

## Joint Capital Resource Use Plan 2026/27

|                        |   |                               |                               |                               |                               |
|------------------------|---|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| <b>Region</b>          | <b>Midlands</b>                           |                               |                               |                               |                               |
| <b>ICB</b>             | <b>NHS Shropshire, Telford and Wrekin</b> |                               |                               |                               |                               |
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|                        | 30/04/26                                  | Angela Szabo,<br>Capital Lead | Angela Szabo,<br>Capital Lead | Finance committee<br>28/04/26 | Finance committee<br>28/04/26 |

### Introduction

- Shropshire, Telford and Wrekin Integrated Care Board (ICB) commissions a range of services including acute, community, mental health and primary care.
- The ICB works closely with our partners including The Shrewsbury & Telford Hospitals NHS Trust, The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust, Shropshire Community Health NHS Trust, Midlands Partnership University NHS Foundation Trust, Shropshire Council and Telford and Wrekin Council, primary care practices, independent providers and the voluntary sector.
- The ICB 5-year commissioning plan<sup>1</sup> sets out the purpose and role of the ICB to act as a strategic commissioner for our population of 509,200 people across a diverse rural and urban landscape. Our focus is on improving population health, outcomes, reducing inequalities and ensuring financial sustainability. This plan also sets out the following strategic aims and priorities:
  - a) Prioritising and aligning capital resources to deliver the greatest health value.
  - b) Use of capital to enable transformation through strategic investment to support service transformation, digital innovation and workforce development, improving quality, efficiency and integration.

<sup>1</sup> Five year commissioning plan - [STW 5-Year-Strategic-Commissioning-Plan-1-4-2026-Final-for-publishing-002.pdf](#)

- c) Prioritising capital investment, ensuring it supports long-term commissioning priorities - Diagnostics, including opportunities for new Community Diagnostic Centres, Elective recovery and urgent and emergency care, Mental health and learning disability services and Community and primary care infrastructure.
- The ICB infrastructure strategy sets out priorities for our infrastructure including NHS estate<sup>2</sup> - to ensure fit for purpose estate, provision of high quality, fully integrated environments, safe for the delivery of services, compliant estate, functionally suitable estate, environmentally sustainable estate, accessible and flexible estate and to support delivery of the 10 year NHS plan and the 3 'left shifts'; acute to community, reactive to prevention and analogue to digital.
  - The joint capital resource use plan for 2026/27 totals £184.7m this is split into £34.1m operational capital (CDEL), £124m national programme capital, £15m constitutional standards/left shift capital which includes capital schemes aligned to the NHS Medium-term Planning Framework 'delivering change together' and £11.5m capital generated from other sources including donated assets, capital grants, charitable funds and capital freedoms.

### 2026/27 CDEL allocations and sources of funding

- The joint capital resource use programme for 2026/27 totalling £184.7m will be funded from:
- ICB operational capital CDEL £1m (primary care IT £0.7m and capital grants £0.3m)
- Provider operational capital CDEL - internally generated depreciation - £33.1m (replacement and maintenance of equipment, including digital where applicable and the estate along with minor development works).
- National capital programmes - £124m (ICB Strategic Capital £1.7m, Hospital Transformation Programme £113m, Estates Safety £7.3m and Elective Incentive Capital £2m)
- Constitutional Standards / Left Shift Capital £15m (£13.1m Diagnostics, £1.4m UEC and £0.5m Primary Care Modernisation and Utilisation Fund)
- Other capital sources £11.5m (capital freedoms and flexibilities, charitable funds, donated assets and capital disposals)
- Appendix 1 provides a table to support the above financial information.

<sup>2</sup> June 2025 STW Infrastructure Strategy - [C&P Estate Strategy](#)

### Risks and Mitigations

- The ICB will monitor the risk of in year slippage to capital plans through a Capital Steering Group and will seek actions to mitigate these risks where appropriate pipeline capital schemes will be brought forward as required.
- There is no contingency included within the current plans, this means that should there be equipment failure or urgent estates repairs required, a reprioritisation of the 2026/27 plan using the agreed capital prioritisation framework will be required to ensure that providers remain within the CDEL limit.
- There is also a risk of programme delays if notification of success in securing nationally capital programme or constitutional standards/left shift funded capital is delayed. This will be monitored and managed closely and material slippage for factors outside of the ICB's control would be subject to conversation with the region to explore options for managing across providers or across financial years.

### Capital prioritisation

- The ICB holds a monthly Capital Steering Group, the purpose of this group is to:
- Ensure the 10-year capital programme remains in line with the NHS 10-year plan, medium term planning framework and ICB 5-year commissioning plan strategic priorities as agreed with the Strategic Commissioning & Transformation Committee.
- Ensure the capital plan remains affordable within available capital allocations to include estates and digital capital priorities by applying agreed ICB capital prioritisation framework<sup>3</sup> (as detailed in the ICB Finance Strategy) to maximise capital investment value alongside the Strategic Commissioning & Transformation Committee.
- Monitor and oversee the capital spend in line with the agreed capital plan.
- Ensure effective oversight of capital funding bids.

