



**HEALTH AND WELLBEING BOARD: 29 MAY 2025**  
**REPORT OF LEICESTER, LEICESTERSHIRE AND RUTLAND**  
**INTEGRATED CARE BOARD**  
**NHS TRANSFORMATION UPDATE**

**Purpose of report**

1. The purpose of this report is to provide the Board with an update on changes to NHS structures which are taking place.
2. The aim is to make the Board aware of the of the current situation and the 'knowns' related to the transformation, including local implications.

**Recommendation**

3. The Board is asked to note the information provided in the report.

**Background**

4. The government announced during March 2025 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 by around 50%. There is also an ask to all NHS providers to focus on productivity and deliver value.
5. The new Chief Executive Officer of NHSE, 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:  
<https://www.england.nhs.uk/long-read/working-together-in-2025-26-to-lay-the-foundations-for-reform/>
6. 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 are attached below.

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

7. There are 42 ICBs across the country which are responsible for planning health services for their local population. 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 is the ICB for this region.
8. The national [10 Year Health Plan](https://www.england.nhs.uk/long-term-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. <https://www.england.nhs.uk/long-term-plan/> 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.
9. The new model for ICBs focusses on strategic commissioning to support the delivery of the 10 year plan by:
  - 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.
10. 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.
11. 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.
12. 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**

13. 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.

14. 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.
15. 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?**

16. The changes will not impact anyone's access to the NHS - it will still be free at the point of use and cover all the services it does already.
17. The biggest changes are about who makes decisions and who spends the money.
18. In the long term, the NHS may look different - but patients going to see their GP or going into hospital will see little visible difference.

### **Latest updates**

19. We will continue to keep you updated through our stakeholder updates – Five for Friday. If you have any questions, please get in touch via [llr.corporatecomms@nhs.net](mailto:llr.corporatecomms@nhs.net)

### **More information**

20. For more information see the following links:

BBC – [What does NHS England do?](#)

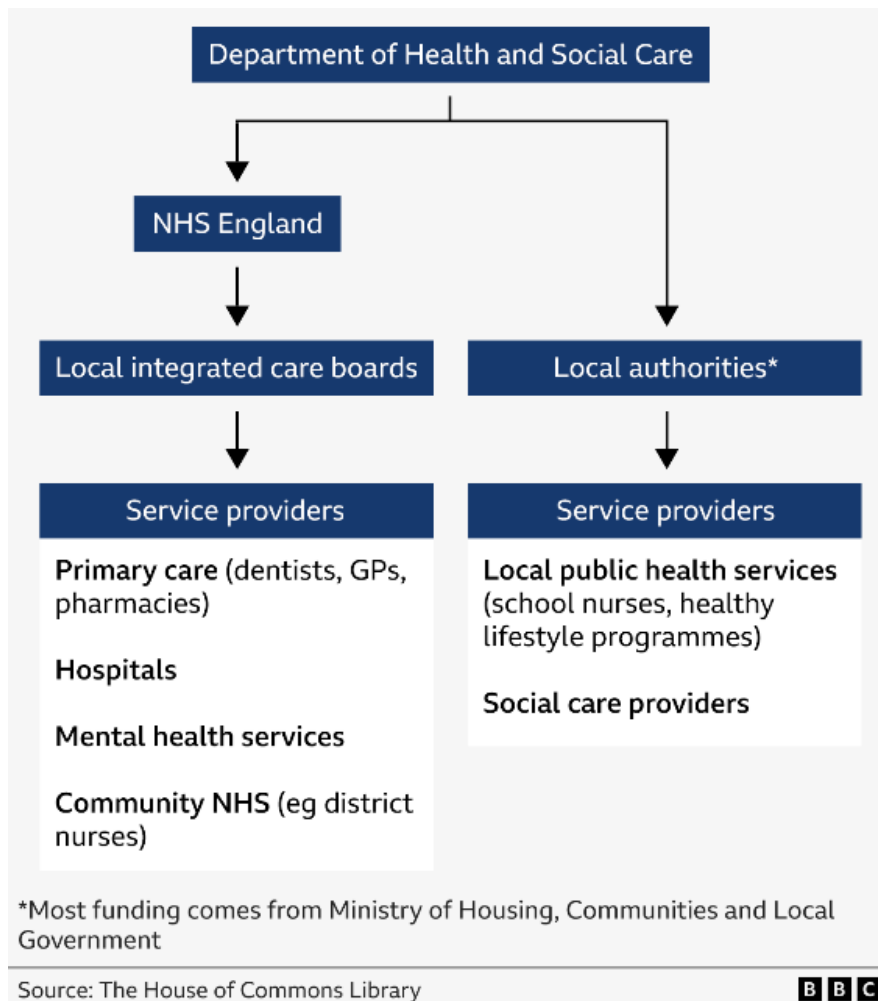
NHS Confederation – [NHS Changes – all you need to know](#)

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

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

### **How the NHS is funded**

21. The following diagram demonstrates the flow of funding for the NHS and health services:



**Background papers**

<https://www.digitalhealth.net/wp-content/uploads/2025/05/Model-Integrated-Care-Board-%E2%80%93-Blueprint-v1.0.pdf>

**Appendices –**

Appendix A - Model Integrated care blueprint

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