

Approved 30 January 2026

**Minutes of the ICB Finance and Contracting Committee
Held on Wednesday 7 January 2026 at 11 am
by MS Teams**

Members		
Steve Igoe	Chair/Non-Executive Member	L&SC ICB
Debbie Corcoran	Non-Executive Member	L&SC ICB
Steve Spill	Non-Executive Member	L&SC ICB
Mark Bakewell	Interim Chief Finance Officer	L&SC ICB
Asim Patel	Chief Digital Officer	L&SC ICB
Andy Knox	Acting Medical Director	L&SC ICB
Regular Participants		
Debra Atkinson	Director of Corporate Governance/ Company Secretary	L&SC ICB
Elaine Collier	Deputy Director Operational Finance	L&SC ICB
Attendees		
Rakhee Jethwa	Director of Adult Health and Care	L&SC ICB
Nancy Park	AACC Turnaround Director	PwC
Barbara McKeowen	Head of Strategy, UEC	L&SC ICB
Sandra Lishman (minutes)	Committee and Governance Officer	L&SC ICB

No	Item	Action
155 25/26	<p><u>Welcome, Introductions and Chair's Remarks</u></p> <p>The Chair welcomed everyone to the meeting, and explained that the meeting planned to be held on 19 December had been postponed to enable the committee to have full consideration of the up-to-date information provided.</p> <p>S Spill, Non-Executive Member was welcomed as a new member to the committee succeeding J Birrell. The Chair expressed appreciation for J Birrell's thorough contributions to the committee's work and looked forward to S Spill's input.</p> <p>Members noted that N Park, Turnaround Director would join the meeting to present the month 8 All Age Continuing Care report, along with R Jethwa, Associate Director Continuing Healthcare who would also present the report on assurance of oversight and governance for care packages over £300k. B McKeowen, Head of Strategy, Urgent and Emergency Care would join to present the winter planning and UEC investment schemes report.</p> <p>Members were made aware that Copilot transcription would be used throughout the meeting to aid in the production of the meeting minutes.</p>	
156 25/26	<p><u>Apologies for Absence/Quoracy of Meeting</u></p> <p>Apologies had been received from C Harris, J Scattergood and P Tinson.</p> <p>The meeting was quorate.</p>	
157 25/26	<p><u>Declarations of Interest</u></p> <p>(a) Finance and Performance Committee Register of Interests – Noted.</p>	

	<p>RESOLVED: That there were no further declarations of interest raised. Should any other conflicts arise during the meeting, the Chair should be advised accordingly.</p>	
<p>158 25/26</p>	<p>(a) <u>Minutes of the Meeting held on 21 November 2025 and Matters Arising</u></p> <p>A required correction was highlighted to the draft minutes on item 153/25/26, second paragraph should read ‘J Birrell raised that the current finance report presented to the ICB Board was insufficiently detailed, suggesting that the report should contain analysis of how the circa £5b allocation was being spent’.</p> <p>RESOLVED: That subject to the above amendment, the committee approve the minutes of the meeting held on 21 November 2025 as a true and accurate record.</p> <p>(b) <u>Action Log</u></p> <p>Ref 16 – Grip and control committee oversight – A brief update had been provided within the action log and the committee agreed to receive a further update at its meeting on 20 February 2026.</p> <p>Ref 17 – AACC reporting – The committee recognised the work of the team in preparing committee reports which were now more integrated. The report had improved flow, with key elements continuing to be reported, integrating into the finance report. Agreed to close.</p> <p>Ref 24 – AACC Reporting – An update had been provided within the action log and members were invited to contact M Bakewell with further suggestions to reporting, as appropriate. Agreed to close.</p> <p>Ref 29 – Integrated planning round 2026/27 – Report and update provided on today’s meeting agenda. Agreed to close.</p> <p>Ref 30 – 2025/26 Contract and contract monitoring update reporting – The report continued to be developed and is on today’s agenda. No further feedback had been received. Members were invited to contact M Bakewell with further suggestions to reporting, as appropriate. Agreed to close.</p> <p>Ref 31 – System financial position report – Conversations continued to be held with the Improvement Assurance Group and the report continued to be developed. Members were invited to contact M Bakewell with further suggestions to reporting, as appropriate. Agreed to close.</p> <p>Ref 32 – PwC Correspondence and System Delivery meeting outputs – It was confirmed that details had been circulated to members. Agreed to close.</p> <p>Ref 33 – AACC high-cost cases – A report would be discussed as part of today’s agenda. Agreed to close.</p> <p>All other actions were not yet due and progress updates had been provided within the action log.</p>	

