



# Auditor's Annual Report 2023/24

**Leicestershire Partnership Service NHS Trust**

—  
August 2024

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## KEY CONTACTS

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This report is addressed to Leicestershire Partnership Service NHS Trust (the Trust). We take no responsibility to any member of staff acting in their individual capacities, or to third parties.

External auditors do not act as a substitute for the audited body's own responsibility for putting in place proper arrangements to ensure that public business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.



# 01 Executive Summary

# Executive Summary

## Purpose of the Auditor’s Annual Report

This Auditor’s Annual Report provides a summary of the findings and key issues arising from our 2023-24 audit of Leicestershire Partnership Service NHS Trust (the ‘Trust’). This report has been prepared in line with the requirements set out in the Code of Audit Practice published by the National Audit Office and is required to be published by the Trust alongside the annual report and accounts.

This version of the report is a discussion draft – a final version will be prepared after the completion of the final accounts audit and be published on the Trust’s website.

## Our responsibilities

The statutory responsibilities and powers of appointed auditors are set out in the Local Audit and Accountability Act 2014. In line with this we provide conclusions on the following matters:



**Accounts** - We provide an opinion as to whether the accounts give a true and fair view of the financial position of the Trust and of its income and expenditure during the year. We confirm whether the accounts have been prepared in line with the Group Accounting Manual prepared by the Department of Health and Social Care (DHSC).



**Annual report** - We assess whether the annual report is consistent with our knowledge of the Trust. We perform testing of certain figures labelled in the remuneration report.



**Value for money** - We assess the arrangements in place for securing economy, efficiency and effectiveness (value for money) in the Trust’s use of resources and provide a summary of our findings in the commentary in this report. We are required to report if we have identified any significant weaknesses as a result of this work.



**Other reporting** - We may issue other reports where we determine that this is necessary in the public interest under the Local Audit and Accountability Act.

## Findings

We have set out below a summary of the conclusions that we provided in respect of our responsibilities:

<b>Accounts</b>	<p>We issued an <b>unqualified opinion on the Trust’s accounts on 28 June 2024</b>. This means that we believe the accounts give a true and fair view of the financial performance and position of the Trust.</p> <p>We have provided further details of the key risks we identified and our response on page seven.</p>
<b>Annual report</b>	<p>We <b>did not identify any significant inconsistencies</b> between the content of the annual report and our knowledge of the Trust.</p> <p>We confirmed that the Governance Statement had been prepared in line with the Department of Health and Social Care requirements.</p>
<b>Value for money</b>	<p>We are required to report if we identify any matters that indicate the Trust does not have sufficient arrangements to achieve value for money.</p> <p>We have <b>nothing to report in this regard</b>.</p>
<b>Other reporting</b>	<p>We are required under Section 30 of the Local Audit and Accountability Act to make a referral to the Secretary of State for Health and Social Care if we identify that the Trust has or is about to enter into unlawful expenditure. We have not made a referral.</p> <p><b>We have not made any reports in the public interest</b></p>

# 02 Audit of the Financial Statements

# Audit of the financial statements

## **KPMG provides an independent opinion on whether the Trust's financial statements:**

- Give a true and fair view of the state of the Trust's affairs as at 31 March 2024 and of its income and expenditure for the year then ended;
- Have been properly prepared in accordance with the accounting policies directed by NHS England with the consent of the Secretary of State in February 2024 as being relevant to NHS Trusts and included in the Department of Health and Social Care Group Accounting Manual 2023/24; and
- Have been prepared in accordance with the requirements of the National Health Service Act 2006 (as amended).

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. We have fulfilled our ethical responsibilities under, and are independent of the Trust in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

## **Audit opinion on the financial statements**

### **We have issued an unqualified opinion on the Trust's financial statements on 28 June 2024.**

The full opinion is included in the Trust's Annual Report and Accounts for 2023/24 which can be obtained from the Trust's website.

Further information on our audit of the financial statements is set out overleaf.

# Audit of the financial statements

The table below summarises the significant risks that we identified to our audit opinion as part of our risk assessment and how we responded to these in our audit.

