

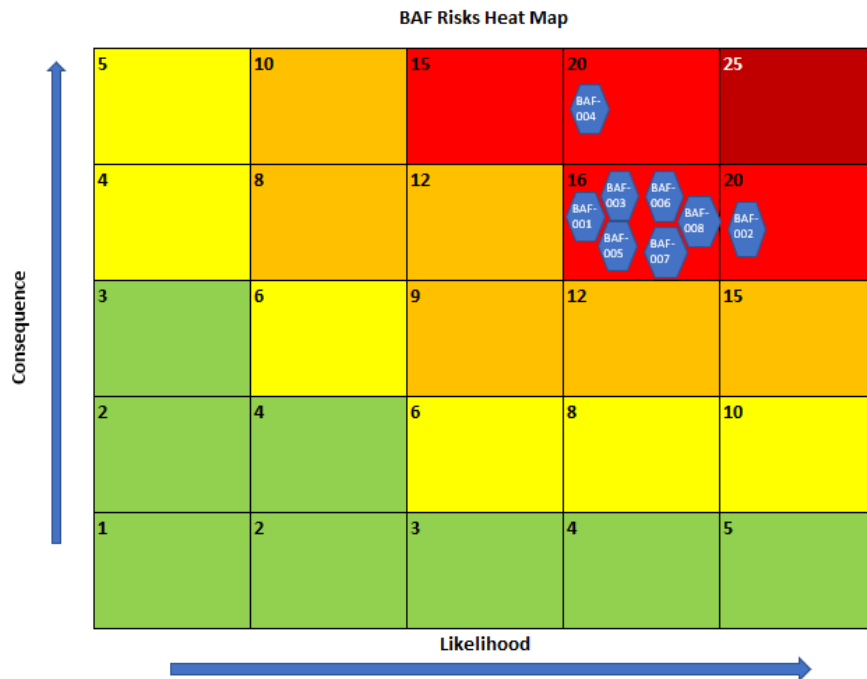
Lancashire and South Cumbria Board Assurance Framework 2025/26

Appendix 1

ICB's Strategic Objectives (SOs) 2025/26

SO1	Improve quality, including safety, clinical outcomes and patient experience	SO4	Meet financial targets and deliver improved productivity
SO2	To equalise opportunities and clinical outcomes across the area	SO5	Meet national and locally determined performance standards and targets
SO3	Make working in Lancashire and South Cumbria an attractive and desirable option for existing and potential employees	SO6	To develop and implement ambitious, deliverable strategies

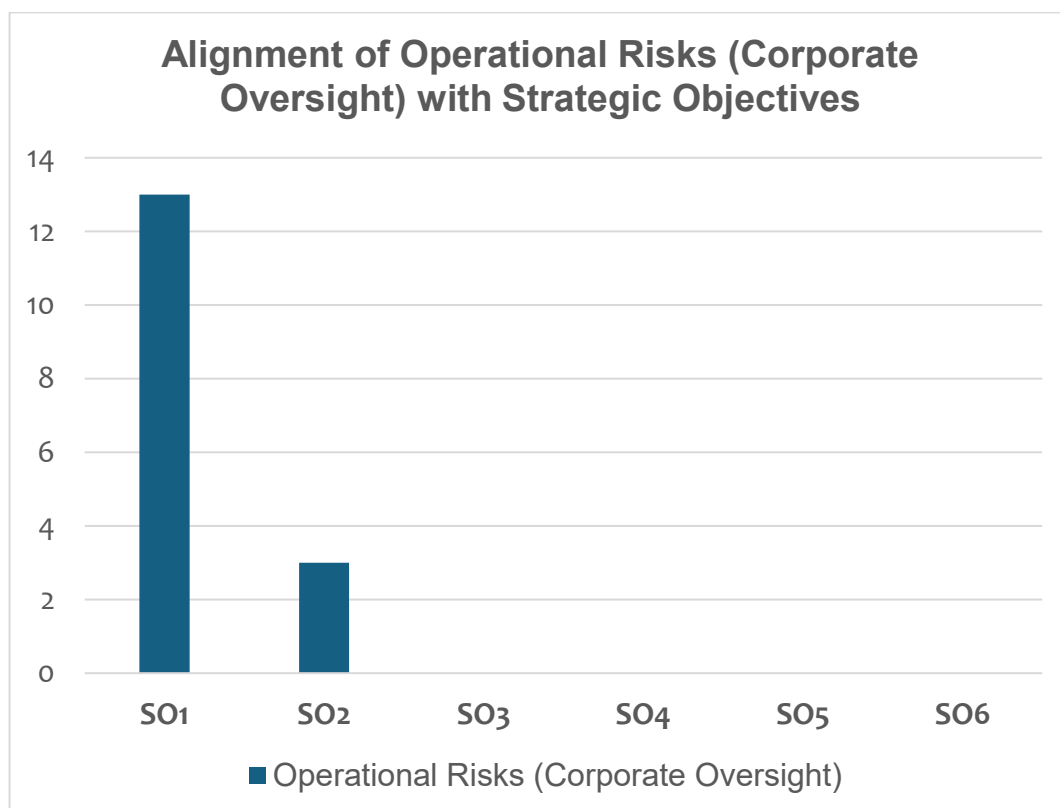
BAF risk heatmap – September 2025



Summary of Revised BAF Risks

Risk ID	Risk Title	Assuring Committee	Strategic Objective	Risk Appetite	Initial Risk Score	Q2 2025/26			Movement	Target Score 25/26
						Jul 25	Aug 25	Sept 25		
BAF 001	Strategic Commissioning	Executive Committee	2,4,6	Cautious	20	-	-	16	↔	12
BAF 002	Transition to model ICB Blueprint	Executive Committee	All	Cautious	25	-	-	20	↔	12
BAF 003	Sustainable Workforce	People and Culture	3	Open-Seek	20	-	-	16	↔	16
BAF 004	Financial Stability	Finance and Contracting	4	Cautious	25	-	-	20	↔	10
BAF 005	Partnerships and Collaborative Working	Executive Committee	1,2,4,6	Cautious	20	-	-	16	↔	tbc
BAF 006	Quality Framework	Quality and Outcomes	1	Cautious	20	-	-	16	↔	16
BAF 007	All Age Continuing Care	Finance and Contracting/Quality and Outcomes	4	Cautious	20	-	-	16	↔	16
BAF 008	Responsive and resilient health care services	Quality and Outcomes	1,4,5,6	Cautious	20	-	-	16	↔	16

There are 16 risks currently held on the ICB's Operational Risk Register that meet the threshold for corporate oversight (scoring 15 or above); these are aligned to SOs 1 and 2:



Summary of the ICB's Operational Risks (Corporate Oversight) rated 20 or higher.

Of the 16 operational risks currently held, five are scored at "20" therefore in accordance with the ICB's risk management policy are highlighted to the board.