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25/26

Month 8 System Financial Position

M Bakewell spoke to a report on the month 8 financial position as at the end of November 2025, outlining that the report combined both the ICB and provider positions, with a primary focus on the ICB. The ICB year-to-date and forecast outturn position was reported as break-even, but emphasised that significant risks remained, requiring further mitigation and improvement needed during the second half of the year.

M Bakewell highlighted a slight deterioration between months seven and eight, driven by operational pressures such as prescribing costs and ADHD services, alongside the waste reduction programme (WRP) position. He summarised the four main areas of financial challenge being acute contracts (particularly independent sector), mental health and learning disability costs, continuing healthcare, and prescribing expenditure.

The committee noted that a further risk adjusted position indicated a potential deficit of £14.5m depending on application of different scenarios, consistent with the previous month, with gross risks of £70m and mitigations of £56m. Best-case modelling showed a break-even position, whilst worst-case scenarios reflected additional pressures, including the voluntary redundancy scheme and uncertainty around deficit support funding.

Members were reminded that the ICB was undertaking a voluntary redundancy scheme which potentially would impact over and above the allocation received from NHS England, creating additional pressure. The process was underway through the ICB Remuneration Committee and ICB Board.

M Bakewell also highlighted the potential implications of deficit support funding withdrawal for the rest of this financial year and the associated risks for both the ICB and providers. He confirmed that these risks were being actively managed and would feature in upcoming system-level discussions. Attention was drawn to ongoing work on activity management plans, prescribing controls, and engagement with providers to manage overperformance. Positive progress was noted in independent sector negotiations, although risks remained around winter activity and emerging funding streams. Commissioning, contracting and finance colleagues were commended for their involvement in conversations to ensure the ICB remained in a positive position. Further work was required with NHS providers and the ICB had been clear regarding expectations. Complexities in the landscape included additional regional transformation funding and new emerging funding; commissioners and providers continued to work to ensure a joined up system, clarity on funding streams and ensuring that payments were not duplicated.

M Bakewell highlighted that strategic level conversations continued with local authorities, working through at a more transactional level.

He described positive actions were underway in relation to prescribing, highlighting a time lag in the available data. Significant work was ongoing, particularly with primary care, to maximise good medicines management behaviours, ensure effective use of system incentives, and progress the associated work plan. Pressures were being seen around particular types of drugs and technology appraisals, including those for diabetes, which would form part of next year's planning conversations.

N Park and R Jethwa joined the meeting.

Further work was required in relation to the WRP position, and robust systems were being developed to demonstrate delivery and assess levels of risk. The in-year position was reported to be lower than the overall plan. M Bakewell highlighted that 2025/26

achievements were only partly recurrent and were being reviewed with colleagues, as it was recognised that the non-recurrent residual impact would present further challenges next year.

In relation to the month 8 provider position, M Bakewell reported a cumulative year-to-date deficit of £143.6m, which excluded deficit support funding. This resulted in circa £46m worse than plan and due to a combination of issues but largely driven by shortfalls in the WRP plans, reflecting operational challenges and pressures. Updates would be provided at the Improvement Assurance Group meetings.

Challenges remained for the remainder of the year, although substantial work was underway to address them. The ICB continued to meet internally on a weekly basis through the Incident Management Team meetings, and this process demonstrated strong and positive engagement, with meetings being consistently well attended.

Members raised questions regarding contingencies and reserves, the treatment of year-end uncertainties, and the impact of prior-year issues. M Bakewell explained that judgements and estimates would be applied in line with established accounting processes. Year-end internal challenges included the voluntary redundancy process and business continuity discussions were being held to reach agreement on individual leaving dates. D Corcoran sought assurance on progress between months 7 and 8 to gain confidence for a break-even position. M Bakewell acknowledged the challenges and confirmed that actions were being implemented, with close oversight by the senior team, directors and executive colleagues, eg, activity management plans where a degree of risk remained. He reported that similar trends were being observed in neighbouring ICBs.

