Item: 12

REPORT CLASSIFICATION	✓	CATEGORY OF PAPER	✓
Official	✓	Proposes specific action	
Official: Sensitive Commercial		Provides assurance	✓
Official: Sensitive Personal		For information only	

BOARD 27 JANUARY 2026	
Report Title:	**NENC ICB Medium Term Planning Update**

Purpose of report

To provide the Board with a Medium-Term Planning update for the Integrated Care Board (ICB) and Integrated Care System (ICS) including an overview of the first submission on 17 December 2025.

Key points

- The Board previously received a medium-term planning update which set out the requirements for the ICB and Trusts to produce and submit separate credible, integrated five-year plans to demonstrate how financial sustainability will be secured over the medium term. These will need to be refreshed annually.
- The ICB commenced its planning processes in September 2025 with a medium-term planning launch workshop which is supported by ICB and ICS planning infrastructure and governance.
- The Board approved the ICB's outlined strategic commissioning intentions on 25 November 2025, and these are published on the ICB internet page.
- Regular updates have been provided to the Executive Committee and Finance, Performance and Investment Committee (FPIC) with a dedicated Non-Executive Director session ahead of the first national submission on 17 December 2025.
- For first submission on 17 December 2025, the ICB and each Trust was required to submit two-year finance, workforce and performance plans. The ICB workforce submission is for primary care and non-Foundation Trust mental health workforce only.
- For full submission on 12 February 2026, three-year plans are required which also included four-year capital plans and for the ICB, a five-year strategic commissioning plan.
- The ICB Board will receive the full set of ICB plans for review and consideration in an extraordinary ICB Board on the 12 February 2026.
- During the week commencing the 5 January 2026 dedicated ICB and FT plan review meetings were undertaken with those providers identified as having the most challenge to deliver a balanced, triangulated plan. These meetings included the CEOs with support from organisational Planning and Finance leads.
- The ICB submitted a compliant financial position and seven of the eleven Foundation Trusts submitted a break-even plan. Four organisations could not submit financial balance at this stage. These were The Newcastle Upon Tyne Hospitals (NUTH), County Durham and Darlington (CDDFT),

North Cumbria Integrated Care (NCIC) and South Tees Hospitals (STEES) NHS Foundation Trusts. The level of cost improvement within plans is set at around 5-7% for most organisations.

- The ICB submitted a performance plan that was broadly not compliant other than for mental health, learning disabilities and autism. Due to the requirement to submit separate plans, there is also alignment issues between the ICB and Trust submissions for key performance metrics such as referral to treatment (RTT) and cancer. A high-level summary across the key performance domains:
  - Elective, diagnostics and cancer: not compliant at first submission stage for the ICB with variation at Trust level
  - Primary and community care: Compliant for all metrics except for 52-week waiters for children and young people (CYP) in community services.
  - Urgent and emergency care (trust submissions): Compliant for all metrics at NENC trust aggregate level.
  - Mental health, learning disabilities and autism: Compliant for all metrics except Individual Placement Support (IPS). The ambition is to be compliant for this in year three.

- A key component of the submissions relates to board assurance. NHS England require all boards to complete a set of board assurance statements for first and full submission. For first submission, there was an acceptance that the level of board engagement and confidence will be evolving over the planning period. For first submission, assurance is based on engagement rather than assuring the plans themselves. The ICB submitted a position that showed a growing level of maturity across the 16 assurance statements with one fully embedded (approach to risk) and seven maturing. A full schedule of the board assurance submission is included below.

- In response to first submissions, NHS England produced a set of strategic and operational key lines of enquiry (KLOEs) to the ICB and each Trust. We are not required to respond formally to NHS England on these KLOEs. We have reflected and responded to each KLOE and will be working through the implications of each KLOE ahead of full submission.

- NHS England held dedicated informal plan review meetings with the ICB and each Trust on the 14 and 15 January 2026 to discuss the outcome of the first submission on 17 December 2025. The Chair and CEO of each organisation was present with members of the North East and Yorkshire NHS England regional team. Organisations are now considering the outputs of those submissions as we move to full submission.

- The NHS England regional team have now set a requirement for the ICB and each Trust to submit a weekly plan progress "flash" return which covers key finance, workforce and performance metrics.

