One Devon Joint Capital Resource Use Plan 2026/27

Introduction

Our population of around 1.3 million is ageing rapidly, with 24% aged 65 or older, well above the national average, and growth among those aged 75+ accelerating. This demographic shift, combined with geographic and social inequalities, creates stark contrasts in health outcomes, with up to a 20-year difference in healthy life expectancy across the county. Rising demand across all service areas, especially the delays in accessing assessments, diagnosis, treatment and community-based support is compounded by workforce shortages, fragmented care pathways, and infrastructure risks. The system's IT and estates vary significantly in quality, with some facilities in urgent need of repair, posing risks to continuity and safety.

Infrastructure plays a pivotal role in enabling the future of healthcare delivery within the region. We face significant challenges to achieve our aims with the Devon NHS economy receiving deficit support funding to deliver the required breakeven revenue plan. The system is holding significant critical infrastructure risk from the maintenance and repairs backlog that trusts are holding. Our plan sets out how we will deploy our resources and deliver identified and funded projects. It sets out a prioritised pipeline of projects, which will require funding. We commit to pursue opportunities and focus on wider system collaboration and innovative delivery models.

This document describes our plan, set against a range of population and geographical challenges, including:

- The Devon population is growing. Our age profile is older than the England average. As a health system, we face challenges, such as increased frailty and growth in rates of long-term conditions, around 15 years before many other parts of the country.
- The population of Exeter has increased by 15% between 2013-2023, the second highest growth rate in the UK.
- Our primary care estate is functioning at, or over capacity. Much of our estate across primary and acute care cannot be extended to create additional capacity. This is not sustainable.
- We need to provide healthcare services that are accessible to our population across our widespread rural geography and our urban centres of population growth.

- The pipeline of investment needed across Devon is at circa £3bn and significantly more than current capital funding levels. Demand for investment will only rise,
- Investment in the estate and in digital technology are clear enablers. We must acknowledge that available funding is unlikely to be sufficient to meet the range of demands we face. The risk to our ability to maintain our estate at 'steady state' is rising. We need to pursue opportunities to maximise effective investment, including through innovation and collaboration.

The ICB hosts formal estates and infrastructure collaboration with its system partner Trusts which covers the Devon population, managed via four NHS Trusts across an estate of four acute hospitals campuses, over 90 community clinics, health centres, community hospitals and mental health facilities and over 170 primary care sites. Devon is an especially rural and geographically dispersed footprint which means a close collaboration with its local authority partners is required which includes two unitary authorities and multiple district councils. These relationships are managed via its One Public Estate platforms with oversight from the cabinet office.

One Devon – Our Partners

Health Care Providers

- Royal Devon University Healthcare NHS Foundation Trust
- University Hospitals Plymouth NHS Trust
- Torbay and South Devon NHS Foundation Trust
- South-Western Ambulance Service NHS Foundation Trust
- Livewell Southwest
- Devon Partnership NHS Trust
- NHS Devon (integrated care board)
- All GP practices in Devon
- Pharmacy, Optometry and Dental

Health and Wellbeing Boards

- Devon Health and Wellbeing Board
- Plymouth Health and Wellbeing Board
- Torbay Health and Wellbeing Board

Healthwatch

- Healthwatch Devon
- Healthwatch Plymouth
- Healthwatch Torbay
- Healthwatch Cornwall

Local Authorities

- Devon County Council
- Torbay Council (unitary authority)
- Plymouth City Council (unitary authority)
- District Councils

Voluntary and community sector organisations

We work with a range of voluntary and community sector organisations to help us make decisions that improve services and outcomes for people and communities.

NHS Property Companies

- NHS Property Services
- Community Health Partnerships

2026/27 CDEL allocations and sources of funding

Devon ICS has been allocated £105.2m operational capital for 2026/27 with trusts receiving allocations directly based on depreciation expenditure and levels of critical infrastructure risk.

One Devon

In addition, £127.9m of funding has been granted from national programmes such as New Hospitals Programme (£69.0m), estates safety (£5.6m), and various left shift / return to constitutional standards schemes (£52.4m).