The Chair queried the effectiveness of the mitigations, particularly in relation to ADHD and WRP delivery, and sought clarification on the RAG ratings, noting that some were marked as green for delivery but amber for risk. M Bakewell confirmed that the description of RAG ratings within the report were accurate, and explained that some of the variation related to timing, eg, although all actions associated with the activity management plans had been implemented, a degree of delivery risk remained due to the number of process steps and associated timing constraints. An initial plan had been developed earlier in the year to fully mitigate the emerging ADHD pressures identified during the Summer. Given the volume of referrals now in the system, the level of work required and already undertaken on pathway specification, and the introduction of activity management processes, it was now clear that the focus had shifted to achieving the best possible deficit position for that service line, rather than returning it to a balanced plan. Budget setting considerations for next year were underway from both a performance and financial perspective.

Further discussion covered prescribing pressures and diabetes care, with assurance provided that strict controls and forecasting were in place. A Knox reported that there was strong support from primary care in relation to the work around the QOF and confirmed that there was a recognised risk around weight reduction drugs, for which an options paper would be presented to the ICB Board. The committee acknowledged the complexity of the financial landscape and the significant risks to achieving break-even, noting that grip and control measures were being applied rigorously.

The Chair commended the finance team for the quality and transparency of reporting and emphasised the importance of continued focus on implementation and monitoring over the remaining months of the financial year.

M Bakewell recognised that this year's plan assumptions relied on both non-recurrent resources and contained a range of historical issues which was impacting in-year

	<p>financial positions</p> <p>RESOLVED: That the ICB Finance and Contracting Committee note the content of this report.</p>	
<p>160 25/26</p>	<p><u>All Age Continuing Care Month 8 Financial and Operational Performance</u></p> <p>The committee received an update from N Park and R Jethwa on the month 8 financial and operational performance position for All Age Continuing Care. N Park reported that the service had achieved £27m of savings at month 8, although a shortfall of approximately £3m remained against the extra stretch target. The team was therefore focused on de-risking waste reduction programme (WRP) delivery and reducing run-rate expenditure during the final quarter.</p> <p>N Park summarised four priority workstreams that the team were currently focussing on:</p> <ol style="list-style-type: none"> 1. Local authority reset and joint funding – A Memorandum of Understanding (MoU) had now been signed by both the ICB and local authorities, representing a significant milestone. This would partly ensure that the ICB was doing the right thing for the population in terms of outcomes and that funding sits in the right place. Work was underway to review the Section 117 transforming care and learning disability and autism patient cohorts, rectify funding arrangements, and ensure costs were appropriately allocated between health and social care. It was hoped to make these changes in this financial year, however, challenges were recognised. Historical aspects would also be addressed. Other areas of WRP which were local authority dependent or where there were interdependencies with local authorities, were also being worked through and strengthened. 2. Provider pricing, market management and brokerage – It was recognised that whilst package volumes were decreasing, this was not at the rate required. Specific areas were being looked at to make quick changes and further work was required. Current actions within domiciliary care included implementing caps on nursing rates, and complex beds to address cost variability and reduce high-price outliers. 3. High-Cost Packages – Additional agency support had been secured to accelerate reviews of high-cost packages and ensure consistency through the Executive Approval Panel. 4. Commissioning pathways and system pressure – The team was addressing commissioning issues contributing to increased expenditure, including inappropriate referrals and cost allocations at East Lancashire Hospitals Trust, with meetings scheduled with this trust to resolve these concerns. <p>M Bakewell reported that the ICB was committed to ensure that expenditure was accurately described within the appropriate categories of the new financial ledger. This would support improved national benchmarking against other ICBs as current variations in how expenditure is coded or recorded may be influencing comparative analysis.</p> <p>D Corcoran welcomed the clarity provided on priority areas and sought assurance on how increasing complexity was being addressed, along with the implementation risks associated with the MoU. R Jethwa explained that in response to rising complexity and associated unit costs, the service, historically operating without a formal framework and therefore reliant on spot purchasing, had introduced caps on nursing rates and complex care beds to try and help stabilise expenditure. Caps had also recently been applied to domiciliary care due to significant cost variation this area.</p> <p>R Jethwa also outlined ongoing work with Lancashire County Council to explore</p>	

alternative brokerage opportunities. She provided additional detail on managing increased complexity and longer-duration cases, explaining that enhanced care packages were subject to regular review and commissioned in line with policy requirements and oversight by the executive panel.

