Lancashire and South Cumbria Integrated Care Board

Integrated Care Board

Date of meeting	9 July 2026
Title of paper	Finance and Contracting Committee Escalation and Assurance Report – 20 May and 24 June 2026
Presented by	Steve Igoe, Finance and Contracting Committee Chair
Author	Head of Governance and Committee Officers
Agenda item	11
Confidential	No

Executive summary

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 14 May 2026 to alert, advise and assure the Board.

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

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.

Public and Stakeholder Engagement

N/A

Recommendations

The Board is asked to:

- 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	To improve population health and reduce inequalities through effective strategic commissioning.	✓
SO2	Commission high quality, safe and accessible services that deliver better and more equitable outcomes and patient experience.	✓
SO3	To develop and sustain the workforce, leadership and organisational capability required to operate as an effective strategic commissioner.	✓
SO4	Improved financial sustainability through directing available resources to deliver the greatest possible value.	✓
SO5	To deliver agreed national and local outcomes through a balanced focus on performance, improvement and long-term system resilience.	✓

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	20 May and 24 June 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			✓	

Report authorised by:	ICB Committee Chair

Integrated Care Board – 9 July 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 14 May 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: 20 May 2026		**Chair: Steve Igoe**
Key Items Discussed		
Item	**Issue**	**Action**
Alert		
All Age Continuing Care (AACC)	The committee discussed the latest AACC report. It noted that the system was experiencing increasing operational pressures particularly in relation to review backlogs, workforce capacity and waste reduction programme delivery alongside early signs of financial risk despite headcount reductions. There has been a notable deterioration in continuing healthcare review timeliness with overdue reviews increasing by 31%. There has been a growth in fast-track backlog with overdue reviews reflecting increasing demand and workforce capacity issues.	Escalate to the ICB Board to provide assurance and oversight.
Operational Plan	The committee noted the ongoing implementation of the operational plan and in particular, the continued significant risks associated with both the financial delivery requirements and performance	Escalate to the ICB Board to provide assurance and oversight.

	measures. Financial risk was identified at £215m, to be mitigated by the waste reduction programme (WRP) and other mitigations. WRP for 2026/27 have been fully identified at £130.4m compared to target of £127.2m. £124m of the £130m have been fully developed with £6m in progress of which £4m is classed as high risk. Plans for organisational change are progressing with a residual gap to be closed in year of £12m. Other mitigations have been developed with £60.5m of opportunities but £20.5m is classed as high risk. The delivery of all of these cost savings at this early stage should be considered high risk and will be considered alongside a further year end re-forecast at the next meeting.	
Advise		
Month 12 finance report and outturn subject to audit	The LSCICB system has delivered break even to plan (£164m deficit) with a £9.7m surplus in the ICB, offsetting a £9.7m deficit in provider trusts. This is after deploying £164m of deficit support funding (DSF) agreed at plan. There was a further receipt of DSF amounting to £11.5m as a one off adjustment at year end.	To provide assurance and oversight.
AACC cases greater than £300k	The committee noted a detailed summary of AACC transactions greater than £300k pa.	To note
Operational Plan	The committee was assured that actions related to the WRP and cost savings identified continue to be actioned and implemented as part of the financial improvement plan.	To note
AACC	The committee supported the AACC team in its efforts to remain focussed on WRP delivery whilst improving delivery and processing capacity. The committee noted	To note

	clear governance and oversight structures with monitoring of scheme performance, validation of savings and identification of other opportunities to support delivery.	
Assure		
Transformation and Financial Improvement Group (TFIG)	The committee noted the detailed update provided on the actions of the TFIG meeting to manage and deliver the savings detailed above.	To note
Office for Pan ICB Commissioning	The committee noted the recent announcements about the Office for Pan ICB commissioning. It requested further details as to the financial implications of these decisions and any associated impact on the costs or running the Lancashire and South Cumbria ICB in due course.	Detail to be presented to a future committee meeting.