Other sources of funding contribute a further £64.0m to the capital programme, including asset disposals at University Hospitals Plymouth NHS Trust (UHP) of £46.9m.

The table below sets out the full 2026/27 capital programme by organisation which totals £297.2m.

Programme	Devon ICB	Devon Partnership NHS Trust	Royal Devon University Healthcare NHS Foundation Trust	Torbay And South Devon NHS Foundation Trust	University Hospitals Plymouth NHS Trust	Total full year plan
	£m	£m	£m	£m	£m	£m
Operational Capital						
Operational Capital Provider		11.8	32.7	22.3	31.9	98.7
Operational Capital ICB	2.5					2.5
ICB Strategic Capital	4.0					4.0
Total Operational Capital	**6.5**	**11.8**	**32.7**	**22.3**	**31.9**	**105.2**
National programme spend						
Utilisation and Modernisation Fund	1.0					1.0
Estates Safety: High Value Schemes			2.0			2.0
Estates Safety: Other Schemes		2.2			1.4	3.6
Mental Health: Neighbourhood MH Centres		1.0				1.0
UEC: Other UEC Schemes		8.5				8.5
Diagnostics: Community Diagnostics Centres			17.0	0.8	12.0	29.7
Diagnostics: Endoscopy				0.2		0.2
Elective Recovery: Surgical Hubs			8.0			8.0
Community: Community Health Service Provision					1.7	1.7
Community: Other					0.3	0.3
New Hospital Programme			15.8		53.2	69.0
2025/26 UEC: UEC Priorities			3.0		-	3.0
Total National programme spend	**1.0**	**11.7**	**45.8**	**0.9**	**68.5**	**127.9**
Other sources of funding						
Disposals/other deductions					46.9	46.9
Grants and Donations		1.9	12.1	0.1		14.1
PFI capital				0.7		0.7
Intra-DHSC Group Leasing		0.9	1.4			2.3
Total Other sources of funding		**2.8**	**13.5**	**0.9**	**46.9**	**64.0**
Total CDEL	**7.5**	**26.3**	**92.0**	**24.0**	**147.3**	**297.2**

The main risks to the above programme are the sale and leaseback of the Dartmoor site at UHP which still requires NHS England approval, and a number of the national programmes still require full business cases and final approval before they can commence.

Capital prioritisation

The One Devon capital plan is financially constrained and so it is not possible to address all capital risks. Each organisation had a number of precommitments coming into 2026/27 and then balanced the remainder of their funding to address critical infrastructure risk and high-risk equipment replacement schemes. This was based on relative risk ratings in each organisation.

Overall, the capital plan represents the best possible balance between safety, operational need, and deliverability within the limits of the ICB and national capital allocations. The process ensures that investment is targeted at the highest-risk areas while maintaining a viable and affordable programme across the full five-year period.

Capital programmes have been through formal governance approval processes for each organisation and had formal sign off by Boards as part of the final plan submissions.

Capital planning

The table below shows how the capital plan is broken down by type of expenditure. £25.8m is planned to be spent on backlog maintenance against a total requirement of £355m.

Type of expenditure	26/27 value £m
Backlog Maintenance - Moderate and low risk	2.2
Backlog Maintenance - Significant and high risk (CIR)	23.6
Equipment - clinical diagnostics	9.4
Equipment - clinical Other	19.5
Equipment - non clinical	0.3
Fire Safety	0.2
Fleet, Vehicles & Transport	0.3
GPIT	1.8
Improvement Grant	0.6
IT - Clinical Systems	11.5
IT - Cybersecurity, Infrastructure/Networking	0.1
IT - Hardware	5.0
IT - Other	2.0
IT - Other Software	0.2
New Build - A&E/AAU	53.2
New Build - Car Parking	0.2
New Build - Diagnostics	39.1
New Build - Land, buildings and dwellings	30.9
New Build - Multiple areas/ Other	37.6
New Build - Non clinical	1.1
New Build - Theatres & critical care	17.0
Other - including investment property	35.1
Other Capital Grant	4.0
Routine maintenance (non-backlog) - Land, Buildings a	1.0
Technology	0.1
Utilisation and Modernisation Fund	1.0
Total Expenditure	**297.2**

The table below shows the backlog maintenance requirements across the four Devon trusts.

