Navigating the Transition from NHS England: Strategic Implications for Pharmaceutical Market Access and Specialised Commissioning

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Introduction

The UK pharmaceutical market (valued at over £50 billion) has long depended on the NHS as its main client, which spent £19.9 billion on medicines and medical technologies in 2023/24.[1] NHS England has played a pivotal role in coordinating access for certain therapy categories (including oncology, rare diseases, and gene or cell therapies), pathway standardisation and national strategic initiatives.

On the 13 March 2025, the Health and Social Care Secretary, Wes Streeting, made a statement to the House of Commons regarding plans to abolish NHS England over the next two years and to redistribute its responsibilities across the Department of health and social care (DHSC), Integrated Care Boards (ICBs), and other entities.[2]

Whilst the final structure of decision-making and governance remains unclear, the shift adds complexity to an already fragmented and regionally variable commissioning system, particularly for hospital-based and high-cost therapies such as CAR-T immuno-oncology, rare disease treatments and gene therapies. Our clients are already experiencing the effects of the transition to ICBs. Approval processes are becoming increasingly complex and inconsistent across regions, with many companies resorting to agency support to map evolving ICB and hospital-specific requirements.

In this point of view piece, we offer a forward-looking assessment of how these reforms could reshape the operating environment for pharmaceutical companies in the United Kingdom. Our analysis explores four key areas to hypothesise what the changes might look like, how these changes might impact pharmaceutical companies, and what steps can be taken to prepare for operational uncertainty in the United Kingdom:

1. Reimbursement, Pricing & Access
2. Procurement Uncertainties
3. Regulatory & Compliance
4. ESG considerations

Our approach analysed role redistribution through therapy and product-specific lenses to deliver a more holistic perspective on future market dynamics

In developing this point of view, we undertook a structured analysis of the proposed transformation of the NHS, aiming to understand its implications for the pharmaceutical industry. We explored the issue through a series of strategic lenses, including:

	Redistribution of roles & responsibilities	Therapy area & product type variability
Focus	Commissioning, pricing, reimbursement	Specialised vs. community medicines, hospital-only drugs
Impact	Transition of authority from NHS England to DHSC, ICBs, or new structures	Access pathways, negotiation dynamics, procurement variability
Strategic concern	Who will now hold decision-making power and budgetary control?	How should access strategies adapt based on therapy type and evolving procurement routes?

Our approach was designed to anticipate impact across systems, structures, and therapeutic strategy.

Abbreviation(s): CAR-T: Chimeric antigen receptor- T cells; DHSC: Department of Health and Social Care; ICBs: Integrated Care Boards; NHS: National Health Service

What do the changes to NHS England mean and why are they important?

In the past, NHS' central authority has enabled a relatively consistent route to market across England, with clear guidance and engagement pathways for pharmaceutical companies. As it stands, pharmaceutical companies are navigating significant engagement variation across ICBs, especially for community-prescribed and secondary care therapies, with some ICBs requiring specific evidence templates or implementing distinct budget thresholds for secondary care medicines.

The restructuring will see NHS England's functions being fully absorbed into the DHSC over the next two years, accompanied by a significant workforce reduction, approximately 50% of roles, similarly, the 42 local ICBs are expected to undergo parallel cost-cutting measures, with mandates to reduce their running costs by 50% by Q3 2025/26.[3] For pharma, this signals major disruption and demands a bold rethink of engagement and access strategies.

The scale of organisational upheaval raises serious questions:

- Will commercial and reimbursement decisions now occur regionally, and if so, will that introduce pricing disparities?
- Will access schemes such as the Cancer Drugs Fund or VPAG/VPAS negotiation frameworks, which are often centrally brokered, be maintained across geographies?[4,5,6]
- How will companies navigate regulatory and compliance expectations, potentially without a national coordinating body?

The implications are tangible: disrupted engagement routes, delayed product launches, and uncertainty around real-world data integration and pricing stability. While there may be long-term benefits in bringing decision-making closer to patients, the immediate impact is one of potential strategic complexity.

