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Dear Sir Liam,

Re: Annual assessment of North East and North 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.

For North East and North Cumbria the interim Regional Director for North East and Yorkshire has not been involved in the assessment given the potential conflict of interest given their current substantive role at the ICB.

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,

Tarryn Lake

NHS England Regional Finance Director - North East and Yorkshire Region

Copy

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Section 1: ICB performance assessment

This assessment reflects a credible but varied year for North East and North Cumbria ICB, with clear areas of strength in financial stewardship, elective recovery, prevention, partnership delivery and some aspects of access, alongside continued challenges in urgent and emergency care, cancer, diagnostics and some mental health pathways including children and young people's services.

During 2025/26 the ICB was consistently among the strongest systems nationally on the 18-week constitutional standard and made substantial progress in reducing 52-week waits but did under deliver against its operating plan for both measures. General practice satisfaction improved and remained above national average. A&E 4-hour performance improved during 2025/26 achieving 80.6% in March 2026. However, cancer performance continued to fall short of planning ambitions, where 62-day and faster diagnosis performance remained below plan at 71.5% and 76.7% respectively and require sustained recovery action during 2026/27. Diagnostics performance remained challenging across the year with improvement plans and underutilised community diagnostic centres being a key focus for 2026/27. NENC continues to have significantly higher rates of adults with a learning disability and autistic adults in hospital than all bar two other ICBs. The ICB also has one of the highest rates of adults with a learning disability in hospital with the longest lengths of stay.

On Category 2 ambulance response times at February 2026, North East Ambulance Service (NEAS) achieved 20:42 which met the national ambition of 30 minutes with the trust ranking 1/10 nationally. There was an improvement in Ambulance handovers but this remained a continuing system pressure and needs to remain an area of focus for the ICB in 2026/27.

For Talking Therapies, reliable improvement was achieved consistently across the year apart from June 2025 and reliable recovery was achieved month on month although the year-end local target was only reached and exceeded in July 2025. The ICB is a high performer on out of area placements and the ICB has achieved its individual placement support target for 2025/26. During 2026/27 the ICB should continue to focus on sustaining and improving access, outcomes and recovery on Talking Therapies.

The ICB has demonstrated strong financial control and met all relevant financial duties with an overall ICB surplus of £34.86 million, delivery within the running cost allowance and no breach of capital limits. The ICB also contributed to management of the wider system position increasing its own surplus during the year to help offset deterioration in provider finances, with the system delivering an overall surplus position. This supports the conclusion that the ICB balanced its own budget and

sought effectively to balance the wider system budget while continuing to pursue efficiency and productivity improvement.

The ICB has worked collaboratively with providers to improve the safety, effectiveness and experience of care they commission.

The ICB has used an Equality and Quality Impact Assessment (EQIA) to ensure commissioning decisions have not had an adverse impact on quality of care and should continue to do so during 2026/27.

There was an increase in staff sickness absence from 3.61% in Quarter 1 to 6.6% in Quarter 4. GP leaver rates have also increased potentially impacting primary care services.

On population health and inequalities, the ICB has sustained investment in prevention and healthcare inequalities supported by mature governance and partnership structures. The Healthier and Fairer Programme has continued to operate as a system-wide vehicle for action on prevention and inequality reduction, with progress across tobacco, alcohol, obesity, Deep End, CORE20PLUS5, inclusion health, health literacy and digital inclusion. There is evidence of improvement in selected prevention indicators including learning disability annual health checks, smoking in pregnancy and strong delivery of tobacco treatment support. The ICB has also demonstrated action on climate change through its Green Plan and wider sustainability programme, promoted innovation through digital and neighbourhood-based models of care and strengthened its research capability to support commissioning decisions.

The ICB demonstrates a strong, evidence-led commitment to improving equity of access and outcomes through targeted work on prevention, healthcare inequalities, dentistry, women's health, digital inclusion, mental health and learning disabilities. There is evidence of progress but there are continuing inequalities, access pressures and variation in performance.

