

## Joint Capital Resource Use Plan 2025/26

|                        |  |             |            |          |           |
|------------------------|--|-------------|------------|----------|-----------|
| <b>Region</b>          | <b>North East &amp; Yorkshire</b>              |             |            |          |           |
| <b>ICB or system</b>   | <b>Humber &amp; N Yorkshire ICB</b>            |             |            |          |           |
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### Introduction

Humber and North Yorkshire Integrated Commissioning System (ICS) covers 1,500 square miles and serves a population of 1.8 million. This includes the cities of York and Hull and the large rural and coastal areas across East Yorkshire, North Yorkshire, and North and North-East Lincolnshire

The ICB's vision is for everyone in Humber and North Yorkshire to have equal chances to live long, happy, and healthy lives, by narrowing the gap in healthy life expectancy between the highest and lowest levels in our communities by 2030 and increasing healthy life expectancy by five years by 2035.

The Integrated Commissioning Board employs c800 people (but during the year is expected to reduce in line with the recently announced reforms for ICBs.) This includes a senior estates lead who helps work across the system supporting strategic estate planning across our six places. Across the ICS, c55,000 people are employed in healthcare, this figure rises to over 200,000 including the health and social care system.

From an organisation perspective the system comprises: -

- 6 defined places aligned to our 6 local authorities.
- 4 acute Trusts (operating across 9 sites.) These are Hull University Hospitals NHS Trust (HUTH, CQC rated Requires Improvement), Northern Lincolnshire and Goole NHS Foundation Trust (NLaG, CQC rating Requires Improvement), York and Scarborough Foundation Trust (YSFT, CQC rated Requires Improvement), Harrogate and Rural Districts NHS Foundation Trust (HRD, CQC rated Good)
- 1 mental health Trust, Humber Teaching NHS Trust (CQC rated Good)
- 42 Primary Care Networks (181 GP practices)
- 1 ambulance Trust, Yorkshire
- 10 hospices
- c550 care homes
- 1000s' of voluntary and community sector organisations
- The system also commissions significant services from surrounding NHS organisations such as South Tees Hospitals NHS Foundation Trust, Tees, Esk and Wear Valleys NHS Foundation Trust and Leeds Teaching Hospitals NHS Trust as well as several independent sector organisations and community interest companies such as NAVIGO and Community Health Partnerships.

The ICS has developed and published its ten-year Infrastructure Strategy during 2024 which will be one of the many catalysts in supporting organisations to make improvements in their CQC ratings. Our infrastructure vision is: -

*"To enable delivery of great health and social care, in the right place (home, community or hospital), and fit for purpose – supporting communities and partners to reduce health inequalities and enhance quality of life."*

To achieve this, the ICB has re-established a Strategic Capital and Estates Group which will have oversight of the capital programme for the system working in tandem with the Director of Finance Group, where the capital prioritisation for 2025/26 was discussed and agreed.

2025/26 will once again be a busy year of investment in our infrastructure, building on our successes and delivery witnessed in 2024/25. The key themes will be a focus on finalising the community diagnostic (CDC) build programme, investing to achieve our constitutional standards (urgent and emergency care, diagnostics and

elective capacity), focusing on critical infrastructure as well as tackling high and significant backlog maintenance. The system will also have a specific focus on mental health seeking to invest in our capacity to reduce the number of out of area patients. Two further national programmes will continue to be at the heart of our local plans; Digital transformation, moving from analogue to digital, remains a key focus for 2025/26 procuring and implementing new electronic patient record systems being the flag ship schemes for our providers. From hospital to community is a key national ambition, and as an ICB we have set aside £5m to help drive this forward locally. As a system we are also responding to the challenge of reinforced autoclaved aerated concrete (RAAC), which is an issue in some of our estate such as Scarborough and Harrogate hospitals.

Our system will be prioritising some of our capital on primary care through a new modernisation fund. Specifically, our major programme in Catterick is now in the build phase and is expected to open to patients in the summer of 2026/27. This is a UK first joint development with the Ministry of Defence, integrating NHS and Ministry of Defence primary health services in a new integrated campus.

## 2025/26 CDEL allocations and sources of funding

The ICS overall agreed capital envelope for 2024/25 is £217.8m with additional capital for constitutional standards, critical infrastructure, digital and mental health awaiting confirmation during the year. The £217.8m comprises operational capital (CDEL), primary care and national ring-fenced funding for specific programmes. Any disposals, where owned by NHS providers, the capital receipts are also available for reinvestment.

