NHS England

To: Sir David Henshaw, Chair (Interim)
Dr Liz Bishop, Chief Executive (Interim)

Cheshire & Merseyside Integrated Care Board

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31 July 2026

Dear Sir David and Liz,

Annual assessment of Cheshire and Merseyside 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,



Louise Shepherd CBE
Regional Director (North West)

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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.

Cheshire and Merseyside ICB delivered strong performance across several national priorities. Elective recovery remained a particular strength, with delivery ahead of plan for key referral-to-treatment measures and a strong diagnostic position relative to peers. Cancer performance also improved, reflecting sustained focus on improving timely diagnosis and access to treatment.

Urgent and emergency care remained a significant area of challenge. Although performance improved compared with the previous year, four-hour emergency care performance remained below the national standard and variation across the system persisted. Long waits continue to impact patient experience and outcomes and should remain a key focus during 2026/27.

The ICB demonstrated increasing maturity in its approach to population health and reducing inequalities. Through initiatives such as All Together Fairer and the increasing use of population health intelligence, there is evidence of a more targeted approach to prevention, early intervention and reducing variation in outcomes. However, persistent inequalities in access, experience and outcomes mean that further progress is required.

The annual report evidences strengthened quality governance arrangements, increasing use of quality intelligence and a stronger approach to learning from incidents, complaints and patient feedback. Positive progress has been made, although further assurance is required regarding how improvement impact is measured, tracked and demonstrated through Board-level reporting.

The ICB discharged its statutory financial duties and reported a year-end surplus position. However, financial recovery remained challenging, and the year-end position reflected continuing underlying pressures. Financial sustainability remains one of the most significant strategic risks facing the system and will require sustained leadership focus throughout 2026/27.

I have also considered the findings of the recent SEND inspection in St Helens. These findings illustrate the importance of continued collaboration between the ICB, local authorities and wider partners to improve experiences and outcomes for children and young people with SEND.

Overall, Cheshire and Merseyside ICB demonstrated progress across several important priorities, particularly in elective recovery, cancer performance, strengthening quality oversight, population health and reducing inequalities. Nevertheless, significant challenges remain in urgent and emergency care, financial sustainability 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.

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The evidence indicates an organisation with increasingly mature strategic commissioning capability. Governance arrangements have strengthened; there is clearer articulation of statutory responsibilities and there has been continued development of population health intelligence to support evidence-based decision making. The annual report also demonstrates stronger alignment between planning, commissioning and delivery.

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 the needs of local populations and the wider social and economic impact of those decisions.

The ICB has continued to operate in a context characterised by leadership transition, implementation of the Model ICB Blueprint and reduced organisational capacity. Despite these pressures, governance, strategic planning and commissioning arrangements have continued to strengthen. However, further work is required to ensure that these arrangements consistently translate into improved operational delivery, measurable outcomes and sustainable organisational performance.

Overall, my assessment is that Cheshire and Merseyside 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, Cheshire and Merseyside ICB remained subject to formal undertakings introduced in response to concerns relating to leadership, governance, quality and financial delivery.

The evidence demonstrates progress in a number of areas, particularly strengthening governance arrangements, programme management disciplines and oversight through a single improvement framework. There is clearer accountability for delivery and increased organisational focus on improvement priorities.

However, the continuing breadth of the undertakings, together with remaining operational and financial challenges, indicates that further improvement is required before sustainable recovery can be demonstrated. 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.

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The next phase of ICB development requires clear and continued focus on translating strengthened governance and commissioning capability, alongside the system leadership required for Cheshire and Merseyside, 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.

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