- NHS England have announced additional funding in quarter four for identified trusts to undertake additional outpatient activity and focused funding for over 52 week waiters. This is being managed directly by regional teams with Trusts. This should improve the position for quarter four and have a positive impact on performance trajectories for those trusts involved. Draft plans did not include the anticipated benefit of this additional activity.

- On 16 January 2026, the ICB and Trusts were required to submit four-year capital plans to NHS England. An ICS submission was made which included schemes for diagnostics, elective, urgent and emergency care, community, mental health and primary care. This included the requirement for "left shift" capital investment in community and strategic primary care. For all other than primary care, the capital "pot" is held at North East and Yorkshire (NEY) level and not an ICB specific allocation. NHS England will assess all proposals across NEY with the aim to notify ICBs and Trusts on which schemes can move to next stage on, or soon after, 26 January 2026. Due to the significant challenging timescales for submission, an ICB working group was stepped up to coordinate ICB schemes which included a member of the ICS Infrastructure Board.

- As we move to full submission of plans on the 12 February 2026, additional dedicated planning updates have been scheduled for FPIC and individual ICB and Trust planning meetings are being scheduled. NHS England have signalled that the full submission on 12 February 2026 will likely not be the final submission with a further submission by exception taking place sometime in March 2026.

Risks and issues

- The timeline set out by NHS England remains incredibly ambitious and the requirements to develop 3-year operational plans and a 5-year strategic commissioning plan concurrently is a challenge. Internal ICB processes around efficiency have been put in place ahead of full submission. This ambitious timeline has been further exacerbated by the requirement to submit four-year capital bids, which require significant system wide co-ordination in support of the 'left-shift', with very little time to develop these bids in a collaborative way.

- The performance ambitions set out in the planning framework are extremely ambitious based on current performance delivery at local and national levels. The resources available to deliver additional activity alone are insufficient, without the context of the need to deliver the national ambitions. Trusts will need to deliver additional productivity and the ICB will need to put in place demand management initiatives if this is to be achieved.

- NHS England have undertaken national modelling and have set "indicative" targeted levels of diagnostic tests and waiting list sizes for each ICB based on the level of funding available. These are very ambitious given current performance. The impact of additional NHS England resources deployed in Quarter 4 is not yet fully understood as the process to allocate these is ongoing.

- ICBs are no longer required to collate and submit an ICS wide submission. Despite putting in place a headline "flash" return ahead of draft submission for the ICB to calculate ICB trajectories, Trust submissions changed significantly which has impacted on alignment. This remains a risk as we head to full submission.

- Planning guidance requires ICBs to consider moving funding in Acute contracts to close perceived gaps in funding when comparing current block contract arrangements to a restated activity x price model. A weekly block deconstruction working group continues to develop the NENC approach ahead of final plan submission, to be informed by dedicated sessions with FPIC members on 22 January 2026.

Assurances and supporting documentation

- The ICB Executive Committee agreed to implement the ICB Planning Framework in October 2024. The framework sets out an inclusive planning process which has facilitated the development of plans with engagement from ICB teams. Further enhancements to this have taken place during 2025/26 to ensure further clinically led prioritisation and efficiency planning.

- To support the planning process, a planning infrastructure was implemented which included internal ICB and external ICS governance. This includes a weekly Executive ICS reference group, weekly Chief Executive Officer group and ICS wide weekly planning update call. Support from the wider ICS was also in place via established Chief Finance Officer, Performance and Planning forums and infrastructure via the Medium-Term Financial Plan.

- Regular updates have been provided to the Finance, Performance and Investment Committee and Executive Committee. These will continue as we move to full submission.

- The ICB CEO met will all Trust CEOs ahead of the first submission and had pre-meets with identified Trusts ahead of the plan review meetings.

- The development of trajectories has been an inclusive process which considers the transformation agenda. Where appropriate, ICB teams including Local Delivery Teams have been engaged in the development and agreement of trajectories.

Recommendation/action required

The ICB Board is asked to receive the update and note the content included within the accompanying planning update slide deck.

Acronyms and abbreviations explained

NEY – North East and Yorkshire NHS England Regional Team ICS – Integrated Care System RTT – Referral to Treatment	
Sponsor/Approving Executive Director	Jacqueline Myers, Chief Strategy Officer
Date approved by Executive Director	22 January 2026
Report author	Matt Thubron, Deputy Director of Planning and Performance Phil Argent, Director of Finance (North)

Link to ICP strategy priorities	
Longer and Healthier Lives	✓
Fairer Outcomes for All	✓
Better Health and Care Services	✓
Giving Children and Young People the Best Start in Life	✓

Relevant legal/statutory issues

NHS Medium Term Planning Framework – delivering change together 2026/27 to 2028/29.