Roles & responsibilities of NHS England	**Commissioning** • Specialised services • National clinical priorities **Access & approvals** • High-cost drug access • Cancer Drugs Fund (CDF) • Value-based adoption (with NICE) **Pricing & procurement** • National negotiations • Commercial frameworks • Risk-sharing schemes	**Budget holding** • Centralised budgets for specialised therapies **Regulatory coordination** • Interface with NICE, MHRA, DHSC • Guidance implementation **System leadership** • Oversight of ICBs • Coordination with NHS Improvement/ Digital/ HEE
Redistributed roles & responsibilities post-NHSE	**DHSC** • Overall policy and funding • Potential pricing negotiations • National health strategy **ICBs** • Local commissioning • Access decisions for some therapies • Budget allocation **NHS Trusts** • Operational decision-making • Procurement of services/ devices • Local treatment protocols	**NICE (unchanged, more isolated)** • HTA and value assessments • Collaborations on access recommendations **MHRA (unchanged)** • Regulatory approval of medicines/ devices

Abbreviation(s): DHSC: Department of Health and Social Care; ICBs: Integrated Care Boards; VPAG: Voluntary Scheme for Branded Medicines Pricing, Access and Growth; VPAS: Voluntary Scheme for Branded Medicines Pricing and Access

How will the transformation of the NHS impact pharmaceutical market access and specialised commissioning?

There is significant uncertainty around what the UK healthcare landscape will look like without NHS England, with few clear signals about how responsibilities will be redistributed or what processes will replace existing national structures. However, by analysing how the system functioned prior to NHS England's creation — when commissioning, reimbursement, and procurement were more fragmented and locally managed — we can begin to hypothesise a return to similar dynamics. Specialised commissioning decisions may fragment, market access timelines could vary more widely, and more responsibility is likely to shift to hospital-level budget holders. This lens offers valuable insight into the types of challenges and shifts pharmaceutical companies may need to prepare for across pricing, access, regulation, and ESG.

Reimbursement, Pricing & Access

The loss of NHS England's central negotiating role for specialised medicines removes a crucial anchor point for pharma-led access planning. Even prior to NHS England's disintegration, pharma has contended with decentralised approvals across ICBs for many therapy areas. The transition risks exacerbating these disparities, especially for therapy areas not covered by specialised commissioning.

With CPAG (previously pivotal for funding specialised drugs) facing dissolution, pharma faces a vacuum in nationally coordinated reimbursement pathways for high-cost treatments. This shift could also accelerate the transition of some treatments to outpatient and ambulatory care models. This is especially likely in oncology, neurology, and chronic immunotherapy, where outpatient infusion models may gain traction as hospitals seek cost containment. Alternatively, inconsistent or delayed NHS pathways may prompt greater private sector uptake.

Procurement Uncertainties

One of the immediate impacts of the restructuring is the disruption of ongoing procurement reforms. With responsibilities becoming more fragmented and procurement authorities' future roles unclear, pharmaceutical companies may face delays in the acquisition of pharmaceuticals and medical devices. This uncertainty could affect contract negotiations, formulary inclusions and market clarity.

As NHS England's functions shift to the DHSC, local ICBs may gain greater autonomy over procurement decisions,[7] raising the risk of regional disparities in access to medicines, as priorities, resources, and procurement capabilities may vary significantly between ICBs, making this a volatile transition point.

Additionally, NHS Supply Chain is already facing operational weaknesses, such as gaps in leadership and inefficiencies in transformation efforts.[8] These challenges could hinder the effective management of the procurement process during this transition.

However, this evolving landscape may also open new opportunities for pharmaceutical companies. While there is potential for locally tailored solutions and innovative access models, the lack of centralised procurement guidance may create uncertainty, forcing companies to adapt contract negotiation timelines and explore direct engagement with local procurement hubs.

Abbreviation(s): CPAG: Clinical Priorities Advisory Group; DHSC: Department of Health and Social Care; ESG: Environmental, Social and Governance; ICB: Integrated Care Board; NHS: National Health Service

Regulatory and Compliance

The restructuring of NHS governance may pave the way for increased localisation, potentially leading to a more fragmented regulatory environment. If this shift occurs, it could introduce new compliance challenges for pharmaceutical companies.