In total £95.4m of operational capital is available. The CDEL specific limit has been set at £91.8m, which for the first time includes the financial impact of lease accounting; previously this was treated as a separate and potentially flexible envelope. For primary care, £3.6m of capital is available and the ICS has prioritised further investment in primary care by transferring £1.9m our core CDEL envelope for our joint health and care campus investment with the Ministry of Defence in Catterick to primary care. We have also ring fenced £5m to aid the hospital to community and sickness to prevention ambitions.

Significant national capital programmes have been confirmed at plan stage for the ICB, totalling £122.4m. The material programmes are £9.3m for diagnostics, £36.5m for technology schemes, and £35.0m for reinforced Autoclave Aerated Concrete. It is likely this funding will increase as the year progresses and business cases are agreed. The new national primary care modernisation fund will also see an additional £3m set aside to enhance modern general practice, focusing on expanding clinical space.

The summary capital programme table is shown in Appendix A

## Capital prioritisation

The Humber and North Yorkshire system collaborates to strategically prioritise capital based on local priorities, provider requirements or national programmes to ensure alignment with the ICB ambitions and objectives. The approach to determining the programme allocation differs between core (CDEL) capital allocation provided at a system level and nationally defined capital funding which is often cash backed and targeted at delivering national ambitions.

The core capital is prioritised at a system and organisation level based on the national funding formula, focused on understanding the level of depreciation, provider net assets, the level of high and significant backlog maintenance to determine individual provider operational capital envelopes. Detailed provider capital plans are in parallel developed by each organisation and internally prioritised within their agreed provider CDEL envelope.

National capital is allocated based on NHS priorities, major programmes or initiatives such as tackling critical infrastructure deficiencies, mental health out of area placements, net zero, reinforced autoclaved aerated concrete, enhancing constitutional standards and modernising primary care.

- Critical infrastructure proposals (c£19m) were developed through the directors of estates with schemes prioritised based on the scale of our most critical infrastructure issues.
- The Mental Health Collaborative led a prioritisation event across our mental health providers to ascertain the system priorities for managing out of area placements for which £1.8m has initially been confirmed by NHS England.
- c£8.5m has been received linked to national bids for net zero (GB energy solar scheme)
- c£35m has been reserved nationally to tackle the RAAC challenges in our estate, most notably Scarborough and Harrogate hospital sites.
- Capital to expedite delivery of constitutional standards (c£21.5m with £1.9m allocated to Yorkshire Ambulance Service included within the West Yorkshire ICB allocation) was led by the Collaborative of Acute Providers and focused on diagnostics, elective and urgent care. The prioritisation was based on our most pressing performance needs, schemes with the greatest benefit versus cost and the revenue consequences of implementation. As with other systems, these were at draft stage at plan submission, with final approval

required by NHS England on an individual case basis and so excluded from the £217.8m confirmed allocation. As of June 2025, the schemes have been agreed by NHS England in principle, with provider organisations now required to submit individual business cases to secure the release of the funding case by case.

- £3m for modernisation primary care agreed through the primary care estates groups based on business cases put forward by individual practices. In line with NHS England guidance, the prioritisation was focused on increasing clinical space from within existing estate facilities through conversion of existing non clinical space or through digital technology to free up storage space for clinical use. Due to the value and one year nature of the fund, ICBs were not allowed to utilise this to invest in new builds or extensions, however our expectation is this is the first year of the modernisation fund and await the guidance and capital funding for 2026/27 and beyond to understand the opportunities this may bring, a key requirement if we are to truly realise the ambitions of neighbourhood health.

From a provider perspective, Individual providers develop their strategic capital plans focusing on their medium-term needs, ensuring they manage the constraints of a capital allocation which operates on an annual basis with strategic plans covering multiple years. The approach taken by each organisation is similar with sign off by executive and boards being part of their internal governance approach.

The approach by each organisation is set out below.

### **Humber Health Partnerships (HUTH and NLAG group)**

Across the Humber Partnership Hospital Group (HUTH and NLAG), a monthly capital committee focusses on drafting the priorities. This is based on the risk register, planned replacement and maintenance programmes and strategic priorities of the group. These are reviewed and endorsed by the Trust's Capital & Major Projects Committee and ultimately the Trust Board. The overall programme includes allocations for replacement medical equipment, digital infrastructure upgrades and replacement, backlog maintenance and corporate strategic priorities – including investment associated with the Humber Acute Services Review (HASR) in NLaG, completion of the top floor of the Digestive Diseases Centre and finalisation of the Day Surgery Centre at HUTH.