Backlog maintenance risk level	Total requirement £m
High	60
Significant	146
Moderate	111
Low	40
Total	**357**

Overview of ongoing scheme progression

The table below gives an overview of the significant schemes in Devon where the value is over circa £10m.

Trust	Scheme name	Total value £'m	Timetable (start and completion date)	Overview - including context, case for change, key deliverables	Links to the delivery of the 10YP and the NHS Medium-term Planning Framework
UHP	New Hospital Programme	£167.1m (PDC)	Build has commenced. Completion date is April 2029.	**Context**: The building will address the twin challenge of growing demand and an ageing population with increasingly complex and acute healthcare needs. It will reduce crowding, improve ambulance handover times and increase the flow of patients into the Emergency Department. This aligns with the NHS Plan and the scheme will also forge deeper relations with system partners and strengthen the local economy.	In terms of links to the delivery of the 10 Year Plan, this build is part of a wider Site Development Plan which examines the services which can be located off site, in the community, and those that need to be delivered at the acute site. Space has been made for this development and a number of services will now be provided in the community.

				Case For Change: The Trust is CQC rated as Requires Improvement and has a number of operational challenges affecting provision of care and performance. The Trust was placed in SOF4 at the time of the FBC submission for UEC and elective performance. Financial recovery and long term sustainability is another driver for change, alongside privacy and dignity issues. **Key deliverables include**: • An integrated emergency and urgent care hub to care effectively and efficiently for the increasing numbers of patients presenting with urgent and emergency conditions, with adequate surge capacity, avoidance of crowding, and an environment to support early triage. • Appropriately sized and co-located Same Day Emergency Care (SDEC) and other urgent care pathways, and a Short Stay Unit (SSU) to treat medical and surgical patients, enabling the Trust to discharge a third of emergency admissions on day of attendance, relieve pressure on Trust's wards and bed base, and unlock flow including elective surgery. • The replacement of existing interventional theatres and creating two further interventional radiology theatres to increase access to more effective and	The building contains all the containment for future digital innovation and will be a fully WiFi enabled building. The introduction of an Electronic Patient Record system later this year will allow interfaces with new technology to be explored further, and a number of initiatives will be piloted, with the support of the New Hospital Programme. The build of the Emergency Care Building is taking place in parallel with system and partner discussions to ensure transformation of service delivery and a focus on prevention. This is being supported through social value initiatives via our main contractor to promote health and wellbeing across the city. The building will deliver increased productivity and efficiency, cash releasing, noncash releasing and societal, both at Derriford and the wider health community which will be tracked through the benefits realisation programme.

				efficient interventional procedures, facilitate the expansion of mechanical thrombectomy, and enhance Devon's provision of minimally invasive image-guided surgery. • A replacement for general operating theatres lost as a result of Covid-19, ring-fencing elective capacity, and reducing the waiting lists for elective surgery, particularly those for long-duration specialist neurosurgical, cardiac and orthopaedic surgery.	
UHP	CDC Extension	£24m (£20m PDC and £4m CDEL)	Business case approval required before work expected to commence in second half of 2026/27. Completion in subsequent year.	The CDC Extension will deliver a new, integrated diagnostics facility in the city, expanding capacity and improving access to key services including MRI, ultrasound, cancer screening, and one-stop clinics for cancer and breathlessness. It will enable faster, coordinated care closer to home, reduce reliance on acute hospitals, and improve patient experience, supporting delivery of national targets for diagnostics, elective recovery, and cancer performance.	The scheme directly supports the 10YP ambition to shift care "left" towards prevention, early diagnosis, and community-based delivery. By enabling earlier detection of conditions and providing diagnostics closer to home, it reduces reliance on hospital-based care and supports more proactive population health management. The integration of services and use of streamlined pathways also aligns with the plan's focus on digitally enabled, coordinated care and improved patient outcomes.
UHP	Aseptic	£18.8m (CDEL)	Designs have commenced and works expected to	This proposal seeks capital investment to develop a Pharmacy Aseptic Unit at UHP replacing the existing 27-year-old facility. The 2,180m² state-of-the-art unit will feature 7 isolators supporting chemotherapy,	The Pharmacy Aseptic Unit supports the NHS Long-Term Plan by expanding chemotherapy and OPIT capacity, improving timely access to treatment, enabling care closer to