Risk	Procedures undertaken	Findings
<p><b><i>Fraudulent expenditure recognition</i></b></p> <p>As the Trust and the System is set a financial performance target by NHS England there is a risk that non-pay expenditure, excluding depreciation, may be manipulated in order to report that the control total has been met.</p> <p>The setting of a control total can create an incentive for management to overstate the level of non-pay expenditure compared to that which has been incurred.</p> <p>At period end, the Trust reported an adjusted net income and expenditure surplus of £8k against a break even delivery plan.</p> <p>We consider this would be most likely to occur through understating accruals, for example to bring forward expenditure from 2024/25 to mitigate financial pressures.</p>	<p>We evaluated the design and implementation of controls for reviewing manual expenditure accruals at the end of the year to verify that they have been completely and accurately recorded;</p> <p>We inspected a sample of invoices of expenditure, in the period after 31 March 2024, to determine whether expenditure has been recognised in the correct accounting period;</p> <p>We selected a sample of payments from the bank statements in the period after 31 March 2024 and agreed these to underlying supporting evidence to determine that all the liabilities are completely and accurately recorded in the correct accounting period;</p> <p>We selected a sample of year end accruals and inspected evidence of the actual amount paid after year end in order to assess whether the accruals have been accurately recorded.</p> <p>We inspected journals posted as part of the year end close procedures that decrease the level of expenditure and accruals recorded at the year end in order to critically assess whether there was an appropriate basis for posting the journal and the value can be agreed to supporting evidence;</p> <p>We performed a retrospective review of prior year accruals in order to assess the existence and accuracy with which accruals had been recorded at 31 March 2023 and consider the impact on our assessment of the accruals at 31 March 2024.</p> <p>We performed a year on year comparison of the accruals made in March 2024 and April 2024 and challenged management where the movement is not in line with our understanding of the entity.</p>	<p>We note the Trust has high level controls in place designed to detect misstatement of accruals (such as monthly review of management accounts and accruals lists) and we understand monthly comparisons are undertaken as part of preparation of the financial statements.</p> <p>However these controls are not formally documented, and/or lack the detailed precision to be required to meet the management review control requirements as defined by Auditing Standards.</p> <p>As such we have not been able to confirm the operating effectiveness of these controls, and performed a substantive approach to our testing.</p> <p>However, we are not raising a formal control observation in this regard, and consider the Trust's existing controls to be proportionate to address the associated risk.</p> <p><b>Based on the audit work performed to date and the evidence obtained we consider the recognition of non-pay expenditure to be appropriate.</b></p>

# Audit of the financial statements

The table below summarises the other key risks that we identified to our audit opinion as part of our risk assessment and how we responded to these in our audit.

Risk	Procedures undertaken	Findings
<p><b>Valuation of land and buildings</b></p> <p>Land and buildings are required to be held at fair value. As hospital buildings are specialised assets and there is not an active market for them they are usually valued on the basis of the cost to replace them with a 'modern equivalent asset'.</p> <p>The value of the Trust's land and buildings at 31 March 2023 was £182m.</p> <p>The Trust is due to undertake a full revaluation of its land and buildings in year. This will be performed by Cushman &amp; Wakefield for the first time.</p>	<p>We critically assessed the independence, objectivity and expertise of Cushman &amp; Wakefield, the valuers used in developing the valuation of the Trust's properties at 31 March 2024;</p> <p>We inspected the instructions issued to the valuers for the valuation of land and buildings to verify they are appropriate to produce a valuation consistent with the requirements of the Group Accounting Manual;</p> <p>We compared the accuracy of the data provided to the valuers for the development of the valuation to underlying information, such as floor plans, and to previous valuations, challenging management where variances are identified;</p> <p>We evaluated the design and implementation of controls in for management to review the valuation and the appropriateness of assumptions used;</p> <p>We challenged the appropriateness of the valuation of land and buildings; including any material movements from the previous revaluations. We challenged key assumptions within the valuation, including the use of relevant indices and assumptions of how a modern equivalent asset would be developed, as part of our judgement</p> <p>We performed inquires inquiries of NTW Solutions Limited who were contracted to design new Modern Equivalent Asset models, challenging the assumptions that had been made;</p>	<p>We did not identified any issues with the valuation completed by Cushman &amp; Wakefield as at 1 April 2023 and 31 March 2024. We have reviewed the calculations performed by the valuer, confirmed their accuracy and assessed the assumptions underpinning the valuation, comparing the output through to our own independent expectation using market data.</p> <p>We have not identified any issues in respect of the work performed by Cushman &amp; Wakefield or the individual assumptions applied.</p> <p>During the year, the Trust engaged NTW Solutions Limited through the appointment of Cushman &amp; Wakefield to update the Modern Equivalent Asset models used in previous valuations of the Trust. We have met with NTW Solutions to assess their expertise as well as to challenge the assumptions utilised in arriving at the MEA output for the March 2024 valuation.</p>



