



# Torbay and South Devon NHS Foundation Trust

Auditor's Annual Report  
Year ending 31 March 2025

June 2025



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The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed for the purpose of completing our work under the NAO Code and related guidance. Our audit is not designed to test all arrangements in respect of value for money. However, where, as part of our testing, we identify significant weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all irregularities, or to include all possible improvements in arrangements that a more extensive special examination might identify. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting, on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

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# 01 Introduction and context

# Introduction

This report brings together a summary of all the work we have undertaken for Torbay and South Devon NHS Foundation Trust (the Trust) during 2024/25 as the appointed external auditor. The core element of the report is the commentary on the value for money (VfM) arrangements. The responsibilities of the Trust are set out in Appendix A. The Value for Money Auditor responsibilities are set out in Appendix B.

## Opinion on the financial statements

Auditors provide an opinion on the financial statements which confirms whether they:

- give a true and fair view of the financial position of the Trust as at 31 March 2025 and of its expenditure and income for the year then ended
- have been properly prepared in accordance with international accounting standards as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2024/25, and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

We also consider the Annual Governance Statement and the relevant disclosures within the Annual Report including the Remuneration Report and the Staff Report.

## Auditor's powers

Auditors of a Foundation Trust have a duty to consider whether there are any issues arising during their work that indicate possible or actual unlawful expenditure or action leading to a possible or actual loss or deficiency that should be referred to the relevant NHS regulatory body.

Auditors of Foundation Trusts also have the duty to consider whether to issue a report in the public interest (PIR), where it is appropriate to do so.

## Value for money

Under Schedule 10 paragraph 1(d) of the National Health Service Act 2006, we are required to be satisfied whether the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources (referred to as Value for Money). The National Audit Office (NAO) Code of Audit Practice ('the Code'), requires us to assess arrangements under three areas:

- financial sustainability
- governance
- improving economy, efficiency and effectiveness.

Our report is based on those matters which come to our attention during the conduct of our normal audit procedures which are designed for the purpose of completing our work under the NAO Code and related guidance. Our audit is not designed to test all arrangements in respect of value for money. However, where, as part of our testing, we identify significant weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all irregularities, or to include all possible improvements in arrangements that a more extensive special examination might identify.

# The NHS – context

The NHS has remained under significant pressure in 2024/25

## National



## Past

### Long-Term Underinvestment

Lord Darzi’s independent report highlighted that the NHS has suffered from prolonged revenue and capital funding underinvestment, negatively impacting quality, productivity, and workforce sustainability.



### Workforce Challenges and Costs

The NHS has struggled to have the right staff in the right places, relying heavily on bank and agency workers, driving up costs and compounding inflationary financial pressures.

## Present



### Public Health System Complexity

Public health is shared by local government and the NHS, requiring system-wide collaboration, but integration remains challenging.



### Seasonal Pressures

Winter 2024/25 saw a 'quad-demic' of viruses strain A&E services, causing long waits, worse illnesses, and disrupted elective care, impacting the ability to deliver operational plans.

## Future



### Structural uncertainty

The planned abolition of NHS England, uncertainty over longer-term funding arrangements and structural re-organisation affects systems’ ability to plan for the long term.



### Digital Transformation and Productivity

The government has signaled a major shift from "analogue to digital" that is crucial to improving NHS productivity, but implementation remains complex and resource-intensive.

## Local

Torbay and South Devon NHS Foundation Trust operates in the wider Devon Integrated Care System, providing a range of health and social care services. The Trust employs over 6,500 staff and supports a resident population of approximately 286,000 in addition to 100,000 holiday visitors.

The Trust provides a broad range of acute hospital services from Torbay Hospital as well as services from five community hospitals, stretching from Dawlish to Brixham. In 2015 the Trust became the first NHS organisation in England to join-up hospital and community care with social care. Like many healthcare providers, the Trust has continued to face significant financial and operational challenges in 2024/25.

**It is within is context that we set out our commentary on the Trust’s value for money arrangements in 2024/25.**

# 02 Executive Summary

# Executive summary – our assessment of value for money arrangements

Our overall summary of our Value for Money assessment of the Trust’s arrangements is set out below. Further detail can be found on the following pages.

Criteria	2023/24 Assessment of arrangements	2024/25 Risk assessment	2024/25 Assessment of arrangements
<b>Financial sustainability</b>	<b>R</b> Significant weakness in arrangements identified in relation to financial planning. We raised one key recommendation and two improvement recommendations.	One risk of significant weakness identified with regard to financial planning, specifically in relation to delivering savings, medium term financial planning and exiting NOF4.	<b>R</b> Significant weakness in arrangements for financial planning were identified due to the adverse outturn position for 2024/25, under delivery of the savings target, and weaknesses in the arrangements to deliver savings in 2024/25. Therefore, the key recommendation we raised in 2023/24 remains open.
<b>Governance</b>	<b>A</b> No significant weaknesses identified but we raised one improvement recommendation.	No risks of significant weakness identified.	<b>A</b> Our work did not identify any areas of significant weakness. We have raised an improvement recommendation to further strengthen financial reporting to the Board.
<b>Improving economy, efficiency and effectiveness</b>	<b>A</b> No significant weaknesses identified but we raised two improvement recommendations.	One risk of significant weakness identified due to continued performance challenges within urgent and emergency care, with the Trust remaining in NOF4,	<b>A</b> Our work did not identify any areas of significant weakness. The improvement recommendation we raised in 2023/24 relating to enhanced oversight of NOF4 metrics remains open. We have raised a further improvement recommendation to strengthen contract management arrangements.

- G** No significant weaknesses or improvement recommendations.
- A** No significant weaknesses, improvement recommendations made.
- R** Significant weaknesses in arrangements identified and key recommendation(s) made.

# Executive Summary

We set out below the key findings from our commentary on the Trust's arrangements in respect of value for money



## Financial sustainability

The Trust delivered an outturn deficit of £33.5m for 2024/25, an adverse variance of £19.9m against the plan. Contributing to this position was under-delivery of £12.0m of planned savings.

The Trust has submitted an £8.0m deficit plan for 2025/26, an improvement on the 2024/25 plan and outturn positions, but this requires delivery of £41.5m of efficiencies which is a significant increase on 2023/24 savings delivery. The Trust has continued to engage in the development of the system medium-term financial plan, but significant savings are required to achieve financial sustainability by 2030/31.

Due to the adverse outturn position and financial risk relating to delivering savings, the key recommendation we raised in 2023/24 relating to taking a more proactive approach to financial planning remains open.



