

Integrated Care Board

Date of meeting	25 September 2025			
Title of paper	Finance and Contracting Committee Escalation and Assurance Report			
Presented by	Steve Igoe, Finance and Contracting Committee Chair			
Author	Board Secretary and Committee Officers			
Agenda item	12			
Confidential	No			
Executive summary				
This report highlights key matters, issues, and risks discussed at ICB Finance and Contracting Committee meeting held since the last report to the Board on 24 July 2025 to alert, advise and assure the Board. The summary report also highlights any issues, items referred or escalated to other committees or to the Board. Minutes approved by the committee to date are presented to the Board to provide assurance that they have met in accordance with their terms of reference and to advise the Board of business transacted at their meetings.				
Recommendations				
The Board is asked to: • Note the Alert, Advise and Assure from the committee report and approve any recommendations as listed. • Note the summary of items or issues referred to other committees of the Board over the reporting period, as appropriate. • Note the ratified minutes of the committee meetings.				
Which Strategic Objective/s does the report relate to:				Tick
SO1	Improve quality, including safety, clinical outcomes, and patient experience			✓
SO2	To equalise opportunities and clinical outcomes across the area			✓
SO3	Make working in Lancashire and South Cumbria an attractive and desirable option for existing and potential employees			✓
SO4	Meet financial targets and deliver improved productivity			✓
SO5	Meet national and locally determined performance standards and targets			✓
SO6	To develop and implement ambitious, deliverable strategies			✓
Implications				
	Yes	No	N/A	Comments
Associated risks		✓		
Are associated risks detailed on the ICB Risk Register?			✓	
Financial Implications			✓	
Where paper has been discussed (list other committees/forums that have discussed this paper)				
Meeting	Date			Outcomes

Finance and Contracting Committee	During July and August 2025			To provide the Board of committee business during this period.
Conflicts of interest associated with this report				
Not applicable.				
Impact assessments				
	Yes	No	N/A	Comments
Quality impact assessment completed			✓	
Equality impact assessment completed			✓	
Data privacy impact assessment completed			✓	
Report authorised by:				
	ICB Committee Chair			

Integrated Care Board – 25 September 2025

Finance and Contracting Committee Escalation and Assurance Report

1. Introduction

- 1.1 This report highlights key matters, issues, and risks discussed at ICB Finance and Contracting Committee held since the last report to the Board on 24 July 2025 to alert, advise and assure the Board.
- 1.2 The summary report also highlights any issues, items referred or escalated to other committees or to the Board.
- 1.3 Minutes approved by the committee to date are presented to the Board to provide assurance that they have met in accordance with their terms of reference and to advise the Board of business transacted at their meetings.

2. Finance and Contracting Committee Report and Approved Minutes

Date: 17 July 2025		Chair: Steve Igoe
Key items discussed		
Item or issue	Issue	Action
Alert		
All Age Continuing Care (AACC)	The Committee received its regular detailed report on AACC and progress in relation to turnaround. Good progress continues to be made on waste reduction targets. £38.6m was in implementation with plans to progress a further £12.9m of planned savings. The committee however noted concerns around delivery/execution rather than plan as evidenced by the high-risk assessment of the schemes. It was also concerned as to recent reports of increasing complaints again indicating the high-risk element of delivery.	The committee note the progress and supported continued risk mitigation and validation of remaining pipeline schemes and endorsed the use of the AACC Turnaround Plan as the formal recovery plan in line with MIAA audit recommendations. Escalate to Board to provide assurance and oversight of committee concern around delivery/execution and the high risk element of delivery.
Waste Reduction Programme (WRP)	Discussion of the current position in relation to WRP's and mitigations took place. Whilst the WRP total continues to increase, so too does the risk to delivery. Mitigations are already being used and whilst there is confidence that there is sufficient coverage for the current position, there is an increasing concern amongst committee members as to the potential for downside risk, particularly in	That the committee note the current waste reduction programme position and the ongoing efforts to drive delivery of the £142.66m target. Escalate to Board to provide assurance and oversight.