N Park reported that some of the required actions would extend beyond the current financial year, eg, discussions with Lancashire County Council around the learning disability and autism service. She emphasised that the system could not sustainably continue to fund the current level of cost for this cohort, and that longer-term transformation and revised models of care were essential. This work would include reviewing how services are delivered and identifying more sustainable approaches for the future.

N Park acknowledged that while the local authority agreement was a positive step, significant work remained to transact changes and deliver financial benefits, with circa £20m of WRP dependent on local authority engagement.

M Bakewell added that improvements in coding and reporting were essential to ensure accurate benchmarking and effective planning. Significant risk remained and work was ongoing to deliver the required outcomes.

Work was also underway to reset the approach to budget setting. The recently reviewed productivity opportunity packs required a clear line of sight between their content and the organisations internal assumptions, emphasising the need for an evidence base underpinning the figures. Although substantial work remained and progress needed to accelerate, the deficit value was reducing, and factors such as convergence and other system issues were being considered within a structured review process.

The committee noted the adverse variance of £29.6m at month 8, recognising that this included prior-year issues. Members agreed that the narrative should reflect progress against the original savings target and the substantial work undertaken to manage historical liabilities. The Chair commended the team for their efforts despite high sickness absence levels and reiterated the importance of maintaining grip and control during the final quarter.

RESOLVED: That the Finance and Contracting Committee:

- **Note the progress on the waste reduction programme, operational performance, turnaround delivery and the risk-based forecast outturn**
- **Support the defined next steps on recovering the financial forecast which includes the WRP**
- **Endorse operational actions to address the overspent budget.**

(a) Assurance of Oversight and Governance for Care Packages over £300k

R Jethwa introduced the paper summarising the governance, scrutiny and decision-making arrangements in place for all packages of care costing more than £300k per year. She confirmed that such cases were subject to a rigorous series of checks and controls. All packages, whether continuing healthcare (CHC), fast-track or non-CHC, are reviewed in line with national frameworks and agreed timeframes. Review frequency was determined by clinical need and complexity, though no package was reviewed less than annually. Operational oversight was provided through clinical leads, Heads of Service and Associate Directors. A panel meets daily to scrutinise the approval process, according to the processes, procedures within the ICB and also from a consistency and compliance perspective. Additional controls included routine dip-sampling, internal audit activity, peer review with neighbouring ICBs on consistency

	<p>in decision making, and dual ratification for fast-track and CHC eligibility decisions. She confirmed that these arrangements ensured both financial stewardship and clinical appropriateness.</p> <p>D Atkinson added that the processes described were fully aligned with the ICB's financial Scheme of Delegation. Packages exceeding £310,000 were reported to the Finance and Contracting Committee for assurance, in accordance with the delegation framework.</p> <p>In discussion, S Spill sought clarification on why the threshold of £310k had been selected. R Jethwa confirmed that the governance processes applied to all high-cost packages above £2,600 per week, with the £310k threshold used for reporting purposes in line with the delegation limits. D Corcoran welcomed the level of assurance and noted positively that the controls addressed both cost and value for money. She asked whether any benchmarking existed to determine whether the ICB held an expected volume of high-cost cases when compared to demographic peers. R Jethwa explained that such comparison was difficult due to the historic spot-purchasing model, market constraints, and local geographical factors, particularly in areas with limited provider availability. N Park further added that in terms of volume, the number of cases were around 150-180 and clarified that although the number of cases was relatively modest, a proportion related to transforming care and complex learning disability placements. These cohorts were being reviewed, looking at where funding sits.</p> <p>The Chair observed that comparative variance analysis could act as a useful secondary control and requested that the team explore whether a high-level benchmarking model could be developed, recognising national benchmarking work was also ongoing. The committee agreed that the assurance provided was robust and thanked N Park and R Jethwa for the clarity of the paper.</p> <p>RESOLVED: That the committee note the content of the meeting report.</p> <p><i>B McKeowen joined the meeting. N Park and R Jethwa left the meeting.</i></p>	<p>NP (action log)</p>
<p>161 25/26</p>	<p><u>Quarterly Risk Management Report</u></p> <p>D Atkinson presented a report summarising the risk management activity undertaken during the reporting period and outlined progress against key actions designed to identified mitigate risk. She highlighted that the Board Assurance Framework (BAF) continued to reflect the priority issues shaping the agenda of the Finance and Contracting Committee. The 2 risks within the committee's remit related to All-Age Continuing Care (AACC) and the delivery of the financial plan for 2025/26.</p> <p>She summarised the activity undertaken since the previous report, as set out in Section 2 of the meeting report, and confirmed that full details of the risks were provided at Appendix 1. No changes were proposed to the current risk scores. She highlighted that the target risk score for the AACC risk remained above the ICB Board's risk appetite and that this had been escalated to the Executive Committee. The risk executive lead, J Scattergood, had reviewed the position and confirmed that no additional mitigation was possible at this stage although the risk remained an area of continued focus.</p> <p>The committee was also reminded that a risk relating to ISFE, the newly implemented national financial system, remained on the operational risk register within its remit. Members had previously been fully briefed on its implications. Section 3 of the meeting report provided a comprehensive overview of both the BAF and the operational risk register for context.</p>	