## Governance

The Trust has an effective Board Assurance Framework and internal audit function in place. The management of risk at care group level was strengthened during the year through the Executive Operations Group which met from January 2025. The Head of Internal Audit Opinion for 2024/25 provides limited assurance, recognising that care group governance arrangements were not operating effectively all year. Due to the actions taken by the Trust we have not raised any further recommendations in relation to risk management, but these arrangements should continue to embed.

We have identified opportunities to strengthen financial reporting and have raised an improvement recommendation to include a projection of future cash balances, detailed efficiency monitoring, and enhanced quantification of risk.



## Improving economy, efficiency and effectiveness

Adequate arrangements are in place to monitor and report on key areas of performance and to provide oversight on the delivery of improvement plans resulting from CQC inspections.

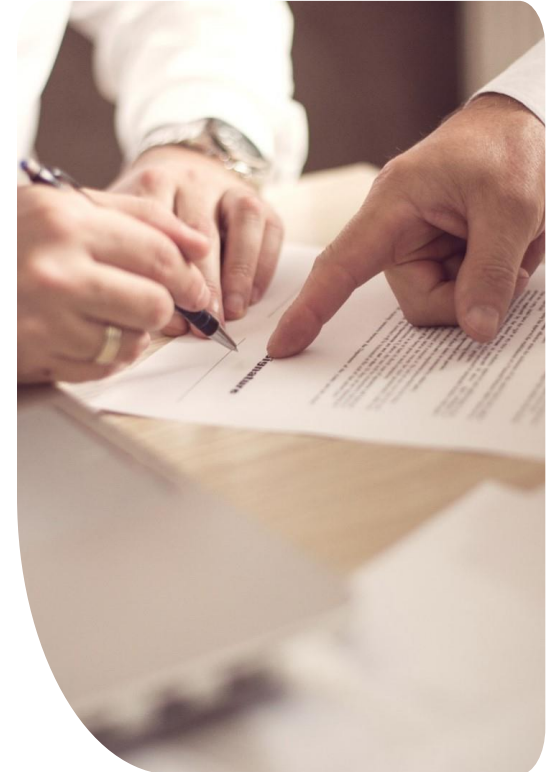
The Trust remains in NOF4 for Urgent and Emergency Care and Elective Care metrics. While arrangements to provide oversight of key NOF4 performance metrics are adequate and the Trust is taking action to improve performance, the improvement recommendation that we raised in 2023/24 relating to continuing enhanced oversight until sustained performance is achieved remains open.

We have raised a further improvement recommendation – The Trust should develop arrangements to provide assurance to the Board that contracts are managed to ensure they deliver agreed performance standards.

# Executive summary – auditor’s other responsibilities

This page summarises our opinion on the Trust’s financial statements and sets out whether we have used any of the other powers available to us as the Trust’s auditors.

Auditor’s responsibility	2024/25 outcome
<p><b>Opinion on the Financial Statements</b></p>	<p>We have completed our audit of your financial statements and issued an unqualified audit opinion on <b>xx June 2025</b>, following the Audit and Risk Committee meeting on 24 June 2025. Our findings are set out in further detail on pages 11 to 13.</p>
<p><b>Use of auditor’s powers</b></p>	<p>We did not make a referral under Schedule 10 paragraph 6 of the National Health Service Act 2006. We do not consider that any unlawful expenditure has been made or planned for.</p> <p>No other issues have been identified during our work which require us to issue a Public Interest Report (PIR).</p>



# **03 Opinion on the financial statements and use of auditor's powers**

# Opinion on the financial statements

These pages set out the key findings from our audit of the Trust's financial statements, and whether we have used any of the other powers available to us as the Trust's auditors.

## Audit opinion on the financial statements

We issued an unqualified opinion on the Trust's financial statements on xx June 2025

The full opinion is included in the Trust's Annual Report for 2024/25, which can be obtained from the Trust's website.

### Grant Thornton provides an independent opinion on whether the Trust's financial statements:

- give a true and fair view of the financial position of the Trust as at 31 March 2025 and of its expenditure and income for the year then ended,
- have been properly prepared in accordance with international accounting standards as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2024/25, and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

We conducted our audit in accordance with: International Standards on Auditing (UK), the Code of Audit Practice (2024) published by the National Audit Office, and applicable law. We are independent of the Trust in accordance with applicable ethical requirements, including the Financial Reporting Council's Ethical Standard.

## Findings from the audit of the financial statements

The Trust provided draft accounts in line with the national deadline. Draft financial statements were of a good standard and supported by detailed working papers.

- In the prior year we reported a number of areas where we experienced delays or difficulties in obtaining evidence and explanations to support the audit. Over the course of the current year's audit, we encountered no such difficulties with requests for information being obtained in a timely manner.
- Management has made progress towards addressing our recommendations evidenced by the reduced level of findings reported.
- The timeliness of responses received from the Trust's valuer were much improved.
- A small number of minor classification and disclosure amendments were made to the financial statements submitted for audit.

The opinion on the financial statements was issued in line with the national timetable.

## Audit Findings Report

We report the detailed findings from our audit in our Audit Findings Report. A final version of our report was presented to the Trust's Audit and Risk Committee on 24 June 2025. Requests for this Audit Findings Report should be directed to the Trust.

# Other reporting requirements and use of auditor's powers

## The Remuneration Report and the Staff Report

Under the Code of Audit Practice (2024) published by the National Audit Office, we are required to audit specified parts of the Remuneration Report and the Staff Report included in the Trust's Annual Report for 2024/25.

These specified parts of the Remuneration Report and the Staff Report have been properly prepared in accordance with the requirements of the NHS Foundation Trust Annual Reporting Manual 2024/25 (FT ARM).

## Annual Governance Statement

Under the Code of Audit Practice (2024) published by the National Audit Office, we are required to consider whether the Annual Governance Statement included in the Trust's Annual Report for 2024/25 does not comply with the guidance issued by NHS England, or is misleading or inconsistent with the information of which we are aware from our audit.

We have nothing to report in this regard.



# Use of auditor's powers

We bring the following matters to your attention:

## Referrals to the Secretary of State

We did not make a referral under Schedule 10 paragraph 6 of the National Health Service Act 2006. We do not consider that any unlawful expenditure has been made or planned for.

## Public Interest Report

Under Schedule 10 paragraph 3 National Health Service Act 2006, auditors have the power to make a report if they consider a matter is sufficiently important to be brought to the attention of the audited body or the public as a matter of urgency, including matters which may already be known to the public, but where it is in the public interest for the auditor to publish their independent view.

We did not issue a report in the Public Interest with regard to arrangements at Torbay and South Devon NHS Foundation Trust for 2024/25.