All risks are overseen through the Quality and Outcomes Committee which receives quarterly risk management reports on activity undertaken to mitigate the risks:

ICB026	SO1	ICB ability to meet its statutory SEND responsibilities	20
ICB029	SO1	Neurodevelopment pathways across Lancashire and South Cumbria	20
ICB032	SO1	Private non-emergency patient transport services	20
ICB033	SO2	ICB and Community Pharmacy readiness for NHS commissioned services with prescribing	20
ICB034	SO1	Weekend and Out of Hours access to mechanical thrombectomy (specialised commissioned service).	20

Lancashire and South Cumbria Board Assurance Framework

BAF-001

BAF-001: Strategic Commissioning Executive Committee | Chief Operating Officer/Chief Commissioner |

SO1	Improve quality, including safety, clinical outcomes and patient experience		SO4	Meet financial targets and deliver improved productivity	●
SO2	To equalise opportunities and clinical outcomes across the area	●	SO5	Meet national and locally determined performance standards and targets	
SO3	Make working in Lancashire and South Cumbria ICB an attractive and desirable option for existing and potential employees		SO6	To develop and implement ambitious, deliverable strategies	●

Risk Description and Impact on Strategic Objectives

Cause (Likelihood)	If the ICB does not have a fully developed vision, strategy, intentions and implementation plans for strategic commissioning
Event	Then effective delivery of service transformation, the government '3 strategic shifts' and achievement of financial sustainability will not be achieved
Effect (Consequence)	Resulting in: - Continued unwarranted variation in service provision - Continued inequalities in access and outcomes - Health inequalities - Lack of autonomy to invest in service transformation and therefore improve outcomes for our population - Ineffective system and partnership working - Reputational damage - Unaffordable healthcare services - Continued focus on finance as the overriding factor

Risk Scoring and Appetite

Quarter/ Score	Q1 Current	Q2 Current	Q3 Trajectory	Q4 Trajectory	Target Score/ Date	Risk Appetite Statement	Linked ORR Risk level/ No.
Likelihood	4	4			3	Cautious	Low -
Consequence	4	4			4		Med -
Risk Score	16	16			12		High -

Rationale for Risk Score and Progress Made in the Quarter:

Q1 2025/26:

The ICB board received the strategic commissioning approach for setting its commissioning intentions for 2025/26; this described in-year tactical intentions and longer-term delivery plans to support the delivery of the ICB's strategic objectives. In May the 2030 Vision and Roadmap (LSC 2030) aligned to CIs was presented; this acknowledged the 10-year plan and model ICB blueprint

Q2 2025/26:

The Finance and Contracting Committee received updates on a centralised system for monitoring commissioning and contracting activity; this will enable monthly monitoring and assurance reports which are scheduled through the ICB's Finance and Contracting Committee for oversight and scrutiny.

Q2 2025/26: the board received a quarterly update on the 2025/26 commissioning intentions delivery plan.
BCF review (details to be added).
Engagement events have been hosted with all providers in (details to be added)

The outcome of these events has informed the strategic intent of the ICB's commissioning intentions for 2026/27, and a report will be presented to the ICB Board in September 2025.

Key Controls:

2025/26 Commissioning Intentions
 Infrastructure Strategy
 Centralised system for monitoring commissioning and contracting activity.
 Reporting to Finance and Contracting Committee.
 Commissioning delivery plans agreed.
 QIA and EHIIRAs
 Quarterly contract management reports
 Segment 0 -1 delivery plans
 Public engagement and outreach - Working with People and Communities Insight Report

Gaps in Controls or Assurances

What are the gaps to be addressed to achieve the target risk score to improve adequacy of assurance?

Agreement of 2026/27 Commissioning Intentions
 ICB/PCB aligned clinical strategy to deliver service reconfiguration
 Service Change - Impact and Plans for engagement/consultation
 An agreed Prioritisation Policy and framework
 Cost of current commissioned services is above budget allocation
 Regular reporting to board and relevant committees of key progress and monitoring against deliverables, improved access and outcomes and addressing health inequalities
 Delivery of ICB Model Blueprint; operating model and cost reduction

Assurance Mapping

Defence Line	Sources of Assurance	Q1	Q2	Q3	Q4
1st Line (management/internal controls)	Commissioning Delivery Plan	X	X		
	Governance and Leadership Action Plan		X		
	Waste Reduction Plan and programme updates 2025/26	X	X		
2nd Line (corporate oversight)	Reports to ICB Board and relevant committees	X	X		
	Reports to Finance and Contracting Committee	X	X		
	Working with People and Communities Insight Reports				
3rd Line (independent/internal audit)	Quarterly Public Perception Survey – Summary Insight Reports				
4 th Line (external audit/regulator)	IAGs				
	RSP/ICB Improvement Plan				

Further Actions: Additional assurance or actions to reduce likelihood/ consequence

N o.	Action Needed	Lead Director	Due Date	Quarterly Update
1.	Implementation of new commissioning operating model	CEO/Execs	End Q4	

2.	Develop a Joint Commissioning Framework with Local Authority Partners	COO		
3.	Align commissioning intentions with the 3-year clinical strategy with defined outcomes and measures to achieve.(GaL Action ID V1)	COO	End Q4	
4.	Finalise and notify providers of commissioning intentions for 2026/27	COO	Oct 25	
5.	Produce regular reports to board and relevant committees of key progress and monitoring improved access and outcomes and addressing health inequalities.	COO/Medical Director	End Q3	
6.	Production of regular integrated reports to the ICB board and relevant committees from the Integrated Care Partnership, HWBBs and Place Based Partnerships including assurances and risks. (also supports BAF-005 Partnership Working)	COO	End Q3	

Lancashire and South Cumbria Board Assurance Framework

BAF-002

BAF-002: Transition to Model ICB Blueprint Executive Committee | Chief Executive Officer |

SO1	Improve quality, including safety, clinical outcomes and patient experience	•	SO4	Meet financial targets and deliver improved productivity	•
SO2	To equalise opportunities and clinical outcomes across the area	•	SO5	Meet national and locally determined performance standards and targets	•
SO3	Make working in Lancashire and South Cumbria ICB an attractive and desirable option for existing and potential employees	•	SO6	To develop and implement ambitious, deliverable strategies	•

Risk Description and Impact on Strategic Objectives

Cause (Likelihood)	If the ICB does not transition effectively and safely to a strategic commissioning organisation aligned to the ICB model blueprint whilst meeting the national directed reduction in running and programme costs from 1 April 2026
Event	Then will not have an organisation that is able to fulfil its statutory responsibilities within its running and programme costs due to:
Effect (Consequence)	Resulting in: - Inability to exit NOF 4/undertakings - Running and programme cost pressure - Loss of autonomy to act - Distracted leadership - Re-setting of priorities and objectives - Uncertainty to long term delivery of strategies and plans - Reduced staff morale - Inability to deliver ICB vision and strategic objectives - Lack of capacity and capability across the workforce - Risk to mitigation of other BAF risks