Any potential/actual conflicts of interest associated with the paper?	**Yes**		**No**	✓	**N/A**	
Equality analysis completed	**Yes**		**No**	✓ – will be completed at a later stage in the process		
If there is an expected impact on patient outcomes and/or experience, has a quality impact assessment been undertaken?	**Yes**	✓	**No**		**N/A**	

Essential considerations	
Financial implications and considerations	No, finances are a core component of the planning round and ICB teams will be working together throughout this planning round.
Contracting and Procurement	Contracting and procurement will be a core component of the planning approach for NENC.
Local Delivery Team	Local Delivery Teams continue to be engaged throughout the planning process through the strategic programme structures.
Digital implications	Digital implications are being considered as part of programme plans and throughout the planning process.
Clinical involvement	Clinical involvement is a core component of the planning round with engagement through programme structures.
Health inequalities	Not applicable at this point but as guidance is released, this will need to be considered as part of the planning process.
Patient and public involvement	Not applicable at this point but as guidance is released, this will need to be considered as part of the planning process.
Partner and/or other stakeholder engagement	Not applicable at this point but as guidance is released, this will need to be considered as part of the planning process. Existing ICB infrastructure will be used for updates and engagement in the planning process
Other resources	ICB teams will be engaged in the planning process throughout and as resource requirements develop, they will be drawn into the process and appropriate ICB governance followed.

NHS
North East and
North Cumbria

Board Assurance Statements – First Submission

Maturity Assessment Key	
1. Embedded [Full Assurance]	The action is fully integrated into normal operations. It is standardised, sustainable, and reinforced by policy, leadership, systems, and culture. Continuous improvement is an established norm, and outcomes are consistently positive.
2. Maturing	The action is becoming routine. There are documented processes, growing staff awareness, and increasing consistency across teams. Evaluation and improvement mechanisms may be in place but are not yet fully optimised.
3. Developing	Steps have been taken to introduce and implement this action. There may be informal processes, or isolated examples of good practice, but they lack consistency, coordination, or broad awareness.
4. Not Embedded [No Assurance]	There is little to no evidence that this action has started. If it has, it's ad hoc, inconsistent, or heavily reliant on individuals rather than being supported by systems or structures.

Category / Area For Assurance	Statement	Team	Response	Commentary
Foundational activities	The board has reviewed the outputs from the foundational work undertaken as part of phase one of planning.	P&P	3 - Developing	The outputs of the phase 1 preparatory actions have been completed and the ICB have received each of the Trust submissions to understand the ICS position. Support needs have been identified to support the ICS move forward to full submission.
Governance and leadership	The board can confirm strong clinical leadership is involved in the development of plans.	P&P with Medical Directorate	2 - Maturing	Clinical leadership embedded within programme and planning activities. Chief Medical Officer oversight of efficiency planning and prioritisation. Plans developed with strategic alignment to ICS Strategy and Clinical Conditions Strategic Plan. Clinical involvement will be secured in the EQIA process.
Governance and leadership	The board can confirm processes are in place to take into consideration the assessment of population needs, underserved communities and inequalities when developing plans.	P&P	3 - Developing	Existing tools and analytics are being used to develop the ICB's strategic commissioning plan. Director of Population Health Management working with P&P, Insight and Healthier and Fairer programme to ensure population health analytics is considered. Further work is required as we move to full submission.
Governance and leadership	Robust quality and equality impact assessments (QEIA) are underway or are planned to be undertaken and reviewed by the board to inform development of the organisation's plan.	P&P with Nursing Directorate	3 - Developing	ICB EQIA policy in place. Plan development aligned to EQIA process with any decommissioning or efficiency requirements to undergo EQIA.

