

Plymouth Health and Adult Social Care Overview and Scrutiny Committee

15 July 2025

ICB reorganisation and transition

We are writing to share an important update about how NHS organisations in our region will be working together more closely to improve care and outcomes for the communities we serve.

This week, we received confirmation from NHS England and government ministers that our new ‘cluster’ – covering Devon, Cornwall and the Isles of Scilly – has been formally approved.

This is part of a national move to bring together Integrated Care Boards (ICBs) into 26 clusters across England, down from the current 42.

‘Clustering’ means that, although both ICBs will continue to exist, we will work as one – with a single Board, leadership team and staffing structure.

This is ahead of a formal merger, which is expected from either April 2026 or April 2027, subject to local government reorganisation and further guidance.

In the south west, the seven current ICB will transition into three clusters as follows:

1. Devon and Cornwall and Isles of Scilly (*two ICBs*)
2. Bristol, North Somerset and South Gloucestershire (BNSSG), and Gloucestershire (*two ICBs*)
3. Somerset, Dorset, and Bath and North East Somerset, Swindon and Wiltshire (BSW) (*three ICBs*)

While there are still important details to be worked through – such as arrangements for continuing healthcare, safeguarding, and services for people with special educational needs and disabilities (SEND) – we are moving forward with purpose to ensure a smooth transition that prioritises the needs of local people.

Leadership and transition

To support this change, we will shortly begin the process to appoint a new Cluster Chair and Chief Executive.

These roles will help lead the development of our future operating model and ensure continuity and stability through this period of change.

We expect appointments to be confirmed by the end of July.

Alongside this, work is also underway to develop our structure and implementation plan in line with a national Model ICB Blueprint that was published in May.

The Blueprint outlines the core roles and functions that ICBs will be responsible for with a significantly reduced running costs budget – a 33% reduction for NHS Devon and 38% for NHS Cornwall and Isles of Scilly.

National work is also underway to clarify how the new NHS operating model will function, and we expect more information to be shared over the summer.

What this means for partners, patients and the public

While this is a change in structure, our focus remains firmly on the health and wellbeing of our population. Our commitment to high-quality, compassionate care for people in Cornwall, the Isles of Scilly and Devon is unchanged.

Our absolute priority this year is to continue providing high-quality patient care and reduce waits whether that is waits for surgery, waits for an ambulance, waits to be seen in the emergency department or waits to be discharged with hospital.

We will continue to work in partnership with local authorities, voluntary organisations, community leaders and others to ensure that services are designed and delivered around the needs of our communities – especially those who are most vulnerable or face health inequalities.

Financial position

On 30 April 2025 the Devon ICS submitted a breakeven plan to NHS England which included £53.8m of Deficit Support Funding (DSF) and a further £10.0m of regional support. Within the overall plan of breakeven, Torbay and South Devon NHS FT have a plan of £8.0m deficit and Devon ICB have a plan for £8.0m surplus.

The plan included £255.8m efficiencies which is 7.8% of Devon ICB allocation. £13.9m (5%) efficiencies were unidentified at the time of submission. At month 2 this has reduced to £6.4m (2%), with a commitment to have identified the entire programme by the end of June 25.

Gross risks of £164.0m (of which £92.2m related to efficiencies) and £56.5m mitigations were identified at the planning stage resulting in a net risk of £107.5m. At month 2, at the time of writing, the system is in the process of collating the updated gross and net risks.

The system allocation is £163.3m in excess of its fair share of the NHS resources, and this will be reduced over time by allocation reductions, known as convergence, towards target. The system is developing its Medium Term Financial Plan which will include scenarios regarding the pace at which this resource is removed and the actions to maintain financial sustainability within its allocation. This will be linked to the Devon Health & Care Strategy which is also under concurrent development, due for completion over the summer.

A full update on the current financial position was provided to the NHS Devon Board on 29 May 2025. The Board papers are available on the [One Devon website](#) (pages 359-382).