	relation to the need for actual delivery to start to increase substantially if we are to hit the planned outcomes.	
Month 3 ICB position	The committee discussed the month 3 position. After deploying mitigations of £8.2m year to date the ICB was reporting as being on plan. However, it was noted that there were pressures building arising from AACC under accruals, a pressured independent sector and an under delivery of QIPP/WRP to date. It was felt that whilst the data may be showing on plan, the risk profile had definitely deteriorated since the last month. It was agreed that this would continue to be the subject of constant review and a re forecast provided at an appropriate time.	To note
Contract monitoring	The Committee was updated on the current ICB contract position. No contract issues had been escalated to date, and it was noted that there had recently been a change in direction to payment by results for elective activity. Provider activity management plans had yet to be agreed although a financial value for contracts had been issued.	To note
Advise		
All Age Continuing Care (AACC)	The committee noted the positive metrics in relation to the delivery of the turnaround plan, however, as noted above the committee were concerned as to delivery in an increasingly challenged environment.	To note
Delivery of ICB Estates and Infrastructure Plan	The committee noted an excellent report on estates and infrastructure planning. The Director of Estates and infrastructure presented a detailed forward look on the systems estate and plans, particularly in relation to how the estate can be used to support delivery over the next 10 years, whilst recognising the challenges of flexing such an asset given the real time changes to delivery and system configuration.	To note
Provider capital update	A detailed analysis of capital available to the system was provided.	To note
Assure		
All Age Continuing Care (AACC)	The turnaround arrangements continue to demonstrate grip and control over AACC payments. The committee is fully engaged with the detail within the report from the Turnaround Director and has requested further amendments to reporting to highlight specific matters that the committee would continue to seek assurance on. The committee supported the ongoing risk	To support the ongoing work in the area

	mitigation and detailed validation of pipeline schemes.	
Grip and Control (Acute and Mental Health)	The acting CFO updated the committee on a previously circulated report proposing governance processes for oversight and any control breaches following a previous report from PWC in relation to this area. Discussion took place regarding the information discussed in IAG meetings and it was agreed that detail in relation to IAG meetings both in terms of briefing documentation and end of meeting reports would be shared with committee members. The committee asked to receive the report again once information as to the relevant controls, responsible individual and implementation date, had been added thereby enabling the committee to effectively oversee and clear this work.	To note
Waste Reduction Programme (WRP)	The committee discussed the current position in relation to the WRP programme and mitigations. The programme was showing WRP's of £183m and mitigations of £47m. The ICB is actively managing these issues and is clear on the position, although as noted above, substantial risk still exists in relation to delivery as we progress throughout the rest of this financial year.	To escalate to Board

Date: 27 August 2025		Chair: Steve Igoe
Key items discussed		
Item or issue	Issue	Action
Alert		
All Age Continuing Care (AACC)	The committee received its regular detailed report on AACC and progress in relation to turnaround. Good progress continues to be made on waste reduction targets. In relation to AACC WRP, YTD is £15.2m vs target of £12.1m. However, there are significant overspends in M4 as a result of inaccurate accruing in 24/25. This is £10m to date and there may be a further £20m outstanding, hence the substantial cost pressure. The committee noted concerns around delivery/execution rather than plan, as evidenced by the high-risk assessment of the schemes. It was also concerned as to recent reports of increasing complaints, again indicating the high-risk element of delivery.	The committee note the progress and support validation and implementation of pre-pipeline/stretch schemes to close savings gap. The committee acknowledged the impact of prior year pressures on 2025/26 financial position and supported mitigation plans. A detailed mid-year financial forecast would be presented to the committee at its 22 September 2025 meeting. Escalate to Board to provide assurance and oversight.

