The Dudley Group
NHS Foundation Trust

THE DUDLEY GROUP NHS FOUNDATION TRUST

ANNUAL REPORT AND ACCOUNTS 2024/25

Presented to Parliament pursuant to Schedule 7, paragraph 25 (4) (a) of the National Health Service Act 2006

CARE RESPECT RESPONSIBILITY

The Dudley Group NHS Trust Annual Report and Accounts 2024/25

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Front Cover captions

Isla at the launch of the Trust's refurbished C2 playroom

Caring for residents within the community

Corporate Services staff providing support behind the scenes

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Contents

Welcome from the Chairman and Chief Executive

Welcome to The Dudley Group NHS Foundation Trust's Annual Report and Accounts for 2024/25. In this report, you will find information on how we have performed against a range of national and local standards and how we measure the quality of care we provide, alongside our financial accounts.

Over the past 12 months we have remained committed to delivering our vision of providing excellent healthcare, improved health for all. This hasn't been without its challenges and our colleagues, volunteers and partners have helped us work through a difficult winter, manage pressures across our sites and continued to deliver the national standards for planned and emergency care. Whilst also welcoming colleagues and services from Dudley Integrated Health and Care NHS Trust who provide primary and community care.

We have also played our part in the Integrated Care System and continued to ensure we are at the forefront of decision making through the collaboration with providers within the Black Country in the Black Country Provider Collaborative.

As always, it's been a busy year at the Trust. In April we proudly launched 'Call for Concern', a safety service for inpatients that enables patients and/or relatives, carers, advocates to call for urgent help and advice when they are concerned that the patient's deteriorating condition is not being adequately recognised by the ward teams.

Our long awaited emergency department redesign work got underway, which will see the transformation of the Trust's resus department with a new state-of-the-art facility, which will include a dedicated paediatric area and isolation rooms to provide appropriate safe care in the event of future pandemics or outbreaks, as well as advanced technology and equipment, including a digital medicine system to improve the storing, usage and prescribing of drugs to patients.

The Trust also became one of the first in the UK to be awarded training status from the International Bowel Ultrasound Group allowing patients to receive a consultation, their bowel ultrasound scan and the results of that scan in a single outpatient appointment.

Our Board of Directors has seen some changes this year with the appointment of four new non-executive directors. Peter Featherstone, Dr Ita O'Donovan, Anne-Maria Newham MBE and Dr Mohit Mandiratta have all joined the board, bringing with them many years of experience in healthcare and local authority/government backgrounds.

The Dudley Group joined the NHS People Promise exemplar programme in 2024. The programme is a set of seven workstreams that can make the biggest difference in

Chief executive Diane Wake and Chair Sir David Nicholson on the site of our Emergency Department redesign

improving working in the NHS. Joining the exemplar programme has honed our focus to three areas for our People Promise work:

- We are safe and healthy
- We work flexibly
- We each have a voice that counts

One of the most significant changes for The Dudley Group has been the transition of colleagues from Dudley Integrated Health and Care NHS Trust into our organisation. This has brought new opportunities to strengthen collaboration between primary and secondary care services including a milestone achievement for the Trust with the acquisition of two GP practices – the first for The Dudley Group. This integration is helping us to deliver more seamless care for patients and ensure they receive the right support, in the right place at the right time.

Like many NHS Trusts, our financial position has been challenging. We've worked hard to maintain financial stability through eliminating waste, improving productivity and reducing premium rate spend. Some of this work has already been successful with our agency spend showing as the lowest in the country.

Our collaborative work across the Black Country continues and was further strengthened this year as I (Diane) was afforded the opportunity to take on the role of chief executive for Sandwell and West Birmingham NHS Trust alongside my chief executive role here at The Dudley Group. This is a wonderful opportunity for us to go further with collaborative opportunities for both organisations.

In addition, I (Sir David) was asked to continue my role as chair across the four Black Country NHS Trusts until March 2027. Over the past few years, I have seen first-hand the dedication, innovation, and commitment of our teams across the region, and I am excited to continue working to shape the future of healthcare in the Black Country.

Looking ahead to the future, the NHS is undergoing a significant period of transformation. The government's consultation on creating an NHS fit for the future is an important step in ensuring our health service can continue to meet the needs of our communities. With the outcome of a new 10-year plan expected in the coming months, we will be looking closely at what this means for our Trust and how we can adapt to deliver the best possible care for our patients.

In addition, the Trust continues to work towards university hospital status with our academic partners at Aston University. Increasing grant funding, expanding research within all professional groups and enhancing our training facilities are current priorities. The next step will also see an update to our identity as we fully embrace our university hospital status.

Finally, we would like to take this opportunity to thank all our staff and volunteers for their continued hard work, commitment and dedication.

Sir David Nicholson

Chair

19th June 2025

Diane Wake

Chief Executive Officer

19th June 2025

Who we are

The Trust is the main provider of hospital and adult community services to the population of Dudley, parts of the Sandwell borough and smaller but growing communities in South Staffordshire and Wyre Forest. Achieving Foundation Trust status in 2008, we provide a wide range of medical, surgical and rehabilitation services to a population of over 450,000 people from three main sites – Russells Hall Hospital, Guest Outpatient Centre in Dudley and Corbett Outpatient Centre in Stourbridge – and in people's homes from our community and primary care sites.

In 2021, we established an Imaging Diagnostics Centre based at the Corbett Outpatient Centre, with a satellite centre at the Guest Outpatient Centre.

We also provide a range of specialist services, some of which are accessed by patients from across the UK. These include vascular surgery, endoscopic procedures, stem cell transplants and specialist genitourinary reconstruction.

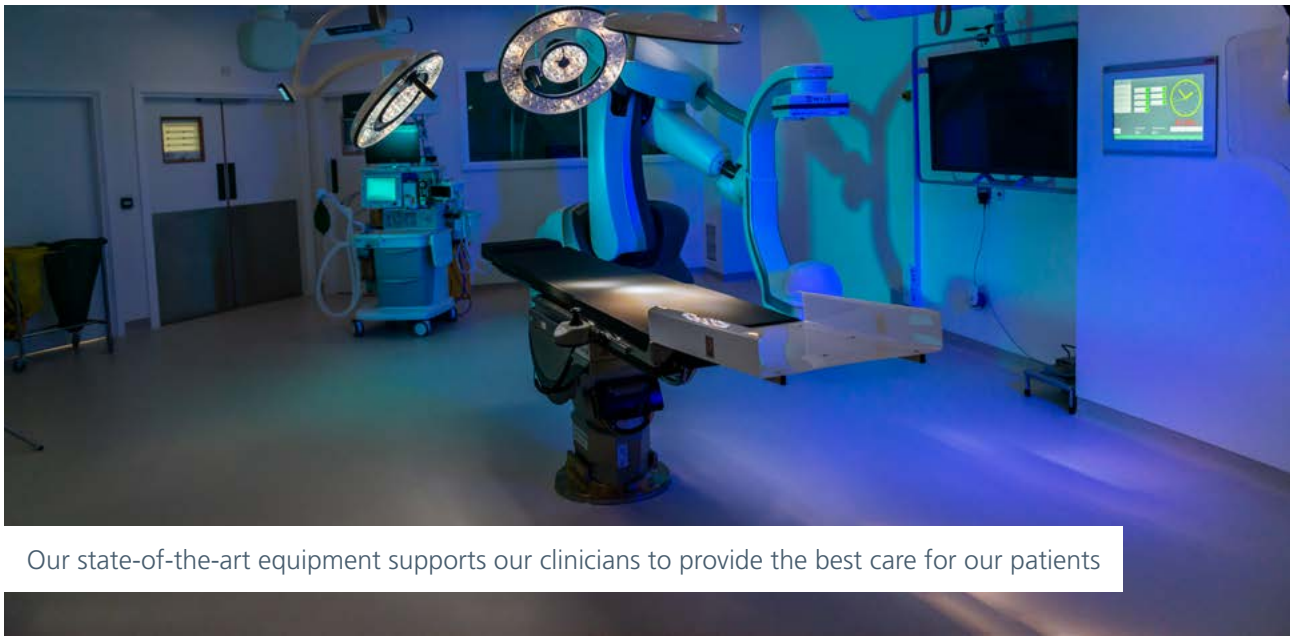
Since October 2024 the Trust also offers primary care services, hosting two General Practices, High Oak in Brierley Hill, with additional sessions in Pensnett, and Chapel Street, in Lye. This was part of the transition of staff and services from Dudley Health and Care Integrated NHS Trust.

Our staff are our greatest asset and, with a workforce of over 6,600 substantive staff, we provide a range of primary, secondary and tertiary services:

- Adult community services including community nursing, end of life care, podiatry, therapies and outpatient services are delivered from a range of community venues across the borough.
- Russells Hall Hospital in Dudley, which has more than 650 beds, including intensive care beds and neonatal cots, provides secondary and tertiary services such as maternity, critical care and outpatients and an Emergency Department (ED) with co-located Emergency Treatment Centre run by Malling Health.
- The Guest Outpatient Centre in Dudley and Corbett Outpatient Centre in Stourbridge provide a range of outpatient, therapy and daycase services.
- High Oak in Brierley Hill and Chapel Street in Lye provide GP services to local people in Brierley Hill, Brockmoor, Pensnett, Lye, Stourbridge and surrounding areas.

We are also proud to be the vascular services hub for the Black Country and have an active research and development team.

Our vision is to be a healthcare provider that provides '**excellent health care – improved health for all**'.



Our state-of-the-art equipment supports our clinicians to provide the best care for our patients

Complex Nutrition Virtual Ward, just one of several virtual wards at The Dudley Group

The year in review

We began the new year in April 2024 with a cracking appeal from our Trust charity. For the first time, our charity appealed to our local community and businesses for chocolate egg donations for our patients, to which they had an outstanding response with over 1500 eggs donated for patients across the Trust. We also held our second Leadership Conference at the Black Country Living Museum, bringing together leaders from across the Trust to hear about their experiences and share best practice and help us shape our goal of 'being a brilliant place to work and thrive'.

In May, our world-renowned Paediatric Virtual Ward welcomed its 1000th patient after launching as the first of its kind in March 2022. Celebrations went even further as the paediatric virtual ward team were also invited to the Royal Garden Party at Buckingham Palace in recognition of the incredible work they have done for patients across Dudley. The service helps support families to be discharged earlier and have support at home

The Trust's annual Committed to Excellence Awards took place in June with over 400 staff from across the Trust in attendance. Amongst the winners were Professor Sauid Ishaq, a consultant gastroenterologist who has been with the Trust for nearly twenty years and is renowned for his innovative endoscopic work and was awarded the Chair's Lifetime Achievement Award. The event also saw the introduction of two new awards for 2024 – the Sustainability Award and Best Use of Charitable Funds Award; the latter of which was won by the Forget Me Not Unit, who used their charitable funds to purchase equipment that can document a patient's photographs, their favourite music and even record a family member speaking, providing comfort to both patients with dementia and their relatives.

Our charity hosted their Superhero Fun Run event, with over 200 people attending and 90 runners taking part. The event raised £5000 in funds, for the children's ward at Russells Hall Hospital to support children and young patients while they are in hospital.

In early July we saw the first invitations go out to eligible patients as part of the Lung Cancer Screening Programme (formally Targeted Lung Health Checks); a new scheme designed to identify signs of cancer at an early stage when it is much more treatable – ultimately saving lives with 2422 scans completed between August 2024 and March 2025.

As the month progressed, we unveiled the children's ward playroom, which received a makeover thanks to the Dudley Group NHS Charity. The modernised playroom, which was funded through a combination of charitable funds and community grants, has been transformed with a bright and fun underwater theme. The welcoming room is equipped with activities and toys suitable for all young patients and there is now plenty of storage space for arts and crafts activities, a wet area, and a gallery where children's artwork can be proudly displayed. There is also a reading corner for those children who may need some quiet time.

Moving into August, celebrations were aplenty as two clinical wards both received Gold Standard Framework (GSF) accreditations, which is an esteemed national recognition of the high level of end-of-life care being delivered by those departments.

Ward C5 which specialises in Respiratory Care and Ward C6 which specialises in Urology successfully managed to achieve the accreditation for the very first time. In addition, wards providing care in the areas of renal, oncology and frailty have cemented Gold Standards Framework re-accreditation, another huge achievement for the Trust.

The national staff survey launched across the Trust in August, with our campaign focusing on the 'Your voice matters, make it count' tagline. We also kicked off our winter vaccination boosters programme encouraging staff to have both their COVID-19 and flu boosters free of charge at the Trust.

As summer came to an end the Trust's charity unveiled their rebrand with a brand-new website and mascot thanks to a development grant from NHS Charities Together! The new strapline for the charity is 'Making every day better', reflecting the charity's aim to support the wellbeing and experience of patients, visitors, and staff of The Dudley Group NHS Foundation Trust. Dudley Group NHS Charity aims to make every day better for everyone in the community by providing services and facilities over and above what the local the Trust and the NHS can provide.

The charity also unveiled the newest member to their team, their new charity mascot. Aati the friendly fox was designed by eleven-year-old Laila Adams-Flash, who won a competition run by the charity for local children.

October was another hugely successful month for the Trust! We became one of the first NHS trusts in the country to be awarded training status from the International Bowel Ultrasound Group (IBUS). Dr Shanika De Silva, consultant gastroenterologist, established the Bowel Ultrasound Service at The Dudley Group earlier in the year following her successful completion of a training programme, thus gaining accreditation. Since the service's inception, Dudley has become one of the first active training centres for bowel ultrasound treatments within the UK.

Award success didn't stop there as pharmacist Nazir Hussain won a national award for developing a respiratory service that reduces hospital admissions. Nazir's 'one stop' respiratory clinic supports GP practices across Dudley, helping to improve diagnosis and treatments for patients with lung conditions such as asthma or chronic obstructive pulmonary disease (COPD). He was named 'GP or PCN Pharmacist of the Year' at the Chemist+Druggist (C+D) Awards 2024.

October also saw us officially open our new 'Information Hub'. Located in the main reception of Russells Hall Hospital the 'Information Hub' is a space aimed at providing support to the Dudley community, featuring services from The Dudley Group, Health and Social Care services from Dudley Metropolitan Borough Council and voluntary groups from across the Dudley borough.

We also welcomed colleagues from Dudley Integrated Health and Care NHS Trust as they transitioned to The Dudley Group, bringing with them our first two GP practices. Around 254 staff transferred bringing a wealth of skills and experience from a wide range of roles; integrating further primary and secondary care.

In November, our Trust charity held its annual Glitterball event inviting local businesses to join them in raising funds for the charity and also network with other like-minded Black Country businesses. Over £17,570 was raised at the event for the dementia appeal.

The charity also helped enhance patient experience, providing 16 large televisions across the Trust thanks to a generous charitable grant. The TVs, have been strategically placed in patient areas, offering both entertainment and a welcome distraction from the clinical setting.

We kicked off December with our annual Christmas market supporting local small business and our Trust charity. It also coincided with the switch on of the Trust's Christmas lights.

This was shortly followed by the official breaking ground of our emergency department redevelopment which will see the transformation of resus facilities at Russells Hall Hospital. The new state-of-the-art facility will include an enhanced resuscitation space, which will revolutionise

Providing care within the community at a local nursing home

the care given at the Trust's emergency department and is set to officially open in November 2025.

December was extra special as we hosted three 'Super Saturday' days at Russells Hall Hospital, with surgeries, morning until night, dedicated solely to children. By focusing on paediatric patients, the days allowed children to undergo various elective surgeries, relieving pressures on wait times and addressing the health inequalities for children awaiting surgery. Over the three days 79 children underwent surgical procedures ranging from tonsillectomies to squint surgeries.

We also celebrated over 4000 years of service at our Long Service awards which celebrated the careers of members of staff who had reached key milestones of 25, 30 and 40 years of service for the NHS in 2024.

The start of a New Year brought more success for the Trust as we supported a bid to establish one of the UK's new National Institute for Health and Care Research (NIHR) Commercial Research Delivery Centres (CRDCs), to expand access to innovative clinical trials and deliver life-changing treatments to some of the UK's most underserved communities. This transformative £7 million investment will establish the Central and Northwest Midlands (C&NWM) Commercial Research Delivery, hosted by Birmingham Women's and Children's NHS Foundation Trust (BWC), working closely with regional partners Midlands Partnership University NHS Foundation Trust and the Black Country Provider Collaborative.

February saw us out and about in the community as we hosted our first menopause café, bringing together healthcare professionals, and local residents to address the challenges and misconceptions surrounding menopause and highlight support systems available.

Our staff continued to succeed with healthcare clinical support worker Lisa Birch receiving a prestigious 'Chief Nursing Officer Award' for her commitment to outstanding patient care. Lisa who works on the Critical Care Unit at Russells Hall Hospital, was awarded in the 'working together for patients' category, and later featured on local radio station BBC WM to talk about her life and career in the NHS.

Over at our Stourbridge Health and Social Care Centre the pulmonary rehabilitation service was awarded PRSAS (Pulmonary Rehabilitation Services Accreditation Scheme) accreditation status from the Royal College of Physicians. The accreditation is awarded to services who have demonstrated exemplar model and best practice standards, including quality and safety, patient experience and workforce satisfaction.

Patient Experience team providing support to patients and loved ones

The charity also continued to ensure our patients receive the best possible experience when visiting the hospital with a cubicle refurbishment offering sensory support to nervous young patients. A £10,000 grant from the Tesco Bags of Help has funded the refurbishment of cubicle four transforming it into a sensory space to help calm and distract our younger patients.

Milestones continued into March as our ophthalmology team successfully completed a record achievement in its high volume, low-complexity cataract surgery service at Russells Hall Hospital. Performing an astounding 21 cataract operations in a single day, this initiative is a key part of the Trust's efforts to reduce the time patients wait for high-quality ophthalmic care in Dudley and the wider Black Country region.

Our cardiology team were also celebrating in March as they received full departmental accreditation awards from the British Society of Echocardiography following an immensely successful year. Successes of the service include securing commissioning for two trainees a year, accreditation in training, transthoracic, transoesophageal, stress, and emergency echocardiograph.

The Trust also made further steps to support our Green Plan as we were awarded £317,668 to install solar panels at Russells Hall Hospital, saving £34,705 a year and supporting investment into frontline care.

Throughout the year the Trust continued to provide mutual aid to system partners, including for diagnostics and we delivered on our financial plans and significantly reduced expenditure on agency staff.

We also marked numerous awareness days throughout year with our staff networks, including celebrating Women's History Month and much more!

Ronnie Littler Aged 7, who participated in the Trust's Super Saturday surgeries

Overview

Our strategy

Our strategic plan, called 'Shaping #OurFuture', was approved in 2021 and outlines how the Trust operates in the environment of our local health and care system. Our strategy has been refreshed and relaunched during March to July and is being highlighted across the Trust through walkabouts.

Our vision is: 'Excellent health care, improved health for all'.

Our values remain: **Care**, **Respect** and **Responsibility**.

We have five goals:

- Deliver right care every time.
- Be a brilliant place to work and thrive.
- Drive sustainability, financial and environmental.
- Build innovative partnerships in Dudley and beyond.
- Improve health and wellbeing.

Underpinning implementation of the new strategic plan are three programmes:

- Black Country system service transformation including work to improve elective and emergency services and the collaboration between the four acute trusts in the Black Country.
- Local leadership to address health inequalities.
- Research and development, education and innovation.

Some notable achievements in delivering our strategy this past year include:

- Maintaining our overall vacancy rate below the target of 7% throughout the year with very low use of agency staff.
- Identification and delivery of cost improvement programme totalling £31.9m.
- Active participation and shaping of the partnership arrangements with other acute and community trusts in the Black Country. This includes the establishment of the trust as a specialist centre for renal cancer surgery following the introduction of surgical robots.
- Transfer of services of primary care support services and two GP practices to the Trust from Dudley Integrated Health and Care NHS Trust in October 2024.
- Provision of lung cancer screening from August 2024 which has already diagnosed cancers at an earlier stage. The plan is to cover the whole of Dudley borough by mid-2026.

Throughout this past year we have been reviewing our strategy and will publish changes following the publication of the government's 10-year health plan.

Risks to delivering our goals

As with any organisation, there are risks to the Trust's ability to deliver its goals and ensure patient safety. The Trust has to ensure it defines these risks, analyses them and identifies how to mitigate against them, and this is key to how the Trust manages risk.

The most significant risks are reported to the board each month, along with actions to manage them, and this information is available in the Trust's board papers on its website **www.dgft.nhs.uk**. The most recent reporting period at the time of production of this annual report was March 2025.

In relation to achievement of goals, the Trust faced the following major risks during the year which includes clinical and longer-term risks:

- Inability to discharge patients in a timely manner to support emergency patient flow and restoration of planned services.
- Increased demand for services resulting in the inability to deliver safe, effective services. We have regularly needed to use more beds than are funded to manage surges in demand especially during winter.
- Financial viability risks caused by legislative changes in the national and local health economy.
- Failure of the IT infrastructure/cyber incident causing widespread operational capacity issues.

The Trust has clearly identified the primary risks facing the organisation, and management and mitigation are set out in the Annual Governance Statement on page 100 as well as under sections relating to clinical, operational and financial performance.

Incident management and never events

The Trust actively encourages its staff to report incidents, acknowledging that to improve patient safety it first needs for staff to recognise and report events in order to learn from them. To support a healthy reporting culture, the Trust continues to develop, strengthen and embed processes to ensure incidents are robustly reviewed and investigated in a fair and open manner, with learning shared across the organisation and embedded into practice to prevent recurrence.

During 2024/25 the Trust continued to demonstrate a healthy reporting culture, with a low proportion of incidents resulting in significant harm. Incidents resulting in potential or actual significant harm are subject to multi-disciplinary scrutiny in line with the Trust's Patient Safety Incident Response Plan (PSIRP) at the Incident Decision and Learning Group, where decisions are made regarding the response required to fully understand contributory factors, mitigate risk and support those involved and ultimately continue to improve patient safety.

2024/25 was the first complete year of working in line with national patient safety strategy, namely working to the Patient Safety Incident Response Framework and reporting incidents to the national Learning from Patient Safety Events System (LfPSE).

During this period the Trust has made significant progress with the development and embedding of this framework, implementing proportionate system-based approaches to incident review. Importantly the new processes are centred on engagement and support for those impacted by incidents; patients, families and staff, all of which have provided positive feedback on their involvement. Never Events remain a national priority incident when working under the Patient Safety Incident Response Framework. During 2024/25 there were no new Never Events reported; this represents a reduction compared to the previous year.

The Learning from Patient Safety Events (LFPSE) service is the new NHS service for the recording and analysing of patient safety events, replacing the National Reporting and Learning System (NRLS). During 2024/25, the Trust has continued its work as an early adopter with the Datix supplier and the National Patient Safety Team, reviewing and feeding back on system upgrades and associated functionality. The incident reporting form has been subject to significant change as a result of the introduction of this system which has been associated with negative impact on reporting culture across the NHS. The Trust has worked hard to ensure reporting forms are as streamlined as possible and have supported staff through training programmes and targeted communications. There was a decline in incident reporting following transition to the Learning from Patient Safety Events System, however during this annual period there has been a return to the pre-transition incident reporting levels range

In February 2025, the Datix system has been further updated to capture positive event reporting to support the Trust's promotion of a Safety II approach to patient safety and to comply with the national requirement for positive events reporting to the Learning from Patient Safety Events System.

How we manage our services

The day-to-day operational management of our hospitals and services is led by the Executive Director Team, under the leadership of the chief executive. This team is directly supported by a range of senior managers across various corporate and clinical departments, ensuring coordinated oversight and delivery of care across the organisation.

Our operational model is structured into four clinically led divisions, each supported by a range of corporate services. The divisions are:

- Surgery, Women and Children's Division
- Medicine and Integrated Care Division
- Community and Core Clinical Support Services Division
- Place Division

These divisions are designed to work independently of each other but have strong links across patient pathways and services. Each division is managed by a dedicated triumvirate leadership team, comprising a chief of service, divisional director of operations, and a divisional chief nurse. These divisional leadership teams report to the chief operating officer, who in turn reports directly to the chief executive.

Corporate services provide essential support to all clinical divisions and include:

- Communications
- Estates and Facilities
- Finance
- Governance
- Human Resources
- Information Services
- Organisational Development
- Dudley Improvement Practice (Quality Improvement)
- Research and Development
- Information Technology (IT)

We operate a robust board committee structure to ensure effective governance, oversight, and strategic management. The Board of Directors holds overall responsibility for setting the strategic direction of the Trust, ensuring robust accountability mechanisms are in place, and fostering a positive organisational culture. The board meets on a monthly basis to review performance, risk, and progress against strategic objectives.

Key sub-committees of the board include:

- Finance and Productivity Committee
- Audit Committee
- Quality Committee
- People Committee
- Integration Committee
- Digital Committee (dis-established from May 2024)
- Joint Provider Committee

Going concern

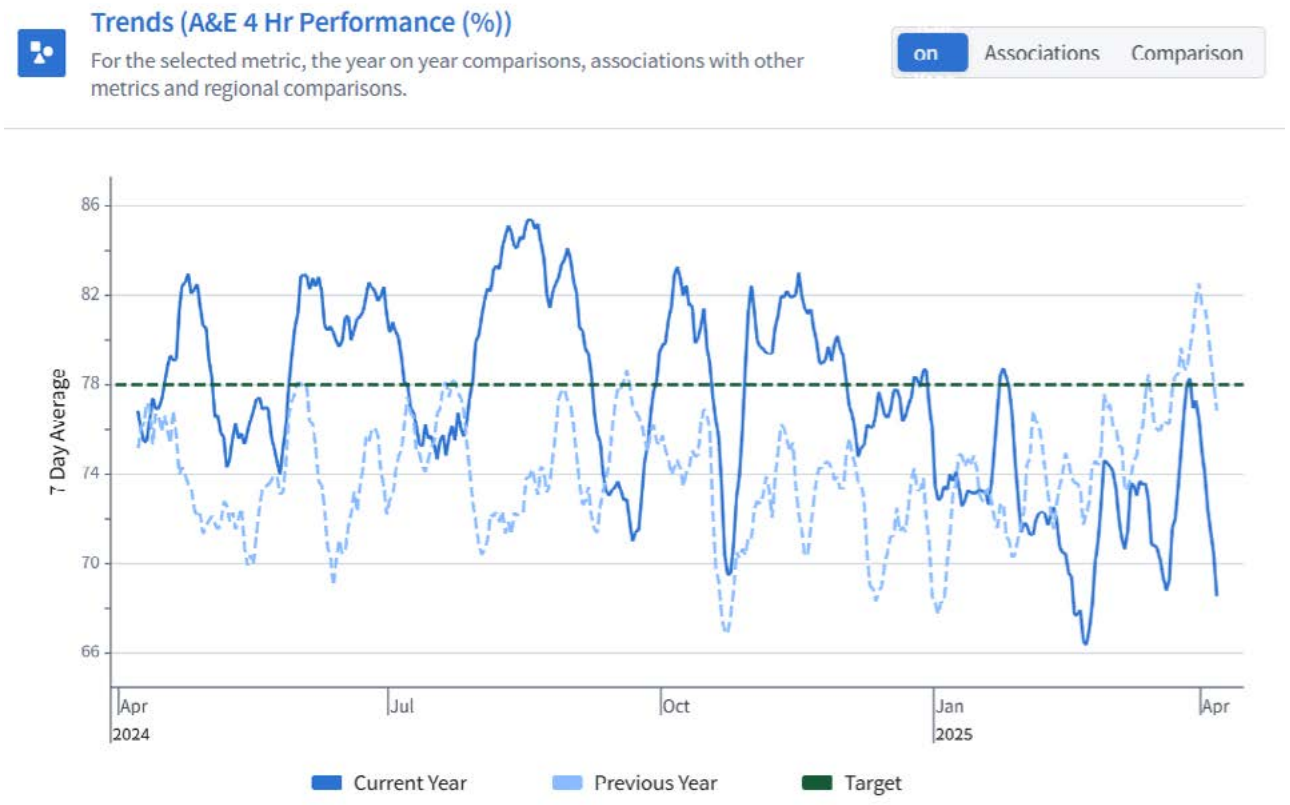
After making enquiries, the directors have a reasonable expectation that the services provided by the NHS foundation trust will continue to be provided by the public sector for the foreseeable future. For this reason, the directors have adopted the going concern basis in preparing the accounts, following the definition of going concern in the public sector adopted by HM Treasury's Financial Reporting Manual.

The Trust's recruitment team supporting our goal of 'being a brilliant place to work and thrive'

Performance summary and Emergency Access Standard

2024/25 has continued to be a challenging year with respect to the Emergency Access standard. Between May 2024 and November 2024, the Trust moved from 16th place nationally for 4-hour performance to 3rd, the 4-hour performance has continued to remain mostly above 75% however as the chart below demonstrates difficulties in flow and capacity have resulted in a deterioration in performance in the last quarter of the year.

The pressure around 4-hour performance is most significant in the admitted pathways where challenges in discharge of patients from the organisation reduces flow for these patients outside of the Emergency Department.



In order to provide additional capacity, to meet the acuity and footfall demand at the front door, the Trust opened additional capacity in the Acute Medical Unit, Discharge Lounge and Same Day Emergency Care reas. Successful partnership working between the Trust and local partners managed to end the requirement for bedded patients in the Same Day Emergency Care area at the end of the period.

As part of ongoing efforts to improve this performance, The Trust is exploring targeted measures, including:

1. Enhanced discharge planning and increased step-down care capacity to reduce inpatient bed blockages.
2. Optimised bed management strategies to ensure timely transfer of patients from Emergency Department to appropriate wards.
3. Improved cross-sector collaboration between hospital, social care, and community services to facilitate faster discharge pathways.
4. Strengthening Emergency Department operational oversight, with a dedicated real-time performance monitoring post, currently in the recruitment process, aimed at providing proactive intervention strategies to prevent breaches.

National Access Standards

This measures compliance against the national standards set by NHS England for patients waiting for appointments, treatments and / or surgical procedures.

We continue to perform well for elective recovery having treated all patients above 78 and 65 weeks with a focus now on achieving the 52 week target, the current national focus from NHS England as part of the elective recovery programme.

We continue to provide mutual aid in collaboration with our partners across the Black Country system to ensure that patients are treated as quickly as possible.

Moving forwards the Trust is focusing on the return to the 18 week standard with a set trajectory to achieve this in line with the NHS England timeline, this means patients will begin to again receive timely care and treatment after a period of significant elective treatment delays.

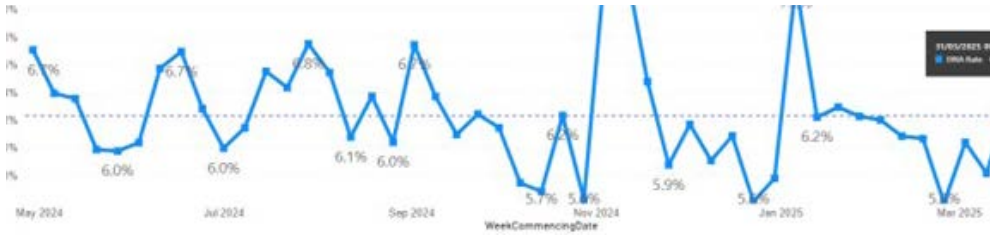
Outpatient Transformation

Patient Initiated Follow Up (PIFU)

Patient Initiated Follow Up is one of the key outpatient transformation initiatives in delivering elective recovery and driving follow-up reductions through the national Getting It Right First Time (GIRFT) Further Faster Programme. Patient Initiated Follow Up continued in 2024/25 and continues in the 2025/26 Priorities & Operational Planning Guidance.

Patient Initiated Follow-Up describes when a patient, or carer, can initiate follow-up appointments when they need one and aims to avoid unnecessary appointments while transforming the quality of outpatient services; ensuring patients are seen at the right time, as well as, empowering them to take control of their own health in line with the personalised care agenda.

2024/25 The Dudley Group Patient Initiated Follow Up Performance - Trust Target to achieve for PIFU is 6% and at end of March 2025 the Trust was at 3.4%



Getting It Right First Time Further Faster 20 Programme

Getting It Right First Time was first started in 2012 with the overall aim of reducing unwarranted variation between NHS Trusts in England. It is funded by the Department of Health.

The Further Faster 20 programme is part of the Getting It Right First Time (GIRFT) initiative.

Since October 2024 the Trust has been a part of the GIRFT Further Faster 20 initiatives, announced by the Secretary of State in September 2024, to target support for systems to improve and streamline pathways for patients and spread good practice in areas with high levels of economic inactivity. This is an opportunity for resource and focus to be placed in areas where we can have substantial impact to reduce the waiting list and continue to build on work we have already commenced. It is an opportunity to further improve care across our communities and link together primary and secondary care. It is also in line with the Government's economic policy focus.

The Trust continues to drive the Getting It Right First Time (GIRFT) Further Faster 20 Programme, as well as Specialty GIRFT Meetings since July 2023.

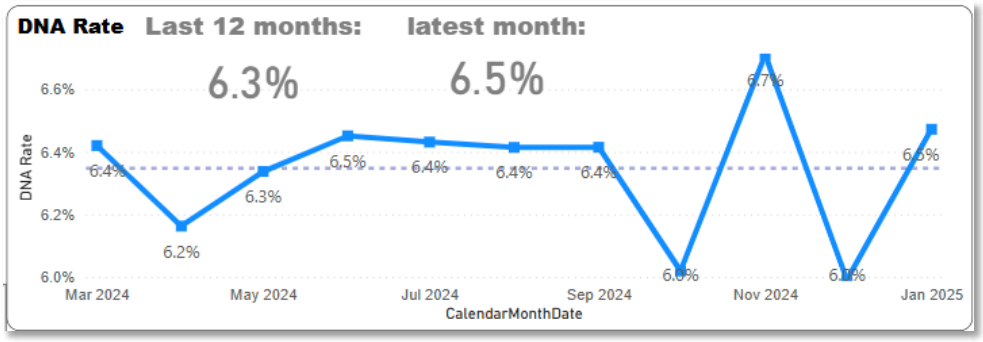
Key priorities include:

- Delivering on outpatient's pre-appointments
- Reducing and managing missed appointments (DNAs)

- Offering remote appointments
- Outpatient throughput by improving appointment flow
- Offering Patient Initiative Follow Ups across 17 core outpatient services.
- Improving Pathways through: - Diagnostics, Surgical Pathways and Theatres.

Did Not Attend (DNA's)

2024/25 DNA Performance - Trust Target for DNAs is 5% and at the end of March the Trust achieved 6%.



Ongoing Specialty / Divisional / Trust Actions during 2024/25:

- Clinic Outcome Forms completed.
- Text Reminder Service has been updated to send reminders seven days and four days before the scheduled event.
- Outpatient Department 642 Dashboard & Outpatient Clinic Efficiency Models support specialty deep dives to understand 'did not attend' themes / mitigation plans.
- Adhering to Trust Access Policy in managing 'did not attend' patients.
- Call same day 'did not attend' patients to convert to a Virtual Consultation where possible.
- 'Did not attend' Predictor Tool developed to support health inequalities.

Virtual Wards

The expansion of virtual ward capacity has been a key focus of the Trust during the last year. The chart below demonstrates the significant increase in Q3 and Q4 with 3235 patients admitted to the virtual ward in 24/25 compared to 2223 in the previous financial year.

The virtual ward is also focusing on the ability to 'step up' to the virtual ward as a tool for admission avoidance in addition to the traditional 'step down' from inpatient care approach and this has proved successful.

Monthly figures
- Patient numbers
- Summed bed days
- Average length of stay

Ward start date: 01/04/2024 – 31/03/2025 | Ward: All | Consultant: All | Report last refreshed at: 08/04/2025 10:07:10

The Dudley Group NHS Foundation Trust

Patient numbers
This is the total number of patients onboarded to a virtual ward, which includes both current virtual ward patients, and patients who have been offboarded.

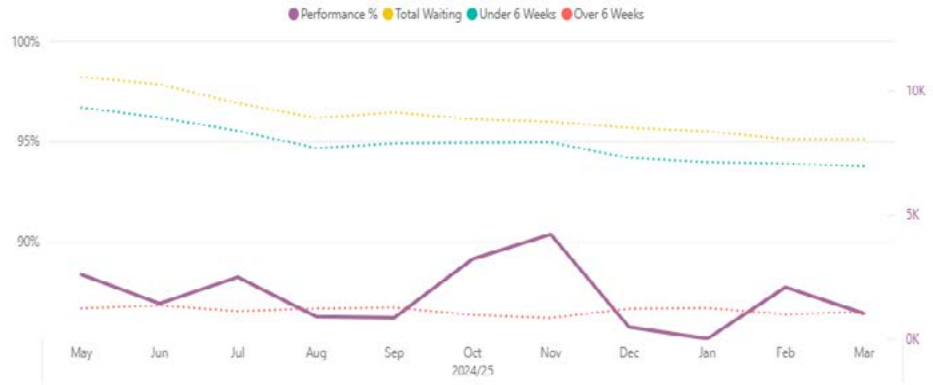
Number of patients

Year	2024									2025			Total
Ward	April	May	June	July	August	September	October	November	December	January	February	March	
Virtual Ward 01 - Respiratory	56	75	50	50	38	44	59	69	51	73	51	56	672
Virtual Ward 03 - Frailty	58	71	73	74	79	71	71	69	68	67	78	83	862
Virtual Ward 04 - Paediatrics	41	45	29	29	31	38	74	61	61	43	37	37	526
Virtual Ward 07 - Heart Failure	14	14	12	8	12	12	11	21	13	21	12	18	168
Virtual Ward 09 - Complex Nutrition	18	15	16	15	28	15	19	20	21	21	14	17	219
Virtual Ward 10 - AMU	51						55	145	126	182	113	116	788
Total	238	220	180	176	188	180	289	385	340	407	305	327	3235

Diagnostic DM01 performance measure

DM01 performance measures compliance for patients waiting six weeks or more for a diagnostic test at the end of each month. National target for 2024/25 was 95% of patients to be seen within six weeks by end of March 2025.

The Trust's performance against the standard is illustrated below:



Performance against this target shows continuous improvement in majority of modalities and achievement of year end trajectory, with exception of Sleep Studies and Cardiac MRI specialist scans. There are recovery plans in place for target to be achieved by both of these by end of June 2025.

Community Diagnostic Centre (CDC):

The Community Diagnostic Centre based at the Trust continues to be a great support to improve patient waiting times for diagnostic tests. The Centre has expanded further during 2024/25 with 231,584 diagnostic tests completed at our Community Diagnostic sites and additional services have commenced from April 2025. The Community Diagnostic Centre continues to provide improved patient access to urgent diagnostic tests, especially for cancer diagnoses and the Trust continues to provide system mutual aid for diagnostics.

Referral to Treatment

The Trust has been successful in reducing the number of patients waiting over 65 weeks for treatment, with the focus now moving to returning to the 18-week standard. A key focus of this achievement has been the utilisation of high volume and high intensity lists, increasing the number of patients that can be treated in a single session by improving preparation and optimising the staffing ratios. This has been particularly successful in General Surgery and Ophthalmology with other specialities looking to adopt similar processes.

The Trust also introduced the paediatric 'Super Saturday', converting all of the day case theatre space to paediatrics and increasing the number of patients being able to be treated in that area on a single day. The feedback received has been universally positive and is an initiative that is going to be continued moving forwards.

Cancer services

There are three main standards for cancer services:

1. 75% of patients diagnosed and told within 28 days of referral (28 Day Faster Diagnosis Standard).
2. 96% of patients diagnosed with cancer, irrespective of how they were initially referred, should start treatment within 31 days of decision to treat their cancer diagnosis.
3. 85% (75% by March 26 as per NHS England) of patients referred directly by their GP or following a referral via consultant or emergency admission to a cancer pathway who are then subsequently diagnosed with cancer should start treatment within 62 days of referral.

The achievement of cancer performance targets has been challenging during 2024/25 in line with our peers, and the NHS. Coming towards the end of 2024/25 we achieved our targets set by NHS England which were to achieve 77% 28 Day faster diagnosis standard of which we have finished on 85%. We were also asked to

achieve 70% for the 62 day referral to treatment, whilst the constitutional standard is set at 85% we achieved 71% in March 2025.

We continue to work towards achieving the 62 day standard as this remains a challenge for the Trust and within local and national providers. The national ask for March 2026 is to achieve 75% for this standard.

Our 31 day target for decision to treat remains close to 94% which is short of our 96% target with work ongoing to improve this and move us towards achieving this target.

We are working with the teams continually to improve waiting times and drive down the number of patients who have breached their 62 day target. Within this work we will aim to improve the pathways to achieve a higher volume of 62 day targets whilst still reducing the backlog currently on the patient tracking list (PTL). Whilst there isn't a target set for 2025/26 regarding our 62 day backlog, we will continue to monitor locally and as part of the ICB.

Diagnostic performance

The constitutional performance standard for diagnostics, measures the percentage of patients able to access diagnostic tests within six weeks.

Achievement against this target shows continuous improvement in the majority of modalities and achievement of year end trajectory, with exception of Sleep Studies and Cardiac MRI specialist scans. There are recovery plans in place for the target to be achieved by both modalities by end of June 2025.

The Community Diagnostic Centre (CDC) at the Trust continues to be a great support to improve patient waiting times for diagnostic tests. The Centre has expanded further during 2024/25 with 231,584 diagnostic tests completed at our Community Diagnostic Centre sites year to date and additional services commencing from April 2025. The Community Diagnostic Centre continues to provide improved patient access to urgent diagnostic tests, especially for cancer diagnoses and the Trust continues to provide system mutual aid for diagnostics.

Patient flow

Patient flow remains one of the biggest challenges for the organisation.

The Trust made significant improvements in both 4-hour and 12-hour performance in the first half of the financial year but challenges in flow, throughout the organisation, meant that this deteriorated in the later part of the year particularly for patients on admitted pathways.

Ambulance handover times have also been a particular challenge, work to introduce a more rapid streaming and assessment process is underway that will allow for appropriate patients to be streamed away from the emergency department more quickly where possible.

Timeliness of discharge continues to be one of the most significant factors in achieving flow, with in excess of 100 patients who don't meet the national criteria to reside within our bed base. Close working relationships with our system partners is working to move patients to more appropriate care settings or home as quickly as possible. Moving forwards the introduction of a Transfer of Care Hub is being progressed, this will support ward areas and departments in recognising complex needs earlier in the patients journey to expedite discharge when a patient no longer requires hospital treatment. This will support the reduction of patients experiencing delayed discharge promoting flow.

Equality of service delivery

At The Dudley Group we firmly believe that diversity is a strength, and inclusion is the key to unlocking the full potential of our workforce and the communities we serve. We are dedicated to fostering an environment where everyone feels valued, respected, and empowered to contribute. This commitment forms part of our vision "Excellent healthcare, improved health for all". By embracing diversity and practising inclusion, we better serve our diverse patient population.

Patients and their families have the right to be treated fairly and be routinely involved in decisions about their treatment and care. They can expect to be treated with dignity and respect and will not be discriminated against on any grounds including age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation.

To promote equality of service delivery in our organisation, we have a translation and interpretation service and we are improving on patient communication needs through implementing the Accessible Information Standards.

Other Trust provisions to ensure equity in service delivery include:

- Retaining our Disability Confident Leader status reflecting our commitment to employing disabled staff, enhancing the ability to meet the needs of disabled patients.
- The learning disability team helps improve the Trust's provision for patients with learning disabilities and their families, making it easier for patients with learning disabilities to access hospital services.
- Ensuring equality monitoring data of patients is collected which informs the Trust of uptake of services including screening services.
- Continue to ensure any service change adopts a review of health inequalities through carrying out Health Equality Assessments (HEAT).
- Supporting patients' faith, religion and spirituality needs through the Chaplaincy department.
- Implementing and improving the Equality Delivery System (EDS) performance, supporting the Trust to improve services provided to local communities.
- Continue to build on partnerships and interventions to further support patients at risk of health inequalities by collaborative working through Dudley Place.

Patient experience indicators

The NHS Friends and Family Test (FFT) scores remain a national focus, provide valuable benchmarking information and drive improvement of the patient experience. The Friends and Family Test is firmly embedded within the Trust. All patients are given the opportunity to complete this during or after each episode of care and treatment, in all areas of the organisation.

Feedback is captured through a variety of methods (SMS, tablet, paper and online). The Friends and Family Test is presented as the percentage of respondents that rate their experience as very good/good and the percentage of respondents that rate their experience as very poor/poor.

During 2024/25, a total of 51,879 (excluding March 2025 data) people responded to the Friends and Family Test in comparison to 59,772 in 2023/24.

The number of patients rating their overall experience of their care and treatment as 'very good/good' was 83 per cent in 2024/25, no change from 2023/24. The score for the number of people rating their experience as 'very poor/poor' has remained the same at six per cent. Community services received the highest number of positive scores overall for the year with 91% of patients rating their overall experience of our services as 'very good/good' in 2024/25.

Friends and Family Test percentage 'very good/good' scores are monitored through the divisional updates at the patient experience group, for assurance and to highlight action taken to improve scores at ward/department level where required. Patient responses and feedback are shared with teams for learning and service improvement, comments and scores are sent to all members of staff and discussed in the daily huddles. 'You Said, We Have' actions are reported to the patient experience team.

To improve response rates, we have established a group of Patient Experience Champions who promote the Friends and Family Test in their area. We have distributed posters throughout the hospital displaying the links to the Friends and Family Test which has seen an increase in the number of patients completing the survey online. In addition, we produced stickers with online links/QR codes to improve response rates and to ensure that the Friends and Family Test is accessible to all.

The Trust delivers over 4700 babies a year

Infection prevention and control

We take infection prevention and control extremely seriously and monitor performance against a range of infections including Clostridiodes difficile (CDI), Meticillin Resistant Staphylococcus aureus (MRSA), Meticillin sensitive Staphylococcus aureus (MSSA), pseudomonas aeruginosa and Escherichia coli blood stream infections.

Our end of year figures for 2024/25 are displayed in the graphs below.

HOHA – Hospital Onset Hospital Associated (sample taken 48 hours or more after admission)

COHA – Community Onset Hospital Associated (sample taken within 48 hours of admission but the patient has been discharged from the Trust within the past 28 days)

All Hospital Onset Hospital Associated cases are reviewed by the Infection Prevention and Control Team, and any learning is disseminated throughout the Trust via team huddles, meetings, and service improvement plans.

No themes or trends have been identified.

Although we have exceeded our thresholds the Trust is not an outlier, other local hospitals are reporting similar increases.