In such a scenario, launching and distributing products may become more complex, requiring companies to reassess how they maintain a cohesive and consistent market strategy.

Furthermore, formulary variation across ICBs may necessitate separate commercial conversations and submissions, delaying uptake timelines, increasing administrative costs for pharmaceutical companies, increasing the burden on local market access teams and potentially requiring regional adaptation of joint working agreements or service-led commitments.

Although national regulatory bodies like the MHRA and NICE will continue to operate, the absence of NHS England as a central policy integrator could reduce coherence across HTAs, commissioning, and reimbursement processes. A move toward decentralisation might fragment these interactions, possibly complicating regulatory pathways.

If local guidelines diverge, this could result in varied reimbursement levels and product uptake, posing additional challenges for marketing, advertising, and promotional efforts.[9]

ESG

The transformation of the NHS could reshape ESG dynamics for pharmaceutical companies, presenting both challenges and opportunities.

Environmental: NHS England has historically led sustainability initiatives, such as green procurement and decarbonisation. With its leadership role potentially diminished, pharmaceutical companies may need to take on a greater responsibility for advancing environmental goals, particularly as ESG criteria may become more embedded in local procurement scoring systems, such as those used in NHS supply chain evaluations.[10]

Social: Decentralised decision-making could lead to regional variations in commissioning and reimbursement, potentially affecting equitable access for patients. Pharmaceutical companies may need to adopt more proactive roles by building stronger local partnerships and aligning access strategies with regional needs.

Governance: The absence of a central coordinating body could complicate consistent ESG reporting. With engagement shifting from national bodies to regional stakeholders, maintaining transparency, compliance, and ethical consistency may become more challenging, which may lead to inconsistencies in HTA application, audit requirements, and promotional clearance across geographies.

This shift presents an opportunity for pharmaceutical companies to step up as system partners, shaping governance, driving regional change, and championing the patient voice.

Abbreviation(s): ICBs: Integrated Care Boards; MHRA: Medicines and Healthcare products Regulatory Agency; NICE: National Institute for Health and Care Excellence; HTAs: Health Technology Assessment

Our strategic recommendations: **Preparing your organisation to navigate change in the UK**

As the UK healthcare system undergoes its most significant structural reform in over a decade, pharmaceutical companies must move swiftly to recalibrate their strategies. The transformation of the NHS and the devolution of NHS England's functions are already creating new, more localised dynamics around pricing, access, and governance. Our strategic recommendations highlight six priority areas where proactive action can mitigate disruption and unlock new opportunities.

By investing in tailored engagement, flexible pricing, region-specific value strategies, and robust ESG integration, organisations can position themselves as trusted partners to a health system in transition; ready not just to adapt, but to lead.

Therapy Area Mapping

Segment impact analysis by therapy area to forecast shifts in access feasibility, focusing on how regional variability could affect therapies under previous NHS England oversight (e.g. variations between advanced therapies or paediatric oncology and community-prescribed medicines).

Stakeholder & Influence Mapping

Map emerging decision-makers across DHSC, ICBs, Trusts, and regulatory bodies to understand where power lies and how to engage early.

Localised Engagement Models

Equip field teams to engage regionally with tailored messaging and flexible access strategies that reflect local priorities.

Evidence & Value Customisation

Strengthen real-world evidence and cost-effectiveness models that meet diverse regional expectations and support outcomes-based access.

ESG Integration & Health Equity

Position ESG efforts such as equitable access or carbon reduction as differentiators in regional engagement and future procurement criteria.

Ambulatory & Private Sector Readiness

Explore outpatient delivery models and private partnerships for select therapies, particularly those with high demand but uncertain NHS pathways during the transition period as delays or inconsistencies in NHS access pathways may drive providers and patients toward private infusion clinics, diagnostics, or pharma-sponsored care models.

Abbreviation(s): DHSC: Department of Health and Social Care; ESG: Environmental, Social and Governance; ICBs: Integrated Care Boards; NHS: National Health Service

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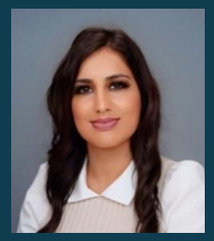

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