Waste Reduction Programme (WRP)	Discussion of the current position in relation to WRP's and mitigations took place. Whilst the WRP total continues to increase, so too does the risk to delivery. Mitigations are already being used and whilst there is confidence that there is sufficient coverage for the current position on paper, there is an increasing concern amongst committee members as to the potential for downside risk, particularly in relation to the need for actual delivery to start to increase substantially if we are to hit the planned outcomes. Once mitigations are reduced, the impact of the redundancy programme excluded alongside the use of finance mitigations then this leaves c: £107m of cost saving compared to an ask of £142.7m recurrently. The bulk of this needing to come from AACC and prescribing two high risk areas in terms of delivery.	A detailed mid-year financial forecast would be presented to the committee at its 22 September 2025 meeting. To escalate to ICB Board for assurance and oversight.
Month 4 ICB position	The committee discussed the M4 position. After deploying mitigations of £10.4m year to date, the ICB was reporting as being on plan. However, it was noted that there were pressures building arising from the prior year AACC under accrual, a pressured independent sector and an under delivery of QIPP/WRP to date. It was felt that whilst the data may be showing on plan, the risk profile has continued to deteriorate since the last month. It was agreed that this would continue to be the subject of constant review and a detailed reforecast and sensitivity analysis provided to the Board.	Mid-year forecast report to be presented to the committee at its 22 September meeting
Advise		
AACC	The committee noted the positive metrics in relation to the delivery of the turnaround plan, however, as noted above the committee were concerned as to delivery in an increasingly challenged environment.	To note
Primary Care Compliance	The committee received an excellent report as to action being taken by the ICB to support primary care in relation to estate and infrastructure compliance. The work will identify a detailed analysis of the estate and enable the ICB to discharge more effectively its oversight function in relation to statutory compliance	To note
BAF and Finance Risk	The committee reviewed the BAF and confirmed it was content with the risks identified, specifically those which were within the oversight of the committee. The committee noted the risk scoring and risk	To note

	appetite and confirmed its agreement to those.	
Assure		
AACC	The turnaround arrangements continue to demonstrate grip and control over AACC payments. The committee is fully engaged with the detail within the report from the Turnaround Director and has requested further amendments to reporting to highlight specific matters that the committee would continue to seek assurance on. The committee supported the ongoing risk mitigation and detailed validation of pipeline schemes.	To support the ongoing work in the area
UEC and Winter planning	The committee received a positive report on winter planning in the system and preparedness. A review of UEC governance is being undertaken with a view to being concluded by end October 2025. Submitted winter plans were assessed by NHS England who concluded that they were not fully assured and therefore revised plans are being developed for return.	To note
Waste Reduction Programme	The committee discussed the current position in relation to the WRP programme and mitigations. The programme was showing WRP's of £183m and mitigations of £47m. The ICB is actively managing these issues and is clear on the position, although as noted above substantial risk still exists in relation to delivery as we progress throughout the rest of this financial year. It is fair to say that the committee is less assured on delivering on these plans as each month passes.	Forecast outturn and any further cost reduction schemes that can be initiated quickly were being considered by the team. To escalate to ICB Board for assurance.

- **Appendix A** – Approved minutes of the Finance and Performance Committee meeting held on 17 June 2025: [Item 12 Appx A - Approved - F&C Committee Minutes - 17 June 2025 v1.pdf](#)
- **Appendix B** – Approved minutes of the Finance and Performance Committee meeting held on 17 July 2025: [Item 12 Appx B - Approved F&C Committee Minutes - 17 July 2025 v1.pdf](#)

3. Summary of items or issues referred to other committees or the Board over the reporting period.

Committee	Item or Issue	Referred to
N/A		

4. Conclusion

- 4.1 The committee has conducted their business in line with their terms of reference and associated business plans.

5. Recommendations

4.1 The Board is requested to:

- Note the Alert, Advise and Assure within the committee report and approve any recommendations as listed.
- Note the summary of items or issues referred to other committees of the Board over the reporting period, as appropriate.
- Note the ratified minutes of the committee meetings.

Committee Chair
September 2025