# **04 Value for Money commentary on arrangements**

# Value for Money – commentary on arrangements

This page explains how we undertake the value for money assessment of arrangements and provide a commentary under three specified areas.

All NHS Trusts are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. NHS Trusts report on their arrangements, and the effectiveness of these arrangements as part of their annual governance statement.

Under the National Health Service Act 2006, we are required to be satisfied whether the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The National Audit Office (NAO) Code of Audit Practice ('the Code'), requires us to assess arrangements under three areas:



## Financial sustainability

Arrangements for ensuring the Trust can continue to deliver services. This includes planning resources to ensure adequate finances and maintain sustainable levels of spending over the medium term (3-5 years).



## Governance

Arrangements for ensuring that the Trust makes appropriate decisions in the right way. This includes arrangements for budget setting and management, risk management, making decisions based on appropriate information.



## Improving economy, efficiency and effectiveness

Arrangements for improving the way the Trust delivers its services. This includes arrangements for understanding costs and delivering efficiencies and improving outcomes for service users.

# Financial sustainability – commentary on arrangements

We considered how the Trust:	Commentary on arrangements	Rating
<p>identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds these into them</p>	<p>The Trust delivered a 2024/25 outturn deficit of £33.5m, an adverse variance of £19.9m against the plan. The under-delivery of £12.0m of planned efficiencies was a significant contributory factor to the outturn position. The Trust has submitted an £8.0m deficit plan for 2025/26, an improvement both on the 2024/25 plan and outturn positions.</p> <p>The Trust can demonstrate that it has continued to engage in the development of the system medium-term financial plan (MTFP). However, the Trust’s MTFP projects deficit plans up until 2030/31 and identifies significant savings targets are required to achieve financial sustainability. Therefore, the key recommendation we raised in 2023/24 relating to medium term financial planning and delivery of savings targets remains open.</p> <p>Adult Social Care (ASC) incurred a £7.7m adverse variance in 2024/25. The 2025/26 ASC budget is balanced, but there is a significant underlying deficit of circa £32m. The Trust is working to mitigate ASC cost and demand risks. We have not raised a further recommendation but will review the progress made in mitigating risk as part of our 2025/26 work.</p>	<p>R</p>
<p>plans to bridge its funding gaps and identify achievable savings</p>	<p>The 2025/26 financial plan requires delivery of £41.5m total efficiencies compared with the £27.9m delivered in 2024/25, including £32.8m planned recurrently compared with £10.2m recurrent efficiencies delivered in 2024/25. This is a step increase in planned savings (49%) and represents a significant risk to the financial plan.</p> <p>External reviews undertaken in 2024/25 identified weaknesses in arrangements to deliver efficiencies, and it was identified that the Trust had relied on “false assurance” over delivery. Arrangements have been strengthened to support the 2025/26 efficiency programme, but due to the weaknesses identified in 2024/25 and the need for strengthened arrangements to embed, the key recommendation raised in 2023/24 relating to the delivery of savings remains open.</p>	<p>R</p>

- G** No significant weaknesses or improvement recommendations.
- A** No significant weaknesses, improvement recommendations made.
- R** Significant weaknesses in arrangements identified and key recommendation(s) made.

# Financial sustainability – commentary on arrangements (continued)

We considered how the Trust:	Commentary on arrangements	Rating
plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities	<p>The One Plan sets out actions to improve performance and mitigate workforce and financial risks and ensure that the Trust contributes to the delivery of improvement trajectories set out in the system Urgent and Emergency Care Recovery Plan. Capital plans support strategic priorities, including the electronic patient record, estates maintenance backlog, urgent and emergency care capacity, and accident and emergency new build.</p> <p>We raised a key recommendation in 2023/24 for the Trust to take a more proactive approach to financial planning, including prioritising sustained improvement in financial metrics, specifically NOF4. We consider that this recommendation remains open as the Trust remains in NOF4.</p>	R
ensures its financial plan is consistent with other plans such as workforce, capital, investment and other operational planning which may include working with other local public bodies as part of a wider system	<p>The Trust can demonstrate that financial planning assumptions are consistent with other key strategies. For 2025/26 care groups were responsible for the development of business plans including efficiency and productivity improvements, with financial, performance, activity and workforce plans collated from care group business plans.</p> <p>The Integrated Improvement Plan coordinates the finance focussed improvement plan with other improvement areas within UEC, elective care, and workforce to enhance governance and embed executive ownership and accountability. The projects within the Plan include estates optimisation, digital opportunities, cost improvement programme, productivity, service redesign, reducing agency costs and sickness, and improving performance.</p>	G
identifies and manages risk to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions in underlying plans	<p>Monthly Finance Reports provide information on the Trust’s financial position and forecast against the plan, providing information on the reasons for and drivers of the financial position. Finance Reports to the Board and the Finance &amp; Performance Committee would benefit from more detailed identification and quantification of financial risk within budget forecasts and identify the mitigating actions being taken to manage risk. We have raised an improvement recommendation that is reported under the Governance Section of this Auditor’s Annual Report.</p>	A

- G** No significant weaknesses or improvement recommendations.
- A** No significant weaknesses, improvement recommendations made.
- R** Significant weaknesses in arrangements identified and key recommendation(s) made.

# Financial sustainability (continued)

## Significant weakness identified in relation to the approach to short-medium term financial planning

**Key finding:** We raised a key recommendation in 2023/24 that the Trust takes a more proactive approach to its short-medium term financial planning, including focussing on delivering recurrent savings, developing the MTFP, and prioritising sustained improvement in NOF4 financial metrics. Due to the ongoing financial challenges facing the Trust we consider that this key recommendation remains open.

**Evidence:** The Trust delivered a 2024/25 outturn deficit of £33.5m, an adverse variance of £19.9m against the planned deficit of £13.6m. Under-delivery of £12.0m of the planned efficiency target, with under-delivery of £21.7m against recurrent efficiencies had a significant impact on the adverse outturn in 2024/25 and on the scale of savings challenge taken forward into the 2025/26 financial plan.

The Trust has set an agreed deficit plan of £8.0m for 2025/26 which represents an improvement on the 2024/25 plan and outturn positions. However, the plan requires delivery of £41.5m total efficiencies compared with the £27.9m delivered in 2024/25, and £32.8m planned recurrently compared with £10.2m recurrent efficiencies delivered in 2024/25. This is a significant increase in planned savings (49%) against the context of under delivery in 2024/25 and represents a significant risk to the financial plan.