			commence imminently. Due to complete in next 12-18 months.	CIVAS/OPIT, and cope for R&D. Includes In-isolator automation enabling efficient, large-scale aseptic production.	home, and strengthening regional resilience. It helps deliver the 10YP's ambitions for earlier cancer diagnosis, improved outcomes, and sustainable, high-quality medicines provision across the South West
UHP	Mayflower and dialysis	£13.5m (CDEL)	Works commence in 2026/27 and phased over 3 years.	UHP proposes to modernise and expand its dialysis services to meet growing demand and replace aging equipment. At Derriford's Mayflower Ward, dialysis capacity will increase from six to ten stations. The main Estover hub will relocate to a purpose-built building with up to 29 stations, addressing current safety issues and consolidating outpatient care.	The UHP dialysis plans support the NHS 10-Year Plan by expanding capacity, modernizing facilities, and improving patient care. They align with the Medium-Term plan through efficient estate use, workforce planning, and resilient, sustainable services that meet rising demand and future-proof care.
UHP	Gamma Camera Replacement	£9.4m (CDEL)	September 2026 and completion in 2027/28.	The Trust's existing Gamma Cameras, installed in 1998, are now outdated, unsupported, prone to frequent breakdowns, and provide poor-quality imaging. Replacing them is essential to ensure business continuity. The project is complex because of their location within the hospital, requiring significant sequencing and internal planning.	The Gamma Camera replacement supports the NHS 10-Year Plan and Medium-Term Financial Plan by modernizing diagnostics, improving patient care, and ensuring sustainable service delivery. Replacing aged, unreliable equipment enhances imaging quality, reduces breakdowns, and supports timely treatment, contributing to RTT standards.
UHP	Dartmoor Lease	£21.3m (CDEL lease)	Transaction included in UHP plan in October 2026.	The Dartmoor sale and leaseback proposal involves a long-term transaction of the Dartmoor Building. The Trust aims to secure NHS England approval in Q1 2026/27. The transaction is critical to the affordability of the 2026/27 capital plan, and enable the	The Dartmoor sale and leaseback proposal aligns with the NHS 10-Year Health Plan by supporting sustainable service delivery, modernising critical clinical infrastructure, and maintaining

				delivery of wider strategic and operational benefits, including maintaining service continuity, replacing life-expired clinical equipment, and strengthening long-term estate control.	operational control over key estate assets. By generating immediate cash and releasing CDEL headroom, the Trust can prioritise replacement of life-expired equipment, improving performance against NHS constitutional standards and enabling safer, more efficient services.
DPT	Enhanced MH Crisis Assessment Centre (EMHCAC) - (note: previously called POS+ (Place of Safety))	£17.5m (£14m PDC and £3.5m CDEL) Note: All funding streams will require approval for the scheme to progress	December 2026 - October 2028	The scheme will reduce pressure on ED, reduce demand for inpatient beds, enable people to be treated in a safe, therapeutic environment, reduce the use of the mental health act by providing an alternative pathway for those that would benefit from a brief intervention or 72 hour admission. As a dedicated mental health assessment centre, including place of safety it will support the implementation of MHA reforms. It will closely align to the national agenda for Mental Health A&Es. The service will enable people to be supported in the least restrictive environment, reducing long waits in ED, reducing admissions and connecting people to community services. This scheme will meet the needs of Devon by: 1. Replacing the exiting centralised Place of Safety, which does not meet standards. It is in the basement of a Victorian building with	The 10 year Health Plan includes a specific national commitment to create dedicated Mental Health Emergency Departments (MHED's). This includes a commitment to spend £120m nationally to develop around 85 MHEDs. The Health Service Journal has recently reported that the South West of England is one of only two regions nationally that does not have a MHED scheme planned. This scheme would deliver a model which is closely aligned to MHED in Devon, as close to the Emergency Department as possible. The scheme will meet the plans aims of: 1) Providing 24/7 specialist urgent mental health care 2) Patients can self-present, arrive by ambulance or police, or be referred via NHS111 (in Devon via the First