# Audit of the financial statements

The table below summarises the other key risks that we identified to our audit opinion as part of our risk assessment and how we responded to these in our audit.

Risk	Procedures undertaken	Findings
<p><b>Valuation of land and buildings (cont.)</b></p> <p>This will include the application of a new hypothetical model for the MEA valuation of land and buildings. The Trust have engaged with NTW Solutions engaged to design this model on their behalf.</p> <p>The last full revaluation took place on 31 March 2023.</p>	<p>We performed inquiries of the valuers in order to verify the methodology that was used in preparing the valuation and whether it was consistent with the requirements of the RICS Red Book and the GAM;</p> <p>We agreed the calculations performed of the movements in value of land and buildings and verify that these have been accurately accounted for in line with the requirements of the GAM;</p> <p>We utilised our own valuation specialists to review the valuation report prepared by the Trust’s valuers to confirm the appropriateness of the methodology utilised; and</p> <p><b>Disclosures:</b> We considered the adequacy of the disclosures concerning the key judgements and degree of estimation involved in arriving at the valuation.</p>	<p>There are a number of key assumptions that have been made in the MEA including that the new hospital would be built, utilising a smaller site area than is currently in use. We have challenged the key inputs into the MEA such as whether these changes impact the level of service delivery at the Trust and also the number of beds available. To date we have identified no issues with these assumptions.</p> <p>We have reviewed the disclosures in the financial statements with regards to the sensitivity of the inputs into the valuation and how this would impact the overall carrying amount of assets. We have not identified any updates with regards to this area.</p>

# Audit of the financial statements

The table below summarises the other key risks that we identified to our audit opinion as part of our risk assessment and how we responded to these in our audit.

Risk	Procedures undertaken	Findings
<p><b>Management override of controls</b></p> <p>We are required by auditing standards to recognise the risk that management may use their authority to override the usual control environment.</p> <p>Management is in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.</p> <p>We have not identified any specific additional risks of management override relating to this audit.</p>	<p>Assessed accounting estimates for biases by evaluating whether judgements and decisions in making accounting estimates, even if individually reasonable, indicate a possible bias.</p> <p>In line with our methodology, evaluated the design and implementation of controls over journal entries and post closing adjustments.</p> <p>Assessed the appropriateness of changes compared to the prior year to the methods and underlying assumptions used to prepare accounting estimates.</p> <p>Assessed the business rationale and the appropriateness of the accounting for significant transactions that are outside the Trust's normal course of business, or are otherwise unusual.</p> <p>We have analysed all journals through the year using data and analytics and focus our testing on those with a higher risk, such as journals impacting expenditure recognition posted during the final close down.</p>	<p>We identified 16 journal entries and other adjustments meeting our high-risk criteria – our examination did not identify any inappropriate entries.</p> <p>We verified the effective design and implementation of an effective manual approval control over journals.</p> <p>We evaluated accounting estimates, including the consideration of the valuation of land and buildings and did not identify any indicators of management bias.</p> <p><b>We did not identify any significant unusual transactions.</b></p>

# 03 Value for Money

# Value for Money

## Introduction

We are required to consider whether the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources or 'value for money'. We consider whether there are sufficient arrangements in place for the Trust for the following criteria, as defined by the National Audit Office (NAO) in their Code of Audit Practice:



**Financial sustainability:** How the Trust plans and manages its resources to ensure it can continue to deliver its services.