External reviews during 2024/25 identified risks and weaknesses relating to the Trust's arrangements to deliver the cost improvement programme (CIP). The Audit South West CIP review identified red and amber RAG ratings for delivery and governance of several high value CIP schemes. An independent Financial Sustainability Report commissioned by the Trust and ICB reported in December 2024 that the Trust had relied on "false assurance" for CIP delivery resulting in over-estimating CIP delivery by £15.5m. A lack of consistency was noted in how CIP schemes are planned, actioned and reported.

The Trust has developed an Integrated Improvement Plan to co-ordinate financial improvement with other areas such as urgent and emergency care and workforce. The improvement plan includes actions to strengthen CIP delivery and is now overseen by the newly established Executive Oversight Group. The governance of CIP planning and delivery has been strengthened to support the 2025/26 efficiency plan. This includes increased accountability from Directors, sign off for schemes by Finance to confirm cashable savings exist, a pipeline of CIP schemes by care group, and each CIP scheme has a project initiation document completed. A CIP Handbook 2025/26 has been developed by the Programme Management Office to support managers to deliver efficiencies through a consistent and comprehensive process. The Trust needs to embed and further develop these improvements to CIP delivery and governance in order to secure financial sustainability.

# Financial sustainability (continued)

## Significant weakness identified in relation to the approach to short-medium term financial planning

### Evidence: (continued)

The Trust has engaged in developing the system MTFP during the year, reporting progress to the Trust Board and Finance & Performance Committee. The latest version of the MTFP model has been updated for the 2025/26 financial plan submission deficit of £7.989m, with deficit plans modelled to reduce each year to 2030/31 when the plan balances. A £27.9m deficit is modelled for 2026/27, £18.4m for 2027/28 and £7.9m for 2028/29. Total CIP targets for the Trust within the latest MTFP model for the period to 2030/31 are significant at £190.9m.

Regulatory oversight of the Trust's NOF4 position is through the One Devon System Improvement Assessment Group which reviews progress against NOF4 exit criteria. Exit criteria relate to delivering the financial plan, reducing the run rate and agreeing a financial recovery trajectory with NHS England. From discussions with officers we understand that it is likely the Trust will remain in NOF4 for 2025/26.

**Due to the weaknesses identified for delivering CIP during the year, the under-delivery of CIP in 2024/25 and the step increase in the CIP target for 2025/26 with significant targets also modelled in the MTFP, the key recommendation raised in 2023/24 relating to financial planning remains open.**

**Impact:** The Trust needs to continue to develop its short-medium term financial planning and continue to develop and embed the strengthened arrangements to deliver efficiencies in order to deliver the financial plan for 2025/26 and deliver financial sustainability over the medium-term.

## Key recommendation 1

**KR1:** We recommend the Trust takes a more proactive approach to its short-medium term financial planning to help achieve financial sustainability. This includes:

- establish a rigorous in-year process for identifying savings schemes, which focuses on recurrent savings and multi year programmes to deliver realistic and achievable targets;
- develop a comprehensive approach to medium term financial planning;
- prioritise sustained improvement in financial metrics, specifically NOF4.

# Governance – commentary on arrangements

## We considered how the Trust:

## Commentary on arrangements

## Rating

monitors and assesses risk and how the Trust gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud

The Trust has a Board Assurance Framework (BAF) which is effective in supporting the management of risk and assurance to the Board and the BAF includes the elements of best practice that we would expect. BAF objectives and risk appetite are reviewed at the start of the financial year. The management of risk at care group level was strengthened during the year to ensure risk management was implemented as designed. From January 2025 the Executive operations Group has provided increased challenge to care groups for risk management and assurance. The Head of Internal Audit Opinion for 2024/25 provides limited assurance, recognising that the design of care group governance arrangements was sound, but they were not operating effectively for a significant proportion of the year.

Due to the actions taken during 2024/25 to strengthen risk management at care group level we have not made any further recommendations, but the Trust should ensure that risk management arrangements continue to develop and embed at care group level. We have RAG rated these arrangements as Amber.

The Trust has an effective internal audit function. We note that during 2024/25 the internal audit recommendation follow-up process was temporarily paused due to the backlog of recommendations not implemented. The Trust took action to clear the backlog with the Chief of Staff liaising with managers and obtaining sufficient evidence to close recommendations. This process concluded in April 2025 largely clearing the backlog, with recommendations identified to strengthen the process going forward. We have therefore not raised any further recommendations, but the Trust should ensure that increased oversight on implementing recommendations is maintained.

A

approaches and carries out its annual budget setting process

The Trust has an adequate budget setting process and strengthened business planning for 2025/26 through the Financial Improvement Plan, increasing collaboration, alignment and accountability. The Director of Strategy was in post from January 2025 and weekly planning meetings were held with care groups to review plans, the financial position and CIP. Star chamber meetings were established to allow for executive check and challenge.

G

- G** No significant weaknesses or improvement recommendations.
- A** No significant weaknesses, improvement recommendations made.
- R** Significant weaknesses in arrangements identified and key recommendation(s) made.

# Governance – commentary on arrangements (continued)

We considered how the Trust:	Commentary on arrangements	Rating
<p>ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information; supports its statutory financial reporting; and ensures corrective action is taken where needed, including in relation to significant partnerships</p>	<p>We raised improvement recommendations in 2023/24 relating to continuing to refine cashflow forecasting and providing a more comprehensive set of financial information within Finance Reports. The Trust has made progress against each of these recommendations. Arrangements to monitor cash have been strengthened in 2024/25 through the Cash Committee. Assurance for operational delivery, including quality, performance, workforce and finance, has been strengthened within Integrated Performance Reports through the establishment of the Executive Operations Group. Finance Reports provide an overview of the financial position of the Trust and include analysis at care group level, pay budgets, income and activity.</p> <p>We have identified opportunities to further strengthen Finance Reports. We have raised an improvement recommendation that reports should provide a projection of future monthly cash balances, detailed monitoring of CIP delivery at care group and programme level, and detailed identification and quantification of financial risk.</p>	<p>A</p>
<p>ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency, including from audit and risk committee</p>	<p>The structure of the Board, comprising non-executive directors and executive directors, and the range of skills and experiences that Board members bring, provides for effective challenge and robust decision making. Each Board meeting receives a Committee Chair's Report providing a summary of the discussions held at Board sub-committees that provide the Board with an opportunity to consider if any action needs to be taken to support areas of concern highlighted by sub-committees. We have not identified any evidence of inappropriate decision making.</p>	<p>G</p>
<p>monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of staff and board member behaviour</p>	<p>The Trust has arrangements in place to ensure it meets regulatory and legislative standards for staff and Board behaviour. These include undertaking Fit and Proper Persons Tests for Directors, maintaining Registers of Interest and Gifts &amp; Hospitality in accordance with the Conflicts of Interest Policy, and reporting procurement waivers to the Audit &amp; Risk Committee. Standing Financial Instructions, the Scheme of Delegation and Standing Orders were revised during 2024/25.</p>	<p>G</p>

- G** No significant weaknesses or improvement recommendations.
- A** No significant weaknesses, improvement recommendations made.
- R** Significant weaknesses in arrangements identified and key recommendation(s) made.