C.Diff threshold: 73

Month	COHA	HOHA	Total
April	4	4	8
May	6	5	11
June	5	5	10
July	4	0	4
August	2	2	4
September	8	4	12
October	4	3	7
November	3	2	5
December	2	6	8
January	6	8	14
February	2	6	8
March	3	3	6
Total	**49**	**48**	**97**

E.Coli threshold: 75

Month	COHA	HOHA	Total
April	3	5	8
May	1	2	3
June	1	1	2
July	5	3	8
August	7	0	7
September	2	7	9
October	2	0	2
November	13	2	15
December	1	4	5
January	3	4	7
February	3	3	6
March	3	4	7
Total	**44**	**35**	**79**

MSSA

Month	COHA	HOHA	Total
April	5	2	7
May	0	4	4
June	1	3	4
July	4	3	7
August	1	4	5
September	1	1	2
October	3	2	5
November	0	4	4
December	0	3	3
January	2	3	5
February	1	3	4
March	1	1	2
Total	**19**	**33**	**52**

MRSA threshold: 1

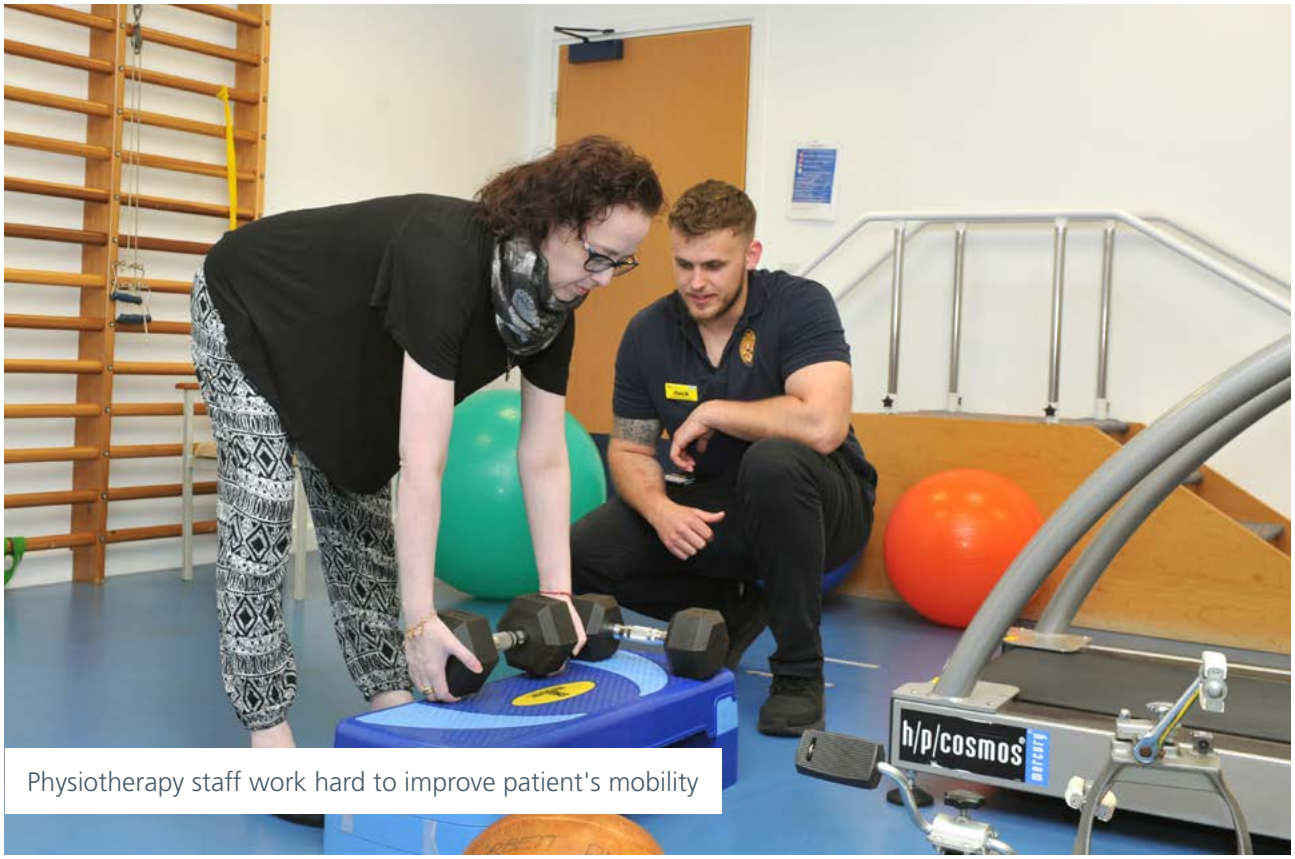
Month	COHA	HOHA	Total
April	0	0	0
May	0	0	0
June	1	0	1
July	0	0	0
August	0	0	0
September	1	0	1
October	0	0	0
November	0	0	0
December	0	0	0
January	0	0	0
February	0	0	0
March	0	0	0
Total	**2**	**0**	**2**

Klebsiella threshold: 19

Month	COHA	HOHA	Total
April	1	4	5
May	3	1	4
June	0	2	2
July	3	2	5
August	2	1	3
September	1	1	2
October	1	1	2
November	1	1	2
December	1	0	1
January	1	1	2
February	0	1	1
March	0	3	3
Total	**14**	**18**	**32**

Pseudomonas threshold: 12

Month	COHA	HOHA	Total
April	1	1	2
May	2	1	3
June	3	1	4
July	1	1	2
August	0	1	1
September	0	0	0
October	0	1	1
November	1	0	1
December	0	1	1
January	0	1	1
February	0	2	2
March	0	0	0
Total	**8**	**10**	**18**



Physiotherapy staff work hard to improve patient's mobility

Quality priorities

The table below provides a summary of the 2024/25 quality priorities as at the end of the year. This year has continued to be challenging with demand for acute services and continuing to reduce treatment time waits for our patients.

Overall, there have been some improvement against 2024/25 demonstrated across all of the priorities. At year end the Trust achieved 14 green indicating achievement against target and seven ambers against targets set indicating improvements have been made but target had not been achieved.

Patient Safety - Management of diabetes across all services within the Trust has achieved three of the three targets. A diabetes dashboard is in development to create outpatient clinic capacity and capture data for National Institute for Health and Care Excellence (NICE) diabetes audit submission.

Clinical Effectiveness - Improve outcomes for our patients admitted with a fractured neck of femur with four out of five targets have been achieved. The Summary Hospital-level Mortality Indicator (SHMI) reduced from 133 to 113 but did not achieve the goal of 100.

Improve outcomes for our patients admitted with cerebral vascular accident - All goals achieved.

Patient Experience - To improve our patient survey results in four key areas as identified as main themes from 2022 results received by the Trust in October 2023. 79% of our patients said their pain was well controlled. 91% of our patients said we had met their dietary needs. Involving our patients in the discharge planning requires further work as 26-34% of our patients were aware of their discharge date.

Dementia and Delirium – against the targets one out of three targets have been achieved, the appointment of an admiral nurse. Recording of chemical restraints within datix remains challenging. Our readmission rates for patients discharged with dementia remains in line follow a national pattern, linked to effective discharge planning and complexities of patients diagnosed with dementia.

Learning Disabilities – two out of the four targets have been achieved. A steering group has been set up and 'bags of calm' are in use. We have achieved 74% against a target of 90% for tier 1 Oliver McGowen training and 37% of clinical areas have a Learning Disabilities champion in place.

QUALITY PRIORITIES - 2024 / 2025 update

1 Patient Safety

Management of diabetes across all service within DGFT

Where are we now?

A monthly cross-divisional Insulin Safety Group has been established to support insulin safety across the Trust, review incidents and provide a monthly and bi-annual thematic review.

Noted high number of incidents but there is no single repository that shows categories of harm at a glance.

Availability of hybrid closed loop systems for managing blood glucose levels insufficient to meet demand as recommended by National Institute for Health and Care Excellence 2023.

Where do we want to be?

- Development of a power BI report that categorises harm with data collected from Datix.
- Shared learning across the organisation with a focus in areas of high numbers of incidents.
- Development of a dashboard that captures those patients that a digital solution to the management of their diabetes.

Who is responsible?

Consultant and Service Lead for Diabetes & Endocrinology

Regular engagement of Insulin Safety Group identifies and addresses areas of concern with regular feedback to the Insulin Safety Group members about progress.

Referral and management arrangements and pathway are under the final review. We aim, as a first step, to switch within the next two years for all patients managed by insulin pump and those who are pregnant or planning pregnancy and have suboptimal diabetes control to closed loop insulin delivery (assuming the patient is willing to be moved to HCL). Relevant staff education is in progress.

Harm data is regularly collected, discussed and actions addressed in Insulin Safety Group meetings.

Extra sessions aiming to improve knowledge and confidence in management of diabetes on AMU and ED were delivered by Dr Solomon to different staff grades from nurses / PAs to junior doctors and consultants with very positive feedback.

New NADIA harms joint project with IT and DOT nurses on reporting and preventing severe hypoglycaemia is in progress.

A Power Bi report has been in use since July 2024 and is utilised for National Diabetes Inpatient Safety Audit (NDISA). Data is provided from this program for our Diabetes Business Meeting and Insulin Safety Group. A diabetes dashboard is in development to create OP clinic capacity and capture data for NICE diabetes audit submission.

Where are we now?

The starting position of SHMI for Fractured Neck of Femur was 133. This placed the Trust within the top 10 trusts for poor mortality of this condition.

Where do we want to be?

- The aim is that the Trust will be back within the expected range of 100 within 12 months and maintaining this.
- Improvement Group set up to include members of MDT
- The group will use the KPI's set out by the National Hip Fracture Database to identify areas where improvement could be made as well as data provided by Informatics.
- Early priority areas are to ensure that admission to a specialised ward/unit within an appropriate time is critical as per national standards.
- Reducing theatre delays.

Who is responsible?

Consultant and Service Lead for Trauma & Orthopaedics

SHMI 113 at time of report.

The Fractured Neck of Femur Improvement Group was established in January 2024 it includes members from Theatre, Anaesthetics, Orthogeriatric, Care of the Elderly, Therapies, Informatics and Clinical Coding.

There is an improvement action plan in place that uses the KPIs set out by the National Hip Fracture Database to identify areas where there may be improvement made. The group meets fortnightly to monitor progress and discuss the work streams that have been allocated.

A dedicated bed on B2 has been agreed which will allow for patients to be moved to the appropriate ward for optimal care.

Currently a Power BI report is being created that will allow the group to fully monitor the individual KPIs and act appropriately if there is an issue identified.

100% of the eligible patients reviewed had been mobilised within 24 hours of surgery – the national average is 81%.

By improving the time to surgery and transfer to an appropriate ward not only will patient care be improved but also flow in the emergency department.

Additional theatre capacity has been allocated. The group is exploring long day theatre sessions to further increase capacity. The Trust is now seeing the average time of 34 hours to surgery following attendance, this is under the expected 36 hours. Of those reviewed 66% of the eligible patients were operated on within 36 hours.

Where are we now?

The starting position for Stroke SHMI was 135 and there was evidence of reduced SSNAP compliance for recent periods. We have identified lack of access to specialist Stroke beds and delays in CT head acquisition.

The latest data shows that we have now achieved SSNAP level C with prioritisation of a thrombolysis bed at all times and rapid vetting of CT head requests has been facilitated. There is still an issue with swallowing assessments being done on time, which is being reviewed by the senior AHP team.

Where do we want to be?

- The key ambition is to reach a SSNAP score of 70 (Level B) by Q3.
- Review and implement New Stroke guidelines published April 23. Will require us to provide additional therapy input for all stroke patients.
- AI technology will automatically report CT head within minutes of image acquisition to enable early decision for thrombolysis. It will also enable rapid image transfer between secondary and tertiary sites, improving access to mechanical thrombectomy, as well as thrombolysis, for stroke.

Who is responsible?

Consultant and Service Lead for Stroke

SHMI 103 at time of report. This is now the national average for this condition.

Data shows that we achieved a SSNAP level B. Improvement to performance has been driven by implementing a B7 bed manager who liaises directly with the site team to enable stroke patients to be admitted to the unit within 4 hrs, prioritisation of a thrombolysis bed and the implementation of Rapid AI in May 2024 has enabled CT head reports to be available quicker which has enabled timelier treatment planning. Swallow assessments have shown improvement since the last update and has achieved the performance target of 100% in May 24.

AHP senior team are currently completing a workforce strategy plan to attract potential therapy students to the trust due to challenges with recruiting into vacant therapy posts. The AHP senior team have also implemented dual roles between physio, occupational and Speech and language therapists to work towards stroke patients receiving the additional therapy input as per the new Stroke guidelines.

Rapid AI was implemented in DGFT in May 24 and the % of patients who have received thrombolysis of all strokes has improved from 5% (Mar 24) to 18% vs 20% target (May 24). However, the Stroke team are working closely with Radiology colleagues and the Black Country ICB to enable the clinical teams at DGFT to receive training for CT perfusions via Rapid AI, which will improve access to mechanical Thrombectomy.

Where are we now?

The results of the 2021 Adult Inpatient survey were published on the Care Quality Commission website on 12 September 2023. Responses were received from 454 patients at The Dudley Group NHS Foundation Trust (38%). This compares with an average response rate of 40%.

The Overall Patient Experience Score (OPES) ranged from the lowest score in England of 7.4 to the highest trust score in England of 9.1. The Trust score for 2022 is 7.8 in comparison to 8.0 in 2021 and is performing 'about the same' when compared to all other trusts. The Trust is in the bottom five of trusts with the lowest score in comparison to other trusts within the region.

A small number of questions within each section are performing 'somewhat worse than expected/worse than expected' in comparison to the average of trusts surveyed and these include pain management and hydration & nutrition.

Where do we want to be?

The patient survey results highlight four key themes as detailed below with communication running through each of the themes. The chief nurse has agreed RSO to support each work stream.

To improve our patient experience results in the following areas.

- Pain
- Nutrition and hydration
- Discharge

Data to be captured each month through our volunteers and audits within AMaT. This will allow for triangulation of data with our RSO ensuring the voice of our patients is reflected in future developments.

The RSOs will report through patient experience on progress.

- The aim is to improve our overall scores through providing a better patient experience.

Who is responsible?

Deputy Chief Nurse

113 audits have been carried out in Q4 by our patient experience team/Dudley Healthwatch and our volunteers to access impact of work streams.

In Q4, 79% of patients stated 'yes definitely' that staff did all they could to help control their pain in the medicine division, a small improvement from the previous quarter (78%). 74% stated 'yes definitely' in the surgery division, a decline from the previous quarter (84%).

91% of our patients stated they had enough to drink in the surgery division, an improvement from the previous quarter (89%). 88% stated 'yes, always' in the medicine division, a small decrease since Q3 (89%).

Where the question was applicable, 26% of our patients stated that we had met their dietary needs in the surgery division (compared to 24% in Q3) and 43% in the medicine division (compared t0 26% in Q3).

59% of our patient's stated the food was very good /good in the surgery division (compared to 67% in Q3) and 67% in the medicine division (compared to 65% in Q3).

54% of our patients stated that someone had spoken to them regarding their discharge in the surgery division, an improvement from the previous quarter (51%) and 40% in the medicine division, compared to 39% in Q3.

26% of our patients stated they had been informed of their discharge date in the surgery division (in comparison to 47% in Q3) and 34% in the medicine division, a small improvement from the previous quarter (33%).

Progress against actions is monitored through updates at the Patient Experience Group meeting for assurance of recommendations having been completed and improvements made.

Where are we now?

The Dementia and Delirium Team (Formerly Older People's Mental Health Team) are the first point of call for patients with complex vulnerabilities, such as Dementia, Delirium, Korsakoff's and behaviours that challenge and require restrictive interventions, to offer support and advice.

Our Dementia data against find, refer and treat has been inconsistent and below agreed compliance.

Chemical restraint needs further education improving accuracy of data within Datix.

To understand the high readmission rates for those patients with delirium

Where we want to be:

- Appoint two admiral nurses to support the Delerium agenda.
- Monitor Datix for high numbers of chemical restraint being used to provide focused training and education.
- To review high readmission rates and understand the reason for readmission and provide learning for any readmissions for failed discharges.
    - Aim to reduce readmissions.
    - Evidence of training and education provided to areas with high usage of chemical restraint.
    - Reduction of Datix incidents in Q4 once admiral nurses embedded.

Where are we now?

The NHS learning disability standards benchmarking exercise has identified gaps in the current trust wide provision offered to people with a learning disability.

Where we want to be?

- Compliance of 90% for Oliver McGowan training.
- Develop champions in every area to support learning disability agenda
- Embedded learning disability steering group with divisional representation.
- Scope and establish mobile resources 'bag of calms' that can be made available for those patients that require them.

The Learning Disability Standards action plan will be monitored through Internal Safeguarding Board (ISB) and report into Patient Experience Group.

Sensory items in calm bags.

Who is responsible?

Deputy Chief Nurse

One admiral nurse has started in post 2.9.24. Funding was reduced from two admiral nurse posts to one post. The admiral nurse service is in process of a soft roll out across Russells Hall Hospital.

As the admiral nurse service develops, the aim is for an audit to take place of the impact of this service and prevention of readmissions of patients with a diagnosis of dementia who have been under the care of the admiral nurse service. The service is anticipated to have a positive impact within this area.

Current readmission rates of patients with a diagnosis of dementia reflect national patterns and are linked to effective discharge planning and understanding the complex needs of patients diagnosed with dementia. The admiral nurse service is anticipated to have an impact on this area with the patients that they are actively involved in. An audit is planned to take place during quarter 4 to review readmissions for patients that have used the admiral nurse service. This will support the service to become embedded before measuring service impact.

A band 4 associate Nurse has been recruited to the Dementia and Delirium Team. A start date is pending as awaiting confirmation of the recruit passing their qualification from the external examination board. Once confirmed (indicated within next few weeks) the recruit can start pending their PIN.

In terms of raising the delirium profile, this is being addressed within the increased 30 min to 1 hour training session for Dementia Awareness. World Delirium Awareness Day took place 12.03.25 and the Dementia and Delirium team, Admiral Nurse, MCA lead and MH lead will be supporting with communication and interaction with the wards to further raise this. Delirium questions have also been included within the Core Service Review team so a deep dive across wards of their understanding and awareness of delirium can be gauged. The raising of this area continues which will impact length of stay and use of chemical restraint.

Further work has taken place regarding a data cleanse of FAIR data. Data is now being reported accurately by Information Governance and compliance levels are being achieved for the Find element as part of the dementia agenda. Due to the ratio of referrals being actioned from Assess, Investigate and Refer from the number of referrals Trust wide in relation to the small team to complete this work, compliance is not being met within these areas. The nursing associate once in post should support addressing this.

Reporting of chemical restraint remains poor across the Trust. There are now set questions around the use of restraint within Datix. Incidents of Datix under Violence and Aggression category are monitored by the Lead for Mental Health and where chemical restraint has been used but not reported, feedback will be given to the staff and request to reflect this in the Datix.

A previous request for security staff to have Datix login details and to report incidents of restraint where clinical staff are not involved e.g. public areas outside of clinical areas where security are first responders is yet to see reporting of such incidents. Meetings are taking place with Mitie and Security to review a process for security to feedback on Datix incidents that they are involved with to ensure the correct terminology is documented.

The security Restraint Assessment Records are being used to identify missing Datix reports. These are raised with the staff involved in that incident. This is to raise compliance levels of recording restrictive interventions involving physical and chemical restraint.

A Restrictive Intervention roadshow took place on 3.12.24 to raise the profile of restrictive interventions within the Trust including chemical restraint. A PSB on restrictive interventions and chemical restraint have been released.

Daily education on restrictive interventions takes place via the work completed by the Dementia and Delirium team and the MCA lead regarding DoLS applications and support in this area.

- Oliver McGowan training currently at 74% (Tier 1)
- 37% of patient facing areas have champions in place, more training is planned for June.
- The first meeting of the Learning Disabilities Steering Group has taken place.
- Our calm bags have arrived and are being used throughout the Trust.

Financial performance

Collaborative working across the Black Country System was well embedded during 2024/25. As in previous years, finance discussions were undertaken jointly with funding transparently shared across the constituent partners. Significant non elective growth from outside the System resulted in a divergence from the mechanistic approach with external commissioners. This resulted in some recognition of the pressures being faced by Acute providers via the emergency portal.

Reduced real terms funding for the System resulted in a significant opening deficit of £120m. Of this sum, £32.6m related to The Dudley Group.

The start of 2024/25 included continued industrial action from resident doctors prior to pay awards ultimately being agreed nationally. Additional funding of £0.5m was provided to cover the associated costs incurred.

There was a continued requirement to deliver increased elective and outpatient activity in comparison to 19/20 (pre-COVID 19 baseline). Targets were set nationally for each commissioner/provider relationship. For activity delivered in excess of the targets, funding would be made available at full tariff (and vice versa for falling short). The Trust performed excellently against the set targets, delivering an over-achievement of £18.1m. This has been incorporated into the year-end figures.

Pay budgets included challenging assumptions for reduced substantive (4%), bank (25%) and agency (25%) staff numbers. Agency spend remains very low at 0.7% of the pay budget (versus national target of 3.2%). However, minimal progress was made against the substantive and bank intended reductions. The financial impact of this was fully mitigated by the increased levels of income noted above.

Midway through the financial year, the Trust took over the majority of services previously provided by Dudley Integrated Health and Care NHS Trust. This equated to expenditure budgets of £8.5m and a staff transfer of 183 WTE into the newly formed Dudley Place Division.

The Trust set itself a challenging Cost Improvement Programme saving target of £31.9m (5.6%). Despite the shortfall against planned pay reductions this target was fully achieved (72% recurrently).

As referenced above, the Black Country System set an initial deficit plan of £120m. The validity of this financial position was corroborated by external consultants and subsequently, national deficit funding was made available to the System in order to deliver an overall breakeven position.

The Trust received £25.3m additional funding from this national allocation. In addition, the ICB added a further £5.7m funding by redistributing their planned surplus. This enabled the Trust to amend its plan from a £32.6m deficit to a £1.6m deficit. The Trust successfully delivered against this revised plan, achieving a final deficit of £1.5m. This helped to enable the System to achieve the overall financial breakeven.

Louise is one of our transformation business partners and has consistently shown exceptional initiative in driving improvements across services

The numbers presented below relate to The Dudley Group financial performance, not including the charity.

	2024/25			2023/24	
	Plan £000	Actual £000	Variance £000	Plan £000	Actual £000
Income	£599,977	£622,021	£22,044	£561,093	£578,976
Pay	-£385,979	-£401,512	-£15,533	-£346,441	-£359,191
Non-pay	-£178,125	-£183,521	-£5,396	-£176,735	-£194,125
EBITDA	**£35,873**	**£36,988**	**£1,115**	**£37,917**	**£25,660**
Depreciation and Finance costs*	-£53,401	-£51,283	£2,118	-£33,674	-£55,971
NET Surplus/(Deficit)	**-£17,528**	**-£14,295**	**£3,233**	**£4,243**	**-£30,311**
Technical Adjustments	£15,938	£12,752	-£3,186	£176	£37,118
Final Surplus/(Deficit)	**-£1,590**	**-£1,543**	**£47**	**£4,419**	**£6,807**

* Figure includes impairment of £15.032m in 23/24 and £0.572m in 24/25 which are removed in the technical adjustments. There is also a gain on absorption of £2.503m following the transfer of Dudley Integrated Health and Care NHS Trust. This gain is also removed via the technical adjustments.

Diane Wake

Chief Executive Officer

19th June 2025

Directors' report

The Board of Directors was established and constituted to meet the legal minimum requirements stated in the Health and Social Care (Community Health and Standards) Act 2003 and the requirements of the NHS Foundation Trust Code of Corporate Governance.

The Trust Board is a unitary board accountable for setting the Trust's strategic direction, vision and values, monitoring performance against annual objectives, ensuring high standards of corporate governance and helping to promote links between the Trust and the local community. The board consists of the shared chair, chief executive, deputy chair, six executive directors and eight non-executive directors (NEDs) all with voting rights, plus three other executive directors and two associate NEDs who attend board meetings in a non-voting capacity. As of 31st March 2025, there were no executive or non-executive vacancies. The Trust board seeks to reflect the local population it serves and, as part of succession planning.

Non-executive director (NED) appraisals for 2023/24 were conducted by the deputy chair on a one-to-one basis. The performance of each non-executive director (NED) was assessed against agreed objectives, specific strengths or areas for improvement, to note that the principal corporate objectives were fully met subject to COVID-19 restrictions which had to some extent precluded some of the opportunities to engage with staff, patients and other stakeholders on site. The appraisal findings were considered by the Council of Governors in September 2024.

The Health and Social Care Act 2008 (Regulated Activities) Regulations 2014 deals with the Fit and Proper Persons Test which came into force in November 2014 with guidance refreshed during the year. We have complied with this requirement both upon appointment and with annual re-checks.

Non-executive directors can only be removed by a 75 per cent vote of the Council of Governors following a formal investigatory process, and the taking of independent legal advice, in accordance with guidance issued by our regulators.

We are confident that our board members do not have any interests or company directorships which could conflict with their management responsibilities. A Register of Directors' Interests is held by the board secretary and is published on the Trust's website **www.dgft.nhs.uk**.

As an NHS foundation trust, no political or charitable donations have been made during 2023/24. During the year, we were not charged interest under the Late Payment of Commercial Debts (Interest) Act 1998.

As far as the directors are aware, there is no relevant audit information of which the auditor is unaware. The directors have taken all of the necessary steps to make themselves aware of any relevant audit information, and to establish that the auditor is aware of that information.

Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) requires that the income from the provision of goods and services for the purposes of the health service in England must be greater than its income from the provision of goods and services for any other purposes. We confirm that we have met this requirement, and that income received in 2024/25 had no impact on our provision of goods and services for the purposes of the health service in England.

During the year, the Trust has continued to embed actions from recommendations arising from the external well-led review, reported in the previous year, that made assessments made against each of the Care Quality Commission well-led key lines of enquiry (KLOEs). The report concluded that the organisation had improved its service delivery and noted the significant progress in developing relationships and effective clinical leadership. The Trust is assimilating its self-assessment activity to reflect the refreshed CQC framework.

The Board of Directors is responsible for ensuring that we have effective governance arrangements supporting the delivery of our quality priorities. Reports on the Trust's progress against the established quality priorities are taken to both the Board of Directors and the Council of Governors by the chief nurse. Further information on progress against standards can be found on the Trust's website **www.dgft.nhs.uk**.

In the following pages you will find more information about the Board of Directors in post during the year 2024/25.

Our Board of Directors (alphabetical by surname)

Karen Brogan – Interim Chief People Officer

Karen first joined the Trust in 2019 and has worked in HR for just over 15 years. She has extensive experience of working within the NHS, having previously held roles at Birmingham and Solihull Mental Health NHS Foundation Trust and Coventry and Warwickshire Partnership NHS Trust.

Prior to joining the executive board, she held the role of director of operational HR, and has helped shape our Dudley People Plan, our staff health and wellbeing service and our behaviour framework. She has also helped to establish our important staff networks, which continue to have positive engagement across our diverse staff communities. Karen also led on the development of the vaccination programme for the Black Country.

Karen is passionate about the Trust's people strategies and successfully implementing these for the benefit of our staff and patients.

Gary Crowe, Non-Executive Director

Gary was most recently a university professor of innovation leadership at Keele University Management School. He previously held senior commercial positions in strategy, business transformation and risk and financial management as a director and management consultant in the financial services sector.

Gary holds a number of external board appointments and has served as an independent non-executive director with another NHS trust since 2015. He is a qualified chartered banker and fellow of a number of professional organisations and learned societies.

Peter Featherstone, Non-Executive Director

Peter joined the Board in June 2024 and is a pharmacist by background and an experienced non-executive director, who has previously held senior leadership positions across NHS bodies and local government authorities in transformation, service efficiency, service improvement, and corporate governance.

Residing and working within the West Midlands for the majority of his professional life, Peter has developed a nuanced understanding of the local health and social care landscape, including the specific challenges and opportunities it presents, and is passionate about improving health outcomes, addressing health inequalities, and improving access to care across diverse communities.

Jo Hanley, Non-Executive Director

Jo joined the Trust as a non-executive director in June 2023. A graduate of the University of Edinburgh, Jo has held a range of senior leadership positions across the Commercial Banking, Group Operations and Wealth/Private Banking divisions of Lloyds Banking Group where she worked for some 20 years.

Jo currently led the Data Office for the global Corporate Markets business, prior roles include leading risk, customer servicing and operations functions and also delivering large scale transformation and integration programmes. Prior to joining Lloyds Banking Group, Jo worked at the Black Country Chamber of Commerce advising businesses to trade internationally.

Jo has significant global experience having lived and worked in Belgium, the Netherlands, Spain and the United States in addition to working across Asia and Latin America. Jo has expertise in establishing and leading centres of excellence/shared service functions and outsourcing arrangements, strategy development, delivering regulatory change in addition to business and service improvement.

Jo is a diversity and inclusion advocate, currently co-chairing the Midlands Branch of Women in Banking & Finance (Social Enterprise) and is passionate about supporting and enabling people to realise their potential. Jo has a strong connection to Dudley having grown up in the area.

Professor Anthony C. Hilton, Associate Non-Executive Director

Anthony joined us from Aston University where he is currently Pro-Vice Chancellor and Executive Dean of the College of Health and Life Sciences.

A microbiologist by background, Anthony has held academic posts at the University of Birmingham and Aston University. Professor Hilton is a regular contributor to print and broadcast articles and has been recognised by several prestigious awards for his teaching and science communication activities. He is keen to bring his experience of training healthcare professionals and collaborative clinical research to the Trust.

Julian Hobbs, Medical Director

Julian joined the Trust from Liverpool University Hospitals NHS Foundation Trust where he had been deputy medical director. Julian has also been deputy medical director and lead for mortality for the Cheshire and Merseyside area team at NHS England.

Julian is a consultant cardiologist by background and has worked at Liverpool Heart and Chest Hospital alongside his current roles. He has had extensive experience in medical management roles for several years. Julian undertook his research at Manchester Royal Infirmary with support from the British Heart Foundation. He is a keen sportsman and beekeeper.

Catherine Holland, Non-Executive Director

Catherine is an author, speaker, coach/mentor and facilitator.

She published her first children's novel in 2021 and is currently writing more children's books. Catherine is former Chair of the Icelandic Horse Society of Great Britain and is a Parish Councillor.

As an associate consultant with Amara Collaboration, Catherine was a contributing author to Street Smart Awareness and Inquiry in Action, and co-designer and facilitator in transformational leadership development retreats.

A former social worker and trainer and assistant director in social services, Catherine worked for 14 years in the Probation Service, first as a director for corporate services and later as chief executive of Staffordshire and West Midlands (SWM) Probation Trust, the second largest probation trust in the UK.

Catherine designed and led West Midlands Probation through a successful performance and culture turnaround programme, and project managed the merger with Staffordshire Probation, the new trust going on to be recognised for excellence and awarded four stars by the British Quality Foundation.

Catherine led SWM Probation Trust through extensive and challenging changes brought about by the government's Transforming Rehabilitation programme, becoming chief executive of Staffordshire and West Midlands CRC, and later the newly formed Reducing Reoffending Partnership.

Liz Hughes MBE, Non-Executive Director

The Dudley Group welcomed Liz to its board in December 2019. Liz is a consultant in chemical pathology and metabolic medicine at Sandwell and West Birmingham Hospitals NHS Trust and honorary professor at the University of Warwick, University of Aston, University of Coventry, University of Bolton and visiting professor at Worcester University.

Professor Hughes established the physician associate role in the NHS, a role that many hospitals now have within their workforce, securing the first ever non-medical faculty at the Royal College of Physicians. She is proud that when it first began in 2015 there were 183 and now there are over 3,000 physician associates employed in the NHS. Her recent achievement is the approval of the medical degree apprenticeship allowing far greater access to study to become a doctor.

Medical education and training are a passion for Professor Hughes who has also established a GP training scheme with the Chinese government and developed speciality medical training within the Middle East.

Liz is a national expert in the treatment of inherited lipid disorders and is one of the founder members of the national charity HEARTUK with which she has worked extensively with multi professional healthcare professionals and patients

In 2016, the aviation profession honoured Liz for her contribution towards training doctors in aerospace-related medicine. She was the winner of the Improving Safety in Medicines Management category in the Patient Safety Awards 2013. She was awarded an MBE for services to healthcare education and training in 2020.

She has held a number of national roles including medical director for NHS England Workforce Training and Education, chair of Academic Careers and Research Evidence and is NHSE's disability champion.

Karen Kelly, Chief Operating Officer and Deputy Chief Executive

Karen joined us as chief operation officer (COO) in January 2018 from Barnsley Hospital NHS Foundation Trust where she held the post of executive director of operations.

A graduate of Keele University, Karen qualified as a nurse in 1993 and worked for more than 23 years at the University Hospital of North Staffordshire where she held a variety of roles including the first matron role for Urgent and Emergency Care before moving into managing the Directorate of Emergency Care.

Prior to joining us as a COO, Karen had been involved in overseeing a range of large-scale service developments and improvement projects. She became part of the transformation team tasked with turning around Mid Staffordshire NHS Foundation Trust – becoming head of nursing there in 2010. Following this, she held the post of medical nurse director, followed by deputy director of operations at The Royal Liverpool and Broadgreen University Hospital Trust.

Karen is passionate about leadership development and working alongside people to promote quality of care being delivered that ensures our patients are safe.

Dr Mohit Mandiratta, Non-Executive Director

Dr Mohit Mandiratta qualified as a GP through the Dudley VTS scheme in 2013. He has spent the last 10 years working at Feldon Practice in Halesowen, where he enjoys the role and responsibility as a GP partner.

His role in primary care has allowed him to gain invaluable insight into the health needs of local people and this has been furthered by his involvement in healthcare commissioning (in CCGs and the ICB) since 2016. Mohit enjoys educating our future doctors as a GP trainer and he also supports a national 'Rebuild General Practice' campaign where he has spoken to MPs in Westminster highlighting the issues which primary care currently face.

Mohit has held a variety of leadership roles including board-level positions and was a governor at the Trust between 2020 and 2024.

He is passionate to improve the health outcomes for the population and believes that influencing wider determinants of health is integral to achieving this, as such he has provided clinical advice to 'Thrive into Work' since 2018 to support those with long term physical and mental health conditions back into employment.

Martina Morris, Chief Nurse

Martina is originally from Slovakia, where she began her nursing career, qualifying as an adult nurse in 1994. Martina then worked in intensive care and operating theatres and in early 1998, moved to the United Kingdom (UK). In late 1999, Martina decided to settle in the UK and after completing a period of adaptation, she secured her first registered nursing post in the UK on critical care unit at the Wrexham Maelor Hospital in North Wales in late 2000. In 2005, Martina relocated to the Midlands region and developed her career focusing on practice development, quality, safety and standards, underpinned by robust governance. In her career, she has worked in a variety of senior roles in acute providers and regionally, within the Midlands and East region.

Martina prides herself in being an authentic and compassionate leader with a proven track record of quality improvement and change management skills, which have enabled her to deliver improvements to nursing and wider services and improve patient outcomes and experience. Her expertise includes, operational and strategic nursing and midwifery agendas, practice development, quality improvement, governance, patient safety, patient experience and engagement, workforce assurance and development.

Martina is passionate about ensuring that staff are supported, empowered and equipped in their roles to provide a high-quality patient care and experience and drive continuous and outcome focused improvements. She is also very keen on ensuring that patient voice is heard and opportunities for patient engagement and co-production are maximised.

To consolidate her nursing leadership and experience, Martina successfully completed the national Aspiring Directors of Nursing talent pipeline programme in 2020, facilitated by NHS Improvement and NHS Leadership Academy.

Anne-Maria Newham, Non-Executive Director

Anne-Maria joined the Board in June 2024 and has had previous roles that include executive director of nursing at Lincolnshire Partnership NHS Foundation Trust and has previously held the role of deputy chief executive at Nottinghamshire Healthcare NHS Foundation Trust.

She is currently chair of a healthcare company that provides care for children with life limiting illnesses in their own home. She was awarded a Florence Nightingale Leadership award and a travel scholarship, enabling her to learn from major institutions around the world on best practice for nursing care.

She was awarded a Churchill Fellowship and travelled to New Zealand to look at integrated care including end of life care and compassion in practice.

Anne-Maria has spoken at several international conferences including the Nursing World Conferences in Las Vegas and Rome. She was awarded an MBE in the Queen's Honours in 2018 for services to nursing.

Sir David Nicholson, Chair

Sir David Nicholson joined the Trust as chair on 1st September 2022. He is also currently chairman of the Royal Wolverhampton NHS Trust, Walsall healthcare NHS Trust and Sandwell and West Birmingham Hospitals NHS Trust. David stood down as chair of Worcestershire Acute Hospitals NHS Trust in August 2022.

Sir David Nicholson's career in NHS management has spanned more than 40 years and included the most senior posts in the service. He was chief executive of the NHS for seven years from 2006-2013 and then, following a major national restructure, became the first chief executive of the organisation now known as NHS England from 2013-2014.

Since his retirement from the NHS in 2014, he has taken on a number of international roles providing advice and guidance to governments and organisations focused on improving population health and universal healthcare coverage.

He has worked in China, Brazil, the USA, Europe and the Middle East, independently, and in association with the World Health Organisation, and World Bank. Sir David chaired the State Health Services organisation of the Republic of Cyprus and more recently was also the chairman of the Metropolitan Group of Hospitals, Nairobi.

Sir David was chairman of the Universal Health Coverage Forum of the World Innovation Summit for Health. Other roles have included adjunct Professor of Global Health at the Institute of Global Health Imperial College, Advisor to the British Association of Physicians of Indian Origin and Lancet Commissioner to Global Surgery.

His contribution to healthcare was recognised by the award of the CBE in 2008, and he was knighted by Her Majesty the Queen in 2010. He lives in Worcestershire with his wife and two children.

Andy Proctor, Director of Governance

Andy is our director of governance. He joined us from University Hospitals of Derby and Burton NHS Foundation Trust where he was their director of quality, clinical governance, risk and compliance.

He started his NHS career in the Ambulance Service in 2005 and undertook a range of clinical roles as a paramedic and then later in his career became assistant chief ambulance officer and director for quality improvement at West Midlands Ambulance Service.

Andy has also worked with the Care Quality Commission for eight years being involved in 19 inspections. Andy has extensive experience within governance, compliance and regulation and is passionate about patient safety and ensuring we provide high quality care.

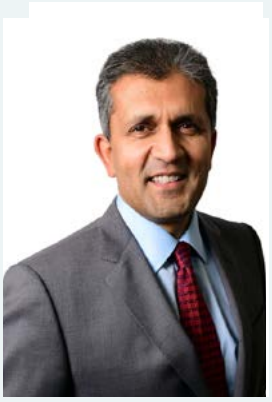
Dr Ita O'Donovan, Non-Executive Director

Ita joined the board in June 2024 and is a social psychologist by background and a former local authority chief executive in unitary authorities in London and the Midlands. Most recently she was a full-time interim strategic director and corporate director with a city council.

Ita also has experience working with chief executives and leaders in Northern Ireland in 2014/2015 during the establishment of 11 new councils. Between 2011-2013 she was appointed as senior expert for the European Cooperation for Stronger Municipalities in Kosovo advising the Ministry of Local Government Administration, working with mayors and directors of eight municipalities in the Central Region.

Ita started her career as an academic at the School of Public Policy, University of Birmingham in 1985. There she undertook extensive consultancy in developing countries seeking to implement public sector reform projects at national, regional and local levels of government. She returned to this work from 2010-2019, working in China, Bangladesh and emerging economies.

Vij Randeniya, OBE, Non-Executive Director



Vij is an experienced non-executive director within the health service. He is deputy chairman of Birmingham Women's and Children's NHS Foundation Trust and sits on the governing body of Aston University. Vij is a trustee of the Royal Society for Public Health and former chief fire officer for West Midlands Fire Service. Vij has substantial experience of large-scale project management, leadership and change management.

Vij was awarded the OBE in 2006.

Kat Rose, Chief Integration Officer

Kat joined the Trust in April 2022, bringing with her more than 15 years of NHS experience in programme management, strategy implementation and delivering healthcare transformation.

Before joining the Trust, Kat held the role of programme director at Herefordshire and Worcestershire Health and Care, working on several million-pound projects. Prior to that she was associate director of strategy and planning at Shrewsbury and Telford Hospital NHS Trust where she worked closely with system partners and managed the strategy, PMO, improvement and planning teams. Prior to this she performed the same role at Birmingham Community Healthcare NHS Foundation Trust.

Kat began her career project managing large scale new builds for the NHS before moving into strategic planning and service transformation.

Kat lives in Worcestershire, just on the border of the Black Country, on her family farm and loves walking her dog in the countryside.

Adam Thomas, Executive Chief Strategy and Digital Officer and Deputy Chief Executive

Adam rejoined the Trust in 2009 and brings more than 15 years of NHS experience in clinical and senior management positions to his executive role.

A graduate of Aston University, Adam qualified as a pharmacist and proceeded to undertake postgraduate qualifications in clinical pharmacy, independent prescribing and digital healthcare leadership. He worked in medical oncology at The Dudley Group and brings a special clinical interest in improving cancer outcomes for the Black Country. He is also a registered IT professional, holding a Fellowship of the British Chartered Institute for IT professionals. Adam has recently completed a Masters degree in Digital Health Leadership, focussing on how intelligence can address population health inequality.

He is established as a digital leader within the region and a strong advocate for collaborative connected care systems. He continues to support strategic agendas as well as quality improvement. Adam is the provider collaborative board lead for digital, data and technology. He speaks at a national level on digital leadership, as well as digital-data strategy in health and care.

Diane Wake, Chief Executive

A nurse by background, Diane has worked in the NHS for over 40 years. She has been a chief executive in the NHS for over 12 years. She joined The Dudley Group NHS Foundation Trust as Chief Executive in April 2017.

Diane trained as a nurse between 1984 and 1987 and has an extensive background in nursing, occupying senior leadership positions in surgical specialties of urology, colorectal, vascular, and breast surgery. Diane has a wealth of experience in both clinical practice and leadership roles.

She was previously chief executive at Barnsley Hospitals NHS Foundation Trust from 2013 to 2017 and interim chief executive at the Royal Liverpool and Broadgreen University Hospitals NHS Trust, where she also worked as chief operating officer and executive nurse from 2007.

Diane has a passion for improvement, patient safety and high-quality care and has knowledge and expertise in implementing robust governance processes. She is inspired by making a difference for patients and staff.

She is committed to system working both within Dudley Place and at Integrated Care System (ICS) level. She is the senior responsible officer (SRO) for the ICS leading on cancer, elective and diagnostics. Diane is also the SRO for provider collaborative across the Black Country System where collaboration and partnership working has never been stronger.

Chris Walker, Interim Director of Finance

Chris Walker joined the Trust in 2009 as deputy director of finance and we are happy to announce that he joined the board as interim director of finance in January 2024, bringing with him over 30 years of experience working within the NHS.

Chris was born and educated in Dudley and continues to live locally. Chris began his career as a trainee accountant in 1992 with the West Midlands Regional Health Authority based in Birmingham.

Chris's first substantive role was with South Birmingham Health Authority and then in 1994, after Trusts were first established, went to work for Southern Birmingham Community Health NHS Trust as a financial accountant based at West Heath Hospital in Birmingham. In 1996 he moved to South Birmingham Mental Health Trust at Monyhull Hospital. During his time there, he qualified as an accountant and took on the role of deputy director of finance. Chris gained experience of working through various mergers involving the organisation as well as the Trust becoming a Foundation Trust.

In 2009 he joined The Dudley Group as deputy director of finance. Chris's role has expanded over the last fifteen years to include managing the Trust's estates team and leading on the management of the Trust's PFI contract. Chris became the Trust's operational director of finance in 2023 as well as taking the lead role for capital for the Black Country ICS.

Lowell Williams, Non-Executive Director

Lowell joined the board in December 2019. He was the former chief executive officer of Dudley College of Technology from 2008-2019 and led the college to an Ofst Outstanding rating in the 2017 inspection. In January 2018, he was named as o of seven appointments to the government's advisory group, the National Leaders Further Education, which is made up of principals from colleges who have been rat good or outstanding. Lowell led the creation of Dudley's Academies Trust which chairs and is a director at the Transformational Technologies Partnership Ltd wh oversees the Black Country & Marches Institute of Technology.

Lowell was also elected Councillor for Warwick District Council in 2023.