The schemes that have not progressed for 2025/26 relate to additional and replacement theatre capacity at Scunthorpe and the development of a Plastics centre in HUTH at Castle Hill Hospital. Further internal work will be undertaken to assess the feasibility of these schemes considering current theatre utilisation and productivity metrics as well as the strategic direction associated with hospital configuration as part of the Humber Acute Services Review. (HASR)

### **York and Scarborough NHS Trust**

The Trust has continued to improve its Capital prioritisation process, where care groups and corporate areas (including Estates), are asked to score their capital priorities including both the risk register score and impact on services/patient safety score. The process also includes fees to be invested in future year schemes, to enable a multi-year programme to be produced. This is then rated and reviewed and a report, including schemes not prioritised in the current year, sent for approval at both the Executive Committee and Board of Directors. Schemes not prioritised in 2025-26 included the relocation of the Mortuary on the Scarborough site and upgrade of CT1&2 on the York site, with both reliant on other schemes completing prior to them commencing.

### **Humber NHS Foundation Trust**

Within Humber FT, the Trust have focused their capital investments on the following Trust priorities with the programme approved by the Trust Board:

- Transforming Care to change methods of working; improving quality and efficiency.
- Manage programmes across multiple years based on deliverability and availability of capital. In year this has enabled the acceleration of Granville & the Inpatient Redesign programmes.
- Manage the impact on capital availability because of the scale of the lease portfolio, managing automatic uplifts or lease extensions, which create a charge against CDEL. As a provider with multiple community facilities the change to lease accounting and the inclusion in 25/26 within the CDEL envelope has been particularly challenging.

## Harrogate NHS Foundation Trust

Harrogate focuses on utilising the backlog survey and Trust risk registers to prioritise the capital work at the Environmental Board, which is agreed at executive committee and Trust board.

## Capital planning

Capital planning focuses on delivering the ICS wide Infrastructure Strategy enabling a focus on the critical needs of the system, co-producing a system plan with the aim of meeting the key ambitions for our system. For 2025/26 the key themes of planning have been: -

- Managing and understanding the impact of depreciation
- Targeting high and significant backlog (c£21.5m system backlog)
- Managing the impact of RAAC
- Using capital to delivering improvements in constitutional standards
- De-risking our critical infrastructure risks and reducing backlog maintenance
- Starting the journey towards the three big shifts underpinning the 10-year plan for health - Enabling a shift from analogue to digital, hospital to community, sickness to prevention. The national capital formulas will need to re-align with this agenda in the future, however as a system we have planned and prioritised additional investment in primary and community care as well as extending advice and guidance opportunities.

## Overview of ongoing scheme progression

## **Humber Health Partnership (HUTH & NLaG)**

From a Humber Health Partnership perspective, the Electronic Patient Record (EPR) scheme Outline Business Case was approved by NHS England. National funding was allocated in 25/26 along with an additional £15.5m that was included in the business case and aligns to the Trusts digitisation agenda. The key risk relates to the implementation timeline with funding allocated on financial years whereas the scheme full implementation crosses multiple years. The Trust is seeking to mitigate this by working with partners and NHS England regarding jointly manage allocations across the timeline of implementation and Go-Live. The expected contract commencement is Feb/March 2026.

### **York and Scarborough NHS Trust**

In terms of ongoing multiyear schemes, 2025/26 marks the completion of the additional Vascular Imaging Suites, a hybrid theatre and a new Post operation recovery unit, with in year spend of c£8m to finalise the build. This brings a conclusion to a scheme that has been a decade in the design and build.

Two significant multi-year schemes have been funded from national programme awards; £28m for removal of RAAC on the Scarborough site and £16.4m on the implementation of the new EPR system. The Trust has also secured Salix grant funding of £8.6m (£4.8m to spend in 2025/26) to invest in their low carbon heating project, which continues the Trust's work towards decarbonisation.

£7.5m has been planned for the replacement of aged medical equipment across all sites including a new refurbished Fluoroscopy unit on the Scarborough site plus external funding to replace the aged CT scanners at the York site.

### **Humber NHS Foundation Trust**

For Humber FT, with a relatively smaller capital programme, the major strategic project is focusing on the inpatient redesign, which has reached final design stages. Groundworks are planned to start during the year. This is a significant programme for the Trust, to embark on this year and which will be delivered over several years.

### **Harrogate and District NHS Foundation Trust**

As part of their infrastructure testing, Harrogate also identified significant RAAC within the main hospital building. The Trust is replacing the RAAC but is using the opportunity to combine this work programme with the capital previously awarded to increase the elective capacity within the Trust. The combined scheme is c£20m in 25/26 and the rebuild of the block is well under way and currently on target to be operational by 2026.

