MONTICLE

NAVIGATING THE NHS IN 2026 NHS

A Scaling Strategy for Digital Health Companies

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The Operating Environment is Complex

The NHS is undergoing some significant changes. NHS England is being abolished and merged into the Department of Health and Social Care. Integrated Care Systems have been tasked with reducing their costs by 50% resulting in the formation of clusters (see Annex) and staff redundancies.

For digital health companies trying to scale, this moment presents a specific set of challenges. Opportunities exist for companies that understand what is happening behind the headlines and position themselves accordingly.

This guide is written for companies already operating in the NHS that are ready to scale across the system.

1. What's Happening (And Why It Matters)

To navigate the current environment, it's important to understand the dynamics at play that impact on the ability of companies to scale.

Abolition of NHSE

NHS England, the central commissioning body, is being dismantled, with its functions absorbed into the Department of Health and Social Care by April 2027. This process involves the elimination of approximately 9000 roles across the health service's central administration. For scaling companies, this means relationships that have been cultivated with key contacts at NHS England may be at risk.

ICB cost cutting

At a regional level, the 42 Integrated Care Systems are making significant changes. ICBs have been asked to cut their workforce by 50%, equating to a further 12,500 jobs.

Through a series of mergers and boundary changes, the number of ICBs is being reduced, with the first phase of these mergers taking effect in April 2026. This is not a simple administrative change. It means new leadership teams, new governance structures and new decision-making processes. ICB leaders may find themselves in new roles with different priorities, or out of the system altogether. The stakeholder map is being redrawn in real time.

Financial Challenges

These changes are not happening in a vacuum but rather against a backdrop of intense financial pressure. The narrative across the NHS for 2026 is one of cost reduction and efficiency.

Digital Leadership Vacancies

A direct consequence of these pressures is the erosion of digital leadership across the health service. As ICBs are forced to make cuts, specialist digital transformation teams are often the first to be reduced. This creates a leadership vacuum at a time when digital solutions are most needed to drive efficiency. While this presents a risk (in that digital projects may be delayed or deprioritised), it also creates an opportunity. ICBs are in need of partners who can provide not just technology, but also the strategic guidance and implementation support to help them navigate this period.

2. Current Challenges For Innovative Companies

The current environment creates a specific set of challenges for innovative companies that are trying to scale:

Challenge 1 Relationship Disruption

Existing contacts at NHS England and ICBs may be being made redundant or moved on. As stakeholders map that have built are redrawn existing relationships may no longer be reliable. Companies will need to rebuild relationships within new structures.

Challenge 2 Budget Uncertainty

Nobody knows where money will flow. ICSs are being told to cut costs by significant amounts. Procurement budgets are being scrutinised. There is no clarity on what will be funded. This means companies cannot get clear answers on budget availability. Procurement timelines are unclear. Decisions are being delayed. Cost-justification is becoming essential.

Challenge 3 Funding Decisions May Slow

With senior leaders focussing on the system shifts and budgets uncertain, purchasing decisions are likely to slow down. Some ICSs are pausing new procurements until the restructure is clearer. Others are accelerating them to get them done before the new structures take effect. This means you need to understand which ICSs are pausing and which are accelerating and time your engagement accordingly.

Challenge 4 Cost-cutting and Efficiency Main Focus

Digital teams at ICB level are being cut or transferred to providers during the restructure. The system narrative is cost-cutting, not digital transformation. This means digital solutions that do not directly address cost-cutting or efficiency are struggling to get traction at system level. However, trust-level procurement continues - particularly for EPRs and AI tools with clear efficiency benefits. Solutions that can be positioned as cost-saving tools are likely to get traction.

3. The Opportunity

While the current environment is challenging, it also creates significant opportunities for companies that are able to adapt their approach. The companies that are successfully scaling in this environment are leveraging the changes in the system to their advantage.

Companies that are doing well have:

i. reframed their value proposition around cost-saving and efficiency. They are demonstrating how their solution can help reduce costs, improve productivity or meet efficiency targets. They have quantified the financial impact of their solution and are leading with the business case.

ii. mapped the new ICS structures before they are finalised. They are using their networks and intelligence to understand how the new structures are shaping up, who the new leaders are likely to be and where the new centres of power will lie. They are ahead of the curve.

iii. identified the new decision-makers and built relationships early. They understand that in a time of uncertainty, leaders are looking for trusted partners. They are reaching out to the new leaders in restructured ICBs, not with a sales pitch, but with insights and support. They are positioning themselves as a valuable resource to help these leaders navigate the transition.

iv. positioned themselves as partners in the restructure, not as vendors trying to sell during uncertain times. They are demonstrating a deep understanding of the challenges the NHS is facing and are offering to work collaboratively to find solutions. They are building trust by showing that they are committed to the long-term success of the health service.

v. understood which parts of the system are still investing and which are pausing. They have done their homework and know that the picture is not uniform across the country. The picture is not uniform across the country. Some ICBs and Trusts are facing acute financial pressure with vacancy freezes and delayed capital schemes, while others continue to invest in digital transformation.

4. The Playbook

We have outline below the practical steps innovative companies should be taking over the next 12 weeks to navigate system changes and maintain momentum.

- ***Step 1 Map New ICS Structures (Weeks 1-4)***

  Your first priority is to understand the new landscape. This means identifying which ICSs are merging, the timelines for these mergers and the new leadership structures that are emerging. You need to know who the new decision-makers are. This requires active intelligence gathering through your networks and sources.