Risk Scoring and Appetite

Quarter/ Score	Q1 Current	Q2 Current	Q3 Trajectory	Q4 Trajectory	Target Score/ Date		Risk Appetite Statement	Linked ORR Risk level/ No.	
Likelihood	5	5	4	4	3	31/03/2027	Cautious	Low	-
Consequence	4	4	4	4	4			Med	-
Risk Score	20	20	16	16	12			High	-

Rationale for Risk Score and Progress Made in the Quarter:

Q1 2025/26: the board were updated following the announcement from NHS England's chief executive on the proposal for ICB reconfiguration, the model ICB Blueprint and the role of ICB's as strategic commissioners. The ICB responded to this through the establishment of an executive led design group to develop options for the future operating model, a time-limited Transition Committee to oversee the function-led approach to ensure the form of the new organisation is appropriate for delivering the future purpose of the ICB.

Q2 2025/2026: national confirmation of key tools to enable consultation and transition to commence still awaited. Regional blueprint not available and national work continues on elements of the ICB blueprint where legislative changes would be needed to enact required operating models. ICB specific decisions are being taken where there is the ability to do so. A programme of staff workshops will be delivered during September and October for executives and senior leaders to present and discuss the new and emerging vision and operating model for the

organisation. To support this a set of common messages and materials will be prepared and a series of scenarios have been developed to help describe what will be different in the new organisation and the impact for staff and our population. This will help further inform the operating model and any future staff consultation process by capturing key themes, ideas and concerns.

Key Controls:

Executive Design Group
 Transition Committee
 RSP exit criteria
 Financial recovery plan
 Governance and Leadership Action Plan (GaL)
 People and Culture Committee
 System Delivery meetings / Improvement Assurance Groups
 Executive Committee
 New CEO

Gaps in Controls or Assurances

What are the gaps to be addressed to achieve the target risk score to improve adequacy of assurance?

Limited influence over national policy direction
 clarity on national and system architecture
 Impact on financial recovery plan
 Transition/appointment to the new, substantive executive leadership team
 Loss of corporate knowledge & established partner/stakeholder relationships
 Affordability of required capacity to meet all statutory functions and objectives
 Retention of necessary skills and capabilities.

Assurance Mapping

Defence Line	Sources of Assurance	Q1	Q2	Q3	Q4
1st Line (management/internal controls)	Transition Task and Finish Group	X	X		
	Executive Committee weekly standing item	X	X		
	Weekly review of financial position / WRP	X	X		
2nd Line (corporate oversight)	Reports to ICB Board	X	X		
	Reports to Transition Committee				
	Reports to People and Culture Committee	X	X		
	Reports to Finance and Contracting Committee	X	X		
3rd Line (independent/internal audit)	Internal audit of grip and control measures				
4th Line (external audit/regulator)	NHS England IAG/System Delivery Meetings	X	X		
	NHS E Business case approval		X		
	External Audit Value for money review				

Further Actions (Additional assurance or actions to reduce likelihood/ consequence)

No.	Action Needed	Lead Director	Due Date	Quarterly Update
1.	Management of Executive Team Vacancies and appointments to substantive executive roles (GaL Action Plan ID L3)	CEO	End Q3	Appointment to substantive CEO completed.
2.	Clear and deliverable executive team portfolios (GaL Action Plan ID L5).	CEO	End Q3	

3.	Implementation of new strategic commissioning operating model (GaL Action Plan L6)	CEO	End Q4	
4.	Response to national policy / guidance in a timely manner as and when it is published	CEO	On-going	

Lancashire and South Cumbria Board Assurance Framework

BAF-003

BAF-003: Sustainable workforce

People and Culture Committee | Chief People Officer |

SO1	Improve quality, including safety, clinical outcomes and patient experience		SO4	Meet financial targets and deliver improved productivity	
SO2	To equalise opportunities and clinical outcomes across the area		SO5	Meet national and locally determined performance standards and targets	
SO3	Make working in Lancashire and South Cumbria ICB an attractive and desirable option for existing and potential employees	•	SO6	To develop and implement ambitious, deliverable strategies	

Risk Description and Impact on Strategic Objectives

Cause (Likelihood)	If the ICB fails to effectively support the workforce through change and develop an effective workforce structure
Event	Then the workforce capacity and/ or capability may not be sustainable to support delivery of the ICB's statutory duties, strategies and plans as outlined in the model ICB blueprint
Effect (Consequence)	Resulting in: - Inability to deliver improved health outcomes for the people of Lancashire and South Cumbria - Inability to recruit and retain workforce - Loss of focus and reduced ability to deliver plans and priorities - Inability to retain necessary knowledge and skills - Low staff morale due to organisational change - Lack of cohesive clinical and care professional leadership - Impact on organisational leadership capacity and sustainability - Impact on equality, diversity and inclusion of the workforce

Risk Scoring and Appetite

Quarter/ Score	Q1 Current	Q2 Current	Q3 Trajectory	Q4 Trajectory	Target Score/ Date	Risk Appetite Statement	Linked ORR Risk level/ No.
Likelihood	4	4			4	Open - Seek	Low -
Consequence	4	4			4		Med -
Risk Score	16	16			16		High -

Rationale for Risk Score and Progress Made in the Quarter:

Q1 2025/26: The board acknowledged the challenges faced to achieve the 47% reduction in running and programme costs during 2025/26; for LSC ICB this equates to a total net saving of £35.1m. The executive team are working to redesign the ICB with support from senior leaders across the organisation with the aim of designing an organisational structure that meets the national target per head of population (£19.00). To support the process the ICB has reviewed key HR policies to ensure they are consistent with other NHS organisations within the LSC system and impact assessments have been undertaken alongside any changes. Staff are able to access career transition support alongside a number of development opportunities which are published on the staff intranet; these include health and wellbeing support and other resources such as apprenticeships and signposting to the national and northwest careers services.

Q2 2025/26: the People and Culture Committee is scheduled to receive an update on progress against delivery of key projects including completion of People Impact Assessments to support of the organisational change process, finalisation of key HR policy updates (pay protection and retirement policy), leadership and development programme and a joint People and Communication Plan for

organisational change. This includes a comprehensive plan comprising FAQs, staff briefings, question and answer sessions, newsflashes and newsletters alongside staff briefing sessions.

Key Controls:

People and Culture Committee oversight
 Organisational change policy
 12-month People Plan (aligned to 7 priority areas)
 5 Year Workforce Plan
 Equality and Inclusion Plan with workforce focused equality objectives
 Freedom to Speak Up Policy and process
 Change and People Impact Assessments undertaken
 12-month joint People and Communications plan for organisational change established
 Additional skills audit undertaken to identify alignment with skills in model ICB blueprint
 Health and Wellbeing improvement plan
 Executive and board development plan
 Governance Leadership Improvement Plan (RSP)
 Appointment of substantive CEO

Gaps in Controls or Assurances

What are the gaps to be addressed to achieve the target risk score to improve adequacy of assurance?