In relation to experience of care and complaints, the ICB has a structured approach to listening and responding to people and communities through a dedicated involvement team, formal governance routes, annual reporting and extensive partnership working with Healthwatch and VCSE organisations. Complaints intelligence is considered through governance structures including the Quality and Safety Committee and how feedback from patients, carers and communities has been used to shape service changes, improve communication, strengthen access routes and support more inclusive commissioning.

Section 2: ICB Capability assessment

The ICB demonstrates many of the features of a capable strategic commissioner. The ICB has a mature approach to commissioning through system partnership, place-based delivery and use of evidence, with strong examples across primary care, women's health, mental health transformation, prevention, digital programmes and delegated functions. However these capabilities have had limited impact on reducing the number of adults with a learning disability who are in hospital. The ICB has continued to work through its Integrated Care Partnership, local authorities, provider collaboratives, primary care networks and voluntary sector partners to develop care models aligned to local need and national direction, with a clear emphasis on the triple aim and the strategic shifts toward prevention, digital transformation and more care delivered in communities. There is increasing use of population health management, research and evidence, quality impact assessment and co-production to inform strategic commissioning decisions.

The ICB is led well with robust governance and committee arrangements, clear escalation routes, established quality and safeguarding structures and strong evidence of board and committee oversight across finance, performance, quality, risk and transformation. There is evidence of a strong board focus on strategic commissioning transition, quality, safeguarding, women's health, primary care, digital inclusion and learning from communities. During 2025/26 the ICB maintained a positive focus on workforce, learning and inclusion through programmes such as Boost, the Staff Wellbeing Hub, fertility policy development, people promise work and system-wide learning offers.

The ICB has continued to strengthen delivery of its statutory responsibilities for Special Educational Needs (SEND) through completion of all five High Impact Actions, routine audits of Education, Health and Care Plan health advice, refreshed quality assurance arrangements and close partnership working with local authorities to support inspections and local area reform planning. The ICB has action plans in place in inspected areas where inconsistencies in experience and outcomes were identified, with evidence of ongoing monitoring and improvement support.

For children and young people's safeguarding, the ICB has maintained appropriate safeguarding governance throughout the year with statutory accountability held by the Executive Chief Nurse and Allied Health Professional Officer, delegated responsibilities through Directors of Nursing and designated safeguarding teams and formal oversight through the NENC ICS Health Safeguarding Executive subcommittee reporting to the Quality and Safety Committee and Board.

The Health and Wellbeing Boards in North East and North Cumbria were asked for their feedback to inform the assessment. The ICB has worked effectively with local partners and demonstrates strong partnership working. By aligning strategic goals, integrating clinical leadership and fostering system-wide governance, the partnership is driving forward improved health and wellbeing outcomes for the local population.

2025/26 has been one of substantial organisational change and cost reduction and the scale of transition means the ICB will need to continue ensuring that governance, capacity, organisational resilience and commissioning grip are sustained as new arrangements embed.

Section 3: Support and intervention

The ICB was not subject to formal enforcement action or NHS England directions during 2025/26. However, the ICB operated in a context where some providers were within tiering arrangements for elective, cancer and diagnostics performance and the ICB worked closely with NHS England and those providers to support improvement through oversight, targeted recovery planning and collaborative programme structures.

We will continue to support the ICB through routine oversight and tiered provider support where required.

Conclusion

North East and North Cumbria ICB has demonstrated clear strengths in financial management, elective recovery, prevention, partnership working and the development of a strategic commissioning model, alongside examples of innovation and good practice that should continue to be built upon. At the same time, improvement remains necessary in urgent and emergency care, cancer, diagnostics, inpatient activity for autistic people and people with a learning disability, some mental health pathways and the pace of reducing entrenched inequalities.

Overall I consider that the ICB has continued to discharge its statutory functions in a credible and constructive way during a demanding year, while recognising that further sustained improvement will be needed during 2026/27.

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 our statutory responsibilities, NHS England will also publish a summary of the outcomes of all ICB annual performance assessments.