	<p>During discussion, D Corcoran sought clarification regarding the risk trajectory scoring for BAF risk 4, noting that the reported expected reduction in score appeared inconsistent with the position at month 7. In response, D Atkinson explained that the scoring was informed by the Senior Responsible Officer and executive lead and she would obtain the rationale from them. She recognised the challenge of aligning reporting timelines with rapidly moving operational and financial information. She acknowledged that the recent agreement of the local authority Memorandum of Understanding was likely to have a positive impact on future AACC risk assessments.</p> <p>Steve Spill raised a similar query regarding interpretation of the trajectory column and questioned whether the risk remained of 20 pending future improvement. The Chair agreed, observing that although substantial progress had been made over the course of the year, the scale of financial exposure meant that impact score would remain high. However, it was considered appropriate to retain an ambition to progress towards a more controlled risk position as mitigations continued to embed.</p> <p>RESOLVED: That the Finance and Contracting Committee:</p> <ul style="list-style-type: none"> - Note the contents of the report - Note the risk management activity undertaken during the reporting period for those risks held on the BAF and ORR which relate to the business of the committee (as summarised in sections 2.2 and 3.2 and attached in full at Appendices 1 and 2 - Note the high-level summary dashboard of all risks currently held on the BAF and ORR, which is attached at Appendix 3 for information. 	DA (action log)
162 25/26	<p><u>Referral to Treatment</u></p> <p>The committee received an update from Asim Patel regarding referral to treatment (RTT) performance. A Patel reported that the meeting paper had been brought to the committee at the request of the ICB Chief Executive, who sought specific assurance from an ICB Board sub-committee due to the significant challenge and scrutiny being applied by NHS England to Referral to Treatment (RTT) performance.</p> <p>He shared a set of slides providing a high-level overview of the current position reporting that national focus had intensified around the required eradication of 65-week waiters; despite this not forming part of the formal constitutional standards, daily tracking had been required since September. The system concluded the calendar year with 28 breaches against an expectation of zero by 21 December 2015. This was a comparatively strong performance nationally and some breaches reflected operational realities such as clinician sickness, patient choice and unavoidable delays.</p> <p>A Patel continued that at 21 December 2025, there were 5,354 patients waiting over 52 weeks, but the more significant consideration was the larger cohort, approximately 25,000 patients, who would have breached at 31 December 2025. He outlined internal tracking of booked and unbooked appointments across this cohort.</p> <p>He highlighted a growing tension between financial controls and performance expectations. Activity management plans required providers to reduce activity in order to support the overall financial position, which would inevitably affect RTT performance. Conversely, NHS England had recently introduced a “Quarter 4 Sprint” requiring providers to undertake increased volumes of first outpatient appointments, with associated funding, alongside a separate tranche of regional transformation funding of £4.4m. Both initiatives aimed to support increased activity and reduce waiting lists, creating a direct contradiction with activity reductions required to reduce</p>	

