

To: Emma Woollett, Chair
Aaron Cummins, Chief Executive

Lancashire & South Cumbria
Integrated Care Board

Louise Shepherd
North West Region
4th Floor
3 Piccadilly Place
Manchester
M1 3BN

louise.shepherd17@nhs.net

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Dear Emma and Aaron

Annual assessment of Lancashire and South Cumbria Integrated Care Board's performance in 2025–26

I am writing under section 14Z59 of the NHS Act 2006, as amended by the Health and Care Act 2022, which requires NHS England to conduct an annual performance assessment of each Integrated Care Board (ICB).

This has been a particularly challenging year for ICBs, marked by significant system-wide pressures and continued organisational change. In parallel, ICBs have been required to adapt to an evolving operating model, while maintaining a clear focus on statutory duties, system leadership and delivery for local populations.

Against this backdrop, I recognise the complexity of the task facing your organisation and the sustained effort required to balance immediate operational pressures with longer-term strategic priorities. I also acknowledge the additional burden created by structural changes, and the need to maintain stability and continuity across systems during a period of transition.

In reaching this assessment, I have considered evidence from the ICB's annual report and accounts, available performance and assurance data, feedback from partners and stakeholders, and the discussions my team and I have held with ICB colleagues over the course of the year.



While this annual assessment is a statutory requirement, I have sought to ensure that it is balanced and proportionate, recognising both the need to assess performance against statutory responsibilities and the realities of the organisational change that has taken place during the year.

I remain committed to working constructively with you, building on learning from the year, and supporting ICBs as roles, responsibilities and arrangements continue to evolve.

I would like to thank you, your Board and your wider team for your leadership and continued commitment during a demanding period of change. My team and I look forward to continuing to work with you in the year ahead.

Yours sincerely,

A handwritten signature in black ink, reading "Louise Shepherd". The signature is written in a cursive, flowing style.

Louise Shepherd CBE
Regional Director (North West)

Section 1: ICB performance assessment

In reaching this assessment, I have considered how successfully the ICB delivered national priorities, discharged its statutory duties and improved outcomes for its population during 2025/26.

Lancashire and South Cumbria ICB demonstrated mixed performance across national priorities. Planned care remained an area of relative strength, with delivery of the 52-week wait target and performance above plan for 18-week RTT. The annual report also evidences continued investment in pathway improvement and cancer governance arrangements. However, overall RTT waiting lists, cancer standards and diagnostic waits remained challenging at year end.

Urgent and emergency care represented a relative strength during 2025/26. Four-hour A&E performance exceeded the national target and improved year-on-year, reflecting effective system coordination, resilience and targeted improvement activity. Nevertheless, sustained improvement will be required to ensure performance is consistently maintained over time.

The ICB demonstrated increasing maturity in its approach to population health and reducing inequalities through the use of population health management, linked datasets and targeted interventions. There is evidence of a more proactive and preventative approach to care. However, further work is required to embed these approaches consistently within decision-making, commissioning and Board assurance arrangements and to demonstrate measurable impact over time. The annual report also provides evidence of the ICB's role as an anchor institution, including delivery of its Green Plan, workforce initiatives and partnership working with local partners.

The annual report evidences strengthened quality governance arrangements, with increasing triangulation of quality metrics, complaints and incident data. The ICB has continued to strengthen its approach to complaints management and learning from patient experience. Positive progress has been made, although further assurance is required on how quality intelligence is used to shape priorities and demonstrate impact through Board-level reporting.

The ICB discharged its statutory financial duties and delivered an overall surplus position. It also achieved the Mental Health Investment Standard and submitted a compliant financial plan for 2026/27. However, underlying financial pressures remain significant, and financial sustainability continues to represent a strategic risk requiring sustained leadership focus throughout 2026/27.

Overall, Lancashire and South Cumbria ICB demonstrated progress across several important priorities, particularly urgent and emergency care, planned care improvement, governance and population health. Nevertheless, significant challenges remain in financial sustainability, cancer performance, diagnostics and achieving consistent delivery across all priority pathways.

Section 2: ICB capability assessment

In considering capability, I have reviewed how effectively the ICB has commissioned services for its population, exercised system leadership, taken appropriate professional advice, engaged with local communities and discharged its statutory responsibilities during a period of considerable organisational change.

The evidence indicates an organisation with increasingly mature strategic commissioning capability. Governance arrangements have strengthened, there is clearer alignment between planning, population need and delivery, and stronger evidence of strategic commissioning supported by a long-term commissioning plan and strengthened quality oversight.

The ICB demonstrates a clear commitment to partnership working through collaboration with providers, local authorities, place partnerships and wider system stakeholders. There is evidence of meaningful engagement with communities and increasing focus on ensuring that system decisions reflect local needs and wider population outcomes.

The ICB has continued to operate in a context characterised by organisational change, workforce pressures and financial challenge. Despite these pressures, governance, strategic planning and commissioning arrangements have continued to strengthen. However, further work is required to ensure these arrangements consistently translate into improved operational delivery, measurable outcomes and sustainable organisational performance.

Overall, my assessment is that Lancashire and South Cumbria ICB demonstrates many of the characteristics of a capable strategic commissioner, with strengthening governance, increasing organisational maturity and strong partnership working. Continued focus will be required to translate this capability into sustained improvement across performance, quality and financial outcomes.

Section 3: Support and intervention

During 2025/26, Lancashire and South Cumbria ICB remained subject to formal undertakings and Recovery Support Programme arrangements.

The evidence demonstrates progress in a number of areas, particularly strengthening governance arrangements, leadership stability, delivery focus and progress against Recovery Support Programme exit criteria. The Recovery Support Programme was stood down in December 2025, reflecting progress against agreed milestones.

However, continued improvement is required across finance, operational delivery and organisational resilience to demonstrate that recovery is sustainable and fully embedded. You have provided assurance that the ICB is targeting continuation of the improvements achieved during 2025/26, and this will be required in order to deliver your plans and objectives for 2026/27.

The regional team will continue to work closely with the ICB to support delivery of the required improvements and ensure progress is sustained over time.

Conclusion

In forming this assessment, I have sought to take a balanced and proportionate view of the ICB's performance, recognising both the progress made and the scale of the challenges that remain. The organisation has continued to evolve through a period of significant change and has strengthened a number of the foundations required for successful strategic commissioning.

The next phase of ICB development requires clear and continued focus on translating strengthened governance and commissioning capability, alongside the system leadership required for Lancashire and South Cumbria, to ensure these improvements translate into

sustainable improvements in outcomes, experience, quality and financial sustainability for the population.

I ask that you share this assessment with your Board and senior leadership team and consider publishing it alongside your annual report at a public meeting. In line with statutory requirements, NHS England will publish a summary of the outcomes of all ICB annual performance assessments.