

Kent Community Health NHS Foundation Trust

Auditor's Annual Report for the
year ended 31 March 2023

June 2023



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We are required under Schedule 10 paragraph 1(d) of the National Health Service Act 2006, to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

The Code of Audit Practice issued by the National Audit Office (NAO) requires us to report to you our commentary relating to proper arrangements.

We report if significant matters have come to our attention. We are not required to consider, nor have we considered, whether all aspects of the Foundation Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.



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

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Executive summary



Value for Money arrangements and key recommendations

Under the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to consider whether the Trust has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Auditors are required to report their commentary on the Trust's arrangements under specified criteria and 2022-23 is the third year that we have reported our findings in this way. As part of our work, we considered whether there were any risks of significant weakness in the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources. Where we identify significant weaknesses in arrangements we are required to make recommendations so that the Trust may set out actions to make improvements. Our conclusions are summarised in the table below.

Criteria	2022-23 Risk assessment	2022-23 Auditor judgement on arrangements	2021-22 Auditor judgement on arrangements	Direction of travel
Financial sustainability	No risks of significant weakness identified	B No significant weaknesses in arrangements identified, but two improvement recommendations made to support the Trust in improving arrangements for financial planning and reporting.	B No significant weakness was identified but one improvement recommendation has been made.	↔
Governance	No risks of significant weakness identified	LP Our work did not identify any areas where we considered that key or improvement recommendations were required.	LP Our work did not identify any areas where we considered that key or improvement recommendations were required.	↔
Improving economy, efficiency and effectiveness	No risks of significant weakness identified	B No significant weaknesses in arrangements identified, but one improvement recommendation made to support the Trust in improving arrangements for benchmarking and data integrity.	B No significant weakness was identified but one improvement recommendation has been made.	↔

LP Light purple – No significant weaknesses in arrangements identified or improvement recommendation made.

B Blue – No significant weaknesses in arrangements identified, but improvement recommendations made.

DP Dark purple – Significant weaknesses in arrangements identified and key recommendations made.

Executive summary



Financial sustainability

The Trust delivered a break-even position in 2022-23 and is planning for a similar position in 2023-24. The Trust achieved its 2022-23 cost improvement plan (CIPs) target of £6.67m. The Trust has delivered planned CIPs in previous years and set its 2022-23 CIPs at 2.49%, below the expected national level of 3% savings. We note the lack of medium to longer term financial planning, which is an issue at both system and national levels.

Our work has not identified evidence of significant weaknesses within the arrangements in place. However, we have identified two areas where the Trust could improve arrangements and as such, have raised two improvement recommendations in relation to documenting medium to long term financial aspirations, and inclusion of scenario planning within finance reports.



Governance

We have not identified any areas of significant weakness in the Trust's governance arrangements with regard to managing risk, internal control, culture, decision making and standards.

Our work has not identified any evidence which leads us to conclude that there are weaknesses present which require recommendations to be raised.



Improving economy, efficiency and effectiveness

We found adequate arrangements in place around partnerships, commissioning and procurement. The Trust works with both system and national partners to deliver health care needs for the population.

Our work has not identified evidence of significant weaknesses within the arrangements in place. However, we have identified an area where the Trust could improve arrangements and as such, have raised an improvement recommendation in relation to benchmarking.



Financial Statements opinion

Our findings are set out in further detail on pages 24 to 27.



Securing economy, efficiency and effectiveness in the Trust's use of resources

All foundation trusts are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. The Trust's responsibilities are set out in Appendix A.

Foundation trusts report on their arrangements, and the effectiveness of these arrangements as part of their annual governance statement.

Under the Local Audit and Accountability Act 2014, we are required to be satisfied whether the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

The National Audit Office's Auditor Guidance Note (AGN) 03, requires us to assess arrangements under three areas:



Financial Sustainability

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



Governance

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



Improving economy, efficiency and effectiveness

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

In addition to our financial statements audit work, we perform a range of procedures to inform our value for money commentary:

- Review of Board and committee reports
- Regular meetings with senior officers
- Interviews with other Board members and management
- Attendance at Audit & Risk Committee
- Considering the work of Internal Audit
- Reviewing reports from third parties including the Care Quality Commission and correspondence with NHS England
- Consideration of other sources of external evidence such as the NHS National Staff Survey, Healthwatch reports, etc
- Reviewing the Trust's Annual Governance Statement and other publications



Our commentary on the Trust's arrangements in each of these three areas, is set out on pages 8 to 22.