	<p>over-performance and financial pressure.</p> <p>A Patel stressed that urgent clarification was needed for providers on how to reconcile the messages to “do less” for financial reasons while being incentivised to “do more” for performance. He confirmed that a meeting was planned to be held the following day to align financial, contractual and performance impacts and avoid double-counting of funding streams.</p> <p>He advised that a more comprehensive discussion would take place at the Quality and Outcomes Committee that afternoon, alongside the Integrated Performance Report, and recommended that future RTT reporting include clear triangulation of activity management plans, financial implications and performance impact to support informed decision-making by both committees.</p> <p>The Chair thanked A Patel for the clarity of the analysis, recognising the contradictory tension to move forward with RTT. He agreed that the Finance and Contracting Committee should remain sighted on the financial implications of RTT and related actions, particularly where decisions to constrain activity might directly conflict with expectations to improve elective performance. The committee agreed that RTT would be monitored as part of the committee finance report going forward and that A Patel should report any issues as required, particularly if tensions escalated or further financial or performance trade-offs emerged.</p> <p>RESOLVED: That the Finance and Contracting Committee:</p> <ul style="list-style-type: none"> - Note the contents of the report acknowledging the current status, progress, and challenges - Receive updates via the committee finance report specifically around the impact of activity management plans on RTT performance. 	
<p>163 25/26</p>	<p><u>Planning Guidance Update</u></p> <p>M Bakewell spoke to a previously circulated presentation providing an update on progress to the ICB plan submission, relating to the operational planning guidance that was released in November 2025. He emphasised that the planning timelines were extremely challenging and noted that, despite this, the ICB had successfully submitted the initial planning assumptions and templates by the requested deadline. These submissions reflected the ICB’s intent to be compliant with the required financial and performance targets and he confirmed that all local providers had taken a similar approach.</p> <p>He reported that some late issues had arisen with national planning templates, which could not be updated quickly enough to reflect local data, resulting in validation errors and inconsistencies. Work was underway with NHS England to correct these, alongside internal discussions on how to improve local processes for future submissions.</p> <p>M Bakewell reiterated the scale of work required over the coming weeks, highlighting the close interdependency across key planning components, activity, workforce and finance, and the need to triangulate these robustly. He reminded the committee of the ICB’s overall allocation of approximately £5.56b and the deficit control total requirement for 2026/27 of £34.9m in 2026/27, reducing to £14.96m the following year. He noted that the ICB remained above its target allocation and therefore continued to experience reduced recurrent allocation growth due to convergence adjustments.</p> <p>M Bakewell outlined the recurrent and non-recurrent elements of the allocation and referenced the impact of the £35.9 million adjustment for the £19 per head change.</p>	

Specific earmarked allocations, such as those for community diagnostic centres and specialised services, would require dedicated work with budget holders to produce clear expenditure plans.

M Bakewell updated that the system control total had reduced from £164m to £91m, and reminded members that this was a 3-year planning cycle. He outlined the methodology for developing the financial plan, beginning with the month 7 position, and incorporating adjustments using the month 8 and month 9 data. Non-recurrent items would be removed, and full-year effects reinstated as appropriate. He emphasised the importance of establishing an accurate and transparent baseline before applying planning assumptions. These assumptions would include national planning requirements, local system considerations, demand management expectations and the impact of operational and elective activity guidance.

He highlighted that applying indicative waste reduction programme (WRP) requirements across programme budgets suggested the need for approximately £129m in efficiencies for 2025/26, which was broadly consistent with the 2024/25 position. He recognised that several assumptions, including those relating to prescribing pressures, still required further refinement.

M Bakewell confirmed that the initial plan submission indicated a gap of approximately £261m between forecast expenditure and the required control total. It was recognised that this position was expected to change considerably as assumptions were explored and further engagement took place with budget holders. He added that the budget setting process would incorporate additional zero-based reviews of budgets and adopt a more rigorous approach to justification of expenditure lines.

He explained that contract planning continued to be one of the most challenging elements, particularly given the tension between financial affordability and the requirement to meet performance targets such as elective recovery. Providers had submitted significant activity requirements to support performance delivery, although this may prove difficult to achieve. Commissioning intentions and demand management proposals, supported an external consultancy, were being developed and tested with providers.

M Bakewell concluded by alerting the committee to the extensive work required over the coming weeks to produce a triangulated submission and confirmed that national performance standards had been included in the report pack for reference.

