

## Integrated Care Board

<b>Date of meeting</b>	14 May 2026			
<b>Title of paper</b>	Finance and Contracting Committee Escalation and Assurance Report – 26 March and 20 April 2026			
<b>Presented by</b>	Steve Igoe, Finance and Contracting Committee Chair			
<b>Author</b>	Head of Governance and Committee Officers			
<b>Agenda item</b>	12			
<b>Confidential</b>	No			
<b>Executive summary</b>				
<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 19 March 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>				
<b>Public and Stakeholder Engagement</b>				
N/A				
<b>Recommendations</b>				
<p>The Board is asked to:</p> <ul style="list-style-type: none"> <li>Note the Alert, Advise and Assure and approve any recommendations as listed.</li> <li>Note any summary of items or issues referred to other committees of the Board over the reporting period.</li> <li>Note the ratified minutes of the committee meetings.</li> </ul>				
<b>Which Strategic Objective/s does the report relate to:</b>			<b>Tick</b>	
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		✓	
<b>Implications</b>				
	<b>Yes</b>	<b>No</b>	<b>N/A</b>	<b>Comments</b>
Associated risks		✓		
Are associated risks detailed on the ICB Risk Register?			✓	
Financial Implications			✓	
<b>Where paper has been discussed (list other committees/forums that have discussed this paper)</b>				
<b>Meeting</b>	<b>Date</b>		<b>Outcomes</b>	
Finance and Contracting Committee	26 March and 20 April 2026		To provide the Board of committee business during this period.	

Conflicts of interest associated with this report				
Not applicable.				
Impact assessments				
	Yes	No	N/A	Comments
Quality impact assessment completed			✓	
Equality impact assessment completed			✓	
Data privacy impact assessment completed			✓	

<b>Report authorised by:</b>	ICB Committee Chair
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# Integrated Care Board – 14 May 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 19 March 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

<b>Date: 26 March 2026</b>		<b>Chair: Steve Igoe</b>
<b>Key Items Discussed</b>		
<b>Item</b>	<b>Issue</b>	<b>Action</b>
<b>Alert</b>		
<b>Month 11 finance report and forecast outturn</b>	The Lancashire and South Cumbria ICB is reporting a £10.1m surplus as at month 11. The position is regularly reviewed and updated for the monthly IAG meetings. The provider sector has a £73.1m negative variance to plan at month 11 mainly driven by failure to deliver necessary costs savings and the withholding of DSF. The combined system position forecast for the end of month 11 is delivery of the plan total at £164m deficit.	Escalate to the ICB Board to provide assurance and oversight.
<b>System capital planning</b>	The committee received a detailed update on system capital planning. It noted the challenging planning timescales and the delivery challenges given funding availability and the long lead times typically associated with such developments.  The committee noted the five main areas of funding only one of which the ICB is responsible for.	Escalate to the ICB Board to provide assurance and oversight.

	It was recognised that in the context of a 10 year plan, governance around this area would need to evolve to manage the delivery and execution challenges.	
<b>All Age continuing care (AACC)</b>	The committee discussed the latest AACC report. It noted that waste reductio programme (WRP) delivery remains significantly behind plan with a forecast year end outturn projecting a likely £42.3m overspend. There are continued cost pressures from complex packages and provider pricing whilst learning disability and autism, and transforming care financial pressures, remain unsolved.	Escalate to the ICB Board to provide assurance and oversight.
<b>Operational Plan</b>	The committee noted the ongoing development of the operational plan and in particular the continued significant risks associated with both the financial delivery requirements and performance measures. It was noted that there is positive collaboration within the system with partners to manage the various challenges.	Escalate to the ICB Board to provide assurance and oversight.
<b>Advise</b>		
<b>All age continuing care (AACC)</b>	There is a need to continue to focus on recovery actions and improvements and to strengthen operational grip on reviews and pathway pressures whilst continuing to develop 26/27 WRP pipeline targets and delivery plans.	Escalate to the ICB Board to provide assurance and oversight.
<b>System capital planning</b>	The committee noted that preparations are underway for the refresh of the infrastructure strategy working with colleagues in NHS England both regionally and nationally.	Escalate to the ICB Board to provide assurance and oversight.
<b>Green plan</b>	A 6 month update was received in relation to the ICB green plan. It was noted that disclosure requirements are enhanced for 2025/26 reporting. The committee also noted that a number of the plan workstreams covered areas that may not exist in the new ICB structure.	Escalate to the ICB Board to provide assurance and oversight.
<b>Assure</b>		
<b>Financial Grip and Control</b>	System delivery meetings continue to be held with increasingly positive interactions.	To support the ongoing work in the area.

