NHS

Lancashire and South Cumbria

Integrated Care Board

ANNUAL REPORT AND ACCOUNTS

1 APRIL 2023

- 31 MARCH 2024

Contents

Opportunities to learn more or be involved.

We hope you find this Annual Report informative.

The Report explains how the ICB discharged its functions during the 2023/24 financial year. It includes information about matters the ICB is required to report on and gives details for people wanting to know more.

The Accountability Report section includes a Governance Report that details the accountability and decision-making framework that the ICB operates within.

There are several ways to find out more about NHS Lancashire and South Cumbria Integrated Care Board and the work it does in planning NHS services.

Our website www.lancashireandsouthcumbria.icb.nhs.uk includes information about our work, the Board and our leadership team.

The website also describes how you can get more involved by, for example, the 'have your say' sections lists all open public engagement taking place or there are details about joining a Patient Participation Group.

Contact us information is on the website for general enquiries and complaints, compliments and comments.

You can read our chief executive's assessment of the state of the health and care system in the region in a System Report.

You can follow the ICB on social media on Facebook, X, Linkedin, Instagram or YouTube channels, just search for LSCICB.

FOREWORD

Welcome to the NHS Lancashire and South Cumbria Integrated Care Board Annual Report 2023/24

Welcome to the NHS Lancashire and South Cumbria Integrated Care Board (ICB) Annual Report. This year's Annual Report is the first to reflect on a full financial year.

As you may know, the ICB is the statutory body responsible for planning to meet the health needs of the population, managing the NHS budget and arranging for the provision of health services. It does this for all of Lancashire and Westmorland and Furness, and parts of Cumberland and North Yorkshire.

In this Annual Report, we share with you the important work we have undertaken in our first full year of existence, work undertaken alongside continuing to strengthen collaboration across the NHS and with partner organisations. At the centre of this work is a focus on recovering patients services following the COVID-19 pandemic, enhancing productivity, delivering the ambitions set out in the NHS Long Term Plan, and continuing to transform the NHS for the future.

This annual report has been written with patients and the public in mind and working within the requirements of the Department of Health's annual report and accounts guidance.

We have attempted to make this document people-focused, informative, easy to read and understand and visually appealing. We hope you find the report informative and engaging.

Roy Fisher

Acting Chair

Kevin Lavery

Chief Executive Officer

Glossary

Some common terms used when describing the NHS in Lancashire and South Cumbria.

Anchor institution: This refers to large, public-sector organisations whose long-term sustainability is tied to the well-being of the populations they serve. Anchor institutions, who are rooted in their local communities, can positively contribute to their local area in many ways such as: widening access to quality work for local people; buying more from local businesses; reducing our environmental impact; using buildings and spaces to support communities; working more closely with local partners.

Clinical commissioning groups: Clinically led statutory NHS bodies which, under the Health and Care Act 2022 closed down on 30 June 2022 and their functions transferred to Integrated Care Boards.

Fragile services: Services which are at risk of being unsustainable because of lack of staff or other resources.

Health and Care Act 2022: A new law regarding health and social care provision which originated in the House of Commons in July 2021 and completed the Parliamentary process in April 2022. Amongst other things, the legislation aims to tackle health inequalities and create safer, more joined-up services that put the health and care system on a more sustainable footing.

Health inequalities: The unfair and unacceptable differences in people's health that arise because of where we are born, grow, live, work and age.

Integrated Care Board (ICB): An integrated care board (or ICB) is a statutory NHS organisation which is responsible for developing a plan for meeting the health needs of the population, managing the NHS budget and arranging for the provision of health services in a geographical area.

Nationally, the expectation is that an ICB will:

- Improve outcomes in population health and healthcare.
- Tackle inequalities in outcomes, experience and access.
- Enhance productivity and value for money.
- Help the NHS support broader social and economic development.
- Integrate health equity into our plans.

ICBs were legally established on 1 July 2022, replacing clinical commissioning groups (or CCGs), taking on the NHS planning functions previously held by CCGs (as well as absorbing some planning roles from NHS England).

Integrated Care Partnership (ICP): The broad alliance of organisations and representatives concerned with improving the care, health and wellbeing of the population, jointly convened by local authorities and the NHS.

Integrated Care System (ICS): Refers to the health and care system across Lancashire and South Cumbria. There are 42 ICSs across the country. Within each ICS there is an Integrated Care Partnership and an Integrated Care Board.

Model of care: This broadly defines the way health and care services are organised and delivered.

Neighbourhoods: Based on local populations of between 30,000 and 50,000. Neighbourhoods, in some instances, may align with Primary Care Networks and Integrated Care Communities.

Networked services: This describes the way a clinical service works in a joined-up way across multiple sites or organisations. Often a clinical network will have one clinical lead who oversees the whole service.

Place: An area covered by a local authority – an area where partners can come together and take action to support local communities.

Place-based director of health and care integration: There are four directors of health and care integration responsible for improving the health and well-being of residents within each of four place-based partnerships. They sit both on the ICB board and the board of the local authorities to create positive working links and shared priorities between both organisations. These roles have been put in place through collaboration with local authority partners. You can find out more about who they are on the ICB website.

Place-based partnerships: Planners and providers working together across health, local authority and the wider community, to take collective responsibility for improving the health and wellbeing of residents within a place.

Population health management: A way of improving the health of people in local communities by looking at which groups in the local population are most likely to become unwell and working out how to prevent and treat ill health. This uses data and an understanding of local populations to identify those who are at risk to proactively plan and deliver care.

Primary care: Primary care is the first point of contact for healthcare for most people. It is mainly provided by GPs (general practitioners) but community pharmacists, opticians, dentists and other community services are also primary healthcare providers.

Primary Care Networks (PCNs): GP practices working together with community, mental health, social care, pharmacy, hospital and voluntary services in their local areas in groups of practices. PCNs build on existing primary care services and enable greater provision of proactive, personalised, coordinated and more integrated health and social care for people close to home. Find out more on PCNs on the NHS England website.

Provider Collaborative: Service providers will be collaborating at the various levels of the system, place and neighbourhood according to need. National guidance, Working together at scale: Guidance on Provider Collaboratives has been published and a Provider Collaborative Board (PCB) has been established to enable partnership working of the acute, mental health and community providers across Lancashire and South Cumbria. Find out about the Provider Collaborative in Lancashire and South Cumbria.

The organisations that are involved as part of the collaborative are:

- Lancashire Teaching Hospitals NHS Foundation Trust
- Blackpool Teaching Hospital NHS Foundation Trust
- East Lancashire Hospitals NHS Trust
- University Hospitals of Morecambe Bay NHS Foundation Trust
- Lancashire and South Cumbria NHS Foundation Trust

Secondary care: Care that you receive in hospital, either as an inpatient or an outpatient. This may be planned or emergency care. It is more specialist than primary care.

Social determinants of health: The non-medical factors that influence health outcomes

Social value: This is about how we secure wider social, economic and environmental benefits for our population in addition to providing health and care. As anchor institutions, we want to make the greatest positive impact possible on the lives of our communities to improve health and wellbeing and reduce health inequalities.

Specialised commissioning: Planning and buying specialised services which support people with a range of rare and complex conditions, for example, rare cancers, genetic disorders or complex medical or surgical conditions.

Triple Aim: The triple aim is a legal duty on NHS bodies which requires them to consider the effects of their decisions on:

1. the health and wellbeing of the people of England (including inequalities in that health and wellbeing)
2. the quality of services provided or arranged by both themselves and other relevant bodies (including inequalities in benefits from those services)
3. the sustainable and efficient use of resources by both themselves and other relevant bodies.

In pursuit of these aims, the Lancashire and South Cumbria ICB is part of a wider integrated care partnership (ICP), which is a partnership of all organisations that deal with improving care, health and wellbeing for the people of Lancashire and South Cumbria.

This partnership includes all the healthcare organisations and local authorities in the region.

Wider determinants of health: The diverse range of social, economic and environmental factors which influence people's mental and physical health. These include employment, housing, crime, education, air quality, access to green spaces and access to health and care services, among other things.

PERFORMANCE REPORT

Performance Overview

The full Annual Report and Accounts gives details about the ICB, its purpose, the key risks it faces in striving to achieve its objectives and how it has performed in the period between 1 April 2023 and 31 March 2024.

Chief Officers Statement

Having come into existence at the start of July 2022 to replace clinical commissioning groups, last year's Annual Report was only a partial picture.

We remain amid difficult times and a major financial challenge. This year the ICB agreed on a system deficit before facing significant unplanned pressures. The volume and pricing of individual packages of care have increased, as has prescribing pricing. On top of this, industrial action throughout the year has had an impact on the whole Integrated Care System. The financial challenge for both the past and future years remains significant, and we will continue to hold discussions with NHS England regarding the implications.

There is, nonetheless, excellent work going on around us. Despite the pressure and complexity, we live with, there are opportunities to change the way we deliver services, opportunities to be innovative, to empower our workforce and to improve the health outcomes of our population.

The difficult decisions that have been made since the establishment of the ICB have had an impact on staff experience and morale and although the results of the NHS staff survey 2023 showed a slight improvement on the previous year, it highlighted a number of areas of improvement in terms of staff satisfaction. Work took place throughout the year to further understand the experiences of staff and begin to make improvements, including a staff engagement programme following on from the staff survey results, the launch of the ICB's PROUD values, and the staff awards that took place in December. A people and culture steering group was also set up in March 2024 to support the continued development of an inclusive and compassionate culture with a focus on engagement and health and wellbeing, to help create a more consistent and positive experience for all staff.

This year, we launched our staff awards. Based on our PROUD values, the awards recognised the work of individuals and teams. They celebrated the commitment, pride, passion, and innovation shown by staff as they continued to make the very best of the opportunities presented.

Turning to the health conditions we are likely to face in the future, the Health Foundation predicts that those most predominant in the future are likely to be those relating to mental health and the management of long-term conditions. An ageing population with greater care needs could see the

demand for our hospital bed base increase by some 60 per cent which is both impractical and unaffordable. Our response to this will require a seismic shift in the way we configure the health and care services and a move to a more community-centric system.

To help tackle these challenges we have well-defined plans for our New Hospitals Programme. Work is underway to develop new models of clinical care with a hub and spoke model for our hospitals. We also need to do more to develop our community and primary care services. Our programmes are inextricably linked and the journey to transform care will be one travelled together. We shall continue to rise to challenges, overcome adversity and make the best of opportunity – all in the interest of making a real difference to the provision of NHS services in Lancashire and South Cumbria and to the health and lives of the people who live here.

Finally, a quote –

"Whatever you are, be a good one."

Some claim this quote is inaccurately attributed to Abraham Lincoln. I feel it is certainly an appropriate sentiment to apply to our former chair, David Flory CBE, following his appointment as joint chair of Liverpool University Hospitals NHS Foundation Trust and Liverpool Women's NHS Foundation Trust. David joined Lancashire and South Cumbria in September 2020, as an independent chair for the system, and had been the ICB chair from its establishment until March 2024.

I am very grateful for David's leadership and commitment to Lancashire and South Cumbria and wish him well.

Thank you to Roy Fisher, who at the time of writing is in the role of acting chair for the ICB, whilst we undertake our rigorous search for a full-time replacement.

I wish everyone well for the future.

Kevin Lavery
Accountable Officer
19th June 2024

Summary of the ICB

An integrated care board (or ICB) is a statutory NHS organisation which is responsible for developing a plan for meeting the health needs of the population, managing the NHS budget and arranging for the provision of health services in a geographical area.

Nationally, the expectation is that an ICB will:

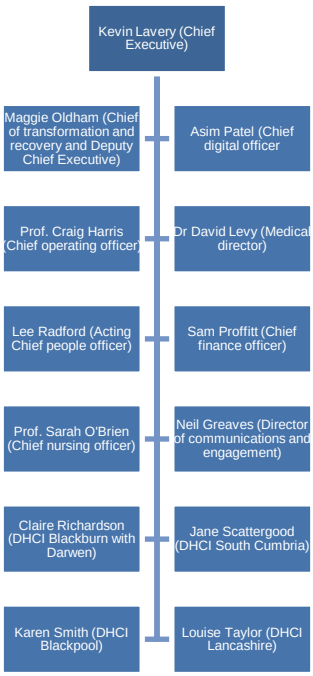
- Improve outcomes in population health and healthcare
- Tackle inequalities in outcomes, experience and access
- Enhance productivity and value for money
- Help the NHS support broader social and economic development

The initial major priority themes that have been identified in Lancashire and South Cumbria are:

- Urgent and emergency care, discharge and elective care recovery
- Integration of community health and social care services
- Primary care development
- Improve the quality and performance of our NHS trusts
- Prevention priorities
- Integrate health equity into our plans

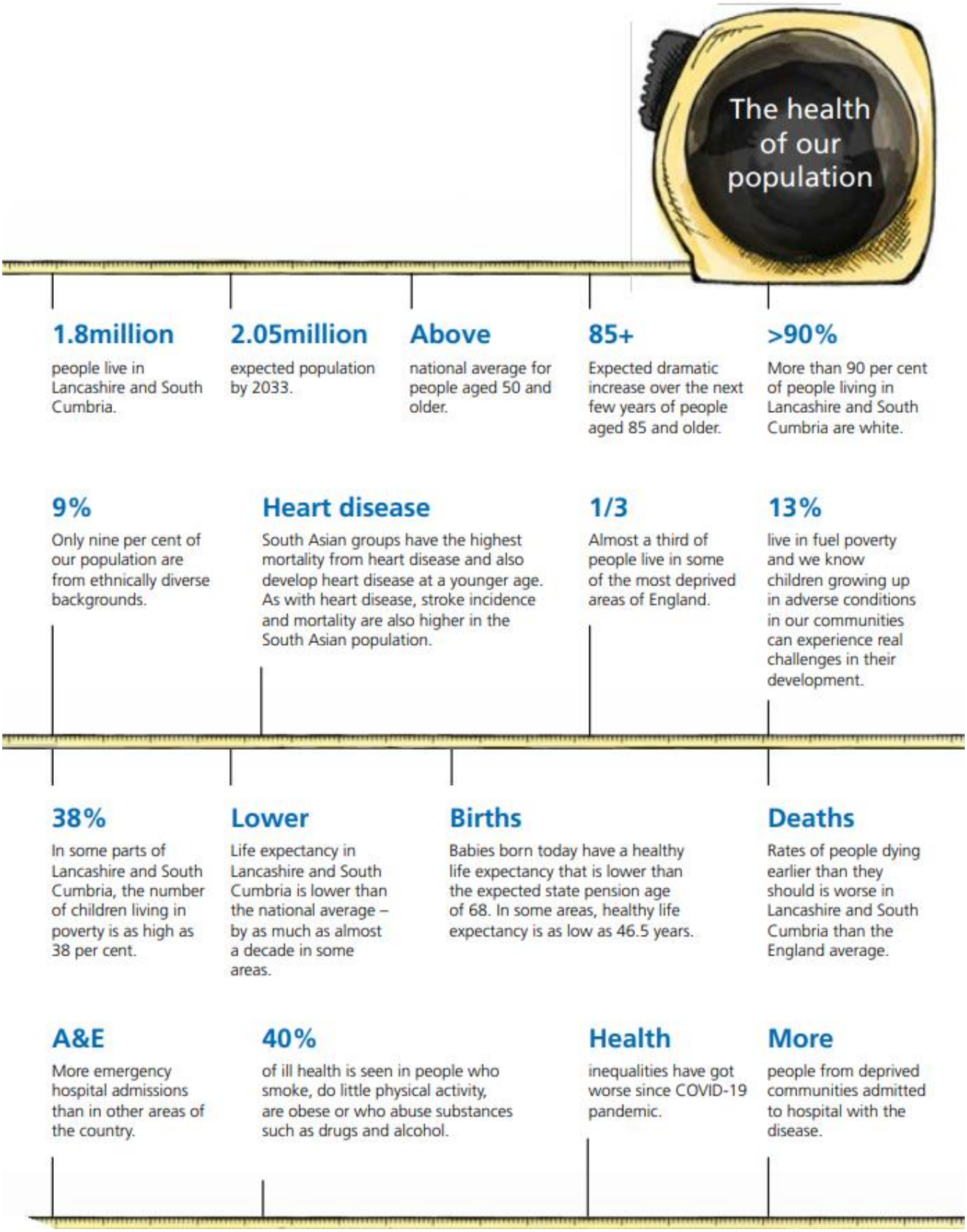
Executive team

The structure of the ICB (on 31 March 2024) is represented below:



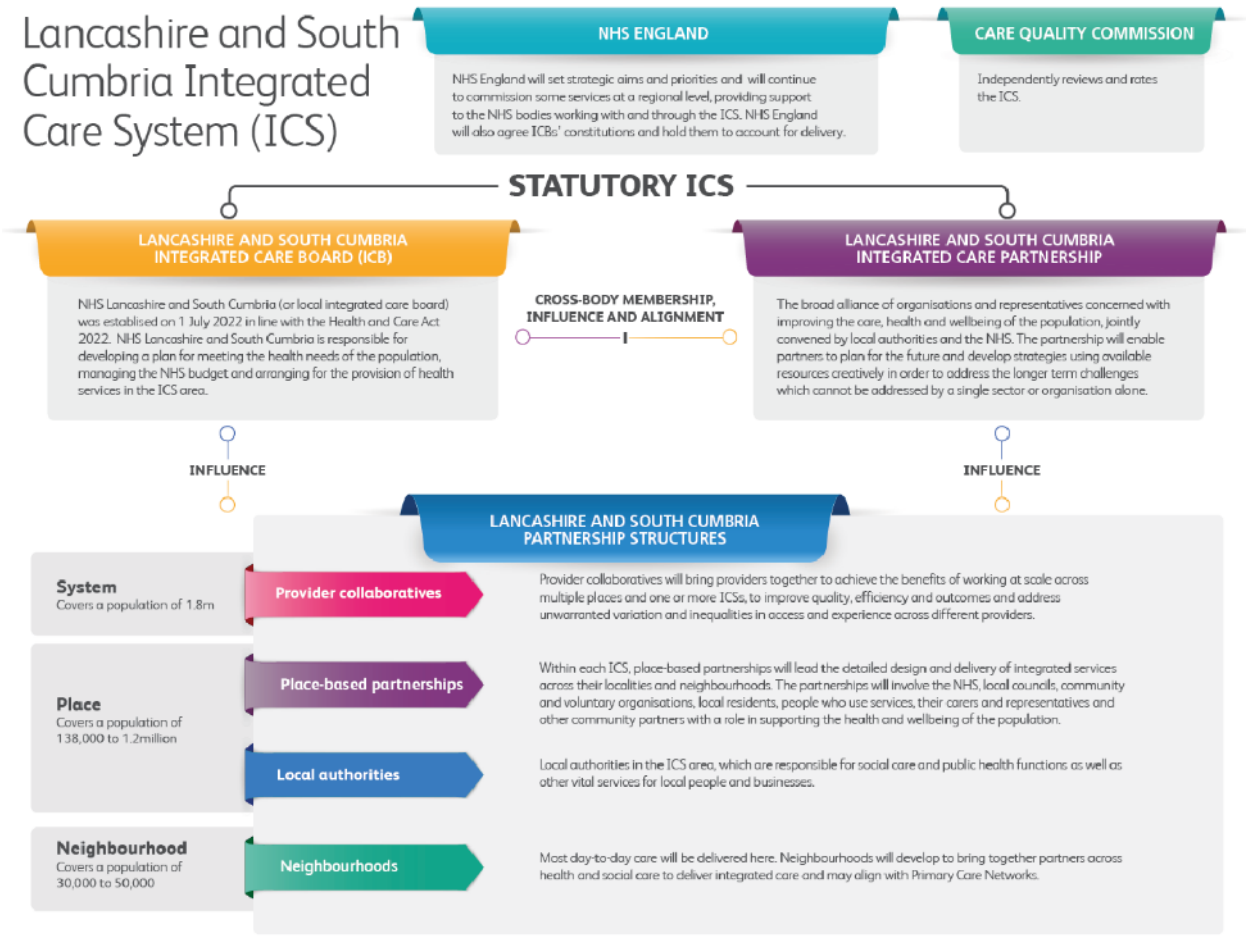
More about this structure and ICB strategies and plans can be found on the ICB website at www.lancashireandsouthcumbria.icb.nhs.uk/about-us and details regarding principal risks to the ICB can be found within the Annual Governance Statement on page 105.

Lancashire and South Cumbria



Working with our partners

The Integrated Care System and Integrated Care Partnership



The Integrated Care Partnership (ICP) is a statutory committee, jointly formed between the NHS ICB and the four upper-tier local authorities within the Lancashire and South Cumbria system. Its inaugural meeting took place in September 2022, bringing together partners from local authorities, NHS organisations, education, Healthwatch and voluntary, community, faith and social enterprise (VCFSE) organisations from across the system to support people to live healthier and more independent lives for longer.

Vision: We want people in Lancashire and South Cumbria to live longer, healthier, happier lives than they currently do

The ICP's purpose is to address the health, social care and public health needs of our communities, by building a shared purpose and common aspirations across the whole system, through which our system will tackle the most complicated issues affecting people's health and well-being that can only be solved by different organisations working together with communities.

The Integrated Care Partnership is one of our key vehicles to strengthen integrated working and tackle the most complex issues that cannot be solved by individual organisations through partnership working, where the potential achievements of working together are greater than the sum of the constituent parts.

Working across organisational boundaries, the partnership has developed an Integrated Care Strategy[1], to improve the health and wellbeing of our residents, by taking collective action.

The strategy takes account of expert advice from our local authority public health colleagues on population needs, captured within joint strategic needs assessments, and reflects both the health and wellbeing strategies that the health and wellbeing boards in Lancashire and South Cumbria have developed. It aligns with the NHS Joint Forward Plan[2] developed by Lancashire and South Cumbria ICB which was agreed at the ICB Board in July. The Joint Forward Plan recognises factors also described in this Annual Report - the mismatch between the demand for healthcare in Lancashire and South Cumbria and the available capacity, the impact that this has, and the need for urgent action to improve the long-term sustainability of the Lancashire and South Cumbria health system.

Delivery of the strategy is completely aligned to the priorities within our Joint Forward Plan. Priorities within the strategy were identified through a read-across of Joint Strategic Needs Assessments (JSNAs) and Health and Wellbeing plans developed through our Health and Wellbeing Boards then developed further through SME-led working groups and tested through on-line engagement processes and focus groups led by Healthwatch partners.

The determination of the ICB to focus on delivery – including significant elective targets & financial balance – is reflected in the establishment of Recovery and Transformation programme (RATP), overseeing the execution across all partners of major system programmes, ensuring that we can fully reap the benefits of collaboration, including reduction in back-office costs and the cost of competition via expensive staffing models.

The Integrated Care Strategy sets out our intention to take joined-up care action with our partners to enable our population to thrive by starting well, living well, working well, ageing well and dying well.

[1] https://lscintegratedcare.co.uk/our-work/our-strategy
[2] https://www.lancashireandsouthcumbria.icb.nhs.uk/about-us/publications/strategies-and-plans/forward-plan

A significant amount of the strategy is being delivered through our four place-based partnerships on a neighbourhood, single-place or multi-place footprint.

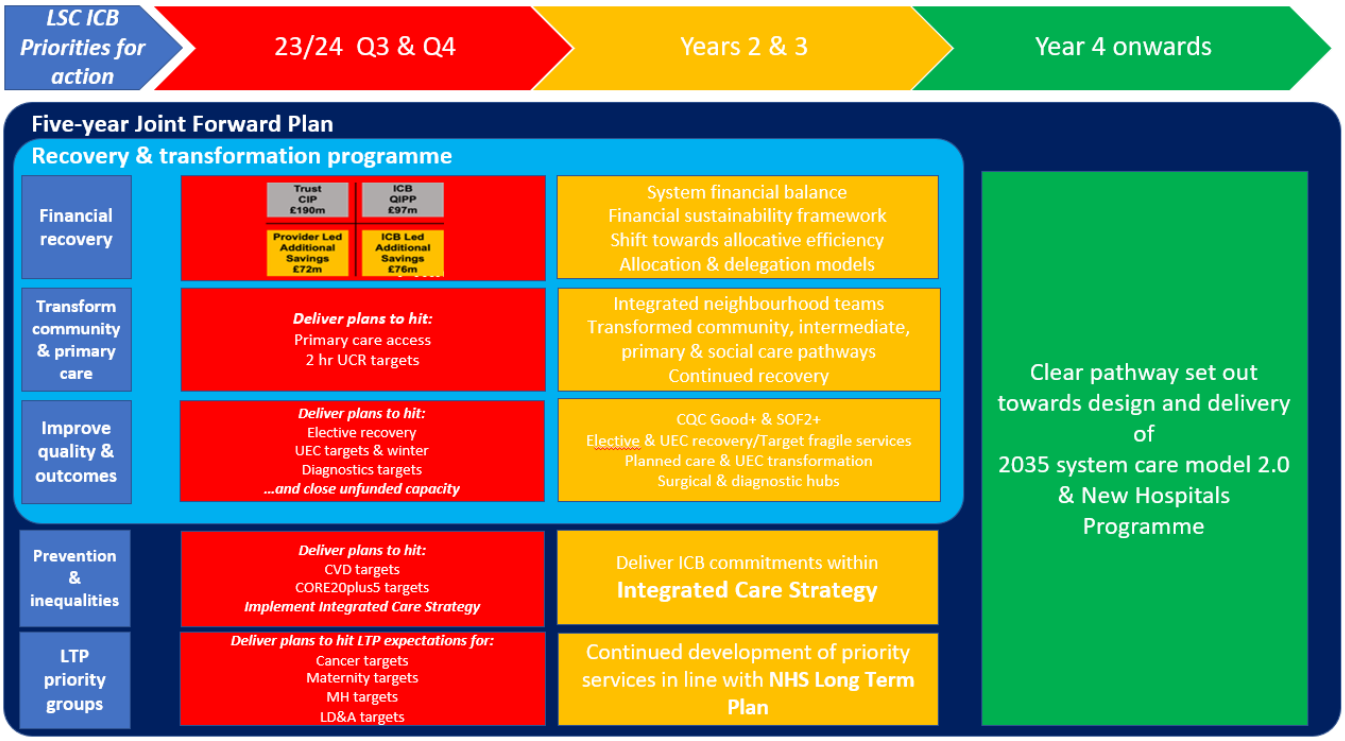
The Joint Forward Plan has also defined a small number of systemwide priorities that focus on harnessing the wider opportunities of working in collaboration with all organisations within the NHS and our wider partners – these incorporate the delivery of the ICP strategy priorities:

1. Strengthen our foundations by improving financial sustainability.
2. Improve prevention and reduce inequalities.
3. Integrate and strengthen primary and community care.
4. Improve quality and outcomes.
5. Deliver world-class care.

In 2023/24 we have worked with partners to set out plans on how we will achieve these priority areas. Key to enabling their delivery is our collective approach to:

- Working differently
    - Research and innovation
    - Using population health management and public health expertise
    - Integrated working within the NHS family and partners
    - Empowering our population through public and patient engagement and personalised care
    - Lifting the bureaucratic burden
- Getting the basics right
    - A comprehensive workforce plan across all organisations
    - Buildings infrastructure and digital investment
    - Clear delivery plans and joint accountability frameworks.

The below chart shows areas of work we have focussed on this year and those for the future. Key actions for 2023/24 have focussed on the national operational plan objectives, all of which have been mapped to our strategic priorities. Delivery of these objectives is monitored within the Board Assurance Framework (BAF – see Governance report). Many of the programmes of work are discussed throughout this annual report.



The Joint Forward Plan is being refreshed in 2024 to reflect progress made since the plan was first presented to the ICB Board in July of 2023 and to further describe the intended system journey over the next five years.

Partnership working with the Voluntary, Community, Faith and social Enterprise (VCFSE) sector

The VCFSE sector plays an important role in improving health outcomes across Lancashire and South Cumbria ICB and directly within our four Places. In May 2023 L&SC ICB set out a commitment to work in close collaboration with the VCFSE sector when the ICB Board signed a partnership agreement with the VCFSE sector. This provides a strong foundation and shared set of commitments to creating a more equitable strategic relationship and collaborative approach for the future.

The sector not only deliver some critical services, such as social prescribing that contribute to keeping people healthy and out of hospital, but also are important partners in developing and transforming services for the future. This will improve health and wellbeing outcomes for the population of Lancashire & South Cumbria.

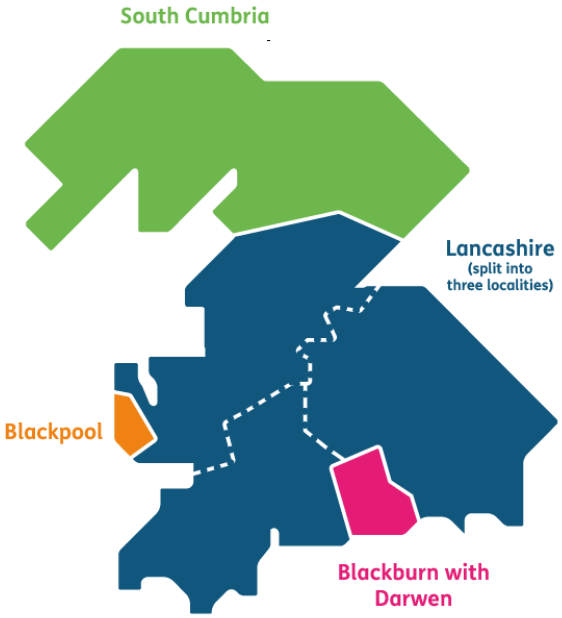
We are working with the VCFSE Alliance and the wider Assembly to build effective and sustainable partnerships with a wide range of VCFSE organisations to strengthen our partnership arrangements. VCFSE leadership is now embedded within our governance structures, contributing to the delivery of the key strategic objectives. This includes a VCFSE partner member on the ICB Board.

Together with the VCFSE Sector, we can transform our health and care system into one focused on people, communities, prevention and early action. This will be integral to the recovery and transformation plans of the LSC ICB in the next year.

Places

A place-based partnership is a collaboration of planners and providers across health, local authority and the wider community, who take collective responsibility for improving the health and wellbeing of residents within a place. Most people's day-to-day care and support needs will be met within a place and delivered in neighbourhoods.

There are four directors of health and care integration in the ICB for Lancashire and South Cumbria, in collaboration with six upper-tier local authorities; Blackburn with Darwen, Blackpool, Westmorland and Furness, Cumberland, Lancashire and North Yorkshire.



Our partnerships create a feeling of belonging to a place, where all partners are valued and respected, and mutual support is offered to all partners. This will be particularly significant in challenging times. It is important to acknowledge that residents are co-partners in the continued evolution of place-based partnerships and that social movements in communities can increase people's ownership of their health and well-being and mobilise communities to support each other.

The common purpose of a place-based partnership is to enable collaboration that will address specific place-based challenges and deliver within each place the parts of the integrated care strategy.

Making change which has a real and sustained impact on the health and care of the population takes time for many reasons. Societal inequalities, the state of the administrative infrastructure and the availability of the skills and workforce are all contributory factors in determining the rate of progress. The place partnerships have come through their first year following formation and much time has been spent establishing the right structures and networks. There is much reason for optimism. Key debates about how to keep the population healthy, how health and care services can best meet people's needs, and how to develop sustainable systems, are being addressed. Measuring the impact of this work is a challenge and making the improvements explicit, transparent, and monitorable is an area which will evolve as the partnerships mature.

Each of the six upper-tier local authorities have a Health and Wellbeing Strategy that the ICB and place teams are involved in. More on this can be found later in this document on page 66.

Blackpool

Blackpool is an urban coastal area with a resident population of approximately 141,600 people. The town is well known for its thriving tourist economy along with a strong sense of local community, although the nature of the coastal community can also bring challenges around health and wellbeing.

With high levels of deprivation and a transient population, Blackpool residents have some of the most difficult health needs in the country and life expectancy is lower than the national average. Out of the top ten most deprived Lower Super Output Areas, based on IMD2019 (Index of Multiple Deprivation) rank, Blackpool is 2,3,4,5,6,7,8 & 9 out of the top 10 nationally. However, it is also a town with a very strong ethos and there are many exciting developments underway to ensure it remains a vibrant place.

Blackpool Place is committed to putting our residents at the heart of what we do, listening to people with lived experience, understanding their needs and co-designing solutions that work best for our communities. Our main ambition is to improve healthy life expectancy for the people of Blackpool.

The Blackpool Place-Based Partnership includes a wide range of health and care professionals from across different organisations and sectors. Colleagues from our local voluntary, community, faith and social enterprise sector are key members along with NHS, local authority and other organisations including Blackpool Teaching Hospitals NHS Foundation Trust, Blackpool Council, GPs as well as the Integrated Care Board.

The partnership comes together via the Blackpool Placed based Partnership Board, which provides a means for collaborative working to support the development and delivery of our health and care priorities for Blackpool. Examples of our programmes of work from 2023/24 include:

- **Priority Wards**. Analysis has been done to identify local community wards (or areas) where the levels of unplanned hospital admissions have been above expected levels, and which also fall within the 20 per cent of most deprived wards in England. The analysis identified five Priority Wards in Blackpool, these are: Bloomfield, Claremont, Talbot, Tyldesley and Park.

  Working with voluntary sector partners, work has been undertaken to listen to and engage with residents in these local communities to get a better understanding and insight into their experiences of unplanned admissions to hospitals and the drivers behind these. As part of this programme, over 400 people shared their experiences and several themes were collated around the challenges facing people which may impact their need for urgent care, these included access to health and care, the cost-of-living crisis and challenges of social isolation, amongst others.

  As a direct result of this engagement, a programme of work has been developed to identify and tackle the opportunities that will have an immediate impact whilst helping to deliver longer-term change for our communities. The focus for this first year of work has been on respiratory conditions.
- **Youth Vaping.** Healthwatch Blackpool has engaged with residents across Blackpool on several topics and issues over the last year, with one of the key reports being on Youth Vaping in Blackpool. The Healthwatch team worked with Public Health colleagues to understand vaping behaviour and attitudes among young people in Blackpool, and to educate young people on Trading Standards and illicit vapes, to support people in making informed decisions.

The findings have been submitted to a national call for evidence and have been discussed in Parliament. They have also been raised with the Chief Medical Officer for England and impacted upon a national consultation. As a result, the engagement and findings have successfully influenced a national policy to ban disposable vapes and change how they are marketed.

Locally, the findings influenced Trading Standards, resulting in illegal vaping products being seized by enforcement officers. Vaping recycling bins are now present in Blackpool secondary schools. Education has been provided on illicit vapes, Trading Standards and legislation, to help make informed decisions and 52 per cent of young people stated they want further education on vaping; Public Health are now co-designing new PSHE content for the curriculum, alongside children.

Feedback identified a gap in smoking cessation provision for young people wanting to quit vaping. As a result, the Blackpool service now offers behaviour-change support and conduct sessions in local colleges.

Healthwatch Blackpool has worked with residents to co-create some public-facing posters.

- **Community health and wellbeing showcase events.** The partnership is keen to promote the amazing work that is being done and the breadth of support available to residents. During 2023/24, the Place-based partnership organised two showcase events in the Blackpool Winter Gardens with the 'Spring into Spring' event in April and the 'Active into Autumn' event in September. These allowed residents to find out more about the services and support available to them. Thirty-five organisations took part in April and 54 in September.
- **Integrated Neighbourhood Team development (INT).** Blackpool has a good history of health and care teams coming together to work collaboratively to support residents within their local communities. As part of our plans to bolster this and develop formal arrangements around a single Blackpool Integrated Neighbourhood team, partner organisations from health, social care and voluntary services have been working together to develop a future model for Blackpool and agree priority pieces of work that will support the health of our local residents.
- **Workforce.** With the Health and Social Care Career Academy already well established, we are now looking at local delivery of the aims and ambitions of the Lancashire and South Cumbria five-year health and workforce strategy to help support and enhance the existing work.

  We are bringing together workforce leaders across Place to consider implementation plans for Blackpool in terms of delivering against the aspirations of the strategy and developing workstreams to benefit the "One workforce" of Blackpool such as initiatives around staff retention, resilience, and recruitment of hard-to-fill posts.
- **Place Development and staff sessions.** In developing the full team to support Blackpool Place, development sessions were held in October 2023 and January 2024 for all ICB and Primary Care Network staff that allocate all or some of their working time to Health and Care in Blackpool. These supported effective networking, population data analysis and agreed models of working going forward. We plan to continue these sessions over the next year and involve wider partner organisations so that broader discussions around place and next steps can be had.

Lancashire

Lancashire Place has a large population of c1.2 million spread across a large geographical footprint and due to its vast size has been divided into three sub-localities, North, Central and East Lancashire with residents served by one County Council and 12 district authorities, 3 for North, 4 for Central and 5 for East Lancashire footprints.

The needs and strengths of our population vary, and large health inequalities exist throughout the county with some of the neighbourhoods featuring in the top 10 per cent most deprived areas of the country. We must tailor our approach to ensure we are supporting our communities and residents to meet their specific needs and make the best use of our joint resources and collective assets.

Our vision in Lancashire Place is 'Living Better Lives in Lancashire', our ambition is to help the citizens of Lancashire to live longer, healthier and happier lives. We will do this by improving health and care services through integration and addressing health and well-being inequity across the Lancashire Place.

The following is a summary of key achievements and work during 2023/24.

- We have established an effective **Lancashire Place Partnership (Board)** that meets monthly and has good cross-sector representation including elected member involvement. The Partnership has approved the Lancashire Place Plan for 2024-25 developed with significant collaboration from the ten Health and Wellbeing Partnerships and guided by the three Integrated Place Leads and three Clinical and Care Professional Leads. A data-led approach has been used to select our key priorities, including targets that the Board will use to measure performance through our developing Performance Dashboard.
- We have linked our priorities for 2024-25 to the wider Transforming Care in the Community Programme and the ICB agreed transformation programmes of Creating Healthier Communities, Integrated Neighbourhood Working and Enhanced Care at Home. We are also developing **Locality based plans** for each of the three priorities to reflect local needs in response to this work. Our Director of Health and Care Integration, Louise Taylor, has been appointed as the Senior Responsible Officer. We remain ambitious in balancing the focus on prevention as well as proactively responding to the growing complexity of the health and care needs of our population, including end-of-life. We are now working with our partners to deliver these ambitions and we are looking forward to sharing the progress made.
- Two Senior Operational Delivery Groups will now be established under the Lancashire Place Partnership to ensure that the business plan has grip and rigour and will ensure that partners can work in integrated ways to define and deliver the Lancashire Model. The Chairs of the Delivery Groups, Dr Sakthi Karunanithi the Director of Public Health, and Elaina Quesada Deputy Executive Director of Adult Services for Lancashire County Council will now become members of the Lancashire Place Partnership to ensure consistency and accountability. We will continue to work through our localities of North, Central and East Lancashire to deliver this on the ground. We will continue to develop our performance dashboard to ensure that relevant baselines and trajectories are identified so that we can see the difference that we are making for Lancashire residents.
- **Locally driven, data-led** priorities - A series of engagement workshops were held with partners between January and March 2023 across each of our localities (Central, North and East) to

focus on what we at Place should prioritise to do together, and how we can we best work together for the benefit of our residents. These have been translated into clear plans for delivery in the year ahead and focus on the needs most pressing in that area (from early years to adults mental health, to homelessness and increasing activity).

- **Increased development** of the ten Health and Wellbeing Partnerships across our Place, which have been used as a mechanism for driving engagement and encouraging a deeper level of collaborative working between partners at a district level. The partnerships provide a forum to discuss strategic and operational coordination across services and include political, clinical, professional and community leaders from across our health and care system. They will have a pivotal role in the delivery of our priorities in the year ahead.
- Recruitment of three Clinical and Care Professional Leads appointed to provide overall leadership to the clinical and professional networks within Lancashire Place and specifically across our three localities.
- A focus on integration between services as well as the delivery of priorities. For example, we established the Central Lancashire Locality Transforming Community Services Board, chaired by Louise Taylor, the work of the Board is primarily focused upon:
    - Improving our delivery in the short and medium term, how we can work better together to support our residents in the community (priorities include phlebotomy, development of Care Connexions and District Nursing)
    - Designing integration options for the future, what the options are for the future provision of integrated community services in Central Lancashire

  Plans are underway to replicate this integration work where required in the other localities.
- **Connecting across our teams** – for example bringing our Public Health and Population Health Teams together across the Lancashire Place to maximise the benefit of joint planning, spending and delivery and we look forward to seeing the benefits of this joint work in delivery during the next year, for example around the co-ordinated health checks.
- **Connecting our decision-making** - the Lancashire Place Partnership now meets at regular intervals with the Lancashire Health and Wellbeing Board to fulfil their shared responsibility for the approval of the Better Care Fund and Joint Strategic Needs Analysis. We also hosted our first Partnership Chairs Meeting, bringing together Chairs of meetings sitting within the Lancashire Place footprint. This was very beneficial and further meetings will be scheduled throughout the year.
- We are supporting a review of the leadership and governance of the pooled fund (Better Care Fund) by Whole Systems Partnership commissioned by Lancashire County Council. We are pleased that an independent review of the Better Care Fund spending can now start that will be instrumental in advising future spending choices which will enable us to support more individuals to remain living independently in the community.
- We have contributed concrete proposals to support the ICB financial recovery which capitalise on the strengths of integrated working to ensure best value from the Lancashire Place pound. For example:
    - We have had a successful engagement with all 12 district councils via their Chief Executives to accelerate work on housing and around the Disabled Facilities Grant so that people can stay at home or be discharged home safely from hospital. We look forward to the outputs of this in the year ahead. From January 2023, the project testing the role of 'Health and Housing Co-ordinators' was launched, with a rollout across Lancashire throughout the year. This new role is to support timely hospital discharge where housing and accommodation-related issues are a barrier, with the coordinators sitting within their multi-agency Intermediate Care Allocation Teams. The impact has already been seen with rapid intervention for a person in hospital where their home conditions made it unsafe to discharge. Without the intervention the individual could have

remained in hospital for a long time, impacting both their health, independence and well-being and the flow across the system.
    - As part of the work with the 12 district councils we have agreed to focus collaboratively on ways to improve and integrate our physical activity and leisure offer across our 12 district councils and with the Integrated Care Board. We know there are exciting opportunities for the benefits of exercise and activity on health outcomes, from prevention of poor health in the first place to avoiding the need for more intensive treatment by helping people manage their physical recovery/condition.
- **Engaging our staff and stakeholders** - We continue to publish a monthly newsletter; circulation has increased enabling us to communicate the great work ongoing across the Lancashire Place. This included the launch of the Lancashire Family Hubs Networks in late September 2023. The hubs help children, young people and families to get the information, advice and support they need in a local and convenient place. Support is available for all stages of family life, from pregnancy through to 19 years old or up to the age of 25 for those with special educational needs and disabilities (SEND). Each district of Lancashire has at least one family hub and there are plans to expand this network subject to national funding. It is anticipated that the impact of Family Hubs will be reported in the 2024/25 ICB Annual Report.