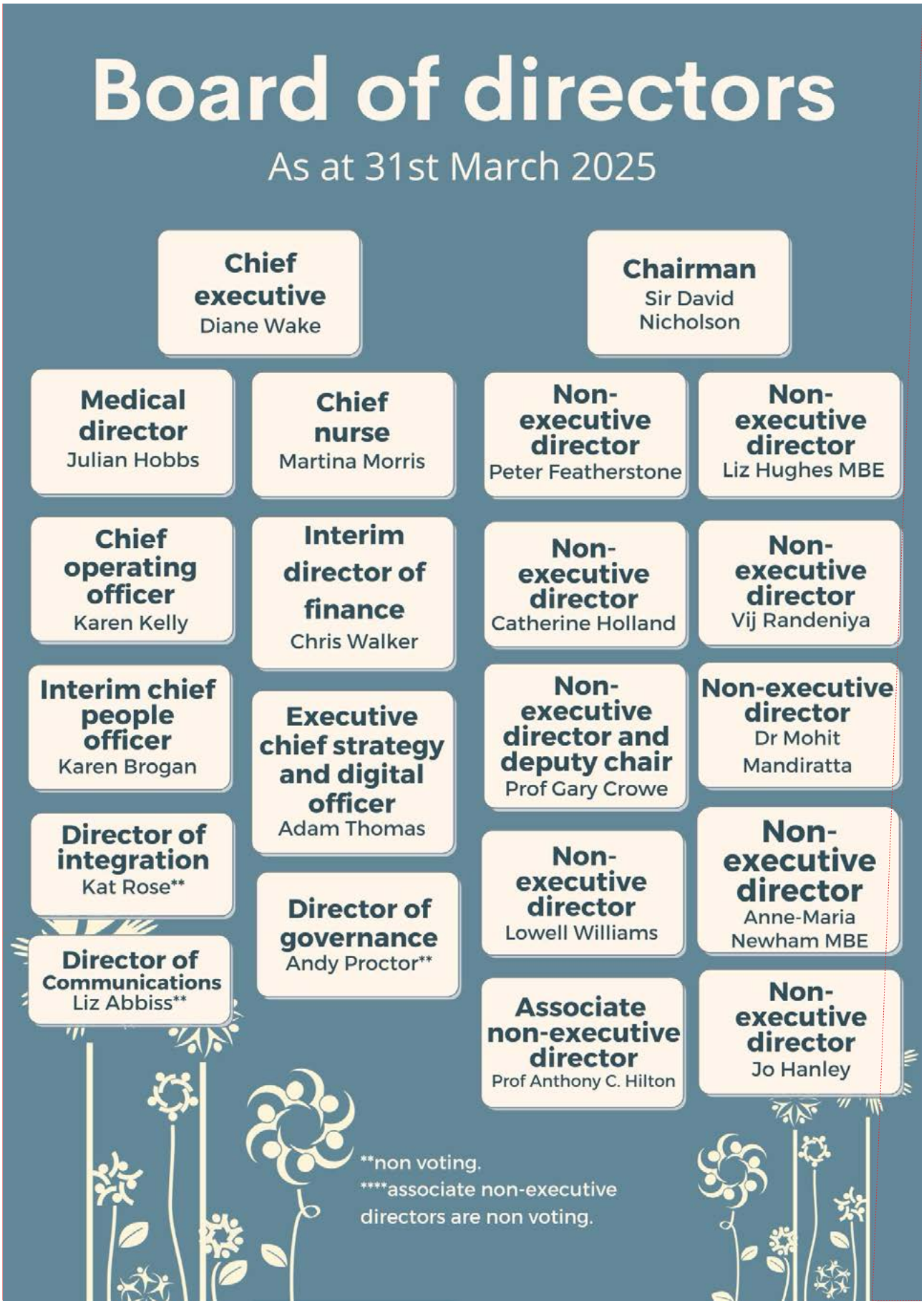
Board of Directors' attendance 24/25 meetings

Position	Name	Commencing	End	Attendance out of 8*
Chief executive	Diane Wake	03/04/17		7
Chief finance officer (interim)	Chris Walker	01/01/24		8
Chief operating officer	Karen Kelly	02/01/18		7
Medical director	Dr Julian Hobbs	02/10/17		7
Chief nurse	Martina Morris	03/03/24		7
Interim chief people officer	Karen Brogan	01/05/24		6
(Interim 20/6/22 – 1/7/23)	Alan Duffell	20/06/22	31/04/24	1
Chief integration officer (formerly director of strategy & integration)	Kat Rose**	18/4/22		8
Chief strategy & digital officer				
(formerly chief information officer)	Adam Thomas	01/09/19		8
Director of governance	Andy Proctor **	01/06/22	31/03/25	5/6
Director of communications	Liz Abbiss**	01/05/23		7
Chair	Sir David Nicholson	01/09/22	31/03/27	8
Non-executive director	Prof Liz Hughes	15/11/19	15/11/25	8
Non-executive director	Julian Atkins	04/01/16	31/05/24	2
Non-executive director	Catherine Holland	01/09/18	31/08/26	7
Non-executive director	Lowell Williams	01/12/19	31/03/26	8
Non-executive director	Prof Gary Crowe	01/07/19	01//07/25	4
Non-executive director	Vij Randeniya	20/11/20	31/11/26	4
Non-executive director	Gurjit Bhogal	13/05/21	31/05/24	1/2
Non-executive director	Joanne Hanley	01/06/23	31/05/26	7
Non-executive director	Anne-Maria Newham	01/06/24	31/05/27	5/6
Non-executive director	Peter Featherstone	01/06/24	31/05/27	4/6
Non-executive director	Mohit Mandiratta	01/06/24	31/05/27	5/6
Associate non-executive director	Anthony Hilton**	01/07/23	31/07/25	7
Associate non-executive director	Ita O'Donovan***	01/06/24	31/05/25	4/6
Associate non-executive director	Thuvarahan Amuthalingham**	13/05/21	31/05/24	1/2

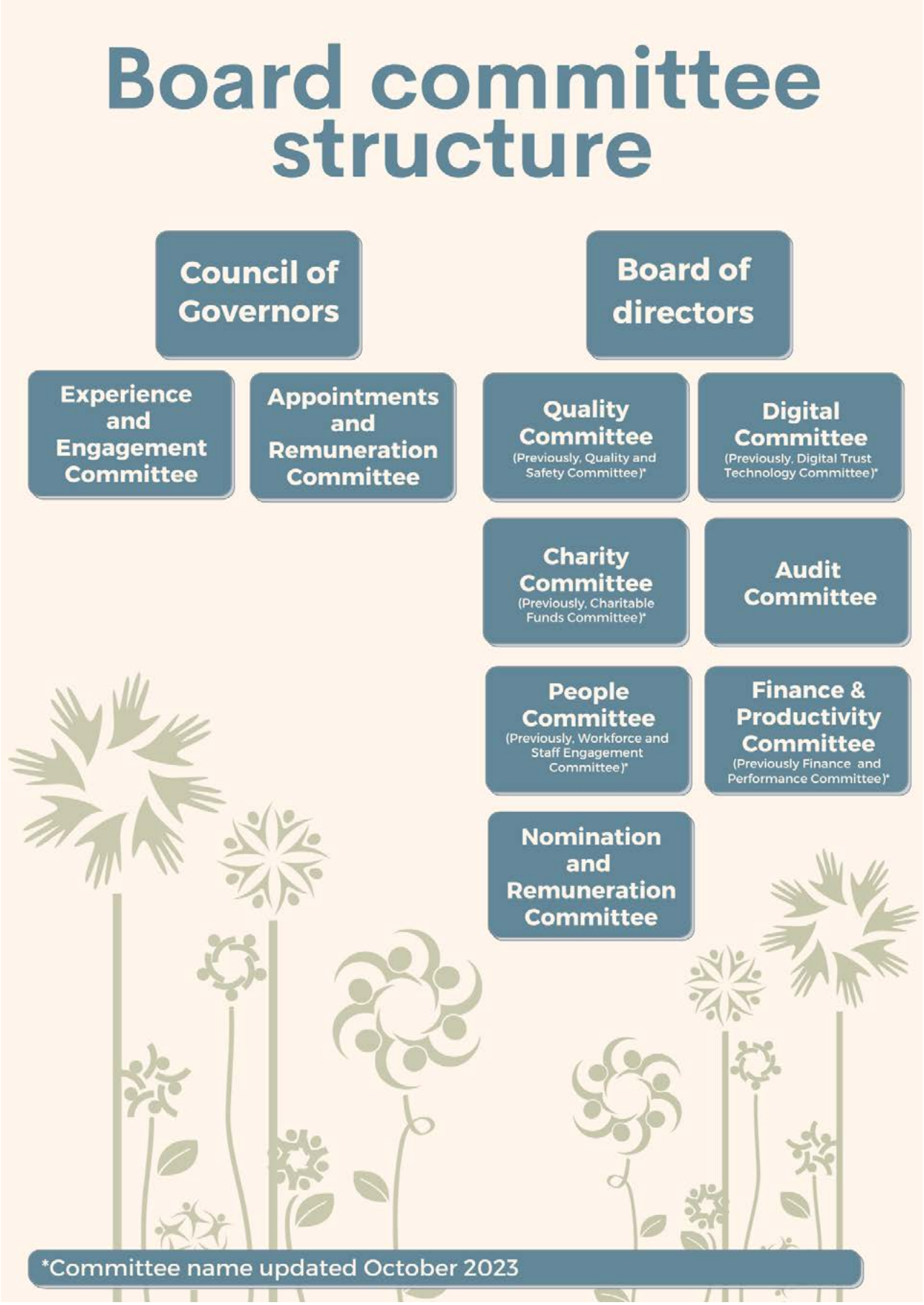
*There was one extraordinary meeting held in May 2024 and one extraordinary meeting held in March 2025.

**non-voting

Notice periods – the notice period for all executive directors is three months. Non-executive directors are appointees and do not have a notice period.



Digital committee disestablished from May '24


Board committee structure
Council of Governors
Board of directors
Experience and Engagement Committee
Appointments and Remuneration Committee
Quality Committee
(Previously, Quality and Safety Committee)*
Digital Committee
(Previously, Digital Trust Technology Committee)*
Charity Committee
(Previously, Charitable Funds Committee)*
Audit Committee
People Committee
(Previously, Workforce and Staff Engagement Committee)*
Finance & Productivity Committee
(Previously Finance and Performance Committee)*
Nomination and Remuneration Committee
*Committee name updated October 2023

Patient experience

There was an increase in complaints activity during 2024/25 (1053) from 2023/24 (956) by 10.1%.

The Trust received 3875 informal concerns and comments and 1486 signposting contacts (in total 5361 cases/activity) to the Patient Advice and Liaison Service in 2024/25, which is an increase from the previous year (2024/24) figures of 5142 in total (4144 informal concerns and comments and 998 signposting contacts). This is an increase of 219 total cases/activity (4.2%).

The increase in the number of complaints and Patient Advice and Liaison Service concerns received is reflective of the frustrations we hear from patients and their families with delays to procedures and appointments. Concerns continue to be raised regarding nursing care and the discharge process. The rise in signposting contacts is reflective of patients wanting to raise complaints about other organisations such as GP practices. The Patient Advice and Liaison Service team signpost patients to the correct organisation. Therefore, we can also see frustrations from patients regarding other NHS services.

Complaints and concerns are reviewed monthly to identify themes and trends across the Trust. These are shared with the divisions each month at their divisional governance meetings. Improvement actions and learning is put into practice and reported to the Patient Experience Group, the Quality Committee and the Board of Directors. Learning is shared through 'Learning from Experience' events held during the financial year.

Patient panels/focus groups

We have hosted a number of virtual patient panels and supported several departments and teams to deliver 'Listening into Action' events throughout the year to capture people's views and experiences on what we did well and what we could improve to help us shape future service planning and development.

Patient experience champions

We have implemented the patient experience champions role within the Trust and each ward and service have identified a patient experience champion for their area. The champions promote patient experience within their areas to help drive Trust wide improvements.

We have hosted several workshops throughout the year to share patient feedback and learning to support and development of the champions role. We have worked together to build partnerships and share information that will support our patients, and shared information on work that is happening within services to improve the patient experience.

Patient voice volunteers

A patient voice volunteer (PVV) is a non-trust employee who supports the hospital in improving patient experience. Our patient voice volunteers have supported events and provided a patient perspective to the inpatient survey action plan and have attended Trust board. In addition, they have supported Experience of Care week and used the Talk to Us Trolley to engage with patients about the service they received

Experience of Care Week

We celebrated Experience of Care Week, which is an annual event that celebrates healthcare staff impacting patient experience every day. This week allowed us to celebrate our staff and the good work that is happening to improve experiences of care for patients, families, carers, and staff.

Throughout the week we hosted a series of events on the Health Hub, including spotlight sessions to showcase all the good work that is taking place, completing thank you cards for our staff and distributing them throughout the Trust. We shared patient stories throughout the week on the Hub and messages from our Patient Experience Champions. There was an appreciation station at North Block for patients, staff and visitors to leave a message of thanks and the Patient Experience team visited areas with our 'Talk to Us' trolley to give out cards and chocolates to staff on the wards and to encourage patients to complete a thank you message for staff looking after them. We were recognised by the Patient Experience Network (PEN) for the good work that took place throughout the week and the team were sent pin badges.



Training

We have continued to deliver customer care training to newly qualified nurses and other staff within the Trust to raise the profile of patient experience and to highlight the importance of what matters most to patients.

Local survey development

We have designed and facilitated a number of local surveys via online links and QR codes to improve the accessibility of giving feedback, allowing patients to provide feedback on their experience of services. These are promoted on the new patient experience boards and tablets.

Encouraging patient feedback and sharing success

Feedback is received via a number of mechanisms that have been designed to enhance the patient experience and improve learning, including complaints, PALS, national and local surveys, focus groups, 'Listening into Action' events and the Friends and Family Test.

Throughout 2024/25, we have continued to build on our 'What Matters to You' campaign across the Trust and via social media channels. This campaign aims to raise the profile of patient experience across the Trust, capture feedback and share successes.

Weddings and additional support to teams

The patient experience team have arranged and supported a number of weddings on the wards for end-of-life patients. We contacted the registrar and chaplains, made decorations, and facilitated the events to ensure the patient, and their partners were able to celebrate this special occasion at such a difficult time.

We have continued to support staff and teams with the development of action plans and patient engagement projects.

We have continued to support teams to obtain feedback on their services to highlight areas of good practice and themes for improvement through 'Listening into Action' events, forums and focus groups and patient panels to ensure patients are involved in service development and this can be evidenced by our quality priorities for 2024/25..

Feedback Friday

The Trust hosts a 'Feedback Friday' event every month to gather feedback from people who use our services to gather their thoughts and implement changes to improve the services that we offer. Our 'Feedback Friday' sessions are held in the Russells Hall Hospital Health hub at the end of each month. To build on our engagement activities we promote national awareness days and campaigns to highlight and raise awareness of specific health conditions to improve the health and wellbeing of our local communities.

Talk to Us Trolley

We have continued to take out the 'Talk to Us' trolley on the wards twice weekly and provides the opportunity for patients to give feedback about their experience as an inpatient at the hospital. Healthwatch Dudley are in attendance once a month, to provide an independent champion for people accessing local health and social care services. Our Trust Governors attended throughout the year.

National Awareness Days and Campaigns

To build on our engagement activities we promote national awareness days and campaigns to highlight and raise awareness of specific health conditions to improve the health and wellbeing of our local communities. We have produced a calendar of campaigns for the next year.

Showcasing good practice

We hosted a number of spotlight sessions in the Hub to showcase all the good work that is happening throughout the Trust to improve the patient experience. The events involved highlighting areas of good practice, sharing compliments from patients and provided an opportunity to learn more about the service.

What matters to you campaign

We share feedback via our 'what matters to you' campaign across the Trust through social media channels and internal communications. This campaign aims to raise the profile of patient experience across the Trust, capture feedback and share successes to confirm that we listen, respond, and embed lessons learned.

The Information Hub is now up and running successfully. The hub is open 9am-3pm and is a space aimed at providing support to the Dudley community, featuring services from The Dudley Group, Health and Social Care services from Dudley Metropolitan Borough Council and voluntary groups from across the Dudley borough.

The Information Hub is located at the main reception of Russells Hall Hospital, and services provide support and information to patients and visitors, carers and staff member. 284 people have visited the Information Hub since it's opening in October 2024 up to January 2025 (of those where data was collected).

Stakeholder relations

Black Country Integrated Care System (ICS)

Healthier Futures - Black Country Integrated Care System (ICS) - statement from the independent chair

People are living longer, but with more complex conditions. Evidence shows that whilst access to good quality healthcare is vitally important, it is the wider aspects of people's lives – housing, income, employment, education and environment – that have the greatest impact on their health. Services that support people with these issues all have a role to play in improving people's health.

This means local government, the voluntary sector, the NHS and wider partners need to work together to create joined up health and care services that meet the needs of local people, focusing on prevention, better outcomes and on reducing health inequalities.

Integrated Care Systems (ICS) were created in July 2022 to encourage and enable this. They bring a wide spectrum of local organisations together with a duty to collaborate, to understand how the health and wellbeing of local people can be improved, agree priorities and strategies for achieving this, and plan different ways to deliver care.

Here at The Dudley Group we are proud to be part of the Black Country Integrated Care System (ICS) and are committed to working in collaboration and partnership with other health and care organisations to ensure the people we serve have improved life chances and health outcomes. This is in line with our vision/ strategic aim/ purpose to provide 'excellent healthcare, improved health for all'.

In the Black Country, in addition to our statutory organisations, our provider collaborative and our place-based partnerships, the two key elements of our ICS are the Black Country Integrated Care Partnership (ICP) and the Integrated Care Board (ICB):

1. The ICP is a statutory committee with membership from our four local authorities, the voluntary sector, police and fire services, education and the NHS. The ICP is responsible for working with health and wellbeing boards and developing a long-term strategy to improve health and social care services and people's health and wellbeing in the area.
2. The ICB is an NHS organisation responsible for planning health services for their local population. It manages the NHS budget and works with local providers of NHS services including hospitals, GP practices, community services, pharmacists, dentists and optometrists, to agree a joint five-year plan which sets out how the NHS will contribute to and deliver the ICP's integrated care strategy.

Together we have four key aims:

3. improving outcomes in population health and health care
4. tackling inequalities in outcomes, experience and access
5. enhancing productivity and value for money
6. helping the NHS to support broader social and economic development.

To find out more about the ICP and ICB, please visit the ICS website **https://blackcountryics.org.uk/**.

Anu Singh

NHS Black Country ICB and ICP Chair

Black Country Provider Collaborative (BCPC)

Over the course of 2024/25 the Trust has continued to work with Black Country Provider Collaborative (BCPC) partners across its agreed three key programmes of work:

- **Clinical Improvement Programme** – a focus on supporting and contributing to improvements in cancer health outcomes and elective care recovery.
- **Corporate Improvement Programme** – a focus on exploring and progressing opportunities for consolidation and delivery at scale resulting in better service productivity and efficiency.
- **System & Transformation Priorities** – a focus on identifying and progressing priorities at scale which would support and enable better service delivery and / or transformation.

We have continued to identify and progress key areas of joint work that align with the principles for collaboration, where unwarranted variation exists, where there is fragility, or in areas where modernisation and transformation to improve services are best undertaken once at scale.

Our progress has been outlined in the 18-month BCPC Annual Report. Some of our notable successes this year are as follows:

- Q**uality** – improvements made across critical care, orthopaedics, and skin networks by establishing consistent guideline for use across the system, in addition to improving access to care through work in driving down waiting times in the HVLC specialties and raising health outcomes by attaining or exceeding GIRFT metrics.

Furthermore, we have pursued a range of modernisation and transformative activities including the creation of elective hubs, ENT, general surgery, ophthalmology, and urology with plans being developed for progression very shortly.

- **Strategic Developments** – As part of our collaborative efforts across the Black Country, we are actively exploring opportunities to repatriate services, enabling patients to receive care closer to home and eliminating the need for out-of-area travel. This initiative aims to enhance accessibility, improve patient experience, and optimise resource utilisation within our regional healthcare network.
- **Engagement** – continued active engagement with our clinical and service leadership teams through Clinical Summits and dedicated away days for our Clinical Networks.

Our collaborative success stems from a strong focus on inclusion, engagement, and empowerment through partnerships. By building trust and relationships, we're transforming the long-standing culture of competition in our evolving healthcare environment.

The BCPC continues to grow and mature. This partnership enables us to pursue strategic priorities at scale, use system-wide resources more effectively, and make faster decisions—leading to quicker benefits realisation. We look forward to showcasing more positive impacts from our collaborative work in the coming months.

Dudley Health and Care Partnership

The Dudley Health and Care Partnership (DHCP) brings together all health and care partners across Dudley to make more effective use of the combined resources available in Dudley to develop a 'blueprint' for services which are integrated across prevention, primary, community, social and secondary care and improves outcomes and reduces inequalities through services transformation. It is a collaborative arrangement of equals supported by a programme director who drives the work programmes and the delivery of a shared set of objectives. The Partnership is the main place-based link to the Black Country Integrated Care Board and the Black Country Integrated Care Partnership and is responsible for overseeing local implementation of Black Country Integrated Care strategy.

The Partnership's mission is to provide health and care in the "community where possible; hospital when necessary" by working together, connecting communities, enabling coordinated care for our citizens to live longer, safer, healthier lives. The Trust is the vice chair of the partnership and the chair of the executive team which is the "engine room" of the partnership.

In April 2024 Shropshire Community Healthcare NHS Trust, who are the provider of our children's 0-19 years' service

joined our partnership, Dudley Integrated Health and Care NHS Trust was removed as a partner organisation following its dissolution in October 2024 although many personnel remained active partners through their new employment at The Dudley Group NHS Foundation Trust.

We continue to deliver against our agreed model of care which is a structured framework that outlines how Dudley's health and social care services are organised and delivered and how we are coordinating care across different settings and providers.

Its purpose is to:

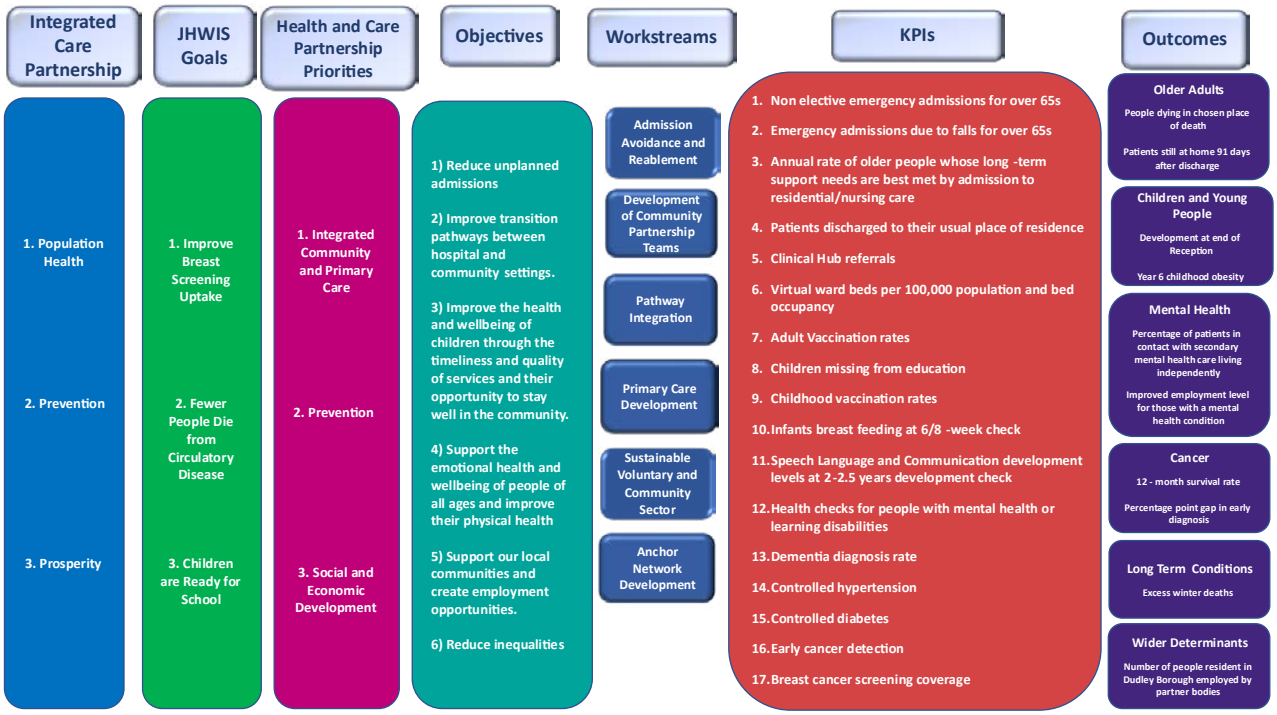
- improve the quality and efficiency of healthcare services.
- ensure that patients receive the right care at the right time in the right place.
- promote patient-centred care and improve health outcomes.

Key components are:

- interprofessional collaboration – working together to improve outcomes
- care coordination – how is the care journey managed and tracked

In order to deliver the commitments made in the Joint Forward Plan for 2023 – 2028 during this year we have been really focused and concentrated on our agreed priorities that all partners can contribute to and influence. These align with both the Dudley Health and Wellbeing Board Goals and the priorities of the Integrated Care Partnership. During this year we reduced to six workstreams from eight to streamline meetings, focus delivery and reduce duplication. The below diagram shows an overview of what the Partnership is looking to deliver and how this aligns with wider system priorities.

The following outcomes have been achieved during 2024/25:



Admission Avoidance and Reablement

Dudley Clinical Hub's falls community pickup service enables the Urgent Care Response Team and Own Bed Instead Team to attend an incident with the correct lifting equipment and skills to assess and treat a faller with the aim of preventing unnecessary conveyances to A&E. Since its launch in April 2023, referrals to the service have more than doubled with 2276 calls during 2024/25. 2170 fallers were supported to say in their homes, reducing attendance at A&E and admission to hospital.

In November we hosted the 2nd annual Dudley Clinical Hub Care Home Engagement Event with over 70 representatives from Care Homes. The event is aimed at building relationships and understanding of services provided by DGFT and the local authority. In the initial four-week period post the event there was an increase

in referrals to the Clinical Hub from 982 (November) to 1070 (December) an increase of just under 9%.

Community Partnership Teams

Neighbourhood Health - our "Community Partnership Teams" (CPTs) wrap around the population in all six of our Primary Care Networks and focus on people who have complex multi-morbidity long-term conditions, very often with frailty to support them in their own homes or usual place of residence. This will mean people will only go to hospital when their care or treatment can't be provided at home or as close to home as possible. We are currently in the process of mapping our CPT provision against the planning guidance (NHS England » Neighbourhood health guidelines 2025/26) and working with colleagues in the ICB to evaluate the impact of the CPTs.

A recommendation from a recent deep dive into Non-Emergency Admissions for over 65yrs from Care Homes, was to establish a Care Home CPT working with Chapel Street and Summer Hill as the two GP Practices with the majority of Care Home residents registered. This was established in January and will identify themes and learning to reduce unnecessary admissions for this vulnerable population.

Pathway Integration

We have been able to sustain the delivery of our **Integrated First 1001 Days Teams** to offer early intervention and support to families both universally and to those we need additional early help. The Family Hubs offer a clear, simple point of access for help and support; they connect families, services, professionals and wider communities to work better together and building on family strengths, supporting them to make sustainable changes. There have been 954 downloads of "**DadPad | The Essential Guide for New Dads | Support Guide for New Dads (thedadpad.co.uk)** which is an average of 35% of births per month.

The 2024/25 operational planning guidance asked integrated care boards (ICBs) to "establish and develop at least one **women's health hub** in every ICB by the end of December 2024 in line with the core specification, improving access, experience and quality of care." In Dudley there were already strong foundations in both primary and secondary care, so our proposal built additional capacity in community-based settings across the Dudley borough closer to home for Menorrhagia (heavy menstrual bleeding); Menopause; a Women's Health Hub Educational Programme and Educational Programme for Primary Care Clinicians. In January we launched the Black Countries Women's Health Hub in Dudley after securing funding from the ICB. The model aims to improve access to and experiences of care, improve health outcomes for women, and reduce health inequalities. We are offering nonclinical elements of the service at the heart of our communities in our Family Hubs with 37 women attending our first Menopause Cafés in Coseley and Brierley Hill.

Primary Care Development

Primary, Community, Secondary Care Interface – a recent review of the Principles of Collaboration and a stocktake of interface position and benchmark against NHS England Red Tape challenge concluded that we were thriving in many areas with strong leadership via a fortnightly meeting of senior clinicians and managers. In October a shared email inbox was established which has been received well.

A thematic analysis of the shared inbox inquiries identified five common themes relating to: communication; follow up; better management of shared workload; Fit Notes and Referral Forms. Clinician led workshops will convene to agree a way forward for each.

A Primary Care Development Plan for 2025/26 has been developed to outline Dudley's priorities. The plan aligns to the Black Country Primary Care Transformation Strategy and National Planning Guidance and sets out 15 work streams, with engagement and review highlighting priorities in relation to the development of Community Partnership Teams and a Single Point of Access for the Dudley Clinical Hub – both these work streams are seen as critical work streams within the plan for improving integrated care and managing population health. By developing the plan through extensive consultation with GP practices, PCNs, the Dudley Primary Care Collaborative and the ICB we have identified a number of areas where we can have significant impact, notable through back-office optimisation and improvements to unplanned care.

Sustainable Voluntary and Community Sector

Dudley Engagement Group has 140 members from a broad range of backgrounds and meets every six weeks. The group has been instrumental in supporting many involvement events and shows an amazing number of initiatives and opportunities available across Dudley, this insight has contributed to the development of the Black Country Integrated Care Partnership Strategy. The group has also provided an opportunity to network, share best practice and collaborate.

A work programme to recruit and develop leaders of not-for-profit organisations, who are often unseen, but fulfil a crucial role as the people entrusted with stewarding an organisation, has developed. A webpage hosted on Dudley Council for Voluntary Service website to encourage staff from the NHS and the Council to become leaders for the voluntary sector has been developed **Become a not-for-profit sector leader - Dudley CVS** and two events held for staff as an introduction to becoming a trustee/ senior leader within the sector. Concurrently Dudley CVS are working with not-for-profit organisations to ensure they have all the necessary good practice in place to recruit and retain trustees.

Anchor Network Development

The Trust's Head of Clinical Procurement has been published and recognised internationally for her "CritEcoCare" tool. The work will support Dudley and the NHS in getting to Net Zero faster.

ICan Dudley is a pilot that provides an opportunity to improve how we attract, recognise and retain local talent from a diverse range of backgrounds and test new ways of working across our place and organisations. During Phase 1 we offered 60 candidates "Into Work Programmes"; 30 "Paid Work Placements" 32 secured jobs; there are 16 currently training to be CSW's and 12 on the Skills Legacy Project. With a focus on health inequalities five candidates identified as Care Leavers. Three of those also declared a disability. Of the others, eight have declared a disability, which is 44% of the non-care leavers, and out of all 23 under-25 ICan participants, 48% have declared a disability. These include a broad range of disabilities, including ASD, mental health difficulties, and dyslexia alongside physical disabilities.

Universities and Colleges

We have continued to build relationships with local universities and colleges. Medical students from Birmingham University, Aston University and Three Counties Medical School have been placed in the Trust in 24/5. We continue to host overseas students from our long standing partnerships with St Georges medical School, Grenada.

The relationship with Aston University continues to grow with an associate non-executive director from Aston University sitting on the Board of Directors and trust staff being awarded honorary contracts by the University.

The Trust received a letter of no objection in our bid to become a University Hospital, with consultation ongoing as of May 2025 to agree a new Trust name.

We continue to build our working relationship with Dudley College and Dudley Institute of Technology. We are working with them on planning for delivery of the new Health Innovation Campus which is being constructed in the centre of Dudley with plans to deliver higher level qualifications in partnership with Worcester University. We anticipate that our staff will be able to access appropriate courses and access the educational facilities for ongoing training and development as well as promoting careers in the health service amongst the local population.

Work experience placements have been offered to local school students. The Trust hosted two 'behind the scenes' events for local secondary schools offering tours of different departments and introducing students to the range of careers available and entry routes such as apprenticeships. Staff from across the Trust are registered as ambassadors and offer their time to take part in different career events with local schools.

Audit Committee

During the year, the Audit Committee operated in accordance with its responsibilities as set out in its terms of reference, which included:

- To agree the audit plan, audit fee and approach (including areas of risk, fraud risk, misstatement and materiality), and receive findings of the external auditor in relation to the financial statements, value for money opinion, the Quality Accounts (where applicable), the report to those charged with

governance and to consider the implications of and management's responses to their work. More specifically, the Audit Committee considered the auditor's identified significant risks as part of their plan in relation to fraud in revenue recognition, management override of controls, and the valuation of property, plant and equipment. It has commented on its approach and attitude to fraud to the external auditor.

- To receive and approve the Annual Report and Accounts.
- To review, monitor the integrity (including the application of accounting principles and policies) and approve the financial statements and other reports when delegated by the board or in conjunction with the board and to provide assurance to the board.
- To review the systems which underpin the Trust's reporting including the establishment and maintenance of an effective system of integrated governance (including budgetary control), risk management and internal controls (including counter fraud measures) across the whole of the Trust's activities, both clinical and non-clinical, that support the achievement of the Trust's objectives, and in so doing;
- To ensure that there is an effective internal audit and Local Counter Fraud function that meets Government Internal Audit Standards and that provides appropriate independent assurance to the Audit Committee, chief executive and Board of Directors.

The key issues that the Audit Committee considered during the year were in relation to the following:

Delivery against the Internal Audit Plan and oversight of any management actions arising from the audit work that included:

Bank and Agency (Medics) – minimal assurance. Internal Audit identified some internal control weaknesses following audits undertaken and identified that there was not a standardised and formalised approach to Bank and Agency usage across the departments

National Waiting List Initiative, Payments and Retrospective Claims for Locums – partial assurance. Internal audit identified areas of improvement and strengthening in the Trust's current frameworks for additional payments.

Framework for Grievances, Bullying and Disciplinaries – Partial Assurance. The Trust has recently introduced the Decision-Making Group (DMG) and was awaiting the conclusion of the RSM audit to review its policies and procedures. Internal audit identified several policies and procedures that required attention, and guidance was provided by Subject Matter Experts (SMEs) on those areas.

Key Financial Systems, patient monies and properties – Partial Assurance; Internal audit identified that the Trust had a process design for managing and handling patient property and money in the form of a detailed policy, however identified issues of non-compliance with the application of the policy.

Other audit areas completed that received reasonable or substantial assurance included: Complaints Framework – Substantial Assurance, Patient Experience – Surveys and Outcomes – Reasonable Assurance, Workforce Controls – Vacancy Authorisation Request Process – Reasonable Assurance, Board Assurance Framework – Reasonable Assurance, Key Financial Systems – Income and Debt Recovery – Reasonable Assurance; and Framework for Grievances, Bullying and Disciplinaries (Part two) – Reasonable Assurance.

In each case, the Audit Committee considered the information and explanations from management, and sought assurance that actions were put in place to address the issues raised. More detail on some of these areas is included in the Annual Governance Statement.

The Head of Internal Audit Opinion for 2024/25 confirms that the Trust has an adequate and effective framework for risk management, governance and internal control. However, their work has identified further enhancements to the framework of risk management, governance and internal control to ensure that the framework remains adequate and effective.

The external auditor, Grant Thornton, provides a progress report to each Audit Committee meeting set against the audit plan. The Audit Committee measures the effectiveness of the external audit process, its timing and outputs against this plan.

The external auditor is appointed by the Council of Governors for a maximum five-year term following a competitive tender process against a set of quality and value for

money criteria and following the recommendation of a tender committee which includes executive, non-executive and governor representation. The most recent tender process in 2024 resulted in the appointment of Grant Thornton who have been the Trust's external auditors for the period covered by this Annual Report.

The Audit Committee held five meetings during 2024/25 with attendance as follows:

Audit Committee Membership		
Gurjit Bhogal	Non-executive director	1
Gary Growe	Non-executive director	2
Peter Featherstone	Non-executive director	4
Ita O'Donovan	Associate non-executive director	4
Anne-Maria Newham	Non-executive director	3
Joanne Hanley	Non-executive director (Committee Chair)	4

In attendance		
Liz Abbiss	Director of communications	2
Julian Hobbs	Medical director	5
Martina Morris	Chief nurse	2
Andy Proctor	Director of governance	3
Adam Thomas	Chief strategy & digital officer	5
Diane Wake	Chief Executive officer	2
Chris Walker	Interim director of finance	5

The Dudley Group NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance 2014 on a comply or explain basis. The NHS Foundation Trust Code of Governance was recently revised in October 2022 and will be effective from 1st April 2023 and is based on the principles of the UK Corporate Governance Code.

Diane Wake

Chief Executive Officer

19th June 2025

Annual statement on remuneration

(Information not subject to audit)

The Trust's Remuneration Committee comprises the chair and all non-executive directors and associate non-executive directors. The chief executive and the chief people officer usually attend meetings noting that one or more meetings during the year may be held without their attendance. The Nominations and Remuneration Committee operates to review and evaluate the board structure and expertise, as well as to agree a job description and person specification for the appointments of the chief executive and audit executive directors. The committee also identifies and nominates suitable candidates for such vacancies and recommends its proposed appointment for chief executive to the Council of Governors.

Interview panels for executive director appointments are usually made up of existing directors, governors and external stakeholders. The committee determines the appropriate levels of remuneration for the executive directors. Remuneration levels are normally determined by reference to such factors as those applying in equivalent organisations in the NHS, changes in responsibility, performance, salary increases agreed for other NHS staff and guidance issued by the Secretary of State.

During the year, an interim appointment was made for the posts of chief people officer and six-month extension was made for the interim chief finance officer post.

For the purpose of the Annual Report and Accounts, the chief executive has agreed the definition of a "senior manager" to be voting executive and non-executive directors only.

Evaluation of the Trust board

Executive directors were set objectives and were evaluated by the chief executive as part of the annual appraisal process and the chief executive's own performance was evaluated by the chair. The non-executive directors' objectives were set by the chair and their evaluations were carried out by the chair. Objectives were set by the senior independent director for the chair as part of the evaluation process.

Senior manager remuneration policy

(Information not subject to audit)

Remuneration for executive directors does not include any performance-related elements and there are no plans for this in the future. No significant financial awards or compensation have been made to past senior managers during the reporting period. There is no provision for the recovery of sums paid to directors or for withholding payments of sums to senior managers. Senior managers' service contracts do not include obligations on the Trust which could give rise to or impact on remuneration payments for loss of office. Senior managers' individual service contracts mirror national terms and conditions of employment and include notice periods and any termination arrangements. In the event of a contract being terminated, the payment for loss of office will be determined by the Nomination and Remuneration Committee. Payment will be based on contractual obligations.

Payment for loss of office will not be made in cases where the dismissal was for one of the five 'fair' reasons for dismissal.

In setting the remuneration policy for senior managers, consideration was given to the pay and conditions of employees on Agenda for Change. The Trust uses benchmarking data to ensure all salaries, including those over £150,000, are reasonable and provide value for money.

The Trust has not consulted with employees when determining the senior managers' remuneration.

Nomination and Remuneration Committee

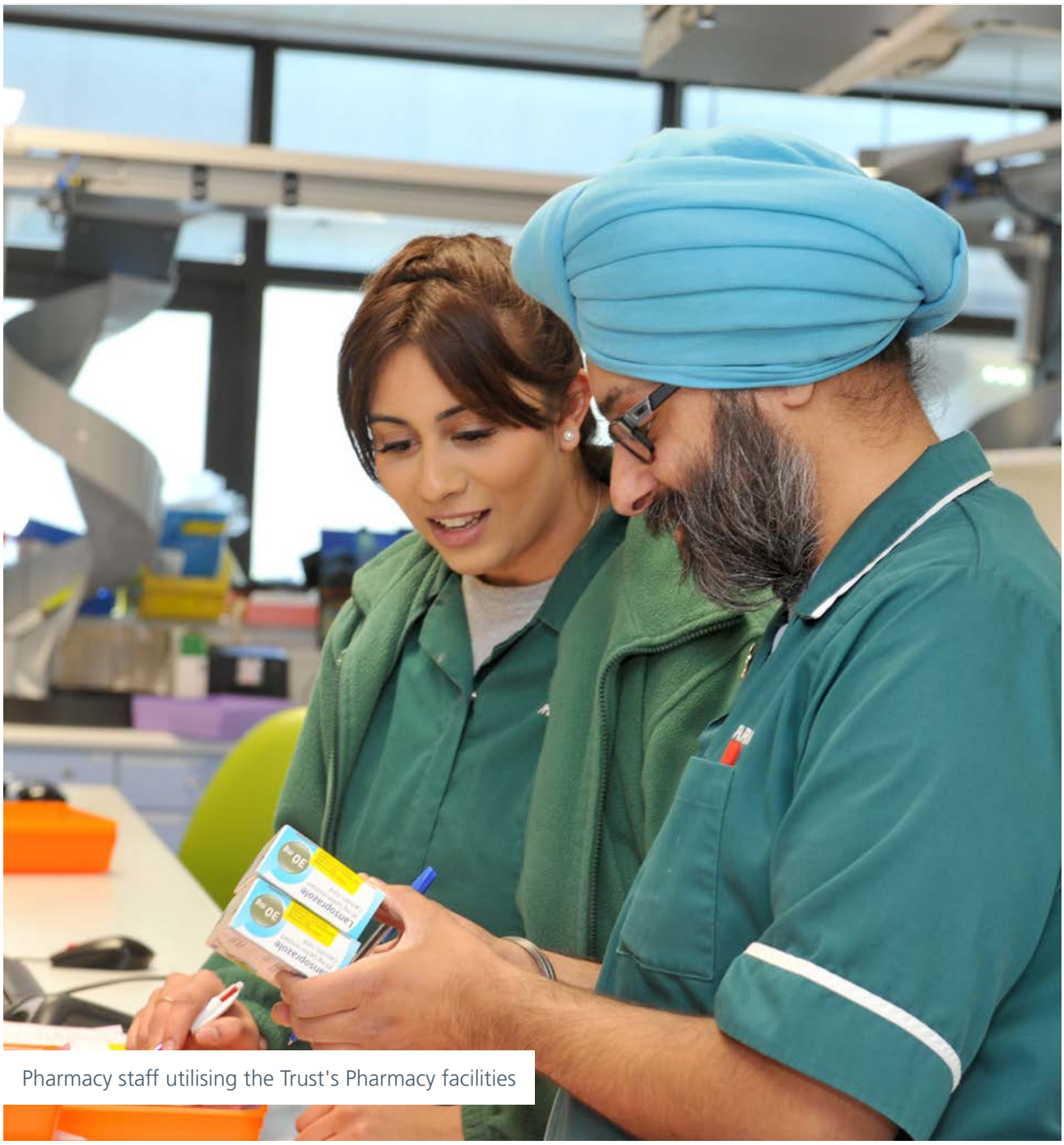
(Information not subject to audit)

The Nomination and Remuneration Committee is a sub-committee of the board and holds at least one meeting per year. During 2024/25, it held four meetings and attendance at meetings were as below. Executive directors also attend the Nomination and Remuneration Committee on occasion. The terms and conditions for the executive directors and senior managers of the Trust are included in their individual contracts of employment which includes notice periods and any termination arrangements.

The committee undertakes a review of its Terms of Reference each year as a minimum.

The Trust has an Equal Opportunity and Diversity Policy in place which was reviewed and approved in December 2022 and covers all aspects of the Trust's business.

Nomination and Remuneration Committee membership	Attendance (/4)
Gary Crowe, Deputy Trust chair	2
Catherine Holland, Non-executive director	3
Sir David Nicholson, Trust chair from 01/09/22	4
Vij Randeniya, Non-executive director, chair of committee	4
Lowell Williams, Non-executive director	2
Joanne Hanley, Non-executive director (Committee Chair)	4



Pharmacy staff utilising the Trust's Pharmacy facilities

Future policy tables

These set out the Trust's policy for future remuneration of senior managers.

Executive directors

	Salary and fees	Taxable benefits	Annual performance related bonuses	Long-term performance related bonuses	Pension-related benefits	Other remuneration
Description	Basic pay for executive role	N/A	N/A	N/A	The following are paid a payment in lieu of their pension through agreed Trust scheme: Chief Executive, Chief Operations Officer,	Medical Director paid under M&D terms and conditions. Medical Director remuneration paid as a pensionable responsibility allowance. Also in receipt of a working away from home allowance. Chief Operating Officer, Chief Nurse (Apr – Oct'23) and Medical Director receive a working away from home allowance.
How that component supports the short and long-term strategic objectives of the foundation trust	To ensure the Trust is well-led and all short and long term objectives are met, the salary for senior managers must be competitive in order to recruit and retain talented individuals.	DGFT has historically needed to secure recruitment to key roles from outside of the region. On this basis, the Trust's Remuneration Committee has approved a working away from home allowance, which is applicable to all posts where recruitment from outside of the area is required (this is not a VSM allowance).	N/A	N/A	This enables the Trust to recruit sufficient talent at executive director level and accords with custom and practice in the rest of the NHS.	This is essential to ensure a medically qualified person can occupy the role of Medical Director.
An explanation of how that component operates	Executive director salaries are determined by the Remuneration Committee of the Trust, informed by benchmark salary derived from established national NHS pay surveys. Executive directors are appointed on a permanent basis under a contract of service at an agreed salary.	Trust Expenses Policy applies to all staff, including senior managers. Taxable benefits incurred fell within the scope of this policy. Levels of benefits reflect national terms and conditions for other staff groups to ensure consistency	N/A	N/A	This is determined in accordance with NHS Pension Scheme Benefits. No additional payments are made.	As determined by national terms and condition of employment.
The maximum that could be paid in respect of that component	Fixed salary determined by Nominations & Remuneration Committee, in line with NHSE/I VSM pay guidance	N/A	N/A	N/A	As determined by NHS Pension Scheme Entitlements.	As determined by national terms and condition of employment.
Where applicable, a description of the framework used to assess performance	The performance of executives is reviewed through a formal annual performance process, which is led by the Chief Executive and involves input/feedback on executive performance from non-executive directors.	N/A	N/A	N/A	N/A	N/A

Non-executive directors

	Fee payable	Any additional fees payable for any other duties to the foundation trust	Such other items that are considered to be remuneration in nature
Description	Fee for the chair, deputy chair, senior independent director, chair of Audit Committee, and other non-executive directors	N/A	Expenses incurred in the course of their duties such as public transport, mileage and subsistence as determined by Trust policy. Chief Operating Officer, Chief Nurse (Apr – Oct'23) and Medical Director receive a working away from home allowance.
How that component supports the short and long-term strategic objectives of the foundation trust;	To ensure the Trust is well-led and all short and long term needs met, the fee for non-executive directors must be competitive in order to recruit and retain talented individuals	N/A	To ensure non-executive directors are appropriately compensated for those journeys they have undertaken on behalf of the Trust. The policy for non-executive director expenses is the same as that applying to other staff
An explanation of how that component operates	The chair and non-executive members are entitled to be remunerated by the Trust for so long as they continue to hold office as chair or non-executive member. They are entitled to receive remuneration only in relation to the period for which they hold office. There is no entitlement to compensation for loss of office. The level of remuneration is determined by the governors with due regard to the remuneration paid in other foundation trusts	N/A	Mileage and subsistence allowances for non-executive directors are set by the Council of Governors.
The maximum that could be paid in respect of that component	The rate of remuneration payable to the chairman of the Trust is £50,000 p.a. The deputy chair is remunerated at £25,000 p.a. The senior independent director is remunerated at £15,489 p.a. The chair of Audit Committee is remunerated at £15,079 p.a. The committee chairs of the Finance & Productivity, Quality and Integration Committees receive £15,190 p.a. The remuneration for the other non-executive directors is £13,190 p.a.	N/A	N/A
Where applicable, a description of the framework used to assess performance	Performance of non-executive directors is assessed by the chairman annually, and for the chairman, by the senior independent director.	N/A	N/A

Salary and pension entitlements of senior managers (audited)

The following is subject to audit: Senior manager remuneration table, senior manager pension benefit table, and the ratio of the highest paid Director compared to the staff pay median. The remainder of the remuneration report is not subject to audit.

a). Remuneration

Year Ended 31 March 2025

Name and Title	Note	Salary	* Expense payments (taxable)	Performance pay and bonuses	Long term performance pay and bonuses	# All Pension Related Benefits	Total
		(bands of £5,000)	(to the nearest £100)	(bands of £5,000)	(bands of £5,000)	(bands of £5,000)	(bands of £5,000)
		£	£000	£000	£000	£000	£000
Diane Wake, Chief Executive		250 - 255					250 - 255
Chris Walker, Interim Director of Finance		135 - 140				15.0 - 17.5	150 - 155
Julian Hobbs, Medical Director		245 - 250				80.0 - 82.5	325 - 330
Karen Kelly, Chief Operating Officer		190 - 195					190 - 195
Martina Morris, Chief Nurse		125-130					125 - 130
Alan Duffell Chief People Officer		5 - 10					5 - 10
Karen Brogan, Interim Chief People Officer	N	110 -115					110 - 115
Adam Thomas, Chief Information Officer		150 - 155				77.5 - 80.0	230 - 235
Sir David Nicholson, Chair	#	25 - 30					25 - 30
Julian Atkins, Non Exec		0 - 5	400				0 - 5
Gurjit Bhogal, Non Exec		0 - 5					0 - 5
Gary Crowe, Non Exec		20 - 25	1,700				25 - 30
Joanne Hanley, Non Exec		15 - 20					15 - 20
Anthony Hilton, Non Exec		10 - 15	200				10 - 15
Catherine Holland, Non Exec		15 - 20					15 - 20
Elizabeth Hughes, Non Exec		15 - 20					15 - 20
Vijith Randeniya, Non Exec		15 - 20	500				15 - 20
Lowell Williams, Non Exec		15 - 20					15 - 20
Anne-Marie Newham, Non Exec	O	10 - 15	900				10 - 15
Peter Featherstone, Non Exec	P	10 - 15	300				10 - 15
Mohit Mandiratta, Non Exec	Q	5 - 10					5 - 10

Year Ended 31 March 2024

Name and Title	Note	Salary	* Expense payments (taxable)	Performance pay and bonuses	Long term performance pay and bonuses	# All Pension Related Benefits	Total
		(bands of £5,000)	(to the nearest £100)	(bands of £5,000)	(bands of £5,000)	(bands of £5,000)	(bands of £5,000)
		£	£000	£000	£000	£000	£000
Diane Wake, Chief Executive		240 - 245					240 - 245
Kevin Stringer, Director of Finance	A	85 - 90					85 - 90

Name and Title	Note	Salary	* Expense payments (taxable)	Performance pay and bonuses	Long term performance pay and bonuses	# All Pension Related Benefits	Total
Chris Walker, Interim Director of Finance	B	30 - 35					30 - 35
Julian Hobbs, Medical Director		230 - 235					230 - 235
Karen Kelly, Chief Operating Officer		180 - 185					180 - 185
Mary Sexton, Chief Nurse	C	90 -95					90 -95
Helen Blanchard, Chief Nurse	D	70 -75				15 - 17.5	85 - 90
Martina Morris, Chief Nurse	E	10 - 15				5 - 10	15 - 20
Alan Duffell Chief People Officer	F	90 - 95					90 - 95
Adam Thomas, Chief Information Officer	G	130 - 135					130 - 135
Sir David Nicholson, Chair	H	25 - 30					25 - 30
Julian Atkins, Non Exec	I	15 - 20	1,000				15 - 20
Gurjit Bhogal, Non Exec	J	10 - 15					10 - 15
Gary Crowe, Non Exec		20 - 25	1,400				25 - 30
Joanne Hanley, Non Exec	K	10 - 15					10 - 15
Anthony Hilton, Non Exec	L	5 - 10					5 - 10
Catherine Holland, Non Exec		15 - 20					15 - 20
Elizabeth Hughes, Non Exec		10 - 15					10 - 15
Vijith Randeniya, Non Exec		10 - 15					10 - 15

The remuneration for Sir David Nicholson in 2024-25 is shared equally between The Dudley Group NHS Foundation Trust, Sandwell & West Birmingham NHS Trust, Walsall Healthcare NHS Trust, and Royal Wolverhampton NHS Trust. The value shown above represents the share paid by this Trust.

