

## Integrated Care Board

<b>Date of meeting</b>	14 May 2026
<b>Title of paper</b>	Finance Performance Report – Month 12
<b>Presented by</b>	Mark Bakewell, Chief Finance Officer
<b>Author</b>	Mark Bakewell, Chief Finance Officer Elaine Collier, Deputy Director of Operational Finance
<b>Agenda item</b>	13
<b>Confidential</b>	No

### Executive summary

The report provides an overview of the final outturn financial position for 2025/26 (at 31 March 2026). The figures in the report are draft (pre-audit) figures with external audits currently in progress.

The system delivered its required breakeven position against its control total (£164m deficit) for the financial year, with a £9.7m surplus in the ICB offsetting £9.7m deficit in provider trusts.

Having delivered the position, the system received £164m of allocated Deficit Support Funding as agreed at plan and in accordance with updated national guidance, a number of L&SC trusts received additional Deficit Support Funding (£11.5m) during month 12 which further improved the outturn position as a one-off adjustment. Further detail is included within the report.

Efficiency savings delivered for the full year were £288.9m against a plan of £394.2m (£182.4m for provider trusts and £106.5m for the ICB).

### Recommendations

The Lancashire and South Cumbria ICB is asked to

- **note** the content of this report and relevant financial positions of the ICB and provider trusts
- **note** that the ICB annual accounts and annual report have been submitted as per national timetable and external audit processes are now underway.

### 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			✓
<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?	✓			ICB-008
Financial Implications	✓			The benefits delivered by focusing on delivering our financial target are an essential contribution to our 3-year financial recovery plan
<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>	
Not applicable.				
<b>Conflicts of interest associated with this report</b>				
Not applicable.				
<b>Impact assessments</b>				
	<b>Yes</b>	<b>No</b>	<b>N/A</b>	<b>Comments</b>
Quality impact assessment completed			✓	
Equality impact assessment completed			✓	
Data privacy impact assessment completed			✓	
<b>Report authorised by:</b>	Mark Bakewell, Chief Finance Officer			

# Integrated Care Board – 14 May 2026

## Finance Performance Report – Month 12 (March) 2026

### 1. Introduction

1.1 This paper reports on the final outturn position for 2025/26 for the Lancashire and South Cumbria (L&SC) health system.

### 2. Current Financial Performance

2.1 The system has delivered breakeven to plan (£164m deficit) for the 2025/26 financial year with a £9.7m surplus in the ICB offsetting a £9.7m deficit in provider trusts.

2.2 The reported system position is the draft (pre-audit) position as organisations audits are currently in progress.

2.3 The delivered financial position is after utilising £164m of Deficit Support Funding which was agreed at plan.

2.4 Based on updated national guidance, a number of L&SC trusts received additional Deficit Support Funding (£11.5m) during month 12 which further improved the outturn position as a one-off adjustment £11.5m

2.5 The final outturn position for the system is provided in **Table 1**.

**Table 1: Summary financial position**

ICS System Summary Income and Expenditure	Final Outturn : Month 1-12		
	Plan	Actual	Variance Favourable / (Adverse)
	£000	£000	£000
Blackpool Teaching Hospitals NHS FT	0	1,404	1,404
East Lancashire Hospitals NHS Trust	0	77	77
Lancashire & South Cumbria NHS FT	0	1,300	1,300
Lancashire Teaching Hospitals NHS FT	0	(13,655)	(13,655)
North West Ambulance Service NHSE Trust	0	7,280	7,280
University Hospitals of Morecambe Bay NHS FT	0	(6,081)	(6,081)
<b>Providers</b>	<b>0</b>	<b>(9,675)</b>	<b>(9,675)</b>
Lancashire & South Cumbria ICB	0	9,676	9,676
<b>ICS System Surplus / (Deficit)</b>	<b>0</b>	<b>1</b>	<b>1</b>
<b>Additional DSF Awarded</b>			
Blackpool Teaching Hospitals NHSFT	£4.915m		
Lancashire and South Cumbria NHS FT	£3.276m		
North West Ambulance NHS Trust	£3.276m		
<b>Additional System Total</b>	<b>£11.467m</b>		

### 3. ICB Financial Performance

3.1 For the 2025/26 financial year, the Integrated Care Board (ICB) reported a £9.7m surplus to offset the £9.7m deficit in provider trusts, as per **Table 2** below.

**Table 2: ICB year-to date financial position**

Summary Income and Expenditure	Final Outturn : Month 01-12		
	Annual Budget	Final Outturn	Variance Favourable / (Adverse)
	£000	£000	£000
Revenue Resource Limit	5,699,256	5,699,256	0
<b>Total Allocations</b>	<b>5,699,256</b>	<b>5,699,256</b>	<b>0</b>
Acute Services (excl Ind Sector)	2,481,557	2,477,756	3,801
Acute Services - Independent Sector	143,699	151,576	(7,876)
Mental Health & LDA Services	577,790	622,522	(44,732)
Community Services	369,395	378,647	(9,252)
Continuing Care Services	320,854	379,527	(58,672)
Primary Care - Prescribing	334,545	351,216	(16,671)
Primary Care - Other Services	87,776	75,177	12,599
Other Commissioned Services	32,181	28,359	3,822
Other Programme Services	64,484	66,913	(2,429)
Reserves/Contingencies	102,977	0	102,977
Delegated - Primary Care	633,552	625,710	7,842
Delegated - Specialised Commissioning	511,624	494,405	17,219
<b>Healthcare Sub Total</b>	<b>5,660,435</b>	<b>5,651,808</b>	<b>8,627</b>
Running Costs	38,821	37,772	1,049
<b>Total Expenditure</b>	<b>5,699,256</b>	<b>5,689,580</b>	<b>9,676</b>
<b>Surplus / (Deficit)</b>	<b>0</b>	<b>9,676</b>	<b>9,676</b>

3.2 The ICB delivered efficiency savings of £106.5m in year against a plan of £142.7m, as shown in **Table 3** below. Further detail on this is provided in **Section 5** of the report.