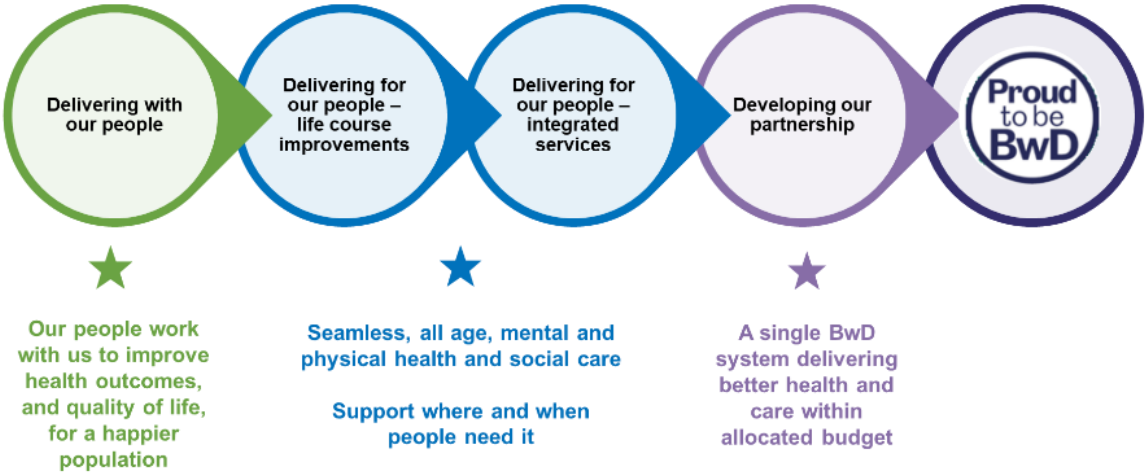
We end this year on a positive contribution and outcome to a Local Government Peer Review of adult services which has illustrated many strong examples of how some of our most vulnerable residents are supported, for example, carers, and where new technology can and is making a difference to the lives and outcomes of our residents. We will build on this good practice further in this next year.

Following the end of our foundational year, we now have systems in place to enable delivery, targets have been selected and plans for 24/25 are being refined to ensure we are reporting back our progress in terms of delivery and performance against those targets.

Blackburn with Darwen

Approximately 155,000 people live in Blackburn with Darwen. The borough is well known for its manufacturing history and is a place where vibrant towns are surrounded by glorious, rolling countryside. Where a strong heritage is celebrated with an exciting new cultural scene, it is a place with an ‘anything is possible’ attitude and a deep sense of community pride. However, its post-industrial revolution legacy means that residents face several challenges economically, with estimates that around 36% of the borough’s residents live in the most deprived areas nationally. As a result of these challenges, people’s health; well-being and life expectancy are lower than the national average, with many residents having one or more long-term health conditions by the time they are in their 50s.

Blackburn with Darwen (BwD) Place has defined its key ambitions for its Place-Based Partnership (PBP). These ambition statements act as a unifying purpose that underpins the work of our PBP.



Examples of the work in 2023-2024 are outlined below.

Delivering with our people:

- Agreement on a collaborative approach to co-production and engagement across our Partnership and established a multi-agency Insight, Communications and Engagement Group to drive our work forward.
- Developed our Population Health Intelligence and Priority wards approach.
    - Establishment of a Population Health programme focussed on reducing health inequalities in residents who experience above-average numbers of hospital attendances and admissions, across 11 priority wards.
    - Working with Healthwatch, we have commissioned priority wards insight work and we have engaged with over 500 residents which has informed targeted, rapid improvement work focussing on 3 wards initially, to support prevention, earlier intervention and keep people safe and well at home.
    - Our engagement has driven change in the neighbourhood model of care, including the delivery priorities for our Primary Care Neighbourhoods and Integrated Neighbourhood Teams. It has also supported a greater understanding of population needs and behaviour.
- Utilisation of community insight (through priority wards and Family Hub parent groups) was used to develop winter communications and an engagement plan. This focused on deep engagement, focus group discussions and messages targeted to insight and community demographics.

Delivering for our people - integrated services

- Continued evolution of our Primary Care Neighbourhoods and Integrated Neighbourhood Teams on the back of our recent neighbourhood review, supported by the Local Government Association – an action plan is in development across all partners and includes working to ensure embedding of community mental health provision within our model.
- Development of our approach to transforming community care programme ensuring alignment with our Health and Wellbeing Strategy and target operating model of adult health and care service delivery. This has included overseeing the development of proposals to transfer adult physical community health and child and adolescent mental health services between ELHT and LSCFT, to reduce variation in service provision between BwD and East Lancashire and the wider LSC footprint; provide a more resilient service offer and improve patient outcomes, in line with the ICB's strategic objectives and transformation programmes.

- Strengthening our Intermediate Care provision through Albion Mill - working to deliver a reconfigured operating model for Albion Mill intermediate care facility, with ambitions to have 35 beds fully operational by September 2024.
- Ongoing maximisation of our Better Care Fund to drive service integration and improved outcomes for residents.

Delivering for our people - life course improvements

- Start Well – building a strong partnership with our Family Hubs including delivery of vaccinations and immunisations, emotional and mental health and well-being and preparation for SEND review, working closely with parents/carers to raise awareness of health services and support, we have supported Family hubs and Children centres in BwD to work with all four Primary care networks to ensure that flu vaccinations are at a more local level and therefore accessible.
- Live Well - the focus has remained on reducing ill health and tackling inequalities ensuring healthier hearts and healthy minds for all residents and in particular for vulnerable people. Currently supporting the development of a BwD Mental well-being, Mental Health, Suicide and Self-Harm Strategy/action plan; a BwD Learning Disability and Autism Big Plan and a Carers Strategy/action plan. Also working to increase delivery and uptake of health checks and enhanced health checks.
- Age Well – Working to embed the BwD Positive Ageing Framework, including working with partner organisations to encourage the adoption of the Age Friendly Employer Pledge. Dementia action plan in development. Enhanced our focus on frailty within our Integrated Neighbourhood Teams, with a plan to roll out frailty identification training across primary care and neighbourhood teams.
- Die Well – Completion of Getting to Outstanding review and action plan for implementation in 2024-25. Commissioned Healthwatch to undertake insight work about Dying Well in BwD, this insight is informing the action plan development and delivery.

Developing our Partnership

- The Place-based Partnership Board has been in place since April 2023 and includes a wide range of leaders from different organisations and sectors. The Board has enabled us to co-design and deliver on our ambitions across our key work programmes.
- The purpose of the board is two-fold:
    - To provide a vehicle for collaborative working and delivery of health and care services within BwD, connecting all partners to make joint recommendations as to the effective deployment of resources to drive integration and improved health outcomes.
    - To promote collective responsibility across all partners for the planning and delivery of health and care services within BwD.

South Cumbria

The Place has a population of over 186,000 spread across a large geographic footprint, which is a mixture of coastal, rural and densely populated areas.

Uniquely in the Lancashire and South Cumbria ICB, the South Cumbria Place is not co-terminus with any local authority. Since the formation of unitary authorities in April 2023, the South Cumbria Place includes:

- The geography of the newly created Westmorland and Furness Council, excluding the Eden district.
- The area around Millom which is within the newly created Cumberland Council.
- The areas around Bentham which is within the newly created North Yorkshire Council.

There is a large variation in levels of deprivation, with some wealthy and some highly disadvantaged communities, which results in significant differences in healthy life expectancy, outcomes and experience across the place.

During 2023/24, the Place has held a regular Place Partnership Forum which includes a wide range of health and care professionals from different organisations and sectors, including colleagues from the voluntary, community, faith and social enterprise sectors as well as the NHS, local councils, police, fire and rescue, and large private sector organisations. This forum has enabled us to co-design the scope and ambitions of our key work programmes. Examples of these are:

- **Poverty Truth Commissions**: Partners launched two Poverty Truth Commissions: one in Barrow-in-Furness and one in South Lakes. These brought together people with lived experience of struggling with poverty and leaders in the area to understand the nature of poverty, the underlying issues that create poverty and explore creative ways to address these.
- **Priority Wards**: We have worked with the voluntary sector to engage with communities in the Central and Hindpool wards of Barrow-in-Furness, to understand why so many people have needed an urgent hospital admission. The work has identified four key themes: self-harm,

COPD, diabetes and diseases affecting children and young people. We are working with partners to provide direct support in these areas, including:
    - Enhanced health checks through our Primary Care Networks.
    - Identifying cancers at an earlier stage by improving our screening uptake.
    - Introducing an accessible model of respiratory care by taking our specialists into the community to identify undiagnosed and poorly managed respiratory diseases.
- **Supporting unpaid carers:** Healthwatch engaged with residents across South Cumbria to understand the experiences and concerns of our unpaid carers. We have agreed on several actions which focus on identifying carers, improving direct access and signposting to support offers, and supporting carers in our workplaces.
- **Integrated Care Communities (ICC):** These are teams from health and voluntary organisations who work together to improve a person's independence, quality of life, the risk of hospital admission and supporting discharge from hospital. There are four Integrated Care Communities: Barrow and Millom, Mid Furness, Grange and Lakes, Kendal, and East. Each has different areas of focus that are tailored to meet the needs of their community, with examples of the work including:
    - GPs offering health checks in warm hubs and community centres.
    - Junior citizen workshops to provide awareness of the effects of vaping.
    - Menopause cafes, with specialist input from GPs and health and wellbeing coaches, including yoga teachers.
    - Dementia cafes.
    - "Stepping Stones", supporting isolated individuals with Parkinson's disease
    - Live Longer Better programme to support residents with long-term medical conditions who would benefit from an increase in physical activity.
    - Rural Health Inequalities Project focusing on agricultural workers, frail elderly and housebound, and migrant workers in the hospitality industry. Members of the team regularly attend farmers markets and agricultural shows to offer health checks, information and advice to the farming community.
    - Digital directories of services, enabling partners to share details of what services and activities they offer and how people can access them.
- **Mental health and wellbeing:** We offer mental health support through different approaches, including peer support workers, healthy lifestyle coaches, and specialized clinicians. If hospitalization becomes necessary, we provide support to help people return home safely and quickly, with rehabilitation and supported living care packages.
- **Workforce:** Health and care partners in South Cumbria are working collaboratively to create a workforce for the future. We are participating in events with schools and colleges to raise awareness of the different career opportunities within health and care, enabling young people from more deprived communities to access jobs in health and care, and making it easier for people to move between different health and care organisations. Our large NHS, local council and private industry partners are also working together to support the health and well-being of our workforce, with enhanced health checks and tailored support for employees.

It is anticipated that the impact of this work will be described in the 2024/25 ICB Annual Report.

The Recovery and transformation programme

The Lancashire and South Cumbria health and care system faces significant challenges, including too many services in too many places with too few staff, fragile services and ever-increasing demand and expectations on services alongside significant financial and workforce constraints.

As a system, we have financial challenges, but the underlying issue is how services are configured and there is a need to move to a community-centred model of care to improve outcomes and quality of care and reduce the reliance on hospital services.

At the establishment of the ICB, due to an already substantial deficit position, the leadership team made an early decision to undertake financial grip and control processes, which evolved into a Recovery and Transformation Programme during 2023-24. This included re-aligning the executive team portfolios to ensure defined leadership and a real focus on delivery of the programme.

Over the last year, a number of factors have helped to reduce the deficit position, including the establishment of improvement assurance groups (IAGs) with each of the five provider trusts to focus on cost improvements.

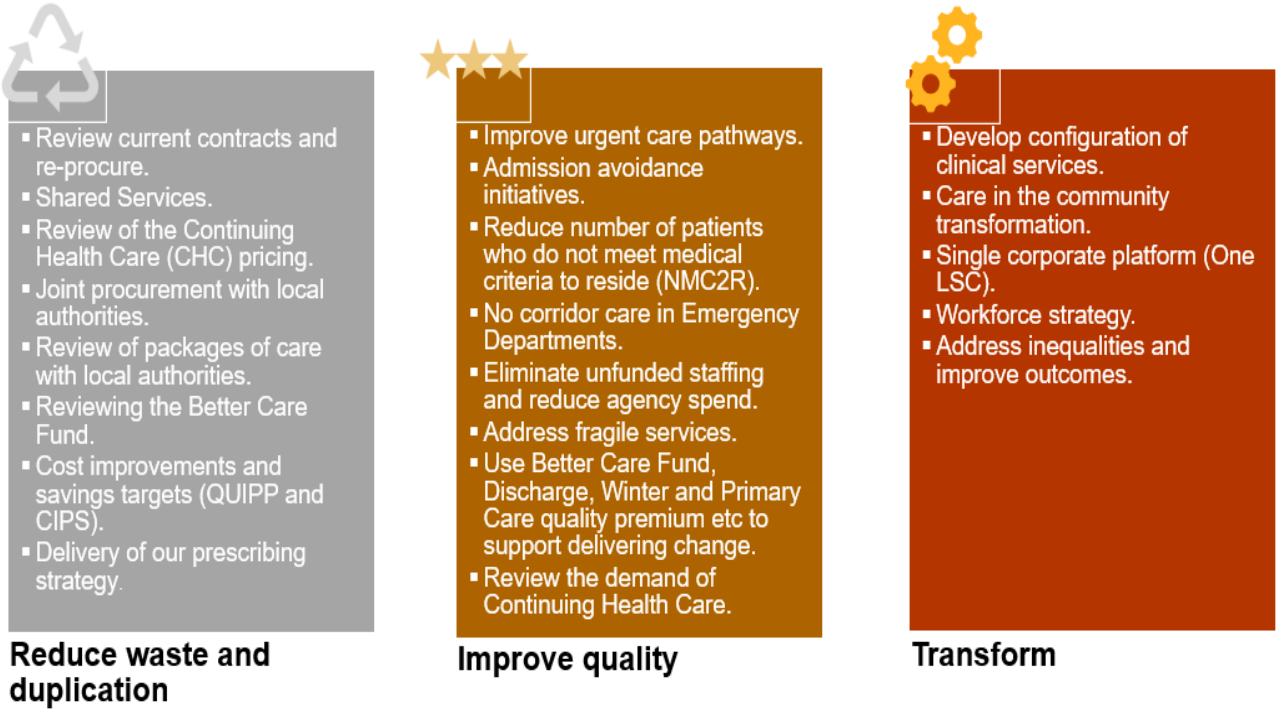
Similarly, within the ICB, a number of cost improvement programmes along with tight vacancy control and discretionary spend processes have contributed to further recurrent savings.

- The establishment control process has been put in place to enable the effective management and approval of any proposed recruitment or proposed change in workforce establishment.
    - The process that has been adopted enables the ICB establishment group (EG) to consider in a transparent and equitable way any requests to recruit to posts with full consideration of the financial and workforce impact whilst supporting an approach that supports workforce capacity and capability requirements.
    - The process has been strengthened following the ICB's financial recovery plan announcement in May 2023.
- Discretionary spend is all expenditure that is not statutorily necessary and can be reduced, stopped, or deferred. The purpose of this is not to prevent spending, but to assess whether it is essential and to reduce non-essential spend in a controlled manner so that it does not impact on patient care.
    - Any requests for discretionary spend are considered by a weekly panel, prior to getting approval by the CEO/CFO.

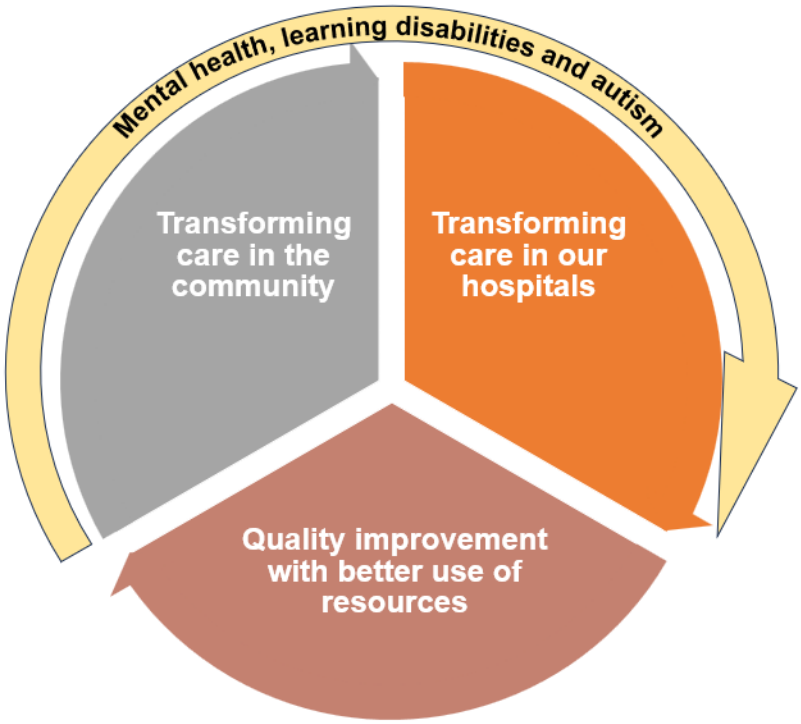
The four places in Lancashire and South Cumbria have also been reoriented to support the delivery of our recovery and transformation programme. The alignment of places to our recovery and transformation programme provides the most opportunities for the places to utilise the expertise and collaboration of a number of health and care organisations to tackle our biggest problems, including discharge management, early interventions and help with managing long term conditions to help avoid hospital admissions.

A Recovery and Transformation Board was established in September 2023 as part of new governance arrangements to drive forward delivery. The board meets monthly to look closely at our challenges and the programmes that are forming part of the system recovery and transformation to make sure that they are meeting their objectives and having a significant impact and improving the experiences of people living and working in Lancashire and South Cumbria.

To address the issues faced in Lancashire and South Cumbria, the recovery and transformation programme will focus on three key areas:



This will be done through transforming care in the community, transforming care in our hospitals and quality improvement with better use of resources, each with a 1-3-year recovery focus and a long-term transformation ambition. Work will also be undertaken to develop new models of care in readiness for the New Hospitals Programme.



Transforming care in the community

The primary goal for our community services transformation is to reduce inequity, improve healthy years and avoid acute admissions. It will focus on three areas:

- Creating Healthy Communities,
- Integrated Neighbourhood Teams and
- Enhanced Care in the Community

As well as primary care and All Age Continuing Healthcare (AACC) and Individual Patient Activity (IPA). It will include having a reduction in Out of Area Placements as part of our mental health, learning disabilities and autism offer. Work is underway on vital and vulnerable services (podiatry, nutrition & dietetics, and bladder & bowel).

Transforming care in our hospitals

A move towards a model based on a single high-quality tertiary / teaching centre and a district general hospital model that makes the best use of all our secondary care assets. Through clinical service reconfiguration (head & neck cancers, vascular and urology) and fragile services (hematology, gastroenterology & orthodontics), developing the blueprint (infrastructure) and delivery roadmap for all acute services, including planning for two new hospital builds, and transforming the way we deliver urgent and emergency care, planned care (including elective recovery), diagnostics and pathology. Improving our mental health, learning disabilities and autism offer is separate but integral to the acute work.

New Hospitals Programme

The NHS in Lancashire and South Cumbria welcomed the Government's May 2023 announcement of two new hospitals to replace Royal Preston Hospital and Royal Lancaster Infirmary as part of a rolling programme of national investment in capital infrastructure beyond 2030[3]. In addition, Furness General Hospital in Barrow will benefit from investment in improvements.

The existing Preston and Lancaster sites will remain in place and deliver services to our population until new hospital facilities are opened. The local NHS will continue to keep communities involved and provide further updates as more information becomes available. Further detailed work is underway to assess the viability of potential locations for new hospital builds for both Royal Preston Hospital and Royal Lancaster Infirmary and to develop the required business cases. There is still further work to be completed in this area and additional sites may emerge over the coming period. Further information will be shared in due course.

In August 2023, a series of national New Hospital Programme roadshow events visited Preston[4], as Government representatives arrived to discuss the next steps for building two new hospitals in our region. Lord Markham CBE and Department of Health and Social Care representatives were able to hear directly from patients, colleagues, and wider stakeholders in the various sessions.

In October 2023, Kevin Lavery, Chief Executive of NHS Lancashire and South Cumbria Integrated Care Board, explained his vision for the transformational change needed to deliver health and care services in the future[5]. In his blog, Kevin talks about the progress that is needed to support the NHS in Lancashire and South Cumbria's ambitions for the future of healthcare in parallel to the development of two new hospitals on new sites to replace both Royal Preston Hospital and Royal Lancaster Infirmary, with investment in Furness General Hospital. By then, we need to have transformed the way we deliver services to fit the growing needs of the population to manage the demand for health and care services.

For the latest news and information, please visit https://newhospitals.info. You can also sign up for the NHP email newsletter[6] and follow the Lancashire and South Cumbria New Hospitals Programme on social media as follows:

- Follow the New Hospitals Programme on X, formerly Twitter https://twitter.com/NewHospitalsLSC
- Like the New Hospitals Programme on Facebook https://www.facebook.com/NewHospitalsLSC
- Connect with the New Hospitals Programme on LinkedIn https://www.linkedin.com/company/lsc-new-hospitals-programme/

[3] https://newhospitals.info/news/local-nhs-welcomes-government-announcement-national-funding
[4] https://newhospitals.info/your-stories/new-hospital-programme-roadshow-what-happened
[5] https://newhospitals.info/your-stories/kevin-lavery-new-hospitals-programme
[6] https://newhospitals.info/get-involved/sign-up-to-news-by-email

Performance analysis

This section of the annual report provides an overall explanation of how the ICB discharged its functions between 1 April 2023 and 31 March 2024 against the NHS Operating Plan and Planning Guidance. It includes information on specific areas as required in reporting guidelines. The Performance analysis gives detail for users wanting to know more than is included in the earlier Performance Overview.

The system has been subject to significant pressure throughout the year which has had an impact on performance across a range of areas. Not one part of the system operates in isolation, therefore pressures in one area are seen to directly affect another.

		2022 - 2023		2023 - 2024		Direction
DOMAIN	Metric	Actual	Target	Actual (Latest)	Target	
Elective Recovery	Total patients waiting more than 104 weeks to start consultant-led treatments	6 Mar-23	0	1 Mar-24	0	
	Total patients waiting more than 78 weeks to start consultant-led treatments	217 Mar-23	0 Mar-23	39 Mar-24	0 Mar-24	
	% Patients on incomplete pathway waiting less than 18 weeks	60.3% Mar-23	92%	57.0% Mar-24	92%	
Diagnostic Waiting Times	% Patients waiting less than six weeks for diagnostic test	80.8% Mar-23	95% Mar-23	75.3% Mar-24	95% Mar-24	
CYP / Maternity	Smoking at time of delivery	11.9% Dec-22 YTD	6%	10.6% Apr-Dec23	6%	
	Population vaccination coverage - MMR for 2 doses (5yrs old)	89.4% Oct-Dec22	95%	87.3% Oct-Dec23	95%	
Cancer	31 Day First Treatment	88.3% Mar-23	96%	92.0% Feb-24	96%	
	62 Day referral to treatment	59.4% Mar-23	85%	73.1% Mar-24	85%	
	% meeting faster diagnosis standard	75.4% Mar-23	75%	77.3% Mar-24	75%	
Urgent and Emergency Care	A&E 4 Hour Standard (76% Recovery Target)	76.9% Mar-23	76%	76.05% Mar-24	76%	
	Average ambulance response time: Category 2 [NWAS]	00:30:57 Mar-23	00:18:00	00:24:22 Mar-24	00:30:00	

Mental Health and Learning Disabilities	Inappropriate adult acute mental health Out of Area Placement (OAP) bed days	540 Feb-23	0	735 Feb-24	0	
	Estimated diagnosis rate for people with dementia	68.3% Mar-23	66.7%	68.3% Mar-24	66.7%	
	Access Rate for Talking Therapies	58.1% Feb-23		57.3% Feb-24		
Primary Care	Number of general practice appointments per 10,000 weighted patients	48,971 Apr 22 – Mar 23		49.380 Apr 23 – Mar 24		
	Seasonal influenza vaccine uptake amongst GP patients in England 2022 to 2023 - 65 Years +	79.2% Sep-Feb23	85%	77.52% Sep-Feb24	85.0%	
	Proportion of diabetes patients that have received all eight diabetes care processes	43.5% Jan-Dec22		49.9% Jan-Dec23		

Key:

 Improved position

 Worsening position

Elective Recovery

The total number of patients waiting for treatment has increased throughout the year, although plateaued over the past few months with a total of 242,323 patients waiting for treatment at the end of March 2024 at ICB level. Chart 1. below shows the distribution of the waiting list by the length of time waiting. Chart 2. shows the percentage of the number of patients waiting over 18 weeks (57%) and over 52 weeks (3.9%). Both have remained relatively static across the full year.

Chart 1. Waiting list by distribution of waiting time 2023-24

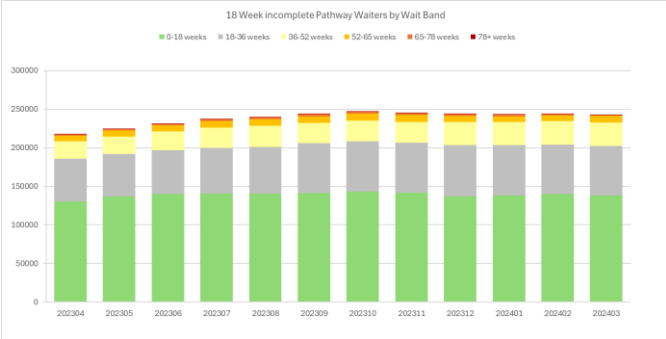
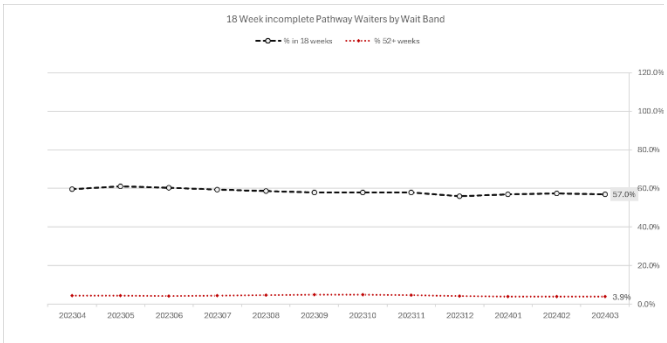


Chart 2. Percentage of patients waiting over 18 weeks and 52 weeks



There have been significant reductions made in the volume and proportion of patients waiting more than 104 weeks and 78 weeks for treatment during the course of 2023-24 on the way to a target of zero patients waiting more than 78 weeks by the end of March 2024. A number of these longest waiters are due to patients choosing to wait for treatment or who are clinically unfit for treatment.

Continued industrial action has meant that the delivery of the target is increasingly challenged. Work is ongoing to reduce long waiters and waiting times through the Lancashire and South Cumbria Elective Recovery Programme which seeks to maximise and optimise elective capacity while building on the already well-embedded approach to taking a system-wide approach to the management of waiting times and capacity.

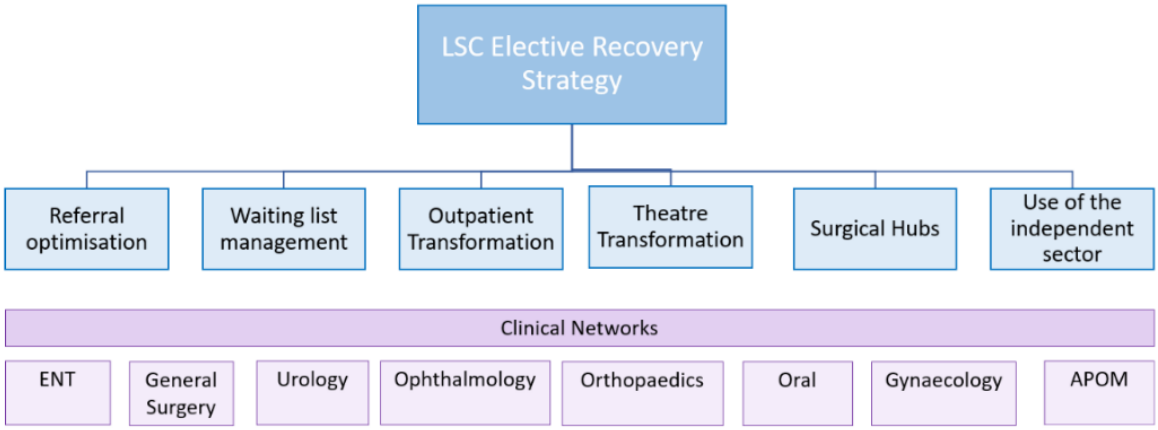
At the end of March 2024, Lancashire and South Cumbria ICB commissioned activity reported:

- 1 x 104+ week breach reported for Lancashire and South Cumbria ICB patients (though this patient no longer appears in the more timely Waiting List Minimum Data Set (WLMDS)
- 39 x 78+ week breaches for ICB registered patients
- 745 patients waiting over 65 weeks.
- 242,323 patients awaiting treatment.

At the end of March 2024, the four main NHS providers within Lancashire and South Cumbria reported:

- 1 x 104+ week waiters
- 28 x 78+ week waiters
- 615 patients waiting 65+ weeks

The Lancashire and South Cumbria Elective Recovery Strategy has identified six key areas of focus that will maximise and optimise elective capacity while building on our system-wide approach to the management of waiting times and capacity.



Other key initiatives include:

- A local communication plan is under development and further engagement with GP practices to highlight and encourage that 5 choices are made available to patients based on both geography and wait times.
- Focus on both transformation initiatives including delivery of a shared patient tracking list (PTL) across Lancashire and South Cumbria, the expansion of the surgical hub programme to manage high volume low complexity (HVLC) work and the increased utilisation of specialist advice / advice and guidance (both pre and post referral).
- Independent Sector Utilisation, which links into the focus on choice.
- Development for the accreditation of new market entrants which will support additional capacity and recovery of waiting lists.
- Scoping work to identify elective specialties which have the potential to be delivered in alternative settings and away from main acute sites to reduce demand on hospital care, with the aim to reduce waits and improve patient experience.

The reported community waiting list figures for February 2024 suggest that the current number of adults waiting increased although the percentage of patients waiting more than 18 weeks decreased. There has been an increase in the number of children on the waiting list in February 2024, mainly due to an increase in Speech and Language Therapy waiters.

Diagnostics

75.3%

39,715

People waiting less than 6 weeks for a diagnostic test (Target 95%)

The performance at the ICB level for the number of people waiting less than six weeks for a diagnostic test has not been achieved for the full financial year. The position decreased slightly over the most recent period and performance remains below that seen across the Northwest region and nationally.

At the provider level, University Hospitals of Morecambe Bay (UHMB) is the only provider to have met the 95 per cent target for the full financial year to date. There is improving performance at both Blackpool Teaching Hospitals (BTH) and East Lancashire Hospitals (ELHT) over the year despite being below the target figure. The performance at Lancashire Teaching Hospitals (LTHT) is considerably below target in the latest reported month, affected by significant waiters for Non-Obstetric Ultrasound and Echocardiography.

The ICB continues to roll out Community Diagnostic Centres across Lancashire and South Cumbria, which has seen a significant increase in activity with nearly 130,000 procedures completed to the beginning of March 2024.

Pathology

The Lancashire and South Cumbria Pathology Service and Lancashire and South Cumbria Cancer Alliance are collaborating on cancer performance improvement, particularly concerning those tumour sites where improved pathology turnaround times would have a significant impact on cancer waiting times across the system.

These have been identified as:

- Colorectal or Lower Gastro-Intestinal (GI)
- Urological
- Gynaecological

To deliver these improvements, a cancer recovery and restoration plan is being developed which will include:

- Mutual aid between the four trusts delivering pathology services in Lancashire and South Cumbria
- Mapping, improvement, and standardisation of Histopathology services in the Improving molecular pathways and cancer turnaround times (IMPACTT) Programme.
- The NHS-Galleri Trial, GRAIL, has partnered with NHSE to undertake a pilot study that will take place from 2024-26
- With an exemplar model that aligns with the NHS Workforce Plan for accelerating staff development we are driving the upskilling of nominated Histopathology staff with Genomic

specialist expertise that facilitates the increasing number and complexity of molecular investigations available to patients with cancer.
- Digital projects including the digitisation of pathology and the development of a single Laboratory Information Management System (LIMS)

A business plan is being developed with 10 strategic objectives that will aim to deliver excellence in laboratory medicine for the population of Lancashire and South Cumbria over a one, two and three-year period.

As a key target, hospitals are being asked to work towards a 10-day turnaround when delivering diagnostic test results to patients who have received an urgent referral for suspected cancer. Our projections to reach this target are:

- In March 2024 we are expected to deliver a performance of 70% for turnaround within 10 days
- A performance of 80% for turnaround within 10 days by September 2024
- A performance of 98% for turnaround within 10 days by March 2025.

Children and Young People

The level of smoking at the time of delivery of a baby is higher in the ICB than regionally or nationally. The key initiative is to implement support in maternity units to the four main providers to reduce tobacco dependency. All four maternity services now have in-house stop-smoking services in line with the NHSE Long-term Plan.

87.3%

4,195

Receiving two vaccination doses before 5th birthday (Target 95%)

Vaccination coverage is higher in the ICB than in both the Northwest and nationally for two doses of Measles, Mumps, and Rubella (MMR) by a child's fifth birthday. The position for the ICB in quarter 3 of 2023-2024 is 87.3% which although above regional and national position remains below the 95% target.

A long-term pilot which is hoped will improve childhood immunisation uptake started in late November. Primary Care Networks (PCNs) will work with the Improving Immunisation Uptake Team (IIUT) with the aim of the team to work collaboratively by providing a specialist package of tailored support to improve 0-5 childhood immunisation uptake rates. There are two elements of the pilot, those PCNs with lower uptake will be part of a targeted approach with additional support, both elements should have additional funding. Work is ongoing developing a comprehensive measles and rubella elimination plan/work stream in collaboration with ICBs and Local Authorities

Maternity

Maternity and Neonatal care priorities continue to be shaped by national investigations and resultant reports. Throughout 2023-2024 we have continued to develop plans and implement change against the four key themes outlines in the Three-year delivery plan for maternity and neonatal services (SDP). We have also improved and amended governance requirements and processes to ensure we have the appropriate mechanisms in place for both gaining assurance from our maternity and neonatal trusts and providing assurance to the relevant ICB Boards and the NW Regional Maternity Team.

Three-year delivery plan for maternity and neonatal services

The LSC Maternity and Neonatal system activity for 2023-24 has been delivered under the four themes of the SDP. The list below shows what has been achieved under those four themes during 2023-24:

Theme 1: Listening to women and families with Compassion which promotes safer care

- Conducted a gap analysis and developed an action plan against the national Maternity and Neonatal Voices Partnership guidance.
- Implemented our LMNS Insight, Co-production & Engagement Group and the key enabler for agreeing, managing and reporting all service user engagement and involvement with all ICS partners as key members.
- Successfully implemented a Maternity & Neonatal Independent Advocate as a national pilot.
- Revised our suite of Infant Feeding Policy and Guidelines.
- Implemented a Perinatal Pelvic Health Service across the LMNS as a national early adopter, the service to business as usual from October 2024.
- Lancashire and South Cumbria Reproductive Trauma Service (RTS) won NHS Parliamentary Award for Excellent in Mental Health following the first year of delivery and was highlighted on ITV Granada Reports with three women sharing their experiences of the service.
- Implemented a robust Peer Support Volunteer programme for RTS which is seen as a model of excellent practice.
- Achieved combined access rate of 12% for specialist Perinatal Mental Health services

Theme 2: Growing, retaining our workforce to develop their skills and capacity to provide high-quality care.

- Successfully recruited to a dedicated LMNS Workforce Lead to work systemwide and directly with our maternity provider Trusts.
- Developed a comprehensive programme of work to support Trusts and the ICB to meet safe staffing requirements
- Piloted a local “introduction to midwifery” course with local universities and maternity provider Trusts to attract school, and college leavers into the midwifery profession.
- Developed a pilot to enable the first T Level specific to midwifery within the Northwest – to be launched September 2024.
- Presented at regional events to encourage innovative ways to promote careers in Maternity, held sessions with 16–18-year-old during a virtual work experience and held stalls at local career fairs.

Theme 3: Developing and sustaining a culture of safety, learning and support to benefit everyone.

- All four Trusts are now on the national perinatal cultural leadership programme.
- All four Trusts with Freedom to Speak Up Guardians in place.
- Commenced implementation of Patient Safety Incident Response Framework (PSIRF).
- Implemented a local clinical quality dashboard.

Theme 4: Standards and structures that underpin safer, more personalised and more equitable care that underpin our national ambition

- Met compliance for Saving Babies Lives Care Bundle 3 for all four Trusts.
- Continued to work to the framework of the Perinatal Quality Surveillance Model.
- Completed first year of on-site quarterly assurance visits to support Maternity Incentive Scheme and Saving Babies Lives Care Bundles requirements, with dates agreed for 24-25.
- Embedded formal assurance reporting for Trusts to the LMNS and ICB, and to the regional Safety Surveillance group.
- Formalised reporting for key workstreams into relevant ICB Boards / steering groups for assurance of delivery and oversight of contribution to the ICB strategic objectives as new governance structures have been implemented across the ICB.
- Developed a Maternity & Neonatal Implementation and Oversight Strategy, to be refreshed for 24-25.
- Rolled out Neonatal BadgerNet at Lancashire Teaching Hospitals with Blackpool Teaching Hospitals.
- Successfully linked all four trusts to the Good Things Foundation – an organisation supporting Trusts to reduce digital poverty in Maternity care.

[7]

Core20PLUS5

The LMNS continues to work with our four maternity provider Trusts to implement enhanced models of midwifery continuity of carer teams to support those in our population experience the poorest outcomes, in the highest decile of deprivation.

Maternity Incentive Scheme

As part of the national safety programmes of work to reduce stillbirths, neonatal deaths, brain injuries; Saving Babies Lives (SBL) and Maternity Incentive Scheme (MIS) compliance is monitored robustly by the ICB/LMNS. The ICB/LMNS has an agreed programme of quarterly assurance visits with each of the Trusts.

All four maternity provider Trusts have achieved full compliance against Maternity Incentive Scheme criteria for year 5 and assurance visits are in place for 2024-25

Equity & Equality Plan

The governance for Equity and Equality work is now established and operationalised. The Equity and Equality Oversight Group meet bimonthly with clear reporting and escalation mechanisms to the ICB Prevention and Health Inequalities Steering Group, Local Maternity and Neonatal System Board and NHS Health Inequalities

During 2023-24 we have:

- Implemented the treating tobacco dependency national in-house smoking cessation model as per Long Term Plan.
- Developed the training for pre-registration midwives and workforce around Maternal Nutrition

[7] BadgerNet Maternity is an electronic maternity healthcare record system, created and managed by CleverMed Ltd. It allows real-time recording of all events wherever they occur: in the hospital, the community, or at home. This includes both high risk (consultant-led) and low risk (midwife-led) pregnancy pathways. Based on a woman-centred care model, the BadgerNet Maternity system comes with a portal for women to view and access their own maternity records online.

- Establishment of Close Relative Marriage Midwife role and commissioned HomeStart East Lancashire and HomeStart Blackburn with Darwen services pan Pennine Lancashire to increase genetic literacy across workforce and community as part of our project to set up Culturally Sensitive Genetic Services:
- Established Vaccination in Pregnancy services across all Trusts.

Our biggest challenges remain around workforce planning, recruitment, retention and sustainability, and accessing and gathering data reports across the system to enable effectively analysis, interrogatable by ethnicity, deprivation and geography to inform targeted interventions. Work will continue around this during 24-25.

There is more information about these programmes on the ICB website[8].

Cancer

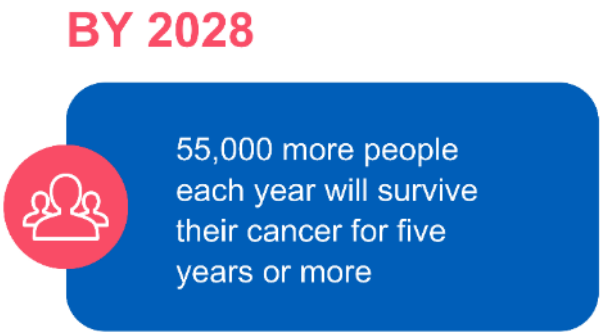
The ICB has not consistently met cancer waiting times targets throughout the year and variation in performance has been seen across the system. However, achievement has been in line with northwest and national levels. The Lancashire and South Cumbria Cancer Alliance has developed a series of key actions to support improvement. There have been challenges around diagnostic and surgical capacity which continue to be addressed. A robust programme of pathway improvement is in place which supports best pathway practice pathway development, reduces unnecessary steps and the alignment of administrative and clinical processes in the interests of patient care.

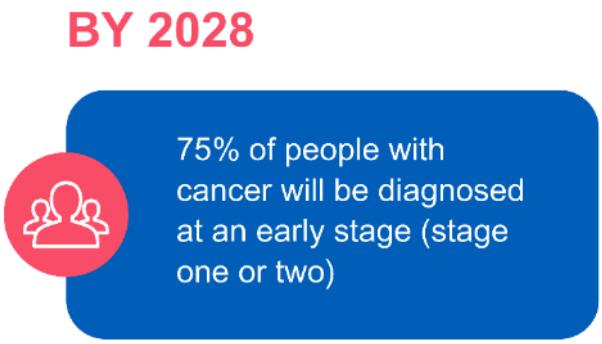
Cancer is a key focus for the ICB to improve outcomes for its population and those patients, who are unfortunately diagnosed with this disease. The national standard is to treat 85% of patients referred on a suspected cancer pathway within 62-days of referral. This has not been met since November 2020. Operational challenges across diagnostics and treatment in our system are contributing to longer pathways for patients in our providers.

We have a robust plan in place and utilise targeted funding via NHS England to transform pathways for patients to ensure that we remove unnecessary delays. We have plans over the next few years to develop our workforce and increase capacity in care for our patients. Investments in Community Diagnostic Centres and innovative use of technology will enable us to manage the growing demand.

Our plans focus on reducing variation between our providers, ensuring that there is no inequality for our population based on their location, and reducing health inequalities. We have a robust programme of work supporting the key ambitions of the long-term plan which are:

[8] https://www.lancashireandsouthcumbria.icb.nhs.uk/our-work/all-programmes





To do this we are investing in our places to increase screening uptake and to engage with our communities to understand signs and symptoms and present to healthcare professionals earlier. This will support our ambition to reduce health inequalities and increase the number of patients diagnosed with early-stage cancer, greatly improving their outcomes. We are working closely with primary care, local authorities, public health, charities and faith groups to support this vital work for out communities.

CASE STUDY: SKIN CANCER TELEDERMATOLOGY

With Teledermatology a patient first sees a healthcare assistant who takes a high-quality image of the area of concern on the skin.

These images are fed into a digital system where the clinical team can review the images remotely to determine whether a lesion may be cancerous and if the patient needs a face-to-face examination.

So, rather than seeing one patient at a time, dermatology consultants can view several patient's skin lesions in one session.

Patients first, always

It's set to transform the experience for our patients at what can be a worrying time in their lives, by…

- Speeding up their diagnosis – giving them the "all clear" or more timely access to the treatment they need
- Making sure face-to-face appointments with consultants are available to people who need them - when they need them.
- Avoiding putting people who don't have cancer through lots of unnecessary hospital visits.