**Governance:** How the Trust ensures that it makes informed decisions and properly manages its risks.



**Improving economy, efficiency and effectiveness:** How the Trust uses information about its costs and performance to improve the way it manages and delivers its services

## Approach

We undertake risk assessment procedures in order to assess whether there are any risks that value for money is not being achieved. This is prepared by considering the findings from other regulators and auditors, records from the organisation and performing procedures to assess the design of key systems at the organisation that give assurance over value for money.

Where a significant risk is identified we perform further procedures in order to consider whether there are significant weaknesses in the processes in place to achieve value for money.

We are required to report a summary of the work undertaken and the conclusions reached against each of the aforementioned reporting criteria in this Auditor's Annual Report. We do this as part of our commentary on VFM arrangements over the following pages.

We also make recommendations where we identify weaknesses in arrangements or other matters that require attention from the Trust.

## Summary of findings

	Financial sustainability	Governance	Improving economy, efficiency and effectiveness
Commentary page reference	13	15	16
Identified risks of significant weakness?	Yes	No	No
Actual significant weakness identified?	No	No	No
2022-23 findings	Risk to significant weakness was noted but did not materialise into a significant weakness	No significant weakness identified	No significant weakness identified
Direction of travel	↔	↔	↔

# Value for Money

## NATIONAL CONTEXT

### *Financial performance*

The 2023-24 financial year saw a significant increase in the level of financial pressures facing the NHS sector. This followed the end of Covid-19 related financing arrangements. The sector has faced cost pressures from a range of factors, most significantly the impacts of inflation felt during the year and the costs of industrial action.

At the end of January 2024 NHS England forecast that the NHS would record an overspend of £1.1bn against its agreed budgets. This came after additional funding had been made available earlier in the year to support with the costs of industrial action.

### *Operational performance*

In January 2023 the Government announced five pledges for 2023, including reducing NHS waiting lists and the time people wait for procedures. Waiting lists had grown significantly during the Covid-19 pandemic as elective activity was postponed in order to prioritise the treatment of Covid patients and ensure safe working.

According to the Health Foundation the NHS waiting list had grown from 6.2 million patients at the beginning of 2022 to 7.2 million in January 2023. There had also been a significant increase in the number of patients with long waits. At the end of 2023 there remained 355,000 patients that had been waiting over a year for treatment. Income arrangements for the acute sector were revised in year to reimburse providers for elective activity based on the actual number of patients treated.

### *System working*

The Health and Care Act 2022 formally established integrated care systems (ICSs), 42 partnerships within local geographies to promote closer working between the organisations responsible for healthcare delivery. Integrated Care Boards were formed on 1 July 2022, taking over commissioning responsibility from Clinical Commissioning Groups.

In their first full year of operation ICSs have continued to work to develop and embed governance arrangements both within the ICBs themselves and as systems.

## LOCAL CONTEXT

The Trust provides community health and mental health support to over 1 million people living in Leicester, Leicestershire and Rutland.

The Trust operates alongside other NHS acute and community trusts, local authorities, independent and third sector providers all delivering services across the region. To support this, the Trust is an active member of the Leicester, Leicestershire and Rutland Integrated Care system (ICS) which came into place from 1 July 2022.

### *Financial performance*

The Trust initially planned to deliver a breakeven position, having achieved a deficit position in the prior period. In year the Trust achieved an overall adjusted surplus of £8k, against this plan.

The Trust achieved 100% of its efficiency target, with total savings of £15.9m. Of this 61% was achieved through non-recurrent schemes.

### *System working*

The Leicestershire system as a whole is recognised to have a challenging financial position. There remains a significant underlying deficit across the wider ICS in Leicestershire and Rutland with a projected reported system deficit of £68m for the year ended 31 March 2024.