Notes:

Total remuneration includes salary, non consolidated performance-related pay, benefits in kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

Only directors who are members of the pension scheme have pension related benefits in 2023/24 and 2024/25.

* Expense Payments relate to home to base travel reimbursement for Non Executive Directors.

The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20, less the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to transfer of pension rights. This value derived does not represent an amount that will be received by the individual. It is a calculation that is intended to provide an estimation of the benefit being a member of the pension scheme could provide. The pension benefit table provides further information on the pension benefits accruing to the individual.

Changes to the Board	
A. Kevin Stringer started 1 June 2022 and left 31 December 2023	J. Gurjit Bhogal started 13 October 2022 and left 31 May 2024
B. Chris Walker started 1 Januay 2024	K. Joanne Hanley started 1 June 2023
C. Mary Sexton left 31 October 2023	**L. Anthony Hilton started 1 July 2023 and left 31 July 2024**
D. Helen Blanchard started 23 October 2023 and left 31 March 2024	M. Lowell Williams started 1 January 2022
E. Martina Morris started 3 March 2024	N. Karen Brogan started 1 May 2024
F. Alan Duffell started 20 June 2022 and left 31 April 2024	O. Anne-Maria Newham started 1 June 2024
G . Adam Thomas started 1 January 2022, and acted as Chief Operating Officer from 1 December 2022 to 31 March 2023	P. Peter Featherstone started 1 June 2024
H David Nicholson started 1 September 2022	Q. Mohit Mandiratta started 1 June 2024
I. Julian Atkins started x and left 31 May 2024	

b). Pension benefits

As non-executive members do not receive pensionable remuneration, there will be no entries in respect of pensions for non-executive members.

Name and Title	Real increase in pension at pension age (bands of £2,500) £000	Real increase in lump sum at pension age (bands of £2,500) £000	Total accrued pension at pension age at 31 March 2025 (bands of £5,000) £000	Lump sum at pension age related to accrued pension at 31 March 2025 (bands of £5,000) £000	Cash Equivalent Transfer Value at 1 April 2024 £000	Real Increase in Cash Equivalent Transfer Value £000	Cash Equivalent Transfer Value at 31 March 2025 £000	Employer's contribution to stakeholder pension £000
Diane Wake, Chief Executive	0	0	0	0	0	0	0	
Chris Walker, Interim Director of Finance *	0 - 2.5	0	45 - 50	125 - 130	1025	20	1059	
Julian Hobbs, Medical Director *	5 - 7.5	2.5 - 5	75 - 80	210 - 215	1792	99	1915	
Karen Kelly, Chief Operating Officer	0	0	0	0	0	0	0	
Karen Brogan, Interim Chief Operating Officer	0	0	30 - 35	0	433	14	462	
Martina Morris, Chief Nurse	0 - 2.5	0	40 - 45	100 -105	813	14	843	
Adam Thomas, Chief Information Officer *	2.5 - 5	5 - 7.5	35 - 40	85 - 90	613	61	693	

Note:

Figures shown reflect time in office during the year and include accrued benefits and contributions in respect of full salary, which will include both management and medical contributions.

Only directors covered by the pension arrangements during the reporting year are included in this table.

On 1 April 2015, the government made changes to public service pension schemes which treated members differently based on their age. The public service pensions remedy puts this right and removes the age discrimination for the remedy period, between 1 April 2015 and 31 March 2022. Part 1 of the remedy closed the 1995/2008 Scheme on 31 March 2022, with active members becoming members of the 2015 Scheme on 1 April 2022. For Part 2 of the remedy, eligible members had their membership during the remedy period in the 2015 Scheme moved back into the 1995/2008 Scheme on 1 October 2023. This is called 'rollback'.

The directors above identified above with an asterisk (*) are affected by this public service pensions remedy and their membership between 1 April 2015 and 31 March 2022 was rolled back into the 1995 to 2008 Scheme on 1 October 2023. Negative values are not disclosed in this table but are substituted with a zero.

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures, and from 2004-05 the other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real Increase in CETV - This reflects the increase in CETV effectively funded by the employer. The figure excludes any increase due to inflation, and takes account of contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

The benefits and related CETVs in the above table reflect adjustments arising from the McCloud judgement.

Cash equivalent transfer value (CETV) figures are calculated using the guidance on discount rates for calculating unfunded -public service contribution rates that was extant on 31 March 2023. HM Treasury published updated guidance on 27 April 2023; this guidance will be used in the calculation of 2023/24 CETV figures.

Due to the lead time required to perform calculations and prepare annual reports, the CETV figures quoted in this report for members of the NHS Pension scheme are based on the previous discount rate and have not been recalculated.

Members of the NHS Pension scheme are entitled to claim payment of their benefits early from any age on or after their minimum pension age up to their normal pension age (this differs dependant on scheme). When taking actuarially reduced early retirement, pension is reduced to allow for the fact that it is being paid earlier than expected.

Where senior managers have left, changed working hours or had their pensionable pay otherwise modified, this has been communicated to NHS Pensions and any revised calculations have been completed and included in the 31 March 2025 disclosure items.

The Trust is required to disclose the expenses paid to Directors, Non Executive Directors and Governors.

The band of the expenses paid for 2024/25 was £2,500 - £5,000 (2023/24 £2,500 - £5,000).

Diane Wake

Chief Executive Officer

19th June 2025

Fair pay disclosure

(unaudited)

NHS foundation trusts are required to disclose the relationship between the total remuneration of the highest paid director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce.

The banded remuneration of the highest paid Director in the Trust in the financial year 2024/25 was £250,000 - £255,000 (2023/24 £240,000 - £245,000). This is a change between years of 4.12% (2023/24 -5.83%)

In 2022/23 the director occupying the position of the highest paid director received allowances which were not paid in 2023/24.

Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind, but not severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

For employees of the Trust as a whole, the range of remuneration in 2024/25 was from £26 to £607,000 (2023/24 £3 to £534,000). The percentage change in average employee remuneration (based on total for all employees on an annualised basis divided by full time equivalent number of employees) between years is 5.40% (2023/24 9.26%).

The calculation of the percentage change for the highest paid director is based upon the change in the midpoint of the salary band, whereas for employees as a whole this is based upon the salary total for all employees divided by the total FTE, excluding the highest paid director.

2024/25	% change for highest paid director	% change for employees as a whole
Salary and allowances	4.12	5.40
Performace pay/bonuses	0	0

2023/25	% change for highest paid director	% change for employees as a whole
Salary and allowances	-5.83	9.26
Performace pay/bonuses	0	0

The remuneration of the employee at the 25th percentile, median and 75th percentile is set out below. The pay ratio shows the relationship between the total pay and benefits of the highest paid director (excluding pension benefits) and each point in the remuneration range for the Trust's workforce. 26 employees received remuneration in excess of the highest paid director (2023/24: 23)

2024/25	25th Percentile	Median	75th Percentile
	£	£	£
Total Remuneration	26,387	37,845	52,002
Salary component of total remuneration	22,502	32,456	48,526
Pay ratio	**9.7 : 1**	**6.7 : 1**	**4.9 : 1**

2023/24	25th Percentile	Median	75th Percentile
	£	£	£
Total Remuneration	25,373	36,404	49,131
Salary component of total remuneration	20,974	31,540	46,265
Pay ratio	**9.6 : 1**	**6.7 : 1**	**4.9 : 1**

The pay ratio between the highest paid director and each of the 25th percentile, median and 75th percentile has remained the same in 24/25 in comparison to 23/24. This follows a reduction in the previous financial year, due to the lowest paid members of staff being brought up to the top of band 2 and the highest paid director being within a lower band in comparison to 22/23.

The Trust believes that the median pay ratio is consistent with the pay, reward and progression policies for its employees taken as a whole.

Governor and director expenses

(Information not subject to audit)

During 2024/25, 21 individuals (2023/24, 20) were executive or non-executive directors for the Trust. Of these, six (2023/24, five) received expenses in the reporting period and the aggregate sum of expenses paid was £3,510.60 (2023/24 £2,485.83).

In addition, during 2024/25, 39 individuals (2023/24, 30) were governors for the Trust. Of these, one governor (2023/24, two) received expenses in the reporting period and the aggregate sum of expenses paid was £153.72 (2023/24, £238.44).

Better Payment Code of Practice

The Better Payment Code of Practice requires the Trust to aim to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later.

The Trust maintained its performance against the Better Payment Code of Practice in 2024-25 as high levels of compliance against the code was achieved in each of the 12 months.

	2024/25	2024/25	2023/24	2023/24
	Number	£000	Number	£000
Total non-NHS trade invoices paid in the year	52,867	331,556	48,689	304,310
Total non-NHS trade invoices paid within target	50,146	327,546	45,419	297,285
Percentage of non-NHS trade invoices paid within target	**95%**	**99%**	**93%**	**98%**
Total NHS trade invoices paid in the year	2,166	52,020	1,721	29,014
Total NHS trade invoices paid within target	2,070	51,167	1,598	28,456
Percentage of NHS trade invoices paid within target	**96%**	**98%**	**93%**	**98%**

The Trust can confirm that is has complied with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information guidance. This guidance discusses how public sector organisations should charge for information.

Diane Wake

Chief Executive Officer

19th June 2025

Staff report

About our employees

In this section you will find a breakdown of the workforce profile, staff in post during the year and information about how the Trust promotes equality, diversity and inclusion and how it engages with its workforce.

The Trust employs 6,681 substantive staff by headcount as of 31st March 2025. An analysis of workforce statistics indicates they are comparable with the local Dudley population although a greater proportion of people from ethnically diverse groups choose to work at The Dudley Group NHS Foundation Trust. The higher proportion of female workers to male is typically reflected across other combined acute and community trusts, and across the NHS as an organisation.

Staff in post

Staff Group	Headcount*	FTE**
Add Prof Scientific and Technic	297	263.20667
Additional Clinical Services	1376	1167.90427
Administrative and Clerical	1402	1223.3283
Allied Health Professionals	542	470.22557
Estates and Ancillary	16	13.76
Healthcare Scientists	63	54.84693
Medical and Dental	795	743.41387
Nursing and Midwifery Registered	2160	1906.09736
Students	5	5
Grand Total	**6656**	**5847.78297**

* Primary Assignment Only

** Includes Secondary Assignments

Workforce Profile

Age Band	2024	2025
<=20 Years	1.06%	1.05%
21-25	7.94%	6.90%
26-30	14.91%	14.12%
31-35	15.11%	15.28%
36-40	13.50%	14.48%
41-45	10.78%	10.77%
46-50	9.88%	9.78%
51-55	11.13%	11.00%
56-60	9.63%	9.77%
61-65	4.78%	5.54%
66-70	0.95%	0.98%
>=71 Years	**0.32%**	**0.33%**

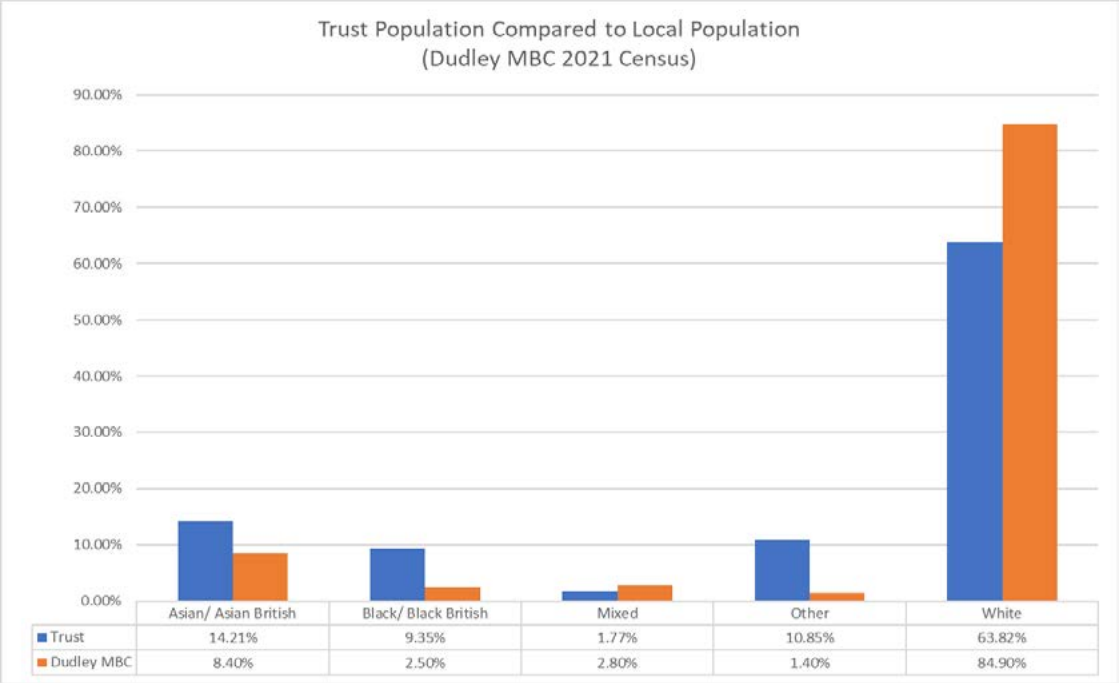
Gender	2024	2025
Female	80.80%	80.33%
Male	19.20%	19.67%

Ethnicity	2024	2025
Bame	27.52%	28.95%
Not Stated / Unknown	8.65%	7.29%
White	63.82%	63.76%

Disability	2024	2025
No	67.03%	67.58%
Not Declared	26.81%	25.81%
Prefer Not To Answer	0.09%	0.26%
Yes	6.06%	6.36%

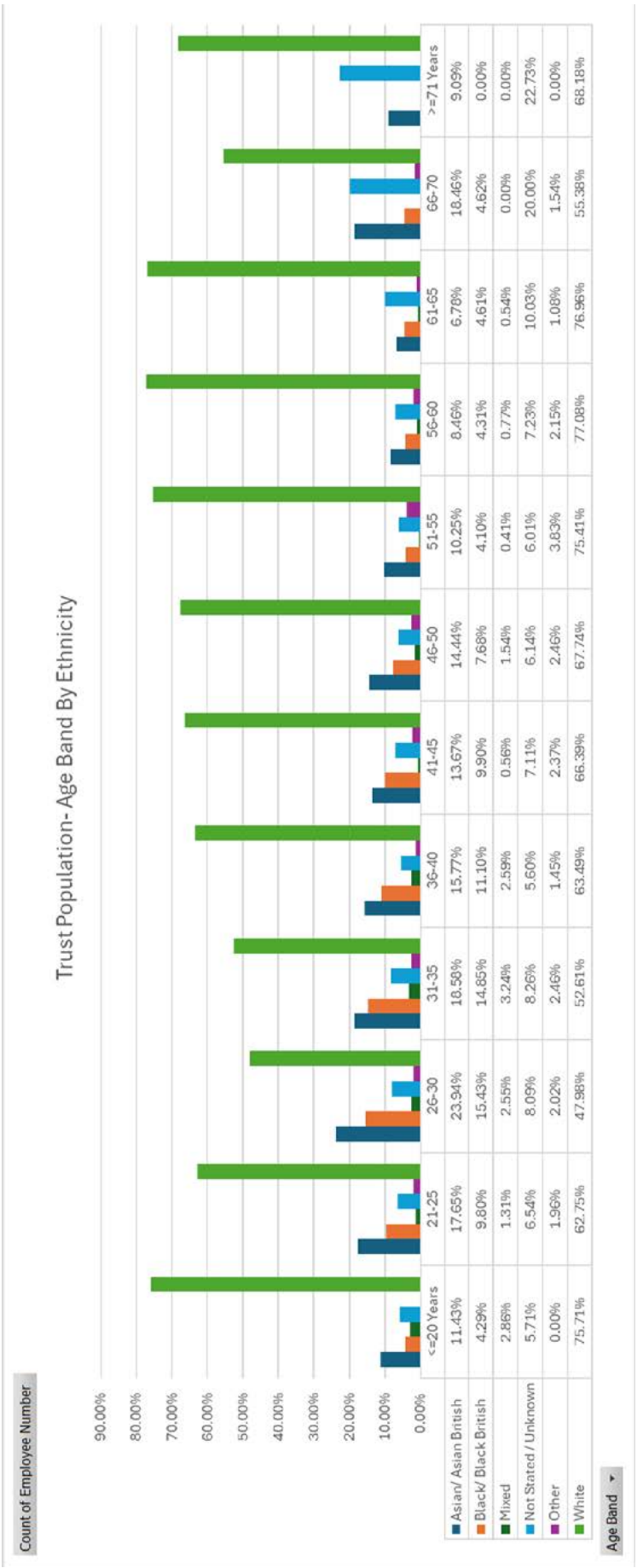
Religious Belief	2024	2025
Atheism	11.46%	11.72%
Buddhism	0.41%	0.42%
Christianity	40.79%	41.35%
Hinduism	2.12%	2.00%
I do not wish to disclose my religion/belief	22.71%	19.67%
Islam	6.10%	6.42%
Jainism	0.09%	0.05%
Judaism	0.06%	0.05%
Other	6.10%	6.11%
Sikhism	1.88%	2.10%
No Response provided	8.29%	10.13%

Sexual Orientation	2024	2025
Bisexual	0.84%	0.93%
Gay or Lesbian	0.98%	1.07%
Heterosexual or Straight	71.17%	72.76%
Not stated (person asked but declined to provide a response)	18.85%	15.17%
Other sexual orientation not listed	0.13%	0.11%
Undecided	0.17%	0.21%
No Response Provided	7.86%	9.75%



Staff numbers

Note 5.3 Average number of employees (WTE basis)	Total Accounts 31 Mar 2025 2024/25 No.	Permanent Accounts 31 Mar 2025 2024/25 No.	Other Accounts 31 Mar 2025 2024/25 No.	Total Accounts 31 Mar 2025 2024/25 No.	Permanent Accounts 31 Mar 2025 2024/25 No.	Other Accounts 31 Mar 2025 2024/25 No.
Medical and dental	899	796	103	873	766	107
Ambulance staff	11	11	0	7	7	
Administration and estates	1,149	1,111	38	1,088	1,031	57
Healthcare assistants and other support staff	1,480	1,260	220	1,504	1,300	204
Nursing, midwifery and health visiting staff	2,107	1,896	212	2,092	1,867	225
Nursing, midwifery and health visiting learners	0			0		
Scientific, therapeutic and technical staff	724	674	49	656	605	51
Healthcare science staff	55	54	1	55	52	3
Social care staff	0			0		
Other	0			**0**		
Total average numbers	**6,425**	**5,802**	**624**	**6,275**	**5,628**	**647**
Of which:						
Number of employees (WTE) engaged on capital projects	44	44	0	11	11	0



Age Band	<=20 Years	21-25	26-30	31-35	36-40	41-45	46-50	51-55	56-60	61-65	66-70	>=71 Years
Asian/ Asian British	11.43%	17.65%	23.94%	18.58%	15.77%	13.67%	14.44%	10.25%	8.46%	6.78%	18.46%	9.09%
Black/ Black British	4.29%	9.80%	15.43%	14.85%	11.10%	9.90%	7.68%	4.10%	4.31%	4.61%	4.62%	0.00%
Mixed	2.86%	1.31%	2.55%	3.24%	2.59%	0.56%	1.54%	0.41%	0.77%	0.54%	0.00%	0.00%
Not Stated / Unknown	5.71%	6.54%	8.09%	8.26%	5.60%	7.11%	6.14%	6.01%	7.23%	10.03%	20.00%	22.73%
Other	0.00%	1.96%	2.02%	2.46%	1.45%	2.37%	2.46%	3.83%	2.15%	1.08%	1.54%	0.00%
White	75.71%	62.75%	47.98%	52.61%	63.49%	66.39%	67.74%	75.41%	77.08%	76.96%	55.38%	68.18%

Staff costs

(unaudited)

	Year ended 31 March 2025			Year ended 31 March 2024		
Staff Costs	**Total £'000**	**Permanent £'000**	**Other £'000**	**Total £'000**	**Permanent £'000**	**Other £'000**
Salaries and wages	316,450	314,094	2,356	282,709	279,724	2,985
Social security costs	31,424	31,424	0	29,323	29,323	0
Apprenticeship levy	1,548	1,548	0	1,444	1,444	0
Pension cost - employer contributions to NHS pension scheme	31,344	31,344	0	29,934	29,934	0
Pension cost - employer contributions paid by NHSE on provider's behalf	20,335	20,335	0	12,424	12,424	0
Pension cost - other	68	68	0	64	64	0
Termination benefits	0	0	0	0	0	0
Temporary staff (including agency)	2,799	0	2,799	3071	0	3071
NHS charitable funds staff	174	174	0	136	136	0
Total	**404,142**	**398,987**	**5,155**	**359,105**	**353,049**	**6,056**

Sickness absence data

The detail of staff sickness / absence from work for the year are:

	2024/25	2023/24
Total Days Lost	67,326	59,778
Average FTE for calendar year 2024 and 2023	5,691	5,492
Average Working Days Lost Per FTE	11.8	11

Staff with disabilities

We strive to build an inclusive workplace for everyone to bring their whole self to work.

Disabled people can face discrimination and disadvantage in the workplace, including physical, social, and attitudinal barriers. We want people with disabilities, including long term conditions, neurodiverse and mental health conditions, to feel welcomed, supported and valued.

The Trust is mandated to implement the Workforce Disability Equality Standard (WDES). The WDES is a set of workforce measures that enables the Trust to compare the experiences of disabled and non-disabled staff. The Trust has seen improvements with WDES Indicators on workforce representation, recruitment, engagement and provision of reasonable adjustments.

Workplace adjustments are crucial for improving disability equality, as they enable staff to perform their roles more effectively. In the past year, we have continued to strengthen implementation of reasonable adjustment passport and centralising reasonable adjustment project, including supporting with access to work assessments.

Following are further examples of how the Trust has implemented support to staff with disabilities and long-term conditions:

- Launched a neurodiversity toolkit for staff and managers and training to accompany the toolkit.
- Training and educational webinars on neurodiversity – sharing lived experience.
- Adjustments at interview and during recruitment.

- Maintained Disability Confident Leader Status.
- Developed and launched our anti-discrimination statement, specifically highlighted disability discrimination which has been added to key policies.

The Trust's Disability Staff Network continue to engage with staff, provide peer support and implement several activities to promote inclusive practices, provide education and awareness.

Engaging with our workforce and communities

The Trust is committed to working in partnership with its employees to maximise its potential to deliver against its business objectives, through robust arrangements for joint working which include consultation and negotiation. We appreciate the need for collaborative working on the underpinning aims and values to ensure exemplary practice in the employment and treatment of staff. The Trust recognises the importance of proper representation by recognised trade unions, and we are committed to involving and engaging with Staff Side, trade unions and staff through our Joint Negotiating Committee to ensure that we maintain effective workplace employee relations.

Good communication and engagement across the Trust are a priority to ensure colleagues, patients and the public know what is happening in the Trust. We use many different channels to engage our workforce and community in service development.

The Hub

The Hub is the Trust's intranet and enables us to share news and updates with all our staff. This includes health campaigns, finance information, workforce and recruitment updates. It shares successes such as award wins and innovations, and alerts staff to any operational changes. The Hub is also the central repository for all clinical and non-clinical procedural documents, links and essential information.

In the Know

In the Know is an email bulletin to all staff and our private finance initiative partners and is the go-to source of information in the Trust, allowing us to share key updates quickly.

Team Brief

Led by the chief executive each month, this online event enables staff to receive updates on Trust performance and developments, and to ask questions.

Live Chat

This takes place every month and is led by the chief executive. It is a very popular online forum for staff to put questions and to receive an immediate response from the senior management team. They have the option to do this anonymously. This year has seen several 'themed' live chats with guest expert hosts, such as an opportunity to put questions on vaccines, home working, sustainability and our new Trust strategy.

Healthcare Heroes

Healthcare Heroes is an opportunity to recognise and reward the great work of our teams, individuals and volunteers. Staff and patients submit nominations each month and the winners, chosen by the chief executive, are paid a surprise visit and presented with a certificate and prize.

Patient Safety and Experience Bulletins

We continue to engage clinicians with important patient safety and experience information through weekly email bulletins on specific themes.

Long Service Awards

We feel that 10, 25, 30, 40 and 50 years are big milestones in an NHS career and we recognise this with our Long Service Awards. These events happen annually, and in 2024, we recognised 240 members of staff, including 99 staff members who reached milestones of 25, 30, 40 and 50 years of service. We celebrated a collective total of 4,270 years of service in the NHS.

Social Media

We have a strong social media presence and regularly post news about the Trust, events, our services and health advice on Facebook, Twitter and LinkedIn. New for 2024/25 we launched our Trust TikTok channel as a new platform for us to share key health messages and content. We have around 17,996 page followers on Facebook, nearly 7900 followers on Twitter and 1146 followers and 6766 likes on TikTok.

Engagement and Involvement

The year has seen the Trust initiate and collaborate on a number of engagement activities, all aimed at ensuring the voices of our patients, carers, communities and public are at the heart of what we do and helping shape services and drive improvements.

We know that nurturing trust and reciprocity is key in building relationships where people feel valued and supported so teams have also attended a number of events to promote the trust and its services.

Pensioners Fayres in Stourbridge and Netherton

The team attended two local fayres organised by a local MP to help promote services to local people. Over 80 people attended the events and were provided with a warm cuppa and had the opportunity to find out information to support them in living well.

People Panels

Our People Panels are joint spaces for organisations across Dudley to come together and speak with local people and they are hosted collaboratively. From digital panels to NHS 10-year plan panels, we've held conversations with over 100 people to hear their experiences on using digital apps and support in accessing the NHS and wider services and heard views on what the NHS should be focusing on for the next 10 years ahead.

Fibromyalgia workshop

We hosted an online workshop for people living with fibromyalgia with the aim of them helping to shape a self-management programme. We were joined by over 80 attendees who had the opportunity to listen to a range of experts including rheumatologists, pain relief clinicians, dietitians and health coaches on the impacts of the illness. Attendees then had the opportunity to ask questions and discuss their experiences and share advice.

Women's Health Hub

We held an online workshop, The Menopause and Me, to explore developing a local Women's Health Hub and to understand views and experiences on the menopause and heavy menstrual bleeding. We were joined by over 30 ladies who were keen for menopause cafes to be introduced around the borough with tailored support and advice. The menopause café's were introduced in February 2025 and rotate around the family hubs. The first two cafes have been held in Coseley and Brierley Hill with around 37 ladies joining the sessions and have been well received. The ladies hear from a GP with a specialist interest in women's health and have the opportunity for questions and candid conversations.

Brockmoor and Pensnett community event

Partners collaborated to host a community event at the local primary school in Pensnett as part of ongoing work in the area focussing on health inequalities and developing health and community champions. Over 150 people attended the event and took part in activities including sport and CPR. A huge range of teams were available on the day to provide information, signposting and support to attendees from canal and river walks, to family hubs and mental health. Local residents were pleased to be able to attend an event on their doorstep and were impressed with the amount of local activities they could tap into.

Dudley Improvement Practice (DIP)

The Dudley Improvement Practice (DIP) is the Trust's long-term commitment to creating a culture of Continuous Improvement.

The DIP improvement system consists of a range of training, collaborative problem solving and facilitated workshops, which together support teams with a structured approach to their improvement journeys. This is underpinned by developing leadership behaviours that promote an improvement culture, and by a management system that links improvement activities to the Trust's

strategic goals. DIP believes in three essential elements of Continuous Improvement:

- **Engagement** – the power of collaboration is maximised by engaging the people who do the work every day and, therefore, have the most insight about how to improve it.
- **Equality** – harnessing the great diversity in our people by treating everyone as 'thinking equals' drives innovation and creativity.
- **Empowerment** – developing a coaching style of leadership to make our people feel valued and psychologically safe to propose new ways of working, to contribute and to learn together.

Over the last year, members of the DIP team have presented on the NHS IMPACT (national best practice guide to continuous improvement) lunch and learn sessions, and the Improvement Directors Network. In a welcome message from Dr Amar Shah (National Clinical Director for Improvement) for our annual showcase event, he commented that Dudley is one of the leading improvement systems nationwide.

We continue to develop scientific thinking as an improvement mindset using our Kata training which is now double accredited with the Continuous Professional Development Standards Office and Cardiff University through their Kata Competency System. This is one of the few improvement training courses that is accredited to award delegates with improvement coaching certification at two levels of competency. Last year we were visited by Professor Jeffrey Liker from University of Michigan whose articles and books on improvement coaching and scientific thinking have won eleven Shingo Prizes for Research Excellence.

In 2025 the Dudley Improvement Practice team are supporting two strategic programmes of work.

- Shift healthcare closer to home, avoiding unnecessary hospital attendances.
- Reduce length of stay for frail and elderly patients who need to be in hospital for the shortest time possible.

Over the last 12 months, there has been a focus on growing improvement capability amongst staff through the creation of Improvement Champions who will be experts by improvement experience. They are trained and supported by the Dudley Improvement Practice team and are local sources of support for staff undertaking improvements as part of their appraisal objectives.

Corporate Resilience

The Corporate Resilience Team (CR Team) ensures the Trust can meet national legislation, guidance and standards pertaining to health and safety, fire safety, emergency planning and business continuity, providing professional input to compliance requirements within the Trust. In addition, the team provides divisions and directorates with the necessary frameworks to ensure that services meet the required standards and comply with statutory legislation.

By ensuring proper and effective oversight is in place, the CR Team is able to provide the Trust Board with assurance that health, safety and fire standards are being maintained, and exceptions are identified and managed and dealt with quickly. The Trust maintains robust health, safety and fire and emergency preparedness resilience and response arrangements, through establishment of a safety management system subject to regular review including testing of the major incident and business continuity plans in relation to incidents (fire, flood etc) as well as industrial action.

The Health Safety and Fire Assurance Group and the Emergency Preparedness Resilience and Response (EPRR) Assurance Group act as the main mechanism for consultation on all Corporate Resilience matters. Both groups meet quarterly with divisional representation to monitor performance against key objectives and gather assurance to evidence to the board that suitable and sufficient arrangements are in place to proactively and reactively respond to safety concerns and threats to business continuity. Both groups convened on four of four occasions as planned with terms of reference updated in line with internal governance requirements. Collectively, quoracy was achieved in five of eight meetings.

Clear and concise procedural documents are critical to healthcare services to provide staff with clarity and consistency in terms of what they need to do to comply with the law, implement best practice and national standards. Documents including strategy, policy, standard operating procedures (SOPs) and plans have been developed, reviewed, updated and consulted on, during the last financial year. This includes a full review of the:

- Health and Safety Policy

- Fire Lead SOP
- Oxygen Monitoring Device Standard Operating Procedures.

The EPRR team, in line with national core standards have reviewed the EPRR strategy and associated documents:

- Critical incident policy
- Business continuity policy
- Major incident policy
- Adverse weather SOP
- Lockdown and bomb threat SOP
- Evacuation and shelter SOP
- Incident coordination centre (ICC) SOP
- Chemical biological radiological and Nuclear SOP
- VIP management SOP

Suitable and sufficient training, instruction and information are crucial to developing a safe and healthy workforce. The CR Team have continued to provide mandatory and non-mandatory training throughout 2024/25 to underpin the corporate resilience portfolio. As of the end of year mandatory training compliance for Fire Safety reached 91.31% and for Health and Safety, 96.88%. The Fire Team introduced virtual reality fire extinguisher, training over 300 people in the past year. The team implemented a risk-based approach, to support compliance with the Regulatory Reform (Fire Safety Order) 2005 to ensure the Trust has a staff base able to deal with a fire in its immediacy. Additionally, the fire team have provided role specific training to the Site Operations team, Fire Leads, Fire Wardens, and introduced a new Fire Safety for Managers module. Chemical, Biological, Radiological and Nuclear (CBRN) training has continued throughout the year on a monthly basis led by Emergency Department colleagues, supported and monitored by the EPPR team. Non-mandated health and safety training has paused due to depleted capacity within the team and will be reinvigorated when the team is at full compliment.

The Trust uses a range both proactive and reactive measures to manage risk and monitor Corporate Resilience performance. Following the change to HTM 05-03 Part K Guidance on fire risk assessments in complex healthcare premises, a new two-tier process was implemented. Seventy departmental fire risk assessments were completed, now known as Secondary Fire Risk Assessments. A Primary Fire Risk Assessment was also introduced, which reviewed a whole block. Three Primaries were completed, on North Block, East Wing and the Rainbow Unit. This has provided valuable insights into the inter-departmental relationships in the event of an emergency and how we work together to keep our patients safe. The team use the Audit Management and Tracking (AMaT) system for gathering health, safety and fire compliance. During the last 12 months, AMaT has been utilised for all fire risk assessment actions, to provide a more robust review process, and assurance that actions are being taken to improve fire safety. Additional fire safety assurance was gathered via:

- Desktop fire drills were changed from departmental reviews to whole floor participation, providing assurance that we have leads who are fully aware of the fire safety procedures to follow.
- Received two site inspections and two site familiarisation visits from West Midlands Fire Service.
- Supported the establishment of a new dedicated fire safety group with Summit and Mitie, to provide a focus on changing legislation and its applicability to the Trust.

Health and Safety audits have been undertaken to assess the suitability of arrangements for the Control of Substances Hazardous to Health (COSHH). Good practice was identified with substances stored correctly and safely, with recommendations to improve availability and quality of associated risk assessments. A second stress survey has been undertaken with actions feeding into health and wellbeing framework.

As part of the annual NHS England EPRR Core Standards process, the EPRR Team is required to report regularly to senior Trust Committees and the Board of Directors.

NHSE's final assessment for 2024 stated that the Trust was assessed as 'Partially Compliant' at 84% against the EPRR Core Standards; an increase in compliance from 77% when compared with the previous year, 2023.

The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) 1995 (amended 2013) requires employers to report certain types of injury, some occupational diseases and dangerous occurrences that 'arise out of or in connection with work' to the Health Safety Executive (HSE). The Trust reported 24 RIDDOR incidents over the last 12 months, an increase of four,

compared to the previous year. Predominantly these resulted in 7-days absence from work with contact with moving object, slips trips and falls, and sharps injuries cited as the primary cause.

Moving into the next 12 months, the Corporate Resilience Team will work collaboratively to focus on continuously improving the Trusts safety management, response and resilience arrangements. Key objectives for 2025/26 include:

- Establishment of a multidisciplinary violence prevention and reduction working group to reduce incidence of workplace violence and aggression, implementing NHS England's Violence and Aggression Prevention and Reduction Standards.
- Review of managers and leads health and safety training to ensure there is a significant focus on risk assessment to aid competence and improve quality of assessments undertaken.
- Develop a health and safety self-audit process focussing on compliance with the Trust safety management system.
- Working collaboratively with system partners to share good practice in EPRR and achieving an improved Core Standards rating.
- Developing an Exercise Schedule to strengthen the Trust's resilience and response, based on local risk intelligence.
- Updating EPRR training materials to ensure they reflect best practice, current standards and lessons learnt.
- Continue with the programme of secondary fire risk assessments to ensure high standards of fire safety across all departments, and deliver three primary fire risk assessments on North Block, West Wing and Guest Outpatient Centre.
- Develop a new training needs analysis for all training provided by the team.
- Increase provision of training on fire extinguishers and evacuation equipment, taking a risk-based approach.
- Provide nationally recognised external training to the team to support competency, allowing for a review of the workplan, freeing up time for additional project work and the primary fire risk assessments.

Staff health and wellbeing

At the heart of our Trust's mission to be a 'Brilliant place to work and thrive' is the wellbeing of our workforce, recognising that a supported and healthy team is essential for delivering the best possible patient care. We are committed to ensuring that our staff feel valued, supported, and cared for—especially during challenging times.

We actively role model the importance of self-care, encourage access to support services, and act to continuously improve the ways in which we support our staff. A holistic approach is key to achieving this goal, and we believe in adopting preventative strategies that foster a culture of wellbeing throughout the organisation.

The ongoing delivery of the Trust Wellbeing Journey exemplifies this approach, highlighting our commitment to addressing staff needs proactively.

While we acknowledge that certain challenges are inevitable, we are determined to provide unwavering support during these times, ensuring that our colleagues' wellbeing remains a priority. We recognise that wellbeing is a multifaceted concept and that it is everyone's responsibility, from individual actions to organisational decisions that impact staff health.

Supporting staff wellbeing is an ongoing journey, and we understand that the factors influencing our workforce's health will evolve. Our response will always come from a place of compassion, with staff wellbeing at the core of our approach. By integrating wellbeing into our day-to-day operations, we aim to create a positive work environment where our staff can thrive, benefiting from the support and resources they need to succeed.

Over the past year, we have continued to support our staff, fully recognising the challenging circumstances our workforce continues to face. At the forefront of our efforts has been the reminder that workforce wellbeing is not only essential for the health of our team but also crucial to maintaining the highest standards of patient care.

Wellbeing Key Achievements

We are proud to celebrate the following successes in our ongoing journey to support and prioritise the wellbeing of our workforce:

- We now have over 150 wellbeing champions across the Trust offering supportive wellbeing conversations and onward signposting to professional support offers. We will be strengthening these numbers as we move forward, including the recruitment of champions within our newly established Place division.
- We have successfully run a health check programme over the past 12 months, offering free health checks for all staff to track their health numbers and prioritise healthy lifestyle behaviours.
- The Board of Directors continues to monitor the Trust's activities to promote wellbeing through the Health and Wellbeing Steering Group and the People Committee.
- We have launched a new Team Wellbeing training session, offering support and guidance for managers to embed a positive wellbeing culture locally within teams. We have also continued delivering all of our in-house Trust wellbeing workshops, as well as ad hoc sessions delivered onsite for teams.
- Launched a new Champion Toolkit to enable our wellbeing champions to successfully deliver on the role, including useful templates, signposting, and training opportunities. We have also continued to meet with our wellbeing champions on a bi-monthly basis, offering regular updates and peer support.
- Wellbeing updates and communications are shared regularly, including via our Trust communications email, our wellbeing champions, and our CEO briefing.
- Worked with the Organisational Development team to design and launch a new training session with a focus on resilience, to support our staff who are dealing with challenging circumstances both inside and outside of work.
- All staff can access a variety of support offers which are regularly communicated and shared in relevant policies, including a dedicated employee assistance programme which offers counselling and wider support available to NHS staff, and specific support for areas of wellbeing such as the menopause.
- Monthly webinars and educational wellbeing sessions are offered to staff, promoting national wellbeing days, which are shared regularly via our internal communications and our wellbeing champions.
- Regular engagement offered to teams via the wellbeing business partner, including summarising the wellbeing offer, recruiting champions, and offering suggestions for local implementation of wellbeing initiatives.
- The wider national offer is also available to staff and details of this are accessible via our wellbeing intranet pages and shared with staff, including the 24/7 staff support helpline, and free mental wellbeing apps including Unmind.
- Wellbeing business partner working on key pieces of work to ensure a more joined-up approach to wellbeing, including working with occupational health, health and safety, and human resources on areas such as sickness absence, work-related stress, and wider system work in development.
- Mental health guidance refreshed and shared with key stakeholders across the Trust, including our wellbeing champions, highlighting key learning around mental health and practical steps to take around supporting staff and their mental health.
- Launched sexual safety survey alongside the EDI team, survey data framing the new policy and addressing how concerns are raised and dealt with organisationally.

Occupational Health

Core occupational health services continued to be offered including pre-employment health assessments, immunisations and vaccinations, health surveillance, treatment and follow-up of inoculation injuries/sharps injuries.

Management referrals to the occupational health service are also offered to ensure that staff are cared for and supported when required.

Key areas of focus over the last twelve months:

- Meeting KPIs for both new starters and management referrals received by the service.
- Occupational Health management system upgrade.
- Delivering actions outlined following external audit.
- Development of the team and service overall using SEQOHS standards as a baseline.

Training, Learning and Organisational Development

Being a Brilliant Place to Work and Thrive

This year, we have focussed on our culture work, ensuring we support our people in all the elements of the NHS People Promise, creating a working environment that is a brilliant place to work and where people thrive.

Our People Plans and Delivery Journeys on Culture and Leadership, Recruitment and Retention, Equality, Diversity and Inclusion, Continuous Improvement and Wellbeing have clear goals we're working to deliver.

We established our Being a Brilliant Place to Work group to plan, deliver and review our progress. This includes re-launching 'itchy feet' conversations and 'sorry you're leaving' interviews to understand our strengths and areas for improvement, developing our Careers at Dudley brand and website, and reviewing policies on anti-bullying, anti-discrimination, and sexual safety.

We are always learning

In 2024/25, we delivered a range of training courses and published our updated Prospectus of learning opportunities for staff. This includes programmes like Admin Essentials, Communication Skills, Wellbeing, Flexible Working as well as modules on our leadership programmes. Over 1500 staff participated in these learning activities.

We have reviewed our Leadership Pathway to provide more development opportunities at different stages of leadership, with new programmes launching in 2025/26.

Over 300 people completed our Managers Essentials programme, setting our leadership standard and 60 new leaders completed their induction to leading people at Dudley.

Our Annual Leadership Conference celebrated successes and recognised leaders' work. We also supported leaders who completed development programmes with an alumni event in October 2025 to learn, connect, and refresh their skills.

We delivered our Annual Review programme from April to June, with 92% of staff receiving a progress review and career conversation.

Our careers team supported new and existing staff to access a range of apprenticeships from level 2 up to level 7, including new apprenticeships in digital, podiatry, midwifery and radiography. The national Higher Development Award for Support Workers continued, creating opportunities to learn for clinical staff at the start of their leadership journey.

We have delivered our ICan partnership with Dudley Metropolitan Borough Council (Dudley MBC), offering paid work experience in administration, clinical roles, finance, recruitment and maintenance roles as well as our learning at work programmes for Clinical Support Workers. his programme provided 30 work experience placements and 20 Clinical Support Worker training places, with many candidates finding permanent jobs with The Dudley Group or Dudley MBC.

We work flexibly

This year, we launched training for line managers and reviewed our flexible working options to ensure clarity for staff. We developed a new way to capture this information to measure our flexibility as an employer.

We are a team and we are compassionate and inclusive

Support for teams and leaders continued with the re-launch of our Behaviour Framework and Living the Values training, promoting a positive workplace culture. We delivered this to over 200 team members and 30 teams.

We are safe and healthy

Staff continue to access our Statutory and Mandatory Training programme, which has been reviewed for accessibility, relevance, and effectiveness. We maintained performance above our 90% target throughout 2024/25.

Countering fraud

The Trust has continued to ensure its staff are aware of responsibilities towards fraud and bribery and have both a fraud and corruption policy and an anti-bribery policy to support staff and takes its responsibility for countering these issues very seriously.

We have a Local Counter Fraud Service and one of our key aims is to work together to promote an anti-fraud culture. Newsletters and alerts are published and promoted regularly on the Hub to ensure staff understand that fraud against the NHS will not be tolerated. In addition, a number of training sessions have been facilitated for staff to improve their awareness of cyber fraud and ensuring vigilance.

Equality, diversity and inclusion (EDI)

We are continuing with our ambition to embed equality, diversity, and inclusion as a golden thread into everything that we do. We believe it's the right thing to do and we are passionate about doing it. Our workforce is a rich mix of ethnicities, cultures, religions, faiths, beliefs, ages, genders and identities that come together.

We are committed to creating an inclusive culture where people feel that they belong. We are passionate about this, because it benefits our staff, patients, visitors, service users and the community that we serve. Developing an inclusive environment supports us to comply with our legal and statutory obligations, for example, through the Workforce Race Equality Standard (WRES), Workforce Disability Equality Standard (WDES), Equality Delivery System (EDS), NHSE Improvement plan (High Impact Actions) and the gender pay gap reporting (GPG).

Our equality, diversity and inclusion activity is linked to the NHS People Plan, the Trust's Dudley People Plan and our strategic objectives. We recognise our role and responsibility to provide equal opportunities and advance inclusion, to eliminate discrimination and to foster good relationships as an employer, provider, partner and anchor institution.

The Equality Act 2010 introduced a general equality duty requiring organisations to have due regard in the exercising of their functions. These are to:

Eliminate discrimination, harassment, and victimisation.

Advance equality of opportunity between people who share a protected characteristic and people who do not.

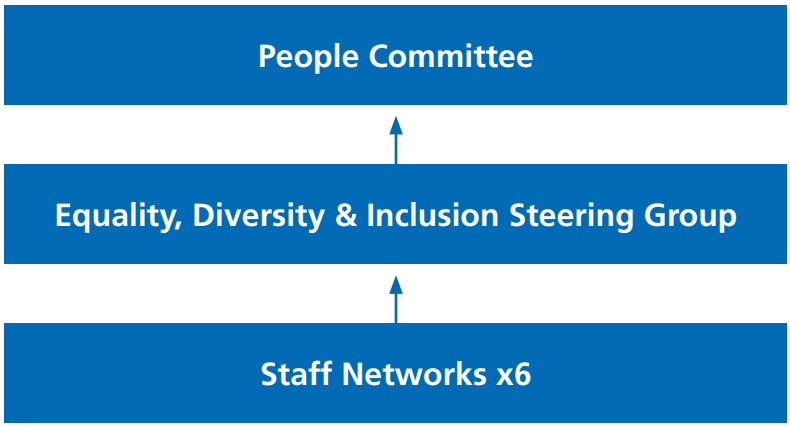
Foster good relations between people who share a protected characteristic and those who do not.

The Protected Characteristics covered by the Equality Act 2010 are:

- Age
- Disability
- Gender Reassignment
- Marriage and Civil partnership
- Pregnancy and Maternity
- Race
- Religion or Belief
- Sex
- Sexual Orientation

Trust Equality, Diversity, and Inclusion (EDI) Governance

Our EDI Governance structure is built on the principle of leadership and inclusion This approach will engage with staff from all communities, professions, and protected characteristics to improve the experience for everyone working at The Dudley Group.



People Committee

The People Committee is a sub-committee of the Trusts' board of directors which overseas workforce and has an overview of equality, diversity and inclusion work plans and receives updates from the EDI Steering Group.

Equality, Diversity, and Inclusion (EDI) Steering Group

The steering group is responsible for the co-ordination and strategic leadership of all aspects of the inclusion agenda and upward reports into the People Committee and to the Trust board.

Membership of the steering group and the committee includes key representatives from each of the departments and divisions.

Equality, Diversity and Inclusion (EDI) Strategic Journey

The Trust's Equality, Diversity and Inclusion (EDI) strategic journey outlines our commitments for the next few years in becoming a more inclusive organisation and ensuring equality, diversity and inclusion are enshrined in our values.

Over the past 12 months the Trust has overhauled and significantly strengthened its work around Equality, Diversity and Inclusion (EDI). As our journey has progressed, we have undertaken various assessments and progressed with our EDI objectives and consolidated action plan.

Staff Networks

It is recognised that staff equality networks are an excellent mechanism through which the general duties of the Equality Act 2010 can be supported in relation to staff from the protected groups and other groups at potential risk of inequality.