Teamwork makes the telederm implementation work…

The Cancer Alliance, part of the ICB, is funding the implementation of the digital solution and centralised triage to build capacity across the whole system and plan to train more nurses to undertake biopsies. It's a team effort between trusts, commissioners and businesses and has involved plenty of joint work to get to this point.

Urgent & Emergency Care

The national target for patients to be admitted, transferred or discharge within 4 hours was 76% by March 2024. Accident and emergency services were under significant pressure throughout 2023/24, with high numbers presenting for treatment. The position continued to be challenging particularly during the winter months, which is consistent with previous years, and there were approximately 45,000 additional A&E attendances during 2023/24 compared with the previous year. During March, Lancashire and South Cumbria achieved the national target of 76% for 4-hour performance despite an increase of 13.3% in A&E attendances when compared to March 2023. Of the 42 ICBs in England, Lancashire and South Cumbria was one of 16 ICBs that achieved the 76% ambition.

45,000
Additional A&E attendances

The time which patients wait in ambulances when they arrive at hospital is a key focus and, although we experienced spells of long delays, Lancashire and South Cumbria performed better than both the North West and England and a number of key actions are in place to continue to improve performance. These include maximising the opportunity to 'Hear and Treat' and 'See and Treat'; integration of 999, 111 and Patient Transport Services (PTS) as part of the urgent care pathways; and front door triage/assessment to support patients to access the right care, in the right place and the right clinician.

Category 2 ambulance response times reported across the North West have been achieved for the majority of the year with the exception of three months over the winter period, but remained better than the national average. Lancashire and South Cumbria achieved an average of 26m:11s over 2023/24, against the national ambition of 30 minutes for Category 2 response.

There is broad recognition across our system that performance in relation to 4-hour A&E performance and Category 2 ambulance response needs to further improve going forward and there is commitment to make that happen for the benefit of patients.

In 2023/24, nine schemes were mobilised to provide capacity and resilience across our urgent and emergency care system. which enhanced our place winter plans developed to respond to local needs and priorities. The range of schemes included discharge to assess, home first, community beds, minor treatment centre, same day emergency care and virtual wards. The development of an urgent and emergency care five-year strategy commenced at the end 2023/24 with the vision of creating an urgent and emergency care system that enables people to easily access the right care and support, at the lowest level of intervention, that best meets their needs, and delivers better outcomes and affordability.

Lancashire and South Cumbria ICB continues to invest significant funding to support a range of schemes, which will create additional capacity, aim to improve urgent and emergency care performance, and improve patient experience and quality of care.

In addition to the investment, NHS England launched the national universal support offer in July 2023 which includes ten high impact interventions for urgent and emergency care. A number of tools to

support systems to deliver operational resilience across the NHS in 2023/24 and beyond. These included:

- iUEC masterclasses
- Learning modules
- NHS impact website which contains good practice guides and forums

Our system will continue to prioritise and progress these interventions and align to local improvement plans and is committed to putting our population's needs at the heart of all we do.

Mental Health

The Talking Therapies (previously IAPT) indicator focuses on planning improved access to psychological therapies to address enduring unmet needs. There was an increase in the access rate for talking therapies in October and November 2023, which took the ICB from the lowest quartile to the mid-quartile nationally. More recent data up to February 2024 (3 month rolling average – System Outcome Framework) suggests the rate has dropped to 57.3%, resulting in the ICB falling into the lowest quartile. Lancashire & South Cumbria Foundation Trust continue to undertake focused work with primary care, raising awareness of the service. An intensive improvement programme has been undertaken this year to increase the availability of support and to promote the service to people who need it, particularly where access is low. Successful recruitment of 84 high and low-intensity trainee therapists this year and further growth planned for next year should better enable services to meet needs going forward.

The service is currently meeting waiting times targets and recovery targets too.

The 2023-2024 ICB plan aimed to reduce the inappropriate adult acute mental health Out of Area Placement (OAP) bed days down to zero per month by the end of the year. The OAP bed days continue to remain above the plan in February 2024 but reported a decrease in numbers from the previous month. The expectation is that this will reduce with the opening of inpatient beds on the Whalley site and result in the planned target of reducing inappropriate adult acute mental health Out of Area Placement (OAP) bed days down to zero per month by the end of 2024/25.

68.3%

15,993
Dementia diagnosis rate
(Target 66.7%)

Dementia diagnosis rates across Lancashire and South Cumbria have fallen slightly to 68.3% in March 2024 but remain above the 66.7% target and are higher than the national average, but slightly below the North West average. However, there is variation at the practice / sub-ICB level beneath this aggregate position. Work continues across the ICB to look at improved service offers, understand the views of service users and link in with both work around frailty and the suicide prevention data to establish numbers of older adults who died by suicide and cause of death.

A system-wide Dementia strategy has been produced to improve the experience for individuals, carers, and families living with dementia and to ensure access to a range of support from prevention, assessment and post-diagnostic services.

The ICB has exceeded several of the targets relating to accessing mental health support. This has resulted in:

Financial Years	2023/24[1] £000s	2022/23[2] £000s
Mental Health Spend	423,912	388,676
ICB Programme Allocation[3]	4,599,426	3,976,249
Mental Health Spend as a proportion of ICB Programme Allocation	9.22%	9.77%

(1) The mental health investment standard data for 2023/24 has not been audited at the time of publication of this document.
(2) Revised mental health spend for 2022/23 following the completion of the mental health investment standard audit, finalised in March 2024.
(3) ICB Programme Allocation for 2022/23 includes allocation attributed to part-year legacy CCG organisations (three months) and part-year ICB (nine months).

Learning Disabilities

NHS England aims to improve uptake of the existing Annual Health Check (AHC) in primary care for people aged 14 and over with a learning disability, so that at least 75% of those eligible have a health check each year by the end of March 2024. A coordinated programme of support and training is in place along with continued monthly monitoring of performance. Constant attention will continue to ensure that performance in 2023-2024 remains above target. There continue to be several initiatives aimed at improving both increasing checks completed and the quality of the checks.

The performance for the AHC for March 2024 is 79.8%, which is above trajectory although below national coverage. The final quarter of the financial year is historically where a significant proportion of the AHC is undertaken.

Primary Care

149,980
More GP appointments

During the year general practice in Lancashire and South Cumbria have started to deliver their capacity and access improvement plans and have delivered 149,980 (2.4%) more appointments than the same period last year, however, this is a slightly lower volume of appointments than initially planned for (plan 9,194,558, actual 9,131,713, variance –62845, -0.68%).

89.1%
Appointments offered within 2 weeks

The proportion of general practice appointments offered within two weeks and the proportion of same-day appointments have increased over the year to 88.3% and 52.1% (March 2024), and are in line with national averages. The Lancashire and South Cumbria ICB rate of general practice appointments per 10,000 population is below the national average. The ICB's data shows that, overall, general practice is delivering more appointments with fewer GPs. The ICB's Primary Care Access Recovery Workplan continues to be implemented with oversight by the Primary Care Access Working Group.

At the end of 2022-23, Lancashire and South Cumbria reported a slightly lower proportion of diabetes patients receiving all eight care processes than the national average at 43.45%. The most recent data

covering Jan-Dec 2023 suggests that the position across L&SC is in line with national averages and higher than the North West position.

Flu and MMR vaccination uptake

77.52%
291,922
People over 65 immunised against Flu
(Target 85%)

The risk of serious illness from flu and consequent hospitalisation is higher among those aged 65 years and older as they are more likely to have an underlying health problem. The uptake of seasonal influenza vaccination among those aged 65 and over is therefore a critical measure. The 2023-2024 Flu campaign reports that in the September - February 2024 period, 77.52% of patients aged 65+ were already immunised (compared with 77.82% nationally and 77.2% across the Northwest).

Prevention of ill-health was one pillar of a Winter health campaign, coordinated across the ICB and Trusts in Lancashire and South Cumbria, between October 2023 and April 2024. Under this pillar there was a focus on reducing avoidable hospital admissions by encouraging people to stay well. This included highlighting the flu and Covid vaccination programmes.

During the campaign, there was an increase in the uptake of flu vaccinations amongst younger age groups.

In early 2024, a campaign encouraging young people to get up-to-date with their MMR vaccinations saw the NHS, UKHSA, and local authorities urging parents and carers to book their children in for missed measles, mumps, and rubella (MMR) vaccinations to protect children and young people from becoming seriously unwell.

At the time of the campaign, four times as many MMR jabs were delivered to those aged five to 25 years nationally, compared to the same period in 2023. The biggest increase was in the North West, considered an at risk area due to low vaccination rates, which delivered 14,462 doses to those aged five to 25 years in the first 12 weeks of the year - a more than seven times increase compared with the same period in 2023.

Safeguarding

The ICB Safeguarding team is working to publish its 2023/24 annual plan in July 2024. The 2022/23 plan[9] includes 2023/24 priority areas of activity on page 27. In year successes include working with Safeguarding partners to implement the required structures following the conclusion of the effectiveness review of the Safeguarding partnership arrangements across Pan Lancashire and the Safeguarding Boards and Child Death review processes of Cumbria County Council as they replaced the six district councils of Cumbria with two unitary authorities. Partnership arrangements have Executive leadership,

[9] https://www.healthierlsc.co.uk/download_file/9971/0

Board and Sub group structures, Partnership Strategies that are available through Local Authority websites.

The ICB as with all NHS Organisations, has a duty to safely discharge its statutory duties in relation to the safeguarding of both children and adults as outlined in national guidance. Additionally, from January 2023 to adhere to legislation that introduced a new Serious Violence Duty on a range of specified authorities, ICB being one and the Domestic Abuse Act of 2021. The responsibility for Safeguarding, Serious Violence and Domestic Abuse within the ICB is delegated to and held by the Chief Nursing Officer with a senior team in place supporting governance and assurance structures.

NHSE requires the ICB to submit a response to the requirements of the Safeguarding Accountability & Assurance Framework (2022) which provides assurance and effectiveness of the ICB arrangements. The ICB self-assessment for 2023/24 demonstrates the same findings as per the previous year; compliance with all measures except training which remains the area for progression, with clear plans to move to full mandated compliance.

The ICB safeguarding team has established infrastructures to support learning from Adult Safeguarding Reviews, Children Practice Reviews, Domestic Homicide reviews, this supports embedding learning when cross system incidents occur. Infrastuructures inplace include Safeguarding Champions model across General Practice and Regulated Care, Professional networks, learning events, newsletters and bulletins. Our General Practice Named Safeguarding leadership along with our skill mix team of Specialist Safeguarding Practitioners supports Primary Care training events for example. Assuring impact of the learning is an area of focus for the team in 2024/25.

This year across the Partnerships there have been nine Reviews relating to Children published, eight Safeguarding Adult Reviews and one Domestic Homicide Review The themes from these learning reviews include:

- Recognition of neglect and early intervention
- Application of the Mental Capacity Act and interface with Mental Health Act
- Accurate risk assessment, risk management and care planning
- Information sharing
- Response to incidents of aggression / violence and impact of domestic abuse on parents and wider family members
- Continued impact of COVID-19 impact; social isolation, mental ill health, substance misuse and domestic abuse / reduced visibility
- Effective safeguarding responses - understanding of accumulative risk over time
- Transition – vulnerability during transition to adulthood
- Professional Curiosity - helping to identify abuse and neglect and sharing information

The ICB Quality Committee receives regular safeguarding reports with information from across the geographical footprint to ensure that it is fully sighted on safeguarding assurance, risks, and the plans to mitigate as needed. Full details of safeguarding activity, risks and assurances are contained within the ICB Safeguarding Dashboard presented to ICB Quality Committee and features in the Safeguarding Annual Report for 2023-2024.[10]

10 https://www.healthierlsc.co.uk/application/files/7817/1593/4839/6.04_ICB_Safeguarding_Annual_Report_22_23.pdf

Adult health and care

A Tupe process brought Continuing Healthcare (CHC), Children's and Young People's Continuing Care (CYPCC) and Individual Patient Activity (IPA) in-house from October 2023.

The teams have been split into four appropriate place-based teams: Blackpool (including Fylde & Wyre); Blackburn with Darwen and East Lancashire; Central; and North.

This has facilitated better collaboration with service providers, acute trusts, and colleagues from the Local Authority. Moreover, the new framework allows for a coordinated approach to be taken throughout the entire process. This has resulted in a better patient experience.

The new teams have enabled a number of improvements to services:

- Improved assurance from NHSE on quality and performance of service.
- The service is achieving the recovery KPIs agreed with NHSE for 23/24 and is on target to achieve the NHSE Quality Premium (QP) of 80% of assessments achieved within 28 days from Q1 24/25.
- Incomplete Referrals (ICRs) over 12 weeks are now at zero (peak of 70 plus)
- The service commissioned MIAA to complete the significant backlog of CHC and FT reviews.
- Fast Track (FT) KPI – the service is meeting the NHSE KPI of zero breaches consistently
- The service is working in collaboration with acute discharge teams and community teams to ensure consistency in the application of referral criteria for Discharge to Assess (D2A) Pathway 3, CHC and FTs.
- Place based teams have improved processes whereby assessments for CHC can be optimised within 28 days (Non-involvement protocol; 28-day pathway

The Learning Disability and Autism Team

The team has met their trajectory for adult non-secure inpatients since September 2023, and consistently surpasses their trajectory for children and young people inpatient rates each month.

The number of adult secure inpatients remains a challenge but has been reducing since November 2023, with an inpatient rate per million of 57.5, and a target to reduce this to 30 by the end of March 2025. A range of new residential and supported living schemes to support people out of hospital are in place that will continue to support people to return to the community. Some of these schemes are focussed specifically on supporting people out of a secure hospital which will reduce our current position.

A key priority within the team is 'Learning from the Lives and Deaths of People with a Learning Disability and Autistic People' (LeDeR), which is working hard to identify key themes associated with potentially avoidable deaths and deliver a programme of appropriate and accessible health messaging and facilitate change within the ICB to ensure that people with a learning disability and autistic people can access equitable health care.

The 2022 LeDeR Annual Report highlights the thematic learning and key priorities for targeted health inequalities work. Key priorities include:

- Respiratory Health / Risks
- Dysphagia / aspiration / choking
- Epilepsy care
- Weight management – (launch of healthy weight toolkit)
- Annual Health Checks
- Cancer screening
- STOMP

More about the reports and priorities and learning can be found on our website[11].

In 2023, the launch of Learning Disability Champions within practices, a co-produced scheme to help people with a learning disability identify practice staff who have undertaken learning disability awareness raising was launched. Learning Disability Champions was co-produced with practice staff and people with a learning disability and is helping to address barriers to accessing practices. The ICB All Age Learning Disability and Autism strategies were launched, and system-wide action plans are in development to support their delivery.

Several projects are in progress that support autistic children and young people, including Autism in Schools, which is in its third year, and is engaging with 50+ schools across the ICB to offer advice in supporting neurodiverse pupils. Focussing on environmental audits, networking with parent carer forums and awareness raising.

Care Sector Programme

The ICB commissions care provided to patients who reside in care homes and supported living, and for people who receive health interventions through home care packages (adult social care).

During 2023-24, the Adult Social Care (ASC) sector programme has been refreshed and firmly embedded within the ICB, building on an existing legacy of strong partnership working and support across Lancashire and South Cumbria.

[11] https://www.lancashireandsouthcumbria.icb.nhs.uk/our-work/learning-disabilities/leder

Key changes in the ICB infrastructure during 2023-24 have strengthened arrangements for quality assurance and improvement of our commissioned services, by bringing together a team of Clinical Leads and Quality and Performance Specialists to create one coordinated team dedicated to supporting quality improvement with system partners across adult social care in Lancashire and South Cumbria. Team roles are aligned to each geographical locality, providing expert knowledge and support at "place."

The ICB continues to work proactively with homes which are not performing as well as would be expected. We do this in partnership with health and social care partners to put action plans in place to support improvements. This ensures that quality services are provided for our population.

During 2023-24 the data shows:

- **An overall increase in the percentage of care home beds rated 'good' or 'outstanding' by the CQC and is higher than the northwest regional average.**
- **Lancashire and South Cumbria had the highest percentage of Community Home Care Providers rated 'good' or 'outstanding' by the CQC across the northwest region, and**
- **There has been an overall increase in the number of care home admissions from hospitals at weekends supporting a 7-day system approach.**

There have been numerous quality improvement interventions taking place across Lancashire and South Cumbria at a Place level, focusing on nationally directed elements of the NHS-enhanced health in care homes framework. These include hospital avoidance initiatives and safe discharge pathways. Learning from these interventions will inform the development of system-wide improvement.

During 2023-24 the programme has led and supported the following quality initiatives:

- The implementation of a web-based quality assurance tool in collaboration with local authorities.
- Collaboration with local authority partners to work on a combined integrated operating model for supporting provider performance, which should streamline the approach and reduce duplication.
- Systems have been reviewed and strengthened to ensure learning from adverse incidents. Examples of quality initiatives because of lessons learnt include the introduction of a good practice checklist for care homes accepting out-of-area residents, a dedicated Safer Care Champions network focusing on learning from a Safeguarding Adult Review where resident-on-resident harm was a key factor, guidance on managing dysphagia, and a range of targeted training and development opportunities.
- Development of best practice guidance and pathways for providers requesting support for 'one-to-one' enhanced observations of residents following a large pilot scheme.
- The first Lancashire and South Cumbria ASC Registered Nurse Forum took place bringing together nurses for peer support and professional development.
- The introduction of the Lancashire and South Cumbria Social Care Nursing Advisory Committee, which is made up of senior nurse leaders from ASC providers across LSC, with a remit for driving quality improvement and promoting the value of ASC nursing as a profession, along with recognised specialist qualifications.
- Work has continued throughout the year in partnership with general practice to tackle the outbreaks of Scabies across the Care Home sector, which have been prolonged and challenging to manage.

The Digitising Adult Social Care team has two main objectives: By March 2025, 80% of adult social care providers to record individual care plans digitally and 80% of providers compliant with the Data Security Protection Toolkit (DSPT 2023/4).

77%

Registered providers recording care plans digitally.

63%

Providers compliant against 10 data security standards.

- The digitising adult social care team is in the process of providing grants to 185 providers to transition from paper to digital care planning. Based on revised criteria by the National Digital Social Care Team at least 77% of our registered providers are recording their care plans digitally.
- In collaboration with the local authorities the Digitising Adult Social Care team has increased the proportion of providers that are compliant towards the Data Security Protection Toolkit (DSPT), an online self-assessment tool that allows organisations to measure their performance against the National Data Guardian's (NDG) 10 data security standards. In April 2022, 31% of adult social care providers could evidence compliance against the 10 data security standards **this has increased to over 63%.**
- In addition to the above the team carried out a pilot in two care homes using 20 Nobi devices, a technology to detect and prevent falls. The results demonstrated a significant reduction in prevention and detection of falls.

As part of the Care Sector Programme, we have an established ACS Workforce workstream, which boasts an excellent Lancashire and South Cumbria Social Care Training Hub (SCTH) initiative which supports adult social care organisations with staff training and workforce development.

The SCTH brings together education and training resources as a 'go to' place for any information about workforce education and development, including support and information about career development and student nursing placements. It is responsive to the needs of the system with targeted training delivery.

The SCTH works in partnership with key stakeholders to develop and promote career pathways for social care staff through apprenticeship opportunities and offers guidance and support to all social care providers in relation to developing and retaining their staff, via succession planning, 'grow your own' pathways, T Levels, and work experience placements. It has also developed a tool for monitoring uptake of apprenticeships and evaluation.

Improving quality

Quality is an overarching term which encompasses the patient experience of services, the safety of services and the effectiveness of services. The ICB influences quality improvement through the way it contracts with providers, through its relationships with other statutory agencies in the system and the engagement with stakeholders. The ICB has a statutory responsibility for both Quality Assurance and Quality Improvement.

The ICS across Lancashire and South Cumbria are working hard to implement and embed the national Patient Safety Strategy[12] including (but not limited to) the appointment and embedding of Patient Safety Partners, Patient Safety training, implementation of Patient Safety Incident Response Framework (PSIRF)[13] ahead of the national deadline and appointment and delivery of the expected role for Patient Safety Specialists. The ICB and ICS places a strong focus on Patient Safety in its commitment to truly improve patient outcomes and experience; the development of strong relationships of patient safety leads validates this commitment.

Through the transition into PSIRF we can demonstrate an improved patient/family experience when healthcare safety events occur in line with the 'Involving Patients in Patient Safety Events' guidance[14]. The improvement in patient/family experience as a result of openness, transparency and true compassion is proving to positively assist with the grieving process and building confidence in the provision of local healthcare services.

Acute, mental health and ambulance NHS Trusts in Lancashire and South Cumbria have implemented the Patient Safety Incident Response Framework (PSIRF) supported by the patient safety team. Monthly Lancashire and South Cumbria PSIRF Community of Practice meetings, facilitated by Health Innovation North West Coast are progressing and enable attendees to share their experiences and learning of the implementation process. A Sharing the Learning workshop was held in February 2024 to look at sharing the learning across Lancashire and South Cumbria and ideas were shared relating to joint principles and learning forums.

The safe implementation of clinical IT systems is mandatory for all health and care organisations and the ICB has been collaborating with the ICS to develop robust governance and assurance processes within each organisation and the development of standardised documentation across the ICS. In addition, to improve efficiency and effectiveness of process, a collaborative approach to undertaking hazard workshops and writing clinical safety case reports has been implemented. There is a monthly ICS digital clinical safety meeting which forms part of the governance process and allows for shared learning, discussion and decision making. All provider organisations have developed clinical risk management policies in line with Frontline Digitisation requirements.

[12] https://www.england.nhs.uk/patient-safety/the-nhs-patient-safety-strategy/
[13] https://www.england.nhs.uk/patient-safety/patient-safety-insight/incident-response-framework/
[14] https://www.england.nhs.uk/patient-safety/patient-safety-insight/incident-response-framework/engaging-and-involving-patients-families-and-staff-following-a-patient-safety-incident/

Sharing of system patient safety intelligence, true learning in accordance with new methodology along with system collaboration is now maturing with the seamless transition of the PSIRF COP forum into an ICS Shared Learning group both at operational and system leader level. All Trusts are ensuring that the PSIRF work is aligned with Quality Improvement functions, and it is anticipated that the impact of the learning will be realised and evidenced as PSIRF implementation embeds and matures.

The ICB Infection Prevention and Control (IPC) team have incorporated the recent ICB / Local Authority meetings into the newly formed wider ICB IPC collaborative. This meeting has a topic-focused approach, reviewing data and shared learning across the ICB to improve health outcomes for the population. Over the last year, they have:

- Developed the ICB IPC/Antimicrobial Resistance (AMR) Board with colleagues in IPC and Medicines Optimisation (MO) across the integrated care system focusing on performance, escalation, learning, workforce and improvement in infection prevention and antibiotic prescribing.
- Continued to work on implementing bi-monthly Healthcare Associated Infections (HAI) locality meetings across the footprint, reviewing data collected from post-infection reviews and sharing information collaboratively.
- Worked collaboratively with UK Health Security Agency (UKHSA) and IPC teams in the local authorities on numerous outbreaks across the footprint including COVID-19, Norovirus, Influenza and pneumococcal clusters. The recent rise in influenza outbreaks saw the team supporting the nominated providers in the prescribing and management of antivirals for vulnerable contacts.
- Worked with other health, local authority colleagues and UKHSA in managing complex Tuberculosis (TB) cases.
    - Work is ongoing to improve and refine the TB pathway to reduce healthcare inequalities and identify those at the highest risk.

There has been a rise in the number of Scabies outbreaks in care homes with the largest number in the East Lancashire / Burnley area. An ICB clinical operational pathway was developed with stakeholders to support diagnosis and treatment across the ICB. Outbreaks are supported collaboratively with local authority IPC colleagues, primary care, medicines optimisation and specialist community dermatology services to provide a holistic joined-up approach to management.

The IPC champion project has been shared across the ICB with the majority of practices participating. This means that there is an individual in a General Practice that has an increased level of knowledge on Infection, Prevention and Control and is a point of contact should the Practice have any concerns.

The ICB has in line with guidance from the National Quality Board established a System Quality Group, (SQG). The SQG is a multi-agency and multi-disciplinary forum which is primarily concerned with driving quality improvement across the Lancashire and South Cumbria system's services. The ICB recognises the valuable contribution from all system partners in SQG, however, this will need to be increasingly sensitive to how Place multi-partner teams escalate quality concerns and risks and how they lead the delivery of sustainable solutions and quality improvement. This relies on good quality information and data, which has been triangulated with other sources of information, to derive reliable insights into the service experience and how this can be improved. In 2023/24 some services were given a deeper focus in SQG for example emergency care and long-term conditions such as diabetes, services to people with learning disabilities, with the intention of understanding and agreeing the actions needed to continue to improve the safety, quality impact and experience of these services. It is also acknowledged that the effectiveness and influence of the SQG will need to be developed and supported further over 2024/25, with a greater linkage to the agreed system priorities and work with Place colleagues.

The quality assurance about services which the ICB commissions, is reported to the ICB Quality Committee. The Quality Committee can escalate actions for improvement for consideration to the SQG. The established processes for quality governance are that the ICB holds quality review meetings with providers related to the quality aspects of the contract. Over 2023/24 the ICB developed a sustainability and improvement plan with each commissioned acute and mental health provider trust, to improve each trust's assessed segment position on the national system oversight framework. A monthly ICB executive/trust executive meeting was established as part of the governance to monitor the improvements in the oversight framework domains as outlined in each plan. The assurance on each trust's sustainability and improvement plan implementation and delivery will be priority work for 2024/25. Further information about the SQG and ICB Quality Committee can be found in the governance statement.

The ICB Quality Team has completed a self-assessment exercise on behalf of the organisation against NQB requirements in relation to quality, as per the National Quality Board's guidance for systems. Where gaps have been identified, there are clear lines of escalation to the relevant ICB function highlighting areas of risk, to ensure mitigating actions are identified to address these.

Quality assurance

There are other evidences of work to check quality assurance throughout this document and in addition:

- The ICB worked with the University Hospitals of Morecambe Bay NHS Trust and the regional and national support programmes to improve governance and quality. By the ICB evaluating and confirming progress made, the trust successfully exited this trust-wide support and enhanced monitoring. Whilst this was achieved, the maternity services remain in a support programme and the ICB continues to work with and monitor the trust to ensure previous improvements are maintained and built on further.
- Blackpool Teaching Hospitals Trust successfully exited a similar enhanced period of monitoring with the ICB and regional team, having also demonstrated improvements. Improvements include fundamentals of care, such as ensuring patients are appropriately hydrated, are helped to avoid falls in hospital and pressure care is managed to avoid pressure *sores.*

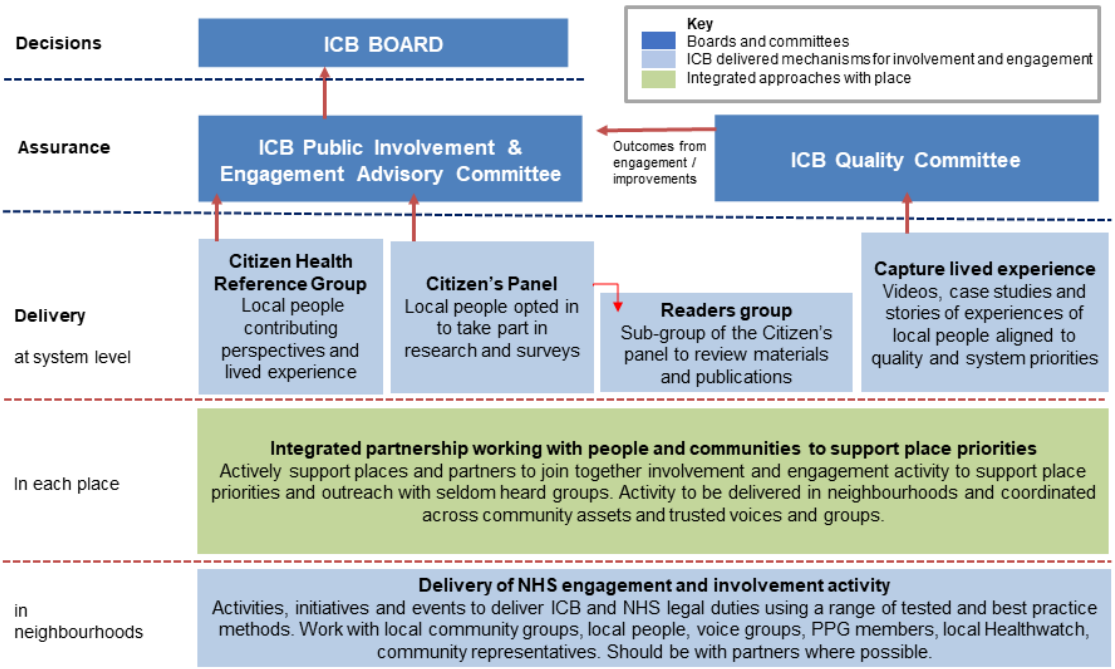
Engaging people and communities

The ICB is committed to putting our population's needs at the heart of all aspects of our work.

The ICB has established a subcommittee of the Integrated Care Board called the Public Involvement and Engagement Advisory Committee (PIEAC). More information about the PIEAC can be found on page 9797.

In July 2023, the ICB executive endorsed a revision to the strategy[15] for working with people and communities which describes an ambition to develop robust and trusted relationships which empower our citizens and communities and enable a change in culture and behaviours. This took into consideration learning from 2022/23, feedback from PIEAC members in the June meeting and reflects the publications of the Integrated Care Strategy for Lancashire and South Cumbria and the NHS Joint Forward Plan for Lancashire and South Cumbria. The strategy is based on ten principles for public involvement and engagement.

The engagement and involvement model below depicts the context and levels of assurance for the ICB and is included within the revised strategy.



An internal audit has been undertaken into patient, carer and resident engagement which reported 'moderate assurance' however highlighted some positive achievements in relation to embedding engagement and involvement since the establishment of the ICB. The audit identified that overall the ICB is developing effective governance arrangements over the delivery of its Strategy for Working in Partnership with People and Communities, engaging with stakeholders on matters of commissioning and redesign of service delivery in line with statutory requirements. A series of improvement actions were identified and implemented including the review of the policy for public involvement and engagement.

An updated policy[16] was endorsed by the Board in January 2024. The updated policy embeds the principles from the strategy for working in partnership with people and communities for Lancashire and South Cumbria ICB into a policy for public involvement and engagement for the ICB and describes how this will be implemented by the NHS in Lancashire and South Cumbria. The policy sets-out how the ICB will ensure our citizens can expect meaningful involvement, engagement and participation in the

[15] https://www.lancashireandsouthcumbria.icb.nhs.uk/about-us/publications/strategies-and-plans/lancashire-and-south-cumbria-strategy-working-people-and-communities

[16] https://www.healthierlsc.co.uk/application/files/3317/0859/1308/LSCICB_Corp36_Public_Involvment_and_Engagement_Policy_Final.pdf

development, implementation, review and transformation of healthcare and wellbeing services across the ICS area.

Complaints were handled by a combination of ICB employees and Midlands and Lancashire Commissioning Support Unit (MLCSU). The ICB has a single point of contact for all new complaints including those received from Members of Parliament. All formal complaints are recorded on a case management system through the ICB's Patient Experience service. The ICB has an agreed and published policy[17], and all complaints and responses are reviewed by the Chief Nursing Officer.

Citizen's Panel

1,700
Members of the Citizen Panel

The ICB has developed a citizen's panel[18] of members of the public who have agreed to participate in surveys, and engagement and give their insights concerning health, wellbeing and health services in Lancashire and South Cumbria. The majority of these have been through a process of opting in to be part of the panel from previous CCG databases. This model has been presented as good practice nationally and has been adopted by several ICBs. At the time of this report, the membership consists of about 1,700 members from across the region. Panel members receive a monthly bulletin with opportunities to engage with the work of the ICB and information.

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Members of the ICB readers group

In response to demand from ICB colleagues, and interest from members of the citizen's panel, we have established a Readers' Group. The group has started to review documents, information, letters and leaflets and offers suggestions on how these can be more patient and public-friendly. We currently have 62 members who have joined the group. Members of the reader's group have contributed to the development of the ICB priorities and strategy, and our policy on volunteer expenses and is a good example of how policies and documents can be improved with public engagement and involvement. A recruitment campaign has been developed and will be a focus in 2024/25 to increase the membership of the panel.

Citizens Health Reference Group

During 2023/24 a cohort of members from the Citizens Panel accepted an invitation to join a newly formed citizen's health reference group. This group, which consists of 12 members will be available to the ICB by acting as the voice of the patient. During 2023/24 the members undertook a comprehensive induction to the ICB and the health and care system, for 2024/25 members will agree to join committees of the ICB as well as project and programme groups to add value through the voice and insight of the patient and resident.

Promoting patient choice

The ICB highlights the fact that, in many cases, people have the legal right to choose where they have their NHS treatment. This is explained in the NHS Choice Framework[19] which was updated in February 2024.

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17 https://www.healthierlsc.co.uk/application/files/4516/6807/4013/Corp01_LSC_ICB_Complaints_Policy_v1_010722.pdf

18 https://www.lancashireandsouthcumbria.icb.nhs.uk/get-involved/citizen-panel

19 https://www.gov.uk/government/publications/the-nhs-choice-framework/the-nhs-choice-framework-what-choices-are-available-to-me-in-the-nhs

Engagement at Place

Members of the ICB communication and engagement team act as place-based engagement coordinators in each of our places. They have begun to develop the approach to establish engagement networks with local communities in places. These build on existing networks and groups and provide an opportunity for the ICB to listen to community representatives, including existing patient voice groups, and GP practice patient participation groups. In 2023/24 listening events in our places continued, as well as focused listening events on the needs of people with sensory impairment, and disabilities.

Engaging with specific patient groups on clinical reconfiguration

Working alongside programme leads for the Recovery and Transformation programmes in September 2023 the ICB embarked on a series of engagement activities with patients with lived experience of the services being reviewed.

Vascular patients, Urology patients, and Head and neck cancer patients have been spoken to about their experiences and ways in which services could be improved and impacts any proposed changes may have on future delivery of services. This was aided by VCFSE groups such as:

- The Swallows head and neck cancer support group
- Heartbeat
- Mobility Matters
- The Bay Prostate Cancer Group

Our thanks to all these groups and everyone who took part. In total the engagement activities heard from 445 people.

The reports on each of these activities to date can be found on our website[20].

Engagement and involvement toolkit and guidance for ICB staff

As part of our development of the communications and engagement team, along with a robust and resilient engagement infrastructure and process, the team have developed an engagement toolkit and guidance for use by ICB teams and to support wider partnership working across the ICS, including the Provider Collaboration Board and the wider workforce. The toolkit aims to support teams to embed the ten principles for engagement and involvement in all areas of the organisation and partnership.

Alongside this, the engagement team developed a workforce training programme that complements the toolkit and guidance. The training, along with learning and development training, will be rolled out to the wider system throughout 2024/25 having been tested internally and we are considering an online option for the workforce and system partners.

[20] https://www.lancashireandsouthcumbria.icb.nhs.uk/get-involved/what-youve-told-us-1/what-youve-told-us

Patient Experience

The ICB is committed to listening to the experiences of our population and using that to learn and improve. LSC ICB has a statutory function to respond to complaints, it also has a twin role in:

- Routinely monitoring and acting on the patient experience information generated by the NHS and other providers we work with across our ICS.
- Directly handling enquiries and complaints from our local residents including those made by MPs on behalf of their constituents.

2023/24 saw considerable growth in the incoming volumes dealt with by our team. The total numbers are set out below:

Type of Record	2022/23*	2023/24**	Percentage Increase
Complaint	382 (509)	1256	228.8%
MP Letter	200 (267)	309	54.5%
PALS	657 (876)	1495	127.5%

*This is the actual number received in the nine months from the inception of the ICB (1 July 2022 – 31 March 2023) converted to an annual figure.

**This is the figure for the whole year (1 April 2024 – 31 March 2024). Primary Care complaints are only captured for nine months from 1 July 2023 onwards.

Much of this growth is due to the change in responsibility for those Primary Care complaints and enquiries made to commissioners. This was delegated from NHSE to ICBs in July 2023. Numbers were significantly greater than anticipated from the outset and have remained consistently high.

We saw significant changes in our Patient Experience team this year. People previously employed by CCGs were joined in July 2023 by staff transferred from both Midlands and Lancashire Commissioning Support Unit and NHS England. We have now come together as a single, unified ICB team.

Currently, Patient Experience activity is reported into our Public Involvement and Engagement Advisory Committee (PIEAC) which is a sub-committee of our Board. More about PIEAC can be found on page 9797. Each report contains a section which identifies learning from complaints in a ‘You Said, We Did’ format. In December 2023, PIEAC received the results of a ‘deep dive’ into complaints handling in our organisation including the current approach to learning and improvement and future plans. During 2024/25 more work is planned to use patient experience data to identify concerns, learn and improve. Reporting has been reviewed to ensure more visibility at the ICB Quality Committee with a reporting line into the System Quality group.

Our Equality Objectives 2022-24

In order to provide a framework during its first operational year, the ICB adopted an interim Equality, Diversity and Inclusion Strategy for 2022-23. This strategy set out how the newly established ICB aimed to embed and develop its approach to ensure that Equality Diversity and Inclusion (EDI) is at the heart of everything we do including; how we deliver health and care services for our population, how we commission such services, how we engage with the people we serve and how we support our workforce. Due to the ongoing establishment of ICB structures and those within the wider ICS, the 2022/23 strategy was extended into 2023/24.

The strategy recognises that the ICB is still in its infancy and is developing its priorities and long-term ambitions. However the strategy sets out a strong range of initial commitments that we are making in our approach to EDI in our role as a commissioner of health services and as an employer.

As required by the Public Sector Equality Duty of the Equality Act (2010), public sector organisations are required to prepare and publish one or more equality objectives at least every four years. The purpose of these objectives is to strengthen performance and demonstrate clear progress against, and compliance with, the general equality duty.

As part of the interim EDI strategy, the ICB defined a set of equality objectives designed to set out a range of initial commitments in relation to EDI while the emerging ICB (and the wider system) continues to develop and firm up its long-term priorities and ambitions.The agreed equality objectives for 2022-2024 are as follows:

- Objective 1: Our commissioned and provided services will meet the needs of our diverse population
- Objective 2: Our workforce will see improvements in health, wellbeing and diverse representation
- Objective 3: Our leaders will demonstrate a clear and strong commitment to EDI in all that they do

Each objective has a series of associated actions which are progressing. The ICB has developed a refreshed set of equality objectives for 2024-26 which are due to be approved and published in Q1 2024/25.

All LSC ICB employees were invited to a grading event in February 2024. Grading for both Equality Delivery System Domain 2 and 3 were completed during one single grading event. The facilitator used Mentimeter (an interactive presentation software facility) to collect the results.

Grades received for EDS Domain 2 are as follows:

EDS Domain 2: Workforce Health and Wellbeing	2023/2024 Grade
2A: When at work, staff are provided with support to manage obesity, diabetes, asthma, COPD and mental health conditions	Achieving
2B: When at work, staff are free from abuse, harassment, bullying and physical violence from any source	Achieving
2C: Staff have access to independent support and advice when suffering from stress, abuse, bullying harassment and physical violence from any source	Achieving
2D: Staff recommend the organisation as a place to work	Developing

EDS Domain 3: Inclusive Leadership	2023/2024 Grade
3A: Board members, system leaders (Band 9 and VSM) and those with line management responsibilities routinely demonstrate their understanding of, and commitment to, equality and health inequalities	Achieving
3B: Board/Committee papers (including minutes) identify equality and health inequalities related impacts and risks and how they will be mitigated and managed	Tied at Developing/Achieving
3C: Board members and system leaders (Band 9 and VSM) ensure levers are in place to manage performance and monitor progress with staff and patients	Achieving

Equality and Health Inequalities Impact and Risk Assessments

Lancashire and South Cumbria ICB utilises an Equality and Health Inequalities Impact and Risk Assessment (EHIIRA) toolkit. The EHIIRA toolkit provides a framework for undertaking Equality and Health Inequalities Impact and Risk Assessments in all aspects of ICB decision-making.

This tool combines two assessments consisting of Equality and Human Rights. This enables the ICB to show assure itself against the Public Sector Equality Duty and ensures that consideration is given prior to any policy or commissioning decision being made by ICB committees that may affect equality and human rights. The toolkit was updated in 2022 to ensure a wider range of inclusion health groups (as defined by NHS England) and to ensure that 'Core20PLUS5' priority areas were routinely considered within the completion of EHIIRAs.

The ICB aims to ensure that people from protected characteristic groups and inclusion health groups can expect the same high standards of access, care and experience compared to the general population. The ICB is committed to embedding the use of EHIIRAs in every aspect of service development, policy development and workforce development.

Between April 2023 and March 2024, 87 EHIIRAs relating to a wide range of service design and workforce decisions were completed or are currently in progress. Further information regarding health inequalities can be found in the next section of this report.

Reducing health inequalities

The ICB has continued to refine and strengthen its approach to improving the health of the population through preventing ill health and addressing health inequalities. This work is a core function of the ICB and the ICB is working to ensure that it is a consistent theme across all its workstreams. During 23/24 the ICB has continued to work with partners, and in particular through its places, to embed work with our communities to accelerate prevention and to strengthen the understanding of health inequalities and increase the focus on improving access, experience and outcomes for those who experience the poorest outcomes.

In November 2023, NHS England published a Legal Statement[21] setting out the duty of ICBs to report on health inequalities under section 13SA of the National Health Service Act 2006[22] with specific reference to reporting within ICB annual reports. In line with the Legal Statement, the ICB has published the metrics on health inequalities on the ICB website[23]. The ICB has worked with its Business Intelligence partner Midlands and Lancashire Commissioning Support Unit to build functionality to report on these and other inequalities metrics regularly from the start of 2024/25 and we will continue to refine the format and level of detail provided. For 2024/25, the health inequality reporting will be incorporated into the ICB Board performance reporting, ensuring that the Board has regular oversight of the metrics on inequalities and the delivery of work to address these inequities.

The metrics support the ICB's work to tackle inequalities however, they only tell part of the story; the following sections illustrate the scale of work underway with our communities and across the ICB's workstreams and across our four places to tackle inequalities and increase the focus on prevention.