The Chair thanked M Bakewell for the detailed update, recognising that the work underway was both significant and time-critical. He observed that the planning process was likely to identify a substantial gap between allocation and required expenditure, which would in turn drive a significant cost-reduction challenge.

D Atkinson added that an additional ICB Board briefing session on the medium-term plan would be arranged prior to the sign off of the full plans. The Chair suggested that the committee's next meeting on 30 January should focus primarily on the month 9 financial position and the medium-term plan.

RESOLVED: That the committee:

- **Note the update with regards to plan submission made on the 16 December**
- **Note the issues as described within this presentation.**

<p>164 25/26</p>	<p><u>2025/26 Contract and Contract Monitoring Update</u></p> <p>M Bakewell reported that work continued to refine and strengthen the associated processes, noting that the report linked closely to several issues already discussed during the meeting, including activity levels, performance positions and related financial considerations.</p> <p>RESOLVED: That the committee note the content of the report.</p> <p><i>A Patel left the meeting.</i></p>	
<p>165 25/26</p>	<p><u>Winter Planning and UEC Investment Schemes</u></p> <p>B McKeowen provided an update on winter planning and urgent and emergency care (UEC) schemes, highlighting the following key points. She reported that the quarter 2 position reflected an underspend of £1.65m. Following a request from the ICB Incident Management Team to update the quarter 3 position, the UEC team had engaged with all providers delivering the relevant schemes. The current estimate indicated an underspend of approximately £2m and it was emphasised that further discussions with individual providers were required to validate this figure. She highlighted that specific scheme-level nuances meant that the forecast would require continued refinement.</p> <p>B McKeowen confirmed that within the underspend a cost pressure relating to the private transport service (PTS) would be met through slippage in the current financial year. Looking ahead to 2026/27, the ICB had committed to fund this PTS cost pressure, estimated at £1.7m, through capacity investment scheme monies, and this would remain a pressure within the financial envelope for next year.</p> <p>She advised the committee that the UEC team had not received any allocation from the Regional Transformation Fund (RTF), and key risks therefore persisted. Providers continued to report that short-term funding windows created operational challenges, as schemes were mobilised only to require exit planning shortly afterwards. To support planning for 2026/27, a draft paper setting out a range of options had been developed and shared with the ICB Chief Operating Officer, with further discussions scheduled.</p> <p>B McKeowen highlighted key points from the appendices, noting that virtual ward schemes were now recurrently funded through the capacity investment funding, and that the stranded and super-stranded scheme delivered by Lancashire and South Cumbria Foundation Trust had been stood down in June/July 2025. Further discussions were required regarding the Home First scheme at Blackpool Teaching Hospitals, where clarification was needed on whether the scheme had commenced as originally planned.</p> <p>The Chair thanked B McKeowen for the paper and concise update, noting from wider system experience that the Home First model had demonstrated significant value in supporting timely hospital discharge.</p> <p>RESOLVED: That the committee note the content of the report and associated risks.</p> <p><i>B McKeowen left the meeting.</i></p>	
<p>166 25/26</p>	<p><u>System Finance Group and System Investment and Infrastructure Group Minutes</u></p> <p>RESOLVED: That the Finance and Contracting Committee note the System Finance Group and System Investment and Infrastructure Group minutes of the meeting held on 24 October 2025.</p>	

167 25/26	<u>Lancashire and South Cumbria Provider Collaboration Board</u> RESOLVED: That the Finance and Contracting Committee note the Lancashire and South Cumbria Provider Collaboration Board minutes of the meeting held on 9 October 2025.	
168 25/26	<u>Committee Escalation and Assurance Report to the Board</u> Members noted the items which would be included in the committee escalation and assurance report to the ICB Board. RESOLVED: That the Finance and Contracting Committee note that a report will be taken to ICB Board.	
169 25/26	<u>Items Referred to Other Committees</u> There were no items referred to other committees.	
170 25/26	<u>Any Other Business</u> No other business was raised.	
171 25/26	<u>Items for the Risk Register</u> There were no new items.	
172 25/26	<u>Reflections from the meeting</u> The Chair thanked members for their contributions and their dedicated time to the meeting, noting satisfaction with the way the meeting had been conducted and confirming that discussions had remained appropriately focused.	
173 25/26	<u>Date, time and venue of next meeting</u> 30 January 2025, 10 am – 12 noon, by MS Teams.	