The current NHS landscape



National context

As we emerge from the worst of the COVID-19 pandemic, the health and care sector continues to face extreme challenges. The backlog of postponed procedures and operations makes elective recovery a priority. Waiting lists are higher than they have been for a decade and those waiting the longest are often those with additional complexities. There are numerous workforce pressures including retention, recruitment, reducing reliance upon bank and agency staff and having staff with the right skills delivering the right services. The introduction of Integrated Care Systems has changed the NHS Landscape and encouraged greater partnership working not only with other health organisations, but also social care and Local Authority bodies. Shifting from the Commissioner/Provider model to system working will take time and relies upon the creation of strong and trusted relationships at both a senior and middle management level.

The changes in government leadership, coupled with cost of living pressures, has meant that 2022-23 is seeing attention returning for grip and control over finances. The block funding seen during the pandemic is shifting to activity-based and the regulators are expecting high clinical standards and improvements through savings or productivity to be delivered. Cash balances remained high during the pandemic, which have initially allowed non-cash savings to be realised. However, cost savings or productivity improvements will now be required which necessitate wholesale redesign of services and the delivery of savings at a scale not seen for some years. Funding has increased from 2019 levels and yet productivity has not. The scale of transformation required to deliver more for less will take time to deliver.

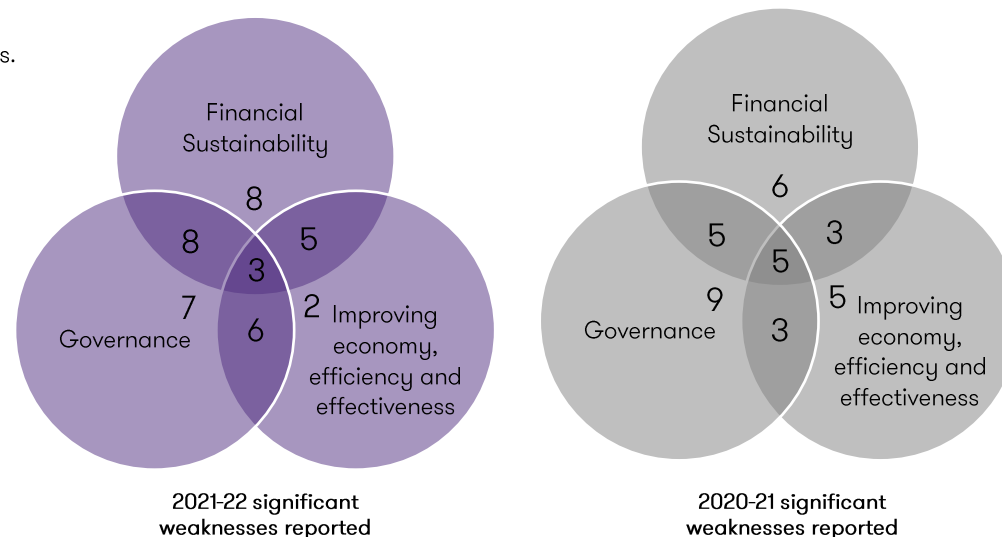
In 2021-22, the NAO published the Auditor's Annual Report for 204 NHS trusts. Of these, 39 (19%) reported significant weaknesses in their value for money arrangements identified by their auditors. Of these:

- 3 trusts had weaknesses identified in each of the three Code criteria areas compared with 5 trusts in 2020-21.
- 19 trusts reported two significant weaknesses compared with 11 trusts in 2020-21.
- Financial Sustainability and Governance were the two Code criteria with the greatest number of significant weaknesses identified (24 each across a total of 37 trusts). In 2020-21 Governance was the Code criterion with the greatest number of significant weaknesses identified.

Overall, more trusts had significant weaknesses reported in their Auditor's Annual Report. (36 in 2020-21). Whilst Improving Economy, Efficiency and Effectiveness and Governance received a comparable number of reported significant weaknesses, there was an increase in the number of trusts with significant weaknesses reported for their Financial Sustainability arrangements.

Due to the financial pressures experienced by the NHS in 2022-23 and the greater focus from Government and Regulators, it is highly likely that this trend will continue.