# Governance (continued)

## Area for Improvement identified: strengthening financial reporting

**Findings:** We raised an improvement recommendation in 2023/24 that the Trust continues refining cashflow forecasting and cash management. Arrangements to monitor cash have been strengthened in 2024/25, but we have identified an opportunity to further strengthen arrangements.

We also raised an improvement recommendation in 2023/24 that the Trust should redesign the monthly Finance Report to provide more comprehensive financial information. Assurance for operational delivery, including quality, performance, workforce and finance, has been strengthened within the Integrated Performance Reports through the establishment of the Executive Operations Group from January 2025. We have identified opportunities to further strengthen arrangements.

**Evidence:** Arrangements to monitor cash have been strengthened during 2024/25 through the recruitment of the Finance Manager (Treasury) and re-establishment of the Cash Committee to review the Trust's cash position. The monthly Finance Reports presented to Trust Board and the Finance & Performance Committee include an analysis of the month-end cash position, reconciling movements in cash to the closing cash position. The Finance Report does not provide a monthly projection of cash balances into the future.

Finance Reports provide an overview of the financial position of the Trust and include analysis at care group level, pay budgets, income and activity. Finance Reports could be strengthened by providing more detailed identification and quantification of financial risk within the budget, and how risk is mitigated. In addition, Finance Reports provide a high-level summary of total and recurrent CIP delivery against plan. There is no analysis at programme or care group level that identifies areas of under delivery or at high risk of non-delivery in order to provide increased assurance, oversight and accountability.

**Impact:** There is an opportunity to increase the oversight provided to the Board and provide a greater understanding of financial and CIP delivery risk.

## Improvement Recommendation 1

**IR1:** Finance Reports to the Trust Board and the Finance & Performance Committee should be strengthened by providing:

- a monthly projection of future cash balances for a 12-month period;
- more detailed monitoring of CIP delivery at care group and programme level;
- more detailed identification and quantification of financial risk within the budget, and how risk is mitigated.

# Grant Thornton insights – learning from others

The Trust has the arrangements we would expect to see in respect of alerting the Board to any significant breaches of internal control, but could challenge itself to go further, based on the best arrangements we see across the sector



## What the Trust is already doing

- Adequate arrangements are in place to provide the Board with assurance that it is receiving appropriate information and is able to triangulate this to alert it to any significant breaches of internal control, particularly relating to clinical or workforce issues.
- Several mechanisms are in place, including complaints and feedback reporting, the annual staff survey, Freedom to Speak Up reports and updates on implementing Martha's Rule.
- The Board has received regular oversight on mortality performance via the quarterly mortality scorecards and provides assurance the Trust is learning from deaths in line with national guidance. Reporting shows the monthly number of deaths and highlights groups of deaths that are statistically higher than the norm and the outcome of deep dives undertaken to understand the possible cause of the excess deaths.



## What others do well

- Trusts with strengthened arrangements around mortality reporting receive assurance that reviews into the causes of excess deaths are completed in a timely manner, along with key themes and learning being understood.



## The Trust could consider

- Mortality reporting indicates that the Board would be alerted if there was a concern associated with practice in a timely manner, but the Trust could consider providing the Board with assurance as to the timeliness of reviews into excess deaths and that learning has been actioned promptly.

# Economy, efficiency and effectiveness – commentary on arrangements

We considered how the Trust:	Commentary on arrangements	Rating
<p>uses financial and performance information to assess performance to identify areas for improvement</p>	<p>The Trust has adequate arrangements in place to monitor and report on key areas of performance. Trust performance is reported to each meeting of the Board through the Integrated Performance Report (IPR). The report consolidates key metrics and identifies performance outliers related to safety and quality, performance and activity, finance, and workforce. The Trust’s IPR is scrutinised by the Executive Operations Group which has been constituted in year to strengthen the governance assurance process for operational management.</p> <p>Other performance monitoring arrangements include the Quality Assurance Committee receiving Adult Social Care Assurance Reports which provide oversight of quality, safety and performance issues and measures. Chief Operating Officer reports to the Board also include comprehensive oversight of the Trust’s performance.</p>	<p>G</p>
<p>evaluates the services it provides to assess performance and identify areas for improvement</p>	<p>The Trust has developed action plans resulting from CQC inspections undertaken in 2023 relating to targeted inspections, maternity, and well led. Effective governance oversight is provided through the CQC Compliance Assurance Group, the Quality Assurance Committee and reporting to the Board.</p> <p>We raised an improvement recommendation in 2023/24 that the Trust should continue enhanced oversight of Urgent and Emergency Care (UEC) performance until sustained improvement is achieved. As at March 2025 the Trust remains in NOF4 for UEC and Elective Care, with the March 2025 Integrated Performance Report providing limited assurance that the Trust will deliver UEC or Elective Care targets at the year-end.</p> <p>Due to the arrangements that the Trust has in place to provide oversight of NOF4 metrics, and the actions being taken through the Integrated Improvement Plan and One Plan, we have not identified a risk of significant weakness. However, we consider that the improvement recommendation we raised in 2023/24 remains open and have updated it to also reference Elective Care.</p>	<p>A</p>

- G** No significant weaknesses or improvement recommendations.
- A** No significant weaknesses, improvement recommendations made.
- R** Significant weaknesses in arrangements identified and key recommendation(s) made.