The Trust now has six staff networks, namely EmbRACE, LGBTQ+, Disability & Long-term Conditions, Women's, Armed Forces and Carers networks. All our staff networks have an executive sponsor. They provide strategic guidance and support, and this is one of the ways our leaders show visible allyship for diverse staff at Dudley Group.

The networks have focused on growing their membership over the past year to strengthen the voices of colleagues. They work closely together, supporting each other with their priorities and driving improvements alongside the Equalities and Wellbeing Team.

Health Inequalities

The Trust is working with partners in the Dudley Health and Care Partnership including Dudley Council for Voluntary Service and different community groups to better understand the barriers to accessing healthcare and learn how we can ensure our services reach and benefit everyone.

The Trust has an Integration Committee which focuses on the actions the Trust is taking to build partnerships and improve overall health and wellbeing in the population, this includes work to address health inequalities. The committee receives regular updates from preventative services and the actions being taken to address inequalities.

We have further developed our Health Inequalities Core Group which reports to the Integration Committee. This core group has resulted in a better understanding of the available metrics. Relevant reports on health inequalities have been reviewed and recommendations shared with service leads.

EDI Key achievements

- Increased ethnically diverse staff levels to 28%.
- Increased Disability disclosure rates to 6%.
- EDI statements are visible on all external and internal communication channels.
- Implemented Centralised Reasonable Adjustment project.
- Refreshed inclusive recruitment training programme.
- Refreshed the behaviour framework, ensuring a clear stance on unacceptable behaviour towards people with protected characteristics.
- Equality impact assessed recruitment practices and related policies.
- Continued to grow our current staff networks to enhance staff voice and introduced two new networks: a carers network and armed forces network.
- Introduced a standardised anti-discriminatory statement into all relevant workforce policies.
- Continued to monitor culture dashboard and incidents of discrimination and abuse.
- Launched Anti-Racism Statement campaign.
- Developed a prospectus supporting staff from all backgrounds to reach their potential, increasing training and development activities.
- Increased staff engagement through ward rounds and divisional meetings
- Developed SMART EDI objectives for the Chair, Chief Executive and Board members.
- Undertaken career conversations with women from areas where we have a Gender Pay Gap and ethnically diverse nurses to improve career progression.
- Implemented Equality Delivery System domains 1,2 and 3 evaluation and now graded as "achieving".
- Launched Neurodiversity toolkit and training for staff and managers.
- Maintained gold level award from the Employers Network for Equality and Inclusion (enei) in our Talent Inclusion and Diversity evaluation (TIDE)
- Launched Trust wide Anti-racism and Anti-Discrimination statement.
- Launched Cultural Awareness training.
- Launched Transgender Awareness training.
- Launched Allyship training.
- Developing EDI data packs and objectives for divisional teams
- Continued implementation of the RACE Code Kite mark and have a clear set of actions to support our organisation to improve Race equality.
- Reviewed and refreshed Equality Impact Analysis / Health Equality Assessments process and governance.
- Completed the Rainbow Badge Phase II Assessment and developed a set of robust actions to improve equality and inclusion for our LGBTQ+ workforce and patients.

Staff turnover

Our staff turnover for the year was 7.24 per cent. More information on our staff turnover can be found at the **NHS workforce statistics published by NHS Digital**.

Staff survey

The NHS Staff Survey is our annual check in with staff about their experience at work. Conducted between October and November, we encourage all our people to participate. Framed around seven People Promises, feedback highlights areas where we are doing well and those needing improvement. This survey complements our regular engagement activities, including the Quarterly People Pulse and feedback through #makeithappen, where we visit services each quarter to discuss successes, areas for improvement, and organisational initiatives. In the Staff Survey 2024, 49% of our people participated, a 4% increase from 2023, matching the benchmark average for similar organisations (Acute and Community Trusts).

Our Results

Compared to similar organisations, we perform at the benchmark average across all seven People Promises and the themes of 'Staff Engagement and Morale'. Our performance has improved over the last three years, though results have plateaued in the past 12 months. We continue to focus on key areas linked to our People Plan and delivery Journeys to embed the People Promises. Ongoing work includes supporting staff to have a voice, being safe and healthy, both around wellbeing and fostering respectful treatment among colleagues, and effective line management which supports the we are compassionate and inclusive and we are a team promises.

	2024		2023		2022	
People Promise	**Trust Result**	**Benchmark Score**	**Trust Result**	**Benchmark Score**	**Trust Result**	**Benchmark Score**
We are compassionate and inclusive	7.18	7.21	7.23	7.24	7.2	7.2
We are recognised and rewarded	5.81	5.92	5.88	5.94	5.7	5.7
We each have a voice that counts	6.56	6.67	6.65	6.7	6.7	6.6
We are safe and healthy	5.95	6.09	5.97	6.08	5.8	5.9
We are always learning	5.64	5.64	5.69	5.61	5.2	5.4
We work flexibly	6.17	6.24	6.19	6.2	6.0	6.0
We are a team	6.70	6.74	6.72	6.75	6.7	6.6
Staff Engagement	6.71	6.84	6.81	6.91	6.7	6.8
Morale	5.75	5.93	5.8	5.91	5.6	5.7

Each year, we share our results widely across the organisation so that all of our teams and services their performance, identify successes, and pinpoint areas for improvement. We set clear goals for areas of work across the organisation and each division identifies teams or services that may benefit from dedicated action plans if their results are below the benchmark. These teams receive additional support from divisions and corporate support teams, with progress reviewed by our People Committee throughout the year. These are reviewed through our People Committee

Throughout the year, we have focused on flexible working, completing annual reviews, supporting and developing line managers, and delivering our People Plan and five People Journeys. These journeys focus on Equality, Diversity and Inclusion, Wellbeing, Culture, Leadership and Learning, Continuous Improvement, and Recruitment and Retention.

We have also enhanced our approach to anti-bullying and anti-discrimination, launching new training and support at the end of the year. This work will continue into the next year.

Our People Promise manager has supported additional efforts to improve the work experience in 2024, aiming to enhance our Staff Survey results in the long term.

Trade Union Facility Time

Trade union representatives and full-time equivalents (FTE)

Trade union representatives: 14

FTE trade union representatives: 1.2

Percentage of working hours spent on facility time

0% of working hours: 0 representatives

1 to 50% of working hours: 13 representatives

51 to 99% of working hours: 0 representatives

100% of working hours: 1 representative

Total pay bill and facility time costs

Total pay bill*: £397,088,100

Total cost of facility time: £69,532

Percentage of pay spent on facility time: 0.02%

Paid trade union activities

Hours spent on paid facility time: 2326

Hours spent on paid trade union activities: 75

Percentage of total paid facility time hours spent on paid trade union activities: 3.22%

* Includes all substantive staff costs, on call payments to substantive staff & overtime paid to substantive staff

Expenditure on consultancy

Details of expenditure on consultancy can be found in our accounts.

Off payroll engagements

There were no off payroll engagements during 2024/25. It is our policy not to use off payroll engagements.

Reporting of other compensation schemes - exit packages 2024/25

Note 6.3 Exit packages: other (non-compulsory) departure payment	Payments agreed Accounts 31 Mar 2025 2024/25 No.	Total value of agreements Accounts 31 Mar 2025 2024/25 £000	Payments agreed Accounts 31 Mar 2024 2023/24 No.	Total value of agreements Accounts 31 Mar 2024 2023/24 £000
Voluntary redundancies including early retirement contractual costs				
Mutually agreed resignations (MARS) contractual costs				
Early retirements in the efficiency of the service contractual costs				
Contractual payments in lieu of notice	15	119	23	100
Exit payments following employment tribunals or court orders				
Non-contractual payments requiring HMT approval (special severance payments)*	1	11		
Total**	**16**	**130**	**23**	**100**

Exit packages - other (non-compulsory) departure payment 2024/25

Note 6.1 Reporting of other compensation schemes - exit packages agreed in 2024/25	Number of compulsory redundancies Accounts 31 Mar 2025 2024/25 No.	Cost of compulsory redundancies Accounts 31 Mar 2025 2024/25 £000	Number of other departures agreed Accounts 31 Mar 2025 2024/25 No.	Cost of other departures agreed Accounts 31 Mar 2025 2024/25 £000	Total number of exit packages Accounts 31 Mar 2025 2024/25 No.	Total cost of exit packages Accounts 31 Mar 2025 2024/25 £000	Number of departures where special payments have been made Accounts 31 Mar 2025 2024/25 No.	Cost of special payment element included in exit packages Accounts 31 Mar 2025 2024/25 £000
<£10,000			10	37	**10**	**37**		
£10,000 - £25,000			6	93	**6**	**93**	**1**	**11**
£25,001 - £50,000					**0**	**0**		
£50,001 - £100,000					**0**	**0**		
£100,001 - £150,000					**0**	**0**		
£150,001 - £200,000					0	0		
>£200,000					0	0		
Total	**0**	**0**	**16**	**130**	**16**	**130**	**1**	**11**

Gender pay gap

Information on the Trust's gender pay gap can be found on the Cabinet Office website at **www.gender-pay-gap.service.gov.uk**.

Hospital volunteer service

Volunteers from the local community give their time on a regular basis to make a real difference to patients, visitors, and staff at the Trust. More than 600 individuals between the ages of 16-83 have volunteered with us in 2024/25. Many of those leaving us have gone on to higher education or employment within the Trust.

We are currently recruiting individuals to support in the following areas:

- Nutrition & hydration
- Wayfinding and outpatients
- Chaplaincy
- Emergency department
- Patient experience
- Pharmacy
- Driving

We welcome individuals of all ages who can either offer a regular weekly shift at one of our sites or those who are willing to join our database to be called upon for ad hoc events. Throughout 2024/25, volunteers have been on hand to support with wayfinding in main reception and other key areas throughout Russells Hall Hospital, Guest Outpatient Centre and Corbett Outpatient Centre and have continued to make drinks and support our patients at mealtimes, providing a friendly chat which can make all the difference. Our chaplaincy volunteers have provided support to patients, visitors and staff from all walks of life. Volunteers have helped the pharmacy team, taking urgent medication to wards, as well as collecting prescriptions and paperwork from wards to free up clinical staff to carry on with their duties. Our patient experience volunteers have assisted with various surveys across the hospital and at our outpatient centres in order to gain feedback to improve the services that we provide.

The new Information Hub in the main reception of Russells Hall Hospital is being utilised effectively by various external organisations and departments in the Trust.

Our new Russells Hall Hospital Information Hub opened in 2024

Approximately 30 volunteers have expressed an interest to support a new research study being undertaken by the therapy department and the University of Southampton. The PIVOT Study – to promote increased physical activity in hospitalised older adults with trained volunteers.

The purpose of this study is to find out if the use of trained volunteers to help promote increased physical activity among older patients in hospital is possible and acceptable. Previous research has shown that physical activity levels of hospitalised older people is generally very low, and this can lead to many negative effects including worsening independence in activities of daily living and poorer health outcomes. A few studies have been carried out to encourage early mobility and improve physical activity levels of older people in hospital and have shown positive results in reducing length of hospital stay and improved physical function and reduced nursing home admissions.

In this study, volunteers will be trained by the therapy team to ensure that they are safe and well-equipped with the skills to promote increased physical activity. Patients who can walk on their own will be encouraged to walk with volunteers and patients who need extra help with walking will be encouraged to do bed or chair-based exercises. This study will be carried out in

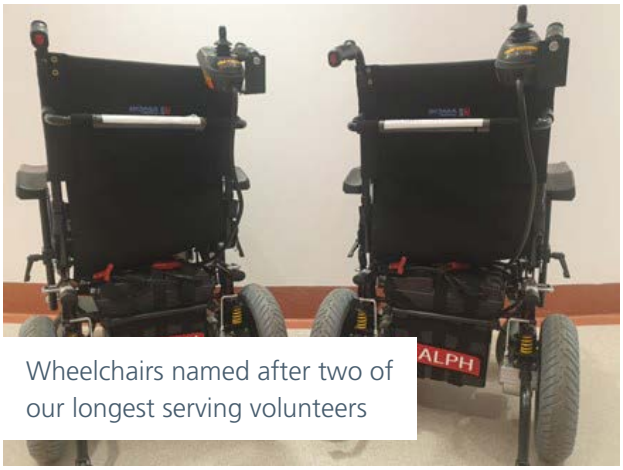
four hospitals on wards in the Medicine for Older People (MOP) department. One hospital will act as a control site where no additional support from volunteers will be provided.

Training has already commenced for this study and the programme is due to start in April 2025.

Two new electric wheelchairs have been purchased to assist volunteers in helping patients throughout the hospital. This purchase was made possible following donations from the families in memory of two wonderful, much missed, volunteers. Ralph Smith and Barry Pilkington. We have named the wheelchairs in their memory.

Our volunteer driver service has continued to help with deliveries of medication, delivery and collection of medical equipment and the return of lost property to its owner. A volunteer 4x4 driver service is also in place to support the Trust in the event of bad weather, bringing staff into work as well as any other reasonable requests. Fortunately, this year we haven't had to use this service but it's better to be prepared!

We continue to support young volunteers wishing to pursue a career in healthcare and are pleased when they rejoin us as staff following their higher education studies. Anyone interested in any of our opportunities should contact the volunteer services team on 01384 456111 ext. 1887. Further information can be found on our webpage on **www.dgft.nhs.uk** or via email: **dgft.volunteering@nhs.net**.



Wheelchairs named after two of our longest serving volunteers

Our volunteers provide essential services to patients in the community

Our volunteers receive recognition through our Healthcare Heroes awards

Volunteers are essential to clinical teams right across the Trust

Volunteers are vital in transporting medical documents between departments

Our Ophthalmology team provide an invaluable service to patients in the community at the Corbett Outpatient Centre

Sustainability and the environment

Momentum has really grown over the years with the Trust's Green Plan with more staff becoming engaged and joining the Green Team to develop their own sustainable projects. We've had some great examples such as Greener Pharmacy, who won a Committed to Excellence Award in 2024 for their medicine return project.

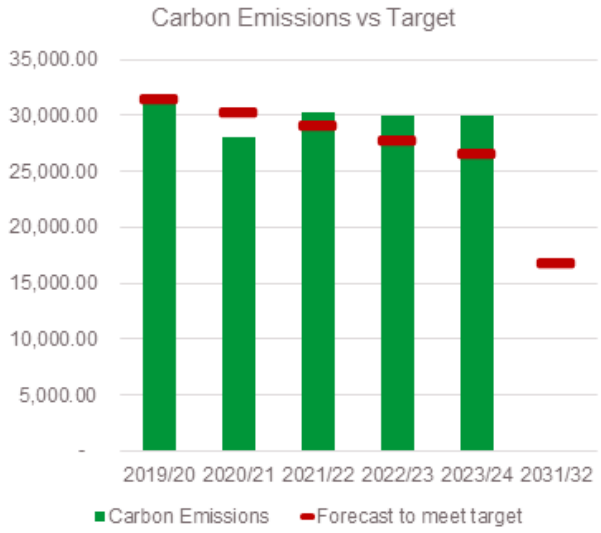
The 2023/24 carbon report showed that our emissions have reduced by 7% since the baseline year (2019/20). For us to meet the net zero target we need to reduce emissions by a further 5.4% each year, or 2,148 tCO2e. We're working with the PFI partners within the Energy and Estates Sub-Group to progress action and meet net-zero. LED lighting and ventilation setbacks are just some of the projects that are building momentum as we head into 2025/26.

The Green Plan Working Group have delivered many Green Week campaigns, engaging with hundreds of staff, organised feedback sessions and toured the hospital to raise awareness and gathered feedback from those on the shopfloor for their sustainable improvement ideas.

The Trust has partnered with travel providers to deliver travel offers for staff and patients, resulting in a modal shift and reducing the cost of travel.

Carbon Report 23/24 Overview

- The 2023/24 carbon report showed Trust emissions have reduced by 7% since the baseline year. For us to meet the net zero target we need to reduce emissions by a further 5.4% each year, or 2,148 tCO2e
- While the overall carbon trajectory needs to improve, the Trust has made notable reductions in:
  - **Patient travel** (-15%, saving 2,467.9 tCO2e)
  - **Medical gases** (-15%, saving 213 tCO2e)
  - **Waste** (-55%, saving 293.2 tCO2e)
  - **Water usage** (-64%, saving 115.8 tCO2e)



- Since the last year's carbon report, emissions have increased by 1.5% or 600tCO2e. The average annual change in emissions is -0.3% or -710tCO2e, totalling a reduction of 7% and 2,836tCO2e from the baseline year. For the Trust to meet the Net Zero target set by NHSE and embedded within the legislation, we need to bring emissions down to 22,553 tCO2e, requiring the removal of 17,183 tCO2e from this year's carbon footprint. This equates to an annual reduction of 2,148 tCO2e or -5.4% over the next eight years.

Green Plan Working Group:

The Green Plan Working Group meet and reports to Finance and Productivity Committee every quarter.

Here are some of the highlights from 2023/24:

- Green Weeks
  - There were a number of Green Weeks for staff groups such as AHP, Nurses and Midwives. To raise awareness we organised competitions for green ideas and completed the online training. We received a number of donations for the prizes including a Ninja Air Fryer and EcoEgg Laundry Eggs.
- The Make it Happen Tour was focused on the Green Plan in July, the GPWG and Governors

and other staff members went on a ward walk arounds to ask staff for feedback and ideas for our green plan.

- Our annual staff awards "Committed to Excellence" had its first Sustainability Award the winning nomination was Medicine Return to Pharmacy Project, which has so far saved £63,308 and reduced pharmaceutical waste by 3.8 tonnes, with an estimated 8.1 tCO2e emissions avoided. Other nominees included staff travel group and the sustainable theatres group.
- In July we sent out our annual staff travel survey;
  - Staff provided feedback on Park and Ride
  - Travel Survey had a 12%, an increase of 4.8% from last year
  - Free bus travel offers – 2% increase in bus users
  - Launch a new cycle-to-work scheme in January 2025
- **We're working with Transport for West Midlands (TFWM) to offer staff free bus travel:**
  - Total Staff using codes - **298**
  - New Starters – **149 (Journeys -6,250)**
  - Existing staff – **149 (Journeys -3,409)**
  - Total Journey Count – **9,659**, saving an estimated 3.8 tCO2e from switching the car to the bus.

Green Team Projects

We have over 100 Green Team members who help us embed sustainable changes in their areas, here are some examples of their work.

Spring Bulb planting took place in early January after receiving a donation from Farmer Gracy. Members of the Green Team planted the raised beds at the South Block entrance and the beds near the maternity entrance.

Staff member Heather Jones from our intensive care unit (ICU) has been embedding sustainability throughout the department, projects include reducing blood tests and increasing recycling.

- Recycling of feed bottles
- Recycling the IV Fluid bags
- Reducing medicine wastage
- Reducing Blood testing and blood gas sampling
- Tackling glove use and improving hand hygiene
- Teaching staff about recycling and correct waste segregation
- Quarterly newsletter featuring sustainability

To reduce wastage, Heather transitioned ICU from 50ml syringes to 100ml bottles of propofol. The result of this work has led to a reduction in syringe use as well as saving staff time:

- 125 hours – one month nurse time
- 10,950 needles and syringes
- £3,858 saved!

Heather initiated a project to reduce the daily testing of blood glucose. Between May 2023 to June 2024, ITU sent 8,000 blood samples for glucose testing. This equates to, 56 pints of blood, six peoples circulating volume, is more blood than any person can donate in a lifetime! This project has saved staff time and plastic waste! Savings:

- £560 on glucose bottles costs
- £240 on lab processing
- Saved **8,000 plastic bottles**, £800 and 1.1tCO2e from the plastic alone
- Totalling £1,600 savings

The medicine returns project is a major win—saving £63,308 and reducing pharmaceutical waste by 3.8 tonnes, with an estimated 8.1 tCO2e emissions avoided.

Review of DRAS Inhaler reuse:

	Total	Cost	Average monthly per-order	Carbon tCO2e
Post project	233	£640.75	13	0.87
Pre project	514	£1,413.50	43	1.93
Saved	**281**	**£772.75**		**1.05**

Review of Medicine Returns:

	Cost saving	No of Drugs returned	Carbon saved tCO2e
Jan 2023 to Oct 2024	£63,308.79	2,300	8.10
April 2023 to Oct 2024	£57,035.54	2,130	7.30

Comparing wastage weights from medicines for pre-returns and the duration of the return project, the overall pharmaceutical waste has been reduced by 3.8 tonnes, reducing waste costs by £3,725.

Green Plan

The Green Plan is currently under review, and we hope to launch the new plan in early 25/26.

Food waste recycling was introduced, which reduces carbon emissions by recycling the methane from decomposing food waste.

Plans for next year:

- Launch the refreshed green plan
- Mitie to establish feasibility for boiler replacement and to transition to low-temperature heat generation
- Heat decarbonisation plan to be developed with the Midlands Net-Zero Hub
- Install Solar Panels on North Block at Russells Hall Hospital
  - 500 panels
  - Complete by April 2026
  - Annual saving £34,705
  - Annual carbon saved 38 tCO2e
  - Pay back within 6.5 years

Code of governance

Foundation Trust Membership

The membership of the Trust comprises local people and staff who are directly employed by us or our partner organisations. Our minimum age for membership is 14 years; there is no upper age limit. Full details of who is eligible to register as a member of the Trust can be found in the Trust Constitution, which is available on our website **https://www.dgft.nhs.uk/wp-content/uploads/2025/03/Trust-Constitution-2024-25_V1.0.pdf**. Any public members wishing to come forward as a governor when vacancies arise or to vote in governor elections must reside in one of the Trust's constituencies. Staff are automatically included as members within staff group constituencies unless they choose to opt out.

During 2024/25, we continued to maintain a public membership of more than 13,000. As of 31st March 2025, the Trust had a total of 13,286 public members.

More information about the Trust and the latest news can be found on our website at **www.dgft.nhs.uk**. The members' area of the website also contains information about being a member and the contribution members make to the ongoing success of the organisation.

Members can:

- Be involved in shaping the future of healthcare in Dudley by sharing their views.
- Vote in governor elections.

- Stand for election to represent their constituency (candidates must be minimum of 16 years old).
- Attend behind the scenes tours and member events.
- Participate in public meetings, public and patient involvement panels and focus groups.
- Fundraise for The Dudley Group NHS Charity.

Public membership

31st March 2023	13,334
31st March 2024	13,275
31st March 2025	13,286

Membership constituency breakdown report as of 31st March 2025

Public Constituencies	Number of Members
Brierley Hill	1678
Central Dudley	2376
Halesowen	1068
North Dudley	1255
Rest of England	2249
Out of Trust area	77
South Staffordshire and Wyre Forest	1035
Stourbridge	1603
Tipton and Rowley Regis	1945

Public membership breakdown by age, gender and ethnicity		Number of Members
Age	0-16 years	21
	17-21 years	397
	22+ years	12248
	Not stated	620
Gender	Male	4136
	Female	8814
	Unspecified/not stated	336
Ethnicity	White	10209
	Mixed	383
	Asian or Asian British	1280
	Black or Black British	421
	Other	69
	Not stated	924

Staff constituencies

Staff Constituencies	Number of Members
Allied Health Professionals, Pharmacy and Healthcare Scientists	1198
Medical and Dental	789
Nursing and Midwifery	3254
Non-Clinical	1376
Partner Organisations	702

Council of Governors

The Council of Governors was formed on 1st October 2008 and is responsible for holding the non-executive directors to account for the performance of the Board of Directors. The majority of the Trust's governors are elected through the public membership to make up the Council of Governors which consists of 25 governors in total:

- Public elected: 13 governors.
- Staff elected: eight governors.
- Appointed from key stakeholders: four governors.

Tables summarising the Council of Governors and the constituencies they represent can be found on page 128.

The Board of Directors continues to work closely with the Council of Governors through regular attendance at both full Council of Governor meetings and the committees of the council. Both non-executive and executive directors are assigned as nominated attendees at the Council of Governors' sub-committees. This provides opportunities for detailed discussion and debate on strategy, performance, quality and patient experience and enables governors to see non-executive directors function. Governors regularly attend public Board of Directors' meetings and are invited to observe meetings of the committees of the board and encouraged to contribute by the respective chairs.

The Board of Directors is accountable to the Council of Governors, ensuring it meets its Terms of Authorisation. A Register of Interests confirming individual declarations for each governor is available on the Trust's website or is available on request by calling 01384 321124 or emailing **dgft.foundationmembers@nhs.net**.

All of the Trust's governors comply with the 'fit and proper' persons test as described in the Trust's provider licence. The conditions are incorporated into the Foundation Trust Constitution.

A process is available to apply should any governor or group of governors behave or acts in a way that may be incompatible with the values and behaviours of the NHS foundation trust.

The Council of Governors has the following key responsibilities:

- Appointing and/or removing the chair, including appraisal and performance management.
- Appointing and/or removing the non-executive directors.
- Appointing the external auditors.
- Advising the Board of Directors on the views of members and the wider community.
- Ensuring the Board of Directors complies with its Terms of Authorisation and operates within that licence.
- Recruiting and engaging with members.
- Advising on strategic direction.
- Receiving the Annual Accounts, any report of the auditor on them, and the Annual Report at the Annual Members' Meeting.
- Approving significant transactions which exceed 25 percent by value of Trust assets, Trust income, or increase/reduction to capital value.
- Approving any structural change to the organisation worth more than 10 per cent of the organisation's assets, revenue, or capital by way of merger, acquisition, separation or dissolution.
- Deciding whether the level of private patient income would significantly interfere with the Trust's principal purpose of providing NHS services.
- Approving amendments to the Trust's Constitution.

Where an item is reserved for both Council of Governors and Board of Directors approval, for example, a change to the Trust's Constitution, then this change would not be made if either party did not approve the recommendation put before them. In practice, a constructive and close working arrangement is maintained between the Council of Governors and the board through the chair and lead governor.

In the event of a dispute or disagreement between the Council of Governors and the Board of Directors, the chair would endeavour to resolve this in the first instance. Should a resolution not be reached, the chair may ask the board secretary, senior independent director and/or the deputy chair to review the matter further. In the event a resolution is not reached, the matter would be referred back to the chair for a final decision.

If a dispute arose which involved the chair, the dispute would be referred to the senior independent director, who would use all reasonable efforts to resolve the matter.

The Trust continues to work closely with the Council of Governors to further develop the governor role to reflect the requirements of the Health and Social Care Act and other best practice and guidance. This includes adopting and adapting to the changes set out in the Health and Social Care Act 2022 that has been reflected in the Addendum to Statutory Duties.

The Trust provides ongoing training and development, allowing experts from within and outside the Trust to work with the Council of Governors to identify key aspects of their role. This includes how they influence strategy within the Trust and how they will engage with members and the wider community so that their views and opinions can be heard.

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Council of Governors committees

The Council of Governors reviewed its committees and their terms of reference and operates the following:

- Remuneration and Appointments Committee (chair Sir David Nicholson)
- Experience and Engagement Committee (committee chair Mushtaq Hussain)

The Remuneration and Appointments Committee meets at least once a year and comprises a membership where the majority is made up of governor members. It is responsible for ensuring a formal, rigorous and transparent procedure for the appointment, appraisal, reappointment and removal of the chair, deputy chair and non-executive directors, reviewing their number, specific skill mix and remuneration as set out in the relevant aspects of the Code of Governance and in line with the Trust's Constitution.

The committee, chaired by the Trust's chair, oversees the recruitment process through the use of interview and stakeholder assessment panels. The Remuneration and Appointments Committee submits its recommendations for appointments, outcomes of appraisals, reappointments and removals to the full Council of Governors.

The table on page 42 provides a summary of the non-executive members' length of appointment.

Council of Governors membership and meeting 2024/25

Figures show the number of meetings attended that were held during the term of office.

Public Governors

Name	Constituency	
Julius Adams (Elected December 2024)	Halesowen	2/2
Emily Butler (Resigned December 2024)	Halesowen	1/3
Lewis Callary	Rest of England	4/4
Alex Giles (Re-elected December 2024)	Stourbridge	4/4
Sandra Harris	Central Dudley	3/4
Mike Heaton (Term ended December 2024)	Brierley Hill	0/3
Vicky Homer (Re-elected June 2024)	South Staffordshire and Wyre Forest	3/4
Mushtaq Hussain	Central Dudley	4/4
Maria Lodge-Smith	Stourbridge	1/4
Elizabeth Naylor (Re-elected June 2024)	North Dudley	0/4
Craig Nevin (Resigned March 2025)	Tipton & Rowley Regis	3/3
Angelika Pachowicz (Elected December 2024)	Brierley Hill	1/2
Yvonne Peers	North Dudley	3/4
Phil Tonks (Elected December 2024)	Brierley Hill	2/2
Joanne Williams	Halesowen	2/4
Barrie Wright (Resigned December 2024)	Brierley Hill	0/3

Staff Governors

Name	Constituency	
Kerry Cope (Term ended December 2024)	Nursing & Midwifery	1/3
Jill Faulkner	Non-clinical	1/4
Syed Gilani (Term ended June 2024)	AHP, Pharmacy &HCS	1/1
Clare Inglis	AHP, Pharmacy &HCS	4/4
Yunzheng Jiao (Elected June 2024)	AHP, Pharmacy & HCS	4/4
Catherine Lane (Resigned December 2024)	Nursing & Midwifery	0/3
Anand Letha (Elected December 2024)	Nursing & Midwifery	1/2
Atef Michael	Medical and Dental	0/4
Lyndsay Millington (Elected December 2024)	Nursing & Midwifery	2/2
Khadeejat Ogunwolu	Nursing & Midwifery	2/4
Jonathan Woolley	Partner Organisations	1/4
Angelika Pachowicz (Elected December 2024)	Brierley Hill	1/2
Yvonne Peers	North Dudley	3/4
Phil Tonks (Elected December 2024)	Brierley Hill	2/2
Joanne Williams	Halesowen	2/4
Barrie Wright (Resigned December 2024)	Brierley Hill	0/3

Appointed Governors

Name	Constituency	
Natalia Hill	Institute of Health – University of Wolverhampton	4/4
Mohit Mandiratta (Resigned June 2024)	Primary Care Representative	0/1
Alan Taylor	Dudley Metropolitan Borough Council	3/4
Mary Turner	Dudley CVS & Trust volunteers	3/4

The Council of Governors maintains an attendance policy and monitors attendance at full council meetings and committee meetings as agreed under the governors' Code of Conduct. In all instances above where governors have maintained less than the required attendance, the Council of Governors is satisfied that there was reasonable cause for non-attendance.

Full Council of Governors meetings are regularly attended by key clinicians and senior staff from across the Trust, providing presentations and question and answer sessions to help governors understand how the organisation works.

Governor elections and reappointments

During 2024/25, elections were held for vacancies in the following constituencies:

- Public:
  - Halesowen, North Dudley, South Staffordshire and Wyre Forest and Stourbridge – one vacancy in each.
  - Brierley Hill – two vacancies.
- Staff:
  - Allied Health Professionals, Pharmacy and Health Care Scientists – one vacancy.
  - Nursing & Midwifery – two vacancies.

In accordance with the Trust's Constitution, we use the method of single transferable voting for all elections. This system allows voters to rank candidates in order of preference and, after candidates have either been elected or eliminated, unused votes are transferred according to the voter's next stated preference.

During the year, a total of 19 members put themselves forward as nominees for the vacancies arising with percentage of returning votes in contested elections: Allied Health Professionals, Pharmacy and Health Care Scientists – 15.4%, Brierley Hill – 10.6%, Stourbridge – 9.8% and Halesowen – 7.7%. Civica Election Services was appointed to oversee the election process, returning the following governors for a three-year term:

- **Public:** Brierley Hill, Angelika Pachowicz and Phil Tonks
- **Public:** North Dudley, Elizabeth Naylor
- **Public:** South Staffordshire and Wyre Forest, Vicky Homer
- **Public:** Stourbridge, Alex Giles
- **Staff:** Allied Health Professionals, Pharmacy and Health Care Scientists, Yunzheng Jiao
- **Staff:** Nursing & Midwifery, Anand Letha and Lyndsay Millington

The appointed governor position for Primary Care Representative is currently vacant.

Governors reaching end of term of office or resigning during 2024/25

June 2024

Vicky Homer, Public elected: Staffordshire and Wyre Forest (end of term of office)

Elizabeth Naylor, Public elected: North Dudley (end of term of office)

Syed Gilani, Staff elected: Allied Health Professionals, Pharmacy and Health Care Scientists (end of term of office)

December 2024

Emily Butler, Public elected: Halesowen (resigned)

Kerry Cope, Staff: Nursing & Midwifery (end of term of office)

Alex Giles, Public elected: Stourbridge (end of term of office)

Mike Heaton, Public elected: Brierley Hill (end of term of office)

Catherine Lane, Staff: Nursing & Midwifery (resigned)

Barrie Wright, Public elected: Brierley Hill (resigned)

Council of Governors review 2024/25

The Council of Governors remains committed to fulfilling its statutory duties effectively and continues to undertake regular reviews to assess its performance. The next formal review of the Council's effectiveness is scheduled for summer 2025, and the outcomes will be reported at the following full Council of Governors meeting.

The Council of Governors meetings and training events for the coming year will continue to be a mix of face-to-face and hybrid meetings. This will help the Trust ensure good governor participation at meetings throughout the year.

Governor development remains a key priority. The governor training programme follows a modular structure and is delivered across a minimum of six sessions in a year. These modules are specifically designed to support newly appointed and elected governors while also serving as a refresher for existing council members.

These modules were delivered for the newly elected governors from the elections in quarters one and three, and as refreshers for those returned for a further term of office and new governors. One-to-one support is offered to all new governors, and a buddying system is encouraged, enabling experienced governors to share knowledge and support new council members in their roles.

To strengthen collaboration across the region, the Trust continues to work in partnership with Black Country Healthcare NHS Foundation Trust by delivering two joint governor training sessions each year. These sessions provide an opportunity for governors from both trusts to meet, share experiences and explore areas of joint working. At the most recent session, held in January 2025, governors from both trusts led a session on membership engagement. The focus was on sharing best practices and methods for community engagement. The session was positively received. The Trust plans to develop further workshop-based training sessions, building on this success.

Governors have actively participated in a range of trust and governor-led activities throughout the year. These included attendance at patient participation panels and community engagement events, such as the Freshers Fayre at Dudley College. This event was particularly successful in engaging with younger people and encouraging membership sign-ups. Feedback from these activities has been shared through the Council of Governors, its sub-committees and the Board of Directors, helping to shape ongoing engagement efforts.

The Council of Governors has continued to maintain good attendance at the Annual Members Meeting, quarterly council meetings and at a series of development events to supplement their training.

Council members have also maintained attendance at Board of Directors meetings, board committees and working groups.

The Annual Members Meeting was held in person for the first time since the COVID-19 pandemic. The event featured presentations from staff on the Trust's virtual wards initiative, as well as a review of the 2023/24 year from the executive team, external auditors, and the lead governor. The meeting was well attended by local stakeholders, Trust members, and members of the public, who were invited to submit questions relating to the Annual Report and Accounts.

Governor engagement

The Trust remains committed to supporting governors in their roles as representatives of their constituencies and in promoting awareness of the Trust's work among both the public and staff. The 'Out There' initiative continues to support governors to undertake their role in finding out what people think about the Trust and feedback their views to the Board of Directors.

We circulate regular update emails to our foundation trust members and a Trust Newsletter that contains an invitation to attend the Council of Governors and Board of Directors meetings. Members are also encouraged to submit questions in advance, supporting transparent and inclusive engagement.

Throughout the year, governors have continued to participate in a variety of Trust activities that seek to assure and improve standards of quality and patient experience and have joined various sessions hosted by the Trust and other health economy stakeholders, including the People's Network, Healthier Futures and Healthwatch. The Board of Directors have provided opportunities for governors to share their views in the development of the Annual Plan and the proposals to refresh Trust Strategy for 2025-28.

Lead governor

The lead governor role is designed to assist the Council of Governors where it may be considered inappropriate for the chair, or deputy chair, to deal with a particular matter. The lead governor will also provide an independent link between the Council of Governors and the Board of Directors.

Alex Giles, public elected governor for Stourbridge, has been re-elected as lead governor at the last full Council of Governor's meeting held in March 2025.

How to contact a governor or director

There are several ways Trust members or members of the public can contact either their governor or a member of the Board of Directors:

- at Council of Governors meetings (public session).
- at Board of Directors meetings (public session).
- at the Annual Members' Meeting.
- at members events; and
- via the Foundation Trust office on email, freepost, or by phone.

For dates and times of these meetings and other members' events, please visit the members section on the Trust website at **www.dgft.nhs.uk** or contact the Foundation Trust office:

Email **dgft.foundationmembers@nhs.net**

Telephone (01384) 321124

Write Freepost RSEH-CUZB-SJEG, 2nd Floor, South Block, Russells Hall Hospital, Pensnett Road, Dudley, DY1 2HQ

NHS Foundation Trust Code of Governance Disclosures

- The Trust's Council of Governors, see page 92.
- The Trust's Board of Directors, see page 33.
- Nominations and Remuneration Committee, see page 56.
- Audit Committee, see page 53.
- The Foundation Trust's Membership, see page 90.

NHS Oversight Framework

NHS England's NHS Oversight Framework (NoF) provides the framework for overseeing systems including providers and identifying potential support needs.

NHS organisations are allocated to one of four 'segments'.

A segmentation decision indicates the scale and general nature of support needs, from no specific support needs (segment 1) to a requirement for mandated intensive support (segment 4). A segment does not determine specific support requirements. By default, all NHS organisations are allocated to segment 2 unless the criteria for moving into another segment are met. These criteria have two components:

a. objective and measurable eligibility criteria based on performance against the six oversight themes using the relevant oversight metrics (the themes are: quality of care, access and outcomes; people; preventing ill-health and reducing inequalities; leadership and capability; finance and use of resources; local strategic priorities)

b. additional considerations focused on the assessment of system leadership and behaviours, and improvement capability and capacity. An NHS foundation trust will be in segment 3 or 4 only where it has been found to be in breach or suspected breach of its licence conditions.

Segmentation

The Trust has been assigned a segmentation rating of 3 as of 31st March 2025. Segmentation of 3 or 4 would indicate a trust is, or is likely to be, in breach of its licence. For more information on how the Trust reviews its governance, risk management and systems of internal control see the Annual Governance Statement at pages 100 to 111.

This segmentation information is the Trust's position as at 31st March 2025. Current segmentation information for NHS trusts and foundation trusts is published on the

NHS England website: **NHS England » NHS oversight framework segmentation**

Statement of the chief executive's responsibilities as the accounting officer of The Dudley Group NHS Foundation Trust

The NHS Act 2006 states that the chief executive is the accounting officer of the NHS foundation trust. The relevant responsibilities of the accounting officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the NHS Foundation Trust Accounting Officer Memorandum issued by NHS England.

NHS England has given Accounts Directions which require The Dudley Group NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of

The Dudley Group NHS Foundation Trust and of its income and expenditure, other items of comprehensive income and cash flows for the financial year.

In preparing the accounts and overseeing the use of public funds, the Accounting

Officer is required to comply with the requirements of the Department of Health and Social Care Group Accounting Manual and in particular to:

- observe the Accounts Direction issued by NHS England, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the NHS

Foundation Trust Annual Reporting Manual (and the Department of Health and Social Care Group Accounting Manual) have been followed, and disclose and explain any material departures in the financial statements

- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance
- confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS foundation trust's performance, business model and strategy and
- prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern.

The accounting officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the The Dudley Group NHS Foundation Trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned Act. The Accounting Officer is also responsible for safeguarding the assets of the NHS foundation trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As far as I am aware, there is no relevant audit information of which the foundation trust's auditors are unaware, and I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in the NHS Foundation Trust Accounting Officer Memorandum.

Diane Wake

Chief Executive Officer

19th June 2025

Our Long Service Awards celebrate colleagues who have served 10, 25, 30, 40 and 50 years in the NHS with families coming together to celebrate their achievements

Annual Governance Statement

Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS foundation trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the NHS foundation trust is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the *NHS Foundation Trust Accounting Officer Memorandum*.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of The Dudley Group NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Dudley Group NHS Foundation Trust for the year ended 31 March 2025 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Board of Directors has established committees of the board that oversee the corporate level risks to gain assurance of their effective management and mitigations.

The Risk and Assurance Group is a critical oversight forum for risk management providing a platform for supportive challenge on risk mitigation plans whilst ensuring the effective operation of Trust Risk Registers. The group meets monthly and reports to the Quality Committee. Each division of the Trust, through their divisional governance framework, reports to the Risk and Assurance Group on the management of significant Divisional level risks. The group also reviews corporate level risk registers to ensure operational and corporate level leads can share risk information, ensuring corporate risks are fully informed on the scope of operational risks.

The Trust has a comprehensive induction and training programme, supplemented by electronic training packages and additional learning opportunities for staff. Collectively, these cover a wide range of governance and risk management topics for both clinical and non-clinical staff in all disciplines and at all levels in the organisation.

Enhanced or additional training is available from the governance team on aspects of the wider risk management and governance agenda.

The risk and control framework

The Foundation Trust is fully compliant with the registration requirements of the CQC.

The Board of Directors provides leadership on the management of risks, determining the risk appetite for the organisation and ensuring that the approach to risk management is applied consistently. On an annual basis, the board determines the risk appetite the Trust is prepared to accept in the delivery of its strategic objectives.

The Board Assurance Framework (BAF) provides the platform for defining the key risks aligned to each Strategic Objective. The board takes its assurance from its committees in the management of these risks. The BAF incorporates the controls in place to manage the identified risks to their determined target score and the monitoring of any required actions where the risk exceeds the board's appetite for risk in that area. Regular scheduled reports are received at the Board of Directors meetings detailing the risks to the achievement of Trust objectives and their link to the aligned Corporate Risk Register.

To ensure a consistent approach, the Trust's Risk Management Framework was refreshed during the year and provides guidance on the process of risk management inclusive of risk identification, evaluated, transfer, escalation and gaining assurance on control measures in place.

Risk registers provide a tool for risk owners to document and monitor individual risks but also facilitate the collation and review of risks impacting at different levels of the organisation. At each level of management, including

board, reviews are undertaken of the risks for which it is responsible and importantly assurance level is ascertained on the strength of controls in place.

Risk identification is, in the main, operationally and clinically driven with divisions undertaking continuous risk reviews to maintain their risk registers and to implement mitigation plans. Risks are assessed by using a 5x5 scoring risk matrix where the score is an indicator to likelihood of risk materialising and the severity of the impact.

The Trust uses a dedicated electronic Risk Management system. The system provides a platform for the documentation and monitoring for all risks across the organisation. The system also incorporates an archive of risks that have been closed when fully mitigated. The system is accessible to risk owners and facilitates access of key information for reporting risk registers to the various governance forums where risk is a standing agenda item.

The Trust faced the following major risks during the course of the year:

- Delays in patient discharges coupled with increased demand for emergency department services and inpatient admissions may result in patients not accessing appropriate and timely interventions impacting on patient outcomes and experience and breaches in national key performance metrics.
- Failure to creating a culture and environment where staff feel safe to speak up on sexual safety. Limited education, support, training leading to staff not being appropriately supported, cases of sexual safety being under reported and inability to provide psychological safety and safe working environments.
- As detaining Authority, the Trust had no agreement in place to provide Responsible Clinician (consultant psychiatrist) and Mental Health Act Administrator responsibilities to patients who were detained under the Mental Health Act, leading to the possibility of unlawful detention of patients under the Mental Health Act, and potential litigation and reputational damage.
- Financial performance risks.
- Failure of the IT infrastructure/cyber incident causing widespread operational capability issues.

The reporting framework requires risks to be identified, on both board and committee front summary sheets that accompany all reports submitted, providing an ongoing record of emerging issues which allow the link back to the Board Assurance Framework and the Corporate Risk Register.

The foundation trust has published on its website regular updates of the register of interests, including gifts and hospitality, for decision-making staff (as defined by the trust with reference to the guidance) within the past twelve months, as required by the 'Managing Conflicts of Interest in the NHS' guidance.

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments into the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with.

The Trust has undertaken risk assessments on the effects of climate change and severe weather and has developed a Green Plan following the guidance of the Greener NHS programme. The Trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

The Trust adopts a robust approach to data quality and governance with more information available on page 108.

All organisations that have access to NHS patient information must provide assurances to NHS England that they have the appropriate measures in place to ensure that information is kept safe and secure. To do this, they must complete the NHS England's Data Security & Protection Toolkit (DSPT). The Trust is practising good data security by currently reviewing and providing evidence for its return on the DSPT which has now been changed to adopt the National Cyber Security Centre's Assessment Framework (CAF) as its basis for cyber security and information governance assurance. The toolkit is measured against five objectives with an overall 47 outcomes for the organisation to measure against. Evidence items vary from policies and procedures to examples of good practice and technical security controls which are in place.

Board assurance is provided by the Caldicott and Information Governance Group (CIGG); with the Data Protection Officer (DPO), Senior Information Risk Owner (SIRO), Chief Information Officer (CIO) and the Caldicott Guardian being core members of this group.

The Trust also has well established arrangements to monitor the quality of services delivered and the associated governance arrangements. An integral part of this is a programme of internal supportive Core Services Reviews (formerly Quality and Safety reviews) led by the Compliance Team. The team utilise the CQC key lines of enquiry and more recently quality statements to gain assurance around the quality of service delivery, incorporating a focus on staff wellbeing and workforce culture. The compliance team work collaboratively with the service under review and wider divisional leads to formulate improvement plans. The review findings and subsequent improvement monitoring is overseen by the Quality and Safety Group which reports to Quality Committee.

Review and monitoring of Nursing Care Indicators and the robust monitoring against local and national targets for quality measures including healthcare associated infections (HCAI), pressure ulcers and falls are also undertaken. The outcomes are reported to the Quality Committee.

The Trust has strengthened its integrated performance reporting and uses Statistical Process Control (SPC) reporting which informs the effectiveness of our business improvement processes. A consistent base set of data is used to report to each of the relevant board committees – people, finance and productivity, and quality committee, as well as operationally to the divisions and the executive. Quality dashboards are also provided for each ward giving visual feedback on quality metric delivery for staff and patients.

Regular reports on the progress against key quality priorities provide assurance that these are actively managed and progressed at an operational level. Internal audit involves external stakeholder partners and provides an independent opinion on the adequacy of the arrangements for ensuring compliance with the Care Quality Commission Regulatory Standards.

The Trust is registered with the Information Commissioner's Office registration number Z8909702. During the year, integration with the Dudley Integrated Health and Care NHS Trust included the operation of Chapel Street Surgery registration number Z2401384.

Non-executive directors chair all committees of the board. The board has established committees each with clear terms of reference which are reviewed annually to ensure they remain appropriate and effective to support the board.

Committee effectiveness reviews were undertaken by each committee during quarter four 2024/2025 and amendments to workplans and terms of reference were made as a result. There are no outstanding actions arising from these reviews.

Each committee chair provides a formal summary of key issues arising from the committee to the Board of Directors meeting. This summary report provides information on the assurance received at the committee which supports the Trust's assurance framework and performance reporting ultimately received by the board.

The Trust informs and engages with its key stakeholders in relation to risk through a number of forums. This includes regular review meetings with the Trust's regulators and commissioners and the sharing of performance reports with the Trust's Council of Governors. Key stakeholders include local and national politicians, Integrated Care Board, our PFI partner Summit Healthcare (Dudley) Ltd, the Council of Governors, the Foundation Trust (FT) members, patient groups, patients, the local community and the Dudley Health and Wellbeing Board on Health and Adult Social Care.

The Trust has also adopted additional forms of assurance outside of its formal decision-making structures. For example, there are regular meetings of non-executive directors and the chief executive, which are minuted and ensure that key operational matters are given additional scrutiny.

