Joint Capital Resource Use Plan 2026/27

Region	South West
ICB/System	Somerset
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Version	1

Introduction

The Somerset ICS provides healthcare to nearly 600,000 people. The provision of high-quality care in the most appropriate settings is a fundamental strategic aim for the system. This includes the provision of buildings, equipment, and digital technology to ensure this care can be delivered on an ongoing basis. The capital planning for 2026/27 has been undertaken alongside the ICS Infrastructure Strategy. We have worked with partners across the ICS estates and digital groups and continues the focus and established investment priorities. We have further developed our major investment plans, focusing on priorities previously agreed through the system, including Electronic Health Records.

We continue to focus on developing infrastructure to support service demands and safety, these have included investment in the Acute hospital sites in Taunton and Yeovil to support elective recovery, urgent care, the backlog maintenance programme and the agreed changes to Stroke services in Somerset and Dorset.

Investment in community services continues, specifically in mental health services for both children and adults, focusing on community assets and the continued investment in mental health services specifically outpatient and community services in Wells following the investment in inpatient services in Yeovil in previous years.

The plans for 2026/27 continue with the priorities of:

- Investment in critical infrastructure in Acute and community services specifically fire safety, electrical infrastructure and equipment replacement
- Stroke Services to support Hyper Acute Stroke services in Taunton and Dorchester
- Investment in our digital infrastructure and Electronic Health Records.
- Using the Utilisation & Modernisation Fund (UMF) to enhance primary care settings.
- National programme of work in elective recovery
- Investment in Community Mental Health Services
- Community services
- Supporting capacity within our urgent care services including urgent treatment centre on the MPH site

2026/27 CDEL Allocations and Sources of Funding

Capital Allocations are detailed in the table below:

	CDEL	ICB	Somerset Foundation Trust	Total Full Year Plan
		£'000	£'000	£'000
Provider	Operational Capital		38,182	38,182
ICB	Operational Capital	1,184		1,184
ICB	Strategic Capital	1,892		1,892
ICB	UMF	500		500
Provider	24/25 Revenue Fair Shares Allocation Adjustment		7,727	7,727
Provider	Planned Overspend (within 5%)		(2,087)	(2,087)
		3,576	43,822	47,398
Provider	Digital EHR		1,195	1,195
Provider	National Programme Estates Safety		0	0
Provider	National Programme Theatre expansion		4,000	4,000
Provider	National Programme Urgent Treatment Centre		14,696	14,696
Provider	RtCS - National Programme – Community Schemes		1,250	1,250
Provider	RtCS - National Programme – Diagnostics Schemes		315	315
Provider	RtCS - National Programme – MH, LD & Autism Schemes		272	272
	Total System CDEL	3,576	65,550	69,126
Provider	Other (technical accounting)		1,080	1,080
	Total Planned Spend	3,576	66,630	70,206

Capital Prioritisation and Planning

The capital investment plan for the year has been developed in response to the clinical strategy for the ICS and within available resources. As there is only one Foundation Trust in the ICB, with co-terminus geographical boundaries, this makes the prioritisation process relatively straightforward, with specific allocations made for continued investment in GP information technology and an allocation for Primary Care facilities. The remaining capital envelope is allocated to ongoing and agreed plans within Somerset NHS Foundation Trust.
The Foundation Trust component of the plan has been developed following proposed requests and discussion with operational and clinical managers and takes into consideration the capital funding constraints faced by the system. The plan also includes strategic investments that are funded from the Department of Health and Social Care.

The system plan has been approved through the ICB Board and Trust Board. The table below identifies the key areas of programme expenditure.

Area of Capital Expenditure	**£'000**
Backlog Maintenance	6,090
Digital & Electronic Health Record	14,005

Health and Safety/ Environment	467
Ordering & Procurement Systems	498
Infrastructure	885
Replacement Medical Equipment	4,250
Rolling IT Programme	5,355
Stroke Service Reconfiguration	2,687
Pharmacy Improvements	1,808
Yeovil District Hospital Theatres and Modular Ward	6,500
Service Redesign Enabling Works	2,214
Lease Renewals	4,528
RtCS - National Programme Urgent Treatment Centre	14,696
RtCS - National Programme – Community Schemes	1,250
RtCS - National Programme – Diagnostics Schemes	315
RtCS - National Programme – MH, LD & Autism Schemes	272
Charitable Donations	810
ICB Capital Schemes	1,184
ICB Strategic Capital	1,892
ICB UMF	500
Total	**70,206**

Overview of Ongoing Scheme Progression

The key funded investments that will progress this year are the Urgent Treatment Centre on the Musgrove Park Hospital Site and continuation of the Yeovil District Hospital elective recovery investment. The YDH elective recovery investment includes an additional theatre and modular ward. The Surgical Centre development at MPH will open during the first half of the year.

The key internally funded investments will be the implementation of the Electronic Health Record system being developed in conjunction with the Dorset provider Trusts.

Risks and Contingencies

The key risks associated with the capital programme as follows:

- Delivery risk of the programme: there continues to be challenges in the UK construction market in respect to inflation and supply chain shortages. These may impact on the overall programme particularly in respect to larger investments.
- Clinical, regulatory and delivery risk associated with the physical estate, digital estate and associated equipment: The programme has been assessed based on current commitments and high-risk backlog and equipment replacement. There is also a specific regulatory risk relating to applications to the Building Safety Regulator for works to high risk buildings. There is however limited contingency and risk for any emergency items. Should a significant requirement arise in year this would require a reprioritisation or delay of existing schemes.
- Operational pressures: several programmes will require access to clinical areas to undertake essential maintenance and upgrades. Should the current high level of occupancy and clinical pressures continue this will impact on the ability to deliver the overall programme.
- Capacity pressures across multiple teams within the organisations that make up the ICB means that it is difficult to progress and complete major projects.