Strengthening leadership and vision

- The continuation of the Lancashire and South Cumbria Population Health and Health Equity Academy, now into its second year, with a cohort of 56 colleagues from across the ICB registered for 2023-24.
    - The Academy's leadership development programme actively promotes the Lancashire and South Cumbria Population Health Model which stressed the importance of working with and in communities, improving primary, secondary and tertiary prevention and the need to focus activity upstream to promote health and wellbeing, detect health conditions early and address health inequalities. It will take time to see the impact of the kind of cultural change in leaders that we are aiming to deliver, but early signs are that the leadership programme is helping to change the culture of leadership and there is growing interest in the approach, to the extent

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Graduates from leadership development programme

[21] https://www.england.nhs.uk/long-read/nhs-englands-statement-on-information-on-health-inequalities-duty/
[22] https://www.legislation.gov.uk/ukpga/2006/41/section/13SA
[23] https://www.healthierlsc.co.uk/ICB/our-work/prevention-and-health-inequalities/health-inequality-metrics-2023-24

that we have doubled the size of the programme for 24/25 and are considering expanding it further. 44 people, primarily PCN health inequalities clinical leads graduated from the programme in July 2023 and the next cohort of 50 commenced in September 2023. The participants on the programme develop an understanding of themselves as leaders across a system. They learn a range of skills including the art of hosting, community development, and having conversations for change, as well as understanding data for population health, prioritising needs, influencing skills, and initiatives to tackle health inequalities. They go into their communities and have different conversations, gaining deeper understanding of what really matters to people. They use data and evidence and work on projects to deliver change in practice. 39 initiatives were completed by the first cohort of the leadership programme, such as improving care for women who have experienced domestic violence, delivering enhanced health checks for people at risk of homelessness, improving connections with foodbanks, and developing population health skills in the next generation of primary care clinicians. The feedback from all the people who graduated from the programme in 2023 has been that it has helped them bring back joy to their work, and has enabled them to work very differently and collaboratively with their communities.

  - The Leadership programme has been written up in a King's Fund Long Read Developing Primary Care Leadership For Population Health And Equity | The King's Fund (kingsfund.org.uk)[24] and How systems are leading on health equity - Healthcare Leader (healthcareleadernews.com)[25] and is referenced in Population Health Management bitesize #3: Making the case for PHM by NHS England (soundcloud.com)[26].
  - The quarterly Masterclasses held for graduates of the programme provide an opportunity to share learning about what works and to keep enhancing knowledge, reflecting on experience and embarking on new initiatives. For example the most recent Masterclass included focusing on the steps that primary care colleagues are taking to address the detection and treatment of hypertension and considering the impact that has been achieved and considering next steps. The Academy also hosts monthly, online Best Practice sessions which showcase and disseminate innovative work that is being undertaken across the system in relation to prevention and health inequalities. Recent topics have included improving respiratory outcomes for the most vulnerable and how PCNs have implemented Enhanced Health Checks. These sessions give participants the opportunity to learn from other parts of the system and put in place similar programmes in their own communities and services. Some examples can be found at youtu.be/MaQ_qcYgaDg and youtu.be/yGbMg5uAggs

- In addition to the leadership training programme, the Academy has also delivered workshops and case study presentations on designing health inequality improvement projects.

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People trained as part of the personalised care programme

- The delivery of the personalised care programme has seen 151 colleagues trained on the use of the PAM (Patient Activation Measure), 244 completing accredited health coach training and 93 completing MECC (Make Every Contact Count) train-the-trainer courses. Training participants have included staff from healthcare, local authorities, and voluntary organisations.

[24] https://www.kingsfund.org.uk/insight-and-analysis/long-reads/primary-care-leadership-population-health-and-equity
[25] https://healthcareleadernews.com/editors-pick/how-systems-are-leading-on-health-equity/
[26] https://soundcloud.com/nhsengland/population-health-management-bitesize-3-making-the-case-for-phm?

- Establishing and running the Prevention and Health Inequalities Steering Group which brings together key leaders from within the ICB and NHS Trusts with the Directors of Public Health for the region to drive the work across the NHS on health inequalities and prevention.
- Continuing to strengthen understanding of health inequalities through leading events, workshops and staff briefing sessions for the ICB leadership team and the wider workforce, supporting all staff to see their role in addressing inequalities, including visits by external speakers.
- Increased support to the ICB workstreams to increase the clarity of purpose and visibility of their work to address inequalities and ensure it is a cross-cutting theme across the ICB's planning and performance monitoring processes.
- Continued to fund and support the Health Inequality Clinical Leads (HICLs) in each PCN across the ICB who are continuing to lead work on health inequalities within their PCNs, including 30 projects being led across the ICB. This has included attendance at the Academy Leadership Programme and ongoing masterclasses.
- Worked with Trusts to support the leadership of their health inequality strategies and their work as anchor organisations, including bringing leaders from Trusts together to work collaboratively.
- Continued to support leadership of local place-based work through the embedded population health teams in each place, including for example embedding the learning from priority wards within the plans for each place.
- Continued work to grow leaders across the system including supporting the Core20plus Ambassadors, and public health trainees and working closely with the Public Health Collaborative to support training and development of the Population Health and Public Health workforce.

Mitigating against digital exclusion

- Digital Health Navigators established across L&SC delivering pop-up clinics to help improve digital skills, and funding recently gained for additional role and continuation of Wayfinder project.
- During 23-24, digital inclusion support has focused on elective recovery pathways (commissioned through AgeUK Lancashire) though that support has often been provided within primary care settings. Overall there were 373 referrals to the digital inclusion service in 23-24 although the rate of referrals increased throughout the year with 176 of them in Q4.

Restoring services inclusively

- The Provider Collaborative Elective Recovery Health Inequalities Steering Group has undertaken a deep dive into elective recovery data across LSC to understand inequalities and identify themes for further work, both in terms of cross-cutting themes across LSC and specific areas of inequity within individual Trusts. Positively, the deep dive did not paint a picture of LSC-wide inequities to the extent that has been seen in some other ICBs, instead most of the issues identified were specific to individual Trusts or had local nuances that required a more place-based approach.
- Following on from the LSC deep dive, each Trust is now reviewing the inequities identified within its own elective recovery workstreams and the LSC-wide group is acting as a forum to generate curiosity, provide supportive challenge and share learning.

Accelerating Preventative Programmes:

- The ICB has worked with the four local authorities Public Health Teams and has agreed a shared "Tobacco Free Lancashire and South Cumbria Strategy (2023-28)" and aligned workplan with the aim to reduce smoking prevalence to <5% in every neighbourhood.

- The ICB has continued to drive delivery of the smoking dependency service offer for inpatients and pregnant women in and this has now been implemented in every acute Trust. During 2023/24 the ICB has commissioned a tobacco dependency service for mental health inpatients within LSCFT sites and this has started to be delivered in quarter 4 with a view to full mobilisation of the service in quarter 1 2024/25.
- The ICB has established its Diabetes Health Improvement Board and has developed a dataset that identifies areas of greatest needs and areas with poorest outcomes. At patient level, a structured diabetes education (SDE) programme has been rolled out across all areas.
- Digital Weight Management continued to have good engagement in 2024 with the highest referral rates in the North West and top 10 of all ICBs.
- The Blood Borne Virus emergency department testing service is fully operational in Blackpool Teaching Hospital, as one of the national pilot sites.
- For patients with learning disabilities and autism, the main areas of focus included establishing multiagency LeDeR panels, steering groups and learning into action processes. Facilitating workshops across system partners to ensure patients with LD&A are considered, training across the ICB to improve service delivery and patient experience. There has also been alignment of priorities across the NW region.
- Specific initiatives for respiratory vaccinations included improving communication to parents in BAME communities and other low uptake areas, commissioning maternity providers to run vaccine opportunities at antennal clinics and a regional wide communication campaign focusing on all eligible groups. Covid vaccinations were brought into alignment with flu vaccinations, as well as specifically targeted work to reach vulnerable populations like asylum seekers.
- The ICB has undertaken a review of the service provision for people with alcohol dependency within emergency departments and inpatient sites across LSC and a proposal has been developed to make the case for continued funding of the existing two Alcohol Care Teams and potential roll out across LSC.

Strengthening Population Health Management Approaches:

During 2023-24, the ICB has reviewed its digital strategy with a view to increasing access to population health management information for staff across the system, complemented by support in using the tools and approaches. This has included:

- Building on the innovative technologies inherited from the Fylde Coast CCGs and provided by Midlands and Lancashire CSU, the ICB has launched the “Lancashire and South Cumbria System Intelligence Service” which will allow staff and wider ICB partners to access and visualise data at an ICB, Place and defined population level.
- The online tools allow the interrogation of health inequalities, health service activity and social care datasets. This enables each of the ICBs teams to include health inequality intelligence at the heart of its decision making, supported at an operational level by risk stratification and cohorting of patients and residents.
- The ICB Digital and Population Health Teams have worked together to ensure that the data we hold is accessible and fully utilised. Practical hands-on training has been provided to staff in tactical and planning roles and support has been given to front line staff to ensure PHM data is available to support clinical and social prescribing conversations with our patients.
- The CVD Prevention, Detection and Management Group is leading a programme of activities to improve identification and management of people with atrial fibrillation, raised blood pressure, cholesterol and diabetes.

The four places that make up Lancashire and South Cumbria are at the heart of the ICB's approach to understanding and addressing inequalities. The place-based team, population health team, public health and other partners work closely in each place. The following are a few examples of the work that has taken place in 2023/24: -

- In South Cumbria, the local authority public health team, community power workstream, and ICB population health team have begun to formally collaborate on creating "Thriving Healthy Communities". Immediate priorities included joined-up action on prevention and refreshes of strategic assessments for local collaborative networks.
- An example of collaborative project work has been the exploration of high urgent care demand in our most challenged wards within Barrow-in-Furness, termed "Priority Wards". Barrow Integrated Care Community (ICC) and VCFSE partners led the project and identified potential next steps and actions. This included improving environmental factors, potential service improvements within civic and NHS services, and action best led by communities and VCFSE organisations. The project has led to three key projects on COPD, self-harm and access to over-the-counter drugs that deliver health benefits, improved access and outcomes.
- The Lancashire place-based population team have supported the establishment of 8 Health and wellbeing partnerships with a further 2 underway. We have provided subject matter expertise and intelligence on the local population, combining data with the voices of people with lived experience, particularly gathered through the priority wards deep dives. We continue to be active members of these partnerships championing health inequalities and ensuring this is embedded in decision-making across the partnership.
- In Central Lancashire, the RROW Project identified those who are at greatest risk of requiring unplanned or emergency interventions over winter due to exacerbation of respiratory issues. A total of 1,092 adults were identified across Central Lancashire as meeting the criteria, and a second cohort of 668 children and young people with asthma. In the adult group, these patients are prioritised or 'front loaded' into proactive annual reviews, medication reviews and vaccination programmes. Unmet social needs are also identified by carrying out social prescribing reviews with the at-risk cohort. In the child group, work focuses on educating parents and carers around proper inhaler technique and management of exacerbations and asthma attacks, as well as being prioritised to receive clinical interventions such as annual condition review and vaccinations. Social prescribing reviews are also carried out with parents or carers of children and young people with asthma to identify any unmet social need, with a particular focus around housing and living conditions.
- There are six disadvantaged wards of focus across Lancaster District, particularly in Morecambe where health outcomes are poor. A significant proportion of the population in some of the Morecambe wards are gypsy roma traveller communities, whose health outcomes are poorer. A task group has been established and we are at the beginning of undertaking a deep dive within these wards to include the following: Taking a data led approach; engaging with the community and undertaking logic modelling workshops with key stakeholders to determine root cause and subsequent system wide actions required.
- In Blackburn with Darwen, one area our engagement with leaders and communities in these two footprints identified the 180 Project. A faith based commercial cross fit gym which serves a diverse community of prison leavers, homeless, substance misuse, individuals moving into abstinence and recovery, victims of domestic violence and those with a low level / severe mental health diagnosis.

  Made up of a management team and instructors with lived experience they are providing holistic support for their community and twelve months ago also branched out into supported housing for individuals who had become abstinent during their 180 journey. Darwen Based GP, Health

Inequalities Clinical Lead and Clinical Lead for Quality, Dr Qashuf Hussain has added a much-needed layer of clinical support to their offer which includes:

- An opportunity for health to build trust with the vulnerable members of this community, who are often reticent about engaging with health professionals and fail to prioritise their health concerns.
- Pharmacist review of the cohorts complex prescriptions, including methadone and mental health medication, to reduce side effects and or dosage where possible and enable them to train more effectively
- Healthchecks to identify and manage any concerns proactively.

This collaboration of Primary care and the faith sector provides robust wrap around care at an individual level, for some of the most vulnerable people in the community.

- In West Lancashire the dedicated EHCs team operates across West Lancashire to deliver the checks for all eligible patients as well as other identified individuals through community outreach activities. As the team of clinical staff operate on behalf of local GP practices, they can directly ensure that patients are provided with the necessary care, support and onward referral or signposting as their individual needs require. To date, the West Lancashire team's work has seen 437 Enhanced Health Checks and 59 opportunistic NHS health checks, with over 500 referrals and signposting opportunities completed. This has included targeted sessions for asylum seekers and refugees home visits for housebound patients, and pop-up clinics at libraries, shopping centres, community events and coffee shops.
- The population health team in Blackpool used a trauma-informed approach to join up with locally established peer support groups and facilitated dental care for 34 people who were homeless over 3 months. As well as improving dental health, this improved trust and willingness to engage with other health services and led to 127 episodes of care being delivered overall.
- As part of the Blackpool Core20PLUS5 community connectors project we heard from people with lived experience of high blood pressure about the poor availability of large and extra-large blood pressure cuffs in Blackpool GP practices. Working with Blackpool PCNs, funding from the project was used to make these sizes available to support better identification and management of high blood pressure.
- Targeted NHS Lunch Health Checks are currently being offered to people who are former or current smokers and aged between 55 and 74 as part of a drive to detect illnesses such as lung cancer and other conditions. The programme has been carried out in stages, first in Blackpool, Blackburn with Darwen, Rossendale, Hyndburn and Burnley before coming to Pendle in autumn 2023. The lung health check is an initial phone assessment. If the assessment finds the person to be at high risk, they are offered a low-dose CT scan of the lungs in a community location. More than 64,500 people in Lancashire and South Cumbria have already benefited from a lung health check, with some receiving life-saving treatment for conditions that may have otherwise gone undiagnosed.

The following themes are particular priorities for the ICB, with work underway to improve equity of access, experience and outcomes, in line with the priorities set out in the national Core20plus5 approach. Each of these workstreams has a programme of activities underway, the following summarises some examples of the work that has taken place in 2023/24:-

Core20plus5 Adults	
Maternity	The Maternity and Neonatal Equity and Equality Oversight Group is leading a significant programme of work focussed on improving equity of access, experience and outcomes for service users and improving equity within the maternity workforce. Other work included trauma-informed training for 67 maternity staff and an infant feeding strategy, with ongoing projects including maternal nutrition, postnatal diabetes, culturally competent genetic services and vaccination in pregnancy. Throughout these projects, there has been a concerted effort to increase diversity of the service users worked with for insight, co-production and engagement purposes.
Serious mental illness	The ICB's Mental Health Team are continuing to support work to improve the delivery of annual health checks for people with serious mental illness across the ICB, including the continuation of the steering group, processes to increase accountability at PCNs, and data to help identify and target the most vulnerable populations.
Cancer early diagnosis	LSC Cancer Alliance is continuing to develop health inequalities approaches across all aspects of early diagnosis, screening, and timely presentation, including innovations programmes such as the Targeted Lung Health Check programme and Galleri blood testing programme. A Key priority in 2023-24 was supporting Lancashire & South Cumbria's IHI Core20Plus5 Collaborative which focussed on early cancer diagnosis. LSC was one of seven sites in England taking part in the IHI Core20Plus5 Collaborative. Working with a wide range of partners and led by Lancashire Teaching Hospitals Foundation Trust on behalf of the Provider Collaborative, the team used health inequalities data and community insights to identify an initial geographic priority areas of St Matthew's ward in Preston. Further listening and utilisation of data identified a further priority of improving bowel screening uptake and signs and symptoms awareness among minority ethnic communities. A number of outreach sessions were delivered within local women's groups, supported by local community leaders including Imams. In 2024-25, this work will be built on and further developed through delivery of several early diagnosis projects across Lancashire & South Cumbria. LSCCA continued to work with NHS England North West as Commissioner of the NHS Cancer Screening Programmes – bowel, breast and cervical – to meet their service requirements. This included extensive targeted local promotion of screening uptake campaigns for bowel, breast and cervical screening awareness months.
Hypertension	The CVD Prevent, Detect and Manage Group is leading a programme of work to improve detection and management of hypertension. This has been very successful and the Treatment to Target rate is now at 72%, meaning that we have prevented 75 heart attacks, 112 strokes and 60 deaths and have recovered to pre-covid levels. This has been achieved through using a population health management approach to support practices and PCNs including holding a Primary Care symposium, supporting PCNs through data quality and clinical lead visits, providing a Data Pack and Primary Care Support Pack, identifying funding opportunities and working with community pharmacies.

Chronic respiratory disease	Establishment of respiratory health and wellbeing coaches (HAWCs) which has seen considerable improvement in the patient activation measure (PAM) and patient activity levels for patients involved. In pulmonary rehab, the team developed closer working relationships between all the teams, as well as each team created a Health Inequalities Plan to identify three key actions and measurable outcomes. There was also the implementation of a pilot Digital Pathway using Rehab Guru across four teams. Work continued on reaching the goal of bringing down waiting times to less than 12 weeks.

Core20plus5 – Children and Young People

Asthma	There has been extensive ongoing work with VCFSE sector, particularly the establishment of a community champions model to improve asthma knowledge among families; there have been significant levels of signposting to appropriate services such as food banks and housing advice. A Youth Community Champion model has also been developed. There has also been significant progress on specialised training for PCN clinical staff in relation to asthma optimisation. The asthma digital passport has been launched to further assist self-empowerment. Place based work is being planned at a priority ward level in both BwD and Blackpool. Significant progress has been made in relation to asthma training in schools.
Oral Health	CYP Oral Health is now embedded fully within the Elective Care workstream at the ICB. Significant progress has been made in relation to defining and validating existing waiting lists. Ongoing programmes of work included supervised tooth brushing programme, the GULP programme. The ICB have produced a detailed children's treatment and prevention pathway, awaiting sign off for funding. There has been continued work on elective recovery for dental extractions but competing priorities with the adult waiting list has made this challenging.
Diabetes	There has been continued targeted community engagement and education for minority populations (who are disproportionately represented in terms of type 2 diabetes), with 67 community champions recruited, and 271 outreach and engagement sessions working to identify and overcome barriers to engagement. Additionally, there were successful (improved blood glucose time in target range) technology pilots which specifically included funding to reduce barriers for children from ethnic minorities and / or living in the most deprived areas using diabetes technology. The ICB has now approved plans for the implementation of hybrid closed loop technology on a wider scale. Children are a priority group within this implementation plan.
Epilepsy	Following the review of numbers of epilepsy specialist nurses (ESNs), there has been recruitment of three further ESNs across the system to increase the numbers of children who can access a specialist nurse. Additionally, there has been specialist training courses completed across system to upskill existing staff. Work is underway to deliver on the priorities within the national epilepsy care bundle
Mental Health	Working with schools to support Mental Health Support Teams (MHST) waves 11 and 12 with a focus on most deprived areas in L&SC. Data collection work ongoing to capture key measurables and target most at need populations.

Health and wellbeing strategy

Health and wellbeing boards are formal committees of the local authority charged with promoting greater integration and partnership between bodies from the NHS, public health and local government. They have a statutory duty to, with others, produce a joint strategic needs assessment (JSNA) and a joint local health and wellbeing strategy (JLHWS) for their local population.

Reform of local authorities in Cumbria has seen the establishment of Cumberland Council and Westmorland and Furness Council. In Yorkshire, eight councils merge to become the unitary authority of North Yorkshire. These changes happened on 1 April 2023.

There are six Health and Wellbeing Boards which are either entirely or partly within the Lancashire and South Cumbria ICB area:

- Blackpool Health and Wellbeing Board.[27]
- Lancashire Health and Wellbeing Board[28]
- Blackburn with Darwen Health and Wellbeing Board[29]
- Cumberland Health and Wellbeing Board[30]
- Westmorland and Furness Health and Wellbeing Board[31]
- North Yorkshire Health and Wellbeing Board[32]

Lancashire and South Cumbria ICB is represented on each Health and Wellbeing Board, except for North Yorkshire, by an ICB Director. Some residents of Lancashire and South Cumbria receive health services from, or in, North Yorkshire. It has been agreed that whilst there will be no member of Lancashire and South Cumbria ICB on North Yorkshire's Health and Wellbeing Board, there will be mutual engagement on matters of relevance.

During the year Councils have been refreshing the health and wellbeing strategies and Place leads have been involved in this work. They have helped to ensure consistency and coherence across wider system strategies and to identify key areas requiring stronger focus, such as mental health and preventing homelessness.

Whilst the North Yorkshire Health and Wellbeing Board (NYHWB) is not represented at Member level on the Lancashire and South Cumbria ICB, there is strong liaison at officer level and the NYHWB are aware of developments in Lancashire and South Cumbria ICB. During the last year, for example, Jane Scattergood, the Director of Health and Care Integration, attended the NYHWB and updated it on developments.

[27] https://democracy.blackpool.gov.uk/mgCommitteeDetails.aspx?ID=169
[28] https://www.lancashire.gov.uk/practitioners/health-and-social-care/health-and-wellbeing-board/
[29] https://www.blackburn.gov.uk/health/health-strategy-and-reports/health-and-wellbeing-board
[30] https://cumberland.moderngov.co.uk/mgCommitteeDetails.aspx?ID=177
[31] https://westmorlandandfurness.moderngov.co.uk/mgCommitteeDetails.aspx?ID=271
[32] https://www.nypartnerships.org.uk/healthandwellbeing

The strategies can be found at:

- Blackpool Health and Wellbeing Strategy – In draft as part of consultation[33]
- Lancashire Health and Wellbeing Strategy[34]
- Blackburn with Darwen Health and Wellbeing Strategy[35]
- Cumberland Health and Wellbeing Strategy[36]
- Westmorland and Furness Health and Wellbeing Strategy is currently being created following the formation of the new local authority. Information can be found here.[37]
- North Yorkshire Health and Wellbeing Strategy[38]

Each Health and Wellbeing Board has been consulted during the preparation of this Annual Report and each has asked to view the Report once it has been approved.

Environmental matters and sustainability

On 1 July 2022, the NHS became the first health system in the world to embed net zero into legislation, through Health and Care Act 2022[39]. Net zero means cutting greenhouse gas emissions that cause global warming to as close to zero as possible, with any remaining emissions re-absorbed from the atmosphere by oceans and trees.

National NHS Goals:

- Emissions we control directly to be net zero by 2040, aiming to reach an 80% reduction by 2028-2032.
- Emissions we can influence to be net zero by 2045, with an ambition to reach an 80% reduction by 2036 to 2039.

By the year 2040, this trajectory would save an estimated 5,770 lives per year from reductions in air pollution alone. Delivering a 'Net Zero' National Health Service[40]

[33] https://www.blackpooljsna.org.uk/Documents/Blackpool-JLHWS-2024-Consultation.pdf
[34] https://www.lancashire.gov.uk/media/907203/lancashire-health-and-wellbeing-strategy.pdf
[35] https://blackburn-darwen.org.uk/wp-content/uploads/Blackburn-with-Darwen-JLHWS-Final.pdf
[36] https://www.cumberland.gov.uk/health-and-social-care/public-health/cumberland-joint-local-health-and-wellbeing-strategy-2023-2028
[37] https://consult.westmorlandandfurness.gov.uk/communications/joint-local-health-and-wellbeing-strategy/
[38] https://www.nypartnerships.org.uk/jhws
[39] https://www.legislation.gov.uk/ukpga/2022/31/contents/enacted
[40] https://www.england.nhs.uk/greenernhs/a-net-zero-nhs/

As an ICB, we play a key role in reducing emissions, influencing our providers, and building healthier communities. Our ICB Green Plan[41] was published in March 2023 and outlines how we will support NHS England and the UK government in fulfilling these emission goals.

The Net Zero Project Manager has been in place since February 2023 to lead and co-ordinate the work plan and she was joined by a Primary Care Clinical Lead in February 2024. An ICB Net Zero Board has been established, chaired by the Director of Strategic Estates, Infrastructure and Sustainability. The work of the Net Zero project Board is included as part of the staff induction process and is also referenced in new job descriptions and adverts with associated training available.

The Board comprises Senior Leads for the named areas of focus within the Green Plan and meets a minimum of quarterly to review progress against climate related goals, targets and key risks (see Risk Assessment section on page 105), whilst ensuring that net zero principles are strategically embedded across all aspects of the ICS's services. Several thematic working groups attended by operational leads feed into the Board.

A quarterly Highlight Report from this group informs the ICB's Business & Sustainability Group. Issues are escalated to the ICB Board as appropriate and Green Plan progress is reported here at least annually. Currently, there are two climate related risks identified on the Corporate Risk Register that are reviewed monthly by the Board. It has been agreed to adapt the cover sheet for Board papers going forward to include reference that environmental sustainability have been considered.

This governance structure ensures that Directors from all areas of the ICB have a degree of oversight of the Green Plan and that staff in all areas remain informed. To further embed environmental sustainability, the ICB's new sustainable impact assessment is completed by staff during project initiation or strategy development. It's purpose is to assess the impact of an activity or change in process against a series of criteria covering issues relevant to the Green Plan chapters.

A performance dashboard to support monitoring of the Green Plan implementation is in development by the regional NHS Greener team and will be released during 2024/25, to enable closer monitoring.

[41] https://www.lancashireandsouthcumbria.icb.nhs.uk/about-us/publications/strategies-and-plans/green-plan-2022-25

There are nine focus areas included within the plan the following details the highlights of each:

Workforce and leadership

- An introduction to the Green Plan is now a part of staff induction and included in new job descriptions. As well as new staff, current ICB and primary care staff have received similar presentations at team meetings.

Sustainable models of care

- Two Virtual ward sites in Blackpool have been piloting the National Carbon Footprint Toolkit with the aim of identifying carbon hotspots on a patients journey and implement changes to reduce it.

Digital tranformation

- Hybrid working has been fully adopted by the ICB. Virtual healthcare delivery has also continued where clinically appropriate with benefits of saving time and transport costs for patients and reducing air pollution with less travel required to appointments.

Travel and transport

- Strong partnership working with Councils has resulted in free access to sustainable travel initiatives such as 'Love to Ride' and a car-share App.
- By accessing council funding, GP practices have started using e-bikes for practice visits and have improved facilities for staff and patients wanting to cycle.

Estates and facilities

- Sustainability is embedded in the ICB's Infrastructure strategy 2023-2040 and this will ensure any new buildings planned within the New Hospital's Programme and larger capital schemes across Lancashire and South Cumbria will be Net Zero.
- Trusts have accessed national funding in 2023/24 including more recently £1m from phase 2 of the NHS National Energy Efficiency Fund (NEEF) secured for LED lighting in Trust buildings across the region. This will lead to significant ongoing energy savings.
- In primary care a number of practices are developing a 'green' outdoor area that will support the health and wellbeing of both staff and patients. The design process to develop the land around Colne Health centre, for example, has a footpath made from recycled car tyres and Groundworks has involved the social prescribing team in the design process to ensure the maximum benefit for everyone who is able to access the site.
- In July 2023 the ICB headquarters moved to County Hall. There was very little new equipment and furniture purchased as the majority was re-used from premises that were closing or were already closed

Medicines

- A communications and education campaign to encourage switching of asthma inhalers to lower emission alternatives has yielded significant results. The national target of a 25% reduction compared with baseline levels has been exceed with figures available for quarter two indicating a 34% reduction.

Supply chain and procurement

- A Sustainably Impact Assessments (SIA) was introduced for Trust and ICB procurements over £30k. This process will ensure that environmental sustainability is considered by NHS Managers alongside quality and inequality when introducing changes to healthcare services.

Adaptation (adapting to environmental change)

- Introducing Adaptation Plans will ensure our healthcare facilities can withstand the impacts of climate change such as floods and heatwaves into the future.

Success through Collaboration

Collaboration, whether this is between sectors within the NHS or alongside external organisations is vital to ensure our journey towards Net Zero is undertaken as effectively and efficiently as possible.

'Warp It', a digital equipment and furniture redistribution system was implemented initially in Lancashire Teaching Hospital. Due to the success of the scheme it was rolled out to all our other hospital trusts in 2023 saving significant expenditure on new furniture and reducing waste to landfill.

Westmorland and Furness Council have secured funding to improve Air Quality. They will be working at hospital sites in South Cumbria to monitor air quality and undertake sustainable travel surveys and plans.

During 23/24 the ICB have been working with Lancashire County Council's Active Travel team and they have been very supportive, providing funding and advice around sustainable travel initiatives, even giving ICB staff the opportunity to try out electric bikes for free.

Task force on climate-related financial disclosures (TFCD)

The Group Accounting Manual (GAM) has adopted a phased approach to incorporating the TCFD recommended disclosures as part of sustainability annual reporting requirements for NHS bodies, stemming from HM Treasury's TCFD aligned disclosure guidance for public sector annual reports. TCFD recommended disclosures as interpreted and adapted for the public sector by the HM Treasury TCFD aligned disclosure application guidance, will be fully incorporated into sustainability reporting requirements on a phased basis up to the 2025-26 financial year, with the exception of the requirement to disclose scope 1, 2 and 3 greenhouse gas emissions and the related risks as part of the metrics and targets pillar.

The phased approach incorporates the disclosure requirements of the governance, risk management and metrics and targets pillars for 2024-25. These disclosures have not been provided because they are not currently available.

The earlier part of this 'Environmental matters and sustainability' section describes the Board's oversight and the management's role in assessing and managing climate-related issues.

Emergency preparedness

All NHS organisations have a duty to be properly prepared for dealing with emergencies such as major incidents, outbreaks of infection, severe weather or acts of terrorism. The responsibilities for emergency planning are set out in the Civil Contingencies Act 2004, NHS Act 2006, the Health and Social Care Act 2022 and the NHS England Emergency Preparedness, Resilience and Response (EPRR) Framework 2022. The ICB has an Accountable Emergency Officer board level Director who is responsible for EPRR. The Board agree arrangements for planning, responding to and leading recovery from incidents,

and ensure that the NHS and partner organisations are joined up at times of greatest need, including taking on incident coordination responsibilities as delegated by NHS England.

Lancashire and South Cumbria ICB works closely with partner NHS organisations, the emergency services and local authorities to ensure a co-ordinated, system wide response to emergencies to minimise the impact on the population we serve. The ICB is a Category One responder with statutory responsibilities, and is committed to planning for, and responding to, incidents and emergencies that could affect the health of the community or the delivery of patient care.

Digital solutions are critical to both the safe and effective delivery of information to front line care staff and for the provision of effective business decision making to health and care leaders across the health and care economy. The ICB is aware that attacks against digital solutions and attacks against NHS organisations are increasing in both quantity and severity. In order to mitigate this risk, the ICB has worked with our health partners to agree a system-wide Cybersecurity Strategy (2024-2025) which proposes a collaborative approach to the safety and security of our digital tools, aligned with the national What Good Looks Like framework, and the national NHS Cyber Strategy.

Durning the year, the ICB has led the response on a number of challenging incidents; including industrial action and system pressures.

The ICB is subject to an annual assurance process to assess its plans and procedures relating to emergency planning. There has been a significant change in the assurance process for the Northwest for 2023/24 as we have adopted a revised and more rigorous analysis of evidence and compliance against each core standard. For 2023/24 the ICB was assessed as partially compliant and a robust action plan has been developed to improve compliance levels for 2024/25 onwards, and a series of other control mechanisms are in place including;

- Comprehensive training for tactical and strategic on call staff to respond to incidents and emergencies on behalf of the ICB
- A training needs analysis and personal development portfolio has been developed for on call staff to complete to ensure compliance with the minimum occupational standards (for EPRR)
- A robust on call rota is in place, with monthly meetings to share experiences and advise of any updates in relation to EPRR matters
- Review of the EPRR and Business Continuity Policies
- Development of a EPRR risk register

Through this process, the ICB continues to regularly review and make improvements to its emergency planning and response arrangements.

Performance Monitoring

Throughout the year performance by local providers has been reviewed via a variety of forums, including contract review meetings, recovery groups, Tier 1 calls, performance meetings and the Improvement Assurance Groups (IAGs).

The Finance and Performance Committee received a detailed monthly performance report against key targets and a range of other indicators from the NHS Outcomes Framework providing an aggregate position for the ICB, provider-level achievement and benchmarking against both northwest and national performance. More information on the Finance and Performance Committee can be found on page 9595.

Performance was reported to the ICB Board at each of its meetings.

Financial Review

Performance Summary

We tracked the progress of our service providers (for example local hospitals, community services, and primary care practices) against several national outcomes indicators and ensured that patient rights within the NHS Constitution were maintained. Additionally, we set local priorities against which provider progress was monitored. Performance reports were presented to and scrutinised by the Finance and Performance Committee and a summary of key issues was presented to the ICB Board.

More information about the Finance and Performance Committee can be found in the corporate governance report on page 95.

Financial Key Performance Indicators

The ICB's performance is measured against several financial key performance indicators as outlined below:

Key performance indicator	Target	Actual	Result
Revenue resource use does not exceed the amount specified in Directions	Maintain expenditure within the allocated in-year resource of £4,510.480m	Total expenditure £4,599.426m	Not achieved – the ICB deficit of £88.946m has been notified to and discussed with NHS England
Delivery of a control total of breakeven	Deliver a control total of breakeven	Total position £88.946m deficit	Not achieved – the ICB deficit of £88.946m has been notified to and discussed with NHS England
Maintain expenditure within the Annual Cash Drawdown Requirement	ICB Annual Cash Drawdown Requirement total £4,610.642m	Total cash outflow £4,609.617m	Achieved
Revenue administration resource use does not exceed the amount specified in Directions	Maintain administration (running costs) expenditure within the allocated resource of £36.090m	Total administration (running costs) expenditure £26.816m	Achieved

QIPP savings targets identified and savings achieved	Overall QIPP savings target £96.987m	Total QIPP savings £63.763m	Not achieved (shortfall of £33.224m)
Capital resource does not exceed the amount specified in Directions	Maintain expenditure within the allocated in-year resource of £nil	Total expenditure £nil	N/A – no capital allocation received in 2023/24
Comply with the Better Payment Practice Code (BPPC)	Ensure 95% (by value and volume) of all valid invoices are paid by the due date or within 30 days of receipt of a valid invoice, whichever is later	NHS payables: - 99.57% by value - 97.16% by volume Non-NHS payables: - 97.03% by value - 99.56% by volume	Achieved

Financial Review

The second financial reporting period for the ICB has proved to be significantly challenging. Following the transition to one financial ledger and harmonisation of financial reporting, the focus for 2023/24 has been on full budget holder delegation and ownership of budgets and efficiency targets.

The ICB set a break-even plan for 2023/24 which required a high level of Quality Innovation Productivity and Prevention (QIPP) and mitigation delivery and therefore included significant risk to achieving a balanced year end position. Previous arrangements under which NHS providers were paid a nationally determined monthly 'block' contract payment changed to an Aligned Payment and Incentive (API) approach in 2023/24. This incorporated both fixed and variable elements and therefore increased the risk to the ICB in terms of potential overperformance on the variable elements. In addition, high inflation rates, over and above nationally expected levels, have particularly affected prescribing and continuing healthcare expenditure. This has significantly impacted the ICB's ability to contain excess cost pressures within the constraints of the allocation uplift and planning assumptions.

Despite the delivery of £64m of efficiency savings, 72% of which were recurrent, the ICB has been unable to fully mitigate the in year inflationary and activity related pressures resulting in the reporting of year-end deficit position of £89m.

Financial performance

The following section provides a brief overview of the ICB's financial performance in the 2023/24 financial year. The financial accounts have been prepared under a Direction issued by NHSEI under the National Health Service Act 2006 (as amended). A full set of accounts, including associated certificates, is included later in this report.

Allocation

The total in-year allocations to NHS Lancashire and South Cumbria ICB for 2023/24 were as follows:

- We received allocations totalling £3,932.345m for commissioning NHS services for the local community
- We received a further allocation of £341.724m for delegated commissioning of primary care medical services
- We received a further allocation of £200.321m for delegated commissioning of other primary care services (pharmacy, dental and optical)
- We received a further allocation of £36.090m from which we were expected to cover all our running costs

2023/24 financial duties

The ICB's performance against each of its financial duties, as reported in Note 2 to the Accounts and outlined above, for the 2023/24 financial year was as follows:

- The ICB did not achieve its in-year control total of breakeven and therefore breached its Revenue Resource Limit (RRL). This resulted in a Secretary of State Referral for breach of statutory financial duties.
- The ICB remained within its cash limit and met its Cash Resource Limit (CRL).
- The ICB maintained its administration expenditure within its Running Costs Allowance.
- The ICB had no capital resource limit or capital expenditure.

Financial Performance

The financial regime for 2023/24 continued to shift back to a business as usual arrangement following a number of years operating under a revised format during the Covid-19 pandemic. The block arrangements previously in place with NHS providers shifted to an Aligned Payment and Incentive (API) approach in order to support the elective recovery agenda with the variable element increasing the level of financial risk for the ICB. High inflation has also been a key feature of the economic backdrop for the UK during 2023, which again placed significant pressure on the ICB planning assumptions, particularly in relation to prescribing costs.

As such, we have faced a number of financial pressures during 2023/24 financial year. The non-recurrent mitigations driving the break-even reported position for 2022/23 significantly increased the recurrent efficiency requirement as we moved into the second reporting period for the ICB. As part of

the planning process, the ICB was expected to deliver 4.4% of savings and mitigations across a largely fixed expenditure base.

In addition, the ICB plan incorporated the national planning assumptions that were based on inflation levels reducing during quarter one. During the first six months of the financial year, the ICB experienced significant inflationary pressures over and above national expectations, particularly in relation to Primary Care Prescribing which was running at 12%. This, coupled with price and activity pressures experienced with All Age Continuing Care resulted in a year end deficit being forecast from December 2023. This culminated in a referral under section 30 of the Local Audit and Accountability Act 2014 by the ICB's appointed external auditors to raise with the Secretary of State the potential breach of the Statutory Financial Duty of the ICB of break even.

Again, a number of non-recurrent mitigations have been transacted in order to contain the deficit at £89m for the 2023/24 financial year. The focus for the coming financial year is Recovery and Transformation for the ICB and also across the wider system in order to reduce the recurrent cost base. This is vital to ensure the future financial sustainability of the Lancashire & South Cumbria system to ensure expenditure levels remain within the resources allocated.

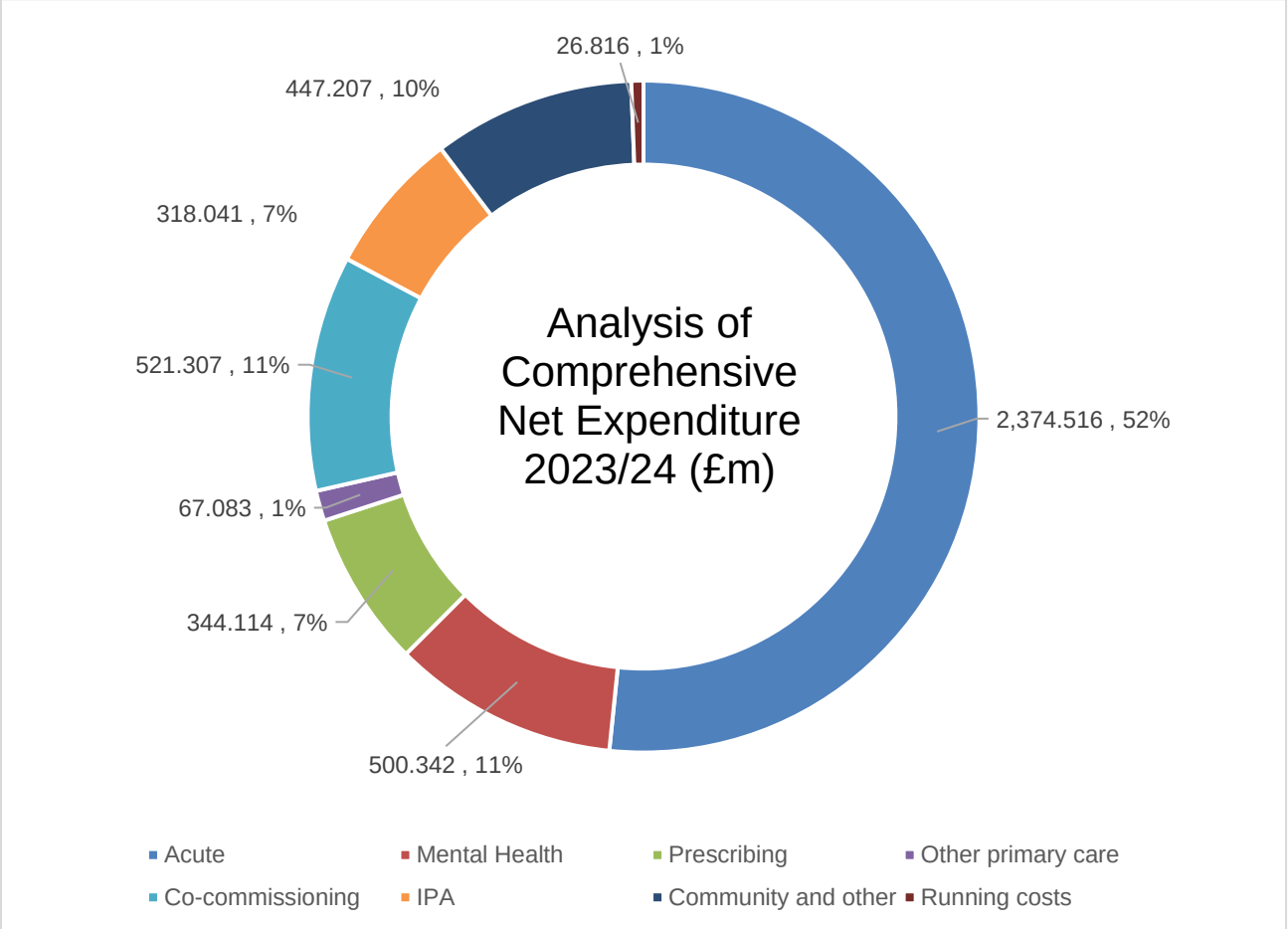
Accounting policies

The ICB's accounting policies are shown in full in Note 1 to the Annual Accounts. The accounting policies follow International Financial Reporting Standards (IFRS) to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury.

We have made no changes to accounting estimates during the 2023/24 financial year, however, the ICB has made a move away from contracting with NHS providers on a solely block basis, which has meant that there has been some level of variable cost in accordance with levels of activity undertaken.

Further details of accounting estimates made are reported in Note 1.33 to the Accounts, "Critical accounting judgements and key sources of estimation uncertainty".

Analysis of Comprehensive Net Expenditure 2023/24



ACCOUNTABILITY REPORT

Kevin Lavery
Accountable Officer
19th June 2024

The Accountability Report describes how we meet key accountability requirements and embody best practice to comply with corporate governance norms and regulations.

It comprises three sections:

The Corporate Governance Report, starting on page 80, sets out how we have governed the organisation during the period 1 April 2023 to 31 March 2024 including membership and organisation of our governance structures and how they supported the achievement of our objectives.

The Remuneration and Staff Report, starting on page 120, describes our remuneration policies for executive and non-executive directors, including salary and pension liability information. It also provides further information on our workforce, remuneration and staff policies.

The Parliamentary Accountability and Audit Report, starting on page 138, brings together key information to support accountability, including a summary of fees and charges, remote contingent liabilities, and an audit report and certificate.