## Business cases in 2025/26

Several large-scale business cases were planned in 2024/25 and referenced in last year's Capital Resource Plan. This provides an update on their implementation last year.

- The multi-year Catterick Primary Integrated Campus (c£24m) remains on plan for completion at the end of quarter one in 2026/27 with opening scheduled for summer of that year.
- The day surgery suites at Castle Hill Hospital were concluded during 2024/25 and aim to be operationalised this year.
- The Harrogate elective scheme is due to open this year as part of the combined RAAC programme of work.
- The Electronic Patient Record schemes continue to be developed with contract awards in place or expected before the end of this financial year for all organisations.
- The Community Diagnostic Centres from our original plan are now open across our ICB except for the Scarborough centre. There have been delays in the build and it is now expected to be open early autumn.

In terms of major new 2025/26 business cases, the following details the key schemes expected during this year: -

- RAAC schemes at Scarborough and Harrogate main hospital sites. These business cases have been approved by NHS England ensuring this critical remedial work will be undertaken.
- Constitutional Standards national capital £21.5m. To secure funding for individual schemes, business cases are being developed focused on diagnostic, elective and urgent and emergency care performance improvement. Providers are currently in the process of seeking sign off from NHS England on these individual business cases prior to procurement and delivery in year.
- As part of the Humber Acute Services Review, commencement of the new Intensive Care Unit at the main Grimsby hospital site is planned for 25/26 with completion and opening in 2026/27.
- Works to re-develop the laboratory spaces on the second floor of the Daisy Building at Castle Hill are well under way.

- CDC Beverley for ophthalmology. Work expected to commence in June (subject to lease/SLA arrangements), and completion late summer.
- Scunthorpe GH PSDS 3C – Funding received for SGH PSDS Salix Scheme for 22-month programme of works
- The new Scarborough Emergency Department facility opened during quarter one of 2025/26. The redesign of the urgent and emergency care facility and the Vascular Intervention Unit at York along with the Scarborough CDC will be completed during the year.

## Cross-system and collaborative working

There is significant cross working across the system starting with the approach to allocating capital. Through collaborative working, the system is working together on significant strategic schemes, for example the collaboration around developing new Electronic Patient Record systems with providers working collectively around joint procurement of new systems.

Cross system prioritisation has been undertaken to enable system priorities to be supported this year. Key programmes around urgent and emergency care in Hull, the infrastructure development to enable Same Day Emergency Care services (SDEC) in Harrogate, the replacement of the maternity wing roof in Scarborough, purchase of new diagnostic equipment in York has all been prioritised based on system needs, critical infrastructure failings, performance improvement impact and value for money. Critical infrastructure prioritisation has been led through the Directors of Estates across our system whereas constitutional standards has been prioritised with the support of the acute collaborative.

With any major capital programme there is likely to be schemes that advance at a faster pace and those that hit challenges. As in previous years the system will continue to come together, underpinned by robust governance measures, to understand and manage our capital programme across our organisations and between years where necessary. The ICB leads the oversight of the total capital plan in year and facilitates the re-allocation of capital in year and over multiple years to smooth the operational impact on individual providers. This helps mitigate capital being allocated on an annual basis whereas many schemes are delivered over several years.

## Net zero carbon strategy

Net Zero is one of the key objectives for the ICS. In 2025/26 £8.5m has been secured from NSH England to drive forward our plans. In addition, vital investment has been secured through the SALIX loan scheme over several years to focus on net zero. The types of schemes this has funded are LED lighting, deep bore hole drilling and decarbonation schemes such as boiler replacement.

The digital investment in online appointments and the roll out of Patient Initiated Follow Up appointments across the system also contributes to the net zero ambition, reducing the cost and carbon emissions of our patients.

In Scunthorpe (PSDS Scheme 3) the Trust was awarded grant funding in May 24 of £20.6m with a total applicant contribution of £6.5m. The funding covers the new Energy Centre, air handling unit upgrades, window and roofing upgrades, BMS upgrades, DNO upgrades (Distribution Network Operator) and solar PV which continue to be implemented. Funding has also been awarded under NEEF4/Great British Local Energy Plan for Solar Car Ports (£6m) to Argyle Street and Brocklehurst car parks with tenders due in quarter one.

