



**Health and Social Care
Committee**

**Rt Hon Wes Streeting, MP
Secretary of State
Health and Social Care**

**cc. Sir Jim Mackey
Chief Executive
NHS England**

Wednesday, 25 March 2026

Subject: Mental Health Expenditure

Dear Wes,

Thank you for your letter regarding the annual statement on NHS mental health spending. The Committee welcomes the Government's continued commitment to improving mental health services.

While we recognise the intention to shift towards an outcome-based approach, we must also acknowledge that strong outcomes require sufficient inputs. I would therefore be grateful for clarification on the following points:

Mental Health Investment Standard

1. NHS England's *Medium-term Planning Framework: Revenue Finance and Contracting Guidance* states that:

"ICB core programme MHIS values will be set for 2026/27 to 2028/29 based on flat real funding growth and will be pre-populated in ICB plans."

Could you clarify:

- i) why NHS England is constraining mental health expenditure to real terms growth only; and
- ii) how an ICB whose overall allocation increases by more than real terms growth is expected to meet the MHIS requirement under this approach?

2. We are pleased to note that ICBs are forecast to meet the Mental Health Investment Standard this year. Could you clarify how many ICBs met the Standard *post-audit* in 2024-25?



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Could you also commit to including, in future annual statements, both the current year forecasts and the audited results for prior years? We would also welcome this information being disclosed in the Department's Annual Report and Accounts.

3. Could you confirm what changes have been made to the categories of expenditure that may be included within the Mental Health Investment Standard? Specifically, what types of spend can now be included that were previously excluded, and what is the rationale for these changes?

Service Development Funding

4. The Committee welcomes additional investment through Service Development Funding to expand access to NHS Talking Therapies and Individual Placement and Support and expanding Mental Health Support Teams in schools.

However, we are concerned about the short-term nature of this funding. Will ICBs receive sufficient increases to their core allocations to ensure these initiatives can be sustained in the long term? If so, when should ICBs expect these resources to transfer into their core allocations rather than remaining within Service Development Funding?

Adequacy of Capital Investment

5. Finally, we would also appreciate clarity on the expected impact of the £473 million mental health capital investment. Spread over four years and across 42 ICBs, this equates to approximately £2.8 million per ICB per year. This funding is intended to support the development of community based mental health centres, establish Mental Health Emergency Departments, and reduce inappropriate out of area placements and locked inpatient rehabilitation. Can you confirm whether this level of investment is considered sufficient to achieve these objectives?

We would be grateful to receive the Department's response by no later than 15 April 2026.

Yours sincerely



**Health and Social Care
Committee**

A handwritten signature in black ink that reads "Layla Moran".

Layla Moran, MP
Chair, Health and Social Care Committee