Corporate Governance Report

Members Report

The Board has established a number of committees and full details of the Board and its committees can be found within the Governance Statement of this annual report.

GP practices

There are currently 197 GP Practices across the ICB footprint. The list of Providers of Primary Medical Services is held in the Governance Handbook and can be accessed via the following link: https://www.lancashireandsouthcumbria.icb.nhs.uk/about-us/how-we-work/corporate-governance-handbook

Register of Interests

The ICB holds a register of interests for the board, each committee and all individuals who are engaged by the ICB. Registers for the board, committees and those defined as decision making staff are published here: https://www.lancashireandsouthcumbria.icb.nhs.uk/about-us/board/declarations-interest and are available on request at the ICB Headquarters.

Personal data related incidents

There have been no Information Governance incidents in the period of this annual report that met the criteria for reporting through the Data Protection and Security Toolkit to the Information Commissioner's Office.

Modern Slavery Act

NHS Lancashire and South Cumbria Integrated Care Board fully supports the Government's objectives to eradicate modern slavery and human trafficking. Our Slavery and Human Trafficking Statement for the period ending 31 March 2024 is published on our website at:

https://www.lancashireandsouthcumbria.icb.nhs.uk/about-us/equality-diversity-and-inclusion/modern-slavery-statement

Statement of Accountable Officer's Responsibilities

Under the National Health Service Act 2006 (as amended), NHS England has directed each Integrated Care Board to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of NHS Lancashire and South Cumbria Integrated Care Board and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

In preparing the accounts, as Accountable Officer I am required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- Observe the Accounts Direction issued by NHS England, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimates on a reasonable basis;
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts; and,
- Prepare the accounts on a going concern basis; and
- Confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The National Health Service Act 2006 (as amended) states that each Integrated Care Board shall have an Accountable Officer and that Officer shall be appointed by NHS England.

NHS England appointed me to be the Accountable Officer of NHS Lancashire and South Cumbria Integrated Care Board. The responsibilities of an Accountable Officer, including responsibility for the propriety and regularity of the public finances for which the Accountable Officer is answerable, for keeping proper accounting records (which disclose with reasonable accuracy at any time the financial position of the Integrated Care Board and enable them to ensure that the accounts comply with the requirements of the Accounts Direction), and for safeguarding the ICB's assets (and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities), are set out in the Accountable Officer Appointment Letter, the National Health Service Act 2006 (as amended), and Managing Public Money published by the Treasury.

To the best of my knowledge and belief, and subject to the disclosures set out below, I have properly discharged the responsibilities set out under the National Health Service Act 2006 (as amended), Managing Public Money and in my ICB Accountable Officer Appointment Letter.

Disclosure:

The ICB's deficit for 2023/24 has been reported by the external auditors under Section 30(b) of the Local Audit and Accountability Act 2014.

As the Accountable Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that NHS Lancashire and South Cumbria

Integrated Care Board's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

Kevin Lavery
Accountable Officer
19th June 2024

Governance Statement

Introduction and context

NHS Lancashire and South Cumbria ICB ("the ICB") is a body corporate established by NHS England on 1 July 2022 under the National Health Service Act 2006 (as amended).

The ICB's statutory functions are set out under the National Health Service Act 2006 (as amended). The ICB's general function is arranging the provision of services for persons for the purposes of the health service in England. The ICB is, in particular, required to arrange for the provision of certain health services to such extent as it considers necessary to meet the reasonable requirements of its population.

Between 1 April 2023 and 31 March 2024 the Integrated Care Board was not subject to any directions from NHS England issued under Section 14Z61 of the of the National Health Service Act 2006 (as amended).

Scope of responsibility

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the ICB's policies, aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money. I also acknowledge my responsibilities as set out under the National Health Service Act 2006 (as amended) and in the NHS Lancashire and South Cumbria ICB's Accountable Officer Appointment Letter.

I am responsible for ensuring that the ICB is administered prudently and economically and that resources are applied efficiently and effectively, safeguarding financial propriety and regularity. I also have responsibility for reviewing the effectiveness of the system of internal control within the ICB as set out in this governance statement.

Governance arrangements and effectiveness

The ICB has a distinct purpose, with governance and leadership arrangements designed to promote greater collaboration across the NHS and with other local partners. The main power and duty of the ICB is to commission certain health services which are set out in Sections 3 and 3A of the NHS Act 2006 (as amended), as inserted by Section 21 of the Health and Care Act 2022. These provisions are supplemented by other statutory power and duty that apply to ICBs, as well as by regulations and directions (including, but not limited to, those made under the NHS Act 2006. In accordance with Section 14Z25(5) of, and paragraph 1 of Schedule 1B to the NHS Act 2006, the ICB must have a Constitution, which must comply with the requirements set out in that Schedule.

The ICB's Constitution describes how we organise ourselves to provide the best health and care, ensuring that decisions are always taken in the interest of the patients and public we serve. The Constitution is underpinned by the duty that requires NHS bodies to consider the effects of their decisions on the health and wellbeing of the people of England, the quality of services and the sustainable and efficient use of resources.

The Constitution incorporates the ICB's Standing Orders, which form a central part of the ICB's governance framework.

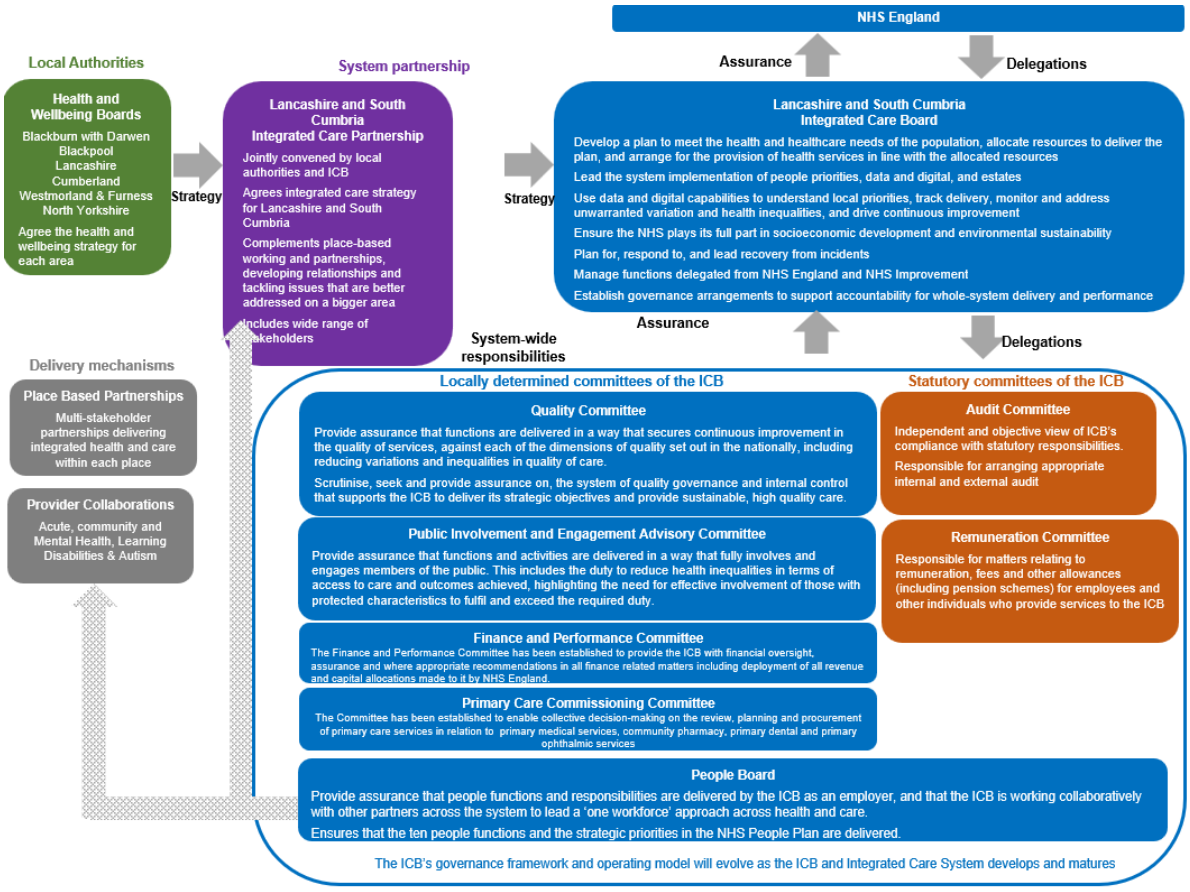
The constitution was updated as approved by NHS England in April 2023 to reflect the reorganisation of local authorities in Cumbria and North Yorkshire, and an additional Non-Executive Member role to the Board composition.

Governance Handbook

The ICB's Governance Handbook brings together all the ICB's governance documents. The handbook has been updated throughout the year to reflect updated terms of reference for committees of the board; establishment of the Primary Care Commissioning Committee, and a review of the Scheme of Reservation and Delegation and Operational Financial Limits to ensure these reflect the governance structure and operating model of the ICB.

The handbook includes:

- A Scheme of Reservation and Delegation (SORD) which sets out key functions reserved to the board of the ICB; functions delegated to committees and individuals; functions delegated jointly, and any functions delegated to the ICB.
- Operational scheme of delegation –the operational scheme of delegation is included within the overarching SORD and sets out delegated financial thresholds for functions and officers of the ICB.
- Standing Financial Instructions – which set out the arrangements for managing the ICB's financial affairs
- Terms of Reference for all committees of the Board or joint committees of the ICB
- Delegation arrangements where ICB functions are delegated in accordance with section 65Z5 of the 2006 Act
- Key policy documents
- A Functions and Decisions Map, which is a high-level structural chart that sets out the committees of the ICB, and where decision making is taken by which part or parts of the Integrated Care System:



The ICB's constitution and governance handbook can be accessed via the following link: https://www.lancashireandsouthcumbria.icb.nhs.uk/about-us/how-we-work/corporate-governance-handbook

The mechanisms described above have enabled the Board and its committees to take the effective decisions as described in the next section of this report.

The Board

The main function of the Board is to ensure that the group has made appropriate arrangements for ensuring that it exercises its functions effectively, efficiently and economically, and complies with such generally accepted principles of good governance as are relevant to it.

The following sections provide details of how this has been achieved.

The Integrated Care Board is a unitary Board, and its members are collectively accountable for the performance of the ICB's functions. The Board is responsible for:

- Formulating a plan for the organisation
- Holding the organisation to account for the delivery of the plan; by being accountable for ensuring the organisation operates effectively and with openness, transparency and candour and by seeking assurance that systems of control are robust and reliable
- Shaping a healthy culture for the organisation and the system through its interaction with system partners.

The appointment process for Board members varies according to the role they undertake and the appointment process specific to each role is outlined in detail within section 3 of the ICB's constitution. In accordance with paragraph 3 of Schedule 1B to the 2006 Act, membership of the Board must consist of **at least**:

- Chair
- Chief Executive
- Three executive members, namely:
- Chief Finance Officer
- Medical Director
- Chief Nursing Officer
- At least two Non-executive Members
- Three members who will bring knowledge and a perspective of their sectors. These members are known as Partner members, who are jointly nominated by their respective organisations and sectors

The ICB is committed to tackling health inequalities and ensuring its Board membership brings a balance of perspectives. The Board is made up from diverse individuals including a wealth of clinical experts, with a range of backgrounds and perspectives to ensure all the best decisions are made for its communities.

The Chair of the Board keeps under review the skills, knowledge and experience considered necessary for members of the Board to possess collectively in order for the Board to carry out its functions effectively and take such steps to address or mitigate any shortfalls.

Composition of the Lancashire and South Cumbria Integrate Care Board

The Board is made up of 15 members:

Board Member	Position
David Flory CBE *(up to 29 February 2024)*	Chair
Roy Fisher *(Acting Chair from 1 March 2024)*	
Kevin Lavery	Chief Executive (Accountable Officer)
Professor Ebrahim Adia *(up to 31st October 2023)*	Non-Executive Member/Deputy Chair
Roy Fisher (*Non-Executive member until 29 February 2024)* *(Deputy Chair from 1 November 2023 to 29 February 2024)*	Non-Executive Member/Deputy Chair
James Birrell	Non-Executive Member
Debbie Corcoran	Non-Executive Member
Sheena Cumiskey	Senior Independent Non-Executive Member
Professor Jane O'Brien	Non-Executive Member
Dr David Levy	Medical Director
Professor Sarah O'Brien	Chief Nursing Officer
Samantha Proffitt	Chief Finance Officer
Dr Geoff Jolliffe	Partner Member, Primary Medical Services
Chris Oliver	Partner Member, Mental Health Services
Kevin McGee *(up to 31 October 2023)*	Partner Member, NHS Trusts
Aaron Cummins *(from 1 November 2024)*	
Angie Ridgewell	Partner Member, Local Authorities

The Board is quorate if nine members are present, including at least four Non-Executive members, either the Chief Executive or the Chief Finance Officer, two clinical members and one partner member.

Regular Participants

Participants are individuals who the Board invite to make an informal contribution to their discussions on a regular basis. These individuals are invited to all meetings, receive copies of the meeting papers and may take part in discussions. Because they are not a member, they cannot vote, and they have no accountability for decisions made by the Board. Since establishment, the Board has invited the following regular participant to each of its Board meetings:

ICB Executives:

- Chief Operating Officer
- Chief Digital Officer
- Chief of Transformation and Recovery/Deputy Chief Executive
- Chief People Officer

Sector representatives and other professionals:

- Chief Executive, Healthwatch Lancashire
- Chief Executive Officer, Citizens Advice, Blackpool representing Voluntary, Community, Faith and Social Enterprise sector
- Director of Public Health
- Director of Children's Services
- Director of Adult's Services

The Board has met in public on six occasions between 1 April 2023 and 31 March 2024. All meetings were quorate, were held in public and were livestreamed.

Attendance at Board Meetings for the period 1 April 2023 to 31 March 2024:

Member	3 May 2023	5 July 2023	13 Sept 2023	8 Nov 2023	10 Jan 2024	3 Mar 2024
David Flory CBE	✓	✓	✓	✓	✓	✓
Kevin Lavery	✓	✓	✓	✓	✓	✓
Professor Ebrahim Adia	✓	✓	✓			
James Birrell	✓	✓	✓	✓	✓	✓
Debbie Corcoran	✓	✓	✓	✓	✓	✓
Sheena Cumiskey	✓	✓	-	✓	✓	✓
Roy Fisher	✓	✓	-	✓	✓	✓
Professor Jane O'Brien	-	✓	-	✓	✓	✓
Dr David Levy	✓	-	✓	✓	✓	✓
Professor Sarah O'Brien	✓	✓	✓	✓	✓	✓
Samantha Proffitt	✓	✓	✓	✓	✓	✓
Chris Oliver	✓	✓	✓	-	-	✓
Dr Geoff Jolliffe	✓	✓	✓	-	✓	✓
Kevin McGee	✓	✓	-			
Aaron Cummins			✓*	✓	✓	-
Angie Ridgewell	✓	-	✓	-	✓	

*Aaron Cummins attended the September meeting on behalf of Kevin McGee.

Board Performance

Each meeting held in public includes a patient story that allows the Board to reflect on where both learning and good practice can be shared.

To ensure the board had direct oversight of the ICB's and system partner's financial position the Finance and Performance Committee has continued to meet on a monthly basis and provides escalation and assurance reports to the board. This focus has been supplemented with regular reporting and focused discussions at each meeting.

Several private sessions have also been held with the Board over this period, to focus on the financial position and system recovery, given the level of risk in terms of the ICB and the wider system position. Other regular items include a report from the Chief Executive, a performance report, and updates in relation to transformation and recovery programmes.

During 2023/24, the Board has considered and approved significant areas of business including:

- Integrated Care System Joint Forward Plan 2023 onwards
- Approval of our 5 Year Integrated Care Strategy
- Joint Capital Resource Use Plan 2023/24
- ICB and System Recovery and Transformation Plans, including the establishment of a System Recovery and Transformation Board
- Maternity and Neonatal Services Update
- Place Integration Deal and progress on areas of delivery
- Urgent and Emergency Care Board Assurance Framework and Resilience and Surge Planning for Winter 2023/24
- Infrastructure Strategy 2023-2040
- Freedom to Speak Up Annual Report
- High-level budget for 2024/25
- Board Assurance Framework and Risk Management Policy
- Annual Review of Declarations of Interests Registers
- 2024/25 financial plan
- Partnership Agreement between the Integrated Care Board and the Voluntary, Community, Faith and Social Enterprise Sector
- Community Health Services Transformation
- Research and Innovation, including the establishment of a Research and Innovation Collaborative
- Tobacco Free Lancashire and South Cumbria Strategy 2023/28
- Emergency Preparedness, Resilience and Response (EPRR) Core Standards Assurance Report
- Constitution and Governance Handbook: Variation and amendments

- Review of the Overarching Scheme of Reservation and Delegation
- Equality, Diversity and Inclusion Annual Report 2022/23
- Infrastructure Strategy 2023-2040
- Plans for Recovering Access to Primary Medical Care and Dental Services
- New Hospitals Programme
- Specialised Commissioning: Joint Working Arrangements and shadow arrangements towards formal delegation from April 2024
- Equality, Diversity and Inclusion Annual Report 2022/23
- Infrastructure Strategy 2023-2040

On 21 June 2023, an extraordinary meeting of the Board was held to approve the annual report and accounts for the period 1 July 2022 to 31 March 2023 along with the Quarter 1 (1 April to 30 June 2022) former eight Clinical Commissioning Group Annual Reports and Accounts for that period.

The ICB held its first Annual General Meeting on 13 September 2023 at which all Annual Reports and Accounts were presented. Presentations were given covering key achievements and challenges during 2022/23 which included:

- Aims of the ICB and strategic priorities
- ICB performance
- Working as a system
- Looking forward

There was an opportunity for members of the public to meet and ask questions to our Board.
The annual report and accounts are published on the ICB's website and can be accessed here: https://www.lancashireandsouthcumbria.icb.nhs.uk/about-us/publications/lsc-icb-annual-reports.

The Board has also met informally via Board seminars over the period. These seminars focused specifically on development of the ICB, with an emphasis on:

- Place Integration Deal proposals
- Review of the ICB's Strategic Objectives, Board Assurance Framework and the Board's risk appetite statement
- Digital, Data and Performance
- Performance reporting: Developing a performance management framework
- System recovery and transformation
- Delivering a Net Zero NHS (further information regarding oversight of the Board in this field can be found in the annual report under Environmental Matters and Sustainability on page 67).

Agendas, papers and place and time for each meeting in public are published on the ICB website seven days in advance of the meeting, and members of the public are able to attend to observe the meeting and can submit public questions for items relating to the agenda. Further details can be accessed via the following link: LSC Integrated Care Board :: Meetings and papers (icb.nhs.uk)[42]

Committees of the Board

To support the Board in carrying out its duties effectively, seven committees reporting to the Board have been formally established. Together, they support the delivery of the ICB's statutory duties and enable effective oversight, scrutiny and decision-making arrangements.

Over 2023/24 the committees have continued to develop, and workshops and development sessions have been held at varying levels across each committee. All committees of the board are chaired by a non-executive board member and the non-executives meet regularly to discuss any areas of concern, and share learning and best practice.
The committees of the Board are:
Statutory committees

- Audit Committee
- Remuneration Committee

Non-statutory committees

- Quality Committee
- Finance and Performance Committee
- Primary Care Commissioning Committee
- People Board
- Public Involvement and Engagement Advisory Committee

Ratified committee minutes are formally recorded and submitted to the Board at its meeting in public, wherever possible as soon as practicable after the meetings have taken place.
A standard item on the Board agenda is a committee escalation and assurance report which is in the form of a 'Triple A' report; Advise, Assure and Alert. This is presented by the Chair of each committee and allows for the board to have timely oversight of each committee's business, and for escalation to the Board where relevant.

[42] https://www.lancashireandsouthcumbria.icb.nhs.uk/about-us/board/meetings-and-papers

Audit Committee

The Audit Committee is a statutory committee of the ICB in accordance with its Constitution. It is a non-executive chaired committee and its members, including those who are not members of the Board, are bound by the Standing Orders and other policies of the ICB.

The Audit Committee contributes to the overall delivery of the ICB objectives by providing oversight and assurance to the Board on the adequacy of governance, including quality governance, risk management and internal control processes within the ICB. The Audit Committee is required to produce an annual report, which is presented to the board by the committee. The duties of the committee are driven by the organisation's objectives and the associated risks. The committee agrees an annual internal audit plan with sufficient flexibility to be able to respond to new and emerging priorities and risks.

The Audit Committee has no executive powers, other than those delegated in the Scheme of Reservation and Delegation and specified in its terms of reference. A review of the Audit Committee terms of reference was undertaken in November 2023, and the Board approved the recommendation to include a co-opted Independent Lay Member of the committee. The quorum of the committee remained the same with two non-executive members of the board. The terms of reference of the Audit Committee can be accessed via the following link: https://www.lancashireandsouthcumbria.icb.nhs.uk/about-us/how-we-work/corporate-governance-handbook

The Audit Committee agreed a workplan for 2023/24 which was regularly monitored and updated as required.

Audit Committee Membership

Member	Position
James Birrell	Non-Executive Member (Chair)
Sheena Cumiskey	Non-Executive Member
Roy Fisher	Non-Executive Member
Ian Cherry *(from 8 November 2023)*	Co-opted Independent Lay Member

The chair of the committee is also the ICB's Conflicts of Interest Guardian.
The committee met six times between 1 April 2023 and 31 March 2024 including an extraordinary meeting to recommend the Annual Report and Accounts to the ICB Board. All meetings were fully quorate and the quorum necessary for the transaction of business is two members.

Attendance at Audit Committee meetings for the period 1 April 2023 to 31 March 2024:

Member	24 April 2023	21 June 2023	28 Sept 2023	23 Nov 2023	25 Jan 2024	28 Mar 2024
James Birrell	✓	✓	✓	✓	✓	✓
Sheena Cumiskey	✓	✓	✓	✓	✓	✓
Roy Fisher	✓	✓	✓	✓	✓	-
Ian Cherry	✓	✓	✓	✓	✓	✓

Audit Committee Performance

The Audit Committee has an annual workplan that incorporates the review of reports and positive assurances from Executives, managers, Internal Audit and External Audit on the overall arrangements for governance, risk management and internal control. Significant items that were considered during 2023/24 are shown below:

Governance, risk management and internal control:

- Review of the internal audit provision with extension of appointment from 1 April 2024 to 31 March 2025
- ICB policies for risk management, managing conflicts of interest (including gift and hospitality), Freedom to Speak Up (update report and audit) and Assurance update on Mandatory Training
- Board Assurance Framework and Corporate Risk Registers
- ICB registers of interests, gifts and hospitality and procurement decisions
- Financial management including single tender waivers, losses, write-offs and special payments, procurement decisions and registers
- Standardisation of financial systems and controls
- Progress on the Data Protection Security Toolkit (DSPT) Submission, Information Governance Assurance Reports, business continuity for critical information systems and annual cyber security update
- Review of Audit Committee Terms of Reference
- Early Assessment of the ICB Annual Governance Statement 2023/24
- Committee Effectiveness: Overview of key decisions and escalation of business made by the committees of the Board
- Audit Committee Chairs' Annual Report

Internal Audit (MIAA):

- Internal audit plan and progress reports 2023/24
- Completion of checklist reviews against core controls including financial sustainability, financial accounts, conflicts of interest, governance, Fit and Proper Persons Framework
- Assurance Framework mapping exercise
- The Internal Audit Network Insight Reports and Technology Risk briefing

- Draft outline internal audit plan 2024/25
- Interim Head of Internal Audit Opinion
- Assurance reports to the committee and onward reporting to the Board

External Audit (KPMG):

- ICB draft Audit Plan and Strategy overview
- health technical updates
- Mental health investment standard audit 2022/23 and 2023/24
- Annual auditor reports relating to the ICB and legacy CCGs
- Assurance reports to the committee and onward reporting to the Board

Anti-fraud (MIAA):

- Annual workplan and progress reports
- Update to the ICB Anti-Fraud, Bribery and Corruption Policy and Response Plan
- Anti-fraud Annual Report 2022/23
- Update from the Counter Fraud Champion

Committee Effectiveness

The committee undertook an annual internal effectiveness review, and a key focus area was in relation to the meeting papers being; appropriate and timely, sufficient to assess the statutory functions, assessed against key risks and any gaps in controls, and being comprehensive, clear and succinct. Other areas of focus identified were in relation to considering how the extensive workplan and agenda could limit opportunities to undertake unplanned activities into issues as they arise, and linkages with other Committees, particularly understanding the relationship with Finance and Performance Committee. The committee noted the actions being taken forward in these areas when it received the review, and a further review will be undertaken in early 2024/25.

Remuneration Committee

The Remuneration Committee is a statutory committee of the Board in accordance with its Constitution. It is a non-executive committee of the Board and its members are bound by the Standing Orders and other policies of the ICB.

The committee's main purpose is to exercise the functions of the ICB relating to paragraphs 18 to 20 of Schedule 1B to the NHS Act 2006. In summary:

- Confirm the ICB Pay Policy including adoption of any pay frameworks for all employees including senior managers/directors (including Board members) but excluding the Chair and Non-Executive Members of the Board.
- Where matters are discussed relating to Non-Executive Members of the ICB, a Remuneration Panel has been established and will be convened under its own Terms of Reference.
- The Board has also delegated the following functions to the Committee:
    - Elements of the nominations and appointments process for Board members
    - Oversight of executive directors' performance and appraisal

The committee meets in private at least twice a year and membership comprise three Non-Executive Members of the board. During 2023/24 the committee met on four occasions and was quorate for each meeting.

Remuneration Committee Membership

Member	Position
Roy Fisher	Non-Executive Member *(Chair up to 29 February 2024)*
Jane O'Brien	Non-Executive Member *(Chair from 1 March 2024)*
Sheena Cumiskey	Non-Executive Member

Remuneration Committee Performance

During 2023/24, the Remuneration Committee reviewed and approved significant areas of business including:

- Mutually Agreed Resignation Scheme
- Clinical and Care Professionals Leadership model and remuneration framework
- Executive Director portfolio changes and remuneration review of Very Senior Managers and Executive Senior Managers
- Policy and arrangements for the ICB's Fit and Proper Persons Test Framework

The ICB has also established a Remuneration Panel to agree salaries of the ICB's Non-Executive Members. Members of the Panel are the ICB's Chair (whose salary is determined by NHS England) and the Chief Executive and Chief People Officer.

Quality Committee

The Quality Committee is a formal committee of the Board in accordance with its Constitution. It is a non-executive chaired committee, and its members are bound by the Standing Orders and other policies of the ICB.

The Quality Committee provides the Board with assurance that the ICB is delivering its functions in a way that secures continuous improvement in the quality of services, against each of the dimensions of quality set out in the shared commitment to quality and enshrined in the Health and Care Act 2022. This includes reducing inequalities in the quality of care as per the 'triple aim'.

The committee considers information and evidence to be assured about the internal ICB systems which oversee quality; the quality of commissioned providers of services and to identify whether any ICB assistance is required to continue to improve services.
During 2023/24 the committee met on eleven occasions.

The Committee is chaired by a Non-Executive Member of the Board and is led by the Chief Nurse. Membership of the committee also includes two additional Non-Executive Members, an Independent Lay Member, Medical Director, Director Quality Assurance & Safety, Primary Care Partner Member,

Local Authority Lead, and the Chair of the Patient Involvement and Engagement Advisory Committee. There is also a plan to fulfil the post of patient safety partner on the membership in the future.

During 2023/24 the committee met on eleven occasions.

Quality Committee Performance

Each meeting includes a patient story that relates to other items of the agenda which allows the committee to reflect on where both learning and good practice can be shared.
During the year, the Quality Committee has considered significant areas of business including:

- Out of area placements for people with learning disabilities, autism and all mental health
- Patient safety incident response framework
- Quality and safety reports including lessons learnt and outcomes
- Safeguarding updates including the safeguarding annual report[43] and liberty protection safeguards implementation, children with disabilities and complex health needs in residential settings
- Dental services
- Assurance on secure and non-secure mental health services
- All age continuing care and individual patient activity
- Deep dives into key areas such as; Special Education Needs and Disabilities (SEND)
- Learning Disability Mortality Review (LeDeR) Annual Report
- Maternity updates including annual Ockenden review
- Primary care monitoring and reporting framework

The Quality Committee alerts the Board to quality concerns and quality improvements through its escalation and assurance reports and through critical review of the ICB risk register and Board Assurance Framework.

Committee Development

The Quality Committee takes steps to ensure its own continuous development, and met in workshop form in December 2023 to reflect on that year's committee performance. This allowed committee members to identify further improvements for 2024/25 in the way it fulfils its terms of reference, including:

- how patient experience informs areas for service improvement;
- how provider reports and reports about pathways of care are organised and presented, to give the clearest overall picture of current safety and effectiveness of services.
- improved outcomes following deep-dive reports and actions taken by members of ICB teams following patient experiences being highlighted, such as implementing wound clinics in outreach estates for people with no fixed abode to receive care.

[43] 6.04_ICB_Safeguarding_Annual_Report_22_23.pdf (healthierlsc.co.uk)

The committee undertook an internal effectiveness review. The key focus for improvement identified was in relation to members understanding the relationships and links with other committees particularly with the Finance and Performance Committee. Since this review the Chief Nursing Officer has been added as a member to the Finance and Performance Committee in order to align the business of both committees.

Links with other committees

The Quality Committee recognises the links it has with the Public Involvement and Advisory Engagement Committee (PIEAC) in respect of patient experience and involvement. The Quality Committee seeks to focus on effectiveness and safety whilst the PIEAC focuses on patient and public experience. There have also been cross-item links from the Quality Committee to the Primary Care Commissioning Committee, the People Board, and the Finance and Performance Committee.

System Quality Group

In line with guidance from the National Quality Board the ICB has established a System Quality Group, (SQG). Whereas the Quality Committee has a function to assure the Board on the quality and safety of services, the SQG is focusing on quality improvement and learning and replaces the Quality Surveillance Groups which had more of an assurance focus. The SQG reports into Quality Committee and any areas of significant concern would be escalated to Quality Committee. This group is multi-agency and multi-disciplinary with deep dives covering emergency care and long-term conditions such as diabetes.

Membership and minutes of Quality Committee meetings are published on the ICB's website via the Board meeting papers at: https://www.lancashireandsouthcumbria.icb.nhs.uk/about-us/board/meetings-and-papers

The terms of reference of the Quality Committee were reviewed during the year and can be accessed via the following link: https://www.lancashireandsouthcumbria.icb.nhs.uk/about-us/how-we-work/corporate-governance-handbook.

Finance and Performance Committee

The Finance and Performance Committee is a formal committee of the Board in accordance with its Constitution. It is a non-executive Chaired committee and its members, including those who are not members of the Board, are bound by the Standing Orders and other policies of the ICB.

The committee oversees the performance of the ICB in delivering its statutory financial duties, national targets and objectives, ensuring the effective and efficient use of resources as per the 'triple aim', whilst delivering financial balance.

The Committee is chaired by a Non-Executive Member of the Board and is led by the Chief Finance Officer. Membership of the committee includes two additional Non-Executive Members, The Chief Digital Officer, Chief Nursing Officer and Chief Operating Officer from the executive team and senior representatives from governance, finance and performance.

During 2023/24 the committee met on nine occasions.

Finance and Performance Committee Performance

The Finance and Performance Committee exists to scrutinise arrangements for ensuring the delivery of the ICB's statutory duties in line with sections 2223GB to 223N of the National Health Service Act 2006 (as amended). Monthly financial performance is scrutinised by the Finance and Performance Committee and reported to the Board. A regular item added to the meeting agendas is a report by the Chief Finance Officer in relation to key messages and an overview of the committee agenda. Significant items that were discussed are shown below:

- financial performance of the ICB and financial performance of the NHS provider organisations within the ICB footprint.
- ICB performance monitoring and mitigation against mandated national and regional metrics as well as locally agreed indicators
- ICB Budget for 2023/24
- 2023/24 Planning Update and Assumptions
- 2024/25 operational planning
- Contract Review Updates
- ICB Recovery Plan and updates
- Specialised services commissioning transfer: Financial plan
- ICB commissioning intentions and oversight framework updates and progress

In October 2023, invitations had been extended to the Board members who do not ordinarily attend the committee in order that they could take part in and contribute to the discussions relating to the review of the financial plan and recovery.

Committee effectiveness

The committee undertook an internal effectiveness review. The key focus for improvement identified was in relation to the performance aspect of the agenda. In addition the links with other committees, particularly the Quality Committee was identified as a development area. Since this review the Chief Nursing Officer has been added as a member to the committee in order to align its business with the Quality Committee.

Minutes and attendance at the Finance and Performance Committee meetings are published on the ICB's website via the Board meeting papers at:
https://www.lancashireandsouthcumbria.icb.nhs.uk/about-us/board/meetings-and-papers

The terms of reference of the Finance and Performance Committee were reviewed during the year and the membership strengthened to include the Chief Nursing Officer and the Chief Operating Officer. The terms of reference can be accessed via the following link:
https://www.lancashireandsouthcumbria.icb.nhs.uk/about-us/how-we-work/corporate-governance-handbook

People Board

The People Board is a formal committee of the ICB and is a non-executive chaired committee. The purpose of the People Board is promote collaboration with partners across the ICS to agree system implementation and delivery of the People Plan and People Promise, by aligning partners across the

ICS to develop and support 'one workforce' as per the core functions of an ICB described by NHS England. The People Board makes recommendations and oversees implementation of the 10 people functions and provides assurance to the Board. The People Board oversees the preparation of a People Strategy. Assurance of arrangements to meet the public sector equality duty is delegated to the Chief People Officer.

The People Board also has a role to ensure that the ICB delivers its workforce responsibilities as an employer.

The People Board is led by the ICB's Chief People Officer and brings together representatives across the Lancashire and South Cumbria integrated care system.

The People Board usually meets bi-monthly however during 2023/24, four meetings were held of which two meetings were via development sessions held in January and March 2024. These sessions focused on a review of the role and purpose of the People Board including its membership and effectiveness. An updated terms of reference will be submitted to the ICB Board in early 2024/25.

People Board Performance

Significant items received during 2023/24 include:

- ICS workforce priorities updates
- Integrated care system Belonging Plan updates
- Staff survey results across the system and action plans
- Workforce insights reports across the ICB and the integrated care system
- Development of a 5-year workforce integrated care strategy
- Development of the South Cumbria Placed Based Partnership Workforce Programme
- Freedom to Speak Up assurance report

The current terms of reference can be accessed via the following link: LSC Integrated Care Board :: Corporate Governance Handbook (icb.nhs.uk).

Minutes and attendance at the People Board meetings are published on the ICB's website via the Board meeting papers at: LSC Integrated Care Board :Meetings and papers

Public Involvement and Engagement Advisory Committee

The Public Involvement and Engagement Advisory Committee supports the ICB in ensuring the voice of local people and residents is actively embedded and valued in decision making of the ICB and at all levels of the system, particularly in relation to inequalities and those who are seldom heard.

The committee provides regular assurance updates to the Board in relation to activities and items within its remit. The committee usually meets bi-monthly and during 2023/24 the committee met on six occasions.

The committee is chaired by a Non-Executive Member of the Board. Membership of the committee includes one additional Non-Executive Member, the Chief Nursing or representative from the quality

committee, and senior representatives from Place, communications and engagement, primary care and local authority.

The committee supports the Board in ensuring the principles for working with people and communities are intrinsically in place across all parts of the organisation and wider integrated care system. The committee defines best practice in terms of public engagement, involvement and communications and support other committees and parts of system in how the local voice is embedded and valued in all aspects of the ICB at different levels of the system including within place-based partnerships.

Public Involvement and Engagement Advisory Committee Performance

During the year, the committee received a regular assurance report which described how we deliver engagement across the health and care system, and an insight report, which shares the findings of engagement, learning and action agreed as a result of engagement.
Further significant items that were discussed and supported during 2023/24 are shown below:

- System and strategic updates including system recovery, transformation and Place-based integration
- Engagement and involvement:
    - Approach and insight in the development of the integrated care strategy for Lancashire and South Cumbria
    - Process for the NHS Forward Plan
    - Support a Primary Care Procurement Evaluation Strategy
- ICB Procurement engagement and involvement framework and checklist
- Draft Working in Partnership with People and Communities Strategy 2023-26 and toolkit
- Lancashire and South Cumbria NHS Joint Forward Plan public engagement summary
- Deep dives at Place
- Dying Well Engagement Update
- Continuing Healthcare – Process for involvement and capturing patient experience
- Complaints and patient experience review
- Dental access and oral health improvement programme
- Primary Care Involvement and Engagement Update
- Maternity Voice Partnerships Update and Insights

The ICB continues to increase the impact of engagements with the public through the use of a number of methods, including the website and social media, particularly in relation to mental health, suicide prevention and primary care. The majority of feedback suggests that the ICB's key messages are generally well received. The Communication and Engagement team collates the outcomes and insights from completed engagement programmes and initiatives and reports these to PIEAC.
Specific insights are obtained from:

- Patient Experience
- Freedom of information (FoI) requests
- MP and councillor interest

- Media interest and response
- Online and social engagement
- Survey responses
- Patient stories

Patient stories are sourced by the Communications and Engagement team to bring real life experience directly to the ICB Board and Quality Committee, as well as specific meetings focused on quality improvement.

The Public Involvement and Engagement Advisory Committee agreed a workplan for 2023/24 which was regularly monitored and updated as required.

Committee effectiveness

The committee undertook an internal effectiveness review. The key focus for improvement identified was in relation to membership which will be included in the next review of the committee's terms of reference in 2024/25. It was also highlighted that the public voice needed to be better represented at the committee, which has since been addressed by the induction of the Citizens Panel Members.

Links with other committees

The PIEAC recognises the links it has with the Quality Committee in respect of patient experience and involvement. The PIEAC seeks to focus on patient and public experience, whilst the Quality Committee seeks to focus on effectiveness and safety. The PIEAC also links to the Primary Care Commissioning Committee in connection with the procurement and commissioning of primary care services.

Information on the committee members and attendees, terms of reference, upcoming meeting dates, agendas and papers and approved minutes can be accessed at: https://www.lancashireandsouthcumbria.icb.nhs.uk/about-us/sub-committees/public-involvement-and-engagement-advisory-committee

Primary Care Commissioning Committee

The Primary Care Commissioning Committee (PCCC) is a formal committee that reports to the Integrated Care Board. The committee was established on 1 April 2023 and held its first meeting in public on 8 June 2023. Prior to this committee being established, decisions with regards to delegated primary care services were taken at the Primary Care Contracting Group.

The committee enables collective decision-making on the review, planning and procurement of primary care services in relation to primary medical services, community pharmacy, primary dental and primary ophthalmic services and as part of the ICB's statutory commissioning responsibilities across Lancashire and South Cumbria under delegated authority from NHS England.

The committee provides oversight and assurance of effective primary care services across the ICB's four places and provides regular assurance updates to the Board in relation to activities and items within its remit.

The committee is supported by four contracting groups covering primary medical, pharmaceutical, dental and eye health services. All of the groups operate within a decision-making matrix which outlines where decisions must be submitted to the committee for approval.

The committee is also supported by a capital working group which provides expert advice and recommendations on all capital matters and investment plans relating to primary care services. A primary care quality group has also been established which reports into the PCCC and the Quality Committee on all matters relating to quality for primary care including patient experience.

The committee is chaired by a Non-Executive Member of the Board. Other membership of the committee includes one Lay Member, ICB Partner Member for Primary Medical Services, Chief Operating Officer, Medical Director, and senior representatives from primary care, communications and engagement, quality and safety, medicines management and finance.

Primary Care Commissioning Committee Performance

The committee has met 10 times in public since establishment in April 2023. Significant items that were considered during 2023/24 include:

- Delegated services assurance framework and quarterly reviews
- Sub-Group decision-making matrix relating to involvement and engagement
- 2023/24 budgets and quarterly finance reporting during the year
- Capital investment proposals with general practice including information technology and improvement grants
- Primary care procurement evaluation strategy review and recommendations
- Commissioning decisions in respect of individual GP practices including options appraisals and service specifications relating to contract awards, re-procurement of services provided, premises relocation, practice mergers, market engagement and an application to establish a new Primary Care Network
- Dental access and oral health improvement programme which was subsequently submitted to the ICB Board
- Dental commissioning plan
- Provider selection regime
- Local enhanced services/general practice quality contracts 2024/25 and beyond

The terms of reference of the Primary Care Commissioning Committee have been reviewed since establishment and the membership strengthened. They can be accessed via the following link: https://www.lancashireandsouthcumbria.icb.nhs.uk/about-us/how-we-work/corporate-governance-handbook

Minutes and attendance at the Primary Care Commissioning Committee meetings are published on the ICB's website via the Board meeting papers at:
https://www.lancashireandsouthcumbria.icb.nhs.uk/about-us/board/meetings-and-papers

Special Lead Roles

To support the ICB in discharging its statutory duties there are several special lead roles that require named individuals to undertake responsibility on behalf of the Board for the oversight of specific areas. Additionally, there are several roles for which it is considered best practice to have named individuals aligned to. The ICB has the following appointment to these roles:

Senior Independent Risk Owner (SIRO)
The SIRO has overall responsibility for the organisation's information risk policy. They are accountable and responsible for information risk across the organisation, ensuring awareness across the organisation for the need for good judgment to be used to safeguard information and share it appropriately. All statutory NHS organisations are required to have a SIRO.
Asim Patel, Chief Digital Officer, undertakes this role on behalf of the ICB.

Caldicott Guardian
A Caldicott Guardian is the senior individual within the organisation with responsibility for protecting the confidentiality of people's health and care information and ensuring that information is used ethically and legally. All statutory NHS organisations are required to have a Caldicott Guardian.
David Levy, Medical Director, undertakes this role on behalf of the ICB.

Freedom to Speak up (FtSU) Executive Lead and Non-Executive Champion
The role of the FtSU lead is to oversee the systems and processes in place for ICB staff to raise concerns and ensure these are fit for purpose; enabling the organisation to be open and transparent and create a culture of learning.
Dr David Levy, Medical Director undertook the Executive Lead role from November 2023.
Professor Jane O'Brien undertook the Non-Executive champion role throughout 2023/24.

Equality, Diversity and Inclusion (EDI) Lead
It is important that the ICB ensure that its services and employment practices are fair, accessible, and inclusive for the diverse communities it serves and the workforce it employs.
In recognition of this, the ICB has sought to have a named Executive and Non-Executive Lead for EDI.

Professor Ebrahim Adia, Non-Executive Member undertook this role on behalf of the ICB until leaving the organisation in October 2023 and James Fleet was the named Executive until October 2023. Lee Radford Acting Chief People Officer has undertaken this role from November 2023.

Conflicts of Interest Guardian
It is important that in discharging its duties the ICB has appropriate measures in places to manage circumstances that may arise whereby those with decision making powers is, or could be, influences or impaired in their decision making as a consequence of other interests they hold.

The role of the Conflicts of Interest Guardian is to strengthen the scrutiny and transparency of the organisation's decision-making processes.
It is commonly considered best practice for the Conflicts of Interest Guardian to be the Audit Chair, and James Birrell Audit Chair undertakes this role on behalf of the ICB.