Non-executive directors are assigned additional roles and also engage in a variety of programmed activities to allow them to triangulate information received though formal meetings. This includes participating in Trust-wide Team Briefs, joining divisional team meetings, shadowing and volunteering sessions and contributing to a number of improvement forums. The Trust assigns champion roles to its non-executive directors in line with the NHS England Review of Enhancing Board Oversight – a new approach to non-executive director champion roles.

All directors have completed in-year appraisals that have continued to feed into a structured Board Development Programme. This will provide an additional evidence base for the board to identify and focus on the key challenges over the next 12 months.

During 2024/25, the work of the internal auditors and the board review of the Board Assurance Framework and supporting governance processes had identified some recommendations. Other reviews undertaken within the internal audit plan, identified some gaps in control which resulted in specific action plans being drawn up with their progress reported to, and any follow up audit work monitored by, the Audit Committee.

The head of internal audit opinion includes an assessment of the Trust's Risk Management processes and control framework.

The Audit Committee

Greater detail on the role of the Audit Committee is set out elsewhere in the Annual Report, however the Audit Committee, comprised of non-executive directors, is established to provide assurance to the board that there is an effective system of integrated governance, risk management and internal control across the whole of the Trust's activities (both clinical and non-clinical), that supports the achievement of the Trust's objectives and that this system is established and maintained.

After each of its meetings during the year, the Audit Committee provides a written report to the Trust Board that details the matters discussed, key issues identified and any items requiring referral to Trust board.

Further, as part of discharging its main functions, the Audit Committee prepares an annual report for the Trust board and the chief executive as accounting officer of the Trust and expresses its considered opinion on key aspects of governance based upon the evidence and assurances it has received.

Workforce safeguards

The Trust regularly reviews progress and delivery against its People Plan (Dudley People Plan) which is aligned to the NHS People Plan 2020/2021 and the Trust's strategic objective for the Trust to be 'a brilliant place to work and thrive', including key workforce development, transformation and wellbeing initiatives. The board approved the revised Dudley People Plan 2023-2026 which is an overarching framework to enable us to deliver the Trust's Shaping #OurFuture strategy. The plan outlines our overall direction for our services which support our people and our ambition for Dudley to be a brilliant place to work and thrive.

The Dudley People Plan 2023-2026 sets the overall direction for our people agenda by creating understanding of the context we work within, including national, regional, and local drivers. Ensuring we have an understanding of our Trust, including its demographics, its culture, and the community it serves by providing us with clear objectives to achieve and identifying how we will measure our progress and demonstrate our success.

The Dudley People Plan is underpinned by the development of five journeys as key people priorities:

- Recruitment and retention
- Organisational development
- Health and wellbeing
- Equality, diversity, and inclusion
- Continuous Improvement

The main areas of workforce performance including absence rates, vacancy rates, staff turnover, agency spend, appraisal and mandatory training compliance are reported within the specific Workforce Key Performance Indicator (KPI) Report, which is also reported to the Board of Directors.

The implementation of the plan is overseen by the People Committee, supported by an Equality, Diversity and Inclusion Steering Group and also a Health and Wellbeing Steering Group which is chaired by the Trust's Wellbeing Guardian who is a non-executive director of the Trust.

The Trust collates and reviews data every month for a range of workforce metrics, quality and outcomes indicators and productivity measures. This enables the Trust to undertake safe workforce planning and delivery against its ambitious People Plan priorities, including improvements in staff satisfaction and inclusivity.

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments into the scheme are in accordance with the scheme rules, and that member pension scheme records are accurately updated in accordance with the timescales detailed in the regulations.

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with.

Further information on staff matters is available in the staff section of the Annual Report.

Failure to remain financially sustainable in 2024/25 and beyond

For 2024/25 the main source of income for the Trust was contracts with commissioners for health care services. Funding envelopes were set at an Integrated Care System (ICS) level. Most of the Trust's income is earned from NHS commissioners in the form of fixed payments to fund an agreed level of activity. In 2024/25 contracts contained both a fixed and variable element. The variable element related to elective recovery funding providing additional funding to Integrated Care Boards to fund the commissioning of elective services within their systems.

Additional resources have been channelled through the Black Country Integrated Care System (ICS) and all constituent organisations have agreed a formal risk share arrangement to manage any additional pressures arising in individual organisations. A combination of non-recurrent measures and a share of non-recurrent income has enabled the Trust to achieve its financial plan after technical adjustments.

The Black Country ICS has received its funding allocation for 2025/26 and significant work has been done to agree allocations to constituent organisations. The Trust has planned to receive non-recurrent funding again in 2025/26 through System allocations and along with a challenging cost improvement programme has approved a breakeven plan. Work continues to refine plans at a System and Trust level to reduce the underling deficit as much as possible. The Trust's sustainability going forward is heavily reliant on two main factors; the ability to reduce costs and equally improve efficiency and the Systems approach to designing a sustainable clinical model.

Work continues with the Black Country ICS and NHS England to ensure all resource issues are addressed. The Trust continues to support medium term planning objectives to secure a recurrently financial balanced position. Oversight continues to be provided by the board and the Finance and Productivity Committee. While a break-even plan has been approved in 2025/26 all efforts need to be put into making the Trust sustainable over the next five years without the need for non-recurrent funding.

Never Events

There were no Never Events reported during 2024/25; this represents a reduction in reporting compared to the previous period (one reported). The Trust continues to work to the Patient Safety Incident Response Framework (PSIRF) in which Never Events are a national priority for investigation response. All incidents where there is significant harm indicated or there is an opportunity for substantial learning are reviewed at the Trust's Incident Decision and Learning Group (formerly the Weekly Meeting of Harm). This group, chaired by the Medical Director and Chief Nurse, deploys a collaborative approach to initial incident reviews where a multi-disciplinary forum determines the most appropriate response in line with our PSIRF. Importantly our response processes are centred on engagement and support for those impacted by incidents, patients, families and staff. All investigation response reports are reviewed at the Risk and Assurance Group for wider consideration and to share learning.

Green Plan

The Trust's Green Plan was approved by the board in December 2020. Following the formal adoption of the strategic plan in September 2021, the director-level responsibility of this agenda sits with the director of finance. Aligned with NHS England, it ensures that its compliance with the Climate Change Act and the Adaptation Reporting requirements are complied with. To view the full Green Plan or for further information visit **www.dgft.nhs.uk/about-us/environmental-sustainability/**

The Green Plan is under review and will be published in 2025. Additionally, we have established a Climate Change Adaptation Plan and Travel Plan for Russells Hall Hospital.

Delivery of the Green Plan is overseen by the Green Plan Working Group reporting quarterly to the Finance and Productivity Committee. Other groups include the Waste Review Group and the Estates and Energy Sub-Group. Waste pre-acceptance audits take place annually by an external auditor, actions are coordinated by the Waste Preview Group to ensure compliance with waste legislation and regulations.

The Green Plan not only relates to the Climate Change Act 2008 and the Environment Act 2021 but also the Health and Care Act 2022, as the NHS became the first health system to embed net zero carbon targets into legislation.

Care Quality Commission (CQC)

The Trust's overall CQC rating has remained as Requires Improvement. There have been no new CQC inspections throughout the year and our current CQC ratings are found here: **The Dudley Group NHS Foundation Trust - Overview - Care Quality Commission**

In October 2024, the Trust's registration was updated to include the primary care services that transitioned to Trust from the former Dudley Integrated Health and Care NHS Trust. These services are yet to be inspected and rated by the CQC. Whilst not classed as an inspection, the Trust received a CQC monitoring visit in July 2024, focussing on Mental Health Act compliance. All recommendations from this visit have been taken forward and associated actions completed. During this period, the Trust has undertaken a comprehensive self-assessment of each core service based upon the CQC assessment framework. This has enabled the identification strengths, the sharing of best practice and strengthened our understanding of areas for improvement. This process in conjunction with our internal Core Service Reviews are integral to our assurance and improvement work overseen by the Quality Committee

Review of economy, efficiency and effectiveness of the use of resources

In 2024/25 the profile of the use of resources has been high during a financially challenging year. The Trust continues to benchmark its spend with available metrics including the Use of Resources framework and Model Hospital. Throughout 2024/25 the Trust has continued to review Patient Level Information and Costing System (PLICS) data locally to provide assurance that the costing data was robust and to identify specific clinical pathways where the Trust appeared to be an outlier. These were cross referenced to Getting It Right First-Time metrics where available and are being used to identify where resources can be used more effectively. This has been discussed at the Financial Improvement Group that has continued to meet monthly.

The Trust has worked with both the Black Country ICS and the Acute Collaboration to refine its long-term financial model. This has been updated with the 2025/26 income allocations and our cost improvement programme to address the current underlying deficit. Getting the Trust to a sustainable financial position in the medium, term is our high priority.

The form of the operational planning process continued as it was from the previous financial year with funding envelopes being set at an Integrated Care System (ICS) level with block allocations and a concentration on elective recovery. The Board of Directors, supported by the Finance and Productivity Committee, were kept informed of the changes in the planning and financial regime at the beginning of the year and the Committee reviewed the financial plan on several occasions before recommending it to the Trust Board for approval.

The in-year resource utilisation is monitored by the board and its committees via a series of detailed reports covering finance, activity, capacity, human resource management and risk. Clinical and quality risk assessments are conducted on individual savings proposals that may impact on the provision or delivery of clinical services. The 2025/26 financial framework and subsequent funding means the Trust has set a breakeven plan with non-recurrent funding however an underlying financial challenge remains. This is being addressed at a System level through the Acute Collaboration and at a Trust level through the Finance Improvement Group and enhanced 'Grip and Control' measures.

Performance review meetings assess each division's performance across a full range of financial and quality matrices which, in turn, form the basis of the monthly integrated performance report to the Finance and Productivity Committee. The Trust has been assigned a segmentation rating of 3 as of 31st March 2025 with regard to the NHS National Oversight Framework.

The key processes embedded within the Trust to ensure that resources are used economically, efficiently and effectively, centre around a robust budget setting and control system which includes activity related budgets and periodic reviews during the year which are considered by executive directors and the Board of Directors. The budgetary control system is complemented by Standing Financial Instructions, a Scheme of Delegation and

Financial Approval Limits. This process enables regular review of financial performance by highlighting areas of concern via variance analysis. The Finance and Productivity Committee also receives a monthly report showing the Trust's performance against the block contract and the elective recovery fund. The external auditors also give comment upon this aspect of the Trust business.

As Accounting Officer, I have overall accountability for delivery of the Annual Plan and I am supported by the executive directors with delegated accountability and responsibility for delivery of specific targets and performance objectives. These are formally reviewed and monitored monthly by the Board of Directors and its committees. Independent assurance on the use of resources is provided through the Trust's internal audit programme, Audit Committee and external agencies such as NHS England, External Audit and the CQC.

Information governance

The General Data Protection Regulation (GDPR), as implemented by the UK Data Protection Act 2018, came into UK law on 25th May 2018. It introduced a duty on all organisations to report certain types of personal data breach to the relevant supervisory authority. The Security of Network and Information Systems Directive ("NIS Directive") also requires reporting of relevant incidents to the Department of Health and Social Care (DHSC) as the competent authority from 10th May 2018.

An organisation must notify a qualifying breach of personal data within 72 hours. If the breach is likely to result in a high risk to the rights and freedoms of individuals, organisations must also inform those individuals without undue delay. Those breaches that also fulfil the criteria of a NIS notifiable incident will be forwarded to the DHSC where the Secretary of State is the competent authority for the implementation of the NIS directive in the health and social care sector. The Information Commissioner remains the national regulatory authority for the NIS directive.

The Trust has self-reported to the Information Commissioner on five occasions during 2024/25.

Governance and leadership

The executive and non-executive directors have a collective responsibility as a board to ensure that the governance arrangements supporting the Quality Accounts and Report provide adequate and appropriate information and assurances relating to the Trust's quality objectives. Board sponsors are nominated for all Quality Priorities providing visible board leadership of specific quality initiatives.

Whilst the chief executive has overall responsibility for the quality of care provided to patients, the implementation and co-ordination of the quality framework is delegated to both the chief nurse and medical director. They have joint responsibility for reporting to the Board of Directors on the development and progress of the quality and safety priorities and ensuring that the Quality and Safety Delivery Plan is implemented and evaluated effectively.

The Black Country acute providers (The Dudley Group NHS Foundation Trust, Sandwell and West Birmingham Hospitals NHS Trust, The Royal Wolverhampton NHS Trust, and Walsall Healthcare NHS Trust) have formed the Black Country Provider Collaborative (BCPC).

The collaborative works together in formal agreement for the benefit of all. The boards jointly agreed a shared workplan and priorities with the associated delegations within the scope of service improvement and transformation and some joint exercising of agreed Partner Trust responsibilities related to clinical transformation programme, financial recovery plan and supporting integrated system working. The governance and oversight remaining the direct responsibility of each board. The boards receive regular reports to ensure effective monitoring and accountability..

For more information on the Black Country Provider Collaborative please see page 50.

Policies

High quality organisational procedural documents are essential tools for effective governance which in turn supports the Trust to achieve its strategic objectives, operational requirements and bring consistency to daily practice. Trust procedural documents are developed using a common agreed format and all documents are subject to a robust review, consultation and ratification process, overseen by the corporate governance team. Trust process facilitate consistent and safe practice and

processes, reinforces corporate identity and helps to ensure that policies and procedures in use are up to date. All procedural documents are accessible to all staff supporting the delivery of safe and effective patient care.

Development and reporting of quality indicators and the Quality Account

The systems and processes which support the development of quality indicators and the Quality Account, include engagement activities with a variety of stakeholders and a triangulated review of quality, safety and wider indicators to determine our priorities.

During 2024/25, the Trust continued to progress and monitor the agreed quality priorities, which included management of diabetes across all services, improving outcomes for the patients admitted with a fractured neck of femur and cerebral vascular incident, improvement in patient survey results, focus on dementia and delirium and learning disabilities. There is an established governance process to report on progress against the quality priorities, which includes quarterly reporting to the Quality Committee and bi-annual reporting to the Board of Governors. Overall, good progress has been made against last year's priorities with more details enclosed within the Quality Account. This also outlines the quality priorities for 2025/26.

In terms of quality indicators, monitoring and reporting is ensured via the Integrated Performance Report, which is shared with the Quality Committee and Trust Board. During 2024/25, a Chief Nurse Quality dashboard has been developed to facilitate a triangulated review and oversight of quality pertaining to individual clinical areas.

Electronic Staff Record programme (ESR)

ISE 402 service auditor report covering the period of 1st April 2022 to 31st March 2023, which identified potential control deficiencies impacting (in the 3rd party national ESR solution). The Dudley Group NHS Foundation Trust is happy that mitigating controls are in place and that this does not present a risk to the Trust.

People and skills

In addition to the leadership provided by the Board of Directors, clinical divisional management teams (led by clinical directors and co-ordinated by general managers) are accountable for, and ensure that, a quality service is provided within their respective divisions and areas of authority. They are required to implement the Quality Improvement Strategy, providing safe, effective and personal care and ensure that patients have a positive experience and are treated with courtesy, respect and kindness.

Training opportunities are available for clinical and non-clinical staff and competency is monitored as part of the Trust's appraisal system. The Board of Directors ensures that quality improvement is central to all activities. This is achieved by routine monitoring, participation in national improvement campaigns, celebrating success with our staff awards and proactively seeking patient views on our services.

The Dudley People Plan sets out our approach to people and skills, it recognises the contribution made by every member of staff and the important role they play, each and every day, in delivering safe, effective, high quality patient care, whilst role modelling our values. Our plan recognises that our people are our most important asset, who through dedication and commitment, provide excellent care for our patients.

The Dudley People Plan should be read in conjunction with the organisational strategy Shaping #OurFuture and the five key people journeys as they reflect what matters to our people in its delivery. It is recognised that not all of our people provide direct patient care but that we all have a key role in the patient journey. All of our people should feel supported and valued in their development to ensure they are able to progress as far as possible in their careers. The plan covers a three-year period from 2023-2026 and summarises what our people can expect embedded in our five People Journeys.

To develop our journeys, we have used the employee lifecycle to illustrate and plan for each stage of our peoples' interactions with our Trust; providing us with the insight necessary to develop our journeys by providing a framework for engagement and development allowing us to maximise the value of our workforce, their talent, and their contribution.

Equality, inclusion and diversity

The Equality, Diversity & Inclusion Journey identifies six core workforce priorities with key actions anchored in the employee life cycle, whilst reflecting on national and

regional workforce equality and inclusion strategies and priorities, including The Race Equality Code. The EDI Journey is aligned to compliance requirements under the Public Sector Equality Duty (PSED) under the Equality Act 2010, taking into account national compliance drivers.

Culture, Leadership and Learning

Our Culture, Leadership and Learning Journey describes our ambition to support those who choose to work with us. It helps our people to understand what is on offer for them and creates a clear picture of where we are and where we want to be in three years' time.

Wellbeing

Our Trust vision statement is 'Excellent healthcare, improved health for all' and the Wellbeing Journey complements that vision to better support and influence the wellbeing of our workforce. The Wellbeing Journey provides a framework to support delivery of this vision, to include establishing a comprehensive and diverse health and wellbeing journey for all our people which sits at the heart of the Trust's strategic goal of being a brilliant place to work and thrive.

Recruitment and retention

This recruitment and retention journey starts us along the road to changing the way we do things and to being more people centred in our approach and to become more progressive, modern, flexible, and adaptable and tailor our approaches to the diverse needs of our people.

Continuous Improvement

The Dudley Improvement Practice is a Continuous Improvement system supporting the application and delivery of the values, behaviours, culture, and leadership aspirations stated throughout this document. It is accessible to every employee through their everyday work, and it leverages all three enablers: digital, communication and engagement.

The Dudley Improvement Practice (DIP) is the Trust's long-term commitment to creating a culture of Continuous Improvement. Aligned with the national approach to improvement (NHS IMPACT), the DIP method consists of a range of training, tools, facilitated workshops and reporting styles which together support teams with a structured approach to their improvement journeys. This is underpinned by changes in leadership behaviours to promote an improvement culture and by a management system that links improvement activities to the Trust's strategic goals. DIP believes in three essential elements of Continuous Improvement.

1. **Engagement** – the power of collaboration is maximised by engaging the people who do the work every day and therefore have the most insight about how to improve it.
2. **Equality** - harnessing the great diversity in our people by treating everyone as thinking equals drives innovation and creativity.
3. **Empowerment** – developing a coaching style of leadership to make our people feel valued and psychologically safe to propose new ways of working, to contribute and to learn together.

All the improvement training courses are accredited with the Continuous Professional Development Standard Organisation and the Improvement Mindset training is double accredited with the Kata Competency System through Cardiff University.

Dudley Improvement Practice (DIP) training in improvement fundamentals is now an integral part of the two in-house leadership training programmes: Managers' Essentials and Developing Leaders. The training and post-training improvement coaching provides our people with the skills and support needed to complete an improvement project as part of their development portfolio and achieve DGFT Managers Accreditation. To further support the improvement capability of the Trust, all line managers are encouraged to include DIP training and an improvement project as an objective in appraisals held April to June.

Data quality and governance

Data Quality (DQ) Assurance over the various elements of quality, finance and performance is of key importance to management and the board. Reviews of the Trust's system of internal control in respect of data quality are undertaken in each year through the internal audit work plan.

The Dudley Group NHS Foundation Trust continues to develop digital and data services heightening the reliance

upon good data quality. Data quality is pivotal to the Trust's innovation plans. High levels of data quality are required for modern analytic techniques and artificial intelligence (AI). When new digital services are introduced, high data quality must be assured from the outset. We do this by providing real-time data support tools to allow operational teams to see the impact of their interventions and interrogate the quality data entry. This is underpinned by open and transparent engagement with data generators to aid progression of quality standards. The Trust operates a 'data quality kite-mark policy' that provides a 360 view of assurance on the data being used to aid decision making.

The Data Quality and Standards Group provides assurance oversight, knowledge sharing and escalate decision points by direct engagement with information asset owners, operational teams and executive directors.

The Trust has maintained a Data Quality Maturity Index (DQMI) score above 94.3 throughout the year. This is significantly higher than the national average score of 75.1.

The Trust's IT Department (Terafirma) maintains ISO27001 accreditation, holds Cyber Essentials (CE) certification and has achieved 100 per cent compliance with regards to the NHSD Data Security Protection (DSP) Toolkit and Data Guardian Standards. Our approach to delivering data security is defined in the Trust board approved Cyber Security Strategy which identifies the key data security and protection risks including but not limited to; supply chain compromise (SCC), business email compromise (BEC) and the Internet of Things (IoT).

The Trust has implemented sophisticated technology solutions and controls including data leak protection (DLP), Microsoft Endpoint Defender (MDE), proactive threat monitoring and automated security validation, geo-referencing and secure domain firewalling to address key data security risks and continues to invest in new technologies and solutions to provide further assurance. In the constantly evolving technology and cyber workspace, the Trust maintains its commitment to provide robust assurances and delivery plans to further enhance our controls and ensuring alignment with the Network and Security Systems (NIS) Directive and the NHS England Cyber Security Programme.

As the Trust continues to increase the deployment of digital workflows to support clinical and operational activities, the technology solutions which have been implemented continue to provide significant assurance; however, workforce remains a risk in terms of an access point for a major cyber-attack. This is due to several factors including human response which may, for example, increase susceptibility to attempted phishing attacks. There is emphasis to ensure that the Trusts system of internal control to mitigate any control weaknesses is closely monitored. Staff cyber awareness remains a key focus.

The Dudley Group NHS Foundation Trust's head of IT operations currently chairs the Black Country Integrated Care System cybersecurity sub-group. In this role, the Trust has developed and influenced a collaborative knowledge sharing network between local experts to meet the challenges of modern healthcare IT delivery and the amplified cyberthreat landscape.

Review of effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on performance information available to me. My review is also informed by comments made by the external auditors in their ISA 260 report and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the board, the Audit Committee, Risk and Governance Group and Quality Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Board Assurance Framework and the Trust's risk management arrangements provide me with evidence that the controls to manage the risks to the Trust achieving its principal objectives have been reviewed and are effective. My review is also informed by the work of external and independent assessors and advisors including the Care Quality Commission.

During 2024/2025, the work of the internal auditors and the board review of the Board Assurance Framework and supporting governance processes had identified some recommendations. Other reviews undertaken within the internal audit plan, identified some gaps in control which resulted in specific action plans being drawn up

with their progress reported to, and any follow up audit work monitored by, the Audit Committee. Specifically, whilst not significant issues in themselves, Internal Audit identified some internal control weaknesses and judged them relevant for consideration as part of the annual governance statement in regard to audits in the areas of:

- Patient monies and properties
- Bank and Agency (medics)

None of the gaps had impacted on the final delivery of the Trust's stated objectives.

The Trust complies with the NHS Foundation Trust Code of Governance with the aim to deliver effective corporate governance, contribute to better organisational performance and ultimately discharge our duties in the best interests of patients.

Counter fraud provisions are in place in line with the NHS Counter Fraud Authority (NHSCFA) Standards. The Trust complies with its responsibilities to fully implement a Code of Conduct that includes reference to fraud, bribery and corruption and the requirements of the Bribery Act 2010. The effectiveness of the implementation of the process and staff awareness of the requirements of the code is regularly tested. RSM are also the providers of our local counter fraud service.

The Head of Internal Audit opinion stated that the Trust has an 'adequate and effective framework for risk management, governance and internal control. However, our work has identified further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective.'

However, none of the identified weaknesses were deemed to be significant in terms of the overall systems of internal control of the Trust.

Operational Performance Elective and Recovery Update

The 2024/25 year presented challenges particularly around industrial action involving the medical workforce. With respect to elective care shortages of Anaesthetic cover was particularly difficult to maintain leading to large scale cancellations of routine elective activity. Despite this the Trust continued to perform well achieving the NHS set recovery targets throughout the year.

The operational management team has worked closely with clinicians to balance the prioritisation of patients between long waits and clinical urgency. This balancing has meant that at Dudley we have been able to not only continue with treating our own local patients but also to provide a degree of mutual aid both in and out of the Black Country, reducing variation in waits for treatment times for patients in a much wider area. This has required flexibility and commitment of our workforce and this should be commended across the teams.

We have striven to ensure that our cancer patients are seen and treated in accordance with both national standards and individual need. The Trust achieved all of the national cancer standards, 62 day backlog reduction, the 70% 62 day standard and the 28 day faster diagnostic standard.

From an Urgent and Emergency Care perspective the Trust has faced challenges with maintaining timely offload of ambulances at the front door, exacerbated by difficulty in obtaining support for patients who require support in the community or an alternative care setting when they no longer require care in the acute trust. There has been executive level work undertaken between the Trust and the local authority and this is ongoing at present. The Trust continues to perform well against the four-hour target and achieved the 70% expectation of NHS England.

In order to support the goal of the Trust of 'Community First, Hospital when necessary' a significant amount of work and investment has been placed in launching the Acute Medical Virtual Ward. This has increased the number of adult virtual wards to five, incorporating Respiratory, Frailty, Heart Failure, Complex Nutrition and Acute Medicine. There also remains one Paediatric virtual ward. A focus on stepping up rather than only stepping down to the virtual ward has been put in place and work remains ongoing to form partnerships with the virtual ward space in other local organisations to enable Dudley to step down to the Sandwell virtual ward and vice versa for patients who live within that location but have been admitted to another Trust.

The Finance and Productivity Committee and the Board of Directors have continued to oversee operational performance and resilience in line with key national standards and elective restoration and recovery targets.

Conclusion

My review of the effectiveness of the risk management and internal control has confirmed that:

- The Trust has a generally sound system of internal control designed to meet the organisation's objectives and that controls are generally being applied consistently.
- Based on the work undertaken by a range of assurance providers, there were no significant control issues identified during 2024/25.
- I confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS Foundation Trust's performance, business model and strategy.
- We prepare the financial statements on a 'going concern' basis.
- Where improvements had been recommended, we have acted on them and tracked their implementation at both management and board/committee level.

I, therefore, believe that the Annual Governance Statement is a balanced reflection of the actual control position in place within the year.

Diane Wake

Chief Executive Officer

19th June 2025

Our AMU Rainbow Unit has been one of the Dudley Group's flagship developments in recent years

Statement of directors' responsibilities in respect of the accounts

The directors are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of the Treasury, directs that these accounts give a true and fair view of the state of affairs of the Trust and of the income and expenditure, recognised gains and losses and cash flows for the year. In preparing those accounts, directors are required to:

- apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury,
- make judgements and estimates which are reasonable and prudent, and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

The directors are responsible for keeping proper accounting records which disclose the position of the Trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the accounts.

By order of the board

Diane Wake

Chief Executive Officer

19th June 2025

Chris Walker

Interim Director of Finance

19th June 2025

Our annual Committed to Excellence Awards allow us to showcase the brilliant work that takes place across the Trust

Independent auditor's report to the Council of Governors of The Dudley Group NHS Foundation Trust

Report on the audit of the financial statements

Opinion on financial statements

We have audited the financial statements of The Dudley Group NHS Foundation Trust (the 'Trust') and its subsidiaries (the 'group') for the year ended 31 March 2025, which comprise the consolidated and foundation trust statements of comprehensive income, the consolidated and foundation trust statements of financial position, the consolidated and foundation trust statements of changes in taxpayers' and others' equity, the consolidated and foundation trust statements of cash flows and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Accounts Directions issued under Schedule 7 of the National Health Service Act 2006, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2024-25.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the group and of the Trust as at 31 March 2025 and of the group's expenditure and income and the Trust's expenditure and income for the year then ended; and
- 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law, as required by the Code of Audit Practice (2024) ("the Code of Audit Practice") approved by the Comptroller and Auditor General. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the group and the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the Accounting Officer's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or the Trust to cease to continue as a going concern.

In our evaluation of the Accounting Officer's conclusions, and in accordance with the expectation set out within the Department of Health and Social Care Group Accounting Manual 2024-25 that the group's and the Trust's financial statements shall be prepared on a going concern basis, we considered the inherent risks associated with the continuation of services provided by the group and the Trust. In doing so we had regard to the guidance provided in Practice Note 10 Audit of financial statements and regularity of public sector bodies in the United Kingdom (Revised 2024) on the application of ISA (UK) 570 Going Concern to public sector entities. We assessed the reasonableness of the basis of preparation used by the group and the Trust and the group's and the Trust's disclosures over the going concern period.

In auditing the financial statements, we have concluded that the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report and accounts, other than the financial statements and our auditor's report thereon. The Accounting Officer is responsible for the other information contained within the annual report and accounts. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other information we are required to report on by exception under the Code of Audit Practice

Under the Code of Audit Practice published by the National Audit Office in November 2024 on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not comply with the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2024/25 or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

Opinion on other matters required by the Code of Audit Practice

In our opinion:

- the parts of the Remuneration Report and the Staff Report to be audited have been properly prepared in accordance with the requirements of the NHS Foundation Trust Annual Reporting Manual 2024/25; and
- based on the work undertaken in the course of the audit of the financial statements, the other information published together with the financial statements in the annual report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Under the Code of Audit Practice, we are required to report to you if:

- we issue a report in the public interest under Schedule 10 (3) of the National Health Service Act 2006 in the course of, or at the conclusion of the audit; or
- we refer a matter to the regulator under Schedule 10 (6) of the National Health Service Act 2006 because we have reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision which involves or would involve the incurring of unlawful expenditure, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency.

We have nothing to report in respect of the above matters.

Responsibilities of the Accounting Officer

As explained more fully in the Statement of the Chief Executive's responsibilities as the accounting officer, the Chief Executive, as Accounting Officer, is responsible for the preparation of the financial statements in the form and on the basis set out in the Accounts Directions included in the NHS Foundation Trust Annual Reporting Manual 2024/25, for being satisfied that they give a true and fair view, and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accounting Officer is responsible for assessing the group's and the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer has been informed by the relevant national body of the intention to dissolve the Trust and the group without the transfer of their services to another public sector entity.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and the Trust and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (international accounting standards and the National Health Service Act 2006, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2024-25).
- We enquired of management and the audit committee, concerning the group's and the Trust's policies and procedures relating to:
  - the identification, evaluation and compliance with laws and regulations;
  - the detection and response to the risks of fraud; and
  - the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- We enquired of management, internal audit and the audit committee, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We assessed the susceptibility of the group's and the Trust's financial statements to material misstatement, including how fraud might occur, evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls and the presumed risk of fraud in non-block contract revenue recognition (specific to occurrence) and a related risk regarding existence of receivables. We determined that the principal risks were in relation to:
  - Journal entries that altered the Trust's financial performance for the year.
- Our audit procedures involved:
  - evaluation of the design effectiveness of controls that management has in place to prevent and detect fraud;
  - journal entry testing, with a focus on significant journals at the end of the financial year which impacted on the Trust's financial performance;

- challenging assumptions and judgements made by management in its significant accounting estimates in respect of land and building valuations; and
- assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.

- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members. We remained alert to any indications of non-compliance with laws and regulations, including fraud, throughout the audit.
- The engagement partner's assessment of the appropriateness of the collective competence and capabilities of the group and Trust audit team members included consideration of their:
  - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
  - knowledge of the health sector and economy in which the group and the Trust operates
  - understanding of the legal and regulatory requirements specific to the group and the Trust including:
  - the provisions of the applicable legislation
  - NHS England's rules and related guidance
  - the applicable statutory provisions.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
  - The group's and the Trust's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, financial statement consolidation process, expected financial statement disclosures and business risks that may result in risks of material misstatement.
  - The group's and the Trust's control environment, including the policies and procedures implemented by the group and the Trust to ensure compliance with the requirements of the financial reporting framework.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements – the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception – the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025.

We have nothing to report in respect of the above matter.

Responsibilities of the Accounting Officer

The Chief Executive, as Accounting Officer, is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of the Trust's resources.

Auditor's responsibilities for the review of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under paragraph 1 of Schedule 10 of the National Health Service Act 2006 to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in November 2024. This guidance sets out the arrangements that fall within the scope of 'proper arrangements'. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

- **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; and
- **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 documented our understanding of the arrangements the Trust has in place for each of these three specified reporting criteria, gathering sufficient evidence to support our risk assessment and commentary in our Auditor's Annual Report. In undertaking our work, we have considered whether there is evidence to suggest that there are significant weaknesses in arrangements.

Report on other legal and regulatory requirements – Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate for The Dudley Group NHS Foundation Trust for the year ended 31 March 2025 in accordance with the requirements of Chapter 10 of the National Health Service Act 2006 and the Code of Audit Practice until we have completed the work necessary in relation to the Trust's consolidation schedules, and we have received confirmation from the National Audit Office that the audit of the NHS group consolidation is complete for the year ended 31 March 2025. We are satisfied that this work does not have a material effect on the financial statements for the year ended 31 March 2025.

Use of our report

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Trust's Council of Governors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trust's Council of Governors as a body, for our audit work, for this report, or for the opinions we have formed.

M C Stocks

Mark Stocks, Key Audit Partner for and on behalf of Grant Thornton UK LLP, Local Auditor

Birmingham, 23 June 2025

Our incredible nursing staff are celebrated annually on Nurses Day but we are thankful for their work all year round

Foreword to the Accounts

These accounts for the period 1st April 2022 to 31st March 2023 have been prepared by The Dudley Group NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 to the NHS Act 2006 and are presented to Parliament pursuant to Schedule 7, paragraph 25 (4) (a) of the National Health Service Act 2006.

Diane Wake

Chief Executive Officer

19th June 2025

Consolidated and Foundation Trust Statements of Comprehensive Income

For the Year Ended 31 March 2025

	Note	Group		Foundation Trust	
		Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
Operating Income from patient care activities	3	**588,787**	**550,056**	**588,787**	**550,056**
Other Operating Income	4	33,685	29,321	33,599	29,267
Total Operating Income from continuing operations		**622,472**	**579,377**	**622,386**	**579,323**
Operating Expenses from continuing operations	5	(606,065)	(570,161)	(606,101)	(570,146)
Operating Surplus / (Deficit)		**16,407**	**9,216**	**16,285**	**9,177**
Finance Costs					
Finance income	9	1,473	2,125	1,345	2014
Finance expense - financial liabilities	10	(36,353)	(41,765)	(36,353)	(41,765)
Net Finance Costs		**(34,880)**	**(39,640)**	**(35,008)**	**(39,751)**
Gain/(loss) of disposal of assets	13	31	69	31	69
Gains/(losses) from transfers by absorption		2,503	0	2,503	0
Corporation tax expense	11	(91)	(65)	0	0
Surplus/(Deficit) for the year from continuing operations		**(16,030)**	**(30,420)**	**(16,189)**	**(30,505)**
SURPLUS/(DEFICIT) FOR THE YEAR		**(16,030)**	**(30,420)**	**(16,189)**	**(30,505)**
Other comprehensive income/(expense) Will not be reclassified to income and expenditure:					
Impairments	13	0	(55,627)	0	(55,627)
Revaluations	13	357	263	357	263
Fair value gains/(losses) on equity instruments designated at FV through OCI	14	(20)	(2)	0	0
Other reserve movements		0	3	0	3
TOTAL COMPREHENSIVE INCOME / (EXPENSE) FOR THE YEAR		**(15,693)**	**(85,783)**	**(15,832)**	**(85,866)**

The notes on pages 6 to 53 form part of these accounts.

All income and expenditure are derived from continuing operations.

There are no Non-Controlling Interests in the Group, therefore the deficit for the year of £16,030,000 (2023/24 deficit of £30,420,000) and the Total Comprehensive Expense of £15,693,000 (2023/24 Total Comprehensive Income of £85,783,000) is wholly attributable to the Trust.

Consolidated and Foundation Trust Statements of Financial Position

As at 31 March 2025

	Note	Group		Foundation Trust	
		31 March 2025 £'000	31 March 2024 (Restated) £'000	31 March 2025 £'000	31 March 2024 (Restated) £'000
Non-current assets					
Intangible assets	12	9,847	9,126	9,847	9,126
Property, plant and equipment	13	195,804	186,771	195,804	186,771
Right of Use Assets	8	17,535	18,179	17,535	18,179
Other Investments/financial assets	14	1,382	202	0	0
Receivables	16	19,167	18,649	19,167	18,649
Total non-current assets		243,735	232,927	242,353	232,725
Current assets					
Inventories	15	4,668	5,228	4,458	5,058
Receivables	16	12,844	12,362	12,613	12,139
Cash and cash equivalents	17	33,311	22,119	30,611	18,404
Total current assets		50,823	39,709	47,682	35,601
Current liabilities					
Trade and other payables	18	(39,512)	(35,741)	(39,299)	-35,602
Borrowings	19	(13,155)	(13,168)	(13,155)	-13,168
Provisions	20	(225)	(176)	(225)	-176
Other liabilities	21	(2,139)	(3,366)	(2,139)	-3,366
Total current liabilities		(55,031)	(52,451)	(54,818)	(52,312)
Total assets less current liabilities		**239,527**	**220,185**	**235,217**	**216,014**
Non-current liabilities					
Borrowings	19	(290,108)	(277,464)	(290,108)	(277,464)
Provisions	20	(567)	(554)	(567)	(554)
Total non-current liabilities		(290,675)	(278,018)	(290,675)	(278,018)
Total assets employed		**(51,148)**	**(57,833)**	**(55,458)**	**(62,004)**
Financed by Taxpayers' equity					
Public Dividend Capital		96,672	71,801	96,672	71,801
Revaluation reserve		7,521	7,154	7,521	7,154
Income and expenditure reserve		(157,767)	(139,348)	(159,651)	(140,959)
Others' equity					
Charitable Fund reserves		2,426	2,560		0
Total Taxpayers' and Others' equity		**(51,148)**	**(57,833)**	**(55,458)**	**(62,004)**

The notes on pages 6 to 53 form part of these accounts.

The financial statements on pages 3 to 53 were approved by the Board of Directors and authorised for issue on their behalf by:

Diane Wake

Chief Executive Officer

19th June 2025

Consolidated and Foundation Trust Statements of Changes in Taxpayers' and Others' Equity

for the Year Ended 31 March 2025

	Group					Foundation Trust			
	Taxpayers' Equity					Taxpayers' Equity			
	Public Dividend Capital £'000	Restated Revaluation Reserve* £'000	Income and Expenditure Reserve £'000	Charitable Fund Reserves £'000	Total Taxpayers' and Others' Equity £'000	Public Dividend Capital £'000	Restated Revaluation Reserve * £'000	Income and Expenditure Reserve £'000	Total Taxpayers' Equity £'000
Taxpayers' and Others' Equity at 1 April 2024	**71,801**	**7,154**	**(139,348)**	**2,560**	**(57,833)**	**71,801**	**7,154**	**(140,959)**	**(62,004)**
Surplus / (Deficit) for the year	0	0	(15,973)	(57)	(16,030)	0	0	(16,189)	**(16,189)**
Transfers by absorption: transfers between reserves	2,493	10	(2,503)	0	0	2,493	10	(2,503)	0
Net Impairments		0			0	0	0	0	0
Revaluations - property, plant and equipment	0	357	0	0	357	0	357	0	357
Fair value gains/(losses) on equity instruments designated at FV through OCI	0	0	0	(20)	**(20)**	**0**	**0**	**0**	**0**
Public Dividend Capital Received	26,253	0	0	0	26,253	26,253	0	0	26,253
Public Dividend Capital Repaid	(3,875)	0	0	0	(3,875)	(3,875)	0	0	(3,875)
Consolidation adjustment	0	0	57	(57)	0	0	0	0	0
Taxpayers' and Others' Equity at 31 March 2025	**96,672**	**7,521**	**(157,767)**	**2,426**	**(51,148)**	**96,672**	**7,521**	**(159,651)**	**(55,458)**
Taxpayers' and Others' Equity at 1 April 2023	**65,045**	**62,516**	**26,175**	**2,671**	**156,407**	**65,045**	**62,516**	**24,758**	**152,319**
Prior period adjustment	0	0	8,987	0	8,987		0	8,987	8,987
Application of IFRS16 measurement principles to PFI liability on 1 April 2023	0	0	(144,200)	0	(144,200)	0	0	(144,200)	(144,200)
Surplus / (Deficit) for the year	0	0	(30,365)	(55)	(30,420)	0	0	(30,505)	(30,505)
Transfers between reserves	0	0	0	0	0	0	0	0	0
Net Impairments	0	(55,627)	0	0	(55,627)	0	(55,627)	0	(55,627)
Revaluations - property, plant and equipment	0	263	0	0	263	0	263	0	263
Fair value gains/(losses) on equity instruments designated at FV through OCI	0	0	0	(2)	(2)	0	0	0	0
Public Dividend Capital Received	6,756	0	0	0	6,756	6,756	0	0	6,756
Other reserve movements	0	2	1	0	3	0	2	1	3
Consolidation adjustment	0	0	54	(54)	0	0	0	0	0
Taxpayers' and Others' Equity at 31 March 2024	**71,801**	**7,154**	**(139,348)**	**2,560**	**(57,833)**	**71,801**	**7,154**	**(140,959)**	**(62,004)**

The notes on pages 6 to 53 form part of these accounts.

Consolidated and Foundation Trust Statements of Changes in Taxpayers' and Others' Equity

Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. Additional PDC may also be issued to trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the trust, is payable to the Department of Health as the public dividend capital dividend.

Revaluation reserve

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

Income and expenditure reserve

The balance of this reserve is the accumulated surpluses and deficits of the trust.

Charitable funds reserve

This reserve comprises the ring-fenced funds held by the Dudley Group NHS Foundation Trust Charity consolidated within these financial statements.

These reserves comprise Unrestricted Funds £2,139,000 (2023/24 £2,355,000) of which £1,506,000 (2023/24 £2,083,000) have been designated for specific purposes, Restricted Funds £287,000 (2023/24 £205,000) and Endowment Funds £nil (2023/24 £nil). Unrestricted Funds comprise those funds that the Trustee is free to use for any purpose in furtherance of the Charity objectives, Restricted Funds are specific appeals for funds or donations where legal restrictions have been imposed by the Donor, and Endowment Funds are held as capital by the Charity to generate income for charitable purposes but cannot themselves be spent.

Consolidated and Foundation Trust Statements of Cash Flows

For the Year Ended 31 March 2025

	Group		Foundation Trust	
	31 March 2025 £'000	31 March 2024 £'000	(Restated) 31 March 2025 £'000	31 March 2024 £'000
Cash flows from operating activities				
Operating surplus/(deficit) from continuing operations	16,407	9,216	16,285	9,177
Operating surplus/(deficit)	**16,407**	**9,216**	**16,285**	**9,177**
Non-cash income and expense:				
Depreciation and amortisation	18,181	16,225	18,181	16,225
Impairments and Reversals	2,193	15,032	2,193	15,032
Income recognised in respect of capital donations (cash and non-cash)	(128)	(146)	(128)	(146)
(Increase)/Decrease in trade and other receivables	(173)	6,412	(240)	6,437
(Increase)/Decrease in inventories	560	(245)	600	(279)
Increase/(Decrease) in trade and other payables	609	(8,103)	540	(8,362)
Increase/(Decrease) in other liabilities	(1,434)	(123)	(1,434)	(123)
Increase/(Decrease) in provisions	62	(32)	62	(32)
Movements in charitable fund working capital	(1,235)	1,200	0	0
Corporation Tax (paid) / received	(91)	(65)	0	0
NET CASH GENERATED FROM/ (USED IN) OPERATIONS	34,951	39,371	36,059	37,929
Cash flows from investing activities				
Interest received	1,395	1,982	1,395	1,982
Purchase of intangible assets	(2,758)	(2,298)	(2,758)	(2,298)
Purchase of Property, Plant and Equipment	(21,480)	(12,173)	(21,480)	(12,173)
Proceeds from sales of Property, Plant and Equipment	42	163	42	162
NHS Charitable funds - cash flows from investing activities	93	110	0	0
Net cash generated from/ (used in) investing activities	(22,708)	(12,216)	(22,801)	(12,327)
Cash flows from financing activities				
Public dividend capital received	26,253	6,756	26,253	6,756
Public dividend repaid	(3,875)	0	(3,875)	0
Capital element of PFI Obligations	(10,914)	(10,866)	(10,914)	(10,866)
Capital element of lease liability repayments	(2,453)	(2,268)	(2,453)	(2,268)
Interest element of PFI Obligations	(11,696)	(11,160)	(11,696)	(11,160)
Interest element of lease liability repayments	(185)	(173)	(185)	(173)
PDC Dividend paid	0	(1,103)	0	(1,103)
Net cash generated from/ (used in) financing activities	**(2,870)**	**(18,814)**	**(2,870)**	**(18,814)**
Increase/(decrease) in cash and cash equivalents	**9,373**	**8,341**	**10,388**	**6,788**
Cash and Cash equivalents at 1 April	**22,119**	**13,778**	**18,404**	**11,616**
Cash and cash equivalents transferred by absorption	1,819	0	1,819	0
Cash and Cash equivalents at 31 March	**33,311**	**22,119**	**30,611**	**18,404**

The notes on pages 6 to 53 form part of these accounts.

1. Accounting Policies and Other Information

NHS England has directed that the financial statements of NHS foundation Trusts shall meet the accounting requirements of the Department of Health and Social Care (DHSC) Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2024/25, issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the NHS Foundation Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

Going Concern

The Foundation Trust's annual report and accounts have been prepared on a going concern basis.

International Accounting Standard 1 requires the Board to assess, as part of the account's preparation process, the Group and Trust's ability to continue as a going concern. Non-trading entities in the public sector are assumed to be going concerns where the continued provision of service in the future is anticipated, as evidenced by inclusion of financial provision for that service in published documents.

The financial statements should be prepared on a going concern basis unless there are plans for, or no realistic alternative other than, the dissolution of the Group and Trust without the transfer of its services to another entity within the public sector. In preparing the financial statements, the Board of Directors has considered the Group's and Trust's overall financial position against the requirements of IAS1. After making enquiries, the directors have a reasonable expectation that the services provided by the NHS foundation Trust will continue to be provided by the public sector for the foreseeable future. For this reason, the directors have adopted the going concern basis in preparing the accounts, following the definition of going concern in the public sector adopted by HM Treasury's Financial Reporting Manual.

Accounting Convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

1.1 Consolidation

The Group financial statements consolidate the financial statements of the Trust, and all of its subsidiary undertakings made up to 31st March 2025. The income, expenses, assets, liabilities, equity and reserves of the subsidiaries have been consolidated into the Trust's financial statements and group financial statements have been prepared.

Subsidiaries

Subsidiary entities are those which the Foundation Trust is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The income, expenses, assets, liabilities, equity and reserves of subsidiaries are consolidated in full into the appropriate financial statement lines. The capital and revenue attributable to minority interests are included as a separate item in the Statement of Financial Position. The amounts consolidated are drawn from the published financial statements of the subsidiaries for the year. Where subsidiaries' accounting policies are not aligned with those of the Foundation Trust

then amounts are adjusted during consolidation where the differences are material. Inter-entity balances, transactions and gains/losses are eliminated in full on consolidation. Dudley Clinical Services Limited is a subsidiary of the Trust.

NHS Charitable Fund

The NHS Foundation Trust is the corporate trustee to The Dudley Group NHS Charity. The Foundation Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the Foundation Trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to affect those returns and other benefits through its power over the fund.

The charitable fund's statutory accounts are prepared to 31st March in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on UK Financial Reporting Standard (FRS) 102. On consolidation, necessary adjustments are made to the charity's assets, liabilities and transactions to:

- recognise and measure them in accordance with the Foundation Trust's accounting policies; and
- eliminate intra-group transactions, balances, gains and losses.