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<sup>3</sup> STW Finance Strategy - [STW-ICS-Financial-Strategy-Final-.pdf](#)

## Capital planning

- Capital planning has been completed for 2026/27, 5-year medium term financial plan and the 10-Year plan, this includes prioritisation of capital schemes within available capital funding sources.
- Appendix 2 sets out the 2026/27 and 2026/27-2029/30 capital plan by spend category in detail and by provider, the high value spend categories are detailed below.
- Backlog Maintenance 2026/27 spend £18.3m, 2026/27-2029/30 spend £57.3m.
- Routine Maintenance 2026/27 spend £3.8m, 2026/27-2029/30 spend £13.3m.
- IT 2026/27 spend £3m, 2026/27-2029/30 spend £19.9m.
- New Builds £142.5m in 2026/27 (includes Hospital Transformation Programme and Community Diagnostics), 2026/27-2029/30 spend £258.3m.
- Equipment 2026/27 spend £11.8m, 2026/27-2029/30 spend £65.8m.
- Other 2026/27 spend £2m, 2026/27-2029/30 spend £9.3m.

## Overview of ongoing scheme progression

The significant capital schemes (i.e. capital cost greater than £10m) including within this plan are as follows:

- The Shrewsbury and Telford Hospital NHS Trust received national approval for £312 million (of which £113m will be spent in 2026/27) through the Hospitals Transformation Programme (HTP) Full Business Case in May 2024, enabling the implementation of a new clinical model. The plan redesigns services, creating a dedicated emergency care site at Royal Shrewsbury Hospital (RSH) and a planned care site at Princess Royal Hospital (PRH) by 2028. The case for change is driven by the 10-year NHS plan and Medium-Term Planning Framework requirements:
- Hospital to Community - The SaTH Hospital Transformation Programme supports a fundamental shift in the model of care from hospital-centric delivery to a system-wide approach rooted in community and neighbourhood settings. Through acute reconfiguration, clearer separation of emergency and planned care, and redesigned pathways, the HTP enables more care to be delivered closer to home, reduces unnecessary hospital attendance and admission, and strengthens integration with community, primary care, and urgent response services.
- Analogue to Digital - The HTP is a key enabler of SaTH's transition from analogue to digitally enabled services. Investment in modern infrastructure, digital clinical

systems, and interoperable platforms supports safer, more efficient care delivery, improved information flow across settings, and a better experience for patients and staff. Digital-first processes underpin redesigned pathways, support workforce productivity, and enable patients to engage more easily with their care, including access to information and services through national digital channels.

- Reactive to Prevention - By modernising hospital infrastructure and redesigning pathways, the HTP shifts the focus from reactive acute care to earlier intervention, proactive management, and prevention. Improved flow through emergency and planned services, alongside closer alignment with system prevention programmes, reduces late presentation, supports earlier diagnosis and treatment, and contributes to improved population health outcomes while sustaining delivery of constitutional standards.
- The Shrewsbury and Telford Hospital NHS Trust received national capital in 2025/26 to undertake a capital feasibility analysis for its second community diagnostic centre with Full Business Case (FBC) to be completed from April 2026 and FBC approval expected by November 2026.
- The full cost of this capital programme is expected to be £24.5m with £13.1m expected to be spent in 2026/27 and the project completed by 2028. The case for change is driven by the 10-year NHS plan and Medium-Term Planning Framework requirements:
  - Hospital to community - community diagnostics are aligned to neighbourhood hubs including urgent community and primary care access.
  - Analog to digital - digitally-enabled, allowing patients to use the NHS App for accessing diagnostics results.
  - Reactive to Prevention - Improved access to diagnostics, in whichever modality, allows proactive care and prevention, through early detection and indicators whilst supporting improved delivery of constitutional standards.