## Appendix A – Humber & North Yorkshire Capital Programme for 2025/26

From  
Year  
Cost  
of  
and  
and

| HARROGATE AND DISTRICT NHS FOUNDATION TRUST | HULL UNIVERSITY TEACHING HOSPITALS NHS TRUST | HUMBER TEACHING NHS FOUNDATION TRUST | NORTHERN LINCOLNSHIRE AND GOOLE NHS FOUNDATION TRUST | YORK AND SCARBOROUGH TEACHING HOSPITALS NHS FOUNDATION TRUST |
|---|--|--------------------------------------|--|--|
|---|--|--------------------------------------|--|--|

| Provider Key Data and Joint Capital Resource Use Plan             |  |  |  |  |  |   |                |  |
|---|--|--|--|--|--|---|----------------|--|
| ICB Plan 31/03/2026 Year Ending £'000                             | Provider 1 Plan 31/03/2026 Year Ending £'000 | Provider 2 Plan 31/03/2026 Year Ending £'000 | Provider 3 Plan 31/03/2026 Year Ending £'000 | Provider 4 Plan 31/03/2026 Year Ending £'000 | Provider 5 Plan 31/03/2026 Year Ending £'000 | Total Plan 31/03/2026 Year Ending £'000 |                |  |
| Operational Capital - ICB   | 3,592  |  |  |  |  |   | 3,592          |  |
| Operational Capital - Provider                                    |  | 11,935                                       | 28,350                                       | 5,582  | 21,791                                       | 24,139                                  | 91,797         |  |
| <b>Total System Operational Capital</b>                           | <b>3,592</b>                                 | <b>11,935</b>                                | <b>28,350</b>                                | <b>5,582</b>                                 | <b>21,791</b>                                | <b>24,139</b>                           | <b>95,389</b>  |  |
| <b>Provider National Programme Spend:</b>                         |  |  |  |  |  |   |                |  |
| 2025/26 Ambulance Replacement                                     |  | 0  | 0  | 0  | 0  | 0                                       | 0              |  |
| 2025/26 Cancer LINAC Replacement                                  |  | 0  | 0  | 0  | 0  | 0                                       | 0              |  |
| 2025/26 Estates Safety  |  | 2,152  | 3,897  | 628  | 5,834  | 6,563                                   | 19,074         |  |
| Diagnostics   |  | 0  | 3,727  | 0  | 189  | 5,385                                   | 9,301          |  |
| Elective Recovery/Targeted Investment Fund                        |  | 0  | 0  | 0  | 0  | 0                                       | 0              |  |
| Mental Health   |  | 0  | 0  | 0  | 0  | 0                                       | 0              |  |
| Mental Health Dormitories   |  | 0  | 0  | 0  | 0  | 0                                       | 0              |  |
| 2025/26 Mental Health: Reducing Out of Area Placements            |  | 0  | 0  | 1,800  | 0  | 0                                       | 1,800          |  |
| Net Zero (GB Energy Solar)  |  | 0  | 6,063  | 0  | 2,398  | 0                                       | 8,461          |  |
| NHP   |  | 0  | 0  | 0  | 0  | 0                                       | 0              |  |
| RAAC  |  | 6,804  | 0  | 0  | 0  | 28,160                                  | 34,964         |  |
| STP - Hospital Upgrades   |  | 0  | 0  | 0  | 0  | 0                                       | 0              |  |
| Technology Schemes  |  | 8,044  | 5,338  | 0  | 6,707  | 16,417                                  | 36,506         |  |
| UEC Capacity  |  | 5,500  | 4,800  | 0  | 0  | 0                                       | 10,300         |  |
| Other Adjustments - Provider                                      |  | 0  | 2,020  | 0  | 0  | 0                                       | 2,020          |  |
| <b>Total System CDEL</b>  |  | <b>34,435</b>                                | <b>54,195</b>                                | <b>8,010</b>                                 | <b>36,919</b>                                | <b>80,664</b>                           | <b>217,815</b> |  |
| Return to Constitutional Standards: To Be Confirmed               |  |  |  |  |  |   |                |  |
| Diagnostics   |  | 0  | 3,727  | 0  | 189  | 5,385                                   | 9,301          |  |
| Elective Recovery   |  | 0  | 0  | 0  | 0  | 0                                       | 0              |  |
| Urgent and Emergency Care   |  | 5,500  | 4,800  | 0  | 0  | 0                                       | 10,300         |  |
| <b>Return to Constitutional Standards Total - To Be Confirmed</b> |  | <b>5,500</b>                                 | <b>8,527</b>                                 | <b>0</b>                                     | <b>189</b>                                   | <b>5,385</b>                            | <b>19,601</b>  |  |