	IAG interactions continue to scrutinise and challenge financial performance.  Weekly savings meetings continue to be held and waste reduction programme savings are tracked through ICM IMT meetings.	
<b>Risk management</b>	The committee received a quarterly update on risk management with a specific focus on those risks which the committee is responsible for overseeing. The committee noted and confirmed those specific risks and in addition noted a high level summary of all risks held on the BAF and ORR.	To note
<b>All age continuing care (AACC)</b>	The committee noted sustained improvement in timelines in dealing with continuing healthcare issues and quality premium performance, alongside reductions in package volumes albeit offset by rising costs.	To note

<b>Date: 20 April 2026</b>		<b>Chair: Steve Igoe</b>
<b>Key Items Discussed</b>		
<b>Item</b>	<b>Issue</b>	<b>Action</b>
<b>Alert</b>		
<b>Month 12 finance report and outturn subject to audit</b>	The Lancashire and South Cumbria ICB is reporting a £9.7m surplus at the end of month 12. Waste reduction programme delivery is £106m against a plan of £142.7m. As a result of distribution of system deficit support funding (DSF) and other DSF released at a late stage, the providers cumulatively also reported a surplus of £1.8m giving an overall system position of £11.5m surplus.	Escalate to the ICB Board to provide assurance and oversight.
<b>All Age Continuing Care (AACC)</b>	The committee discussed the latest AACC report. It noted that: AACC delivery is overspent by £97m over the year as a result of a number of issues such as, pricing for individual packages of care, making good processing difficulties from previous years, the impact of prior year invoices not accrued in 2024/25 and waste reduction programme (WRP) under delivery. In terms of WRP delivery £44.3m of saving was delivered against a target of £60.2m. In the final month	Escalate to the ICB Board to provide assurance and oversight.

	a surplus to target of £3.3m was delivered as a result of a positive £9.3m WRP delivery.	
<b>Operational Plan</b>	<p>The committee noted the ongoing development of the operational plan and in particular the continued significant risks associated with both the financial delivery requirements and performance measures. It was noted that there is positive collaboration within the system with partners to manage the various challenges.</p> <p>The committee discussed in detail the various financial challenges associated with cost reduction given the scale of the £214m ask made up of :£127m waste reduction programme (WRP), cost of commissioning £36m and 'other required mitigations' of £51m.</p> <p>The plan currently shows identified mitigations of £182.2m, with a further requirement of £30.2m to be realised.</p> <p>The committee noted that whilst there remains substantial sums to be identified, the ICB was significantly further along in identifying costs savings in these areas than was the case of 2025/26.</p>	Escalate to the ICB Board to provide assurance and oversight.
<b>Advise</b>		
2026/27 work plan	<p>The committee discussed the proposed work plan for 2026/27. It was noted that there would be similar focus this year as for 2025/26 particularly given the cost reduction targets for both waste reduction programme's and commissioning costs.</p> <p>The committee noted the evolving relationship between the Finance and Contracting Committee and the Commissioning Committee in relation to joint working and assurance, alongside a review in the future of the estates element of reporting. The committee approved the proposed work plan.</p>	To note
<b>Assure</b>		
<b>Going Concern</b>	The committee noted the detailed report presented by the Chief Finance Officer on 'going concern'. It discussed the assessment that	Board to note recommendation.

	the ICB was a going concern as detailed in NHS accounting manuals and approved the recommendation that the 2025/26 financial statements can be prepared on a going concern basis.	
<b>All Age Continuing Care (AACC)</b>	The committee noted sustained improvement in timelines in dealing with continuing healthcare issues and quality premium performance alongside reductions in package volumes albeit offset by rising costs. The committee commended continued support on recovery actions across the four prioritised workstreams alongside strengthened financial validation and grip and control. Lastly the committee supported further development and validation of the 2026/27 waste reduction programme.	To note

- **Appendix A** – Approved minutes of the Finance and Contracting Committee held on 20 February 2026. [Item 12 - APPX A - Approved - F&C Committee Minutes - 20 February 2026 mb\\_si v2.pdf](#)
- **Appendix B** – Approved minutes of the Finance and Contracting Committee held on 26 March 2026. [Item 12 - Appx B - Approved F&C Committee Minutes - 26 March 2026 v1.pdf](#)

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

Committee	Item or Issue	Referred to
N/A		

**4. Conclusion**

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

**5. Recommendations**

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  
April 2026**