Lack of confirmed timeline for consultation and approval of any VR process
 Limited influence over national policy direction
 Impact of financial constraints
 Executive team stability
 Impact of workforce Race Equality Standards, Workforce Disability Equality Standards and Gender Pay Gap
 Decline in staff engagement, motivation and positive mood scores measured through staff surveys

Assurance Mapping

Defence Line	Sources of Assurance	Q1	Q2	Q3	Q4
1st Line (management/internal controls)	Organisational Change Policy updated				
	Business and Sustainability Group oversight	X	X		
	Executive Design Group				
	People and Culture sub-committee	X	X		
	Equality, Diversity and Inclusion Annual Report 2024/25				
	Staff Survey				
2nd Line (corporate oversight)	People and Culture Committee oversight	X	X		
	Transition Oversight Committee	X	X		
	ICB Board reports	X	X		
3rd Line (independent/internal audit)	Internal Audit reports (HR policy review)				
4th Line (external audit/regulator)	NHSE NW ICB Change and Transition Group				
	NHSE NW ICB Plan Review Meeting				

Further Actions: Additional assurance or actions to reduce likelihood/ consequence

No.	Action Needed	Lead Director	Due Date	Quarterly Update
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1.	Recruitment to substantive executive team leadership roles	Debbie Eyitayo	End July	Recruitment to substantive CEO and interim acting CNO completed.
			End Sep	Appointment of interim CFO
2.	Staff Experience Improvement Plan (Governance and Leadership action plan L8)	Ruth Keeler	End Q4	All actions generated from staff surveys and engagement are reporting as 94% green/complete. Feedback from July 2025 pulse survey discussed with Execs, BSG and P&C Sub Committee took place w/c 18 August. Action plan to be re-defined to allow for better collective ownership of progress by ICB Senior leaders
3.	Leadership Development Programme (Governance and Leadership Action Plan L1)	Debbie Eyitayo	Q3 2026	A number of workshops held to support leading through change/equity and fairness in designing organisational form.
4.	Review of recruitment and retention policies, procedures and processes to mitigate any impact on EDI	Alison Smith / Aisha Chaudhary	Q4 2026	A workshop / training session aimed at hiring managers, and anyone who might be an assessor during recruitment and selection processes is being developed. A 'pool' of equality representatives from across our organisation is being created. They will act as an independent panel member on every interview panel that takes place during the recruitment and selection process, either through org change and consultation or regular recruitment and selection processes. An EDI interview question is being introduced to all interviews taking place - this will assess for inclusion as a value and ensure our people have experience of EDI so that we embed inclusion into our everyday practices.
5.	Development of local VR scheme Business Case and self-funding affordability	Debbie Eyitayo/ Stephen Downs	Q2	Board approval of scheme and affordability – 6 August 2025 Scheme and business case submitted to NHSE NW – 8 August. 20 August 2025 -NHSE NW confirmed not in a position to approve scheme.

Lancashire and South Cumbria Board Assurance Framework

BAF-004

BAF-004: Sustainable Finances

Finance and Contracting Committee | Chief Finance Officer |

SO1	Improve quality, including safety, clinical outcomes and patient experience	SO4	Meet financial targets and deliver improved productivity	●
SO2	To equalise opportunities and clinical outcomes across the area	SO5	Meet national and locally determined performance standards and targets	
SO3	Make working in Lancashire and South Cumbria ICB an attractive and desirable option for existing and potential employees	SO6	To develop and implement ambitious, deliverable strategies	

Risk Description and Impact on Strategic Objectives

Cause (Likelihood)	If the ICB fails to deliver our agreed financial plan for 2025/26
Event	then we will not achieve our statutory financial duties
Effect (Consequence)	Resulting in: - Prolonged intervention/increased risk of further regulatory actions and reputational damage. - Inability to commission effectively will prevent sustainable transformation and increased health inequalities - Reduced local discretionary decision-making impacting on delivery of local priorities and plans. - Inability to achieve value for money - Investment opportunities will be lost which will impact on delivery of our organisational strategies and plans

Risk Scoring and Appetite

Quarter/ Score	Q1 Current	Q2 Current	Q3 Trajectory	Q4 Trajectory	Target Score/ Date		Risk Appetite Statement	Linked ORR Risk level/ No.	
Likelihood	4	4			2	Year end	Cautious	Low	-
Consequence	5	5			5			Med	-
Risk Score	20	20			10			High	-

Rationale for Risk Score and Progress Made in the Quarter:

Q1 2025/26: The ICB's financial plan was approved by the board in May 2025/26; the plan is breakeven but requires £142.7m QIPP savings to be delivered in year. In May 2025, the board were notified that £69.9m of schemes had been fully developed, with £72.9m remaining either as an opportunity or, unidentified. Deficit support funding of £164m has been deployed across the system with £54m remaining with the ICB to cover agreed costs.

The ICB's QIPP programme (from now referenced as the Waste Reduction Programme (WRP)) is an important component of the ICB's overall financial plan to deliver recurrent savings of £142.66m. In June 2025 the WRP has identified £150m of in-year savings that are expected to deliver. However, there are risks associated with the delivery of these savings and alternative schemes are being explored.

Q2 2025/26: The month 4 position shows the ICB is on plan; this includes £18.2m deficit support funding. The WRP delivery remains on plan. The month 5 position will be presented to the Board in September 2025.

Key Controls:

A system financial plan 2025/26 has been submitted and agreed
 System Delivery Board (previously IAG) established by NHS England to oversee delivery of plans
 Waste Reduction Programme agreed with regular updates to Finance and Contracting Committee
 ICB Standing Financial Instructions/Scheme of Reservation and Delegation
 Oversight through Finance and Contracting Committee and Board
 AACC Turnaround Plan
 Weekly IMT oversight of WRP programme
 Discretionary pay panel
 Commissioning Resource Group
 Executive Committee
 MIAA Review of financial controls – substantial assurance

Gaps in Controls or Assurances

What are the gaps to be addressed to achieve the target risk score to improve adequacy of assurance?