Senior Non-Executive Director

The role of the Senior Non-Executive Director is to be available to members of the ICB should they have concerns they wish to raise but for which contact through the usual channels via the ICB Chair or Chief Executive is either inappropriate or has failed to resolve the issue. Other aspects of this individual's role relate to the annual appraisal process for the ICB Chair.
Sheena Cumiskey, Non-Executive Member of the Board undertakes the role of Senior Non-Executive Director on behalf of the ICB.

Health and Wellbeing Guardian

Ensuring the health and wellbeing of our workforce is a fundamental priority of the ICB. Creating a culture that enables colleagues to be happy and healthy at work will contribute to improved patient and care and health and wellbeing in our population.
The role of the Health and Wellbeing Guardian is to support with oversight of the organisational culture to ensure that the health and wellbeing of the workforce is considered routinely across all organisational activities.
Professor Ebrahim Adia, Non-Executive Member undertook this role on behalf of the ICB until leaving the organisation in October 2023.

Other Population Groups and Functions

The ICB must identify members of its board who have explicit responsibility for the following population groups and functions:

- Children and young people (aged 0 to 25)
- Children and young people with special educational needs and disabilities (SEND)
- Safeguarding (all-age), including looked after children
- Learning disability and autism (all-age).
- Down syndrome (all-age)

These roles ensure visible and effective board-level leadership for addressing issues faced by the groups outlined above, and to ensure that statutory duties related to safeguarding and SEND receive sufficient focus.

Professor Sarah O'Brien, Chief Nurse is the named board member with responsibility these areas.

The guidance also includes the requirement of at least one member of the board who has knowledge and experience in connection with services relating to the prevention, diagnosis, and treatment of mental illness.

Mental Health Lead board members for the ICB are David Levy Medical Director and Chris Oliver, Partner Member for Mental Health.

UK Corporate Governance Code

NHS Bodies are not required to comply with the UK Code of Corporate Governance.

Discharge of Statutory Functions

NHS Lancashire and South Cumbria ICB has reviewed all of the statutory duties and powers conferred on it by the National Health Service Act 2006 (as amended) and other associated legislation and regulations. As a result, I can confirm that the ICBs is clear about the legislative requirements associated with each of the statutory functions for which it is responsible, including any restrictions on delegation of those functions.

Responsibility for each duty and power has been clearly allocated to a lead Director. Directorates have confirmed that their structures provide the necessary capability and capacity to undertake all of the ICB's statutory duties.

Risk management arrangements and effectiveness

A fundamental aspect of the ICB's governance framework is the establishment and implementation of sound risk management arrangements. Over the reporting period there has been a continued focus in reviewing, strengthening and embedding the Board Assurance Framework (and risk management arrangements, building on the progress made during the ICB's inaugural part year.

The ICB has agreed six strategic objectives in order to define its strategic intent, with any risks to these objectives held and monitored on the Board Assurance Framework:

- Improve quality, including safety, clinical outcomes, and patient experience
- To equalise opportunities and clinical outcomes across the area
- Make working in Lancashire and South Cumbria an attractive and desirable option for existing and potential employees
- Meet financial targets and deliver improved productivity
- Meet national and locally determined performance standards and targets
- To develop and implement ambitious, deliverable strategies

The ICB's Risk Management Policy clearly sets out the processes in place to ensure they systematic identification, assessment, evaluation and control of risks, including the Corporate Risk Register (CRR) and Board Assurance Framework (BAF) The policy explicitly identifies the responsibilities of the board, its committees, and individuals for managing risks associated with meeting its strategic objectives. It provides the framework to achieve the desired risk culture and encourages staff to:

- Identify and control risks which may adversely affect the operational ability of the ICB and the achievement of its strategic objectives;
- Score risks consistently using an agreed grading matrix;
- Where possible, eliminate or transfer risks, or reduce them to an acceptable level (otherwise ensure the organisation openly accepts the remaining risk);

- Identify risks which are common across functions and explore the management of these collectively.

Risks are identified from a number of sources, including the Board, its committees, staff at all levels, and via internal and external sources, and 2023/24 has seen a continued focus in assessing the controls, assurances and mitigations to risks and ensuring these are linked to clear action plans.

In July 2023, the Board approved the fully refreshed BAF aligned to the ICB's six strategic objectives including the roles and responsibilities of the board, each of its assuring committees, executives and senior responsible officers (SROs). A defined risk management reporting cycle was approved, including risk management reporting for 2023/24 with monthly exception reports presented to the EMT and presentation and scrutiny of corporate and BAF risks through committees, to ensure full visibility and oversight of all risks held on the BAF and CRR.

The board reviewed and re-affirmed its commitment to the ICB's strategic objectives at a development session in October 2023 and also considered its risk appetite and subsequently generated an overarching risk appetite statement, supplemented with an ICB risk appetite matrix which sets out risk appetite and tolerance by risk domain. The risk appetite statement, and supplementary matrix are included in the revised Risk Management Policy approved by the Board in March 2024. The policy can be found at:
https://www.healthierlsc.co.uk/application/files/2717/1086/3019/LSCICB_Corp12__Risk_Management_Policy_V2_March_2024.pdf

The risk appetite statement is reflective of the ICB's maturing risk arrangements, and 2024/25 will see the further implementation of:

- risk appetite statements to inform the management and decision making of strategic and operational risks;
- Shift to an Operational Risk Register (ORR) rather than a Corporate Risk Register, with a common approach being utilised for all risk management across the departments of the ICB;
- risk stratification for corporate oversight of operational risks;
- an annual session with the Board to horizon scan the forthcoming year, with a view to key deliverables and principal risks to the achievement of the ICB's strategic objectives, which will then be presented to the board as part of assurance reporting and oversight of the BAF.

The Audit Committee is responsible for reviewing the adequacy and effectiveness of the ICB's risk management arrangements and received a full update on risks being managed within the organisation and the development of risk management arrangements in September 2023 and January 2024. The committee also received the findings of the internal audit reviews of those arrangements undertaken by Mersey Internal Audit Agency (MIAA).

Capacity to Handle Risk

The ICB has continued to progress the governance and oversight for strategic and operational risk management and has embedded a robust monthly cycle of risk management oversight and reporting. This supports routine and timely review, escalation and de-escalation of risks to the board, committees

and Executives; moreover, it enables an ongoing holistic approach to risk management and oversight across the organisation.

The responsibility for risk management is clearly defined at all levels within the organisation. The ICB's Risk Management Strategy outlines the roles and responsibilities of the Board, its committees, the Chief Executive Officer, the Chief Finance Officer and other staff within the ICB. Committee terms of reference include the review and monitoring of those risks on the BAF and CRR which relate to each committee (and if relevant, risks have been overseen by more than one committee).

During 2023/24 the risk management cycle of review has been fully embedded including a monthly "gateway" cycle for exception reports into the EMT. Live dashboards have been established to support reporting into the Executive and wider Senior Leadership Team, Board and Quality Committee. There has also been updates to the Board in quarters 2,3, and 4 for those risks held on the BAF, with a particular focus on impact of risks that could affect the delivery of the strategic objectives and where there are opportunities to achieve delivery.

The ICB's Executive Management Team (EMT) are responsible for determining whether risks impacted the delivery of the ICB's strategic objectives and consequently reported on the BAF, or whether they were managed as operational risk and reported through the CRR.

The committees of the ICB all present timely Escalation and Assurance (Advise, Alert and Assure) reports into the Board. From a risk perspective, these reports are used by committees to assure the Board that risks are being effectively managed and to formally 'alert' the Board to areas of concern, examples of this are seen by the Finance and Performance Committee alerting the Board to the concerns regarding the financial position throughout the year and the increased risk score was reported to the Board in January 2024.

The ICB has developed effective arrangements to support the committees to work and oversee risks in a cohesive and methodical way, with risk reporting being centrally coordinated by the Corporate Governance Team which is underpinned by regular monthly risk reviews being undertaken by SROs/ Risks Leads. Evidence can be seen of robust and effective escalation and reporting in November 2023, when an "alert" was signalled to the Board via the Quality Committee, through the Committee's Escalation and Assurance Report, relating to variation of incident reporting within primary care. As a result, a General Practice Care Delivery Workshop was held in January 2024 which considered the issues and potential solutions.

Risk Assessment

To ensure appropriate assessment of risks, the SRO and lead Executive are included in the consultation process prior to a new risk being submitted to the EMT for consideration. Additionally, the corporate governance team hold individual review sessions with risk leads and SROs to undertake ongoing consideration of controls, assurances and actions.

Throughout the reporting period where the Board and EMT have also identified where existing risks have required further re-assessment, support has been provided to facilitate full reviews of specific risks by SROs with subsequent recommendations provided to the EMT for consideration via the monthly exception reports.

The ICB and wider system have continued to navigate significant operational pressures throughout the year, which have been managed both strategically and operationally with executive oversight. The risk profile of the ICB has been fairly consistent throughout the reporting year with the focus on its statutory duties and the success of its strategic objectives.

As at March 2024, the principal risks to the achievement of the ICB's strategic objectives are summarised below:

Risk Area	Status Update (including key actions/ controls)
Financial ICB fails to meet its statutory financial duties and deliver key infrastructure priorities.	Risks within this area have both financial and quality consequences because of the potential impact to the quality and safety of services and clinical outcomes due to the mitigating actions required, following the revised H2 Operational Planning submission in November 2023. To enable holistic oversight of financial risks whilst incorporating a quality perspective a key control has been to co-opt the Chief Nursing Officer as a member of Finance and Performance Committee. In December 2023 the ICB endorsed the Estates Infrastructure Strategy and programme of work is in place to deliver this.
Performance Meet national and locally determined performance targets.	Although the risk score for this area increased during the year, given the pressures nationally, the ICB is a high performer when benchmarked across other ICBs and has received positive messages from NHS England in this regard. There are defined programmes of work in place, with robust controls for this area of risk with in-depth scrutiny across key programmes of work relating to elective recovery, urgent and emergency care strategy and recovery plan delivery, cancer alliance workstreams, and the diagnostic network delivery plan.
Quality The ICB will fail to deliver support to the organisations to improve high quality operational delivery of services	The ICB has implemented an integrated approach for monitoring the impacts on quality as a result of financial plans and actions. Establishment of monthly ICB exception reporting against the improvement and sustainability criteria, with defined escalation pathway into ICB Improvement and Assurance Groups and ICB Transformation and Recovery Board. There are extensive governance frameworks and arrangements in place to control and manage quality risks; the ICB has a very well-established Quality Committee which is aligned to the System Quality Group and NW Regional Quality Group for the escalation of issues.
Workforce Workforce transformation does	There are two risks which relate to the business of the People Board including workforce transformation and recruitment and retention of workforce in non-NHS statutory organisations. Both risks are currently

not address the significant use of high-cost locum and agency staff, mitigate the in-year financial pressures or support the longer-term financial sustainability of the system	undergoing a full re-assessment as part of the re-formatting of the People Board and alignment to the revised Workforce Strategy (planned to be considered by the ICB Board in May 2024), the People Board priorities and new programmes of work. The appointment of an interim Chief People Officer and new Chair are additional controls for this area of risk for the ICB.

As the ICB continues to mature and develop so will its risk management framework and culture, 2024/25 will see a particular focus on embedding a holistic approach to risk management across the ICB.

Research and Innovation

The Lancashire and South Cumbria (LSC) Research and Innovation Collaborative was established in September 2023, to bring together system partnerships to work collectively on research and to meet NHSE guidance regarding the ICB's statutory duties pertaining to research and innovation. The collaborative includes a wide range of stakeholders from across the system and reports into the ICB's Quality Committee. The collaborative is chaired by the ICB's Chief Nurse, as executive lead in this field.

The People Board approved a proposal in November 2023 to integrate the LSC Clinical Academy as a subgroup of the Strategic Training and Education Collaborative to allow the Clinical Academy to benefit from strategic direction to enable the Academy's expertise to be focused and aligned to system wide workforce, training and education priorities, to have a voice to raise education challenges at a system level and to celebrate successes. The work of the Academy is linked into the Research and Innovation Collaborative to share research expertise in supporting system wide work in this field.

The collaborative has agreed a small number of priorities summarised in a plan on a page, which was supported by the Quality Committee in March 2024. This plan will be submitted to the Board for approval in May 2024 and will then be implemented, included the establishment of a number of subgroups to deliver the priorities.

In support of becoming a learning health system, the ICS has under way a programme of work (collaboratively with the other ICSs in the North West) to develop a Secure Data Environment (SDE). The SDE will support bringing data together and making it available for analysis in real or near-real time, and will change our ability to work with and our relationship to industry and academia. Via integration with the North West SDE, we will support combined research across the North West population of up to 7.4 million people. Integration with similar architecture built by the councils will also support wider population insights. This solution will enable the development of a clinically-led centre for AI supporting system validation and generation and regulation of new tools.

Other sources of assurance

Internal Control Framework

A system of internal control is the set of processes and procedures in place in the ICB to ensure it delivers its policies, aims and objectives. It is designed to identify and prioritise the risks, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control allows risk to be managed to a reasonable level rather than eliminating all risk; it can therefore only provide reasonable and not absolute assurance of effectiveness.

As Accountable Officer, I am responsible for the system of Internal Control within the ICB. Responsibility for specific elements of the Internal Control framework is delegated to individual members of the Executive team, who have established the controls relevant to the key business functions, in line with the risks implicit in those functions. I receive assurance on the adequacy of those controls both in their design and their performance from the ICB's Internal and External Auditors. The Audit Committee is charged with receiving reports on the operation of key controls and ensuring that risks identified are appropriately mitigated and that actions are completed.

Control mechanisms are embedded within all aspects of the ICBs governance, with the oversight of risk management within the organisation being one of them. The organisation has a suite of organisational policies and documents ensuring that the ICB is compliant with national and legal standards such as policies for Health and Safety Act, Standards of Business Conduct, Freedom to Speak Up, and Conflicts of Interest. The Constitution describes how we organise ourselves to provide the best health and care, ensuring that decisions are always taken in the interest of the patients and populations we serve. The Constitution is underpinned by the duty that requires NHS bodies to consider the effects of their decisions on the health and wellbeing of the people of England, the quality of services and the sustainable and efficient use of resources. The Governance Handbook includes key documents that underpin our Constitution and governance framework, including our Scheme of Reservation and Delegation (SoRD). The SoRD sets out those decisions that are reserved to the board of the ICB and those decisions that have been delegated in accordance with the powers of the ICB and which must be agreed in accordance with and be consistent with the Constitution. It clearly sets out the financial delegated limited for individual officers and functions.

There has been significant focus on the ICB's arrangements for managing conflicts of interest over the period. The ICB has implemented systems and processes which have supported a proactive approach to the review of declarations of interests and the maintenance of the ICB's registers of interests including gifts and hospitality.

There is a clear process for reporting, management, investigation and learning from incidents. The ICB has a Senior Information Risk Owner (SIRO) to support the arrangements for managing and controlling risks relating to information/ data security. The Medical Director is the Caldicott Guardian to ensure that patient confidentiality is protected.

The ICB engages the services of a counter fraud specialist and the ICB has updated its Anti-Fraud Bribery and Corruption policy to reflect the changes of the NHS Counter Fraud Authority Strategy (2023 – 2026) which was approved by the Audit Committee in November 2023.

Annual audit of conflicts of interest management

NHS England's statutory guidance for managing conflicts of interests, sets out the requirements for an annual internal audit review of the arrangements in place to manage any actual of potential conflicts of interest. This is to ensure that decisions made by NHS organisations are taken and seen to be taken without being unduly influenced by external or private interests, and do not, (or do not risk appearing to) affect the integrity of decision making processes. The ICB has fully adopted the statutory guidance and established robust arrangements for the oversight and management of conflicts of interest.

For the 2023-24 reporting period, Mersey Internal Audit Agency (MIAA) have conducted the ICB's annual audit review and provided an overall assurance opinion of "substantial assurance" that "there was a good system of internal control designed to meet the system objectives and that controls were being applied consistently" which reflects the significant work undertaken and progress made throughout the reporting period and since the establishment of the ICB in July 2022.

The audit highlighted areas of good practice in relation to staff communication of the ICB's policy for managing conflicts of interest and the work undertaken to proactively support new employees in completing the required declaration of interest forms within 28 days of commencing their employment.

The recommendations arising from the audit review have been completed including a full review of all staff registers of interests including the register of gifts and hospitality and the procurement register, which were presented to the board at its meeting in March, and are published on the ICB's websites. In addition, following the launch of the NHS England online training module in February 2024, from 1 April all ICB staff will be required to complete the online training module annually as part of the ICB's mandatory training requirements.

Data Quality

The ICB recognises that good quality data is essential for the effective commissioning of services and that data quality is crucial. The availability of complete, relevant, accurate and accessible and timely data is important in supporting patient care, clinical governance, management and service agreements for healthcare planning and accountability. Information is generated, and processed, for a broad variety of uses, and therefore the ICB employs varied techniques in assuring data quality across those different contexts. Where the ICB receives datasets from its service providers or external parties, a culture of routine data validation is promoted. The ICB and its data processors endeavour to both ensure that timescales for submission of information are adhered to, and that the quality & accuracy of such submissions is monitored and any issues fed back to relevant forums as appropriate. To support with this the ICB will further develop an ICB Data Quality Policy during 2024-25; this will clarify responsibilities for ensuring data quality, validation and the escalation routes for any identified data quality issues.

The Board has received an Integrated Performance Report at each of its meetings and nationally published data is used to ensure accurate information is provided and offer a benchmarked position. In instances where data is provided to offer a more real-time position, a caveat is provided that the data is subject to validation.

The Board acknowledges that these reports are still in development and the presentation of meaningful data and local narrative has been continually reviewed. The Finance and Performance

Committee received a monthly performance report these reports at every meeting and the committee has driven improvements to the quality of data presentation. Work continues on the refinement and presentation of the data utilised by the ICB to provide greater assurance to the board and that actions are underway to improve performance where necessary.

Information Governance

The NHS Information Governance Framework sets the processes and procedures by which the NHS handles information about patients and employees, in particular personal identifiable information. The NHS Information Governance Framework is supported by an information governance toolkit and the annual submission process provides assurances to the ICB, other organisations and to individuals that personal information is dealt with legally, securely, efficiently and effectively.

We place high importance on ensuring there are robust information governance systems and processes in place to help protect patient and corporate information. We have embedded a comprehensive suite of information governance policies that outline the mechanisms in place to ensure that risks to confidentiality and data security are effectively managed and controlled.

The ICB's Chief Digital Officer (and Senior Information Risk Officer) is responsible for ensuring information governance processes are fully embedded; to support this area of work, a governance structure for the management and oversight of delivery of the information governance agenda has been developed. This includes the establishment of an Information Governance (IG) Operational Group to support the delivery of the Data Security and Protection Toolkit (DSPT), policies and incidents and meets on a monthly basis. This Group reports into a quarterly IG Oversight Group which provide assurance to the Audit Committee on progress of the IG Agenda to include cyber security. The key objectives of these Groups are to oversee the implementation and submission of the DPST across the organisation, including the review of policies and any incidents reported.

The ICB is anticipating full compliance with the requirements of the DPST by the submission deadline of 30 June 2024, with a baseline assessment having been submitted by the ICB on 29 February 2024.

There are DSPT requirements that relate to larger programmes of work where engagement from ICB staff is key when collating evidence required for the mandatory assertions. This includes areas such as, training needs analysis, asset registers systems and software and data flow mapping.

An annual IG training and a new starter IG induction programme is in place to ensure that staff recognise the importance of protecting personal information and ensuring that data protection is embedded in the organisation in all processes, both by design and default.

In previous years, the DSPT required organisations are at least 95% compliant with IG training using the national Data Security Awareness Level 1 e-learning or a local equivalent.

This requirement has changed for the 2023/24 DSPT. There is now more flexibility to set local training requirements that are appropriate to different staff roles, and to adopt a range of different methods to deliver that training. The ICB will strive to continue to meet the 95% training compliance and will continue to monitor and take action to aim to meet this target, ensuring that all staff have refreshed their knowledge and understand their responsibilities in relation to IG on an annual basis.

There are robust processes in place to ensure that all personal data breaches are reported and investigated by MLCSU IG team. Recommendations are presented to ensure learning, and that

further breaches of the same nature are prevented. MLCSU IG team also manage the ICB's responses to Freedom of Information (FOI) and Subject access requests (SAR).

To date, the ICB have had no reportable IG breaches to the Information Commissioners Office (ICO). All near miss incidents have been managed and investigated appropriately by undertaking low level root cause analysis and subsequent action plans to mitigate any further risk.

The IG Code of Conduct, the IG Data Security and Protection policies and the IG Handbook have been reviewed to reflect the requirements of the ICB. These documents are available on the ICB Intranet that detail the standards and expectations of the organisation and its staff in relation to information governance.

The Audit Committee receives regular updates on progress against the DSPT and overall IG agenda, including data and security incidents and the ICB's Chief Digital Officer (and Senior Information Risk Officer) attends.

Business Critical Models

In line with best practice recommendations of the 2013 MacPherson review into the quality assurance of analytical models, I can confirm that a framework and environment is in place to provide assurance of business-critical models.

Third party assurances

The ICB currently contracts with a number of external organisations for the provision of back-office services and functions. Assurances on the effectiveness of the controls in place for these are received in part from an annual Service Auditor Report from the relevant service.
The organisations concerned are:

Service	Provider	Assurances
Finance and Accounting Services	NHS Shared Business Services	Service Auditor Report
Payroll Management	Lancashire Teaching Hospitals	Service Auditor Report
IT Services	Blackpool Teaching Hospital	Service Auditor Report
IT Services	University Hospitals Morecambe Bay	Service Auditor Report
IT Services	MLCSU	Service Auditor Report
Various	MLCSU	Service Auditor Report

In addition, Internal and external audit provide assurance to the ICB.

Control Issues

The month nine Governance Statement return in January 2024 reported control issues under nine categories. Each of these issues could undermine the reputation of the ICB and wider NHS if not resolved and could put at risk delivery of the standards expected of the Chief Executive. These control issues have no bearing on fraud or national security of data. One control issue reported could have a material impact on the ICB's accounts and is described under 'Finance Governance and Control' below.

During the reporting period, there was one instance of the control environment being breached in relation to the ICB's financial limits set out in the operational scheme of delegation. This breach was reported to Audit Committee at its meeting in September 2023 including a 'Lessons Learnt' section outlining the strengthened processes put in place to prevent this happening again. This breach was reported in the month nine governance statement.

Quality and Performance – Cancer

The ICB reported control issues under this category due to breaches in referral and treatment times. There is a robust and wide-ranging cancer improvement plan for 2023-2024 with detailed actions aiming to improve performance by: reducing the 62-day backlog, improving performance against the faster diagnosis standard, reducing diagnostic delays, and increasing surgical capacity. Cancer waiting times are described in further detail in the performance report at page 37

Access to services/capacity

The ICB reported control issues under this category due to diagnostic performance being significantly below target. Plans are in place in each area of diagnostics affected to improve position. Diagnostic performance is described in further detail in the performance report at page 33.

Quality and Performance - Regulators

The ICB reported control issues under this category under a series of themes; safeguarding, National Oversight Framework, Never Events, Serious Incidents, Regulation 28 and independent investigations. Mitigation plans are in place for these areas. Internal audit provided 'moderate assurance' against an audit of the ICB's processes for serious incident management.

Quality and Performance - Mental Health and Dementia

The ICB reported control issues under this category due to issues with dementia admissions and discharge, and issues in wider mental health for which a Sustainability and Improvement Plan (SIP) has been formulated that allows for domain and metric monitoring. Mental Health is described in further detail in the performance report at page 40.

Quality and Performance - Accident and Emergency

The ICB reported control issues under this category due to difficulties in meeting the 4 hour target, and reducing 12 hour waits. A range of strategies and approaches are being utilised to try to tackle the identified challenges including:

- Access to urgent care advice through the NHS 111 online service
- NHS 111 clinical assessment can offer immediate advice or referred to the appropriate clinician for a face-to-face consultation
- Urgent treatment centres providing locally accessible and convenient diagnosis and treatment services diverting patients away from A&E
- Use of Same Day Emergency Care (SDEC) services allowing for the rapid assessment, diagnosis, and treatment of patients presenting with certain conditions, and discharge home same day if clinically appropriate
- Establishment of an Acute Frailty programme
- Working closely with primary and community care services
- Specific projects to deliver 2 Hour Urgent Community Response, Virtual Wards, Intermediate Care and Transfer of Care Hub.

Urgent and emergency care is described in further detail in the performance report at page 39.

Quality and Performance - Referral to treatment/ 52 week wait

The ICB reported control issues under this category due to difficulties in meeting the referral to treatment targets. To maximise and optimise elective capacity and undertake a system wide approach to delivery, the Lancashire and South Cumbria Elective Recovery Programme has been focused on six clear pillars of work; referral optimisation, waiting list management, outpatient transformation, theatre transformation, surgical hubs, and use of the independent sector.

Elective recovery is described in further detail in the performance report at page 31.

Quality and Performance - Ambulance services

The ICB reported control issues under this category due to daily average volumes for 30-60 min delays being high and remaining fairly consistent until September 2023 when an increase was seen. Actions continue to be undertaken to improve performance as follows;

- Maximise the opportunity to “Hear and Treat”, and “See and Treat” patients rather than convey to hospital.
- Integration of 999, 111 and Patient Transport Services (PTS) as part of the urgent care pathways.
- Triage clinicians supporting at front door of the Emergency Department supporting re-direction where appropriate.

Urgent and emergency care is described in further detail in the performance report at page 39.

Quality and Performance – Continuing Healthcare

The ICB reported control issues under this category due to inconsistent performance and activity with the ‘individuals waiting for assessments over 12 weeks’ quality marker performance declining since quarter 1. The ICB has an agreed improvement plan in place, and fortnightly assurance meetings are held with NHS England and an agreed recovery trajectory is in place.

Continuing healthcare is described in further detail in the performance report at page 45.

Finance Governance and Control – Finance and Procurement

Month 9 reported forecast outturn was in line with the ICB’s planning resubmission to NHS England on 22 November 2023. This forecast a best-case, year-end deficit position against a break-even plan. Recovery plans were put in place and Internal audit provided ‘limited assurance’ against an audit of the ICB’s cost improvement programme.

Since this submission, the ICB has declared a deficit forecast for the year ending 31 March 2024 which is a breach of the statutory duty to remain with our allocated resources and has resulted in a Section 30 report being issued. Furthermore, the external auditor’s end of year report in relation to value for money identifies a significant area of weakness for the ICB regarding the Board approving a financial plan with significant levels of risk. The board have been fully appraised on the recurrent underlying position, the assumptions applied and the deliverability of the QIPP target in order to deliver the ICB’s share of the agreed system deficit control total. For 2024/25 final plan sign off, the Chief Finance Officer will ensure the Board are fully appraised on the level of risk associated with delivering the plan both in terms of national assumptions and delivery of ICB QIPP plans. As in 2023/24, detailed monthly reports will be provided to Finance and Performance Committee for

scrutiny and assurance with updates to ICB Board as part of the system finance report. Further detail in this regard can be found in the ICB annual accounts 2023/24.

During 2023/24, there has been one breach of the ICB's Operational Scheme of Delegation in relation to securing interim HR support. This breach was reported to Audit Committee at its meeting in September 2023 including a Lessons Learnt section outlining the strengthened processes put in place.

Review of economy, efficiency & effectiveness of the use of resources

The ICB is charged with ensuring that it achieves economy, efficiency and effectiveness in its use of resources, and continues to develop and strengthen the system of internal controls. The Chief Finance Officer has worked with the Internal and External Auditors to ensure that the ICB receives assurance in relation to the use of resources and that this is reported to the Board.

The ICB has a strategic objective to 'meet financial targets and deliver improved productivity', and there is a risk on the Board Assurance Framework in this regard. Robust controls are in place such as; agreed financial plan for 2023/24, Senior leadership team roles in finance portfolio working collectively to deliver QIPP and mitigation schemes, a single LSC system plan submitted to NHSE detailing all commissioning and provider plans agreed by individual organisations within the system, and additional financial controls have been implemented within the ICB and across the system (with peer review in place). The risk also has a mitigation plan to manage the gaps in assurance and control to mitigate the risk against this.

Following the transition to one financial ledger and harmonisation of financial reporting, the second financial reporting period for the ICB has focussed on full budget holder delegation and ownership of budgets and efficiency targets. Alongside this a single contract repository has been established with all contracts being categorised and reviewed by service leads. This has included a full review of the Commissioning Support Unit (CSU) service level agreement with a small number of teams being in-housed where appropriate given the new ICB structure and a clarification of the service specifications for those service lines retained.

Monthly financial performance is scrutinised by the Finance and Performance Committee and reported to the Board. Internal and External Audit arrangements give a view to the Audit Committee on the delivery of the ICB's statutory financial responsibilities and the achievement of value for money.

The architecture for system delivery of efficiencies was established early in 2022/23 and is now fully embedded. Representatives of the ICB and provider partners contribute to each of the following groups:

- Transformation and Recovery Board and named executives overseeing longer term projects delivered over multiple years.
- Programme Boards to oversee the delivery of in year plans;

Going forward there is a clear focus a strengthening of governance arrangements and delivery of the major transformation programmes agreed by the ICB Board and NHS System partners.

Delegation of functions

The ICB keeps its governance structures under constant review with the aim of delegating decision-making responsibility where this enables the ICB Board to devote more time to strategy and optimises the use of clinical leadership. All such arrangements are set out in the ICB's Scheme of Delegation.

The ICB has the following delegated functions from NHS England:

- Primary Medical Care
- Primary Pharmacy Services
- Optometry Services; and
- Primary and Secondary Dental Services

The North West is one of three regions in England where the NHS England Board has approved plans to delegate the commissioning of a number of specialised services, to Integrated Care Boards (ICBs) from 1 April 2024. The ICB has been preparing for the delegation over the year, providing NHSE with assurance of our readiness for formal delegation, our internal governance arrangements and the wider North West regional operating model. The ICB has established a Specialised Commissioning Oversight Group to oversee single-ICB services from 1 April 2024. Some delegated services will need to be planned and commissioned jointly at a multi-ICB level, and a North West Specialised Services Joint Committee (NWSSC) has been established from 1 April 2024, for which the ICB is a member.

In line with NHS England Statutory Guidance, the ICB has not delegated any of its functions during 2023/24.

Counter fraud arrangements

The ICB Chief Finance Officer is responsible for ensuring appropriate arrangements are in place to comply with the Government Functional Standard 013: Counter Fraud within the NHS. An accredited Counter Fraud Specialist is contracted to undertake counter fraud work proportionate to identified risks via the contract the ICB holds with Mersey Internal Audit Agency.

The ICB Audit Committee receives quarterly progress reports against each of the Standards for Commissioners and a final one within an annual report. The Chief Finance Officer (CFO) provides executive oversight, and a proactive work plan is in place to address identified risks. The CFO is proactively and demonstrably responsible for tackling fraud, bribery and corruption. Regular meetings are held with the Anti-Fraud Specialist and the CFO throughout the year.

Appropriate action is taken regarding any NHS Counter Fraud Authority quality assurance recommendations via alerts, Fraud Prevention Notices or Local Proactive Exercises, which are cascaded to the relevant departments within the ICB.

The Anti-Fraud Specialist has received twenty-three referral queries during 23/24. Of these referrals Twenty have been closed, as no fraud was identified after further checks conducted by the ICB. Two are still awaiting further information from the ICB to determine if there is any substance to the allegation. One referral query has been converted into an investigation, along with one referral query from 2022/23, with enquiries ongoing to prove or disprove the allegation.

The anti-fraud annual work plan, which is approved by the Audit Committee, is risk based. The Anti-Fraud Specialist provides regular updates on the progress of the anti-fraud plan to the Audit

Committee via Progress Reports, which details the ongoing self-assessment against the 12 components of the Government Functional Standard 013 Counter Fraud'.

The Government Counter Fraud Standards has 12 components which are regularly monitored and scored against by the Anti-Fraud Specialist within the year and an update is provided to the Audit Committee on the current scoring via anti-fraud progress reports. For the reporting period, the ICB assessed itself as being 'Green' (with 11 out of the 12 components scoring 'green' and one 'amber'). The return was provided to NHS Counter Fraud Authority by the deadline of 31st May 2024.

Freedom to Speak Up (FtSU)

Developing a Freedom to Speak up culture across the ICB is an important part of ensuring staff feel listened to and valued in order to confidently share concerns where patient safety or quality of care is below the standards the ICB expect, or when behaviours or working practices do not reflect the values of the organisation. The ICB has three Freedom to Speak Up Guardians, a lead executive and a named non-executive champion . The Guardian team have worked to develop a service with robust processes that are fit for purpose and promote an open culture.

NHS England published an updated FtSU policy in June 2022, with the expectation that all NHS organisations have the updated policy in place by 31 January 2024. The ICB People Board approved the adoption of this policy in November 2022 and pledged the ICB's ambition to establish a robust FtSU process to ensure everyone working within the organisation feels safe and confident to raise a concern.

During 2023/24 the ICB recruited three FtSU Guardians to work with the executive and non executive lead to deliver on a plan to ensure that speaking up becomes business as usual and valued as an opportunity to engage, learn and improve. The core focus of the Guardians has been implementing systems and processes for ICB staff to speak up. An internal audit into the ICB's systems and processes in this area received 'substantial assurance'. The guardians have also conducted a series of proactive sessions with a range of staff groups to encourage accessing the FtSU service including via; organisation wide briefings, team meetings, and corporate induction. The Guardians continue to drive the recruitment of FtSU champions in order to support this agenda with; awareness raising, signposting and support, feedback, and support learning. Given the vast size of the ICB, the champion role is vital in order for the FtSU agenda to be successfully embedded in the ICB.

The Board received a FtSU annual report when it met in September 2023 and agreed for quarterly update reports to be presented to the People Board. This took place in November 2023. An update report was also provided to the Audit Committee in November 2023 to provide assurance that mechanisms were in place for staff to access FtSU services. The Board received a further update when it met in January 2024 to provide an oversight of themes and trends from those concerns raised, and to provide assurance on system wide collaboration.

Over the reporting period of this annual report, fourteen concerns were raised to FtSU Guardians and twelve of these have closed. Of the fourteen concerns raised, six were raised anonymously; this illustrates that a range of access routes to guardians have been used in the reporting period.

Head of Internal Audit Opinion

Following completion of the planned audit work for the period 1 April 2023 to 31 March 2024 for the ICB, the Head of Internal Audit issued an independent and objective opinion on the adequacy and effectiveness of the ICB's system of risk management, governance and internal control. The Head of Internal Audit concluded that:

The overall opinion **for the period 1st April 2023 to 14 March 2024** is:

> **Moderate Assurance,** that that there is an adequate system of internal audit, however in some areas weaknesses in the design and/or inconsistent application of controls puts the achievement of some of the organisation's objectives at risk.

The opinion noted the development of the Assurance Framework and that the risk management systems and processes have continued to progress during 2023/24. The opinion went on to note that; the orgaisation's assurance framework is structured to meet NHS requirements and that it clearly reflects the risks of the Board, and recommended that in 2024/25 the ICB places focus on the visibility of the assurance framework and develop further the application of its risk appetite.

During the period, Internal Audit issued the following audit reports:

Area of Audit	**Level of Assurance Given**
Risk Management	Moderate Assurance
DSPT (2022/23 Q1 submission)	Substantial / Moderate
QIPP/Cost Improvement Programme	Limited Assurance **further details below*
Committee Effectiveness	Moderate Assurance
Management of Conflicts of Interest and Gifts & Hospitality	Substantial Assurance
Delegation assessment for Direct Commissioning	N/A
Primary Care Contracts	Moderate Assurance
Serious Incidents	Moderate Assurance
Patient Carer and Resident Engagement	Moderate Assurance
Cyber Security	Moderate Assurance
Data Reporting Assurance review	Moderate Assurance
Key Financial Systems	Substantial Assurance
ESR/Payroll	Moderate Assurance
Assurance Framework	N/A
Freedom to Speak Up	Substantial Assurance
Healthcare Contract Management	Moderate *Assurance*
Fit and Proper Persons	Moderate Assurance
Continuing Healthcare	Limited Assurance ***further details below*

Single Oversight Framework	Substantial Assurance
Delegated Primary Care Functions - review of annual declaration	NA
DPST Phase 1 (23/24)	NA

Further Details on Limited Assurance Audits

*The QIPP/Cost Improvement Programme audit received limited assurance. The audit identified that although some controls were in place with a tracking and reporting mechanism, a QIPP policy and full procedural documentation had not yet been developed and there was insufficient evidence to demonstrate the effective functioning of an expected, gateway-driven control process. Subsequently a high priority action in this regard was agreed. The audit also found that QIPP identification and delivery was impacted by the significant workforce and administrative change in the transition from eight former CCGs to one ICB, with an organisation still settling in some key areas in the first half of the year. Although assurance was provided through interview with key staff, there was not yet a clear audit trail demonstrating quality impact assessment and a subsequent high priority action was agreed in this regard. In conducting this review, although delivering limited assurance, auditors noted that they were encouraged by the ICB's candid reporting of the financial situation and demonstration of determined approach to financial recovery. There was also self-assessment of the financial internal control environment scrutinised at Audit Committee with remedial actions being instigated. Since the audit findings, the ICB has established a full gateway and prioritisation QIPP process which encompasses the QIA/EIA and Financial impact. This is being rolled out for all proposed 2024/25 QIPP schemes by the project management team with key scheme leads being identified to lead on completion of the documentation.

**The Continuing Healthcare audit received limited assurance. The audit identified that good progress had been made in establishing an in-house team to deliver service turnaround, the approach to which was found to be sound, including utilising external assistance which has delivered a significant return on investment. The opinion of limited assurance was due to the significant financial deficit and sufficient assurances not yet in place but being developed. The ICB is committee to progress with the implementation of its Improvement Plan and to demonstrate the effectiveness of the controls that it is putting in place. This will include the regular quality audits. Internal audit are also committed to doing regular follow up on the implementation of the agreed recommendations.

Review of the effectiveness of governance, risk management and internal control

My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and executive managers within the ICB who have responsibility for the development and maintenance of the internal control framework. I have drawn on performance information available to me. My review is also informed by comments made by the external auditors in their annual audit letter and other reports.

The Board Assurance Framework provides me with evidence that the effectiveness of controls that manage risks to the ICB achieving its principles objectives have been reviewed. Understanding and mitigating risks within the ICB and the wider Integrated Care System (ICS) across Lancashire and South Cumbria is a key element in succeeding to deliver our strategic objectives.

During 2023/24 a key priority for the ICB has been to build on the systems developed across the ICB in the previous year of transition. This has been the first full financial reporting period of the organisation and over the period, and the ICB has built on, and embedded our assurance framework, systems, processes, and operating model. The Head of Internal Audit Opinion has supported this, reflecting the progress and improvements made since the prior year. This will continue to be an area of focus for the ICB in 2024/25.

Whilst the Board, its committees and the executive team have had good oversight of the principal risks and issues impacting on the ICB's ability to deliver and achieve its objectives, and the financial risks have been reported to the board thorough the year, the ICB's expenditure has exceeded the allocated in-year resource received by the ICB for 2023/24 and our QIPP savings target has not been met.

The focus for the coming financial year is to deliver our ambitious transformation and recovery programmes for the ICB and the wider system. This is vital to ensure the future financial sustainability of the Lancashire & South Cumbria system and to allow for transformation of services and delivery of the Integrated Care System's joint aim to improve the health and wellbeing of the population we serve.

Kevin Lavery
Accountable Officer
19th June 2024

Remuneration and Staff Report

Remuneration Report

Remuneration Committee

Percentage change in remuneration of highest paid director – subject to audit

Reporting bodies are required to disclose the percentage change from the previous financial year in respect of the highest paid member and the average percentage change from the previous financial year in respect of employees of the reporting body, taken as a whole:

	Salary and allowances	**Total remuneration**
The percentage change from the previous financial year in respect of the highest paid director	6%	6%
The average percentage change from the previous financial year in respect of employees of the entity, taken as a whole	-10%	-11%

The average percentage change for employees of the entity, taken as a whole, is showing a reduction in the main to the transfer into the ICB of the Individual Patient Activity/Continuing Healthcare team, which involved approximately 150 staff. The majority of these staff are at Bands 5 and 6, which has meant that the average salary is lower than in the previous year.

Fair pay information – subject to audit

Reporting bodies are required to disclose the relationship between the total remuneration of the highest-paid director / member in their organisation against the 25th percentile, median and 75th percentile of remuneration of the organisation's workforce. Total remuneration of the employee at the 25th percentile, median and 75th percentile is further broken down to disclose the salary component.

The banded remuneration of the highest paid director / member in NHS Lancashire and South Cumbria ICB in the reporting period 1 April 2023 to 31 March 2024 was £270,000 - £275,000. The ICB prior year is for 9 months only (1 July 2022 to 31 March 2023), and the banded remuneration of the highest paid director / member was £255,000 - £260,000 (full year equivalent figures).

The relationship to the remuneration of the organisation's workforce is disclosed in the below table:

2023/24	25th percentile	Median pay ratio	75th percentile pay ratio
Total remuneration (£)	£34,581	£45,996	£58,972
Salary component of total remuneration (£)	£34,581	£45,996	£58,972
Pay ratio information	7.88:1	5.92:1	4.62:1

2022/23 (for the period 1 July 2022 to 31 March 2023)			
Total remuneration (£)	£39,523	£50,847	£72,921
Salary component of total remuneration (£)	£37,633	£50,847	£69,855
Pay ratio information	6.84:1	5.06:1	3.53:1

The calculations for the above figures include the costs of any agency staff engaged by the ICB in the financial period.

The increase in the pay ratios relates in the main to the transfer into the ICB of the Individual Patient Activity/Continuing Healthcare team, which involved approximately 150 staff. The majority of these staff are at Bands 5 and 6, which has meant that the percentiles have moved downwards.

During the reporting period 2023/24, no employees received remuneration in excess of the highest-paid director/member (2022/23: nil [previous year comparator for ICBs is 9 months]). Remuneration ranged from £20,000 - £25,000 to £270,000 - £275,000 (2022/23 £20,000 - £25,000 to £255,000 - £260,000, full year equivalent figures [previous year comparator for ICBs is 9 months]).

Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind, but not severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

Policy on the remuneration of senior managers

Remuneration of senior managers, up to and including Band 9, is undertaken in accordance with Agenda for Change, and guided and advised by the ICB's HR function.

Remuneration of Very Senior Managers

We are obliged to review the remuneration of all our Senior Executives (non-agenda for change) on an annual basis and in accordance with NHS England's (NHSE) Guidance on ICB Executive Director pay.

NHSE has ranked all Integrated Care Systems in size order according to weighted population, with four categories, A,B,C and D, with A being the smallest and D the largest. This pay framework determines the pay range for the Chief Executive, and the proportionate minimum and operational maximum of statutory executive board roles and other board level executives. LSC ICB is ranked as band D, meaning that the Remuneration Committee can make decisions on board level executive pay, subject to this remaining under £170,000 per annum or the operational maximum, whichever is the lower. Pay proposals exceeding £170k or the operational maximum is subject to NHSE and Department of Health and Social Care approval.

