

Integrated Care Board

Date of meeting	19 March 2026			
Title of paper	Finance and Contracting Committee Escalation and Assurance Report – 30 January 2026 and 20 February 2026			
Presented by	Steve Igoe, Finance and Contracting Committee Chair			
Author	Board Secretary and Committee Officers			
Agenda item	11			
Confidential	No			
Executive summary				
<p>This report highlights key matters, issues, and risks discussed at the Finance and Contracting Committee meeting held since the last report to the Board on 22 January 2026 to alert, advise and assure the Board.</p> <p>The summary report also highlights any issues, items referred or escalated to other committees or to the Board.</p> <p>Minutes approved by the committee to date are presented to the Board to provide assurance that they have met in accordance with their terms of reference and to advise the Board of business transacted at their meetings.</p>				
Public and Stakeholder Engagement				
N/A				
Recommendations				
<p>The Board is asked to:</p> <ul style="list-style-type: none"> • Note the Alert, Advise and Assure and approve any recommendations as listed. • Note any summary of items or issues referred to other committees of the Board over the reporting period. • Note the ratified minutes of the committee meetings. 				
Which Strategic Objective/s does the report relate to:			Tick	
SO1	Improve quality, including safety, clinical outcomes, and patient experience		✓	
SO2	To equalise opportunities and clinical outcomes across the area		✓	
SO3	Make working in Lancashire and South Cumbria an attractive and desirable option for existing and potential employees		✓	
SO4	Meet financial targets and deliver improved productivity		✓	
SO5	Meet national and locally determined performance standards and targets		✓	
SO6	To develop and implement ambitious, deliverable strategies		✓	
Implications				
	Yes	No	N/A	Comments
Associated risks		✓		
Are associated risks detailed on the ICB Risk Register?			✓	
Financial Implications			✓	
Where paper has been discussed (list other committees/forums that have discussed this paper)				
Meeting	Date		Outcomes	

Finance and Contracting Committee	30 January and 20 February 2026	To provide the Board of committee business during this period.
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Conflicts of interest associated with this report

Not applicable.

Impact assessments

	Yes	No	N/A	Comments
Quality impact assessment completed			✓	
Equality impact assessment completed			✓	
Data privacy impact assessment completed			✓	

Report authorised by:

ICB Committee Chair

Integrated Care Board – 19 March 2026

Finance and Contracting Committee Escalation and Assurance Report

1. Introduction

- 1.1 This report highlights key matters, issues, and risks discussed at ICB Finance and Contracting committee held since the last report to the Board on 22 January 2026 to alert, advise and assure the Board.

- 1.2 The summary report also highlights any issues, items referred or escalated to other committees or to the Board.

- 1.3 Minutes approved by the committee to date are presented to the Board to provide assurance that they have met in accordance with their terms of reference and to advise the Board of business transacted at their meetings.

2. Finance and Contracting Committee Report and Approved Minutes

Date: 30 January 2026		Chair: Steve Igoe
Key Items Discussed		
Item	Issue	Action
Alert		
Month 9 finance report and forecast outturn	<p>Despite the ICB declaring a balanced position at month 8, risk remains in hitting the year end position with the current risk-based forecast showing a deficit of £14.3m before further mitigations. This is similar to the previous month.</p> <p>The provider sector has a £47.3m shortfall against plan at month 9, predominantly as a result of failure to deliver efficiency savings.</p> <p>Waste reduction programme savings are currently £26m off plan and forecast to be £27.6m off plan by year end.</p> <p>Key spend challenges for the year end are: All Age Continuing Care, prescribing and the independent sector although with the latter there is evidence of grip and control having a positive effect.</p>	Escalate to the ICB Board to provide assurance and oversight.
Provider capital	Provider capital is currently £18.5m behind schedule although providers	Escalate to the ICB Board to provide assurance and oversight.

	have confirmed full delivery by year end.	
All Age Continuing Care	<p>As at month 9 there is an overspend of £40m of which £15m related to prior years.</p> <p>The report included benchmarking data with regional and national comparators.</p>	Escalate to the ICB Board to provide assurance and oversight.
Planning guidance	<p>Whilst much progress had taken place over recent weeks, it is acknowledged that there remains much to do to construct a fully coherent and triangulated plan covering finances and performance.</p> <p>This would be the subject of ongoing discussion and debate both with the ICB Board, and the Finance and Contracting Committee and Audit Committee.</p> <p>The waste reduction programme (WRP) requirements for 2026/27 stand at circa £125m, to which must be added a further £35m to £40m for reductions in running costs, leaving a balancing figure to achieve the control total of circa £50m.</p> <p>The committee was advised of key areas that could help close the gap such as: demand management de-commissioning, provider efficiency and productivity and allocations of elective and diagnostic funding.</p> <p>There is an inevitable tension between year.1 compliance and the 3-year transformation agenda.</p>	Escalate to the ICB Board to provide assurance and oversight.
Advise		
All Age Continuing Care	A new managing director for continuing healthcare has been appointed, and the PWC support for the area will be phased out over coming weeks.	To note.
Contracts and contract monitoring	<p>The committee were informed that a number of contracts remain unsigned although work is ongoing to progress these.</p> <p>Activity across both NHS and independent sectors showed</p>	Escalate to the ICB Board to provide assurance and oversight.

