NHS England Abolition and ICB Reform: The Health Bill

As the abolition of NHS England and restructuring of the Department of Health and Social Care (DHSC) progress, the government has published further details of the Health Bill, outlining significant changes to the management, commissioning and financial accountability of NHS services in England.

Central to these reforms is the transfer of NHS England's responsibilities to the DHSC, alongside a greater strategic commissioning role for Integrated Care Boards (ICBs).

Abolition of NHS England

The Bill would transfer most of NHS England's existing functions to the restructured DHSC, bringing greater responsibility and control under the Secretary of State for Health and Social Care.

These responsibilities would include:

- National emergency preparedness, with operational delivery remaining with ICBs and NHS trusts.
- Healthcare workforce education, training and planning.
- Innovation, medicines standards, patient involvement and choice.
- Data and digital services.
- Financial oversight and powers of direction over ICBs.
- Greater accountability and oversight of ICBs and NHS providers, including appointments, licensing and foundation trust authorisation.

The Bill would also introduce powers to convert NHS foundation trusts into NHS trusts and proposes removing the statutory requirement for foundation trusts to have councils of governors.

Changes to Integrated Care Boards (ICBs)

Under the proposed reforms, ICBs would become increasingly responsible for strategic commissioning, overseeing approximately 93% of NHS healthcare commissioning expenditure, including primary care and some specialised services. The remaining commissioning budget would remain with The Secretary of State.

Seven new regional offices, hosted by ICBs, would support commissioning across ICB boundaries, covering the East of England, London, Midlands, North East and Yorkshire, North West, South East and South West.

Changes to local planning

The Bill would remove the statutory requirement for Integrated Care Partnerships (ICPs), along with the duties to produce joint forward plans and joint capital resource plans.

Local authorities would continue to produce Joint Strategic Needs Assessments, with Health and Wellbeing Boards (HWBs) ensuring these reflect local health needs.

Two key planning arrangements would shape future commissioning:

- **Neighbourhood Health Plans:** Developed jointly by ICBs and local authorities, considering local health needs alongside wider factors such as housing, education, employment and social care.
- **Population Health Improvement Plans:** Five-year ICB strategies informed by neighbourhood planning, setting out how resources would be allocated and NHS services commissioned.

ICBs would contribute to neighbourhood-level planning while taking the lead on strategic commissioning across their wider areas.

ICB Governance and Financial Accountability

Board membership

ICB membership requirements would change, with mayors of mayoral strategic authorities gaining the right to nominate a board member where their authority falls within an ICB's area. Local authority representation will remain a statutory requirement, alongside the proposed mayoral representation.

Existing requirements for nominated representatives from NHS trusts, foundation trusts and primary medical services would be removed.

ICBs would retain the requirement for at least one member with sufficient knowledge and experience of mental health services, while chairs would continue to have discretion to appoint additional members.

Financial accountability

The government intends to move away from collective financial responsibility across local NHS systems, placing greater emphasis on the financial performance of individual organisations.

The Bill would remove mandatory collective financial balance duties, strengthening individual accountability alongside national oversight.

This represents a significant change in financial accountability, with individual NHS organisations becoming more directly responsible for their own financial performance rather than relying on the collective position of the wider system.

However, the Secretary of State would retain powers to impose joint financial objectives on ICBs and their partner NHS trusts where necessary.

Taken together, these reforms represent a substantial reorganisation of NHS governance in England, with greater central government control, increased commissioning responsibilities for ICBs and a move towards individual organisational financial accountability. While the intended direction is becoming clearer, the practical implications for ICBs, NHS trusts and the wider healthcare system will depend on how these changes are implemented.