1.2 Revenue

In the application of IFRS 15 a number of practical expedients offered in the Standard have been employed.

These are as follows:

- As per paragraph 121 of the Standard the Foundation Trust will not disclose information regarding performance. Obligations part of a contract that has an original expected duration of one year or less.
- The Foundation Trust is to similarly not disclose information where the revenue is recognised in line with the practical expedient offered in paragraph B16 of the Standard where the right to consideration corresponds directly with the value of the performance completed to date.
- The FReM has mandated the exercise of the practical expedient offered in C7 (a) of the Standard that requires the Foundation Trust to reflect the aggregate effect of all contracts modified before the date of initial application.

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS).

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

The main source of income for the Trust is contracts with commissioners for healthcare services. Funding envelopes are set at an Integrated Care System (ICS) level. The majority of the Trust's NHS income is earned from NHS commissioners under the NHS Payment Scheme (NHSPS). The NHSPS sets out rules to establish the amount payable to Trusts for NHS-funded secondary healthcare

Aligned payment and incentive contracts form the main payment mechanism under the NHSPS. In 2024/25 API contracts contain both a fixed and variable element. Under the variable element, providers earn income for elective

activity (both ordinary and day case), out-patient procedures, out-patient first attendances, diagnostic imaging and nuclear medicine, and chemotherapy delivery activity. The precise definition of these activities is given in the NHSPS. Income is earned at NHSPS prices based on actual activity. The fixed element includes income for all other services covered by the NHSPS assuming an agreed level of activity with 'fixed' in this context meaning not varying based on units of activity. Elements within this are accounted for as variable consideration under IFRS 15 as explained below.

High costs drugs and devices are excluded from the calculation of national process are reimbursed by NHS England based on actual usage or at a fixed baseline in addition to the price of the related services.

In 2024/25 fixed payments were set at a level assuming the achievement of elective activity targets within 'aligned payment and incentive' contracts. These payments are accompanied by a variable element to adjust income for actual activity delivered on elective services and advice and guidance services. Where actual elective activity delivered differed from the agreed level set in the fixed payments, the variable element either increased or reduced the income earned by the Trust at a rate of 100% of the tariff price.

The Trust also receives income from commissioners under Commissioning for Quality Innovation (CQUIN) and Best Practice Tariff (BPT) schemes. Delivery under these schemes is part of how care is provided to patients. As such CQUIN and BPT payments are not considered distinct performance obligations in their own right; instead, they form part of the transaction price for performance obligations under the overall contract with the commissioner and are accounted for as variable consideration under IFRS 15. Payment for CQUIN and BTP on non-elective services is included in the fixed element of API contracts with adjustments for actual achievement being made at the end of the year. BPT earned on elective activity is included in the variable element of API contracts and paid in line with the actual activity performed.

Where the relationship with a particular integrated care board is expected to be a low volume of activity (annual value below £0.5m), an annual fixed payment is received by the provider as determined in the NHSPS documentation. Such income is classified as 'other clinical income' in these accounts.

Revenue from research contracts

Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. For some contracts, it is assessed that the revenue project constitutes one performance obligation over the course of the multi-year contract. In these cases, it is assessed that the Trust's interim performance does not create an asset with alternative use for the Trust, and the Trust has an enforceable right to payment for the performance completed to date. It is therefore considered that the performance obligation is satisfied over time, and the Trust recognises revenue each year over the course of the contract. Some research income alternatively falls within the provisions of IAS 20 for government grants.

NHS injury cost recovery scheme

The Foundation Trust receives income under the NHS Cost Recovery Scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation have subsequently been paid, for instance by an insurer. The Foundation Trust recognises the income when it receives notification from the Department of Work and Pension's Compensation Recovery Unit has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less a provision for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

Other forms of income

Grants and donations

Government grants are grants from government bodies other than income from commissioners or trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. Where the grant is used to fund capital expenditure, it is credited to the Statement of Comprehensive Income once conditions attached to the grant have been met. Donations are treated in the same way as government grants.

Apprenticeship service income

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider from the Trust's apprenticeship service account held by the Department for Education, the corresponding notional expense is also recognised at the point of recognition for the benefit.

Education and Training

The Trust receives income from NHS England for education and training of medical and non-medical trainees. Revenue is in respect of training provided and is recognised when performance obligations are satisfied when training has been performed. All performance obligations are undertaken within the financial year and is agreed and invoiced to NHS England.

1.3 Expenditure on Employee Benefits

Short-term Employee Benefits

Salaries, wages and employment-related payments, including payments arising from the apprenticeship levy, are recognised in the period in which the service is received from employees including non-consolidated performance pay earned but not yet paid. Employees are not permitted to carry forward leave into the following period. Therefore, the Trust does not recognise any untaken leave in the financial statements.

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at **www.nhsbsa.nhs.uk/pensions**. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

Pension costs

NHS Pension Scheme

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2025, is based on valuation data as at 31 March 2023, updated to 31 March 2025 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the Statement by the Actuary, which forms part of the annual NHS Pension Scheme Annual Report and Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actual (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (considering recent demographic experience), and to recommend the contribution rate payable by employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from April 2024 to 23.7% of pensionable pay. The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

The 2024 actuarial valuation is currently being prepared and will be published before new contribution rates are implemented from April 2027.

1.4 Expenditure on Other Goods and Services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

1.5 Property, Plant and Equipment

Recognition

Property, Plant and Equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential be provided to, the Foundation Trust;
- it is expected to be used for more than one financial year; and
- the cost of the item can be measured reliably and

- has an individual cost of at least £5,000; or
- the items form a group of assets which collectively have a cost of at least £5,000, and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under the same managerial control; or
- form part of the initial equipping and setting up cost of a new building or refurbishment of a ward or unit, and the items collectively have a cost of at least £5,000.

Where a large asset, for example a building, includes a number of components with significantly different asset lives e.g. plant and equipment, then these components are treated as separate assets and depreciated over their own useful economic lives.

Valuation

All Property, Plant and Equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

For property assets the frequency of revaluations will be at least every five years.

The fair value of land and buildings are determined by valuations carried out by professionally qualified valuers in accordance with the Royal Institution of Chartered Surveyors (RICS) Appraisal and Valuation Manual. The valuations are carried out primarily on the basis of depreciated replacement cost, modern equivalent asset basis for specialised operational property and existing use value for non-specialised operational property. Assets held at depreciated replacement cost have been valued on a Modern Equivalent Asset Optimised alternative site basis where this would meet the location requirements of the service being provided. For the Trust's PFI buildings the valuation does not include any VAT liability as VAT is recoverable on the unitary payments made by the Trust and any re-provision of the buildings would be carried out via a further PFI agreement. The value of land for existing use purposes is assessed at existing use value. For non-operational properties including surplus land, the valuations are carried out at open market value.

Assets under construction are valued at cost and are subsequently revalued by professional valuers when they are brought into use if factors indicate that the value of the asset differs materially from its carrying value. Otherwise, the asset should only be revalued on the next occasion when all assets of that class are revalued.

An item of property, plant and equipment which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 or IFRS 5.

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Depreciation

Items of Property, Plant and Equipment are depreciated over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

The Trust depreciates its non-current assets on a straight-line basis over the expected life of the assets after allowing for the residual value. Useful lives are determined on a case-by-case basis. The typical lives for the following assets are:

Asset Category	Useful Life (years)
Buildings	2 - 79
Engineering Plant & Equipment	1 - 15
Medical Equipment	1 - 15
Transport Equipment	7 - 10
Information Technology	3 - 15
Furniture & Fittings	3 - 10

Freehold land is considered to have an infinite life and is not depreciated.

Property, Plant and Equipment which has been reclassified as 'Held for Sale' ceases to be depreciated upon reclassification.

Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

Revaluation gains and losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating expenditure.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments

In accordance with the FT ARM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss are reversed.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss are reversed. Reversals are recognised in operating income to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of other impairments are treated as revaluation gains.

De-recognition

Assets intended for disposal are reclassified as 'Held for Sale' once the following criteria are met. The sale must be highly probable and the asset available for immediate sale in its present condition.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged, and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met. Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'Held for Sale' and instead is retained as an operational asset and the asset's economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Donated, Government Grant and other grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met. The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

Private Finance Initiative (PFI) transactions

PFI transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as 'on-Statement of Financial Position' by the Trust. Annual contract payments to the operator (the unitary charge) are apportioned between the repayment of the liability including the finance cost, the charges for services and lifecycle replacement of components of the asset.

In accordance with HM Treasury's FReM, the underlying assets are recognised as property, plant and equipment, together with an equivalent liability. Initial measurement of the asset and liability are in accordance with the initial measurement principles of IFRS 16 (see leases accounting policy).

Assets are subsequently accounted for as property, plant and equipment and/or intangible assets as appropriate.

The liability is subsequently reduced by the portion of the unitary charge allocated as payment for the asset and increased by the annual finance cost. The finance cost is calculated by applying the implicit interest rate to the opening liability and is charged to finance costs in the Statement of Comprehensive Income. The element of the unitary charge allocated as payment for the asset is split between payment of the finance cost and repayment of the net liability.

Where there are changes in future payments for the asset resulting from indexation of the unitary charge, the Trust remeasures the PFI liability by determining the revised payments for the remainder of the contract once the change in cash flows takes effect. The remeasurement adjustment is charged to finance costs in the Statement of Comprehensive Income.

The service charge is recognised in operating expenses in the Statement of Comprehensive Income.

The lifecycle element is established on the lifecycle plan contained within the financial model. Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the Trust's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are

measured initially at their fair value. The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term finance lease liability or prepayment is recognised respectively. Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised. The deferred income is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

Initial application of IFRS 16 liability measurement principles to PFI liability in 2023/24

IFRS 16 liability measurement principles were applied to PFI, LIFT and other service concession arrangement liabilities in these financial statements from 1 April 2023. The change in measurement basis was applied using a modified retrospective approach with the cumulative impact of remeasuring the liability on 1 April 2023 recognised in the income and expenditure reserve.

1.6 Intangible Assets

Intangible assets are non-monetary assets without physical substance controlled by the Trust. They are capable of being sold separately from the rest of the Trust's business or arise from contractual or other legal rights. Intangible assets are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Trust and where the cost of the asset can be measured reliably. Where internally generated assets are held for service potential, this involves a direct contribution to the delivery of services to the public.

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets. Expenditure on research is not capitalised. Expenditure on development is capitalised only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use.
- the Trust intends to complete the asset and sell or use it.
- the Trust has the ability to sell or use the asset.
- how the intangible asset will generate probable future economic or service delivery benefits e.g. the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset.
- adequate financial, technical and other resources are available to the Trust to complete the development and sell or use the asset; and
- the Trust can measure reliably the expenses attributable to the asset during development.

Software

Software which is integral to the operation of hardware e.g. an operating system is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware e.g. application software, is capitalised as an intangible asset where it meets recognition criteria.

Purchased computer software licences are capitalised as intangible non-current assets where expenditure of at least £5,000 is incurred and amortised over the shorter of the term of the license and their useful lives.

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management. Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investments properties or assets held for sale.

Amortisation and impairment

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. The carrying value of intangible assets is reviewed for impairment at the end of the first full year following acquisition and in other periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Asset Category	Useful Life (years)
Software Licences	2 - 15

1.7 Government Grants

Government grants are grants from Government bodies other than income from Integrated Care Boards or NHS Trusts for the provision of services. Grants from the Department of Health, are accounted for as Government grants as are grants from the Big Lottery Fund. Where the Government grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. Where the grant is used to fund capital expenditure the grant is credited to income at the same time, unless the grant has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the grant, in which case, the grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

1.8 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the First In, First Out (FIFO) method.

Between 2020/21 and 2023/24, the Trust received inventories including personal protective equipment from the Department of Health and Social Care at nil cost. In line with the GAM and applying the principles of the IFRS Conceptual Framework, the Trust has accounted for the receipt of these inventories at a deemed cost, reflecting the best available approximation of an imputed market value for the transaction based on the cost of acquisition by the Department. Distribution of inventories by the Department ceased in March 2024.

1.9 Cash and Cash Equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Foundation Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

1.10 Financial Instruments and Financial Liabilities

Financial assets

Financial assets are recognised when the Foundation Trust becomes party to the contractual provision of the financial instrument or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or when the asset has been transferred and the Foundation Trust has transferred substantially all of the risks and rewards of ownership or has not retained control of the asset.

Financial assets are initially recognised at fair value plus or minus directly attributable transaction costs for financial assets not measured at fair value through profit or loss. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices, where possible, or by valuation techniques.

Financial assets are classified into the following categories: financial assets at amortised cost, financial assets at fair value through other comprehensive income, and financial assets at fair value through profit and loss. The classification is determined by the cash flow and business model characteristics of the financial assets, as set out in IFRS 9, and is determined at the time of initial recognition. All of the financial assets held by the Group are held at amortised cost with the exception of the investment held by Dudley Group NHS Charity which is held at fair value through profit and loss.

Financial assets at amortised cost

Financial assets measured at amortised cost are those held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and where the cash flows are solely payments of principal and interest. This includes most trade receivables, loans receivable, and other simple debt instruments.

After initial recognition, these financial assets are measured at amortised cost using the effective interest method, less any impairment. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the life of the financial asset to the gross carrying amount of the financial asset.

Financial assets at fair value through other comprehensive income

Financial assets measured at fair value through other comprehensive income are those held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and where cash flows are solely payments of principal and interest. This category also includes investments in equity instruments where the Group has opted to classify them here.

Financial assets at fair value through profit and loss

Financial assets measured at fair value through profit or loss are those that are not otherwise measured at amortised cost or fair value through other comprehensive income. This includes derivatives and financial assets acquired principally for the purpose of selling in the short term.

Impairment

For all financial assets measured at amortised cost or at fair value through other comprehensive income (except equity instruments designated at fair value through other comprehensive income), lease receivables and contract assets, the Foundation Trust recognises a loss allowance representing expected credit losses on the financial instrument.

The Foundation Trust adopts the simplified approach to impairment, in accordance with IFRS 9, and measures the loss allowance for trade receivables, contract assets and lease receivables at an amount equal to lifetime expected

credit losses. For other financial assets, the loss allowance is measured at an amount equal to lifetime expected credit losses if the credit risk on the financial instrument has increased significantly since initial recognition (stage 2), and otherwise at an amount equal to 12-month expected credit losses (stage 1).

HM Treasury has ruled that central government bodies may not recognise stage 1 or stage 2 impairments against other government departments, their executive agencies, the Bank of England, Exchequer Funds, and Exchequer Funds' assets where repayment is ensured by primary legislation. The Foundation Trust therefore does not recognise loss allowances for stage 1 or stage 2 impairments against these bodies. Additionally, the Department of Health and Social Care provides a guarantee of last resort against the debts of its arm's length bodies and NHS bodies (excluding NHS charities), and the Foundation Trust does not recognise loss allowances for stage 1 or stage 2 impairments against these bodies.

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. Any adjustment is recognised in profit or loss as an impairment gain or loss.

Financial liabilities

Financial liabilities are recognised when the Foundation Trust becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been extinguished – that is, the obligation has been discharged or cancelled or has expired.

Financial liabilities at fair value through profit and loss

Derivatives that are liabilities are subsequently measured at fair value through profit or loss, Embedded derivatives that are not part of a hybrid contract containing a host that is an asset within the scope of IFRS 9 are separately accounted for as derivatives only if their economic characteristics and risks are not closely related to those of their host contracts, a separate instrument with the same terms would meet the definition of a derivative, and the hybrid contract is not itself measured at fair value through profit or loss.

Other Financial liabilities

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the amortised cost of the financial liability. In the case of DHSC loans that would be the nominal rate charged on the loan.

1.11 Leases

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration. An adaptation of the relevant accounting standard by HM Treasury for the public sector means that for NHS bodies, this includes lease-like arrangements with other public sector entities that do not take the legal form of a contract. It also includes peppercorn leases where consideration paid is nil or nominal (significantly below market value) but in all other respects meet the definition of a lease. The trust does not apply lease accounting to new contracts for the use of intangible assets.

The Trust determines the term of the lease term with reference to the non-cancellable period and any options to extend or terminate the lease which the Trust is reasonably certain to exercise.

The Trust as lessee

Initial recognition and measurement

At the commencement date of the lease, being when the asset is made available for use, the Trust recognises a right of use asset and a lease liability.

The right of use asset is recognised at cost comprising the lease liability, any lease payments made before or at commencement, any direct costs incurred by the lessee, less any cash lease incentives received. It also includes any estimate of costs to be incurred restoring the site or underlying asset on completion of the lease term.

The lease liability is initially measured at the present value of future lease payments discounted at the interest rate implicit in the lease. Lease payments include fixed lease payments, variable lease payments dependent on an index or rate and amounts payable under residual value guarantees. It also includes amounts payable for purchase options and termination penalties where these options are reasonably certain to be exercised.

Where an implicit rate cannot be readily determined, the Trust's incremental borrowing rate is applied. This rate is determined by HM Treasury annually for each calendar year. A nominal rate of 4.72% applied to new leases commencing in 2024 and 4.81% to new leases commencing in 2025.

The Trust does not apply the above recognition requirements to leases with a term of 12 months or less or to leases where the value of the underlying asset is below £5,000, excluding any irrecoverable VAT. Lease payments associated with these leases are expensed on a straight-line basis over the lease term or other systematic basis. Irrecoverable VAT on lease payments is expensed as it falls due.

Subsequent measurement

As required by a HM Treasury interpretation of the accounting standard for the public sector, the Trust employs a revaluation model for subsequent measurement of right of use assets, unless the cost model is considered to be an appropriate proxy for current value in existing use or fair value, in line with the accounting policy for owned assets. Where consideration exchanged is identified as significantly below market value, the cost model is not considered to be an appropriate proxy for the value of the right of use asset.

The Trust subsequently measures the lease liability by increasing the carrying amount for interest arising which is also charged to expenditure as a finance cost and reducing the carrying amount for lease payments made. The liability is also remeasured for changes in assessments impacting the lease term, lease modifications or to reflect actual changes in lease payments. Such remeasurements are also reflected in the cost of the right of use asset. Where there is a change in the lease term or option to purchase the underlying asset, an updated discount rate is applied to the remaining lease payments.

The Trust as lessor

The Trust assesses each of its leases and classifies them as either a finance lease or an operating lease. Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

Where the Trust is an intermediate lessor, classification of the sublease is determined with reference to the right of use asset arising from the headlease.

Finance leases

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Trust's net investment outstanding in respect of the leases.

Operating leases

Income from operating leases is recognised on a straight-line basis or another systematic basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

1.12 Provisions

The NHS Foundation Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective for 31 March 2025.

		Asset Category	Useful Life (years)
Short-term	Up to 5 years	4.03%	4.26%
Medium-term	After 5 years up to 10 years	4.07%	4.03%
Long-term	After 10 years up to 40 years	4.81%	4.72%
Very long-term	Exceeding 40 years	4.55%	4.40%

HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates. The following inflation rates are set by HM Treasury, effective 31 March 2025:

	Inflation rate	Prior Year rate
Year 1	2.60%	3.60%
Year 2	2.30%	1.80%
Into perpetuity	2.00%	2.00%

Early retirement provisions and injury benefit provisions both use the HM Treasury's post-employment benefits discount rate of 2.40% (2023-24 2.45%) in real terms.

Clinical negligence costs

NHS Resolution (the trading name of the NHS Litigation Authority NHSLA) operates a risk pooling scheme under which the NHS Foundation Trust pays an annual contribution to the NHS Resolution, which, in return, settles all clinical negligence claims. The contribution is charged to expenditure. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the NHS Foundation Trust. The total value of clinical negligence provisions carried by the NHS Resolution on behalf of the NHS Foundation Trust is disclosed at note 20 but is not recognised in the Trust accounts.

Non-clinical risk pooling

The NHS Foundation Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any 'excesses' payable in respect of particular claims are charged to operating expenses when the liability arises.

1.13 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets but are disclosed in note 24 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 24, unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

1.14 Public Dividend Capital

Public dividend capital is a type of public sector equity finance, which represents the Department of Health and Social Care's investment in the trust. HM Treasury has determined that, being issued under statutory authority rather than under contract, PDC is not a financial instrument within the meaning of IAS 32.

At any time, the Secretary of State can issue new PDC to, and require repayments of PDC from the trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, with certain additions and deductions as defined in the PDC dividend policy issued by the Department of Health and Social Care. This policy is available at **https://www.gov.uk/government/publications/guidance-on-financing-avaliable-to-nhs-trusts-and-foundation-trusts**.

1.15 Value Added Tax

Most of the activities of the NHS Foundation Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.16 Foreign Exchange

The functional and presentational currencies of the Trust are sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction. Where the Trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

- monetary items (other than financial instruments measured at 'fair value through income and expenditure') are translated at the spot exchange rate on 31 March:
- non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction; and
- non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised in income or expenditure in the period in which they arise. Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

1.17 Third Party Assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the NHS Foundation Trust has no beneficial interest in them. However, they are disclosed in note 28 to the accounts in accordance with the requirements of HM Treasury's Financial Reporting Manual.

1.18 Corporation Tax

The Trust is a Health Service Body within the meaning of S519A ICTA 1988 and accordingly is exempt from taxation in respect of income and capital gains within categories covered by this. There is a power for the Treasury to remove the exemption in relation to specified activities of a Foundation Trust (s519A (3) to (8) ICTA 1988). Accordingly, the Trust is potentially within the future scope of income tax in respect of activities where income is received from a non-public sector source. The Charity is also exempt from corporation tax.

The tax expense on the Statement of Comprehensive Income comprises current and deferred tax due to the Trust's trading commercial subsidiary. Current tax is the expected tax payable for the year, using tax rates enacted or substantively enacted at the Statement of Financial Position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the Statement of Financial Position liability method, providing for temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised on taxable temporary differences arising on the initial recognition of goodwill or for temporary differences arising from the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit.

Deferred taxation is calculated using rates that are expected to apply when the related deferred asset is realised, or the deferred taxation liability is settled. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the assets can be utilised.

1.19 Critical accounting judgements and key sources of estimation and uncertainty

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions

about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and the estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below) that management has made in the process of applying the Trust's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

- Accounting for PFI
- Application of IFRS 16 Determining whether an Arrangement contains a Lease
- Application of IFRIC 12 Service Concession Arrangements

Russells Hall Hospital, Guest Ambulatory Centre and Corbett Ambulatory Centre are owned by Summit Healthcare (Dudley) Limited and provided to the trust under a Private Finance Initiative (PFI) contract. The accounting judgement is around the classification of the transaction under IFRS 16 and IFRIC 12.

Management have reviewed the service concession of the PFI scheme and has confirmed it is within the scope of IFRIC 12. The PFI scheme is 'on-balance sheet' meaning that the buildings and equipment are recognised in the Trust's balance sheet along with a finance lease creditor for the amount owed by the Trust over the PFI contract term.

Key sources of estimation uncertainty

The following are assumptions about the future and other major sources of estimation uncertainty, at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Valuation of Non-Current Assets

Modern equivalent asset valuation of property

As detailed in accountancy policy note 1.5 'Property, plant and equipment' the Trust's Valuer provided the Trust with a valuation of the land and building assets (estimated fair value and remaining useful life). The significant estimation being the specialised building - depreciation replacement value, using modern equivalent asset optimised alternative site methodology, of the hospital sites (Russell's Hall, Corbett and Guest). The result of this valuation, based on estimates provided by a suitably qualified professional in accordance with HM Treasury guidance, is disclosed in note 13 to the financial statements on page 32. Future revaluations of the Trust's property may result in further material changes to the carrying value of non-current assets.

The impact of using modern equivalent asset valuation is shown in note 13.7 on page 35.

A further valuation has been undertaken as at 31 March 2025 to update the costs assumptions within the valuation. The total valuation of land and buildings was £140.083m. This valuation considers several factors including BCIS index, location factors, functional obsolescence and fees. Should any of these factors change this could lead to a

material change in the valuation of the buildings (a change of 2.6% would impact on the value by £3.6m).

1.20 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2024/25.

1.21 Standards, amendments and interpretations in issue but not yet effective or adopted

The DHSC GAM does not require the following IFRS Standards and Interpretations to be applied in 2024/25.

IFRS 17 Insurance Contracts – The Standard is effective for accounting periods beginning on or after 1 January 2023. IFRS 17 has been adopted by the FReM from the 1 April 2025. Adoption of the Standard for NHS bodies will therefore be in 2025/26. The standard revises the accounting for insurance contracts for the issuers of insurance. Application of this standard from 2025/26 is not expected to impact on the financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements - The Standard is effective for accounting periods beginning on or after 1 January 2027. The Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted. The expected impact of applying the standard in future periods has not yet been assessed.

IFRS 19 Subsidiaries without Public Accountability: The Standard is effective for accounting periods beginning on or after 1 January 2027. The Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted. The expected impact of applying the standard in future periods has not yet been assessed.

Changes to non-investment asset valuation – Following a thematic review of non-current asset valuations for financial reporting in the public sector, HM Treasury has made a number of changes to valuation frequency, valuation methodology and classification which are effective in the public sector from 1 April 2025 with a 5 year transition period. NHS bodies are adopting these changes to an alternative timeline.

Changes to subsequent measurement of intangible assets and PPE classification/terminology to be implemented for NHS bodies from 1 April 2025:

- Withdrawal of the revaluation model for intangible assets. Carrying values of existing intangible assets measured under a previous revaluation will be taken forward as deemed historic cost.
- Removal of the distinction between specialised and non-specialised assets held for their service potential. Assets will be classified according to whether they are held for their operational capacity. The expected impact of applying the standard in future periods has not yet been assessed.

Changes to valuation cycles and methodology to be implemented for NHS bodies in later periods:

- A mandated quinquennial revaluation frequency (or rolling programme) supplemented by annual indexation in the intervening years.
- Removal of the alternative site assumption for buildings valued at depreciated replacement cost on a modern equivalent asset basis. The approach for land has not yet been finalised by HM Treasury. The expected impact of applying the standard in future periods has not yet been assessed.

1.22 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis.

The losses and special payments note is compiled directly from the losses and compensations register which reports on an accruals basis with the exception of provisions for future losses.

1.23 Transfers of functions to/from other NHS/Local Government Bodies

For functions that have been transferred to the Trust from another NHS Body, the transaction is accounted for as a transfer by absorption. The assets and liabilities transferred are recognised in the accounts using the book value as at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition. The net gain/loss corresponding to the net assets/liabilities transferred is recognised within income/expenses, but not within operating activities.

For property plant and equipment assets and intangible assets, the cost and accumulated depreciation/amortisation balances from the transferring entity's accounts are preserved on recognition in the Trust's accounts. Where the transferring body recognised revaluation reserve balances attributable to the assets, the Trust makes a transfer from its income and expenditure reserve to its revaluation reserve to maintain transparency within public sector accounts.

For functions that the Trust has transferred to another NHS body, the assets and liabilities transferred are de-recognised from the accounts as at the date of transfer. The net loss/gain corresponding to the net assets/liabilities transferred is recognised within income/expenses, but not within operating activities. Any revaluation reserve balances attributable to assets de-recognised are transferred to the income and expenditure reserve.

There was one transfer from other NHS bodies during 2024-25. This related to the transfer of services from Dudley Integrated Healthcare NHS Trust which took place on 1st October 2024.

2 Segmental Analysis

The analysis by business segment is presented in accordance with IFRS 8 Operating Segments, on the basis of those segments whose operating results are regularly reviewed by the Board (the Chief Operating Decision Maker as defined by IFRS 8) as follows:

Healthcare Services

The Board as 'Chief Operating Decision Maker' has determined that the Trust operates in the provision of healthcare services. The segmental reporting format reflects the Trust's management and internal reporting structure.

The Trust has identified segments in line with the thresholds in IFRS 8, applying the requirement of the DH GAM to consider expenditure instead of income, as income is not analysed between segments in our monthly finance report to the Trust Board. Following a significance test of the expenditure segments the Trust found that there were three significant operating segments subject to the external reporting requirements of IFRS 8. Applying the aggregation criteria to the Trust's three significant operating segments found that in all cases the segments had similar economic characteristics, the nature of the services are similar, the nature of the production process are similar, the type or class of customer for the services are similar, the methods used to provide the services are similar and the nature of the regulatory environment is similar.

The Trust's significant operating segments satisfy all of the criteria listed for an aggregation to be deemed appropriate. The three significant operating segments of the Trust are all active in the same business – the provision of healthcare, and all operate within the same economic environment – the United Kingdom. Given that the purpose of disclosing segmental information is to enable users of the financial statements to evaluate the nature and financial effects of business activities and economic environments, reporting a single segment of "Healthcare" would be consistent with the core principle of IFRS 8, as it would show the singular nature of both the business activity and the economic environment of the Trust.

Income from activities (medical treatment of patients) is analysed by customer type in note 3 to the accounts on page 22. Other operating income is analysed in note 4 to the accounts on page 24 and materially consists of revenues from healthcare, research and development, medical education, and the provision of services to other NHS bodies. Total income by individual customers within the whole of HM Government and considered material, is disclosed in the related parties' transactions note 25 to the accounts on page 43.

Dudley Clinical Services Limited

The company is a wholly owned subsidiary of the Trust and provides an Outpatient Dispensing service. As a trading company, subject to an additional legal and regulatory regime (over and above that of the Trust), this activity is considered to be a separate business segment whose individual operating results are reviewed by the Trust Board (the Chief Operating Decision Maker).

A significant proportion of the company's revenue is inter segment trading with the Trust which is eliminated upon the consolidation of these group financial statements. The quarterly performance report to the Chief Operating Decision Maker reports financial summary information in the format of the table on page 20.

Dudley Group NHS Charity

The Trust Board is corporate trustee for Dudley Group NHS Charity. Following Treasury's agreement to apply IFRS 10 to NHS Charities from 1st April 2013, the Trust has established that as the Trust is the corporate trustee of the linked NHS Charity, it effectively has the power to exercise control so as to obtain economic benefits. The Charity is therefore treated as a group entity and is consolidated. The consolidation is for reporting purposes only and does not affect the charities' legal and regulatory independence and day to day operations. Some of the charity's expenditure is inter segment trading with the Trust which is eliminated upon the consolidation of these group financial statements. The quarterly performance report to the Chief Operating Decision Maker reports financial summary information in the format of the table on page 20.

2 Segmental Analysis (continued)

Year ended 31 March 2025	Healthcare Services £000	Dudley Clinical Services Limited £000	Dudley Group NHS Charity £000	Inter Group Eliminations £000	Total £000
Total segment revenue	622,386	5,692	508	(6,114)	622,472
Total segment expenditure	(606,101)	(5,363)	(715)	6,114	(606,065)
Operating Surplus/(Deficit)	16,285	329	(207)	0	16,407
Net Financing	(35,008)	35	93	0	(34,880)
Taxation	0	(91)	0	0	(91)
Retained surplus/(deficit) - before non-recurring items	(18,723)	273	(114)	0	(18,564)
Non-recurring items	2,534	0	0	0	2,534
Retained surplus/(deficit)	(16,189)	273	(114)	0	(16,030)
Reportable Segment assets	290,035	2,478	2,461	0	294,974
Eliminations	0	0	0	(416)	(416)
Total assets	290,035	2,478	2,461	(416)	294,558
Reportable Segment liabilities	(345,493)	(594)	(35)	0	(346,122)
Eliminations	0	0	0	416	416
Total liabilities	(345,493)	(594)	(35)	416	(345,706)
Net assets/liabilities	(55,458)	1,884	2,426	0	(51,148)

Restated for Prior Period Adjustment

Year ended 31 March 2024	Healthcare Services £000	Dudley Clinical Services Limited £000	Dudley Group NHS Charity £000	Inter Group Eliminations £000	Total £000
Total segment revenue	579,323	5,191	455	(5,592)	579,377
Total segment expenditure	(570,146)	(4,933)	(674)	5,592	(570,161)
Operating Surplus/(Deficit)	9,177	258	(219)	0	9,216
Net Financing	(39,751)	1	110	0	(39,640)
Taxation	0	(65)	0	0	(65)
Retained surplus/(deficit) - before non-recurring items	(30,574)	194	(109)	0	(30,489)
Non-recurring items	69	0	0	0	69
Retained surplus/(deficit)	(30,505)	194	(109)	0	(30,420)
Reportable Segment assets	268,326	2,161	2,590	0	273,077
Eliminations	0	0	0	(441)	(441)
Total assets	268,326	2,161	2,590	(441)	272,636
Reportable Segment liabilities	(330,330)	(550)	(30)	0	(330,910)
Eliminations	0	0	0	441	441
Total liabilities	(330,330)	(550)	(30)	441	(330,469)
Net assets/liabilities	(62,004)	1,611	2,560	0	(57,833)

3 Operating income from patient care activities (Group and Foundation Trust)

3.1 By Source

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
NHS England	53,869	72,996
Integrated Care Boards	530,929	474,480
NHS Foundation Trusts	134	70
NHS Trusts	371	370
Local Authorities	23	1,385
Non-NHS: Private patients	3	5
Non-NHS: Overseas patients (chargeable to patient)	373	66
NHS injury scheme (was RTA)	940	635
Non-NHS: Other	2,145	49
Total income from activities	**588,787**	**550,056**

3.2 By Nature

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
Acute Services		
Aligned payment & incentive (API) income - Variable (based on activity) *	144,710	120,373
Aligned payment & incentive (API) income - Fixed (not based on activity)	338,440	345,984
High-cost drugs income from Commissioners	46,937	40,527
Other NHS clinical income	5,483	5,014
Community Services		
Aligned payment & incentive (API) income *	27,725	23,959
Income from other sources (e.g. local authorities)	0	342
Private Patients	3	5
Elective recovery fund #	0	0
Pay award central funding ***	1,191	222
Additional pension contribution central funding **	20,335	12,424
Other clinical income	3,963	1,206
Total income from activities	**588,787**	**550,056**

*Aligned payment and incentive contracts are the main form of contracting between NHS providers and their commissioners. More information can be found in the 2023/25 NHS Payment Scheme documentation. **https://www.england.nhs.uk/pay-syst/nhs-payment-scheme/**

**Increases to the employer contribution rate for NHS pensions since 1 April 2019 have been funded by NHS England. NHS providers continue to pay at the former rate of 14.3% with the additional amount being paid over by NHS England on providers' behalf. The full cost of employer contributions (23.7%, 2023/24: 20.6%) and related NHS England funding (9.4%, 2023/24: 6.3%) have been recognised in these accounts.

***Additional funding was made available directly to providers by NHS England in 2024/25 and 2023/24 for implementing the backdated element of pay awards where government offers were finalised after the end of the financial year. NHS Payment Scheme prices and API contracts are updated for the weighted uplift in in-year pay costs when awards are finalised.

This is now categorised within Acute Services Aligned payment & incentive (API) income - variable. The value for 2024/25 was £18,052,000 (2023/24 £4,817,000).

3.3 Income from Commissioner Requested Services and Non-Commissioner Requested Services

Under the terms of its Provider Licence, the Trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider licence and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
Income from Commissioner Requested Services	535,570	511,898
Income from Non-Commissioner Requested Services	27,725	24,301
Income from Activities	563,295	536,199
Other Clinical Income	3,966	1,211
Elective Recovery Fund *	0	0
Pay award central funding	1,191	222
Additional pension contribution central funding	20,335	12,424
Total Income	588,787	550,056
Total income from activities	**588,787**	**550,056**

Other NHS Clinical Income comprises the following services pathology; rehabilitation; community support services; radiology; renal services; patient transport services; and appliances.

3.4 Additional information on contract revenue (IFRS 15) recognised in the period

	2024/25 £'000	2023/24 £'000
Revenue recognised in the reporting period that was included within contract liabilities at the previous period end	2,139	3,366
Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods	0	0

3.5 Overseas Visitors

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
Income recognised this year	373	66
Cash payments received in-year	63	24
Amounts added to provision for impairment of receivables	373	66
Amounts written off in-year	18	0

4 Other Operating Income (Group)

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
Recognised in IFRS15:		
Research and development	1,120	1,163
Education and training	19,721	17,148
Non-patient care services to other bodies	1,916	1,738
Income in respect of employee benefits accounted for on a gross basis	6,645	5,173
Other *	1,994	1,770
Recognised in accordance with other standards:		
Education and training - apprenticeship fund	1,204	1,150
Charitable asset donations	128	146
Contributions to expenditure - consumables (inventory) donated from DHSC group bodies for COVID response	0	126
Operating leases - variable lease receipts	449	452
NHS Charitable Funds incoming resources excluding investment income	508	455
Total other operating income	**33,685**	**29,321**

* Other income is derived from Pharmacy Drugs £629,000 (2023/24 £530,000); and numerous other small amounts.

4.1 Operating lease income and future receipts

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
Total in-year operating lease income	449	452
Of which:		
Income generated from owned assets	449	452
Future minimum lease receipts due:		
- not later than one year	456	449
- later than one year and not later than two years	7	7
- later than two years and not later than three years	6	6
- later than three years and not later than four years	7	7
- later than four years and not later than five years	6	6
- later than five years	0	7
Total	**482**	**482**

5 Operating Expenses of continuing operations (Group)

5.1 Operating Expenses

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
Purchase of healthcare from NHS and DHSC bodies	1,759	1,291
Purchase of healthcare from non-NHS and non-DHSC bodies	1,642	1,805
Staff and executive directors' costs	400,331	358,017
Non-executive directors	229	205
Supplies and services - clinical (excluding drug costs)	60,967	55,990
Supplies and services – clinical: utilisation of consumables donated from DHSC group bodies for COVID response	0	226
Supplies and services - general	2,327	2,018
Drug costs (inventory consumed and purchase of non-inventory drugs)	50,575	47,263
Drugs Inventories written down	0	87
Consultancy costs	0	174
Establishment	3,206	3,018
Premises - Business Rates	1,787	1,666
Premises - Other	8,292	9,344
Transport - Business Travel	641	601
Transport - Other	164	332
Depreciation on property, plant and equipment and right of use assets	16,144	14,539
Amortisation on intangible assets	2,037	1,686
Impairments net of (reversals)	2,193	15,032
Movement in credit loss allowance: contract receivables/assets	390	46
Audit fees payable to the external auditor:		
• Audit services	141	134
• Other Auditor Remuneration	9	9
• NHS Charitable Fund Accounts	13	13
Internal audit	172	171
Clinical negligence	14,421	15,593
Legal Fees	325	492
Insurance	172	158
Research and development - staff costs	1,355	1,310
Research and development - non staff	150	151
Education and training - non staff	1,445	1,473
Education and training - apprenticeship fund	1,204	1,150
Lease expenditure - short term leases (<= 12 months)	8	39
Lease expenditure - low value assets (<£5k, excluding short term leases)	28	19
Lease expenditure - irrecoverable VAT (map to premises costs in accounts)	9	36
Charges to operating expenditure for on-SOFP IFRIC 12 schemes e.g. PFI	33,249	35,310
Car Parking and security	12	8
Hospitality	68	70
Other losses and special payments	26	6
Other NHS Charitable funds resources expended	471	471
Other	103	208
TOTAL	**606,065**	**570,161**

Other expenditure includes numerous small amounts.

Audit fees are shown inclusive of vat where this is not recoverable.

5.2 The Late Payment of Commercial Debts (interest) Act 1998

During the year 2024/25 the Trust paid £nil (2023/24 £nil) for interest for the late payment of commercial debts.

	Year Ended 31 March 2025			Year Ended 31 March 2024		
	Total	Permanent	Other	Total	Permanent	Other
	£'000	£'000	£'000	£'000	£'000	£'000
Salaries and wages	316,450	314,094	2,356	284,045	281,191	2,854
Social security costs	31,424	31,424	0	29,323	29,323	0
Apprenticeship Levy	1,548	1,548	0	1,444	1,444	0
Employer's contributions to NHS Pensions	31,344	31,344	0	29,934	29,934	0
Pension cost - employer contributions paid by NHSE on provider's behalf (2024/25: 9.4%, 2023/24: 6.3%)	20,335	20,335	0	12,424	12,424	0
Pension Cost - other	68	68	0	64	64	0
Temporary Staff (including agency)	2,799	0	2,799	3,071	0	3,071
NHS Charitable funds staff	174	174	0	136	136	0
Total Staff costs	404,142	398,987	5,155	360,441	354,516	5,925
Costs capitalised as part of assets	2,456	2,456	0	1,114	1,114	0
Total staff costs excluding capitalised costs	401,686	396,531	5,155	359,327	353,402	5,925

6.2 Average Number of Persons Employed

This information can now be found in the staff report section of the accountability report within the annual report and accounts.

6.3 Employee Benefits

Employees benefits include payment of salaries/wages and pension contributions. There were no other employee benefits paid in 2024/25 (2023/24 £ nil).

6.4 Retirements due to Ill-health

During the year 2024/25 there 1 early retirements from the Trust on the grounds of ill-health (in 2023/24 there were 6)

The estimated additional pension liability of this ill-health retirement will be £10,229 (2023/24: £565,906).

The cost of these ill-health retirements is borne by the NHS Business Services Authority - Pensions Division, and therefore there is no liability or provision in the Trust annual report and accounts.

6.5 Other Compensation Schemes and Exit Packages

This information can now be found in the staff report section of the annual report and accounts.

7 Directors' Remuneration and other benefits (Group)

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
Salary	1,726	1,325
Taxable Benefits	0	0
Performance Related Bonuses	0	0
Employer contributions to a pension scheme	148	71
Total	**1,874**	**1,396**

Further details of directors' remuneration can be found in the remuneration report.

8 Right of Use Assets (Group and Foundation Trust)

8.1 Right of use assets 2024/25

The Trust's lease contracts comprise leases of operational buildings, medical equipment and motor vehicles. Most are individually insignificant. Two elements, however, are significant in their own right:

1. The Trusts most significant lease relates to its community services operated from Community Health Partnership premises. This lease is currently undocumented, and the Trust has used a 10-year lease term to account for the lease transaction. The 10-year term has taken into consideration the Trust and System business plans as well as the terms of other property leases the Trust currently has. The value of the asset at 31st March 2025 was £13.460m. The Trust has measured the right-of-use asset applying a cost model. The Trust has applied the cost model given that the lease is property but are simply rooms within a much larger building and the agreement has a relatively short economic life. The lease was also subject to a re-measurement in 2024/25 due to an inflation increase.
2. The Trust also has a lease relating to further community services operated from NHS Property Services Limited premises. This lease is currently undocumented, and the Trust has used a 10-year lease term to account for the lease transaction. The 10-year term has taken into consideration the Trust and System business plans as well as the terms of other property leases the Trust currently has. The value of the asset at 31st March 2025 was £2.446m. The Trust has measured the right-of-use asset applying a cost model. The Trust has applied the cost model given that the lease is property but are simply rooms within a much larger building and the agreement has a relatively short economic life. The lease was also subject to a re-measurement in 2024/25 due to an inflation increase.

2024/25	Total £'000	Land & Buildings £'000	Plant & Machinery £'000	Transport £'000
Valuation/gross cost 1 April 2024	22,827	22,625	175	27
Transfers by absorption	477	477	0	0
Additions - lease liability	669	0	669	0
Remeasurements of lease liability	796	796	0	0
Gross value 31 March 2025	24,769	23,898	844	27
Accumulated depreciation at 1 April 2024	4,648	4,490	132	26
Transfers by absorption	31	31	0	0
Provided during the year - right of use asset	2,522	2,388	133	1
Provided during the year - peppercorn leased asset	33	33	0	0
Accumulated depreciation 31 March 2025	7,234	6,942	265	27
Net book value 31 March 2025	17,535	16,956	579	0
Net book value of right of use assets leased from other DHSC group bodies	15,906	15,906	0	0

There are no right of use assets with other NHS providers.

2023/24	Total £'000	Land & Buildings £'000	Plant & Machinery £'000	Transport £'000
Valuation/gross cost 1 April 2023	22,167	21,965	175	27
Remeasurements of lease liability	660	660	0	0
Gross cost value 31 March 2024	22,827	22,625	175	27
Accumulated depreciation 1 April 2023	2,305	2,205	83	17
Provided during the year	2,343	2,285	49	9
Accumulated depreciation at 31 March 2024	4,648	4,490	132	26
Net book Value 31 March 2024	18,179	18,135	43	1
Net book value of right of use assets leased from other DHSC group bodies	17,382	17,382	0	0
There are no right of use assets with other NHS providers.				

8.2 Reconciliation of the carrying value of lease liabilities

Lease liabilities are included within borrowings in the statement of financial position. A breakdown of borrowings is disclosed in note 19.

2024/25	Total £'000	Leased from other DHSC bodies £000	Lease from bodies external to government £000
Carrying value at 1 April 2024	18,347	17,541	806
Lease additions	669	0	669
Transfers by absorption	61	0	61
Lease remeasurement	796	796	0
Interest charge arising in year	185	152	33
Lease payments (cash outflows)	(2,638)	(2,368)	(270)
	17,420	16,121	1,299

2023/24	Total £'000	Leased from other DHSC bodies £000	Lease from bodies external to government £000
Carrying value at 1 April 2023	19,955	18,982	973
Lease additions	0	0	0
Lease remeasurement	660	660	0
Interest charge arising in year	173	165	8
Lease payments (cash outflows)	(2,441)	(2,266)	(175)
Carrying value at 31 March 2024	18,347	17,541	806

Lease payments for short term leases, leases of low value underlying assets and variable lease payments not dependent on an index or rate are recognised in operating expenditure.

These payments are disclosed in note 5.1. Cash outflows in respect of leases recognised on-SOFP are disclosed in the reconciliation above.

8.3 Lease liabilities maturity analysis

2024/25	Total £'000	Leased from other DHSC bodies £000	Lease from bodies external to government £000
Undiscounted future lease payments payable in:			
- not later than one year;	2,669	2,369	300
- later than one year and not later than five years;	10,394	9,475	919
- later than five years.	4,880	4,738	142
Total gross future lease payments	17,943	16,582	1,361
Finance charges allocated to future periods	(523)	(461)	(62)
Net lease liabilities	17,420	16,121	1,299

2023/24	Total £'000	Leased from other DHSC bodies £000	Lease from bodies external to government £000
Undiscounted future lease payments payable in:			
- not later than one year;	2,405	2,266	139
- later than one year and not later than five years;	9,407	8,861	546
- later than five years.	7,143	7,000	143
Total gross future lease payments	18,955	18,127	828
Finance charges allocated to future periods	(608)	(586)	(22)
Net lease liabilities	18,347	17,541	806

9 Finance Income (Group)

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
Interest on bank accounts	1,380	2,015
NHS Charitable funds: investment income	93	110
Performance Related Bonuses	1,473	2,125

10 Finance Expense - Financial Liabilities (Group and Foundation Trust)

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
Interest Expense		
Other interest:		
Interest on lease obligations	185	173
Finance Costs in PFI obligations:		
Main Finance Costs	11,695	11,161
Remeasurement of PFI/other service concession liability resulting from a change index or rate	24,473	30,431
	36,353	41,765

11 Corporation tax expense (Group)

The activities of the subsidiary company Dudley Clinical Services Limited have given rise to a corporation tax liability recognised in the Statement of Comprehensive Income of £91,000 (2023/24 £65,000). The activities of the Trust and the Charity do not incur corporation tax.