Strategic commissioning operating model not established
 Monthly integrated contract meetings still in infancy
 Gaps in business intelligence support
 National policy for ICB model blueprint and cost reduction to running and programme costs from 1 April 2026
 Cost of commissioned services/contract activity against budget
 Delivery of the AACC Turnaround Plan and mitigation of BAF007
 Unmitigated risk in WRP plans

Assurance Mapping

Defence Line	Sources of Assurance	Q1	Q2	Q3	Q4
1st Line (management/internal controls)	Waste Reduction Programme	X	X		
	IMT/Discretionary Pay Panel				
	Commissioning Resource Group	X	X		
2nd Line (corporate oversight)	Reports to Finance and Contracting Committee	X	X		
	Reports to the ICB Board	X	X		
	Executive Committee	X	X		
3rd Line (independent/internal audit)	MIAA review of key controls/checklists				
4th Line (external audit/regulator)	NHE England System Delivery Board				

Further Actions (Additional assurance or actions to reduce likelihood/ consequence)

No.	Action Needed	Lead Director	Due Date	Quarterly Update (Q2)
1.	Monthly integrated contract meetings	COO	Monthly	First round of meetings held
2.	Review of monthly run rate position and assurance of plans to mitigate any negative variance against plan	CFO	31 Mar 26	An assessment of the financial position and risk will be presented to the ICB Finance and

				Contracting Committee (F&CC) in September 2025.
3.	Delivery of AACC Turnaround Integrated Action Plan and plans to mitigate any negative variance against plan	CEO	31 Mar 26	Turnaround Plan presented to F&CC and Audit Committee
4.	Full identification and delivery of WRP programme	Exec Team	31 Mar 26	Still remains a gap in the WRP programme and risks to delivery of identified schemes.

Lancashire and South Cumbria Board Assurance Framework

BAF-005

BAF-005: Achieving transformation through effective partnerships and collaborative working

Executive Committee | Chief Executive Officer |

SO1	Improve quality, including safety, clinical outcomes and patient experience	•	SO4	Meet financial targets and deliver improved productivity	•
SO2	To equalise opportunities and clinical outcomes across the area	•	SO5	Meet national and locally determined performance standards and targets	
SO3	Make working in Lancashire and South Cumbria ICB an attractive and desirable option for existing and potential employees		SO6	To develop and implement ambitious, deliverable strategies	•

Risk Description and Impact on Strategic Objectives

Cause (Likelihood)	If the ICB does not develop and maintain effective partnership and collaborative arrangements and implement an effective governance structure for partnership working
Event	Then collaborative working and shared decision making may not be enabled, and we will fail to achieve the transformation required to deliver improved health outcomes for our local population
Effect (Consequence)	Resulting in: - Continued inequalities in access and outcomes - Unaffordable cost of health care - unwarranted variation in service provision - worsened quality of service experienced. - Duplication and unnecessary bureaucracy - Reputational damage and poor relationships

Risk Scoring and Appetite

Quarter/ Score	Q1 Current	Q2 Current	Q3 Trajectory	Q4 Trajectory	Target Score/ Date	Risk Appetite Statement	Linked ORR Risk level/ No.
Likelihood	4	4				Cautious	Low -
Consequence	4	4					Med -
Risk Score	16	16					High -

Rationale for Risk Score and Progress Made in the Quarter:

Q2 2025/26

The ICB has commenced a Board development programme with the first session held in June with a focus on board challenge and ICB values; this programme includes partner members from general practice, acute and MH trusts and local authority. The chair and non-executives are undertaking a series of visits across place and partners to increase visibility, leadership, learning and insights.

As part of the governance and leadership improvement plan, a key priority is to strengthen partnership arrangements, and for the ICB to lead and convene system partnership and stakeholder collaboration arrangements and form cross-system governance arrangements that agree system joint vision, aims and priorities.

Work is also underway to strengthen and improve board oversight and assurance of existing partnership arrangements through regular integrated reports to the ICB board and relevant committees from the Integrated Care Partnership, HWWBs and Place Based Partnerships including assurances and risks.

Key Controls:
Board Development Programme / Leadership development programme Key Priority on Board Single Improvement Plan Place Based Partnership arrangements 5-year Joint Forward Plan 2024 - 2029 Integrated Care Strategy/ Regular participation from multiple sectors on the ICB board and its assuring committees Regular attendance at Provider Collaborative Board (check)Regular meetings with Chairs

Gaps in Controls or Assurances
What are the gaps to be addressed to achieve the target risk score to improve adequacy of assurance? The implementation of an agreed cross-system governance structure to strengthen decision-making and agree system joint vision, aims and priorities Impact of national policy change including progress with model ICB Blueprint ICB's position in NOF4 and requirements to meet 2025/26 financial plan

Assurance Mapping					
Defence Line	Sources of Assurance	Q1	Q2	Q3	Q4
1st Line (management/internal controls)	Single Improvement Plan				
	Place Based Partnership Arrangements				
	Governance and Leadership Action Plan				
2nd Line (corporate oversight)	Reports to the ICB Board				
	Provider Collaborative Board	X	X		
3rd Line (independent/internal audit)	Participation from cross-sector partners	X	X		
4th Line (external audit/regulator)					

Further Actions (Additional assurance or actions to reduce likelihood/ consequence)				
No.	Action Needed	Lead Director	Due Date	Quarterly Update
1.	To increase visibility, learning and insights from programme of board visits across Place and partners.	Chair/CEO	On-going	ICB Chair and NEMs visits across Blackpool, Blackburn with Darwen, South Cumbria, Lancashire, Burnley and Morecambe Bay. Further visits planned to Blackpool and Lancashire.
2.	Lead and convene system partnership and stakeholder collaboration arrangements through agreed governance arrangements.	Chair/CEO/ DoCG	On-going	
3.	A single strategy aligned to 10 Year Plan and ICB's/System's vision (GaL Action ID V1)	CEO	End Q4	

Lancashire and South Cumbria Board Assurance Framework

BAF-006

BAF-006: Quality, regulation and compliance

Quality and Outcomes Committee | Chief Nurse | Medical Director

SO1	Improve quality, including safety, clinical outcomes and patient experience	•	SO4	Meet financial targets and deliver improved productivity	
SO2	To equalise opportunities and clinical outcomes across the area		SO5	Meet national and locally determined performance standards and targets	
SO3	Make working in Lancashire and South Cumbria ICB an attractive and desirable option for existing and potential employees		SO6	To develop and implement ambitious, deliverable strategies	

Risk Description and Impact on Strategic Objectives

Cause (Likelihood)	If the ICB does not have a robust framework to effectively monitor and identify quality issues and have effective mechanisms in place for early identification and escalation (e.g. contract monitoring, or clinical governance frameworks)
Event	Then we may not effectively recognise and respond to fundamental quality and regulatory standards in local care provision, and our duty of continued quality improvement
Effect (Consequence)	Resulting in: - Negative Impact on patient safety and health outcomes for local people and communities. - Poor patient experience - Continued unwarranted variation in service provision - Continued inequalities in access and outcomes - Health inequalities - Reputational damage

Risk Scoring and Appetite

Quarter/ Score	Q1 Current	Q2 Current	Q3 Trajectory	Q4 Trajectory	Target Score/ Date		Risk Appetite Statement	Linked ORR Risk level/ No.	
Likelihood	4	4			2	31 March 2026	Cautious	Low	-
Consequence	4	4			4			Med	-
Risk Score	16	16			8			High	13

Rationale for Risk Score and Progress Made in the Quarter:

The ICB's priorities for safe, effective care are outlined within the ICB's Quality Governance Framework (QGF) which is monitored through the Quality and Outcomes Committee. The framework describes the operational systems and processes that enable oversight of the ICB's statutory function for quality. The framework informs the approach taken by the ICB to assess, assure and improve the quality of care delivered by the organisations from which the ICB commissions health care services.