The ICB has also adopted a local pay framework for other VSM roles, and all VSM pay is considered and agreed by the ICB's Remuneration Committee.

Senior manager remuneration (including salary and pension entitlements) – subject to audit

Name	Title	1 April 2023 to 31 March 2024					
		(a) Salary (bands of £5,000)	(b) Expense payments (taxable) to nearest £100**	(c) Performance pay and bonuses (bands of £5,000)	(d) Long term performance pay and bonuses (bands of £5,000)	(e) All pension-related benefits (bands of £2,500)	(f) TOTAL (a to e) (bands of £5,000)
		£000	£	£000	£000	£000	£000
Kevin Lavery	Chief Executive Officer	270 – 275	1,800			60 – 62.5	330 – 335
Samantha Proffitt	Chief Finance Officer	180 – 185				0 – 2.5	180 – 185
David Levy	Chief Medical Officer	150 – 155	100				150 – 155
Sarah O'Brien	Chief Nursing Officer	165 – 170				0 – 2.5	165 – 170
Maggie Oldham	Chief Planning, Performance and Strategy Officer	210 – 215					210 - 215
James Fleet	Chief People Officer	165 – 170	3,100			35 – 37.5	205 – 210
Asim Patel	Chief Digital Officer	145 – 150	1,200			0 – 2.5	150 - 155
Craig Harris	Chief Operating Officer	160 – 165	100			0 – 2.5	165 – 170
Geoff Jolliffe	Partner Member – Primary Medical Services	15 – 20	500				15 – 20
David Flory	Chair – from 01/04/2023 to 29/02/2024	65 – 70					65 – 70
Ebrahim Adia	Non-Executive Member – from 01/04/2023 to 31/10/2023	5 – 10	00				5 – 10
Jim Birrell	Non-Executive Member	15 – 20	300				15 – 20
Sheena Cumiskey	Non-Executive Member	15 – 20					15 – 20
Roy Fisher	Non-Executive Member – from 01/04/2023 to 29/02/2024 Acting Chair – from 01/03/2023 to 31/03/2023	20 – 25	200				20 – 25
Jane O'Brien	Non-Executive Member	10 - 15	200				10 – 15
Debbie Corcoran	Non-Executive Member	10 - 15	100				10 - 15

***Note: Taxable expenses and benefits in kind are expressed to the nearest £100.*

Notes:

1. Maggie Oldham is on secondment from Isle of Wight NHS Trust from 11th September 2022.
2. Expense payments (taxable) to the nearest £100 relate to the net taxable benefit of the use of lease cars. In addition, the table above includes the taxable benefit relating to payments in respect of mileage claims where the payment is above the HMRC allowable rate of £0.45 per mile – these figures were not included in the 2022-23 Annual Report.

3. The ICB does not have a performance-related pay scheme; the performance of staff is measured through the ICB's annual appraisal process. There is therefore no reference to performance-related bonuses.
4. James Fleet was seconded to Sandwell and West Birmingham Hospitals NHS Trust from 2 October 2023.
5. Pension-related benefits are calculated as follows:

   ((20 x PE) + LSE) – ((20 x PB) + LSB) – Employee contribution

   Where:

   PE = the annual rate of unreduced pension that would be payable to the senior manager if they became entitled to it at the end of the financial year.

   LSE = the amount of unreduced lump sum that would be payable to the senior manager if they became entitled to it at the end of the financial year.

   PB = the annual rate of unreduced pension, adjusted for inflation, that would be payable to the senior manager if they became entitled to it at the beginning of the financial year.

   LSB = the amount of unreduced lump sum, adjusted for inflation, that would be payable to the senior manager if they became entitled to it at the beginning of the financial year.

   Ees cont = employee pension contributions for the financial year.

   To adjust PB and LSB for inflation the Consumer Prices Index (CPI) of 10.1% has been used.

   In summary, the value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20, less, the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights. This value does not represent an amount that will be received by the individual. It is a calculation that is intended to convey to the reader of the accounts an estimation of the benefit that being a member of the pension scheme could provide. The pension benefit table provides further information on the pension benefits accruing to the individual.

The following page includes 2022/2023 comparative figures (for the period 1 July 2022 to 31 March 2023):

Name	Title	1 July 2022 to 31 March 2023					
		(a) Salary (bands of £5,000)	(b) Expense payments (taxable) to nearest £100**	(c) Performance pay and bonuses (bands of £5,000)	(d) Long term performance pay and bonuses (bands of £5,000)	(e) All pension-related benefits (bands of £2,500)	(f) TOTAL (a to e) (bands of £5,000)
		£000	£	£000	£000	£000	£000
Kevin Lavery	Chief Executive Officer	**190 – 195**	**1,300**				**195 – 200**
Samantha Proffitt	Chief Finance Officer	**130 – 135**				**117.5 - 120**	**245 – 250**
David Levy	Chief Medical Officer	**105 – 110**					**105 – 110**
Sarah O'Brien	Chief Nursing Officer	**120 – 125**				**85 – 87.5**	**205 – 210**
Maggie Oldham	Chief Planning, Performance and Strategy Officer – from 11/09/2022	**115 – 120**					**115 – 120**
James Fleet	Chief People Officer	**115 – 120**	**2,300**			**25 – 27.5**	**145 – 150**
Asim Patel	Chief Digital Officer – from 01/11/2022	**55 – 60**	**300**			**27.5 – 30**	**85 – 90**
Craig Harris	Chief of Health and Care Integration – from 01/11/2022	**60 – 65**				**30 – 32.5**	**95 – 100**
Geoff Jolliffe	Partner Member – Primary Medical Services	**10 – 15**					**10 – 15**
David Flory	Chair	**55 – 60**					**55 – 60**
Ebrahim Adia	Non-Executive Member	**5 – 10**					**5 – 10**
Jim Birrell	Non-Executive Member	**10 – 15**					**10 – 15**
Sheena Cumiskey	Non-Executive Member	**10 – 15**					**10 – 15**
Roy Fisher	Non-Executive Member	**10 – 15**					**10 – 15**
Jane O'Brien	Non-Executive Member	**5 – 10**					**5 – 10**

Notes:

1. All senior managers were in post from 1st July 2022 to 31st March 2023 unless specified above.
2. The full year equivalent salaries are as follows (bands of £5,000):
   Kevin Lavery £255,000 - £260,000
   Samantha Proffitt £175,000 - £180,000

David Levy	£140,000 - £145,000
Sarah O'Brien	£155,000 - £160,000
Maggie Oldham	£200,000 - £205,000
James Fleet	£155,000 - £160,000
Asim Patel	£140,000 - £145,000
Craig Harris	£150,000 - £155,000
Geoff Jolliffe	£15,000 - £20,000
David Flory	£75,000 - £80,000
Ebrahim Adia	£15,000 - £20,000
Jim Birrell	£15,000 - £20,000
Sheena Cumiskey	£15,000 - £20,000
Roy Fisher	£10,000 - £15,000
Jane O'Brien	£10,000 - £15,000

3. Maggie Oldham is on secondment from Isle of Wight NHS Trust from 11th September 2022.
4. Expense payments (taxable) to the nearest £100 relate to the net taxable benefit of the use of lease cars.
5. The ICB does not have a performance-related pay scheme; the performance of staff is measured through the ICB's annual appraisal process. There is therefore no reference to performance-related bonuses.
6. Pension-related benefits are calculated as follows:

   ((20 x PE) + LSE) – ((20 x PB) + LSB) – Employee contribution

   Where:

   PE = the annual rate of unreduced pension that would be payable to the senior manager if they became entitled to it at the end of the financial year.

   LSE = the amount of unreduced lump sum that would be payable to the senior manager if they became entitled to it at the end of the financial year.

   PB = the annual rate of unreduced pension, adjusted for inflation, that would be payable to the senior manager if they became entitled to it at the beginning of the financial year.

   LSB = the amount of unreduced lump sum, adjusted for inflation, that would be payable to the senior manager if they became entitled to it at the beginning of the financial year.

   Ees cont = employee pension contributions for the financial year.

   To adjust PB and LSB for inflation the Consumer Prices Index (CPI) of 3.1% has been used.

Pension benefits – subject to audit

Name	Title	(a) Real increase in pension at pension age (bands of £2,500)	(b) Real increase in pension lump sum at pension age (bands of £2,500)	(c) Total accrued pension at pension age at 31 March 2024 (bands of £5,000)	(d) Lump sum at pension age related to accrued pension at 31 March 2024 (bands of £5,000)	(e) Cash Equivalent Transfer Value at 31 March 2023	(f) Real Increase in Cash Equivalent Transfer Value	(g) Cash Equivalent Transfer Value at 31 March 2024	(h) Employers Contribution to partnership pension
		£000	£000	£000	£000	£000	£000	£000	£000
Kevin Lavery	Chief Executive Officer	2.5 - 5	0 – 2.5	5 - 10	0 - 5	19	107	53	0
Samantha Proffitt	Chief Finance Officer	0 – 2.5	40 – 42.5	70 – 80	185 – 190	1,370	1,601	207	0
Sarah O'Brien	Chief Nursing Officer	0 – 2.5	35 – 37.5	55 – 60	160 – 165	1,111	1,343	209	0
James Fleet	Chief People Officer – from 01/04/2023 to 31/08/2023	0 – 2.5	0 – 2.5	15 – 20	15 – 20	210	289	60	0
Asim Patel	Chief Digital Officer	0 – 2.5	32.5 – 35	40 – 45	115 – 120	689	886	179	0
Craig Harris	Chief Operating Officer	0 – 2.5	42.5 – 45	45 – 50	120 – 125	698	933	213	0

Notes:

1. The payments made to the Lay Members do not include pension contributions. These persons have therefore been excluded from the above table.
2. Any Officers who are not members of the pension scheme have been excluded from the above table.
3. Ms Maggie Oldham is on secondment from Isle of Wight NHS Trust from 11 September 2023. Ms Maggie Oldham remains on the payroll of Isle of Wight NHS Trust.
4. James Fleet was seconded to Sandwell and West Birmingham Hospitals NHS Trust from 2 October 2023.For comparative purposes the CETV figures at 31 March 2022 have been inflated by 10.1%. The real increase in CETV is calculated as follows:

CETV at 31/03/2023 – (CETV at 31/03/2022 + 10.1%) - 2022/2023 Employee superannuation contributions

5. The following members are affected by the public service pensions remedy and their membership between 1 April 2015 and 31 March 2022 was moved back into the 1995 to 2008 Scheme on 1 October 2023. Negative values are not disclosed in this table but are substituted with a zero:

   Samantha Proffitt (Chief Finance Officer)
   Sarah O'Brien (Chief Nursing Officer)
   Asim Patel (Chief Digital Officer)
   Craig Harris (Chief Operating Officer)

Cash equivalent transfer values

A cash equivalent transfer value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's (or other allowable beneficiary's) pension payable from the scheme.

A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The CETV figures and the other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation or contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement).

Compensation on early retirement or for loss of office – subject to audit

The ICB made no compensation payments for early retirement or for loss of office during the financial year.

Payments to past directors – subject to audit

The ICB has made no payments to past Directors in the period 1 April 2023 to 31 March 2024.

Staff Report

Number of senior managers

The following table details the breakdown of ICB staffing by pay band as at 31 March 2024, including the number of senior managers (represented as 'very senior managers'):

Pay Band	Headcount
Apprentice	0
Band 1	0
Band 2	3
Band 3	27
Band 4	88
Band 5	104
Band 6	128
Band 7	138
Band 8 – Range A	116
Band 8 – Range B	70
Band 8 – Range C	34
Band 8 – Range D	34
Band 9	26
Medical	41
Very Senior Managers	28 (includes NEDs: 8)
Grand Total	**837**

Staff numbers and costs

Number of people (average whole time equivalent) employed by NHS Lancashire and South Cumbria ICB (subject to audit):

	Total number	Permanently employed number	Other number	2022/23 total number
Total	615.63	572.97	42.76	492.83
Costs:	**£'000**	**£'000**	**£'000**	**£'000**
Salaries and wages	34,881	30,614	4,267	24,199
Social security cost	3,770	3,770	0	2,395
NHS pension cost	5,989	5,989	0	3,542
Other pension cost	0	0	0	0
Apprenticeship levy	150	150	0	31
Recoveries in respect of employee benefits	0	0	0	0

Termination benefits	309	309	0	2,698
Total costs	45,099	40,832	4,267	32,866
Of the above, number of whole time equivalent people engaged on capital projects	0	0	0	0

There has been an increase in permanent whole-time equivalents employed by the ICB in 2023/24. The increase is due to movement of staff into the ICB under the Transfer of Undertakings (Protection of Employment) regulations (TUPE), for a number of service areas, including Communication and Engagement, Finance, Complaints, Quality and Continuing Healthcare. There has also been additional recruitment in some service areas in year, including Continuing Healthcare.

Staff composition

The following sections provide an overview of diversity within our existing ICB workforce as at 31 March 2024. Please note – we are unable to report on gender reassignment as this data is not routinely collected via the national NHS Electronic Staff Record.

As an ICB, we recognise the need for our workforce to be representative of our resident population. Furthermore, we recognise that we need to do far more to attract and retain a workforce that is representative of the communities we serve, retain the existing diversity within our workforce, and improve the experiences of our diverse staff. Within our existing workforce, there are significant issues with under-reporting of diversity monitoring data which means we need to work harder to encourage our employees to share this information with us so that we are able to understand their needs and the challenges they may face.

Gender

The following table details the breakdown of total ICB staffing by gender as at the 31st March 2024:

Gender	FTE	Headcount
Female	591.38	653
Male	160.49	189
Grand Total	**751.88**	**842**

The following table details the gender split of the ICB Executive Director team (those who are directly employed by the ICB) as at the 31st March 2024:

Gender	FTE	Headcount
Female	2.00	2
Male	4.80	5
Grand Total	**6.80**	**7**

Disability

Census 2021 data tells us that 19.7% of the total resident population of Lancashire and South Cumbria are disabled under the Equality Act, and 8.8% of those individuals, report that their disability limits their day-to-day activities a lot. In total, 6.9 per cent of Lancashire and South Cumbria ICB's combined workforce has declared that they have a disability. However, 33.56 per cent of the workforce has not declared their disability status which means that the actual number of disabled staff is likely to be higher. This is further supported by the fact that there are a significantly higher number of staff members who have required reasonable adjustments to be made in the workplace due to a disability or long-term condition. Staff are also encouraged to discuss any needs or requests for reasonable adjustments as part of their health and wellbeing conversations with line managers.

Ethnicity

The proportion of Lancashire and South Cumbria's resident population who are from an ethnically diverse background (i.e., non-White British) is currently 10.1 per cent. In comparison, 7.9 per cent of Lancashire and South Cumbria ICB's combined workforce self reported as coming from ethnically diverse backgrounds. However, it should be noted that 8.45 per cent of the workforce has not stated their ethnicity so the actual proportion is likely to be slightly higher.

Religion and Belief

The following table provides an overview of the most prevalent religions and beliefs within the ICB workforce compared to our resident populations in Lancashire and South Cumbria. Please note that it has not been possible to report on the religion of some of our people due to the risk of identifying individual members of staff.

Religion & Belief	% ICB Workforce	% Population of Lancashire and South Cumbria
Atheism	8.79%	32%
Christianity	37.44%	52.8%
Islam	2.97%	8.3%
Other	4.00%	1.4%
Not declared	46.80%	5.4%

Sexual Orientation

The following table provides an overview of sexual orientation within our workforce compared to our resident populations in Lancashire and South Cumbria.

Sexual Orientation	% ICB Workforce	% Population of Lancashire and South Cumbria
Gay or Lesbian	2.40%	1.5%
Heterosexual or Straight	53.88%	90.2%
Other	1.03%	1.4%
Not declared	42.69%	6.9%

Sickness absence data

The following table details the monthly ICB sickness absence rate between 1st April 2023 and 31st March 2024 including a 12 month cumulative percentage:

Month	Absence FTE %	Rolling Abs FTE %
April-23	2.24	2.56
May-23	1.65	2.51
June-23	1.82	2.46
July-23	1.89	2.41
August-23	2.28	2.41
September-23	2.49	2.36
October-23	3.10	2.45
November-23	3.53	2.53
December-23	3.74	2.60
January-24	4.21	2.75
February-24	4.08	2.92
March-24	3.15	2.99

Staff turnover percentages

The following table details the leavers by month and the staff turnover rate across the ICB between 1st April 2023 and 31st March 2024. A time limited Mutually Agreed Resignation Scheme was operated by the ICB whereby 5 employees voluntarily left the organisation. There was also 1 Board level Redundancy (special severance)

Month	Leavers Headcount by Month	Leavers FTE by Month	Overall FTE Turnover Rate	Overall Headcount Turnover Rate
April-23	4.00	4.00	0.65%	0.59%
May-23	6.00	5.30	0.87%	0.88%
June-23	9.00	4.77	0.78%	1.33%
July-23	3.00	3.00	0.49%	0.44%
August-23	3.00	2.60	0.42%	0.44%
September-23	5.00	3.70	0.60%	0.74%

October-23	10.00	9.30	1.52%	1.47%
November-23	12.00	10.11	1.65%	1.77%
December-23	3.00	2.80	0.46%	0.44%
January-24	4.00	3.91	0.64%	0.59%
February-24	1.00	1.00	0.16%	0.15%
March-24	7.00	4.29	0.70%	1.03%

Staff engagement percentages

Lancashire and South Cumbria ICB took part in its first national NHS staff survey in September 2022. The response rate to the survey was 84% against a 73% response rate benchmark across other similar organisations. The results were released in March 2023.

As part of the response to the ICB results from the NHS Staff Survey 2022, in 2023 - 2024 the organisation is ran a 'Big Conversations' engagement programme to explore key themes from the survey and encourage staff to share more about their experiences, ideas, suggestions, and solutions. These sessions were conducted at both directorate and or whole ICB levels, for the purpose of bringing staff together to co-design interventions to improve the working lives of our staff across the organisation. The ICB level Big Conversations focused on specific areas/themes that emerged from analysis for the survey results, including: within their teams or alternatively organisation wide conversations were available for all staff with a focus on topic areas such as health and wellbeing, organisational leadership and culture.

Staff policies

The following list of policies have also been developed or reviewed throughout the reporting period by the ICB:

- Health and Safety Policy
- Security Management
- Incident, Accident and 'Near Miss' Policy and Procedure
- Fire Safety
- Safe Driving at Work Procedure
- Office Workplace Safety Procedure
- Display Screen Equipment Policy
- Agile Working Guidance
- Flexible Working & Special Leave Policy
- ICB Risk Management Policy
- Fit and Proper Persons Policy
- Conflicts of Interest Policy
- Public Involvement & Engagement Policy
- Anti-Fraud, Bribery and Corruption Policy & Response Plan
- Quality Impact Assessment Policy and Template
- Non-Medical Prescribing Policy
-

Trade Union Facility Time Reporting Requirements

The number of employees who were relevant Trade Union officials during the relevant period is 1. Whilst the ICB does not currently have any formal agreed Trade Union Facility Time agreements in place, regular weekly staff side engagements are in place and facility time for accredited representatives is supported by the ICB.

Other employee matters

We are fully committed to providing a safe working environment that values wellbeing and diversity. We recognise our wider legal and moral obligation to provide a safe and healthy working environment for our employees, visitors and members of the public that may be affected by our activities. We have adapted a Health and Safety Management System based on the HSG65 model and are adopting a positive, proactive stance on health and safety. We aim to promote an accountable culture which is just and fair to its employees and enables us to learn from incident reports and risk assessments in order to continuously improve our health and safety management, and, where necessary, change policies/procedures to enable this to happen. It is a statutory requirement to keep a record of all accidents, incidents and near misses that occur out of work activities. There was one RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013) reportable accident relevant to our organisation which occurred at our at the Health Innovation Centre and this was appropriately reported and managed.

Expenditure on consultancy

During the 2023/24 financial year we have spent £619k on external consultancy services (2022/23 for the period 1 June 2022 to 31 March 2023 - £339k).

Off-payroll engagements

There is a Treasury requirement for public sector bodies to report arrangements whereby individuals are paid through their own companies and so are responsible for their own tax and National Insurance arrangements.

Table 1: length of all highly paid off-payroll engagements

For all off-payroll engagements as at 31 March 2024, for more than £245(1) per day:

	Number
Number of existing engagements as of 31 March 2024	**32**
Of which, the number that have existed:	
• **for less than one year at the time of reporting**	**23**
• **for between one and two years at the time of reporting**	**9**
• **for between two and three years at the time of reporting**	**0**
• **for between three and four years at the time of reporting**	**0**
• **for four or more years at the time of reporting**	**0**

Notes:

(1) The £245 threshold is set to approximate the minimum point of the pay scale for a Senior Civil Servant.

(2) All existing off-payroll engagements, outlined above, have at some point been subject to a risk based assessment as to whether assurance is required that the individual pays the right amount of Income Tax and National Insurance and, where necessary, that

assurance has been sought.

(3) Of the 32 individuals outlined above, the individuals are employed by and on the payroll of an agency and therefore the off-payroll legislation does not apply.

Table 2: off-payroll workers engaged at any point during the financial year

For all off-payroll engagements between 1 April 2023 and 31 March 2024, for more than £245(1) per day:

	Number
Number of temporary off-payroll workers engaged between 1 April 2023 and 31 March 2024	**32**
Of which:	
• **Number not subject to off-payroll legislation**	**0**
• **Number subject to off-payroll legislation and determined as in-scope of IR35**	**0**
• **Number subject to off-payroll legislation and determined as out of scope of IR35**	**32**
• **Number of engagements reassessed for compliance or assurance purposes during the year**	**0**
• **Of which: number of engagements that saw a change to IR35 status following review**	**0**

Notes:

(1) The £245 threshold is set to approximate the minimum point of the pay scale for a Senior Civil Servant.

(2) A worker that provides their services through their own limited company or another type of intermediary to the client will be subject to off-payroll legislation and the Department must undertake an assessment to determine whether that worker is in-scope of Intermediaries legislation (IR35) or out-of-scope for tax purposes.

Table 3: off-payroll board member/senior official engagements

For any off-payroll engagements of board members and / or senior officials with significant financial responsibility, between 1 April 2023 and 31 March 2024:

	Number
Number of off-payroll engagements of board members, and / or senior officers with significant financial responsibility, during the reporting period	**0**
Total number of individuals on payroll and off-payroll that have been deemed "board members and / or senior officials with significant financial responsibility" during the reporting period ***see note 1 below**	**9**

Note:

1. The total figure of 9 above includes Ms Maggie Oldham, who was on secondment from Isle of Wight NHS Trust in the post of Chief Planning, Performance and Strategy Officer.

Exit packages, including special (non-contractual) payments – subject to audit

Table 1: Exit Packages

Exit package cost band (inc. any special payment element	Number of compulsory redundancies	Cost of compulsory redundancies	Number of other departures agreed	Cost of other departures agreed	Total number of exit packages	Total cost of exit packages	Number of departures where special payments have been made	Cost of special payment element included in exit packages
	WHOLE NUMBERS ONLY	£s	WHOLE NUMBERS ONLY	£s	WHOLE NUMBERS ONLY	£s	WHOLE NUMBERS ONLY	£s
Less than £10,000	0	0	2	3,700	2	3,700	0	0
£10,000 - £25,000	0	0	0	0	0	0	0	0
£25,001 - £50,000	0	0	1	42,329	1	42,329	0	0
£50,001 - £100,000	0	0	2	140,000	2	140,000	0	0
£100,001 - £150,000	1	122,801	0	0	1	122,801	0	0
£150,001 – £200,000	0	0	0	0	0	0	0	0
>£200,000	0	0	0	0	0	0	0	0
TOTALS	1	122,801	5	186,029	6	308,830	0	0

Redundancy and other departure cost have been paid in accordance with the provisions of NHS Business Services Authority relevant pension scheme regulations and with due note to Agenda for Change Section 16. Exit costs in this note are accounted for in full in the year of departure.

Table 2: Analysis of Other Departures

	Agreements	Total Value of agreements
	Number	£000s
Voluntary redundancies including early retirement contractual costs	**0**	**0**
Mutually agreed resignations (MARS) contractual costs	**4**	**184,629**
Early retirements in the efficiency of the service contractual costs	**0**	**0**
Contractual payments in lieu of notice*	**1**	**1,400**
Exit payments following Employment Tribunals or court orders	**0**	**0**
Non-contractual payments requiring HMT approval**	**0**	**0**
TOTAL	**5**	**186,029**

As a single exit package can be made up of several components, each of which will be counted separately in this Note, the total number above will not necessarily match the total numbers in Note 5.3 which will be the number of individuals.

*any non-contractual payments in lieu of notice are disclosed under “non-contracted payments requiring HMT approval” below.

The Remuneration Report includes disclosure of exit packages payable to individuals named in that Report.

All exit packages were agreed in line with ICB governance arrangements with NHSE and HMT approval where necessary.

Kevin Lavery
Accountable Officer
19th June 2024

Parliamentary Accountability and Audit Report

NHS Lancashire and South Cumbria is not required to produce a Parliamentary Accountability and Audit Report

Disclosures on remote contingent liabilities, losses and special payments, gifts, and fees and charges are included as notes in the Financial Statements of this report. An audit certificate and report is also included in this Annual Report.

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF NHS LANCASHIRE & SOUTH CUMBRIA INTEGRATED CARE BOARD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of NHS Lancashire & South Cumbria Integrated Care Board ("the ICB") for the year ended 31 March 2024 which comprise the Statement of Comprehensive Net Expenditure, Statement of Financial Position, Statement of Changes in Taxpayers Equity and Statement of Cash Flows, and the related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the financial position of the ICB as at 31 March 2024 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the accounting policies directed by NHS England with the consent of the Secretary of State on 22 April 2024 as being relevant to ICBs in England and included in the Department of Health and Social Care Group Accounting Manual 2023/24; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the ICB in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Accountable Officer of the ICB ("the Accountable Officer") has prepared the financial statements on the going concern basis, as they have not been informed by the relevant national body of the intention to either cease the ICB's services or dissolve the ICB without the transfer of its services to another public sector entity. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Accountable Officer's conclusions, we considered the inherent risks associated with the continuity of services provided by the ICB over the going concern period.

Our conclusions based on this work:

- we consider that the Accountable Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified, and concur with the Accountable Officer's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the ICB's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the ICB will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management, the Audit Committee and internal audit as to the ICB's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected, or alleged fraud.
- Assessing the incentives for management to manipulate reported expenditure as a result of the need to achieve statutory targets delegated to the ICB by NHS England.
- Reading Board and Audit Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we performed procedures to address the risk of management override of controls, in particular the risk that ICB management may be in a position to make inappropriate accounting entries.

On this audit we did not identify a fraud risk related to revenue recognition because of the nature of funding provided to the ICB, which is transferred from NHS England and recognised through the Statement of Changes in Taxpayers' Equity. We therefore assessed that there was limited opportunity for the ICB to manipulate the income that was reported.

We identified a fraud risk related to the completeness of accrued expenditure at period end, in response to the pressure on the ICB to achieve statutory targets delegated by NHS England.

In determining the audit procedures, we took into account the results of our evaluation of some of the ICB-wide fraud risk management controls.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included journals which reduced the reported accrued expenditure close to the period end.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias
- In response to the fraud risk related to the completeness of accrued expenditure, we performed procedures including a search for unrecorded liabilities and testing of purchase invoices recognised before and after the period end to identify any invoices recognised in the incorrect reporting period.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience and through discussion with the Board and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The ICB is subject to laws and regulations that directly affect the financial statements including the financial reporting aspects of NHS legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

As described in the section of this report dealing with other legal and regulatory matters, we made a referral under Section 30(1)(b) of the Local Audit and Accountability Act 2014 to the Secretary of State on 28th February 2024 on the basis that the ICB had failed to meet two of its statutory financial duties for the year ended 31 March 2024. We have also qualified our regularity opinion in respect of this matter.

Whilst the ICB is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information in the Annual Report

The Accountable Officer is responsible for the other information, which comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information; and
- in our opinion the other information included in the Annual Report for the financial year is consistent with the financial statements.

Annual Governance Statement

We are required by the Code of Audit Practice published by the National Audit Office in April 2020 on behalf of the Comptroller and Auditor General (the "Code of Audit Practice") to report to you if the Annual Governance Statement has not been prepared in accordance with the requirements of the Department of Health and Social Care Group Accounting Manual 2023/24. We have nothing to report in this respect.

Remuneration and Staff Reports

In our opinion the parts of the Remuneration and Staff Reports subject to audit have been properly prepared, in all material respects, in accordance with the Department of Health and Social Care Group Accounting Manual 2023/24.

Accountable Officer's responsibilities

As explained more fully in the statement set out on page 81, the Accountable Officer of the ICB is responsible for the preparation of financial statements that give a true and fair view. They are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the ICB's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to either cease the services provided by the ICB or dissolve the ICB without the transfer of its services to another public sector entity.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

Qualified opinion on regularity

The Accountable Officer is responsible for ensuring the regularity of expenditure and income.

We are required to report on the following matters under Section 21(4) and (5) of the Local Audit and Accountability Act 2014.

Except for the effects of the matter described in the basis for qualified opinion on regularity section of our report set out below, in our opinion, in all material respects, the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Basis for qualified opinion on regularity

On 28th February 2024 we made a referral to the Secretary of State under Section 30 (1)(b) of the Local Audit and Accountability Act 2014, and notified NHS England of the matter, on the basis that the ICB was projected to spend £59 million in excess of the sum allotted to the ICB by NHS England for the year to 31 March 2024. The ICB has disclosed that actual expenditure incurred in the year ended 31 March 2024 exceeded its Revenue Resource Limit by £89 million and total expenditure exceeded income by £89 million.

We conducted our work on regularity in accordance with Statement of Recommended Practice - Practice Note 10: *Audit of financial statements and regularity of public sector bodies in the United Kingdom (Revised 2022)* issued by the FRC. We planned and performed procedures to obtain sufficient appropriate evidence to give an opinion over whether the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. We are required to obtain sufficient appropriate evidence on which to base our opinion.

Report on the ICB's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report if we identify any significant weaknesses in the arrangements that have been made by the ICB to secure economy, efficiency and effectiveness in its use of resources.

Significant weakness – financial sustainability

Given the high levels of financial risk within the 2023/24 financial plan, the significant cost savings needed to ensure this was achievable and the amount by which the ICB and the wider system have missed their initial targets, we have identified a significant weakness relating to the Board's processes for reviewing and approving the financial plan.

Recommendation

We recommend that the Board should only approve future financial plans with reasonable levels of risk and where necessary, explicitly state that the submitted plan has been agreed to satisfy external requirements even where the Board does not believe a plan is achievable, if that is the most realistic conclusion to be drawn.

Respective responsibilities in respect of our review of arrangements for securing economy, efficiency and effectiveness in the use of resources

As explained more fully in the statement set out on page 81, the Accountable Officer is responsible for ensuring that the ICB exercises its functions effectively, efficiently and economically. We are required under section 21(1)(c) of the Local Audit and Accountability Act 2014 to be satisfied that the ICB has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

We are not required to consider, nor have we considered, whether all aspects of the ICB's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We planned our work and undertook our review in accordance with the Code of Audit Practice and related statutory guidance, having regard to whether the ICB had proper arrangements in place to ensure financial sustainability, proper governance and to use information about costs and performance to improve the way it manages and delivers its services. Based on our risk assessment, we undertook such work as we considered necessary.

Statutory reporting matters

We are required by Schedule 2 to the Code of Audit Practice to report to you if we refer a matter to the Secretary of State and NHS England under section 30 of the Local Audit and Accountability Act 2014 because we have reason to believe that the ICB, or an officer of the ICB, is about to make, or has made, a decision which involves or would involve the body incurring unlawful expenditure, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency.

On 28th February 2024 we made a referral under Section 30(1)(b) to the Secretary of State, and notified NHS England of the matter, on the basis that the ICB was projected to spend £59 million in excess of the sum allocated to the ICB by NHS England for the year ended 31 March 2024.

THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the Members of the Board of NHS Lancashire & South Cumbria Integrated Care Board, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014. Our audit work has been undertaken so that we might state to the Members of the Board of the ICB, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Members of the Board of the ICB, as a body, for our audit work, for this report or for the opinions we have formed.

CERTIFICATE OF COMPLETION OF THE AUDIT

We certify that we have completed the audit of the accounts of NHS Lancashire & South Cumbria ICB for the year ended 31 March 2024 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

Timothy Cutler
for and on behalf of KPMG LLP
Chartered Accountants
1 St Peter's Square
Manchester
M2 3AE
26 June 2024

Data entered below will be used throughout the workbook:

Entity name:	NHS Lancashire and South Cumbria Integrated Care Board
This year	2023-24
Last year	2022-23
This year ended *	31 March 2024
Last year ended	31-March-2023
This year commencing:	01-April-2023
Last year commencing:	01-July-2022

NHS Lancashire and South Cumbria Integrated Care Board - Annual Accounts 2023-24

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Notes to the Accounts

Statement of Comprehensive Net Expenditure for the year ended 31 March 2024

	Note	2023-24 £'000	2022-23 £'000
Income from sale of goods and services	3	(52,672)	(21,053)
Other operating income	3	(1,856)	(6,881)
Total operating income		**(54,528)**	**(27,934)**
Staff costs	5	45,099	32,865
Purchase of goods and services	6	4,606,539	3,038,204
Depreciation and impairment charges	6	362	193
Provision expense	6	0	(1,754)
Other operating expenditure	6	1,924	1,639
Total operating expenditure		**4,653,924**	**3,071,147**
Net Operating Expenditure		**4,599,396**	**3,043,213**
Finance expense	9	30	4
Net expenditure for the Year		**4,599,426**	**3,043,217**
Comprehensive Expenditure for the year		**4,599,426**	**3,043,217**

The ICB was formed on the 1st July 2022. Please note that the income and expenditure figures for 2022-23 represent the nine month period 1/7/22 - 31/3/23.
The income and expenditure figures for 2023-24 represent the twelve month period 1/4/23 to 31/3/24.

Statement of Financial Position as at 31 March 2024

	Note	2023-24 £'000	2022-23 £'000
Non-current assets:			
Right-of-use assets	11	3,021	3,383
Total non-current assets		**3,021**	3,383
Current assets:			
Inventories	13	7,302	6,292
Trade and other receivables	14	116,371	57,797
Cash and cash equivalents	15	1,605	580
Total current assets		**125,278**	**64,669**
Total assets		**128,299**	68,052
Current liabilities			
Trade and other payables	16	(259,331)	(209,947)
Lease liabilities	11	(356)	(353)
Total current liabilities		**(259,687)**	(210,300)
Non-Current Assets plus/less Net Current Assets/Liabilities		**(131,388)**	(142,248)
Non-current liabilities			
Lease liabilities	11	(2,678)	(3,034)
Total non-current liabilities		**(2,678)**	**(3,034)**
Assets less Liabilities		**(134,066)**	(145,282)
Financed by Taxpayers' Equity			
General fund		(134,066)	(145,282)
Total taxpayers' equity:		**(134,066)**	(145,282)

The notes on pages 5 to 31 form part of this statement

The financial statements on pages 1 to 4 have been approved in line with delegated authority granted by the Board on 19 June 2024 and signed on its behalf by:

Kevin Lavery
Chief Executive Officer

Statement of Changes In Taxpayers' Equity for the year ended 31 March 2024

	General fund £'000	Total reserves £'000
Changes in taxpayers' equity for 2023-24		
Balance at 01 April 2023	(145,282)	**(145,282)**
Changes in NHS Integrated Care Board taxpayers' equity for 2023-24		
Net Recognised NHS Integrated Care Board Expenditure for the Financial year	**(4,599,426)**	**(4,599,426)**
Net funding	4,610,642	**4,610,642**
Balance at 31 March 2024	**(134,066)**	**(134,066)**

	General fund £'000	Total reserves £'000
Changes in taxpayers' equity for 2022-23		
Changes in NHS Integrated Care Board taxpayers' equity for 2022-23		
Net operating costs for the financial year	(3,043,217)	(3,043,217)
Transfers by absorption to (from) other bodies	(156,949)	(156,949)
Net Recognised NHS Integrated Care Board Expenditure for the Financial Year	**(3,200,166)**	**(3,200,166)**
Net funding	3,054,884	3,054,884
Balance at 31 March 2023	**(145,282)**	**(145,282)**

The notes on pages 5 to 31 form part of this statement

Statement of Cash Flows for the year ended 31 March 2024

	Note	**2023-24 £'000**	2022-23 £'000
Cash Flows from Operating Activities			
Total net expenditure for the financial year		(4,599,426)	(3,043,217)
Depreciation and amortisation	6	362	193
Movement due to transfer by Modified Absorption		0	(146,949)
Interest paid / received		30	4
Other Gains & Losses		0	(1)
(Increase)/decrease in inventories	13	(1,010)	(6,292)
(Increase)/decrease in trade & other receivables	14	(58,574)	(57,797)
Increase/(decrease) in trade & other payables	16	49,384	209,947
Provisions utilised		0	(8,273)
Increase/(decrease) in provisions		0	(1,754)
Net Cash Inflow (Outflow) from Operating Activities		**(4,609,234)**	(3,054,139)
Net Cash Inflow (Outflow) before Financing		**(4,609,234)**	(3,054,139)
Cash Flows from Financing Activities			
Drawdown Funding Received		4,610,642	3,054,884
Repayment of lease liabilities		(383)	(165)
Net Cash Inflow (Outflow) from Financing Activities		**4,610,259**	3,054,719
Net Increase (Decrease) in Cash & Cash Equivalents	15	**1,025**	580
Cash & Cash Equivalents at the Beginning of the Financial Year		**580**	0
Cash & Cash Equivalents (including bank overdrafts) at the End of the Financial Year		**1,605**	580

The notes on pages 5 to 31 form part of this statement

Notes to the financial statements

1 **Accounting Policies**

NHS England has directed that the financial statements of Integrated Care Boards (ICBs) shall meet the accounting requirements of the Group Accounting Manual issued by the Department of Health and Social Care. Consequently, the following financial statements have been prepared in accordance with the Group Accounting Manual 2023-24 issued by the Department of Health and Social Care. The accounting policies contained in the Group Accounting Manual follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to Integrated Care Boards, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the Group Accounting Manual permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the ICB for the purpose of giving a true and fair view has been selected. The particular policies adopted by the ICB are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 **Going Concern**

These accounts have been prepared on a going concern basis despite the issue of a report to the Secretary of State for Health and Social Care under Section 30 of the Local Audit and Accountability Act 2014.
Public sector bodies are assumed to be a going concern where the continuation of the provision of a service in the future is anticipated, as evidenced by inclusion of financial provision for that service in published documents.
The financial statements for ICBs are prepared on a Going Concern basis as they will continue to provide the services in the future.

1.2 **Accounting Convention**

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

1.3 **Movement of Assets within the Department of Health and Social Care Group**

As Public Sector Bodies are deemed to operate under common control, business reconfigurations within the Department of Health and Social Care Group are outside the scope of IFRS 3 Business Combinations. Where functions transfer between two public sector bodies, the Department of Health and Social Care GAM requires the application of absorption accounting. Absorption accounting requires that entities account for their transactions in the period in which they took place, with no restatement of performance required when functions transfer within the public sector. Where assets and liabilities transfer, the gain or loss resulting is recognised in the Statement of Comprehensive Net Expenditure, and is disclosed separately from operating costs.

Other transfers of assets and liabilities within the Department of Health and Social Care Group are accounted for in line with IAS 20 and similarly give rise to income and expenditure entries.

1.4 **Joint arrangements**

Arrangements over which the ICB has joint control with one or more other entities are classified as joint arrangements. Joint control is the contractually agreed sharing of control of an arrangement. A joint arrangement is either a joint operation or a joint venture.

A joint operation exists where the parties that have joint control have rights to the assets and obligations for the liabilities relating to the arrangement. Where the ICB is a joint operator it recognises its share of, assets, liabilities, income and expenses in its own accounts.
The ICB's pooled budget arrangements are considered to fall under the provisions of a joint operation.
A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint ventures are recognised as an investment and accounted for using the equity method.
The ICB does not consider itself to be involved in any joint ventures.

1.5 **Pooled Budgets**

The ICB has entered into pooled budget arrangements with local authorities in Lancashire and Cumbria. Under the arrangements, funds are pooled in respect of services for adults with learning disabilities, services to support integrated hospital discharges and the Better Care Fund (BCF) initiative. The BCF is designed to create a local single pooled budget to incentivise the NHS and local government to work more closely together around people, placing their well-being as the focus of health and care services.
Note 21 to the accounts provides details of the ICB's share of the assets, liabilities, income and expenditure for the ICB's pooled fund arrangements.

1.6 **Operating Segments**

The ICB considers itself to have one operating segment which is healthcare for its population.

1.7 **Revenue**

In the application of IFRS 15 a number of practical expedients offered in the Standard have been employed. These are as follows:
• As per paragraph 121 of the Standard, the ICB will not disclose information regarding performance obligations part of a contract that has an original expected duration of one year or less,

• The ICB is to similarly not disclose information where revenue is recognised in line with the practical expedient offered in paragraph B16 of the Standard where the right to consideration corresponds directly with value of the performance completed to date.

• The FReM has mandated the exercise of the practical expedient offered in C7(a) of the Standard that requires the ICB to reflect the aggregate effect of all contracts modified before the date of initial application.

The main source of funding for the ICBs is from NHS England. This is drawn down and credited to the general fund. Funding is recognised in the period in which it is received.

Revenue in respect of services provided is recognised when (or as) performance obligations are satisfied by transferring promised services to the customer, and is measured at the amount of the transaction price allocated to that performance obligation.

Where income is received for a specific performance obligation that is to be satisfied in the following year, that income is deferred.

Payment terms are standard reflecting cross government principles.

The value of the benefit received when the ICB accesses funds from the Government's apprenticeship service are recognised as income in accordance with IAS 20, Accounting for Government Grants. Where these funds are paid directly to an accredited training provider, non-cash income and a corresponding non-cash training expense are recognised, both equal to the cost of the training funded.

Notes to the financial statements

1.8 **Employee Benefits**

1.8.1 **Short-term Employee Benefits**

Salaries, wages and employment-related payments, including payments arising from the apprenticeship levy, are recognised in the period in which the service is received from employees, including bonuses earned but not yet taken.

The cost of leave earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

1.8.2 **Retirement Benefit Costs**

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the ICB commits itself to the retirement, regardless of the method of payment.

The schemes are subject to a full actuarial valuation every four years and an accounting valuation every year.

1.9 **Other Expenses**

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

1.10 **Grants Payable**

Where grant funding is not intended to be directly related to activity undertaken by a grant recipient in a specific period, the ICB recognises the expenditure in the period in which the grant is paid. All other grants are accounted for on an accruals basis.