The submitted System plan includes significant efficiency targets of which £20.4m is the Trusts share. Work is underway to develop CIP plans, with a number of efficiencies already identified and supporting governance processes established to provide ongoing monitoring and review of progress.

### *Care Quality Commission Inspections*

The Trust were inspected by the CQC in May to July 2021 and the report was publicised on 29 October 2021 giving an overall rating of "Requires Improvement".

In year the CQC carried out an unannounced re-inspection of specific services, with the report published on 30 May 2024. The rating provided for services stayed the same, with the services still rated as requiring improvement. However, improvement was noted when compared to previous reporting.

# Financial Sustainability

## How the Trust plans and manages its resources to ensure it can continue to deliver its services.

We have considered the following in our work:

- How the Trust ensures that it identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds these into them;
- How the Trust plans to bridge its funding gaps and identifies achievable savings;
- How the Trust plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities;
- How the Trust ensures that 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; and
- How the Trust identifies and manages risks to financial resilience, e.g. unplanned changes in demand, including challenge of the assumptions underlying its plans.

## Summary of arrangements

We have **not identified any significant weakness** in the Trust's arrangements in relation to financial sustainability.

### Delivery against 23-24 financial plan

The Trust's 2023-24 financial plan was a breakeven position and within that the assumption that £15.9 million of cash releasing efficiency savings would be made. The month 9 (December 2023) Finance Report shows the Trust delivered a year to date (YTD) deficit £0.16 million against the plan. This result was largely driven by an overspend in expenditure relating to the estates function and management.

At year end the Trust achieved their break even plan with an overall reported adjusted surplus of £8k, whilst maintaining a strong cash position of £28m.

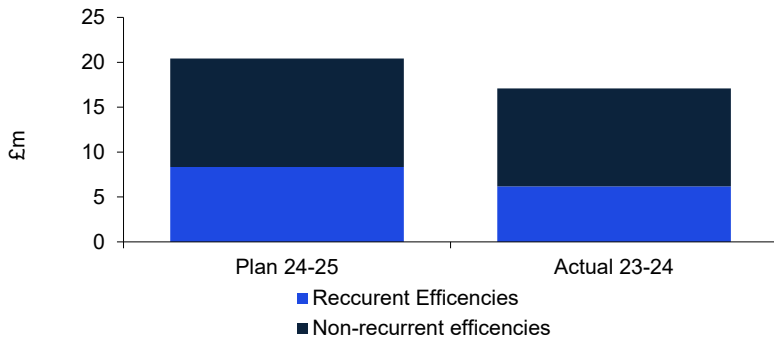
The Trust achieved 100% of its CIP efficiency target, although this was supported through 61% being achieved through non-recurrent savings schemes.

Whilst we note that the Trust is generally in a strong financial position, there remains a significant underlying deficit across the wider ICS in Leicestershire and Rutland with a projected reported system deficit of £68m for the year ended 31 March 2024. This was £7.3 million adverse against the revised planning figure agreed with NHSE in November 2023.

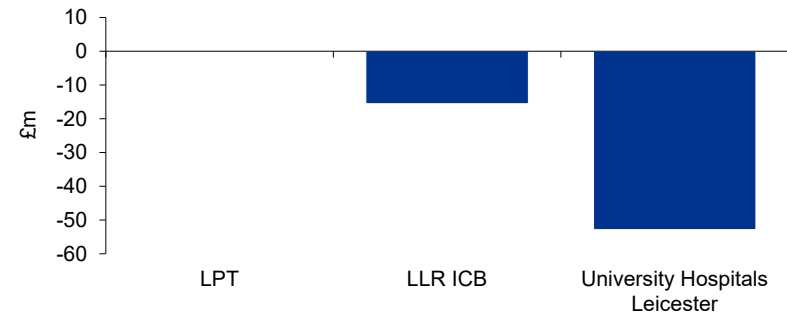
Key financial and performance metrics:	2023-24	2022-23
Initial Planned deficit (adjusted financial performance)	£0.0 million	£0.0 million
Actual outturn (adjusted financial performance)	£0.01 million	(£2.86 million)
Planned CIP as a % of operating expenses	3.9%	1.6%
- Recurrent	£10.9 million	£4.7 million
- Non-recurrent	£5.1 million	£0.9 million
Actual CIP as a % of spend	3.5%	1.4%
- Recurrent	£6.2 million	£3.3 million
- Non-recurrent	£9.8 million	£2.2 million
Year-end cash position	£28.1 million	£29.9 million