Key risks and issues for the board's attention are reported through the ICB's Quality and Outcomes Committee which in turn are signalled to the board through the committee escalation and assurance report mechanisms (Advise, Alert, Assure).

Q2 2025/26: During Q2 and in accordance with the QGF, quality visits have been undertaken to independent, primary care and secondary care providers and a roundtable event has been held to collate information in respect of a provider which is challenged in the delivery of constitutional standards and contract requirements. Provider actions have been identified in response to visit observations and findings, and work is being done to gain further assurance following the roundtable. A Rapid Quality Review (RQR) has been instigated with the provider and assurance on quality indicators is being urgently sought.

The risk score remains unchanged, reflecting the large number of providers for which there are ongoing or presenting quality challenges and support and enhanced surveillance is required to provide assurance on sustainable quality improvements.

In August the Q&O committee received the 2024/25 quality accounts for all in-scope providers which outlined achievements during 24/25. These also set out a clear focus on quality improvement priorities for 2025/26 with a focus on patient safety and experience with a clear drive for a culture of improvement.

An update on the development of the ICB's draft Integrated Performance, Quality and Health Equity Report was provided which outlined progress to date and timescales for the report to be fully established and available by September 2025.

AACC and IPA monthly update provided which provided assurance of quality improvement work and areas identified for improvement.

Key Controls:

Quality Governance Framework
 Quality and Outcomes Committee
 Assurance and Escalation reports to the ICB Board
 Clinical Effectiveness Group
 Quality Impact Assessments / EIAs approved by CN and MD – oversight of themes and actions through quality and outcomes committee
 Quality Contract Review Meetings
 Patient Safety Incident Framework (PSIRF)
 System Quality Group
 Regional Quality Group
 Bi-monthly ICS Shared Learning Group facilitated by ICB

Gaps in Controls or Assurances

What are the gaps to be addressed to achieve the target risk score to improve adequacy of assurance?

Ongoing demand creating pressure on services
 Significant increase in referrals for SEND and fragmented pathways resulting in long waiting times
 Quality and data intelligence triangulation processes still maturing
 Multiple providers in Lancashire and South Cumbria not meeting required regulatory standards and lack of pace with improvements
 Quality Impact Assessment Policy and EHIIRA process
 Demonstrable assurance that risk to quality and patient safety through the delivery of WRP's is considered and any mitigations are clear

Assurance Mapping

Defence Line	Sources of Assurance	Q1	Q2	Q3	Q4
1st Line (management/internal controls)	Quality Governance Framework (v4.2) approved and reported through committee.				
	Primary Care Quality Group				
	Clinical Effectiveness Group		X		
	Primary Care Contracting Sub-Committee	X	X		
	ICB 3 Year Safeguarding Strategy/Annual Report 2024/25	X			
	National Quality Board Self-Assessment				

	Medicines optimisation/Medicines Management Policies and Procedures				
2nd Line (corporate oversight)	Assurance reports to Quality and Outcomes Committee	X	X		
	IAG monthly meetings	X	X		
	Committee escalation reports to ICB Board	X	X		
3rd Line (independent/internal audit)	Internal audit reviews				
	System Quality Group				
	Regional Quality Group				
	NHS England assurance on quality systems				
	Healthwatch reports				
4th Line (external audit/regulator)	CQC and OFSTED reports				

Further Actions (Additional assurance or actions to reduce likelihood/ consequence)				
No.	Action Needed	Lead Director	Due Date	Quarterly Update
1.	Development of Integrated Performance, Quality and Health Equity Report	Asim Patel	Sep 25	Proposed structure of the new report format presented to Quality and Outcomes Committee.
2.	Maintain enhanced surveillance for NHS trusts where specific quality challenges have been identified	CNO	Ongoing	Exception reporting into Quality and Outcomes Committee
3.	ICB's Quality Impact Assessment Policy under review	CNO/Head of PMO	Nov 25	Policy is under review to align to current national guidance including EHIIRA and executive sign-off. Revised policy to be taken to Quality and Outcomes Committee in November for approval.
4.	Development of mechanisms to provide assurance that risk to quality and patient safety through the delivery of WRP's is considered and any mitigations are clear (RSP action)	CNO/MD	Mar 26	The mechanism will be through the QIA process to ensure all commissioning and de-commissioning decisions across all WRP are subject to QIA/EHIIRA.

Lancashire and South Cumbria Board Assurance Framework

BAF-007

BAF007-All Age Continuing Care

Finance and Contracting Committee & Quality and Outcomes Committee |

Exec Lead: Chief Nursing Officer |

SO1	Improve quality, including safety, clinical outcomes and patient experience	SO4	Meet financial targets and deliver improved productivity	●
SO2	To equalise opportunities and clinical outcomes across the area	SO5	Meet national and locally determined performance standards and targets	
SO3	Make working in Lancashire and South Cumbria ICB an attractive and desirable option for existing and potential employees	SO6	To develop and implement ambitious, deliverable strategies	

Risk Description and Impact on Strategic Objectives

Cause (Likelihood)	If we do not effectively implement an affordable AACC framework and deliver the enhanced controls established through the Turnaround Plan
Event	Then the ICB will not deliver its financial plan or achieve optimal efficiency through the Waste Reduction Programme savings for 2025/26 whilst maintaining quality of service
Effect (Consequence)	Resulting in: - Financial targets and savings not being met - Statutory financial duties breaches/delay in exit NOF 4 - Risk of formal dispute with Local Authorities - Reputational impact - Low of staff morale and staff retention issues

Risk Scoring and Appetite

Quarter/ Score	Q1 Current	Q2 Current	Q3 Trajectory	Q4 Trajectory	Target Score/ Date	Risk Appetite Statement	Linked ORR Risk level/ No.
Likelihood	4	4			4	Cautious	Low -
Consequence	4	4			3		Med -
Risk Score	16	16			12		High -

Rationale for Risk Score and Progress Made in the Quarter:

Q2 2025/26: The Finance and Contracting Committee received an update on progress against the All Age Continuing Care (AACC) Turnaround Plan; this outlined three key objectives to:

- Achieve financial and service sustainability for AACC.
- Ensure robust quality improvement and governance is in place.
- Create a resilient and agile workforce which is fit for the future.