# Economy, efficiency and effectiveness – commentary on arrangements (continued)

We considered how the Trust:	Commentary on arrangements	Rating
<p>ensures it delivers its role within significant partnerships and engages with stakeholders it has identified, in order to assess whether it is meeting its objectives</p>	<p>The Trust can demonstrate adequate engagement with stakeholders and partners when developing strategic priorities, for example in relation to the NHS 10 Year Plan, One Plan 2024/25-2025/26, and the Peninsula Acute Sustainability Programme. The Trust has also consulted with partners through the Health and Wellbeing Boards.</p> <p>The Trust actively engages in partnership working to tackle common challenges and priorities. The One Plan was developed with stakeholders and partners to identify challenges and work together at organisational, local care partnership and system level. The One Plan enables the Trust to move towards a new care model aligned to the areas of focus for the Devon UEC Recovery Plan. The Trust is part of the Peninsula Acute Provider Collaborative with the four acute hospital trusts in Devon, Cornwall and the Isles of Scilly. There is a programme of work to stabilise fragile services by providing a joined-up system of high quality, safe, sustainable services as locally as possible.</p>	<p>G</p>
<p>commissions or procures services, assessing whether it is realising the expected benefits</p>	<p>The Trust can demonstrate collaborative working to deliver procurement efficiencies through the shared procurement service for Devon provider Trusts hosted by University Hospitals Plymouth. Staff from the Trust transferred to the shared procurement service on 1 March 2025. The aim of the shared service is to drive savings and efficiencies, and increase the resources available to focus on areas such as contract management, social responsibility and net zero.</p> <p>Most large contracts for services such as pathology and laundry are managed through the regional collaborative with Peninsula Purchasing and Supply Alliance. Local contracts are managed through budget holders with some support from the procurement team where performance issues arise. There is no formal mechanism to report on contract management and performance and provide assurance to the Board that contracts are being managed to ensure they deliver agreed performance, cost and quality standards. We have raised an improvement recommendation to strengthen arrangements in this regard.</p>	<p>A</p>

- G** No significant weaknesses or improvement recommendations.
- A** No significant weaknesses, improvement recommendations made.
- R** Significant weaknesses in arrangements identified and key recommendation(s) made.

# Improving economy, efficiency and effectiveness (continued)

## Area for Improvement: continued enhanced oversight of Urgent and Emergency Care and Elective Care performance

**Findings:** We raised an improvement recommendation in 2023/24 that the Trust should continue enhanced oversight of Urgent and Emergency Care (UEC) performance until sustained improvement is achieved. As at March 2025 the Trust remains in NOF4 for UEC and Elective Care. Due to the arrangements that the Trust has in place to provide oversight of NOF4 metrics, and the actions being taken through the Integrated Improvement Plan and One Plan, we have not identified a risk of significant weakness. However, we have updated and reraised the improvement recommendation from 2023/24 to also reference Elective Care.

**Evidence:** The Trust works with the Recovery Support Programme (RSP) to identify actions to improve performance against NOF4 metrics which form part of the system recovery plan. A governance review was undertaken as part of the RSP that identified the need for a formal Executive Operations Group to ensure strengthened assurance of operational delivery to the Trust Board, with the Group first meeting in January 2025.

Recovery Support Programme and One Plan focus has been on four key priorities: same day emergency care, McCallum Ward conversion from long to short stay, the ward standardisation project and emergency department breach reduction. The March 2025 Integrated Performance Report identifies the progress that has been made against these priorities. Arrangements are in place to ensure there is enhanced oversight against NOF4 metrics, including the performance updates to Private Board, the Integrated Performance Report and Integrated Improvement Plan progress reports. The One Devon System Improvement Assessment Group is the regulatory governance forum for NOF4 and meets monthly to review progress against exit criteria. The Trust should ensure that enhanced oversight is effective and results in sustained UEC and Elective Care performance.

The March 2025 Integrated Performance Report confirms that there is limited assurance the Trust will deliver UEC NOF4 criteria at the year end, or that NOF4 Elective Care targets will be met. UEC metrics relating to emergency department visits over 12 hours, UEC 4-hour target, pre-noon patient discharges and no criteria to reside patients were not met. The Trust did not meet elective metrics relating to referral to treatment 78, 65 or 52 week wait incomplete pathways.

**Impact:** Sustained improvement of UEC and Elective Care performance to ensure NOF4 metrics are delivered is at risk without enhanced oversight and consideration of the effectiveness of actions being taken.

## Improvement Recommendation 2

**IR2:** The Trust should continue enhanced oversight of UEC and Elective Care performance until sustained improvement of performance is achieved. Effectiveness of arrangements put in place should be considered on an ongoing basis, and of these are not deemed to be improving performance they should be revisited.

# Improving economy, efficiency and effectiveness (continued)

## Area for Improvement: contract management

**Findings:** There is no formal mechanism at the Trust to report on contract management and performance and provide assurance to the Board that contracts are being managed to ensure they deliver agreed performance, cost and quality standards.

**Evidence:** Most large contracts for services such as pathology, laundry and orthopaedics are managed through the regional collaborative with Peninsula Purchasing and Supply Alliance (PPSA) with performance reported to the PPSA Board.

Local contracts are managed through budget holders with some support from the procurement team where performance issues arise. From discussion with officers we understand that there is no formal mechanism at the Trust to report on contract management and performance and provide assurance to the Board that contracts are being managed to ensure they deliver agreed performance, cost and quality standards. Increased transparency over contract performance is one of the requirements of the new Procurement Act 2023 and Procurement Regulations 2024 which require contract performance notices to be published.

**Impact:** Value could leak out of contracts if there is insufficient capacity to manage operational, performance and commercial factors to achieve contract outcomes.

## Improvement Recommendation 3

**IR3:** The Trust should work with the shared Devon Procurement Service to develop arrangements to provide assurance to the Board that contracts are managed to ensure they deliver agreed performance, cost and quality standards.



### Grant Thornton insight

#### Strengthening Contract Management and Procurement

At bodies with stronger contract management, we see clear governance and regular central oversight, providing assurance on whether contracts deliver value. Devolving contract responsibility to divisions can work well but, in our experience, risks arise when roles aren't clear or commercial knowledge isn't maintained. Limited oversight makes it harder to spot trends and manage risks early.

Arrangements reflecting notable practice include developing and maintaining an up-to-date contract register, 'tiering' contracts based on risk and strategic value, and risk-based oversight of value for money and performance throughout the contract lifecycle to support timely, robust decision-making and ensure the re-tendering pipeline is informed.