Business Cases in 2026/27

The system is developing bids to implement the 'Return to Constitutional Standards' schemes, linked to the National deadlines being set for these schemes. Where successful business cases will be developed to support these proposed investments.

Cross System and Collaborative Working

Somerset NHS Foundation Trust is the largest NHS partner in the ICB. It works with Somerset ICB to develop the system capital plan. The ICS Strategic Estates Group plays an important role in the co-ordination of the capital plan and future capital planning, involving partner representatives from across the system. The relative simplicity of the system allows for an ongoing dialogue with partners, and the opportunity for all partner organisations to contribute.

Net Zero Carbon Strategy

The NHS estate and its supporting facilities services – including primary care, Trust estates and private finance initiatives – comprises 15% of the NHS carbon footprint plus (Delivering a Net Zero NHS, 2022). The opportunities for emissions reductions will need to come from energy use in buildings, waste and water, and new sources of heating and power generation. Opportunities to exploit the better use of roofs and adjacent ground space to support a shift to on-site renewable energy and heat generation need to be considered, alongside efforts to secure 100% renewable energy. Many of our facilities across our public estate in Somerset are old and inefficient. Our ICS Green Plan, and the strategies that feed into it, address Net Zero as a whole. A large part of this is making sure that our estate is as energy efficient, sustainably developed and environmentally friendly as possible. As we develop new buildings and renovate old ones, we will also be able to contribute to the Net Zero agenda more broadly by recognising the importance of an estate which promotes joined up and sustainable travel for patients. This emphasises the importance of working in partnership across our region to ensure our Estate Strategies are robust and enable system wide resilience.

The ICB Green Plan (2025-2028) sets out nine core aims, supported by SMART targets to enable the monitoring, measurement and delivery of ICB environmental targets. Some of these relate directly to our estate, whereas others are more peripheral. The aims are aligned to the Estates Net Zero Carbon Delivery Plan, ICS Infrastructure Strategy, ICS Climate Adaptation Plan, and underpinned by the ICS Strategic Aims.

Workforce and Leadership	Raise the profile and understanding of sustainability across NHS Somerset. We have been building our culture of learning, continuous improvement and innovation around our Green Plan through co-production, co-design and co-delivery of a programme of engagement and communication
Estates and Facilities (including waste management)	Prioritise energy efficiency measures to avoid increasing costs unnecessarily and consider the interventions which address the NHS' net zero targets. This is in line with the four-step decarbonisation programme set out in the Estates net zero carbon delivery plan Reduce waste and implement the principles of the circular economy within the trusts and our supply chain. ICS Members will strive to achieve zero waste to landfill for non-clinical waste by 2030
Travel and Transport	The range of interventions needed to reduce travel and transport related emissions includes transitioning the fleet to zero-emission vehicles, reducing unnecessary journeys (through prevention, and digital care pathway redesign) and enabling healthier, active forms of travel such as cycling and walking.

Medicines	Reduce CO2 emissions associated with anaesthetic gases, inhalers and other medicines. Tackling overprescribing as set out in the Somerset Medicines Green Carbon Footprint Strategy, by moving more towards social prescribing and nature-based interventions and activities.
Procurement and supply chain	Work with our supply chain to embed climate resilience, product circularity, reduce single use plastics and identify suitable items for re-use or re- manufacturing.
Sustainable models of care	Sustainable models of care is closely aligned to each of the three shifts. It takes a whole system approach, enabling services across health, social care, public health and community to be linked together around the person to support prevention, and reducing environmental impact.
Food and Nutrition	There are a range of policies and guidance to support NHS organisations when acting to reduce greenhouse emissions associated with food and nutrition. The Government Buying Standards for Food and Catering Services (DEFRA, 2021), for example. Food needs to be grown and processed, transported, distributed, prepared, consumed, and sometimes disposed of. Each of these steps creates greenhouse gases. Approximately a third of all human-caused greenhouse gas emissions is linked to food. (Crippa, M., Solazzo, E., Guizzardi, D. *et al. 2021).* The ICB Green Plan *supports p*revention underpinned by healthy diets, empowering our population to manage their own health and wellbeing by making better choices.
Digital Transformation	The rapid growth in data demand and digital equipment has the potential to add to emissions, and the ICS will need to ensure that a trajectory compatible with a net zero health service is also embedded in the digital transformation agenda. This includes: optimising digitally enabled care models and channels for citizens that significantly reduce travel and journeys to physical healthcare locations, with care closer to home being delivered through remote consultations and monitoring; ensuring that new digital products and services are lower carbon and that suppliers minimise their environmental impact and support the drive to reach net zero; and supporting front-line digitisation of clinical records, clinical and operational workflow and communications, aided by digital messaging and electronic health and care record systems.
Adaptation	Mitigate and adapt to the effects of climate change and severe weather conditions. Risks are reported in compliance with the IFRS Foundation, that monitors company climate disclosures, incorporating TCFD recommendations into IFRS S1 and S2 standards. Reporting requirements must cover Governance, Strategy, Risk Management, and Metrics & Targets and focuses on material risks, connecting climate impacts to financial value drivers. NHS Somerset Adaptation Plan was published on 01 April 2026.The plan includes an in depth climate risk analysis assessment an action plan for mitigation.

NHS Somerset

System CDEL

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