Community trusts are a key link to supporting patient flow from an acute inpatient setting and, as such, close links with acute providers are important to ensure that there is clear communication supporting patient pathways and for community beds to be used to their best effect. This can be impacted by frail and complex cases and some parts of the country have proportionally more elderly people, creating strain on services. It is vital that community services understand wider health inequalities and can deliver services meeting the needs of their local populations with both a treatment and wider preventative agenda.



The current NHS landscape



Local context

Formed in April 2011, Kent Community Health NHS Foundation Trust (KCHFT) is a large provider of NHS care in patients' homes and the community. In July 2019, the Trust was rated 'outstanding' by the Care Quality Commission. It provides more than 70 services in the community, including: in people's own homes; nursing homes; clinics; nine community hospitals; four urgent treatment centres, three minor injury units; and in mobile units. It serves 1.5 million people living in Kent and 1.5 million in East Sussex and London.

In July 2022, Mairead McCormick joined the organisation as Chief Executive and changes were made to the Executive Team portfolio following a review.

Throughout 2022-23, KCHFT played a key role across the Kent and Medway system, supporting the new integrated care system (ICS) and development of the integrated care board (ICB). The Trust also continued to work with partners in East Sussex, where it provides children's services and in north London, where it provides dental services.

The Trust's plan for the year linked closely to ICS strategy, which focused on five areas:

- Improving care quality and patient experience
- Increased focus on population health and prevention
- Driving financial balance, efficiency and productivity
- Transformation of workforce and infrastructure
- A new integrated care system delivery model

NHS Kent and Medway is the NHS organisation that plans and buys healthcare services to meet the needs of 1.8 million people living in Kent and Medway. The ICB had a 2022-23 annual budget of £3.5 billion to provide the best possible care for the whole county. In Kent and Medway all the NHS organisations and the Kent and Medway councils have been working together as a sustainability and transformation partnership (STP) since 2016. In April 2021, NHS England formally accredited Kent and Medway as an Integrated Care System. On 1 July 2022, the integrated care system was given statutory responsibilities; NHS Kent and Medway Integrated Care Board replaced the clinical commissioning group.

The number of people living in Kent and Medway is predicted to rise by almost a quarter by 2031. Over 528,000 people – that's almost one in three – live with one or more significant long-term health conditions, including around 12,000 with dementia. If staffing was in line with the national average, there would be 175 more GPs in Kent and Medway.

Financial sustainability



We considered how the Foundation Trust:

- identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds them into its plans
- plans to bridge its funding gaps and identify achievable savings
- plans its finances to support the sustainable delivery of services in accordance with strategic and statutory priorities
- ensures its financial plan is consistent with other plans such as workforce, capital, investment and other operational planning which may include working with other local public bodies as part of a wider system
- identifies and manages risk to financial resilience, such as unplanned changes in demand and assumptions underlying its plans

National context

In 2010-11, just 5 per cent of NHS trusts and foundation trusts in England overspent their annual budgets. By 2015-16, two-thirds of trusts were in deficit. The latest NHS deficit position within the 2023-24 financial planning submissions was reported to be £3 billion.

Systems are expected to work together to find sufficient savings to deliver balanced budgets, but savings on the scale required are very challenging. They require system transformation and strong partnership working with local government and the voluntary sector. Savings need to be recurrent and focus on patient pathways redesign. This is hampered by the annual financial planning requirements and short-term funding allocations.

We analysed what trusts had outlined in their financial reporting to boards and found that the majority (69%) cited under-delivery against their cost improvement plans (CIPs) as the key factor for deficits. Other factors included:

- COVID-19 spend being higher than planned
- cost inflation being higher than funding
- higher temporary staffing (bank and agency) costs due to substantive staff shortages and staff absences
- under delivery against the elective recovery fund (ERF)

2021-22 financial plans were based upon inaccurate historical activity, inaccurate financial baselines and included operational assumptions which have not been achievable. Nearly half (47%) of trusts cited unplanned operational pressures impacting on their financial performance. Given the ongoing operational pressures, and the competing demands for resources between elective recovery and urgent care, it seems reasonable to assume that the national financial position will not be recovered for some time.