# **05 Summary of Value for Money Recommendations raised in 2024/25**

# Key recommendations raised in 2024/25

Recommendation	Relates to	Management Actions
<p data-bbox="188 464 830 611">We recommend the Trust takes a more proactive approach to its short-medium term financial planning to help achieve financial sustainability. This includes:</p> <ul data-bbox="188 632 800 1001" style="list-style-type: none"> <li data-bbox="188 632 800 818">• Establish a rigorous in-year process for identifying savings schemes, which focuses on recurrent savings and multi year programmes to deliver realistic and achievable targets.</li> <li data-bbox="188 839 774 911">• Develop a comprehensive approach to medium term financial planning.</li> <li data-bbox="188 932 741 1001">• Prioritise sustained improvement in financial metrics, specifically NOF4.</li> </ul> <p data-bbox="109 715 168 743">KR1</p>	<p data-bbox="848 546 1059 658">Financial sustainability (pages 18 – 19)</p> <p data-bbox="848 732 1059 915">This recommendation remains open from 2023/24.</p>	<p data-bbox="1082 425 1200 454"><b>Actions:</b></p> <p data-bbox="1082 479 2232 508">Included in Financial Improvement Plan within Our Plan for Better Care including:</p> <p data-bbox="1082 534 2397 601">Assurance of CIP managed through the PMO working with Finance Team in accordance with the CIP Handbook.</p> <p data-bbox="1082 626 2326 694">Monthly monitoring of CIP delivery including identification of additional CIP takes place through monthly Executive Operations Group meetings.</p> <p data-bbox="1082 719 2377 822">Planned improvements in understanding and using productivity metrics to drive operational and financial improvement being developed using model hospital, regional benchmarking and SLR.</p> <p data-bbox="1082 848 2117 876">Trust continues to work with the system to develop and update the MTFP.</p> <p data-bbox="1082 902 1467 931"><b>Responsible Officer:</b> DoOF</p> <p data-bbox="1082 956 1485 985"><b>Executive Lead:</b> CFO/CSPO</p> <p data-bbox="1082 1011 1467 1039"><b>Due Date:</b> End Q1 2025/26</p>

# Improvement recommendations raised in 2024/25

	Recommendation	Relates to	Management Actions
IR1	<p>Finance Reports to the Trust Board and the Finance &amp; Performance Committee should be strengthened by providing:</p> <ul style="list-style-type: none"> <li>a monthly projection of future cash balances for a 12-month period;</li> <li>more detailed monitoring of CIP delivery at care group and programme level;</li> <li>more detailed identification and quantification of financial risk within the budget, and how risk is mitigated.</li> </ul>	<p>Governance (Page 22)</p>	<p><b>Actions:</b> Finance Report is being changed to include all recommendations and also to include productivity and monitoring of underlying financial position.</p> <p><b>Responsible Officer:</b> DoOF <b>Executive Lead:</b> CFO/CSPO <b>Due Date:</b> End Q1 2025/26</p>
IR2	<p>The Trust should continue enhanced oversight of UEC and Elective Care performance until sustained improvement of performance is achieved. Effectiveness of arrangements put in place should be considered on an ongoing basis, and of these are not deemed to be improving performance they should be revisited.</p>	<p>Improvement economy, efficiency and effectiveness (page 26)</p> <p>Remains open from 2023/24.</p>	<p><b>Actions:</b> Care group performance monitored monthly through Care Group delivery review meetings between executive team and Care group leadership teams including development of balanced scorecards to monitor key metrics across finance, workforce, activity and performance.</p> <p><b>Responsible Officer:</b> DoOR <b>Executive Lead:</b> COO <b>Due Date:</b> End Q1 2025/26</p>

# Improvement recommendations raised in 2024/25

	Recommendation	Relates to	Management Actions
IR3	The Trust should work with the shared Devon Procurement Service to develop arrangements to provide assurance to the Board that contracts are managed to ensure they deliver agreed performance, cost and quality standards.	Improvement economy, efficiency and effectiveness (page 27)	<p><b>Actions:</b></p> <p>Included in Financial Improvement Plan within Our Plan for Better Care including development of contracts database with clear timetable to proactively manage contracts in a timely manner and ensuring robust contract management arrangements are in place.</p> <p><b>Responsible Officer:</b> DoOF</p> <p><b>Executive Lead:</b> CFO</p> <p><b>Due Date:</b> Quarter 2 2025/26</p>

# **06 Follow up of previous Key recommendations**

# Follow up of 2023/24 Key recommendations

	Prior Recommendation	Raised	Progress	Current status	Further action
KR1	<p>We recommend the Trust takes a more proactive approach to its short-medium term financial planning to help achieve financial sustainability. This includes:</p> <ul style="list-style-type: none"> <li>Establish a rigorous in-year process for identifying savings schemes, which focuses on recurrent savings and multi year programmes to deliver realistic and achievable targets.</li> <li>Develop a comprehensive approach to medium term financial planning.</li> <li>Prioritise sustained improvement in financial metrics, specifically NOF4.</li> </ul>	2023/24	<p>The Trust delivered a 2024/25 outturn deficit of £33.5m, an adverse variance of £19.9m against the plan. The under-delivery of £12.0m of planned efficiencies was a significant contributory factor to the outturn position.</p> <p>The 2025/26 financial plan requires delivery of £41.5m total efficiencies compared with the £27.9m delivered in 2024/25, and £32.8m planned recurrently compared with £10.2m recurrent efficiencies delivered in 2024/25. This is a step increase in planned savings and represents significant financial risk.</p> <p>External reviews undertaken in 2024/25 identified weaknesses in arrangements to deliver efficiencies, and that the Trust had relied on “false assurance” on delivery.</p> <p>The Trust can demonstrate that it has continued to engage in the development of the system MTFP. However, the Trust’s MTFP projects deficit plans up until 2030/31 and identifies significant savings targets are required to achieve financial sustainability.</p>	In progress - recommendation retained	The key recommendation we raised in 2023/24 remains open. (See key recommendation 1).

# 07 Appendices

# Appendix A: Responsibilities of the NHS Foundation Trust

Public bodies spending taxpayers' money are accountable for their stewardship of the resources entrusted to them. They should account properly for their use of resources and manage themselves well so that the public can be confident.

Financial statements are the main way in which local public bodies account for how they use their resources. Local public bodies are required to prepare and publish financial statements setting out their financial performance for the year. To do this, bodies need to maintain proper accounting records and ensure they have effective systems of internal control.

All local public bodies are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. Local public bodies report on their arrangements, and the effectiveness with which the arrangements are operating, as part of their annual governance statement.

The Foundation Trust's directors are responsible preparing the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are required to comply with the Department of Health & Social Care Group Accounting Manual and prepare the financial statements on a going concern basis, unless the Trust is informed of the intention for dissolution without transfer of services or function to another entity. An organisation prepares accounts as a 'going concern' when it can reasonably expect to continue to function for the foreseeable future, usually regarded as at least the next 12 months.

The Foundation Trust is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.



# Appendix B: Value for Money Auditor responsibilities

Our work is risk-based and focused on providing a commentary assessment of the Trust’s Value for Money arrangements

## Phase 1 – Planning and initial risk assessment

As part of our planning we assess our knowledge of the Trust’s arrangements and whether we consider there are any indications of risks of significant weakness. This is done against each of the reporting criteria and continues throughout the reporting period.