The objectives are supported by four workstreams (Waste Reduction Programme (WRP), Grip & Control, Quality & Governance, Future Sustainability) to deliver the plan, led by the Turnaround Director. Oversight is reported through a Turnaround Board which reports monthly into the ICB's Board and relevant assuring committees (Finance and Contracting Committee/Quality, Outcomes Committee and System Delivery Meeting (*previously known as IAG*)). A weekly reporting cycle has been established to ensure progress at pace against the plan.

A summary of key risks and issues (including mitigating actions) have been signalled as capacity within the AACC team, the impact of business and organisational change pressures and effective engagement with key partners (incl. LAs). Risks associated with referral rates not reducing as

expected and a lack of suitable key commissioned services could continue to drive high demand for packages of care were also reported.

Integrated Single Action Plan – monitored.

Key Controls:

- Turnaround Team to support AACC recovery; Turnaround Plan Structure established (April 2025-March 2026)
- Scheme of delegation
- Integrated Single Action Plan
- AACC Dashboard Metrics
- Delivery Partners in place
- Waste Reduction Programme developed for 2025/26 FY25/26 target: £60.2m (£32m core + £28.2m stretch).
- Dual ratification of checklists; fast-track referrals and CHC eligibility
- Commissioning and contracting mechanisms in place
- Personal Health Budget and SLA agree
- Monthly meetings with Local Authority
- Market management and provider engagement work underway with Local Authorities to align commissioning cycles, strengthen joint frameworks (care homes, supported living, D2A), and improve oversight of fee-setting and provider sustainability. This includes the mobilisation of procurement frameworks and joint market intelligence to reduce cost variation and manage inflationary pressures.
- Financial governance through Executive approval panel/monthly profiling
- NHS England North-West AACC Recovery Oversight Meeting
- AACC System Delivery meeting, chaired by Region (*previously known as IAG*)
- NHS England monthly operational assurance meetings

Gaps in Controls or Assurances

What are the gaps to be addressed to achieve the target risk score to improve adequacy of assurance?

Strategic Gaps

- Insufficient joint agreements with Local Authorities impacting financial alignment.
- Limited capacity in intermediate care and community pathways driving D2A volumes.
- Provider cost inflation not consistently controlled through contract mechanisms.
- Demand increasing across AACC due to demographic pressures and system commissioning gaps.
- Increase in costs for packages of care due to spot purchase model.
- Provider financial pressures necessitating uplifts above ICB Executive agreement.
- Some WRP schemes remain at risk in terms of delivery within this financial year, creating a shortfall against the £60.2m target.
- Additional capacity still to be commissioned to support overdue reviews.

Operational Gaps

- Staff absence impacting internal review timeliness (linked to sickness and vacancies).
- Continued variation in SOP adherence under system pressure (e.g. during UEC escalation).
- Legacy issues with Adam system data quality and auditability (MIAA “limited assurance”).
- Deviation from Standard Operating Procedures (SOPs) when system under pressure.
- Further work required to optimise procedures and protocols to ensure consistency and reduce variation in practice.
- Risks to quality and timeliness of assessments due to focus on reducing monthly run rate.
- Staff sickness impacting WRP scheme delivery and general operations.
- Organisational change and restructure leading to reduced staff morale and operational capacity.

Assurance Mapping					
Defence Line	Sources of Assurance	Q1	Q2	Q3	Q4
1st Line (management/internal controls)	Turnaround Director/Team; finance director aligned to AACC team	X	X		
	Integrated Single Action Plan	X	X		
	Quality Hub oversight of internal audit programme and regular reporting into weekly AACC SLT and Turnaround Board	X	X		
	AACC weekly SLT; workstream updates, risks and issues; internal audit tracking; operational/performance review and controls.	X	X		
	Weekly WRP due diligence meeting to track and monitor progress on schemes; delivery risks and mitigating actions.	X	X		
2nd Line (corporate oversight)	Finance and Contracting Committee	X	X		
	System Delivery Meeting (<i>previously known as IAG</i>)	X	X		
	Quality and Outcomes Committee	X	X		
	AACC Turnaround Board	X	X		
3rd Line (independent/internal audit)	Assurance meetings with NHS England	X	X		
	NHS England North-West AACC Recovery Oversight Meeting	X	X		
	MIAA Audit Review (limited assurance)	X	X		
4 th Line (external audit/regulator)	NHS England monthly operational meetings	X	X		

Further Actions (Additional assurance or actions to reduce likelihood/ consequence)				
No.	Action Needed	Lead Director	Due Date	Quarterly Update (M4 position)
1a.	Identify WRP FY25/26 target: £60.2m (£32m core + £28.2m stretch).	Nancy Park/Jane Brennan	End Q3	WRP target set at £60.2m. All developed schemes (£39.5m) now implemented, stretch of £28.2m enacted in ledger. Gap to target reduced to £2.4m with pre-pipeline opportunities under review.
1b.	Throughout 2025/26 weekly monitoring of WRP schemes: - Tracking against profile - Risks/issues to delivery - Mitigating actions	Nancy Park/Jane Brennan	End Q4	Ongoing. £18.3m YTD delivered vs £18.1m plan (+£0.2m). Monitoring highlights: - CHC volumes down (-2.5%), costs at lowest in 12 months (-4.4%). - Fast Track (+0.9%) and CYP (+5.5%) rising - risk of future pressure. - Some overperformance expected, subject to finance validation

2.	Procurement framework for AACC	Jane Brennan	End Q3	In progress. Procurement framework being mobilised, with cost-optimisation and price-cap compliance (currently 89% of placements) reported.
3.	Embed new FNC review process following pilot to complete annual review of all FNC funded services.	Jane Brennan	End Q3	Pilot commenced July in one nursing home. Wider rollout underway but backlog persists: due to staffing capacity (sickness & vacancies). Total overdue reviews reduced to 1,877 (-8.4%) , yet FNC remains main driver of high overdue days (927 average, +8.8%)
4.	Throughout 2025/26 AACC in-house team to maintain focus on assessments; fast track reviews (3 months); review DSTs and case management cleanse.	Jane Brennan	Q4 25/26	In progress. • CHC eligibility at 20% (M4) (vs 15% in M3), aligned with benchmark. • Overdue CHC reviews reduced (-50.6% vs M3), FT overdue reviews also down (-39.8%) • Quality Premium % of decisions made within 28 days is 85% (M4), above the 80% national target.
5.	Throughout 2025/26 Liaison Care to support with: • >£250k packages of care reviews • 1:1 reviews • Overdue CHC reviews	Saba Sadiq/Jane Brennan	Q4 25/26	Ongoing. Liaison schemes (£5.3m) due to move into “fully developed” stage within weeks; further validation of savings underway
6.	Completion of MIAA internal audit action plan by Q3 25/26	Nancy Park/Jane Brennan	Q3 25/26	In progress. July position: 19 actions (5 Green, 14 Amber, 0 Red) September (as of 10/9) position: 19 actions (9 Green, 10 Amber, 0 Red)
7.	Completion of Turnaround Plan by end of 25/26	Nancy Park/Jane Brennan	Q4 25/26	Progressing. Turnaround delivery sustained and embedded; regular reporting into Turnaround Board and ICB committees.