**Table 3: ICB WRP delivery**

Summary of Delivery Unit Targets	Final Outturn : Month 01-12		
	Plan	Final Outturn	Variance Over/(Under) Delivery
	£000	£000	£000
Acute	1,070	1,070	-
Community	7,300	-	(7,300)
Primary Care	-	-	-
AACC	60,200	44,274	(15,926)
Mental Health	-	-	-
Prescribing	42,000	41,794	(206)
Estates	2,000	300	(1,700)
Finance	19,098	19,098	-
Reserves	10,992	-	(10,992)
	<b>142,660</b>	<b>106,536</b>	<b>(36,124)</b>

#### 4. Provider Financial Performance

- 4.1 For the 2025/26 financial year, the Provider Trusts reported a £9.7m deficit, as shown in **Table 4** (before additional support funding).

**Table 4: Provider financial position**

Provider Summary Surplus / (Deficit) by Organisation	Forecast : Month 1-12		
	Plan	Actual	Variance Favourable / (Adverse)
	£000	£000	£000
Blackpool Teaching Hospitals NHS FT	0	1,404	1,404
East Lancashire Hospitals NHS Trust	0	77	77
Lancashire & South Cumbria NHS FT	0	1,300	1,300
Lancashire Teaching Hospitals NHS FT	0	(13,655)	(13,655)
North West Ambulance Service NHSE Trust	0	7,280	7,280
University Hospitals of Morecambe Bay NHS FT	0	(6,081)	(6,081)
<b>Providers Surplus / (Deficit)</b>	<b>0</b>	<b>(9,675)</b>	<b>(9,675)</b>

- 4.2 The Provider Trusts delivered efficiency savings of £182.4m in year against a plan of £251.5m. Further detail is provided in **Section 5** of this report.

#### 5. System Efficiencies

- 5.1 The 2025/26 efficiency performance is shown in **Table 5**. Total efficiency savings of £288.9m have been delivered across the system against a plan of £394.2m, a shortfall of £105.2m.
- 5.2 The Provider Trusts have delivered savings of £182.4m against a plan of £251.5m, a shortfall of £69.1m.
- 5.3 The ICB has delivered savings of £106.5m against a plan of £142.7m, a shortfall of £36.1m.

**Table 5: Efficiency performance**

ICS System Efficiency Savings	Final Outturn : Month 1-12		
	Plan	Forecast Outturn	Variance Favourable / (Adverse)
	£000	£000	£000
Blackpool Teaching Hospitals NHS FT	44,700	27,867	(16,833)
East Lancashire Hospitals NHS Trust	60,791	43,207	(17,584)
Lancashire & South Cumbria NHS FT	38,600	38,659	59
Lancashire Teaching Hospitals NHS FT	60,000	37,546	(22,454)
North West Ambulance Service NHSE Trust	14,878	14,879	1
University Hospitals of Morecambe Bay NHS FT	32,540	20,236	(12,304)
<b>Providers</b>	<b>251,508</b>	<b>182,394</b>	<b>(69,114)</b>
Lancashire & South Cumbria ICB	142,660	106,536	(36,124)
<b>ICS System Surplus / (Deficit)</b>	<b>394,168</b>	<b>288,930</b>	<b>(105,238)</b>

## 6. Capital

- 6.1 The provider operational capital spend for 2025-26 was £119.7m against an envelope of £119.8m, as shown in **Table 6**.

**Table 6: Charge against Operational Capital Allocation (including IFRS16)**

Provider Charge against Capital Allocation (including impact of IFRS16)	Final Outturn : Month 1-12		
	Plan	Actual	Variance Favourable / (Adverse)
	£000	£000	£000
Blackpool Teaching Hospitals NHS FT	15,527	15,689	(162)
East Lancashire Hospitals NHS Trust	17,889	20,872	(2,983)
Lancashire & South Cumbria NHS FT	11,545	21,695	(10,150)
Lancashire Teaching Hospitals NHS FT	17,075	19,300	(2,225)
North West Ambulance Service NHSE Trust	29,084	25,182	3,902
University Hospitals of Morecambe Bay NHS FT	14,967	16,968	(2,001)
<b>Provider Total</b>	<b>106,087</b>	<b>119,706</b>	<b>(13,619)</b>
<b>Total Provider Allocation</b>		<b>119,801</b>	
<b>Forecast Variance to Allocation</b>		<b>95</b>	

## 8. Recommendations

- 8.1 The board is asked to note the content of this report and the pre-audit financial position for the 2025/26 financial year.

**Mark Bakewell**  
Chief Finance Officer