UK Corporation Tax Expense

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
Current tax expense		
Current year	91	65
Total income tax expense in Statement of Comprehensive Income	91	65

Reconciliation of effective tax rate

	Year Ended 31 March 2025 £'000	Year Ended 31 March 2024 £'000
Effective tax charge percentage	25.00%	25.00%
Tax if effective tax rate charged on surpluses before tax	0	0
Effect of:		
(Surpluses)/losses not subject to tax	91	65
Total income tax charge for the year	91	65

12 Intangible Assets

2024/25	Group and Foundation Trust	
	Computer Software	Total
	£'000	£'000
Gross Cost as at 1 April 2024	19,035	19,035
Additions Purchased	2,758	2,758
Disposals	0	0
Gross Cost as at 31 March 2025	21,793	21,793
Accumulated Amortisation as at 1 April 2024	9,909	9,909
Provided during the Year	2,037	2,037
Disposals	0	0
Accumulated Amortisation as at 31 March 2025	11,946	11,946
Net Book Value		
Purchased at 31 March 2024	9,124	9,124
Donated at 31 March 2024	2	2
Total at 31 March 2024	9,126	9,126
Net Book Value		
Purchased at 31 March 2025	9,847	9,847
Donated at 31 March 2025	0	0
Total at 31 March 2025	9,847	9,847

2023/24	Group and Foundation Trust	
	Computer Software	Total
	£'000	£'000
Gross Cost as at 1 April 2023	16,886	16,886
Additions Purchased	2,298	2,298
Disposals	(149)	(149)
Gross Cost as at 31 March 2024	19,035	19,035
Accumulated Amortisation as at 1 April 2023	8,372	8,372
Provided during the Year	1,686	1,686
Disposals	(149)	(149)
Accumulated Amortisation as at 31 March 2024	9,909	9,909
Net Book Value		
Purchased at 31 March 2023	8,510	8,510
Donated at 31 March 2023	4	4
Total at 31 March 2023	8,514	8,514
Net Book Value		
Purchased at 31 March 2024	9,124	9,124
Donated at 31 March 2024	2	2
Total at 31 March 2024	9,126	9,126

A separate schedule for the Trust intangible assets has not been produced as the NHS Charity intangible assets represent £nil (31 March 2024 £nil) of the net book value held by the Group and the subsidiary does not have any intangible assets.

The valuation of intangible assets is on the basis described in the accounting policy in note 1.6 on page 11. No revaluation has taken place, and historic cost is considered to be the appropriate valuation basis.

13 Property, Plant and Equipment

13.1 2024/25

Group and Foundation Trust

	Total £'000	Land £'000	Buildings excluding dwellings £'000	Dwellings £'000	Assets under Construction & POA £'000	Plant & Machinery £'000	Transport Equipment £'000	Information Technology £'000	Furniture & Fittings £'000
Cost at 1 April 2024	213,156	5,180	136,973	0	963	52,194	512	16,158	1,176
Transfers by absorption	640	0	0	0	0	2	0	577	61
Additions - purchased	24,048	0	6,716	0	8,092	6,486	0	2,754	0
Additions - donated	128	0	0	0	0	104	0	0	24
Impairments charged to operating expenses	(7,669)	0	(7,669)	0	0	0	0	0	0
Impairments charged to the revaluation reserve	0	0	0	0	0	0	0	0	0
Revaluations	(975)	0	(975)	0	0	0	0	0	0
Disposals	(3,008)	0	0	0	0	(3,008)	0	0	0
Cost at 31 March 2025	226,319	5,180	135,045	0	9,055	55,777	512	19,489	1,261
Accumulated depreciation at 1 April 2024	26,385	0	93	0	0	17,463	181	7,659	989
Transfers by absorption	347	0	0	0	0	2	0	313	32
Provided during the year	13,589	0	6,875	0	0	4,700	47	1,892	75
Impairments charged to operating expenses	(5,476)	0	(5,476)	0	0	0	0	0	0
Impairments charged to the revaluation reserve	0	0	0	0	0	0	0	0	0
Revaluations	(1,332)	0	(1,332)	0	0	0	0	0	0
Disposals	(2,999)	0	0	0	0	(2,999)	0	0	0???
Accumulated depreciation at 31 March 2025	30,514	0	160	0	0	19,166	228	9,864	1,096
Net book value 31 March 2024									
Owned - purchased	63,546	5,180	29,216	0	0	20,166	331	8,490	163
On SOFP PFI contracts and other service concession arrangements	122,612	0	107,664	0	963	13,985	0	0	0
Owned - donated / granted	613	0	0	0	0	580	0	9	24
NBV total at 31 March 2024	186,771	5,180	136,880	0	963	34,731	331	8,499	187
Net book value 31 March 2025									
Owned - purchased	68,071	5,180	29,405	0	585	22,899	284	9,598	120
On SOFP PFI contracts and other service concession arrangements	126,787	0	105,150	0	8,470	13,167	0	0	0
Owned - donated / granted	946	0	330	0	0	544	0	27	45
NBV total at 31 March 2025	195,804	5,180	134,885	0	9,055	36,610	284	9,625	165

A separate schedule for the Trust tangible assets has not been produced as neither the NHS Charity nor the subsidiary Dudley Clinical Services Limited have any tangible assets.

13 Property, Plant and Equipment

13.2 2023/24

Group and Foundation Trust

	Total £'000	Land £'000	Buildings excluding dwellings £'000	Assets under Construction & POA £'000	Plant & Machinery £'000	Transport Equipment £'000	Information Technology £'000	Furniture & Fittings £'000
Cost at 1 April 2023	280,360	12,925	203,027	0	45,622	512	17,056	1,218
Prior period adjustment	3,992	0	0	0	3,992	0	0	0
Additions - purchased	11,478	0	2,327	963	6,999	0	1,189	0
Additions - donated	146	0	0	0	146	0	0	0
Impairments charged to operating expenses	(15,032)	(478)	(13,951)	0	(603)	0	0	0
Impairments charged to the revaluation reserve	(61,696)	(7,267)	(54,429)	0	0	0	0	0
Revaluations	(1)	0	(1)	0	0	0	0	0
Disposals	(6,091)	0	0	0	(3,962)	0	(2,087)	(42)
Cost at 31 March 2024	213,156	5,180	136,973	963	52,194	512	16,158	1,176
Accumulated depreciation at 1 April 2023	31,516	0	30	0	22,333	132	8,062	959
Prior period adjustment	(4,995)	0	0	0	(4,995)	0	0	0
Provided during the year	12,196	0	6,396	0	3,995	49	1,684	72
Impairments charged to the revaluation reserve	(6,069)	0	(6,069)	0	0	0	0	0
Revaluations	(264)	0	(264)	0	0	0	0	0
Disposals	(5,999)	0	0	0	(3,870)	0	(2,087)	(42)
Accumulated depreciation at 31 March 2024	26,385	0	93	0	17,463	181	7,659	989
Net book value 31 March 2023								
Owned - purchased	68,843	12,925	30,514	0	15,814	380	8,978	232
On SOFP PFI contracts and other service concession arrangements	178,767	0	172,483	0	6,284	0	0	0
Owned - donated / granted	146	0	0	0	103	0	16	27
Owned - equipment donated from DHSC and NHSE for COVID response	1,088	0	0	0	1,088	0	0	0
NBV total at 31 March 2023	248,844	12,925	202,997	0	23,289	380	8,994	259
Net book value 31 March 2024								
Owned - purchased	63,546	5,180	29,216	0	20,166	331	8,490	163
On SOFP PFI contracts and other service concession arrangements	122,612	0	107,664	963	13,985	0	0	0
Owned - donated / granted	613	0	0	0	580	0	9	24
NBV total at 31 March 2024	186,771	5,180	136,880	963	34,731	331	8,499	187

A separate schedule for the Trust tangible assets has not been produced as neither the NHS Charity nor the subsidiary Dudley Clinical Services Limited have any tangible assets.

13 Property, Plant and Equipment (continued)

Group and Foundation Trust

13.3 Financing of Property, Plant and Equipment

	Total £'000	Land £'000	Buildings excluding dwellings £'000	Assets under Construction £'000	Plant & Machinery £'000	Transport Equipment £'000	Information Technology £'000	Furniture & Fittings £'000
Net Book Value at 31 March 2024								
Owned - purchased	63,546	5,180	29,216	0	20,166	331	8,490	163
On SOFP PFI contracts and other service concession arrangements	122,612	0	107,664	963	13,985	0	0	0
Off-SOFP PFI residual interests	0	0	0	0	0	0	0	0
Owned - donated / granted	613	0	0	0	580	0	9	24
	186,771	5,180	136,880	963	34,731	331	8,499	187
Net Book Value at 31 March 2025								
Owned - purchased	68,071	5,180	29,405	585	22,899	284	9,598	120
On SOFP PFI contracts and other service concession arrangements	126,787	0	105,150	8,470	13,167	0	0	0
Off-SOFP PFI residual interests	0	0	0	0	0	0	0	0
Owned - donated / granted	946	0	330	0	544	0	27	45
	195,804	5,180	134,885	9,055	36,610	284	9,625	165

A separate schedule for the Trust tangible assets has not been produced as neither the NHS Charity or the subsidiary Dudley Clinical Services Limited have any tangible assets.

13.4 Analysis of Property, Plant and Equipment

Group and Foundation Trust

	Total £'000	Land £'000	Buildings excluding dwellings £'000	Assets under Construction £'000	Plant & Machinery £'000	Transport Equipment £'000	Information Technology £'000	Furniture & Fittings £'000
Net Book Value at 31 March 2024								
Commissioner Requested Assets	134,581	5,180	129,401	0	0	0	0	0
Non Commissioner Requested Assets	52,190	0	7,479	963	34,731	331	8,499	187
	186,771	5,180	136,880	963	34,731	331	8,499	187
Net Book Value at 31 March 2025								
Commissioner Requested Assets	132,471	5,180	127,291	0	0	0	0	0
Non Commissioner Requested Assets	63,333	0	7,594	9,055	36,610	284	9,625	165
	195,804	5,180	134,885	9,055	36,610	284	9,625	165

Commissioner Requested assets are land and buildings owned or leased by the Foundation Trust, the disposal of which may affect the Trust's ability to provide these requested goods and services.

Commissioner requested assets are land and buildings owned or leased by the Foundation Trust, the disposal of which may affect the Trust's ability to provide these requested goods and services.

* The Trust has included a prior period adjustment in the financial statements relating to the valuation of imaging equipment contained in the Trust's PFI contract. In 2023/24 the Trust was required to transition to the IFRS16 accounting standard for the PFI contract, but this did not allow for the valuation of equipment in PFI schemes. The Trust has therefore reviewed the valuation of the equipment in 2024/25 and restated the 2023/24 financial statements to value the equipment in line with the lease cost methodology used in IFRS16.

** The prior year has been restated to align with note 13.3.

	Total £'000	Land £'000	Buildings excluding dwellings £'000	Assets under Construction £'000	Plant & Machinery £'000	Transport Equipment £'000	Information Technology £'000	Furniture & Fittings £'000
Final Position								
Net Book Value at 31 March 2024								
Commissioner Requested Assets	134,581	5,180	129,401	0	0	0	0	0
Non-Commissioner Requested Assets	52,190	0	7,479	963	34,731	331	8,499	187
	186,771	5,180	136,880	963	34,731	331	8,499	187
Restatement *								
Net Book Value at 31 March 2024								
Commissioner Requested Assets	0	0	0	0	0	0	0	0
Non-Commissioner Requested Assets	8,987	0	0	0	8,987	0	0	0
	8,987	0	0	0	8,987	0	0	0
Net Book Value at 31 March 2024								
Commissioner Requested Assets	134,581	5,180	129,401	0	0	0	0	0
Non-Commissioner Requested Assets	43,203	0	7,479	963	25,744	331	8,499	187
Restatement **								
Net Book Value at 31 March 2024								
Commissioner Requested Assets	(73,862)	(7,745)	(66,117)	0	0	0	0	0
Non-Commissioner Requested Assets	963	0	0	963	0	0	0	0
	(72,899)	(7,745)	(66,117)	963	0	0	0	0
As per 23/24 published accounts								
Net Book Value at 31 March 2024								
Commissioner Requested Assets	208,443	12,925	195,518	0	0	0	0	0
Non-Commissioner Requested Assets	42,240	0	7,479	0	25,744	331	8,499	187
	250,683	12,925	202,997	0	25,744	331	8,499	187

13 Property, Plant and Equipment (continued)

13.5 Economic Life of Assets

The estimated useful economic lives of the Group's intangible and tangible assets are as follows with each asset being depreciated over this year, as described in accounting policy notes 1.5 and 1.6.

	Minimum Life Years	Maximum Life Years
Intangible		
Software Licences	2	15
Tangible		
Buildings excluding dwellings	2	79
Plant & Machinery	1	15
Transport Equipment	7	10
Information Technology	3	15
Furniture & Fittings	3	10

In January 2019, The Royal Institution of Chartered Surveyors issued guidance clarifying that where a large asset includes a number of components with significantly different asset lives, then these components must be treated as separate assets and depreciated over their own useful lives. The Trust's asset valuation, undertaken as at 31 March 2025, took account of this clarification.

13.6 Impairment Losses

The Trust carried out an impairment review of its non-current assets in March 2025. For land and buildings, the Trust received a valuation report from Cushman & Wakefield prepared on a Modern Equivalent Asset (MEA) basis. The valuation report was prepared in accordance with the terms of the Royal Institution of Chartered Surveyors' Valuation Standards, 6th Edition, insofar as the terms are consistent with the requirements of HM Treasury, the National Health Service and NHSI. The valuation also included a review of functional obsolescence. On application there was a decrease in value of land and buildings (£1.826m) compared to the carrying value following the March 2024 valuation. In line with IFRS the Trust took the decrease in value of the buildings directly to the revaluation reserve. The valuation for Russells Hall Hospital buildings (£1.621m) and a new CT building at Guest (£0.572m) resulted in an impairment of £2.193m which the Trust has taken to the income and expenditure account.

In addition the Trust undertook an impairment review of equipment and intangible assets; the carrying value of these was deemed to fairly reflect the value of the assets. Unforeseen obsolescence in 2023/24 relates to equipment donated to the Trust during COVID which was deemed not suitable for use within the Trust (£0.603m).

	31 March 2025 £'000	31 March 2024 £'000
Impairment of Assets		
Unforeseen obsolescence	0	603
Changes in market price	2,193	14,429
Total impairments charged to operating surplus/deficit	2,193	15,032
Total net impairments charged to the revaluation reserve	0	55,627
Total Impairments	2,193	70,659

13.7 Asset Valuations

A Modern Equivalent Asset Optimised Alternative Site valuation was undertaken as at 1st April 2018 by the District Valuer. The underlying principle is that the valuation of land and buildings should reflect a modern configuration of the estate required for the provision of the same services as already provided by the existing estate. With service delivery requirements evolving, this requires the Trust to consider whether the existing buildings and sites are optimal in terms of number and size. If the Trust were starting with a 'clean sheet', the Modern Equivalent Asset aligned to service delivery would be very different to the current layout in terms of building configuration and the size of the land. The net book value of the Trust's land and buildings decreased by £52,412,000 between 31 March 2018 and 31 March 2019, of which £41,768,000 was the result of using an optimised alternative site valuation.

13.8 Non-Current Assets Held for Sale and assets in disposal groups

There are no Non-Current Assets held for sale in 2024/25.

13.9 Capital Commitments

Commitments under capital expenditure contracts at the end of the year, not otherwise included in the annual report and accounts were £7,752,000 (2023/24 £2,021,000). The amount relating to property, plant and equipment is £7,752,000 (2023/24 £2,021,000) and intangible assets £nil (2023/24 £nil).

13.10 Gains/losses on disposal /derecognition of assets

	31 March 2025 £'000	31 March 2024 £'000
Gains on disposal/derecognition of other property, plant and equipment	41	90
Losses on disposal/derecognition of other property, plant and equipment	(10)	(21)
	31	69

14 Other Investments / financial assets

14.1 Investments

	Group	
	2024/25 £'000	2023/24 £'000
Non-Current		
NHS Charitable funds: investments/financial assets	1,382	202
Total	1,382	202

There are no current investments (2023/24 £Nil).

Non-current funds are investments in stocks and shares which are only held by The Dudley Group NHS Foundation Trust Charity.

Movements in Non-current Investments

	2024/25 £'000	2023/24 £'000
Carrying Value at 1 April	202	1,433
Fair value movements taken to OCI (for equity instruments designated as FV through OCI)	(20)	(2)
Additions	1,200	0
Disposals	0	(1,229)
Carrying Value at 31 March	1,382	202

A separate schedule for the Trust investments or financial assets has not been produced as the Trust does not have any investments or financial assets (2023/24 £nil).

14.2 Subsidiaries

The Trust wholly owns the subsidiary company Dudley Clinical Services Limited with a share of £1. Dudley Clinical Services Limited, was registered in the UK company number 8245934, and commenced trading on 9 October 2012.

The registered address for the Trust, Charity and Subsidiary is Russells Hall Hospital, Dudley, DY1 2HQ.

15 Inventories

	Group		Foundation Trust	
	31 March 2025 £'000	31 March 2024 £'000	31 March 2025 £'000	31 March 2024 £'000
Drugs	2,186	2,714	1,976	2,544
Consumables	2,289	2,322	2,289	2,322
Consumables donated from DHSC group bodies	26	26	26	26
Energy	30	44	30	44
Other	137	122	137	122
TOTAL Inventories	**4,668**	**5,228**	**4,458**	**5,058**

The Group expensed inventories during the year of £52,891,000 (2023/24 £50,255,000), of which £49,278,000 (2023/24 £45,792,000) related to the Trust.

The Trust charged £nil to operating expenses in the year due to write-downs of obsolete inventories (2023/24 £87,000). This 23/24 expense occurred due to the expiry of stock which was unable to be used. There were no other write-offs of inventories within the Group.

16 Receivables

16.1 Trade and Other Receivables

	Group		Foundation Trust	
Current	**31 March 2025**	**31 March 2024**	**31 March 2025**	**31 March 2024**
	£'000	**£'000**	**£'000**	**£'000**
Contract receivables (IFRS15): invoiced	6,838	6,193	6,838	6,193
Contract receivables (IFRS15): not yet invoiced/non-invoiced	0	267	0	267
Contract assets (IFRS15)	0	0	0	0
Allowance for impaired contract receivables/assets	(1,107)	(780)	(1,107)	(780)
Allowance for impaired other receivables	0	0	0	0
Deposits and Advances	10	1	10	1
Prepayments(revenue) non PFI	5,205	4,887	5,199	4,880
Interest Receivable	138	153	138	153
PDC dividend receivable	0	0	0	0
VAT Receivable	1,660	1,588	1,506	1,403
Corporation and other taxes receivable	0	0	0	0
Clinician pension tax provision reimbursement funding from NHSE	29	22	29	22
Other receivables	0	0	0	0
NHS Charitable funds: receivables	71	31	0	0
TOTAL CURRENT RECEIVABLES	**12,844**	**12,362**	**12,613**	**12,139**

	Group		Foundation Trust	
Non-Current	**31 March 2025**	**31 March 2024**	**31 March 2025**	**31 March 2024**
	£'000	**£'000**	**£'000**	**£'000**
Contract receivables (IFRS15): not yet invoiced/non-invoiced	1,433	1,390	1,433	1,390
Allowance for impaired contract receivables/assets	(350)	(321)	(350)	(321)
Prepayments(revenue) non PFI	1,303	1,391	1,303	1,391
PFI Lifecycle prepayments (revenue)	16,339	15,760	16,339	15,760
Clinician pension tax provision reimbursement funding from NHSE	442	429	442	429
Other Receivables	0	0	0	0
NHS Charitable funds: receivables	0	0	0	0
TOTAL NON-CURRENT RECEIVABLES	**19,167**	**18,649**	**19,167**	**18,649**
Of which receivable from NHS and DHSC group bodies:				
Current	4,131	4,407	4,131	4,407
Non-current	442	429	442	429

Current and non-current contract assets include the NHS Injury Scheme (was RTA).

Included within trade and other receivables of both Group and Trust are balances with a carrying amount of £5,731,000 (31 March 2024 £5,815,000) which are past due at the reporting date but for which no specific provision has been made as they are considered to be recoverable based on previous trading history.

16 Receivables (continued)

16.2 Allowances for credit losses (doubtful debts)

	Group and Foundation Trust		
	Total £'000	Contract Receivables/ Contract Assets £'000	All Other Receivables £'000
Allowances at 1 April 2024	1,101	1,101	0
Changes in the calculation of existing allowances	822	822	0
Reversals of allowances (where receivable is collected in year)	(432)	(432)	0
Utilisation of allowances (where allowance is written off)	(34)	(34)	0
Allowances as at 31 March 2025	1,457	1,457	0
Loss/(gain) recognised in expenditure note 5.	390		0

	Group and Foundation Trust		
	Total £'000	Contract Receivables/ Contract Assets £'000	All Other Receivables £'000
Allowances at 1 April 2023	1058	1058	0
New allowances arising	391	391	0
Reversals of allowances (where receivable is collected in year)	(345)	(345)	0
Utilisation of allowances (where allowance is written off)	(3)	(3)	0
Allowances as at 31 March 2024	1,101	1,101	0
Loss/(gain) recognised in expenditure note 5.	46		0

Separate schedules for the Trust analysis of receivables have not been produced as the NHS Charity receivables are without credit loss assessment and represent just £71,000 (31 March 2024 £31,000) of the value shown by the Group in the 0-30 days category and the subsidiary did not have any receivables outstanding.

Credit loss impairments are not recognised against NHS receivables, in accordance with the DHSC Group Accounting Manual.

17 Cash and Cash Equivalents

	Group		Foundation Trust	
	31 March 2025 £'000	31 March 2024 £'000	31 March 2025 £'000	31 March 2024 £'000
At 1 April	22,119	13,778	18,404	11,616
Transfers By Absorption	1,819	0	1,819	0
Net change in year	9,373	8,341	10,388	6,788
At 31 March	33,311	22,119	30,611	18,404
Analysed as follows:				
Cash at commercial banks and in hand	1,693	1,359	1	1
Cash with the Government Banking Service	31,618	20,760	30,610	18,403
Other current investments	0	0	0	0
Cash and cash equivalents as in Statement of Financial Position	**33,311**	**22,119**	**30,611**	**18,404**
Cash and cash equivalents as in Statement of Cash Flows	**33,311**	**22,119**	**30,611**	**18,404**

18 Trade and Other Payables

	Group		Foundation Trust	
	31 March 2025 £'000	31 March 2024 £'000	31 March 2025 £'000	31 March 2024 £'000
Current				
Trade payables	2,344	2,352	2,344	2,181
Capital payables	5,171	2,603	5,171	2,603
Accruals	4,859	6,546	4,774	6,675
Annual leave accrual	0	0	0	0
Vat payable	54	40	54	40
Taxes payable	8,922	8,088	8,829	8,021
PDC dividend payable	0	0	0	0
Pension contributions payable	4,521	3,767	4,521	3,767
Other payables	13,606	12,315	13,606	12,315
NHS Charitable Funds trade and other payables	35	30	0	0
TOTAL CURRENT TRADE & OTHER PAYABLES	39,512	35,741	39,299	35,602
Non-Current				
Trade payables	0	0	0	0
TOTAL NON-CURRENT TRADE & OTHER PAYABLES	0	0	0	0
Of which payables from NHS and DHSC group bodies:				
Current:	4,023	2,787	4,023	2,787
Non-current:	0	0	0	0

Taxes payable consists of employment taxation only (Pay as You Earn and National Insurance contributions), owed to HM Revenue and Customs at the year end, and Corporation Tax payable by the subsidiary Dudley Clinical Services Limited.

Other payables include superannuation owed to NHS Pensions.

19 Borrowings

	Group and Foundation Trust	
	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Current		
Lease liabilities	2,510	2254
Obligations under Private Finance Initiative contracts (excl lifecycle)	10,645	10,914
Total Current borrowings	13,155	13,168
Non-Current		
Lease liabilities	14,910	16,093
Obligations under Private Finance Initiative contracts	275,198	261,371
Total Other Non-Current Liabilities	290,108	277,464
Current:	4,023	2,787
Non-current:	0	0

A separate schedule for the Trust borrowings has not been produced as neither the NHS Charity nor the subsidiary Dudley Clinical Services Limited have any borrowings.

Reconciliation of liabilities arising from financing activities

	Total £'000	Lease Liabilities £'000	PFI and other service concessions £'000
Carrying value 1 April 2024	290,632	18,347	272,285
Cash movements:			
Financing cash flows - principle	(13,367)	(2,453)	(10,914)
Financing cash flows - interest	(11,881)	(185)	(11,696)
Non-cash movements:			
Transfers by absorption	61	61	0
Additions	669	669	0
Lease liability remeasurements	796	796	0
Remeasurement of PFI/other service concession resulting from change in index or rate	24,473	0	24473
Interest charge arising in year	11,880	185	11,695
Carrying value 31 March 2025	303,263	17,420	285,843
Carrying value 1 April 2023	128,475	19955	108520
Cash movements:			
Financing cash flows - principle	(13,134)	(2,268)	(10,866)
Financing cash flows - interest	(11,334)	(173)	(11,161)
Non-cash movements:			
Application of IFRS16 measurement principles to PFI liability on 1 April 2023	144,200	0	144200
Lease liability remeasurements	660	660	0
Remeasurement of PFI/other service concession resulting from change in index or rate	30,431	0	30,431
Interest charge arising in year	11,334	173	11,161
Carrying value 31 March 2024	290,632	18,347	272,285

19 Borrowings

	Group and Foundation Trust	
	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Current		
Other legal claims	196	154
2019/20 Clinician's pension tax reimbursement	29	22
Total	225	176
Non-Current		
Other legal claims	125	125
2019/20 Clinician's pension tax reimbursement	442	429
Total	567	554

	Total £'000	Other legal claims £'000	Clinical pension tax reimbursement £'000	Lease dilapidations £'000
At 1 April 2024	730	154	451	125
Change in discount rate	(4)	0	(4)	0
Arising during the year	260	251	9	0
Utilised during the year	(136)	(128)	(8)	0
Reversed unused	(81)	(81)	0	0
Unwinding of discount	23	0	23	0
At 31 March 2025	792	196	471	125
Expected timing of cashflows:				
- not later than one year;	225	196	29	0
- later than one year and not later than five years;	185	0	60	125
- later than five years.	382	0	382	0
TOTAL	792	196	471	125

Other Legal Claims include claims under Employers' and Public Liability.

Clinicians pension tax reimbursement relates to costs associated with the pension tax scheme. Clinicians who are members of the NHS Pension Scheme and who, as a result of work undertaken in this tax year (2019/20) face a tax charge in respect of the growth of their NHS pension benefits above their pension savings annual allowance threshold will be able to have this charge paid by the NHS Pension Scheme. Individual Trusts have been instructed to reflect this future estimated liability within the provisions note and include a corresponding amount as owing from NHS England within the receivables note.

The NHS Litigation Authority has included in its provisions at 31 March 2025: £239,109,728 (2023/24: £215,932,000) in respect of clinical negligence liabilities for the Trust.

21 Other Liabilities

	Group		Foundation Trust	
	31 March 2025 £'000	31 March 2024 £'000	31 March 2025 £'000	31 March 2024 £'000
Current				
Deferred Income	2,139	3,366	2,139	3,366
TOTAL OTHER CURRENT LIABILITIES	2,139	3,366	2,139	3,366

Where income has been received for a specific activity which is to be delivered in the following financial year, that income is deferred.

22 Deferred Tax (Group)

Liability for corporation tax only arises from the activity of the commercial subsidiary, the activities of the Trust do not incur corporation tax, see accounting policy note 1.18 for detailed explanation.

The subsidiary did not have any deferred tax in 2024/25 (2023/24 £nil).

23 Events after the reporting year (Group and Foundation Trust)

There are no events after the reporting year.

24 Contingencies (Group and Foundation Trust)

Neither the Group nor the Trust have any contingent assets or liabilities in 2024/25 (2023/24 £nil).

25 Related Party Transactions (Group and Foundation Trust)

During the year none of the Department of Health Ministers, Trust Board Members or members of the key management staff, or parties related to any of them, have undertaken material transactions with The Dudley Group NHS Foundation Trust.

The Department of Health and Social Care is the parent department to the Trust and is considered to be a related party.

During 2024/25 the Trust has had a significant number of transactions over £300k with the Department, and with other entities for which the Department is regarded as the parent Department. These entities are:

- Black Country Healthcare NHS Foundation Trust
- NHS Birmingham and Solihull ICB
- NHS Black Country ICB
- NHS England
- NHS Herefordshire and Worcestershire ICB
- NHS Resolution

- NHS Shropshire, Telford and Wrekin ICB
- NHS Staffordshire and Stoke-on-Trent ICB
- Sandwell And West Birmingham Hospitals NHS Trust
- The Royal Wolverhampton NHS Trust
- Walsall Healthcare NHS Trust
- Worcestershire Acute Hospitals NHS Trust
- University Hospitals Birmingham NHS Foundation Trust

In addition, the Trust has had a number of material transactions with other Government Departments and Local Government Bodies. These related parties are summarised below by Government Department.

- Care Quality Commission
- Community Health Partnerships
- Dudley Metropolitan Borough Council
- HMRC
- NHS Blood & Transplant
- NHS Pensions
- NHS Property Services

Key management personnel, namely the Trust Board Directors, are those persons having authority and responsibility for planning, directing and controlling the activities of the Trust. During the year none of the key management personnel have parties related to them that have undertaken any material transactions with The Dudley Group NHS Foundation Trust.

The following members of the Trust Board hold positions in the organisations stated below.

	Trust position	Other Body	Position held
Sir David Nicholson	Chairperson	Sandwell & West Birmingham Hospitals NHS Trust; Walsall Healthcare NHS Trust; The Royal Wolverhampton NHS Trust	Chairperson
Diane Wake	Group Chief Executive	Sandwell & West Birmingham Hospitals NHS Trust	Chief Executive Officer
		Black Country ICB	CEO member on Board
Chris Walker	Interim Director of Finance	Dudley Clinical Services Ltd	Director
Elizabeth Abbiss	Director of Communications	The Royal Wolverhampton NHS Trust; Walsall Healthcare NHS Trust	Group Chief People Officer
Adam Thomas	Chief Strategy and Digital Officer	Dudley Clinical Services Ltd	Director
		Sandwell & West Birmingham NHS Trust and The Dudley Group NHS Foundation Trust	Group Chief Strategy and Digital Officer
Gary Crowe	Non Executive Director	University Hospital of North Midlands NHS Trust	Non Executive Director
		The Human Tissue Authority	Independent Member
Elizabeth Hughes	Non Executive Director	NHS England (formerly Health Education England)	Medical Director
		Birmingham and Solihull ICB	Non Executive Director/ Chair of Quality Committee
		Sandwell & West Birmingham NHS Trust	Research Director
Peter Featherstone	Non Executive Director	Shropshire Community Health NHS Trust	Non Executive Director
Lowell Williams	Non Executive Director	Dudley Clinical Services Ltd	Director
Vijith Randeniya	Vice Chair	Birmingham Women's and Children's Foundation Trust	Vice Chairman
		Dudley Clinical Services Ltd	Director

The annual report and accounts of the parent (the Trust) are presented together with the consolidated annual report and accounts and any transactions or balances between Group entities have been eliminated on consolidation. Dudley Group NHS Charity has a Corporate Trustee who are the Board members of the Trust. The Board members of Dudley Clinical Services Limited include from the Trust, Executive Directors Chris Walker and Adam Thomas, and Non-Executive Directors Lowell Williams as Chairman and Vijith Randeniya as a Director.

The Trust received revenue payments from Dudley Group NHS Charity for finance administration services totalling £57,000 (2023/24 £54,000). Dudley Clinical Services Limited received income of £5,692,000 (2023/24 £5,191,000) and incurred expenditure of £365,000 (2023/24 £347,000) with the Trust.

Dudley Group NHS Charity and Dudley Clinical Services Limited and do not have any transactions with any NHS or Government entity except those with its parent, the Trust and HMRC.

26 Private Finance Initiatives (Group and Foundation Trust)

26.1 PFI schemes on the Statement of Financial Position

The Dudley PFI project provided for the refurbishment and new building of major inpatient facilities at Russells Hall Hospital, the building of new facilities at Guest Hospital and Corbett Hospital. The Capital value of the scheme was £160,200,000.

The Project agreement runs for 40 years from May 2001. The Dudley PFI is a combination of buildings (including hard

Facilities Managed (FM) services) and a significant range of allied and clinical support services.

The standard Unitary Payment changes periodically as a consequence of:

- Inflation (based on RPI and reviewed annually)
- Deductions for poor performance (Deficiency points and financial penalties for poor performance or non-compliant incidents).
- Variations to the Project Agreement (PA) (agreed under Variations procedure in the PA)
- 50% of market testing or refinancing impact
- Energy tariff adjuster (the difference between actual energy tariff changes and the uplift that comes through RPI)
- Volume adjuster (computed by comparing actual in patient days against that in the schedule, with a tolerance of plus, or minus 3%)

The Trust has the rights to use the specified assets for the length of the Project Agreement and has the rights to expect provision of the range of allied and clinical support services. At the end of the Project Agreement the assets will transfer back to the Trust's ownership.

The PFI transaction meets the IFRIC 12 definition of a service concession, as interpreted in the Group Accounting Manual GAM) issued by Monitor, and therefore the Trust is required to account for the PFI scheme 'on-balance sheet'. In accordance with HM Treasury's FReM, the underlying assets are recognised as property, plant and equipment, together with an equivalent liability. Initial measurement of the asset and liability are in accordance with the initial measurement principles of IFRS 16. Where there are changes in future payments for the asset resulting from indexation of the unitary charge, the Trust remeasures the PFI liability by determining the revised payments for the remainder of the contract once the change in cash flows takes effect. The remeasurement adjustment is charged to finance costs in the Statement of Comprehensive Income.

The following obligations in respect of the PFI arrangement are recognised in the statement of financial position.

	As at 31 March 2025 £'000	As at 31 March 2024 £'000
Gross PFI Liabilities	401,378	395,585
of which liabilities are due		
- not later than one year;	22,302	22,609
- later than one year and not later than five years;	84,733	86,169
- later than five years.	294,343	286,807
Finance charges allocated to future periods	(115,535)	(123,300)
Net PFI liabilities	**285,843**	**272,285**
- not later than one year;	10,645	10,914
- later than one year and not later than five years;	42,580	43,656
- later than five years.	232,618	217,715

Total future commitments for on-SOFP schemes are as follows:

	31 March 2025 £'000	31 March 2024 £'000
- not later than one year;	57,682	55,741
- later than one year and not later than five years;	230,728	222,965
- later than five years.	639,166	668,894
Total	**927,576**	**947,600**

Analysis of amounts payable to the service concession operator:

	31 March 2025 £'000	31 March 2024 £'000
Unitary payment payable to the concession operator	**55,741**	**51,144**
Consisting of:		
- Interest charge	11,695	11,161
- Repayment of finance lease liability	10,914	10,866
- Service element	28,105	25,787
- Capital lifecycle maintenance	4,275	1,253
- Contingent rent Addition to lifecycle	0	0
- Prepayment	752	2,077
Total amount paid to concession operator	**55,741**	**51,144**
Other amounts paid to the service concession operator but not part of the unitary payment		
Amounts charges to revenue	5,144	9,523
Amounts capitalised	0	0
Total amount paid to the service concession operator	**60,885**	**60,667**

27 Net Gain/Loss on Transfer by Absorption

On 1 October 2024, there was a transfer of services from Dudley Integrated Healthcare NHS Trust to The Dudley Group NHS Foundation Trust. The assets and liabilities related to the transfer are shown below.

	Transfer 2024/25 £'000
PPE	
Cost/valuation: Plant & Machinery	2
Cost/valuation: Information technology	577
Cost/valuation: Furniture and fittings	61
Accumulated depreciation: Plant & Machinery	(2)
Accumulated depreciation: Information technology	(313)
Accumulated depreciation: Furniture and fittings	(32)
Net book value of PPE transferring	**293**
Right of use Assets	
RoU assets - leased from other DHSC group bodies	
Cost/valuation: Property	362
Accumulated depreciation: Property	(23)
Net book value of RoU assets - leased from other DHSC group bodies	**339**
RoU assets - leased from Local Authorities	
Cost/valuation: Property	69
Accumulated depreciation: Property	(4)
Net book value of RoU assets - leased from other Local Authorities	**65**
RoU assets - leased from bodies external to Government	
Cost/valuation: Property	46
Accumulated depreciation: Property	(4)
Net book value of RoU assets - leased from bodies external to Government	**42**
Total net book value of RoU assets transferring	**446**
Receivables	
Current: all other receivables	802
Total receivables transferring	**802**
Cash and cash equivalents	**1,819**
Trade and other payables	
Current: Annual leave accrual	(92)
Current: All other trade and other payables	(497)
Total trade and other payables transferring	**(589)**
Other liabilities	
Current: Other liabilities	(207)
Total other liabilities transferring	**(207)**
Borrowings	
Non-current: Lease liabilities with bodies external to government	(49)
Current: Lease liabilities with bodies external to government	(12)
Total borrowings transferring	**(61)**
Net gain/(loss) on absorption transfers	**2,503**
Revaluation reserve	
Revaluation reserve: RoU assets - leased from other DHSC group bodies	6
Revaluation reserve: RoU assets - leased from Local Authorities	2
Revaluation reserve: RoU assets - leased from ext to Gov bodies	2
Total revaluation reserve reinstated/eliminated	**10**

Impact of the transfer

	Group Including Transfer	Group Excluding Transfer
	31 March 2025 £'000	31 March 2025 £'000
Operating Income from patient care activities	588,787	588,787
Other Operating Income	33,685	33,685
Total Operating Income from continuing operations	**622,472**	**622,472**
Operating Expenses from continuing operations	(604,444)	(604,444)
Operating Surplus / (Deficit)	**18,028**	**18,028**
Finance Costs		
Finance income	1,473	1,473
Finance expense - financial liabilities	(36,353)	(36,353)
Net Finance Costs	**(34,880)**	**(34,880)**
Gain/(loss) of disposal of assets	31	31
Gains/(losses) from transfers by absorption	2,503	-
Corporation tax expense	(91)	(91)
Surplus/(Deficit) for the year from continuing operations	**(14,409)**	**(16,912)**
SURPLUS/(DEFICIT) FOR THE YEAR	**(14,409)**	**(16,912)**

28 Prior Period Adjustment

The Trust has included a prior period adjustment in the financial statements relating to the valuation of imaging equipment contained in the Trust's PFI contract. In 2023/24 the Trust was required to transition to the IFRS16 accounting standard for the PFI contract, but this did not allow for the valuation of equipment in PFI schemes. The Trust has therefore reviewed the valuation of the equipment in 2024/25 and restated the 2023/24 financial statements to value the equipment in line with the lease cost methodology used in IFRS16.

The PPA has resulted in a £8.987m increase in Property, plant and equipment offset by an equivalent increase in the Income and Expenditure reserve.

As these amounts related to prior years they have been treated as a prior period adjustment and reflected over the years affected. These prior period adjustments have been accounted for as follows:

	Group	Foundation Trust
	31 March 2025 £'000	31 March 2024 £'000
Balance Sheet		
Non-current assets		
Property, plant and equipment		
As previously reported	177,784	177,784
Prior period adjustment	8,987	8,987
Restated balance	186,771	186,771
Taxpayers' equity		
Income and expenditure reserve		
As previously reported	(148,335)	(149,946)
Prior period adjustment	8,987	8,987
Restated balance	(139,348)	(140,959)
Statements of Changes in Taxpayers' and Others' Equity		
Income and expenditure reserve		
Taxpayers' and Others' Equity at 1 April 2023	26,175	24,758
Prior period adjustment	8,987	8,987
In year movements	(174,510)	(174,705)
Restated taxpayers' and Others' Equity at 31 March 2024	(139,348)	(140,960)

In addition to the statements listed above, other notes affected by this prior period adjustment is Note 13 - Property, plant and equipment.

29 Financial Instruments and Related Disclosures

A financial instrument is a contract that gives rise to a financial asset in one entity and a financial liability or equity instrument in another entity. The nature of the Group's activities means that exposure to risk, although not eliminated, is substantially reduced.

The key risks that the Group have identified are as follows:

29.1 Financial Risk

Because of the continuing service provider relationship that the Trust has with Integrated Care Boards (ICB's) and the way those ICB's are financed, and the relationship that the subsidiary company and charity have with the Trust, the Group is not exposed to the degree of financial risk faced by business entities. Financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The Group has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Trust in undertaking its activities.

The Group's treasury management operations are carried out by the finance department, within parameters defined formally within the standing financial instructions and policies agreed by the Board of Directors. Group treasury activity is subject to review by the Finance and Performance Committee.

29.2 Currency Risk

The Group are principally domestic organisations with the great majority of transactions, assets and liabilities being in the UK and Sterling based. The Group have no overseas operations. The Group therefore have low exposure to currency rate fluctuations.

29.3 Market (Interest Rate) Risk

All of the Group financial assets and all of its financial liabilities carry nil or fixed rates of interest. The Group is not therefore, exposed to significant interest rate risk.

29.4 Credit Risk

The majority of the Group's income comes from contracts with other public sector bodies, resulting in low exposure to credit risk. The maximum exposures as at 31 March 2025 are in receivables from customers, as disclosed in note 17 to the annual report and accounts. The Group mitigates its exposure to credit risk through regular review of debtor balances and by calculating a credit loss allowance at the end of the year.

29.5 Liquidity Risk

The Group's net operating costs are incurred under annual service agreements with Integrated Care Boards and NHS England, which are financed from resources voted annually by Parliament. This is regulated by the Trust's compliance with the 'Financial Sustainability Risk Rating' system created by Monitor, the Independent Regulator of NHS Foundation Trusts. In addition, should the Group identify a shortfall on cash, the Trust has the ability to borrow from NHS England. The Group ensures that it has sufficient cash to meet all its commitments when they fall due. The Board continues to monitor monthly and future cash positions and has governance arrangements in place to manage cash requirements throughout the year. The Group is not, therefore, exposed to significant liquidity risks.

29.6 Fair Values

All of the financial assets and all of the financial liabilities of the Group are measured at fair value on recognition and subsequently amortised cost, with the exception of the investment of the Charity which is measured at fair value through other comprehensive income.

The following tables show by category the financial assets and financial liabilities at 31 March 2025. The values are shown at amortised cost which is representative of the carrying value.

	Group			Foundation Trust	
	Total £'000	Valued at amortised cost £'000	Investments in equity instruments designated at fair value through OCI £'000	Total £'000	Valued at amortised cost £'000
Financial Assets as at 31 March 2025					
Receivables (excluding non-financial assets) with NHS and DH bodies	4,168	4,168	0	4,168	4,168
Receivables (excluding non-financial assets) with other bodies	2,695	2,695	0	2,624	2,624
Cash and cash equivalents	33,311	33,311	0	30,611	30,611
Other Investments/financial assets	1,382		1,382	0	0
	41,556	40,174	1,382	37,403	37,403

	Group		Foundation Trust	
	Total £'000	Valued at amortised cost £'000	Total £'000	Valued at amortised cost £'000
Financial Liabilities as at 31 March 2025				
Obligations under leases	17,420	17,420	17,420	17,420
Obligations under Private Finance Initiative contracts	285,843	285,843	285,843	285,843
Trade and other payables (excluding non-financial liabilities) with NHS and DH bodies	3,097	3,097	3,097	3,097
Trade and other payables (excluding non-financial liabilities) with other bodies	22,918	22,918	22,670	22,670
Other Investments/financial assets	792	792	792	792
	330,070	330,070	329,822	329,822

The following tables show by category the financial assets and financial liabilities at 31 March 2024. The values are shown at amortised cost which is representative of the carrying value.

	Group			Foundation Trust	
	Total £'000	Valued at amortised cost £'000	Investments in equity instruments designated at fair value through OCI £'000	Total £'000	Valued at amortised cost £'000
Financial Assets as at 31 March 2024					
Receivables (excluding non-financial assets) with NHS and DH bodies	4,384	4,384	0	4,384	4,384
Receivables (excluding non-financial assets) with other bodies	2,518	2,518	0	2,518	2,518
Cash and cash equivalents	19,762	19,762	0	18,404	18,404
Consolidated NHS Charitable fund financial assets	2,590	2,388	202	0	0
	29,254	29,052	202	25,306	25,306

A financial asset is measured at fair value through other comprehensive income where business model objectives are met by both collecting contractual cash flows and selling financial assets and where the cash flows are solely payments of principal and interest. Movements in the fair value of financial assets in this category are recognised as gains or losses in other comprehensive income except for impairment losses. On derecognition, cumulative gains and losses previously recognised in other comprehensive income are reclassified from equity to income and expenditure, except where the Trust elected to measure an equity instrument in this category on initial recognition. The Trust has irrevocably elected to measure the charity equity instruments at fair value through other comprehensive income.

	Group		Foundation Trust	
	Total £'000	Valued at amortised cost £'000	Total £'000	Valued at amortised cost £'000
Financial Liabilities as at 31 March 2024				
Obligations under leases	18,347	18,347	18,347	18,347
Obligations under Private Finance Initiative contracts	272,285	272,285	272,285	272,285
Trade and other payables (excluding non-financial liabilities) with NHS and DH bodies	2,639	2,639	2,639	2,639
Trade and other payables (excluding non-financial liabilities) with other bodies	21,177	21,177	20,694	20,694
IAS 37 provisions which are financial liabilities	730	730	730	730
Consolidated NHS Charitable Fund financial liabilities	30	30	0	0
	315,208	**315,208**	**314,695**	**314,695**

Note 29.7 Maturity of Financial Liabilities

	Group		Foundation Trust	
	As at 31 March 2025 £'000	As at 31 March 2024 £'000	As at 31 March 2025 £'000	As at 31 March 2024 £'000
In One Year or Less	51,211	49,036	51,211	49,036
In more than one year but not more than five years	95,312	95,742	95,312	95,742
In more than five years	299,605	294,338	299,605	294,338
Total	446,128	439,116	446,128	439,116

30 Third Party Assets (Group and Foundation Trust)

The Trust held £4,000 as cash at bank or in hand at 31 March 2025 (31 March 2024 £10,000) which related to monies held by the Trust on behalf of patients. These balances are excluded from cash at bank and in hand figures reported in the annual report and accounts note 17 on page 39.

31 Losses and Special Payments (Group and Foundation Trust)

NHS Foundation Trusts are required to record payments and other adjustments that arise as a result of losses and special payments on an accruals basis, excluding provisions for future losses.

	2024/25		2023/24	
	Number	Value £000	Number	Value £000
Loss of Cash	3	8	0	0
Bad debts and claims abandoned	29	23	11	4
Damage to Buildings, property etc. due to:				
Theft	0	0	1	2
Stores losses	7	304	7	187
Total Losses	**39**	**335**	**19**	**193**
Ex gratia payments	42	73	37	73
Overtime Corrective Payments *	0	0	0	0
Total Special Payments	42	73	37	73
Total Losses and Special Payments	**81**	**408**	**56**	**266**

* The overtime corrective payments are considered as special payments for which HMT approval was sought nationally by NHS England on local employers' behalf.

There were no (2023/24 £nil) clinical negligence, fraud, personal injury, compensation under legal obligations or fruitless payment cases where the net payment for the individual case exceeded £300,000

32 Auditors' Liability (Group and Foundation Trust)

In accordance with the Companies (Disclosure of Auditor Remuneration and Liability Limitation Agreements) Regulations 2008, the liability of the Trust Auditor, Grant Thornton UK LLP is restricted to £1,000,000 in respect of liability to pay damages for losses arising as a direct result of breach of contract or negligence in respect of services provided in connection with or arising from their letter of engagement dated 6th May 2021.

Further information about the Trust

Our Russells Hall Hospital Stroke Ward engaging their patients with gifts and festive carols at Christmas time

The Dudley Group NHS Foundation Trust

dgft.nhs.net

Find out more

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