Lancashire and South Cumbria Board Assurance Framework

BAF -008

BAF008- Responsive and Resilient Health Care Services

Quality and Outcomes Committee | Exec Lead Medical Director and Chief Nurse|

SO1	Improve quality, including safety, clinical outcomes and patient experience	•	SO4	Meet financial targets and deliver improved productivity	•
SO2	To equalise opportunities and clinical outcomes across the area	•	SO5	Meet national and locally determined performance standards and targets	•
SO3	Make working in Lancashire and South Cumbria ICB an attractive and desirable option for existing and potential employees		SO6	To develop and implement ambitious, deliverable strategies	•

Risk Description and Impact on Strategic Objectives	
Cause (Likelihood)	If the ICB does not commission clinically appropriate responsive and resilient health care services, aligned to a system wide clinical strategy
Event	We will not improve access, clinical outcomes and patient safety, and stabilise fragile services
Effect (Consequence)	- Inability to reduce health inequalities - Emerging harm and risks to patient safety as a result of long waits in A&E departments, further impacted by delays in ambulance handovers. - Recovery and operational performance targets not being achieved - Provision of sub-optimal service leading to poor patient experience and outcomes - Reputational damage and higher levels of intervention from NHS England - Financial impact on unfunded activity against contracts

Risk Scoring and Appetite

Quarter/ Score	Q1 Current	Q2 Current	Q3 Trajectory	Q4 Trajectory	Target Score/ Date	Risk Appetite Statement	Linked ORR Risk level/ No.
Likelihood	4	4			3	TBC	Low -
Consequence	4	4			4		Med -
Risk Score	16	16			12		High 3

Rationale for Risk Score and Progress Made in the Quarter:

During Q3 2025/26: The development and refresh of LSC Clinical Strategy to be led by the MD/CNO and Associate Medical Director. This will focus on the three strategic shifts (moving care from hospital to community, sickness to prevention; analogue to digital), a health equity and neighbourhood approach, clinical pathways and fragile services, built on the quintuple aim and aligned with our commissioning intentions.

Q2 2025/26: Winter plans are being strengthened in response to feedback from NHSE. The plans were stress-tested on 8 September through NHS England's Exercise Aegis. The plans will be presented for Board approval via the Board Assurance Statement on 25 September. There has been a marked improvement in ambulance handover delays following the efforts of the LSC Strategic Ambulance Improvement Group. This includes a significant reduction in ambulance handover delays of 45 minutes or more from 1 August, as required by the national UEC plan for 2025/26. However, it is still early days, and it remains to be seen if the improvement can be sustained, especially during the most pressured months of winter.

Development of an overarching Care Coordination programme to oversee the transformation of single point of access, intermediate care and discharge, and ambulance improvement workstreams is underway.

In September, the Quality and Outcomes Committee received the first iteration of the Integrated Performance Report which provided the committee with information in relation to performance achievements alongside actions to address performance issues where highlighted. The report provided assurance based on available intelligence relating to patient safety and experience. The report also highlighted where health inequalities had been identified across the system. The report will continue to be further refined and developed as the roles of ICBs and regions become clearer.

Key Controls:

2030 Roadmap and Programme Roadmap Lanes
 2025/26 commissioning intentions/commissioning delivery plan
 Commissioning intentions 2025/26
 UEC Recovery Plan 2025/26 priorities
 UEC 5-year Strategy 2024-2029
 UEC capacity investment funding 2025/26
 Local UEC Delivery Boards oversight of UEC improvement plans
 Strategic Ambulance Improvement Group focusing on ambulance handover times and minimising delays
 Strategic System Oversight Board for UEC and Flow
 IAG oversight of key metrics
 Integrated Performance Reports
 ICB Quality Assurance Framework/Quality Governance Framework routine surveillance
 Winter Planning oversight by Executive Committee, Finance and Contracting Committee and ICB Board
 Strengthened winter plans based on NHSE feedback, followed by Exercise Aegis stress testing of winter plans on 8 September 2025.

Gaps in Controls or Assurances

What are the gaps to be addressed to achieve the target risk score to improve adequacy of assurance?

Clear strategy and plans to drive the ongoing process of clinical reconfiguration and align with commissioning intentions.
 Clear requirements, timescales and plans for any engagement or formal consultation for service change – underpinned by key performance indicators.
 Demonstrable assurance that risk to quality and patient safety through the delivery of WRP's is considered and any mitigations are clear.
 Integrated Performance Report including performance, quality and health equity metrics in development.
 UEC Capacity Investment funding to support capacity and capability to deliver local UEC improvement and de-escalation plans.

Assurance Mapping

Defence Line		Q1	Q2	Q3	Q4
1st Line (management/internal controls)	Director of system coordination and flow				
	Business and Sustainability oversight				
	Contract meetings				
	UEC Delivery Boards aligned to acute trust footprints				
2nd Line (corporate oversight)	Reports to Quality and Outcomes Committee, Finance and Contracting Committee	X	X		
	Reports to the ICB Board	X	X		

	Strategic System Oversight Board for UEC and Flow	X	X		
3rd Line (independent/internal audit)					
4th Line (external audit/regulator)					

Further Actions

(Additional assurance or actions to reduce likelihood/ consequence)

No.	Action Needed	Lead Director	Due Date	Quarterly Update
1.	Develop a 3-year Clinical Strategy, with defined outcomes and measures to achieve, co-produced by system stakeholders and clinical professionals (RSP action)	MD/CNO	End Q3	The MD/CNO and AMD are leading a piece of work to fully refresh the clinical strategy. They will draw on previously completed work and host workshops to finalise this by the end of Q4. This will include a review of fragile services.
2.	UEC Delivery Board to review and refresh improvement and de-escalation plans for 2025/26 to ensure they deliver improvements and associated financial efficiencies.	Wendy Lewis		Due to sustained pressure on systems, there remains a risk that intended delivery of local UEC improvement plans and associated de-escalation outcomes are achieved.
3.	Delivery and oversight of local UEC capacity plans; supporting additional UEC resilience and capacity via UEC capacity investment funding; development, coordination and implementation of winter plans and oversight established through UEC governance	Wendy Lewis		Local UEC improvement plans have been updated for 2025/26 to ensure alignment with the overarching UEC Plans and the 10 Year Health Plan. The plans have been shared with NHS England North West.
4.	UEC Capacity Investment Funding 2025/26	Wendy Lewis		A review of UEC capacity funding allocations has been undertaken to assess the impact and outcomes of identified schemes for 2025/26. Discussions continue with regard to reinvestment.