				limited access to natural light and fresh air and does not have ensuite facilities. This has been picked up in a recent CQC visit. 2. It will add a new Crisis Assessment Centre for up to 12 patients at any one time, including 6 ensuite bedrooms for people who may need to stay for up to 72 hours for assessment, treatment and de-escalation. 3. A waiting area is included, located in close proximity to the RD&E Emergency Department, to future proof this investment to closely meet the need of the emerging Mental Health A&E agenda. 4. By combining POS and Crisis Assessment Centre within one building this will enable an integrated, more resilient multi-disciplinary team, creating financial and operational efficiencies. 5. Benefits will include the ability to transfer patients from ED and also directly signpost people to the new EMHCAC, reducing 12 hour breaches, improving 4 hour waiting time targets and reducing the number of mental health patients who need to attend the emergency department. The ability to provide a longer assessment and stabilisation phase will also reduce the volume of longer acute mental health admissions. This will relieve pressure in the Devon system which has persistent and significant waits for mental health beds alongside private bed use. Essentially, it will	Response Line). This will be introduced in a phased way, starting with diversion from ED. 3) Assessments are expected within 4 hours in a calm, purpose built environment, rather than a general A&E. The EMHCAC will work closely with CRHT, CMHT, Crisis Houses to move care from hospital to community in line with the 10 year plan.

				reduce pressure for mental health beds, which will also improve performance in the Place of Safety and the Emergency Department. Key deliverables include: 1. Securing a land to build the premises (in progress) 2. Ascertain any additional required by way of clearing the site. 3. Building the new Mental Health Crisis Assessment Centre 4. Joint development with RDUH and other key stakeholders of the clinical pathway, workforce model and phased mobilisation of the service.	
RDUH	NHP residences	£17.5m	October 2027	This is part of the national New Hospitals programme and relates to new staff residences for clinical staff working at NDDH. This is an essential requirement to improve staff retention at the site and is one element of the site that requires modernisation. Key deliverables are a fit for purpose staff residence building, which will provide accommodation for clinical staff.	Part of the national New Hospitals Programme to modernise NHS infrastructure. Plus, for the Trust it provides much-needed investment in infrastructure to accommodate clinical staff, which will have a positive impact on staff recruitment and retention.
RDUH	Heavitree surgical hub	£17m	Nov 2026 - Dec 2027	This relates to the development of two new theatres to provide additional capacity for elective surgical recovery and waiting list reduction, as part of a larger programme of	Elective recovery is a key component of the NHSE 10-year plan and more recent medium-term plan.

				work to develop the Trust's Heavitree site as a cold elective hub. The programme of work is actively underway and due for completion in December 2026.	
RDUH	Gadeon House - Pathology	£11.5m	Feb 2026 - Nov 2026	This represents a key component of the regional Pathology shared service development, with the Trust moving Pathology services and production to an off-site location, which will provide improved facilities and capacity for future expansion, as part of a broader Pathology Transformation programme.	The NHS 10-year plan and medium-term plan recommends the move to system shared services as key to productivity, as well as the need to improve diagnostic services.
RDUH	District heating	£21m	Jun 2026 - Jun 2028	This forms part of a wider cross public sector district heating network, which will result in direct carbon reduction and revenue benefits. This will mitigate against future energy inflation costs and provide a more sustainable platform.	The NHS 10-year plan refers to targets to reduce carbon emissions. Equally, this plan offers direct cost savings and future cost avoidance.