ICB further develops partners will need to understand more fully the resourcing and financial impacts on a collective basis at Place.

#### **6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

NHS Cheshire and Merseyside ICB through One Halton Partnership arrangements supports the Council's and the Health and Wellbeing Board priorities for a Healthy Halton.

##### **6.1 Children & Young People in Halton**

NHS Cheshire and Merseyside ICB through One Halton Partnership arrangements supports the Council's Health & Wellbeing Board's priority of improving levels of early child development. One of the system thematic priorities is Start Well.

##### **6.2 Employment, Learning & Skills in Halton**

NHS Cheshire and Merseyside ICB through One Halton Partnership arrangements shares the Council's priorities for employment, learning and skills in Halton. One of the system thematic priorities is Wider Determinants which encompasses employment, education and opportunities as priorities.

##### **6.3 A Healthy Halton**

NHS Cheshire and Merseyside ICB through One Halton Partnership arrangements is a key stakeholder locally supporting the Council & Health and Wellbeing Board's priorities for supporting improved health outcomes and reducing health inequalities for Halton's population.

##### **6.4 A Safer Halton**

NHS Cheshire and Merseyside ICB through One Halton Partnership arrangements supports the Council's priorities to create a safer Halton. Health and wellbeing are pivotal characteristics of resilient communities; a whole system approach to place will intrinsically contribute to building a

safer Halton.

## **6.5 Halton's Urban Renewal**

The NHS reforms to deliver integrated ways of working and Place Based Partnerships seek to engender a whole place collaborative approach.

There is a One Halton work stream relating to assets to understand the public estate that supports delivery (in the widest sense) in Halton and work towards collaborative planning of the public estate.

It is also important to plan appropriately for healthy communities evidenced approaches to meeting the future needs of Halton's population. One Halton will link into future regeneration schemes and developments in the Borough to ensure appropriate planning and system partner involvement. There are recent examples of joint working with the delivery of a Hospital Hub in Shopping City and the development of the Town Deal for Runcorn Old Town.

## **7.0 RISK ANALYSIS**

- 7.1 This will require further work to be undertaken when the new target operating model arrangements are in place and NHS Cheshire and Merseyside understands the range of services and activity that will be delivered at scale (Cheshire & Merseyside footprint), those delivered at devolution footprint, and those delegated to place (eg: One Halton) provided by the different partners.

## **8.0 EQUALITY AND DIVERSITY ISSUES**

- 8.1 Irrespective of the model ICB blueprint changes, all services will continue to require equality impact assessments for any fundamental changes to service delivery to ensure equality and access to services is considered.

NHS Cheshire and Merseyside through the One Halton Partnership Board and its sub-committees also has membership of Halton's Third Sector organisations and will actively work alongside them to consider equality and diversity issues. Many of Halton's voluntary sector organisations exist to support vulnerable, disadvantaged or disenfranchised cohorts of the community and have a reach often beyond public service delivery

## **9.0 CLIMATE CHANGE IMPLICATIONS**

- 9.1 This report is for information only, therefore there are no environmental or climate implications as a result of this report.