Date: 24 June 2026		**Chair: Steve Igoe**
Key Items Discussed		
Item	**Issue**	**Action**
Alert		
Commissioning intentions	Following provider engagement in relation to commissioning intentions, the committee noted responses from providers were mixed, identifying as a risk to delivery particularly in relation to evidencing impact and outcomes.	Further work was underway to clarify expectations, strengthen accountability and develop a structured approach to reporting impact through the Commissioning Committee.
Month 2 finance report	The committee noted that, whilst the system remained on plan overall, there are ongoing delivery risks including data limitations, cost pressures, and gaps in demand management and cost of commissioning. The committee was assured that these risks were being actively managed through a structured mitigation programme, strengthened financial controls, and enhanced monitoring arrangements, including waste reduction programme (WRP) tracking, system alignment, and regular reporting. Further improvements are required in the visibility of the WRP profiling, risk-adjusted reporting, and understanding of key variances to support effective oversight.	Escalate to the ICB Board to provide assurance and oversight.
All Age Continuing Care (AACC)	AACC performance pressures, including rising backlogs, capacity constraints, and reliance on	Escalate to the ICB Board to provide assurance and oversight.

	external partners, were highlighted as ongoing risks to delivery. Reassurance was provided through strengthened controls, utilisation of external support, and active improvement plans, with a need identified for clearer articulation of delivery trajectories, mitigation impact, and system partner dependencies to support effective oversight.	For further assurance, risks, mitigations and delivery confidence to be presented to the committee at its next meeting.
Advise		
All Age Continuing Care (AACC)	Support was expressed for the AACC team's continued focus on delivering the waste reduction programme, alongside improvements in operational capacity, with assurance taken from strengthened financial validation processes, enhanced operational grip, and robust recovery oversight arrangements. The committee noted that clear governance and monitoring structures are in place, including oversight of scheme performance, validation of savings, and identification of further opportunities to support delivery.	To note
Green Plan	Progress against the Green Plan was noted, with delivery continuing and further requirements emerging, including mandatory trust travel plans and increasing NHS England scrutiny on environmental risks linked to capital investment. Assurance was taken from the development of plans to operationalise delivery post-restructure and continued system engagement.	To note.
Assure		
Risk management	A refreshed Board Assurance Framework (BAF) has been developed with clearer articulation of risks, mitigations and assurance mapping. Assurance was received that a structured programme of regular risk review, supported by system alignment and active mitigation measures, would provide ongoing oversight and management of the financial sustainability risk, although continued focus on All Age	Financial sustainability risk within the BAF to be strengthened, ensuring clearer alignment to the AACC turnaround plan, enhanced clarity of controls and assurances.

	Continuing Care remained necessary as risks had not yet been fully resolved.	
Capital	Delays in approvals, limited visibility of key programmes, particularly digital and neighbourhoods, and wider system dependencies were highlighted as ongoing risks to capital delivery. Assurance was provided through the establishment of governance arrangements, PMO oversight, and strengthened approval processes. Further focus is required on proactive pipeline planning, enhanced partner coordination, and ensuring alignment of capital investment with strategic priorities to mitigate slippage and optimise delivery.	To note
Transformation and Financial Improvement Group (TFIG)	The committee noted the detailed update provided on the actions of the TFIG meeting to manage and deliver savings.	To note

- **Appendix A –** Approved minutes of the Finance and Contracting Committee held on 20 April 2026. Finance Contracting Committee minutes 20 April 2026 v1.pdf

- **Appendix B –** Approved minutes of the Finance and Contracting Committee held on 20 May 2026. Finance & Contracting Committee minutes - 20 May 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
Finance and Contracting Committee 20 May 2026	Finance and Contracting Committee sought assurance on the success in managing financial performance via commissioning by demand, and if there were any anticipated benefits in-year.	Commissioning Committee

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
June 2026