# Financial Sustainability (cont'd...)

Cost Improvement Plans Recurrent / Non-Recurrent



Financial Position of LLR System Partners as at 31 March 2024



## Planning Process for 2024/25

The ICS financial plan after a number of iterations was submitted to NHSE on 2 May 2024 following appropriate review and approval, in accordance with the relevant guidance from NHS England.

As part of this, the financial plan submitted for the Trust included a breakeven position. The position assumes that 4.8% efficiencies are made in 2024/25, which equates to £20.4 million in the LPT plan. To deliver the efficiency savings required the Trust has to underspend each month on average by £1.7 million against budget. Whilst this savings programme contains an element of understood risk, we note that this position was clearly reported to the Board of LPT and FPC, highlighting the challenging position, efficiency requirements and work on identified schemes to date.

The Trust worked closely with System partners to develop the 2024/25 finance and operational plan for the LLR System. This System wide plan submitted included a total deficit of £80.0m. This is made up of deficits of £(64.9)m for UHL, a breakeven position for LPT, £(24.1)m for Leicester, Leicestershire and Rutland ICB, and an £9m system-wide improvement which is required to achieve the system revenue financial plan limit.

Following this Plan submission, the Trust actively engaged with the NHSE national team to understand where further savings and efficiencies could be achieved.

System partners, including representatives of LPT met to discuss options for potential actions to be taken. Executive level discussions and meetings were held across the ICS partners to ensure a collaborative approach from both operational and finance perspective.

# Governance

## **How the Trust ensures that it makes informed decisions and properly manages its risks.**

We have considered the following in our work:

- how the Trust monitors and assesses risk and how the body gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud;
- how the Trust approaches and carries out its annual budget setting process;
- how the Trust ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information (including non-financial information where appropriate); supports its statutory financial reporting requirements; and ensures corrective action is taken where needed, including in relation to significant partnerships;
- how the Trust ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency; and
- how the body monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of management or Board members' behaviour.

## **Summary of arrangements**

We have **not identified any significant weaknesses** in the Trust's arrangements in relation to governance.

## **Risk Management Process**

We consider the Trust to have effective processes in place to assess, manage and monitor risk. Strategic risks are recorded and identified using the Organisational Risk Register (ORR) with any identified risks are reported to the relevant committees, including the Trust Board. There is sufficient on-going review of emerging risk during the year; with a standing item included at the end of every Trust Board, Executive Team meeting, and other relevant committee. From 1st April 2024 the Trust moved from the ORR to a separate Corporate Risk Register and a Board Assurance Framework. Strategic risk is continued to be identified in the same way.

The Trust have a dedicated local counter fraud service (LCFS) provided by 360 Assurance. The LCFS has an agreed work plan and reports on their progress to each Audit and Assurance Committee, with an annual report taken at the end of the year. In addition, internal audit services for the Trust is also provided by 360 Assurance. A full assurance opinion is provided on an annual basis and in current year a substantial assurance opinion was provided.

The Trust has a Fraud, Bribery & Corruption Policy which is updated at least every three years. The Trust is currently reviewing this as part of an ongoing cycle. Furthermore, the Trust has a Raising Concerns (Whistleblowing) Policy. Any updates and changes to policies and arrangements such as this are presented through to Board meetings throughout the period.

## **Governance and Decision Making**

Key strategic decisions are made via the Trust's governance process. A scheme of delegation is in place which sets out where different decisions/approvals should take place. The Trust have agreed business case templates in place and each case is subject to approval in line with the scheme of delegation prior to formal approval and scrutiny at the Finance and Performance Committee and the Trust Board.