	<p>elements of overperformance in the year to date.</p> <p>Adult ADHD remains a significant area of concern in terms of both financial performance but also patient experience and quality. This is also the case in weight management and other commissioned services.</p>	
Assure		
Financial grip and control	<p>System delivery meetings continue to be held with increasingly positive interactions.</p> <p>Improvement Assurance Group interactions continue to scrutinise and challenge financial performance.</p> <p>Weekly savings meetings continue to be held and waste reduction programme savings are tracked through ICB Incident Management Team meetings.</p>	To support the ongoing work in the area.
All Age Continuing Care	<p>Key improvements in the report included in relation to timeliness and long waits where the proportion of referrals completed within 28 days had improved from 42% to 84% over the past 12 months, and the elimination of the 12-week referral delay.</p>	To note.
Planning guidance	<p>The committee received a detailed update on the medium-term plan for 2026/27 acknowledging that this had been shared with the ICB Board the previous day.</p>	To note.

Date: 20 February 2026		Chair: Steve Igoe
Key Items Discussed		
Item	Issue	Action
Alert		
Month 10 finance report and forecast outturn	<p>At the end of month 10, the ICB reported a £10.1m forecast outturn surplus based on a combination of operational performance position and available mitigations. The forecast outturn position continues to be updated and reviewed through the monthly ICB Improvement and Assurance Group meetings.</p> <p>Lancashire and South Cumbria providers have a cumulative</p>	Escalate to the ICB Board to provide assurance and oversight.

	<p>£67.7m variance to plan, predominantly driven by the shortfall against the efficiency plan and the impact of deficit support funding being withheld.</p> <p>The combined system is reflecting a balanced outturn position against its original plan control.</p> <p>Risk remains including outstanding matters with local authority partners, learning disability pooled budget arrangements, continuing healthcare and NHS contract settlements, particularly relating to end-of-year performance initiatives. Risks are being actively managed and there is a clear line of sight from the current position to the forecast outturn.</p> <p>Deficit support funding is expected in month 11, significantly reducing risk to the ICB plan.</p>	
All Age Continuing Care (AACC)	<p>At month 10, AACC is reporting a year to date overspend of £46.2m. The AACC waste reduction programme (WRP) has delivered £32.1m year to date, an underachievement of £16m. In month, £2m of WRP savings were delivered, leaving a £2m shortfall. The risk-based forecast outturn at month 10 indicated a most likely year-end overspend of £43.3m, reflecting under delivery of WRP, prior year pressures and ongoing cost pressures across care packages and learning disability and autism cohorts.</p>	Escalate to the ICB Board to provide assurance and oversight.
Advise		
ICB financial plan	<p>The ICB had submitted a financial plan compliant with a deficit control total of circa £35m. Significant risks include the requirement to deliver constitutional standards, primary and secondary care budget pressures, challenges within continuing healthcare, challenges within the learning disability pooled budget arrangements/contribution, the inability to support the shift left/prevention agenda and recurrent/non-recurrent delivery</p>	Escalate to the ICB Board to provide assurance and oversight.

	<p>balance. Delivery is being managed through the waste reduction programme, running cost adjustment and additional mitigations linked to demand management and commissioning intentions. A detailed project plan is being worked through to manage. Further work is required to strengthen triangulation between workforce, finance and performance.</p>	
All Age Continuing Care	<p>The service remained at or above the threshold for the quality premium, 81% performance against the national 80% target.</p> <p>Focus would continue on the waste reduction programme (WRP) recovery actions and identification of further stretch plus new opportunities. There is ongoing monitoring of forecast risk and prior year exposure through to year end.</p> <p>A resilience assessment setting out gaps and options to fill workforce gaps, including consideration of structure and the impact of voluntary redundancy was being actively progressed to avoid workforce gaps at the start of April 2026. The new managing director would be joining the team full time from April 2026.</p>	Escalate to the ICB Board to provide assurance and oversight.
Contracts and contract monitoring	<p>An outline of the current contract and contract monitoring report was received by the committee, noting delays in agreeing contracts earlier in the year.</p>	Escalate to the ICB Board to provide assurance and oversight.
Assure		
Grip and control actions	<p>Committee received an update on the progress against the original 10 grip and control recommendations and accepted the recommendation to close 3 actions. Further actions were expected to close in quarter 1 and some were aligned to contract deadlines at the end of March 2026. One action related to the implementation of future operating model/structural changes to the ICB.</p>	Further update would be provided to the committee at the end of Q1 2026/27.

All Age Continuing Care	A detailed report on the management and controls systems covering the payments over £300k was presented and provided good assurance of the ongoing tight management of financial, value for money and quality risks in the area.	To note.
Commissioning intentions	<p>Commissioning intentions for 2026/27 had been strengthened in response to feedback from providers, partners and the public. Risk was flagged of organisational capacity to delivery the intentions. Committee raised population health intelligence should form a starting point for commissioning.</p> <p>Noting the importance of value for money and understanding where impact and benefit were being realised, the committee noted the importance for the ICB Board, supported by the newly formed commissioning committee to understand progress against the wider strategic picture.</p>	To note.

- **Appendix A** – Approved minutes of the Finance and Contracting Committee held on 7 January 2026. [Item 11 Appx A - Approved - F&C Committee Minutes - 7 January 2026 v2.pdf](#)
- **Appendix B** – Approved minutes of the Finance and Contracting Committee held on 30 January 2026. [Item 11 - Appx B - Approved F&C Committee Minutes - 30 January 2026.pdf](#)

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

Committee	Item or Issue	Referred to
N/A		

4. Conclusion

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

5. Recommendations

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

Committee Chair
March 2026