Governance and leadership	The board is playing an active role in setting direction, reviewing drafts, and constructively challenging assumptions during the plan's development.	P&P	3 - Developing	The ICB Board receive regular planning updates and considered the draft ICB Strategic Commissioning intentions, ultimately approving them. Further sessions are planned with FPIC and the board as we move to full submission.
Governance and leadership	The board is confident that there is a data-driven and clinically-led continuous improvement approach in place. The organisation has a systematic approach to building improvement capacity and capability.	P&P	3 - Developing	We are supporting teams to use evidence and data to develop and quantify plans. Clinical involvement in ICS programmes is in place and the ICB's improvement capabilities via BOOST are in place. The ICB Research Team is working with the P&P team to embed research into the planning process. This will evolve over time.
Governance and leadership	The board can confirm the organisation has the appropriate structures to work constructively across the system and that system working is effective.	P&P	2 - Maturing	ICS and ICB planning governance stepped up November'25 and in place throughout planning process. ICS leadership provided by CEO Leadership Group. Weekly ICB Chief Officer planning group in place and weekly ICS Planning Group. Weekly finance infrastructure in place covering key financial activities. Workforce Board overseeing the development of Trust workforce plans.
Plan development	The board can confirm that the plan is evidence-based, robust and deliverable. The board is content that the phasing of the plan across three years is realistic.	P&P with Finance Directorate	3 - Developing	Only two years submitted for the first submission and there has not been enough time to fully assess the plan. Integrated planning processes have been put in place to further develop the suite of plans for full submission.
Plan development	The board can confirm that plans have been triangulated across finance, workforce and performance, ensuring each element of the plan reinforces the others, making the plan internally consistent.	P&P with Finance Directorate	3 - Developing	The ICB does not submit Trust workforce. Trusts are required to triangulate as part of their submission process. The ICB commissioned a local performance submission to aid alignment for first submission. Processes will be put in place post submission to undertake further assurances and alignment between Trust and ICB plans via ICB and ICS governance.
Productivity	The board can guarantee that the organisation is fully considering and reflecting productivity opportunities in plans. This should include those identified in national data packs as well as any local opportunities to improve productivity.	P&P with Finance Directorate	3 - Developing	The ICB have requested that all Trusts factor in the productivity opportunities within plans. This is supported by the Provider Collaborative. Further work is required for full submission.
Risk	The board can confirm that the organisation has a robust approach to risk management in place including the ability to demonstrate a comprehensive understanding of financial risk and an agreed approach to managing and mitigating risks in year.	P&P with Finance Directorate	1 - Embedded [Full Assurance]	The ICB have processes and arrangements in place to monitor and manage risks throughout the year, as reported through the Finance, Performance and Investment Committee.
NHS standard contract and commissioning	The board will ensure sufficient levels of activity are commissioned from its providers to achieve the expected performance trajectories.	Contracting and Finance Directorates	3 - Developing	The ICB is not in a position to confirm this for first submission. Contract mandates have been issued and will require further changes due to national ERF changes and the output of triangulation and alignment processes for full submission.

NHS standard contract and commissioning	The board can confirm work is underway to ensure contract values used in planning submissions are aligned across (commissioner and provider) activity and financial plans.	Contracting and Finance Directorates	3 - Developing	Contract mandates have been issued and the process agreed via DOFs, an established working group within the ICS planning infrastructure.
NHS standard contract and commissioning	The board can confirm that there is an effective process in place to manage the sign-off of contracts.	Contracting Directorate	2 - Maturing	The Chief Contracting and Procurement Officer will oversee the delivery of signed contracts. Established processes will be used to ensure contract mandates are approved in line with governance, at appropriate ICB committees, and contracts are negotiated and delivered within agreed mandate parameters.
NHS standard contract and commissioning	The board can confirm that there is a timetable in place to ensure that the board will be updated on the sign-off of contracts and any delays to signing contracts will be reviewed by the board.	Contracting Directorate	2 - Maturing	The Chief Contracting and Procurement Officer will provide updates to board, and relevant ICB committees, as appropriate on progress to deliver agreed contract mandates.
Workforce	The board can confirm the impact of the 10 Year Health Plan on the workforce is being considered in the development of plans. This includes the impact of productivity gains and how staff are deployed including the three shifts - from hospital to community, from analogue to digital, from sickness to prevention.	People and Workforce	3 - Developing	The ICB is involved in the national Neighbourhood Health programme with two ICB places accepted as wave 1 participants. The Living and Ageing Well partnership is overseeing the strategic development of Neighbourhood plans which includes how healthcare is delivered as part of the left shift including workforce. Our plans recognise embedding the three shifts is a journey, and will develop as we learn pilots, recognising the full workforce impact is challenging to determine at this stage