	2024	2023
Head of Internal Audit Opinion	Significant assurance	Significant assurance
Oversight Framework segmentation	Trust – 2	Trust – 2



# Improving economy, efficiency and effectiveness

## *How the Trust uses information about its costs and performance to improve the way it manages and delivers its services*

We have considered the following in our work:

- how financial and performance information has been used to assess performance to identify areas for improvement;
- how the Trust evaluates the services it provides to assess performance and identify areas for improvement;
- how the Trust 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; and
- where the Trust commissions or procures services, how it assesses whether it is realising the expected benefits.

## *Summary of arrangements*

We have **not identified any significant weaknesses** in the Trust's arrangements in relation to improving economy, efficiency and effectiveness.

## *Monitoring Performance and CQC Response*

The Trust has a performance management framework in place to set the structure of performance management across the Trust. This details the format of reporting and outlines roles and responsibilities at each level. The main element of performance reporting is the integrated performance report which provides the Quality and Assurance Committee (QAC) with key operational performance indicators on a monthly basis.

The Trust were inspected by the CQC in May to July 2021 and the report was published on 29 October 2021. The overall rating given was "Requires Improvement" which is consistent with the previous rating.

Between 9 and 12 January 2024, the CQC carried out an unannounced re-inspection of the acute mental health and psychiatric intensive care unit (PICU) core services, and community district nursing services, with the report published on 30 May 2024. The inspection covered two mental health services previously rated 'inadequate' and one mental health service previously rated as requires improvement.

At this inspection, two of the three mental health services inspected improved overall. All three mental health services inspected received a rating of 'requires improvement'.

The overall rating for the Trust in the area of well-led was considered as part of this review and remained the same rating at 'Requires Improvement'.

In response to this, we reviewed the Trust's action plan to address the weaknesses in the CQC report and the Trust's progress made against this. We noted, a key focus of the Trust has been embedding and sustaining improvements required and this has been done in a number of ways, including:

- Further Board development sessions including increased collaboration sessions working with NHFT to learn and develop the Trust strategy;
- Weekly meetings of the Quality, Compliance and Regulation Team with actions taken through Executive management and Board for what has been done; and
- Deep dive performed over the latest inspection report, including presentation of key learnings for the Trust.

# Improving economy, efficiency and effectiveness

## ***How the Trust uses information about its costs and performance to improve the way it manages and delivers its services***

We have considered the following in our work:

- how financial and performance information has been used to assess performance to identify areas for improvement;
- how the Trust evaluates the services it provides to assess performance and identify areas for improvement;
- how the Trust 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; and
- where the Trust commissions or procures services, how it assesses whether it is realising the expected benefits.

## ***Monitoring Performance and CQC Response (cont.)***

It is recognised that the Trust displayed improvement from previous inspections. The CQC findings noted that '*Governance processes had improved since our last inspection and operated effectively at trust level to ensure that performance and risk were managed well. There were clear responsibilities, roles and systems of accountability to support good governance and management.*'

Due to improvements identified and arrangements in place, whilst we have not identified a significant weakness associated with the Trust's response to the CQC findings, we note the continued requirement for improvement in future periods. And hence the Trust will need to ensure these arrangements, are robust and sufficient for the increased risk in future periods.

## ***Partnership Working***

The Trust engage well within partnerships and have continued to work well and developed strategies with other organisations. The Trust is an active member of the Leicester, Leicestershire and Rutland ICS and have signed up to the ICS governance structure which includes mechanisms for engagement in strategic discussions (NHS Executive) as well as in the design groups which are mandated to develop new pathways of care.

The Trust has wider interaction across the NHS, with attendance at a wide range of national networks including Chair networks, CEO networks, specific subject matter meetings for directors. Additionally they and have also supported and attended East Midlands Alliance meetings including Directors of Strategy, Directors of Finance and HRD meetings.



[kpmg.com/uk](https://kpmg.com/uk)

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