## Phase 2 – Additional risk-based procedures and evaluation

Where we identify risks of significant weakness in arrangements we will undertake further work to understand whether there are significant weaknesses. We use auditor’s professional judgement in assessing whether there is a significant weakness in arrangements and ensure that we consider any further guidance issued by the NAO.

## Phase 3 – Reporting our commentary and recommendations

The Code requires us to provide a commentary on your arrangements which is detailed within this report. Where we identify weaknesses in arrangements we raise recommendations.

 A range of different recommendations can be raised as follows:

**Key recommendations** – the actions which should be taken by the Trust where significant weaknesses are identified within arrangements.

**Improvement recommendations** – actions which are not a result of us identifying significant weaknesses in the Trust’s arrangements, but which if not addressed could increase the risk of a significant weakness in the future.

## Information that informs our ongoing risk assessment

Cumulative knowledge of arrangements from the prior year	Key performance and risk management information reported to the Board
Interviews and discussions with key officers	NHS Oversight Framework (NOF) rating
Progress with implementing recommendations	Care Quality Commission (CQC) reporting
Findings from our opinion audit	Annual Governance Statement including the Head of Internal Audit annual opinion

# Appendix C: Follow up of 2023/24 improvement recommendations

	Prior Recommendation	Raised	Progress	Current position	Further action
IR1	We recommend the Trust continues its commendable efforts in refining its cashflow forecasting and cash management. It is crucial for the Trust to focus on embedding processes for monitoring, evaluating, and mitigating future liquidity risks within the financial procedures of the finance department.	2023/24	<p>Arrangements to monitor cash have been strengthened during 2024/25 through the recruitment of the Finance Manager (Treasury) and re-establishment of the Cash Committee to review the Trust’s cash position. The monthly Finance Reports presented to Trust Board and the Finance &amp; Performance Committee include an analysis of the month-end cash position, reconciling movements in cash to the closing cash position.</p> <p>The Finance Report does not provide a monthly projection of cash balances into the future.</p>	In progress – recommendation updated.	<p>We have raised an improvement recommendation which covers this aspect.</p> <p>Finance Reports to the Trust Board and the Finance &amp; Performance Committee should be strengthened by providing a monthly projection of future cash balances for a 12-month period.</p> <p>(See improvement recommendation 1).</p>

# Appendix C: Follow up of 2023/24 improvement recommendations

	Prior Recommendation	Raised	Progress	Current position	Further action
IR2	<p>We suggest that the Trust redesigns its Monthly Finance Report pack to enhance readability and furnish decision makers with a more comprehensive set of financial information. This should include key subject area summaries which highlight key drivers of performance (triangulated to operational, activity and workforce drivers), with clear articulation of risks and noting mitigating actions.</p>	2023/24	<p>Assurance for operational delivery, including quality, performance, workforce and finance, has been strengthened within Integrated Performance Reports (IPR) through the establishment of the Executive Operations Group from January 2025.</p> <p>Finance Reports provide an overview of the financial position of the Trust and include analysis at care group level, pay budgets, income and activity. Finance Reports should be strengthened by providing more detailed identification and quantification of financial risk within the budget, and how risk is mitigated. In addition, Finance Reports provide a high-level summary of total and recurrent CIP delivery against plan. There is no analysis at programme or care group level that identifies areas of under delivery or at high risk of non-delivery in order to provide increased assurance, oversight and accountability.</p>	<p>In progress – recommendation updated.</p>	<p>We have raised an improvement recommendation which covers this aspect.</p> <p>Finance Reports to the Trust Board and the Finance &amp; Performance Committee should be strengthened by providing:</p> <ul style="list-style-type: none"> <li>• more detailed monitoring of CIP delivery at care group and programme level;</li> <li>• more detailed identification and quantification of financial risk within the budget, and how risk is mitigated.</li> </ul> <p>(See improvement recommendation 1).</p>

## Appendix C: Follow up of 2023/24 improvement recommendations

	Prior Recommendation	Raised	Progress	Current position	Further action
IR3	We recommend the Trust reviews its current Standing Financial Instructions, Standing Orders and Procurement Strategy.	2023/24	The Governance Framework report to Board in February 2025 confirms that Standing Financial Instructions and Scheme of Delegation have been reviewed. Standing orders were revised in 2024. The refresh of the Procurement Strategy is being worked on to support the shared service.	Implemented and closed.	No.

# Appendix C: Follow up of 2023/24 improvement recommendations

Prior Recommendation	Raised	Progress	Current position	Further action	
IR4	<p>The Trust should continue enhanced oversight of UEC performance until sustained improvement of performance is achieved. Effectiveness of arrangements put in place should be considered on an ongoing basis, and of these are not deemed to be improving performance they should be revisited.</p>	2023/24	<p>Enhanced oversight arrangements remain in place for performance against NOF4 metrics and were strengthened during 2024/25 through the establishment of the Executive Operations Group. The Trust is taking action to improve performance through the Recovery Support Programme and the One Plan.</p> <p>However, the March 2025 Integrated Performance Report confirms that there is limited assurance the Trust will deliver UEC NOF4 criteria at the year end, or that NOF4 Elective Care targets will be met. Metrics relating to emergency department visits over 12 hours, UEC 4-hour target, pre-noon patient discharges and no criteria to reside patients were not met. The Trust did not meet elective metrics relating to referral to treatment 78, 65 or 52 week wait incomplete pathways.</p> <p>We have not identified a risk of significant weakness in arrangements, but consider that the Trust should strengthen arrangements around enhanced oversight of UEC performance. However, we consider that the improvement recommendation we raised in 2023/24 remains open and have updated it to also reference Elective Care.</p>	<p>In progress - recommendation updated</p>	<p>The improvement recommendation we raised in 2023/24 remains open. (See improvement recommendation 2).</p>

# Appendix C: Follow up of 2023/24 improvement recommendations

	Prior Recommendation	Raised	Progress	Current position	Further action
IR5	We recommend enhancing the Integrated Performance Report by incorporating data quality kite marks or commentary in data analysis to provide assurance on the quality of the reported data against Key Performance Indicators. This will bolster confidence in the reliability and accuracy of the data, thus enabling informed decision making for the Board and divisions utilising the IPR.	2023/24	While the IPRs do not specifically include commentary on data quality, we are satisfied that the Trust has arrangements in place to ensure the quality of data reported in performance reports. This is evidenced through the Data Quality Policy, the established process for compiling performance reports, the role of information asset owners who are responsible for integrity of data within IT systems, and oversight of data metrics by the Performance Team.	Recommendation closed.	No.



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