1.11 **Property, Plant & Equipment**

1.11.1 **Recognition**

Property, plant and equipment is capitalised if:

- It is held for use in delivering services or for administrative purposes;
- It is probable that future economic benefits will flow to, or service potential will be supplied to the ICB;
- It is expected to be used for more than one financial year;
- The cost of the item can be measured reliably; and,
- The item has a cost of at least £5,000; or,
- Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or,
- Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

1.11.2 **Measurement**

All property, plant and equipment is measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Assets that are held for their service potential and are in use are measured subsequently at their current value in existing use. Assets that were most recently held for their service potential but are surplus are measured at fair value where there are no restrictions preventing access to the market at the reporting date.

Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use; and,
- Specialised buildings – depreciated replacement cost.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowings costs. Assets are re-valued and depreciation commences when they are brought into use.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful economic lives or low values or both, as this is not considered to be materially different from current value in existing use.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit are taken to expenditure. Gains and losses recognised in the revaluation reserve are reported as other comprehensive income in the Statement of Comprehensive Net Expenditure.

1.11.3 **Subsequent Expenditure**

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any existing carrying value of the item replaced is written-out and charged to operating expenses.

Notes to the financial statements

1.12 **Intangible Assets**

1.12.1 **Recognition**

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the ICB's business or which arise from contractual or other legal rights. They are recognised only:

- When it is probable that future economic benefits will flow to, or service potential be provided to, the ICB;
- Where the cost of the asset can be measured reliably; and,
- Where the cost is at least £5,000.

Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised but is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use;
- The intention to complete the intangible asset and use it;
- The ability to sell or use the intangible asset;
- How the intangible asset will generate probable future economic benefits or service potential;
- The availability of adequate technical, financial and other resources to complete the intangible asset and sell or use it; and,
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

1.12.2 **Measurement**

Intangible assets acquired separately are initially recognised at cost. The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred. Expenditure on development is capitalised when it meets the requirements set out in IAS 38.

Following initial recognition, intangible assets are carried at current value in existing use by reference to an active market, or, where no active market exists, at the lower of amortised replacement cost or the value in use where the asset is income generating . Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances. Revaluations and impairments are treated in the same manner as for property, plant and equipment.

1.12.3 **Depreciation, Amortisation & Impairments**

Freehold land, properties under construction, and assets held for sale are not depreciated.
Otherwise, depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the ICB expects to obtain economic benefits or service potential from the asset. This is specific to the ICB and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over the shorter of the lease term and the estimated useful life.

At each reporting period end, the ICB checks whether there is any indication that any of its property, plant and equipment assets or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually.

A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit are taken to expenditure. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been determined had there been no initial impairment loss. The reversal of the impairment loss is credited to expenditure to the extent of the decrease previously charged there and thereafter to the revaluation reserve.

1.13 **Donated Assets**

Donated non-current assets are capitalised at current value in existing use, if they will be held for their service potential, or otherwise at fair value on receipt, with a matching credit to income. They are valued, depreciated and impaired as described above for purchased assets. Gains and losses on revaluations, impairments and sales are treated in the same way as for purchased assets. Deferred income is recognised only where conditions attached to the donation preclude immediate recognition of the gain.

1.14 **Government grant funded assets**

Government grant funded assets are capitalised at current value in existing use, if they will be held for their service potential, or otherwise at fair value on receipt, with a matching credit to income. Deferred income is recognised only where conditions attached to the grant preclude immediate recognition of the gain.

1.15 **Non-current Assets Held For Sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when:

- The sale is highly probable;
- The asset is available for immediate sale in its present condition; and,
- Management is committed to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the Statement of Comprehensive Net Expenditure. On disposal, the balance for the asset on the revaluation reserve is transferred to the general reserve.

Property, plant and equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead, it is retained as an operational asset and its economic life is adjusted. The asset is de-recognised when it is scrapped or demolished.

Notes to the financial statements

1.16 **Leases**

A lease is a contract, or part of a contract, that conveys the right to control the use of an asset for a period of time in exchange for consideration.
The ICB assesses whether a contract is or contains a lease, at inception of the contract.

1.16.1 **The ICB as Lessee**

A right-of-use asset and a corresponding lease liability are recognised at commencement of the lease.
The lease liability is initially measured at the present value of the future lease payments, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the prescribed HM Treasury discount rates are used as the incremental borrowing rate to discount future lease payments.

Lease payments included in the measurement of the lease liability comprise
-Fixed payments;
-Variable lease payments dependent on an index or rate, initially measured using the index or rate at commencement;
-The amount expected to be payable under residual value guarantees;
-The exercise price of purchase options, if it is reasonably certain the option will be exercised; and
-Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and are recognised as an expense in the period in which the event or condition that triggers those payments occurs.

The lease liability is subsequently measured by increasing the carrying amount for interest incurred using the effective interest method and decreasing the carrying amount to reflect the lease payments made. The lease liability is remeasured, with a corresponding adjustment to the right-of-use asset, to reflect any reassessment of or modification made to the lease.

The right-of-use asset is initially measured at an amount equal to the initial lease liability adjusted for any lease prepayments or incentives, initial direct costs or an estimate of any dismantling, removal or restoring costs relating to either restoring the location of the asset or restoring the underlying asset itself, unless costs are incurred to produce inventories.

The subsequent measurement of the right-of-use asset is consistent with the principles for subsequent measurement of property, plant and equipment. Accordingly, right-of-use assets that are held for their service potential and are in use are subsequently measured at their current value in existing use.

Right-of-use assets for leases that are low value or short term and for which current value in use is not expected to fluctuate significantly due to changes in market prices and conditions are valued at depreciated historical cost as a proxy for current value in existing use.

Other than leases for assets under construction and investment property, the right-of-use asset is subsequently depreciated on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. The right-of-use asset is tested for impairment if there are any indicators of impairment and impairment losses are accounted for as described in the 'Depreciation, amortisation and impairments' policy.

Peppercorn leases are defined as leases for which the consideration paid is nil or nominal (that is, significantly below market value). Peppercorn leases are in the scope of IFRS 16 if they meet the definition of a lease in all aspects apart from containing consideration.

For peppercorn leases a right-of-use asset is recognised and initially measured at current value in existing use. The lease liability is measured in accordance with the above policy. Any difference between the carrying amount of the right-of-use asset and the lease liability is recognised as income as required by IAS 20 as interpreted by the FReM.

Leases of low value assets (value when new less than £5,000) and short-term leases of 12 months or less are recognised as an expense on a straight-line basis over the term of the lease.

1.17 **Inventories**

Inventories are valued at the lower of cost and net realisable value.

1.18 **Cash & Cash Equivalents**

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the ICB's cash management.

1.19 **Provisions**

Provisions are recognised when the ICB has a present legal or constructive obligation as a result of a past event, it is probable that the ICB will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using HM Treasury's discount rate as follows:

All general provisions are subject to four separate discount rates according to the expected timing of cashflows from the Statement of Financial Position date:

• A nominal short-term rate of 4.26% (2022-23: 3.27%) for inflation adjusted expected cash flows up to and including 5 years from Statement of Financial Position date.
• A nominal medium-term rate of 4.03% (2022-23: 3.20%) for inflation adjusted expected cash flows over 5 years up to and including 10 years from the Statement of Financial Position date.
• A nominal long-term rate of 4.72% (2022-23: 3.51%) for inflation adjusted expected cash flows over 10 years and up to and including 40 years from the Statement of Financial Position date.
• A nominal very long-term rate of 4.40% (2022-23: 3.00%) for inflation adjusted expected cash flows exceeding 40 years from the Statement of Financial Position date.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

A restructuring provision is recognised when the ICB has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with on-going activities of the entity.

Notes to the financial statements

1.20 **Clinical Negligence Costs**
NHS Resolution operates a risk pooling scheme under which the ICB pays an annual contribution to NHS Resolution, which in return settles all clinical negligence claims. The contribution is charged to expenditure. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with ICB.

1.21 **Non-clinical Risk Pooling**
The ICB participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the ICB pays an annual contribution to the NHS Resolution and, in return, receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses as and when they become due.

1.22 **Contingent liabilities and contingent assets**
A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the ICB, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.
A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the ICB. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingent liabilities and contingent assets are disclosed at their present value.

1.23 **Financial Assets**
Financial assets are recognised when the ICB becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

Financial assets are classified into the following categories:
- Financial assets at amortised cost;
- Financial assets at fair value through other comprehensive income and ;
- Financial assets at fair value through profit and loss.

The classification is determined by the cash flow and business model characteristics of the financial assets, as set out in IFRS 9, and is determined at the time of initial recognition. The ICB considers all financial assets held in 2023-24 to be classified as financial assets held at amortised cost.

1.23.1 **Financial Assets at Amortised cost**
Financial assets measured at amortised cost are those held within a business model whose objective is achieved by collecting contractual cash flows and where the cash flows are solely payments of principal and interest. This includes most trade receivables and other simple debt instruments. After initial recognition these financial assets are measured at amortised cost using the effective interest method less any impairment. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the life of the financial asset to the gross carrying amount of the financial asset.

1.23.2 **Financial assets at fair value through other comprehensive income**
A financial asset is measured at fair value through other comprehensive income where business model objectives are met by both collecting contractual cash flows and selling financial assets and where the cash flows are solely payments of principal and interest. Movements in the fair value of financial assets in this category are recognised as gains or losses in other comprehensive income except for impairment losses. On derecognition, cumulative gains and losses previously recognised in other comprehensive income are reclassified from equity to income and expenditure, except where the ICB elected to measure an equity instrument in this category on initial recognition.

1.23.3 **Financial assets at fair value through profit and loss**
Financial assets measured at fair value through profit or loss are those that are not otherwise measured at amortised cost or at fair value through other comprehensive income. This category also includes financial assets and liabilities acquired principally for the purpose of selling in the short term (held for trading) and derivatives. Derivatives which are embedded in other contracts, but which are separable from the host contract are measured within this category. Movements in the fair value of financial assets and liabilities in this category are recognised as gains or losses in the Statement of Comprehensive income.

1.23.4 **Impairment of financial assets**
For all financial assets measured at amortised cost or at fair value through other comprehensive income (except equity instruments designated at fair value through other comprehensive income), lease receivables and contract assets or assets measured at fair value through other comprehensive income, the ICB recognises a loss allowance representing the expected credit losses on the financial asset.

The ICB adopts the simplified approach to impairment in accordance with IFRS 9, and measures the loss allowance for trade receivables, lease receivables and contract assets at an amount equal to lifetime expected credit losses. For other financial assets, the loss allowance is measured at an amount equal to lifetime expected credit losses if the credit risk on the financial instrument has increased significantly since initial recognition (stage 2) and otherwise at an amount equal to 12 month expected credit losses (stage 1).

HM Treasury has ruled that central government bodies may not recognise stage 1 or stage 2 impairments against other government departments, their executive agencies, the Bank of England, Exchequer Funds and Exchequer Funds assets where repayment is ensured by primary legislation. The ICB therefore does not recognise loss allowances for stage 1 or stage 2 impairments against these bodies. Additionally Department of Health and Social Care provides a guarantee of last resort against the debts of its arm's lengths bodies and NHS bodies and the ICB does not recognise allowances for stage 1 or stage 2 impairments against these bodies.

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Notes to the financial statements

1.24 **Financial Liabilities**
Financial liabilities are recognised on the statement of financial position when the ICB becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

1.24.1 **Financial Guarantee Contract Liabilities**
Financial guarantee contract liabilities are subsequently measured at the higher of:
· The premium received (or imputed) for entering into the guarantee less cumulative amortisation; and,
· The amount of the obligation under the contract, as determined in accordance with IAS 37: Provisions, Contingent Liabilities and Contingent Assets.

1.24.2 **Financial Liabilities at Fair Value Through Profit and Loss**
Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial liabilities at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the ICB's surplus/deficit. The net gain or loss incorporates any interest payable on the financial liability.

1.24.3 **Other Financial Liabilities**
After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method, except for loans from Department of Health and Social Care, which are carried at historic cost. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

1.25 **Value Added Tax**
Most of the activities of the ICB are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.26 **Foreign Currencies**
The ICB's functional currency and presentational currency is pounds sterling and amounts are presented in thousands of pounds unless expressly stated otherwise. Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the spot exchange rate on 31 March. Resulting exchange gains and losses for either of these are recognised in the ICB's surplus/deficit in the period in which they arise.

1.27 **Third Party Assets**
Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the ICB has no beneficial interest in them.

1.28 **Losses & Special Payments**
Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled.

Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the ICB not been bearing its own risks (with insurance premiums then being included as normal revenue expenditure).

1.29 **Critical accounting judgements and key sources of estimation uncertainty**
In the application of the ICB's accounting policies, management is required to make various judgements, estimates and assumptions. These are regularly reviewed.

1.29.1 **Critical accounting judgements in applying accounting policies**
The following are the judgements, apart from those involving estimations, that management has made in the process of applying the ICB's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.
The ICB's management has reviewed the organisation's lease arrangements and judged that there are no additional right of use assets to be recognised in the financial statements under IFRS16: leases in 2023-24.

1.29.2 **Sources of estimation uncertainty**
The following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.
There are a number of accruals within the Statement of Financial Position where estimation techniques are applied. This is because the outturn information is not available at the time of preparation of the financial statements. Examples of significant accruals in the ICB's accounts involving estimates are prescribing costs and continuing healthcare costs.

1.3 **Gifts**
Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

1.31 **New and revised IFRS Standards in issue but not yet effective**

● IFRS 14 Regulatory Deferral Accounts – Not UK-endorsed. Applies to first time adopters of IFRS after 1 January 2016. Therefore, not applicable to DHSC group bodies.
● IFRS 17 Insurance Contracts – Application required for accounting periods beginning on or after 1 January 2023. Standard is not yet adopted by the FReM which is expected to be April 2025: early adoption is not therefore permitted. It is not expected that adoption of this standard would have a material impact on the ICB accounts.
● IFRS 18 Presentation and Disclosure in Financial Statements was issued in April 2024 and applies to periods beginning on or after 1 January 2027. The standard has not yet been adopted by FRAB for inclusion within the FREM and therefore it is not yet possible to confirm how this will impact on the ICB accounts in the future.

2 Financial performance targets

The Integrated Care Board has a number of financial duties under the NHS Act 2006 (as amended).
Performance against those duties was as follows:

	2023-24 Target £000s	2023-24 Performance £000s	Target Achieved
Expenditure not to exceed income	4,565,008	4,653,954	No
Revenue resource use does not exceed the amount specified in Directions	4,510,480	4,599,426	No
Revenue administration resource use does not exceed the amount specified in Directions	36,090	26,816	Yes

There has been no capital resource allocated to the ICB for its own capital projects in 2023-24.

The ICB, in line with the financial position discussed with NHS England, has delivered a deficit position of £89M in 2023/24 and therefore utilsed more resource in year than was allocated to it. This is a breach of the ICB's financial duty to spend within its revenue resource limit and results in the ICB's external auditors issuing both a qualified regularity opinion and a referral to the Secretary of State under Section 30(b) of the Local Audit and Accountability Act 2014. For further details please refer to the Financial Performance section of the ICB's Annual Report.

	2022-23 Target £000s	2022-23 Performance £000s	Target Achieved
Expenditure not to exceed income	3,045,170	3,045,170	Yes
Capital resource use does not exceed the amount specified in Directions	3,504	3,383	Yes
Revenue resource use does not exceed the amount specified in Directions	3,043,217	3,043,217	Yes
Revenue administration resource use does not exceed the amount specified in Directions	26,450	26,372	Yes

3 Other Operating Revenue

	2023-24 Total £'000	2022-23 Total £'000
Income from sale of goods and services (contracts)		
Education, training and research	**742**	1,961
Non-patient care services to other bodies	**2,789**	1,561
Prescription fees and charges	**24,706**	17,520
Dental fees and charges	**24,331**	0
Other Contract income	**104**	11
Total Income from sale of goods and services	**52,672**	**21,053**
Other operating income		
Other non contract revenue	**1,856**	6,881
Total Other operating income	**1,856**	**6,881**
Total Operating Income	**54,528**	**27,934**

4.1 Disaggregation of Income - Income from sale of good and services (contracts)

	Education, training and research	Non-patient care services to other bodies	Prescription fees and charges	Dental fees and charges	Other Contract income
	£'000	£'000	£'000	£'000	£'000
Source of Revenue					
NHS	742	0	0	0	78
Non NHS	0	2,789	24,706	24,331	26
Total	**742**	**2,789**	**24,706**	**24,331**	**104**

	Education, training and research	Non-patient care services to other bodies	Prescription fees and charges	Dental fees and charges	Other Contract income
	£'000	£'000	£'000	£'000	£'000
Timing of Revenue					
Point in time	742	2,789	24,706	24,331	104
Over time	0	0	0	0	0
Total	**742**	**2,789**	**24,706**	**24,331**	**104**

4.2 Fees and Charges

NHS England certifies that it has complied with the HM Treasury guidance on cost allocation and the setting of charges. The following table provides details of income generation activities whose full cost exceeded £1 million or was otherwise material:

		Income	Full Cost	Surplus/ (deficit)
2023/24	**Note**	**£000**	**£000**	**£000**
Dental	3 & 6	24,331	(109,826)	(85,495)
Prescription	3 & 6	24,706	(411,512)	(386,806)
Total fees and charges		**49,037**	**(521,338)**	**(472,301)**

		Income	Full Cost	Surplus/ (deficit)
2022/23	**Note**	**£000**	**£000**	**£000**
Dental	3 & 6	-	-	-
Prescription	3 & 6	17,520	(296,053)	(278,533)
Total fees and charges		**17,520**	**(296,053)**	**(278,533)**

The fees and charges information in this note is provided in accordance with the Government Financial Reporting Manual. It is provided for fees and charges purposes and not for International Financial Reporting Standards (IFRS) 8 purposes.

The financial objective of prescription and dental charges is to collect charges only from those patients that are eligible to pay.

Prescription charges are a contribution to the cost of pharmaceutical services including the supply of drugs. In 2023/24, the NHS prescription charge for each medicine or appliance dispensed was £9.65 (2022/23 £9.35). However, around 90% of prescription items are dispensed free each year where patients are exempt from charges*. In addition, patients who were eligible to pay charges could purchase pre-payment certificates in 2023/24 at £31.25 (2022/23 £30.25) for 3 months or £111.60 (2022/23 £108.10) for a year. A number of other charges were payable for wigs and fabric supports.

Those who are not eligible for exemption are required to pay NHS dental charges which fall into 3 bands depending on the level and complexity of care provided. In 2023/24, the charge for Band 1 treatments was £25.80 (2022/23 £23.80), for Band 2 was £70.70 (2022/23 £65.20) and for Band 3 was £306.80 (2022/23 £282.80).

The ICB received delegated responsibility for commissioning dental services from NHS England on 1st April 2023. The above table does not therefore include 2022/23 comparators for dental.

** Prescriptions Dispensed in the Community - Statistics for England, 2007 - 2017*
https://digital.nhs.uk/data-and-information/publications/statistical/prescriptions-dispensed-in-the-community

5. Employee benefits and staff numbers

5.1 Employee benefits

	Total Permanent Employees £'000	Other £'000	2023-24 Total £'000
Employee Benefits			
Salaries and wages	30,614	4,267	**34,881**
Social security costs	3,770	0	**3,770**
Employer Contributions to NHS Pension scheme	5,989	0	**5,989**
Apprenticeship Levy	150	0	**150**
Termination benefits	309	0	**309**
Employee benefits expenditure	**40,832**	**4,267**	**45,099**

	Total Permanent Employees £'000	Other £'000	2022-23 Total £'000
Employee Benefits			
Salaries and wages	20,560	3,639	**24,199**
Social security costs	2,395	0	**2,395**
Employer Contributions to NHS Pension scheme	3,542	0	**3,542**
Apprenticeship Levy	31	0	**31**
Termination benefits	2,698	0	**2,698**
Employee benefits expenditure	29,226	3,639	**32,865**

5.2 Average number of people employed

	Permanently employed Number	Other Number	Total Number
2023-24 Total	**572.97**	**42.76**	**615.73**
2022-23 Total	**446.27**	**46.56**	**492.83**

There has been an increase in permanent whole-time equivalents employed by the ICB in 2023/24. The increase is due to movement of staff into the ICB under the Transfer of Undertakings (Protection of Employment) regulations (TUPE), for a number of service areas, including Communication and Engagement, Finance, Complaints, Quality and Continuing Healthcare. There has also been additional recruitment in some service areas in year, including Continuing Healthcare.

5.3 Exit packages agreed in the financial year

	2023-24 Compulsory redundancies		**2023-24 Other agreed departures**		**2023-24 Total**	
	Number	**£**	**Number**	**£**	**Number**	**£**
Less than £10,000	0	0	2	3,700	2	3,700
£10,001 to £25,000	0	0	0	0	0	0
£25,001 to £50,000	0	0	1	42,329	1	42,329
£50,001 to £100,000	0	0	2	140,000	2	140,000
£100,001 to £150,000	1	122,801	0	0	1	122,801
£150,001 to £200,000	0	0	0	0	0	0
Total	**1**	**122,801**	**5**	**186,029**	**6**	**308,830**

	2022-23 Compulsory redundancies		2022-23 Other agreed departures		2022-23 Total	
	Number	£	Number	£	Number	£
Less than £10,000	1	4,385	5	27,544	6	31,929
£10,001 to £25,000	2	33,740	10	168,977	12	202,717
£25,001 to £50,000	0	0	19	671,308	19	671,308
£50,001 to £100,000	0	0	18	1,152,448	18	1,152,448
£100,001 to £150,000	0	0	0	0	0	0
£150,001 to £200,000	4	640,000	0	0	4	640,000
Total	**7**	**678,125**	**52**	**2,020,277**	**59**	**2,698,402**

Analysis of Other Agreed Departures

	2023-24 Other agreed departures		2022-23 Other agreed departures	
	Number	**£**	Number	£
Mutually agreed resignations (MARS) contractual costs	4	184,629	46	1,830,423
Contractual payments in lieu of notice	1	1,400	6	189,854
Total	**5**	**186,029**	**52**	**2,020,277**

Redundancy and other departure costs have been paid in accordance with the provisions of Agenda for Change.

Exit costs are accounted for in accordance with relevant accounting standards and in full in the year of departure.

Where entities have agreed early retirements, the additional costs are met by NHS Entities and not by the NHS Pension Scheme, and are included in the tables. Ill-health retirement costs are met by the NHS Pension Scheme and are not included in the tables.
The ICB has had one early retirement on the grounds of ill-health during 2023-24 (nil, 2022-23). The estimated resulting additional pension liability borne by the NHS Pension Scheme is £32k (nil, 2022-23).

5.4 Pension costs

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

5.4.1 Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2024, is based on valuation data as at 31 March 2023, updated to 31 March 2024 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the Statement by the Actuary, which forms part of the annual NHS Pension Scheme Annual Report and Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

5.4.2 Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from 1 April 2024 to 23.7% of pensionable pay (previously 20.6%). The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

6. Operating expenses

	2023-24 Total £'000	2022-23 Total £'000
Purchase of goods and services		
Services from other ICBs and NHS England	17,007	20,927
Services from foundation trusts	2,000,551	1,378,292
Services from other NHS trusts	857,082	588,654
Purchase of healthcare from non-NHS bodies	683,253	426,110
Purchase of social care	94,750	34,516
General dental services and personal dental services	109,826	0
Prescribing costs	344,114	246,002
Pharmaceutical services	67,398	50,051
General ophthalmic services	17,986	80
GPMS/APMS and PCTMS	375,879	261,929
Supplies and services – clinical	402	811
Supplies and services – general	9,126	11,949
Consultancy services	619	339
Establishment	6,441	3,207
Transport	(6)	312
Premises	17,691	11,669
Audit fees	241	290
Other non statutory audit expenditure		
· Internal audit services*	115	-
· Other services	50	42
Other professional fees	3,005	2,174
Legal fees	798	456
Education, training and conferences	211	394
Total Purchase of goods and services	**4,606,539**	**3,038,204**
Depreciation and impairment charges		
Depreciation	362	165
Amortisation	0	28
Total Depreciation and impairment charges	**362**	**193**
Provision expense		
Provisions	0	(1,754)
Total Provision expense	**0**	**(1,754)**
Other Operating Expenditure		
Chair and Non Executive Members	218	166
Grants to Other bodies	1,705	1,444
Inventories consumed	0	29
Other expenditure	1	0
Total Other Operating Expenditure	**1,924**	**1,639**
Total operating expenditure	**4,608,825**	**3,038,282**

* The ICB's internal audit services are provided by Mersey Internal Audit Agency (MIAA) which is a hosted service of Liverpool University Hospitals NHS Foundation Trust. In the ICB's 2022/23 accounts, internal audit fees of £158k were included within the 'Services from foundation trusts' line of the expenditure analysis.

The Integrated Care Board's contract with its external auditors (KPMG LLP) provides for a limitation of the auditor's liability. The principal terms of this limitation are as follows:
Liability for all defaults resulting in direct loss or damage to the property of the other party shall be subject to a limit of £1M. In respect of all other defaults, claims, losses or damages the liability shall not exceed £1M.

7 Payment Compliance Reporting

7.1 Better Payment Practice Code

Measure of compliance	**2023-24 Number**	**2023-24 £'000**	2022-23 Number	2022-23 £'000
Non-NHS Payables				
Total Non-NHS Trade invoices paid in the Year	144,970	1,339,247	110,454	866,162
Total Non-NHS Trade Invoices paid within target	144,334	1,299,531	109,891	842,139
Percentage of Non-NHS Trade invoices paid within target	**99.56%**	**97.03%**	**99.49%**	**97.23%**
NHS Payables				
Total NHS Trade Invoices Paid in the Year	4,400	2,886,150	4,981	2,016,998
Total NHS Trade Invoices Paid within target	4,275	2,873,853	4,945	2,011,676
Percentage of NHS Trade Invoices paid within target	**97.16%**	**99.57%**	**99.28%**	**99.74%**

8. Other gains and losses

	2023-24 £'000	2022-23 £'000
Gain/(loss) on disposal of right-of-use assets other than by sale	0	(1)
Total	**0**	**(1)**

9 Finance costs

	2023-24 £'000	2022-23 £'000
Interest		
Interest on lease liabilities	30	4
Total interest	**30**	**4**
Total finance costs	**30**	**4**

10. Net gain/(loss) on transfer by absorption

	2023-24	2022-23
	Total	
	£'000	**£'000**
Transfer of Right of Use assets	0	326
Transfer of intangibles	0	28
Transfer of inventories	0	6,321
Transfer of cash and cash equivalents	0	898
Transfer of receivables	0	13,934
Transfer of payables	0	(168,005)
Transfer of provisions	0	(10,027)
Transfer of Right Of Use liabilities	0	(326)
Transfer of PUPOC provision	0	(98)
Net loss on transfers by absorption	**0**	**(156,949)**

Transfers as part of a reorganisation fall to be accounted for by use of absorption accounting in line with the Government Financial Reporting Manual, issued by HM Treasury. The Government Financial Reporting Manual does not require retrospective adoption, so prior year transactions (which have been accounted for under merger accounting) have not been restated. Absorption accounting requires that entities account for their transactions in the period in which they took place, with no restatement of performance required when functions transfer within the public sector. Where assets and liabilities transfer, the gain or loss resulting is recognised in the Statement of Comprehensive Net Expenditure, and is disclosed separately from operating costs.

11 Leases

The ICB's right-of-use assets and associated lease liabilities reflect lease arrangements associated with ICB headquarters accommodation.

All lease liabilities are with external counterparties i.e. outside of the NHS and DHSC group.

11.1 Right-of-use assets

2023-24	Buildings excluding dwellings £'000	Total £'000
Cost or valuation at 01 April 2023	3,385	3,385
Accumulated depreciation at 01 April 2023	2	2
Net Book Value at 01 April 2023	**3,383**	**3,383**
Depreciation charged during the year	**362**	**362**
Accumulated depreciation at 31 March 2024	364	364
Net Book Value at 31 March 2024	**3,021**	**3,021**

11.2 Lease liabilities

	2023-24 £'000	2022-23 £'000
Lease liabilities at 01 April 2023	(3,387)	0
Additions purchased	0	(3,385)
Interest expense relating to lease liabilities	(30)	(4)
Repayment of lease liabilities (including interest)	383	165
Disposals on expiry of lease term	0	163
Transfer (to) from other public sector body	0	(326)
Lease liabilities at 31 March 2024	**(3,034)**	**(3,387)**

11.3 Lease liabilities - Maturity analysis of undiscounted future lease payments

	2023-24 £'000	2022-23 £'000
Within one year	(384)	(548)
Between one and five years	(1,440)	(1,467)
After five years	(1,440)	(1,686)
Balance at 31 March 2024	**(3,264)**	**(3,701)**

11.4 Amounts recognised in Statement of Comprehensive Net Expenditure

	2023-24 £'000	2022-23 £'000
Depreciation expense on right-of-use assets	362	165
Interest expense on lease liabilities	30	4

11.5 Amounts recognised in Statement of Cash Flows

	2023-24 £'000	2022-23 £'000
Total cash outflow on leases under IFRS 16	383	165

12 Intangible non-current assets

The ICB has a fully depreciated intangible non-current asset in respect of computer software. A review of the continued use of this software by the ICB will take place in 2024-25.

2023-24	Computer Software: Purchased £'000	Total £'000
Cost or valuation at 01 April 2023	**188**	**188**
Cost / Valuation At 31 March 2024	**188**	**188**
Amortisation 01 April 2023	**188**	**188**
Amortisation At 31 March 2024	**188**	**188**
Net Book Value at 31 March 2024	**0**	**0**

13 Inventories

	Loan Equipment
	£'000
Balance at 01 April 2023	6,292
Additions	1,010
Balance at 31 March 2024	**7,302**

14.1 Trade and other receivables	**Current 2023-24 £'000**	Current 2022-23 £'000
NHS receivables: Revenue	2,314	9,354
NHS prepayments	260	152
NHS accrued income	161	163
Non-NHS and Other WGA receivables: Revenue	78,014	32,756
Non-NHS and Other WGA prepayments	560	4,980
Non-NHS and Other WGA accrued income	20,545	10,136
Non-NHS and Other WGA Contract Receivable not yet invoiced/non-invoice	14,095	0
VAT	415	125
Other receivables and accruals	7	131
Total Trade & other receivables	**116,371**	**57,797**

14.2 Receivables past their due date but not impaired

	2023-24 DHSC Group Bodies	**2023-24 Non DHSC Group Bodies**	2022-23 DHSC Group Bodies	2022-23 Non DHSC Group Bodies
	£'000	**£'000**	£'000	£'000
By up to three months	3,444	30,080	459	5,157
By three to six months	69	8,008	27	3,648
By more than six months	39	23,227	82	96
Total	**3,552**	**61,315**	**568**	**8,901**

The ICB reviewed its financial assets at 31 March 2024 and did not consider it to be necessary to provide for losses based on its portfolio.
The overdue balances with Non-DHSC group bodies include debtors with local authority partner organisations.

15 Cash and cash equivalents

	2023-24 £'000	2022-23 £'000
Balance at 01 April 2023	580	0
Net change in year	1,025	580
Balance at 31 March 2024	**1,605**	**580**
Made up of:		
Cash with the Government Banking Service	1,605	580
Cash and cash equivalents as in statement of financial position	**1,605**	**580**
Balance at 31 March 2024	**1,605**	**580**

16 Trade and other payables	**Current 2023-24 £'000**	Current 2022-23 £'000
NHS payables: Revenue	40,610	31,554
NHS accruals	11,116	7,325
Non-NHS and Other WGA payables: Revenue	81,149	46,941
Non-NHS and Other WGA accruals	116,270	99,725
Non-NHS and Other WGA deferred income	0	49
Social security costs	536	521
Tax	569	986
Other payables and accruals	9,081	22,846
Total Trade & Other Payables	**259,331**	**209,947**
Total current and non-current	**259,331**	**209,947**

Other payables include £2,658k outstanding pension contributions at 31 March 2024 (31 March 2023: £2,354k)

17 Provisions

The Integrated Care Board held no provisions as at 31 March 2024 (nil 31 March 2023).

18 Contingencies

The Integrated Care Board had no contingent liabilities as at 31 March 2024 (nil 31 March 2023).

19 Commitments

19.1 Capital commitments

The Integrated Care Board had no contracted capital commitments not otherwise included in these financial statements as at 31 March 2024 (nil 31 March 2023).

19.2 Other financial commitments

The Integrated Care Board had no non-cancellable contracts (which were not leases, private finance initiative contracts or other service concession arrangements) as at 31 March 2024 (nil 31 March 2023).

20 Financial instruments

20.1 Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities.

Because the Integrated Care Board is financed through parliamentary funding, it is not exposed to the degree of financial risk faced by business entities. Also, financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The Integrated Care Board has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Integrated Care Board in undertaking its activities.

Treasury management operations are carried out by the finance department, within parameters defined formally within the Integrated Care Board's standing financial instructions and policies agreed by the Governing Body. Treasury activity is subject to review by the Integrated Care Board and internal auditors.

20.1.1 Currency risk

The Integrated Care Board is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Integrated Care Board has no overseas operations and therefore has low exposure to currency rate fluctuations.

20.1.2 Interest rate risk

The Integrated Care Board borrows from government for capital expenditure, subject to affordability as confirmed by NHS England. The borrowings are for 1 to 25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund rate, fixed for the life of the loan. The Integrated Care Board therefore has low exposure to interest rate fluctuations.

20.1.3 Credit risk

Because the majority of the Integrated Care Board revenue comes from parliamentary funding, the Integrated Care Board has low exposure to credit risk. The maximum exposures as at the end of the financial year are in receivables from customers, as disclosed in the trade and other receivables note.

20.1.4 Liquidity risk

The Integrated Care Board is required to operate within revenue and capital resource limits, which are financed from resources voted annually by Parliament. The Integrated Care Board draws down cash to cover expenditure, as the need arises. The Integrated Care Board is not, therefore, exposed to significant liquidity risks.

20.1.5 Financial Instruments

As the cash requirements of the Integrated Care Board are met through the Estimate process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with the Integrated Care Board's expected purchase and usage requirements and the Integrated Care Board is therefore exposed to little credit, liquidity or market risk.

20.2 Financial assets

	Financial Assets measured at amortised cost 2023-24 £'000	**Total 2023-24 £'000**	Total 2022-23 £'000
Trade and other receivables with NHSE bodies	292	292	422
Trade and other receivables with other DHSC group bodies	23,810	23,810	19,257
Trade and other receivables with external bodies	91,034	91,034	32,861
Cash and cash equivalents	1,605	1,605	580
Total at 31 March 2024	**116,741**	**116,741**	53,120

20.3 Financial liabilities

	Financial Liabilities measured at amortised cost 2023-24 £'000	**Total 2023-24 £'000**	Total 2022-23 £'000
Trade and other payables with NHSE bodies	702	**702**	3,543
Trade and other payables with other DHSC group bodies	51,384	**51,384**	37,726
Trade and other payables with external bodies	209,175	**209,175**	170,509
Total at 31 March 2024	**261,261**	**261,261**	211,778

21 Joint arrangements - interests in joint operations

The ICB has entered into pooled budget arrangements for services for adults with learning disabilities, services to support integrated hospital discharges and Better Care Fund (BCF). The BCF is an integrated commissioning approach between local authorities and the ICB to help jointly plan and deliver local services.

The ICB's share of the assets, liabilities, income and expenditure handled by the pooled budget in the accounting period were:

			Amounts recognised in Entities books ONLY 2023-24				Amounts recognised in Entities books ONLY 2022-23			
Name of arrangement	**Parties to the arrangement**	**Description of principal activities**	*Assets*	*Liabilities*	*Income*	*Expenditure*	*Assets*	*Liabilities*	*Income*	*Expenditure*
			£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Learning Disabilities Pool	Lancashire County Council NHS Lancashire and South Cumbria Integrated Care Board	Services for Adults with Learning Disabilities	-	-	(2,112)	9,458	-	-	(1,564)	9,355
Learning Disabilities Pool	Cumbria County Council NHS Lancashire and South Cumbria Integrated Care Board	Services for Adults with Learning Disabilities	-	-	-	-	-	(149)	-	1,467
Better Care Fund	Lancashire County Council NHS Lancashire and South Cumbria Integrated Care Board	Services supporting the integration of Health and Social Care hosted by Lancashire County Council	-	-	(73,594)	117,572	-	(2,660)	(66,498)	78,366
Better Care Fund	Cumbria County Council NHS Lancashire and South Cumbria Integrated Care Board	Services supporting the integration of Health and Social Care hosted by Cumbria County Council	-	-	-	-	-	-	-	7,509
Better Care Fund	Blackpool Borough Council NHS Lancashire and South Cumbria Integrated Care Board	Services supporting the integration of Health and Social Care hosted by Blackpool Borough Council	-	-	(18,098)	35,647	-	-	(16,431)	16,457
Better Care Fund	Blackburn with Darwen Borough Council NHS Lancashire and South Cumbria Integrated Care Board	Services supporting the integration of Health and Social Care hosted by Blackburn with Darwen Borough Council	-	(2,050)	(5,566)	15,171	516	-	(8,173)	9,383
Hospital Discharge Fund	Lancashire County Council NHS Lancashire and South Cumbria Integrated Care Board	Services to support integrated hospital discharges	(5,351)	6,065	(5,351)	6,065	-	-	(315)	315
Hospital Discharge Fund	Cumbria County Council NHS Lancashire and South Cumbria Integrated Care Board	Services to support integrated hospital discharges	-	-	-	-	-	-	(931)	931
Hospital Discharge Fund	Blackpool Borough Council NHS Lancashire and South Cumbria Integrated Care Board	Services to support integrated hospital discharges	-	-	(837)	837	-	-	(1,982)	1,982
Hospital Discharge Fund	Blackburn with Darwen Borough Council NHS Lancashire and South Cumbria Integrated Care Board	Services to support integrated hospital discharges	(353)	353	(353)	353	-	-	(5,151)	5,151
Learning Disabilities Pool	Westmorland and Furness Council NHS Lancashire and South Cumbria Integrated Care Board	Services for Adults with Learning Disabilities	-	-	-	2,078	-	-	-	-
Hospital Discharge Fund	Westmorland and Furness Council NHS Lancashire and South Cumbria Integrated Care Board	Services to support integrated hospital discharges	(1,923)	1,923	(1,923)	1,923	-	-	-	-
Better Care Fund	Cumberland Council NHS Lancashire and South Cumbria Integrated Care Board	Services supporting the integration of Health and Social Care hosted by Cumberland Council	-	-	-	571	-	-	-	-
Better Care Fund	Westmorland and Furness Council NHS Lancashire and South Cumbria Integrated Care Board	Services supporting the integration of Health and Social Care hosted by Westmorland and Furness Council	-	-	-	8,727	-	-	-	-

22 Related party transactions

Details of related party transactions with individuals are as follows:

	Payments to Related Party £'000	Receipts from Related Party £'000	Amounts owed to Related Party £'000	Amounts due from Related Party £'000
Ebrahim Adia - Non Executive Member - Vice Chair - Pro Vice Chancellor UCLAN (University of Central Lancashire)	2	(25)	-	-
Sheena Cumiskey - Non Executive Quality Committee Member - Chief Executive Group in NHS Confederation	41	-	-	-
Aaron Cummins - ICB Partner Board Member - Chief Executive Officer, University Hospitals Trust Morecambe Bay NHS FT	461,606	-	8,157	(107)
David Flory - Chair - Chair of NHS Liverpool University Hospitals NHS Foundation Trust	17,600	-	425	-
Dr Geoff Jolliffe - Partner Member - Primary Medical Services - Wife is employed at Risedale Surgery	1,375	-	-	-
Dr Geoff Jolliffe - Partner Member - Primary Medical Services - Daughter is employed at Furness General Hospital (University Hospitals of Morecambe Bay NHS Foundation Trust)	461,606	-	8,157	(107)
Kevin McGee - Partner Member Trust/Foundation Trust Acute & Community Services - Chief Executive Lancashire Teaching Hospitals NHS Foundation	478,388	(65)	6,044	(82)
Jane O'Brien - Non Executive Member - Emeritus Professor Lancaster University	132	-	-	-
Maggie Oldham - Chief Planning, Performance and Strategy Officer - Chief Executive Officer Isle of Wight NHS Trust	19	-	242	-
Chris Oliver - Chief Executive Lancashire and South Cumbria NHS Trust - Partner Member Mental health	443,144	(64)	16,589	(596)
Chris Oliver - Chief Executive Lancashire and South Cumbria NHS Trust - Partner Member Mental health - Husband deputy director for NHS Cheshire and Merseyside ICB	-	(168)	16	(156)
Angie Ridgwell - Partner Member Local Authorities - Chief Executive Officer and Director of Resources Lancashire County Council	88,888	(2,789)	62,302	(69,893)

The above table identifies the interests and related transactions of individuals who have been ICB Board Members during 2023-24, where a financial transaction has been identified between the ICB and the organisation identified as an interest.

Please note that the above figures represent the total value of transactions between the ICB and the organisations identified as an interest. The values do not represent transactions with the individuals named.

22 Related party transactions continued

The Department of Health and Social Care is regarded as a related party.

During the period the ICB had a significant number of material transactions with entities for which the Department is regarded as the parent Department.

Those bodies not already included in the previous table with transactions greater than £1 million are:

East Lancashire Hospitals NHS Trust
North West Ambulance Service NHS Trust
Lancashire and South Cumbria NHS Foundation Trust
NHS Midlands & Lancashire CSU
Leeds Teaching Hospitals NHS Trust
Southport & Ormskirk Hospital NHS Trust
Mersey and West Lancashire Teaching Hospitals NHS Trust
Airedale NHS Foundation Trust
Alder Hey Children's NHS Foundation Trust
Blackpool Teaching Hospitals NHS Foundation Trust
Bolton NHS Foundation Trust
Bradford Teaching Hospitals NHS Foundation Trust
North Cumbria Integrated Care NHS Foundation Trust
Liverpool Heart & Chest Hospital NHS Foundation Trust
Manchester University NHS Foundation Trust
Northern Care Alliance NHS Foundation Trust
The Christie NHS Foundation Trust
Wrightington, Wigan & Leigh Teaching Hospitals NHS Foundation Trust
NHS Property Services
Community Health Partnerships
Mersey Care NHS Foundation Trust
The Walton Centre NHS Foundation Trust

In addition, the ICB has had a number of transactions with other government departments and other central and local government bodies. Government bodies with transactions greater than £1 million that are not already included in the previous table are:

Blackburn with Darwen Borough Council
Blackpool Borough Council
Westmorland and Furness Council

23 Events after the end of the reporting period

There were no events after the end of the reporting period requiring disclosure in this set of accounts.

24 Losses and special payments

The total number of the Integrated Care Board's losses and special payments cases, and their total value, was as follows:

Losses	**Total Number of Cases 2023-24 Number**	**Total Value of Cases 2023-24 £'000**	Total Number of Cases 2022-23 Number	Total Value of Cases 2022-23 £'000
Fruitless payments	0	0	5	0
Total	**0**	**0**	**5**	**0**

Special payments

	Total Number of Cases 2023-24 Number	**Total Value of Cases 2023-24 £'000**	Total Number of Cases 2022-23 Number	Total Value of Cases 2022-23 £'000
Compensation payments	1	1	0	0
Total	**1**	**1**	**0**	**0**

The compensation payment made was in respect of damaged IT property belonging to an external contractor.