- ***Step 2 Reframe Your Value Proposition (Weeks 2-6)***

  In the current climate, productivity is not a secondary benefit; it is the primary driver of decision-making. Many companies are likely to be reframing their value proposition through this lens. Analyse your solution to quantify the efficiency gains and cost reductions it delivers. Develop clear, concise messaging that speaks directly to the financial pressures that NHS leaders are facing. Prepare robust case studies that provide hard evidence of return on investment.

- ***Step 3 Identify Your Priority ICSs (Weeks 3-8)***

  You should focus your resources on the ICSs that are most likely to invest. This requires a rigorous assessment of which systems are still actively procuring digital solutions, which have leaders who are receptive to innovation and which have the most pressing clinical or operational needs that your solution can address. This analysis will allow you to create a target list of priority ICSs to focus your engagement efforts on.

- ***Step 4 Build Relationships with New Leaders (Weeks 4-12)***

  In a period of uncertainty, new leaders are looking for trusted partners who can provide insight and guidance. This is your opportunity to build new relationships. Identify the new digital and operational leaders in your priority ICSs and reach out with a value-first approach. Offer them insights from other parts of the country, provide benchmarking data or connect them with peers who are facing similar challenges. Position yourself as a strategic resource.

- ***Step 5: Develop a Restructure-Aware Engagement Strategy (Weeks 6-12)***

  Engagement strategies need to be tailored to the specific timeline of the changes in each of your priority ICSs. You need to understand the key moments in their transition process - from the appointment of new leaders to the setting of new budgets - and time your engagement to coincide with these milestones. This requires a more patient and strategic approach than a traditional sales cycle.

MONTICLE

Monticle is a specialist consultancy. We help digital health companies navigate the NHS and build sustainable commercial relationships with the health service.

WHO WE ARE

We have been inside the system. We have led NHS policy teams, advised government on health technology and run the sector's leading digital health trade association. We understand how decisions are really made - not just the formal processes, but the informal networks, the political dynamics and the unwritten rules that determine which companies succeed.

WHAT WE DO

We work with companies that are already operating in the NHS and ready to scale. We help you understand what is happening in the NHS, identify where decisions are moving and position you as a collaborative delivery partner.

OUR SERVICES

- We help companies understand and navigate NHS restructuring, policy changes, and shifting procurement landscapes
- We provide strategic positioning advice to align your value proposition with current NHS priorities
- We support relationship-building with decision-makers across ICBs, regions, and national bodies
- We deliver market intelligence on where budgets are flowing and which systems are still buying

MONTICLE'S EDGE

Our Proposition

Our unique proposition lies in our current, active relationships across the NHS and our real-time understanding of how changes to NHS structures are playing out on the ground.

1. **Knowledge** - Deep, first-hand knowledge of NHS commissioning, digital health policy and the people making decisions
2. **Insight** - Real-time intelligence on organisational developments, budget decisions and procurement opportunities
3. **Experience** - Practical, hands-on guidance from people who have been on both sides of NHS procurement

OUR LEADERSHIP

Monticle is led by Catherine Davies, CEO of the Digital Healthcare Council, Health Foundation's Productivity Commission Commissioner co-leading the technology and innovation workstream and former specialist member of the Health and Social Care Select Committee's Expert Panel on NHS digitisation. Monticle draws on a network of associates with deep NHS experience.

CONTACT US

If this is relevant to your business, we'd be glad to discuss how we can help. Book a call here

Annex

ICB CHANGES BY REGION

Region	Current ICBs	New Structure (from April 2026/2027)
London	North Central London, North West London	**West and North London ICB** (April 2026)
	North East London, South East London, South West London	No change
East of England	Norfolk and Waveney, Suffolk and North East Essex	**Norfolk and Suffolk ICB** (April 2026)
	Mid and South Essex + parts of SNEE and Herts/West Essex	**Essex ICB** (April 2026)
	Bedfordshire Luton and Milton Keynes, Cambridgeshire and Peterborough, Hertfordshire and West Essex	**Central East ICB** (April 2026)
South East	Surrey Heartlands, Sussex + Surrey parts of Frimley	**Surrey and Sussex ICB** (April 2026)
	Buckinghamshire Oxfordshire and Berkshire West + East Berkshire from Frimley	**Thames Valley ICB** (April 2026)
	Hampshire and Isle of Wight + Hampshire wards from Frimley	Boundary change (April 2026)
	Kent and Medway	No change
Midlands	Leicester Leicestershire and Rutland + Northamptonshire	Clustering (merger TBC 2027)
	Derby and Derbyshire + Nottingham and Nottinghamshire + Lincolnshire	Clustering (merger TBC 2027)
	Birmingham and Solihull + Black Country	Clustering (merger TBC 2027)
	Staffordshire and Stoke-on-Trent + Shropshire Telford and Wrekin	Clustering (merger TBC 2027)
	Coventry and Warwickshire + Herefordshire and Worcestershire	Clustering (merger TBC 2027)
South West	Cornwall and Isles of Scilly + Devon	Clustering (merger TBC 2027)
	Gloucestershire + Bristol North Somerset and South Gloucestershire	Clustering (merger TBC 2027)

Region	Current ICBs	New Structure (from April 2026/2027)
	Dorset + Somerset + Bath North East Somerset Swindon and Wiltshire	Clustering (merger TBC 2027)
North East and Yorkshire	North East and North Cumbria, Humber and North Yorkshire, South Yorkshire, West Yorkshire	No change
North West	Greater Manchester, Cheshire and Merseyside, Lancashire and South Cumbria	No change

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Summary: 42 ICBs → 26 by end of 2027. Six new ICBs confirmed for April 2026 (plus one boundary change). Further mergers expected April 2027.