## Appendix 1 - Joint Capital Resource Use Plan 2026/27

| Shropshire, Telford and Wrekin                                   | ICB           | SATH           | RJAH          | SCHT          | Total Full Year Plan<br>£'000 | Narrative on the main categories of expenditure   |
|--|---------------|----------------|---------------|---------------|-------------------------------|---|
| <b>CDEL</b>  | <b>£000's</b> | <b>£000's</b>  | <b>£000's</b> | <b>£000's</b> | <b>£000's</b>                 |   |
| Operational Capital - ICB  | 1,047         |                |               |               | 1,047                         | Published capital allocation  |
| Operational Capital - Provider                                   |               | 25,595         | 4,894         | 2,626         | 33,115                        | Published capital allocation  |
| <b>Total Operational Capital</b>                                 | <b>1,047</b>  | <b>25,595</b>  | <b>4,894</b>  | <b>2,626</b>  | <b>34,162</b>                 | <b>Published capital allocation</b>   |
| National Capital Programmes                                      | 1,674         | 120,861        | 1,304         | 183           | 124,022                       | ICB - £1.674m ICB Strategic Capital<br>SATH - £113m Hospital Transformation Programme, £5.791m estates safety, elective incentive capital £2m<br>RJAH - £1.304m estates safety.<br>SCHT - £0.183m estates safety. |
| Constitutional Standards / Left Shift National Capital Programme | 500           | 14,500         |               |               | 15,000                        | ICB - £0.5m Primary Care Modernisation and Utilisation Fund.<br>SATH - Diagnostics £13.1m, UEC Frailty SDEC £1.4m.  |
| <b>Total CDEL</b>  | <b>3,221</b>  | <b>160,956</b> | <b>6,198</b>  | <b>2,809</b>  | <b>173,184</b>                |   |
| Other Capital  |               | 1,628          | 6,266         | 3,572         | 11,466                        | SaTH donated assets, revenue to capital. RJAH - capital freedoms, charitable funds, energy/decarbonisation grant. SCHT capital freedoms.  |
| <b>Total Capital Spend 2026/27</b>                               | <b>3,221</b>  | <b>162,584</b> | <b>12,464</b> | <b>6,381</b>  | <b>184,650</b>                |   |

## Appendix 2 - Capital Planning

| Capital planning £'000                                | 2026/27        |               |              |                | 2026/27 - 2029/30 |               |               |                |
|---|----------------|---------------|--------------|----------------|-------------------|---------------|---------------|----------------|
|   | SATH           | RJAH          | SCHT         | Total          | SATH              | RJAH          | SCHT          | Total          |
| Backlog Maintenance - Moderate/low risk (CIR)         | 100            |               | 1,216        | <b>1,316</b>   | 200               |               | 2,795         | <b>2,995</b>   |
| Backlog Maintenance - Significant and high risk (CIR) | 15,191         | 1,604         | 183          | <b>16,978</b>  | 48,528            | 5,510         | 310           | <b>54,348</b>  |
| Routine Maintenance - Land and buildings              |                |               | 3,842        | <b>3,842</b>   |                   |               | 13,289        | <b>13,289</b>  |
| IT - Hardware   | 1,800          |               | 810          | <b>2,610</b>   | 12,500            |               | 5,519         | <b>18,019</b>  |
| IT - Other  |                | 400           |              | <b>400</b>     |                   | 1,900         |               | <b>1,900</b>   |
| New Build - A&E/AAU                                   | 1,400          |               |              | <b>1,400</b>   | 1,400             |               |               | <b>1,400</b>   |
| New Build - Diagnostics                               | 13,100         |               |              | <b>13,100</b>  | 24,500            |               |               | <b>24,500</b>  |
| New Build - Multiple areas/ Other                     | 113,070        | 5,044         |              | <b>118,114</b> | 178,575           | 27,994        |               | <b>206,569</b> |
| New Build - Non clinical                              |                |               |              | -              | 1,712             |               |               | <b>1,712</b>   |
| New Build - Theatres & critical care                  |                | 3,749         |              | <b>3,749</b>   | 5,428             | 3,779         |               | <b>9,207</b>   |
| New Build - Wards                                     | 6,171          |               |              | <b>6,171</b>   | 14,983            |               |               | <b>14,983</b>  |
| Equipment - clinical Other                            | 4,750          | 1,082         | 262          | <b>6,094</b>   | 31,880            | 6,482         | 652           | <b>39,014</b>  |
| Equipment - clinical diagnostics                      | 2,811          | 500           |              | <b>3,311</b>   | 17,954            | 4,580         |               | <b>22,534</b>  |
| Equipment - clinical theatres & critical care         | 2,000          |               |              | <b>2,000</b>   | 2,130             |               |               | <b>2,130</b>   |
| Equipment - non clinical                              | 400            |               |              | <b>400</b>     | 2,092             |               |               | <b>2,092</b>   |
| Fixtures & Fittings                                   | -              |               |              | -              | 200               |               |               | <b>200</b>     |
| Fleet, Vehicles & Transport                           | -              | 85            |              | <b>85</b>      | 158               | 135           |               | <b>293</b>     |
| Other - including investment property                 | 1,791          |               | 68           | <b>1,859</b>   | 2,545             |               | 6,329         | <b>8,874</b>   |
| <b>Totals</b>   | <b>162,584</b> | <b>12,464</b> | <b>6,381</b> | <b>181,429</b> | <b>344,785</b>    | <b>50,380</b> | <b>28,894</b> | <b>424,059</b> |