

NHS Lancashire and South Cumbria Integrated Care Board

Overarching Risk Appetite Statement 2025/26

NHS Lancashire and South Cumbria Integrated Care Board recognises the challenging environment it is currently operating within. National policy to reframe the role and purpose of ICBs and implementation of the Model ICB blueprint; the publication of the NHS 10 Year Plan and the requirement to improve productively, reduce waste and tackle unwarranted variation will bring both challenges and opportunities.

Collectively these will contribute to ensuring services are fit for the future with neighbourhood models of care in the community, making use of digital tools to drive the shift from analogue to digital and addressing inequalities with a shift towards secondary prevention.

The Lancashire and South Cumbria System face significant financial challenges, with the ICB having been placed into the National Recovery Support Programme. Innovation is required to meet the demands on services, the allocation of limited resources, and ensure that quality care and experiences are provided to all in the most appropriate ways and settings.

This will support the delivery of the key national priorities for improving patient outcomes by reducing the time people wait for elective care, improving A&E waiting times and ambulance response times, improving patients' access to general practice and access to urgent dental care and improving access to children and young peoples' mental health services

The ICB Board recognises the need to transform services through redesign and rationalisation, and this will require considered risks to be taken with strong controls in place. Particularly, where the long-term benefits outweigh any short-term losses; however, patient safety, quality of service and organisational viability are extremely important.

The ICB board has reviewed and reassessed the overall level of risk it feels acceptable to tolerate in the pursuit of its objectives, within the current operating environment. This is demonstrated through the individual statements set out below and these will provide the guiding principles for decisions taken both at strategic and operational levels for the forthcoming year.

The ICB's risk appetite is not fixed; the Board will have the freedom to vary the amount of risk it is prepared to take, depending on the circumstances at the time. It is expected that the levels of risk the ICB is willing to accept are subject to regular review.

The board will maintain oversight of level of risk held through its review of the Board Assurance Framework and where necessary, take decisions to adjust its risk appetite if required.

Risk Appetite Statements for individual Risk Domains

Risk Domain	ICB Board -Risk Appetite Level	ICB Board - Risk Appetite Statement
FINANCIAL How will we use our resources?	Cautious: Preference for safe delivery options that have a low degree of residual risk and only a limited reward potential.	We are prepared to accept the possibility of limited financial risk. However, VFM is our primary concern.
REGULATORY How will we be perceived by our regulator?	Cautious: Preference for safe delivery options that have a low degree of residual risk and only a limited reward potential.	We are prepared to accept the possibility of limited regulatory challenge. We would seek to understand where similar actions had been successful elsewhere before taking any decision.
QUALITY How will we deliver safe services?	Cautious: Preference for safe delivery options that have a low degree of residual risk and only a limited reward potential.	Our preference is for risk avoidance however, if necessary, we will take decisions on quality where there is a low degree of inherent risk and the possibility of improved outcomes and appropriate controls are in place.
REPUTATIONAL How will we be perceived by the public and our partners?	Open We are willing to consider all potential delivery options and choose while also providing an acceptable level of reward.	We are prepared to accept some reputational risk as long as there is the potential for improved outcomes for the public and our partners.
PEOPLE How will we be perceived by the public and our partners?	Seek Eager to be innovative and to choose options offering higher business rewards (despite greater inherent risk).	The board may be willing to pursue workforce innovation and to take risks which may have implications for our workforce but could improve the skills and capabilities of our staff, with the possibility of long-term gains. The board recognises that innovation is likely to be disruptive in the short term, but with the possibility of long-term gains.