Short and medium term financial planning

2022-23 financial performance

The plan for 2022-23 was to deliver a breakeven position. The Trust set budgets, building on 2021-22 budgets, using the methodology set out in the budget setting framework (approved by the Finance Business and Investment (FBI) Committee in October 2021), then approved by the Board. Budgets have been adjusted in line with the block funding included in the system funding assumptions for 2022-23. The Trust achieved its 2022-23 CIPs target of £6.67m.

The CIPs target for 2022-23 represents the value of the Trust's identified CIPs and equates to 2.49% of the closing operating expenditure budgets. This is below the 3% national target – the Trust had managed to maintain strong CIP savings throughout the pandemic and felt that this national target was aimed at trusts that had not managed this.

2023-24 financial planning

At the time of conducting fieldwork for this report the financial planning for 2023-24 was still ongoing with a further submission due in early May. Subsequently a balanced budget has been set for 2023-24. The budget is pulled together as a Kent and Medway system, setting a single system budget. The Trust's income is based around block contracts and historic costs. Financial planning assumptions used across the system are consistent, with an open book approach to planning between system providers. Final budget sign off is given by the ICB.

The Trust's 2023-24 CIPs target is £14.44m. At April 2023 planned schemes were identified for £10.3m (71%) of the savings target.

Financial sustainability

The budget makes use of a contingency, which effectively provides for unexpected/forecastable costs. In 2022-23 £2m was set aside to cover unavoidable cost pressures which are not funded by CCGs/ICBs, and risks of income shortfalls - £0.4m of the set aside was used during the year with the balance carried forward to 2023-24. Cost pressures are considered by the Integrated Management Team and Executive Team as to whether they can be funded.

The Trust's performance against key financial and performance metrics is set out in this table.

	2022-23	2021-22
Planned surplus/(deficit)	Breakeven	Breakeven
Actual surplus/(deficit)	£19k	£9k
Adjusted surplus/(deficit)	£(1m)	£93k
Planned capital spend	£6.9m	£12.7m
Actual capital spend	£6.89m	£ 8.25m
Planned CIP (recurrent/non-recurrent)	£6.67m	£4.41m
Actual CIP (recurrent/non-recurrent)	£6.78m	£ 4.41m
Year-end cash position	£34.5m	£ 36m
Reference costs	Not yet available	88
System Oversight Framework segmentation	1	1



The System Oversight Framework

- Introduced in July 2021.
- All NHS bodies receive a rating.
- The framework is built around five national themes that reflect the ambitions of the NHS Long Term Plan:
 - quality of care, access and outcomes
 - preventing ill health and reducing inequalities
 - people
 - finance and use of resources
 - leadership and capability

Every NHS body receives a rating of 1-4:

1. Consistently high performing.
2. Plans that have the support of system partners in place to address areas of challenge.
3. Significant support needs against one or more of the five national oversight themes.
4. Very serious, complex issues manifesting as critical quality and/or finance concerns that require intensive support.

Financial sustainability



Cost Improvement Plans

- CIPs are individual trusts' efficiency targets, which are reported to NHS England and aggregated up to give a national figure
- The efficiency targets are set at the beginning of the financial year based upon the expected costs set against the projected income for each trust
- CIPs can be delivered from reducing costs or improving productivity
- CIPs can also be recurrent (delivered every year going forward), or non-recurrent (made in one year but incurred in the following year)
- They can also be cash releasing or non-cash releasing
- Over the past decade, trusts have never delivered more than 5% savings on average
- The danger of a national efficiency assumption historically is that it has been treated as the 'balancing item' against the overall financial allocation for the service

Identifying savings

The Executive Team oversees the Trust's cost improvement programme (CIPs) development and sign off individual CIPs. The finance team works with the Chief Operating Officer, relevant divisional directors and corporate leads to identify and plan CIPs for the year.

The Trust has a good history of delivering planned CIPs. As at April 2023 delivery of 2022-23 CIPs was reported to Board – that the Trust had achieved its target for the year in full.

CIPs are reported to FBI Committee as part of quarterly financial reporting. The CIPs progress report is added as an appendix in two parts, to include narrative on CIPs delivery progress showing RAG rated progress by service, and also including detailed breakdown by scheme.

Where there are deviations from required savings and forecast savings, the committee monitors this closely and will notify the Board of any significant concerns. The Trust takes appropriate steps to mitigate slippage and will provide detailed reporting on areas of concern to committee. Preparation of monthly headline reporting also confirms whether continuous steps taken by the Trust to achieve their saving targets are being met.

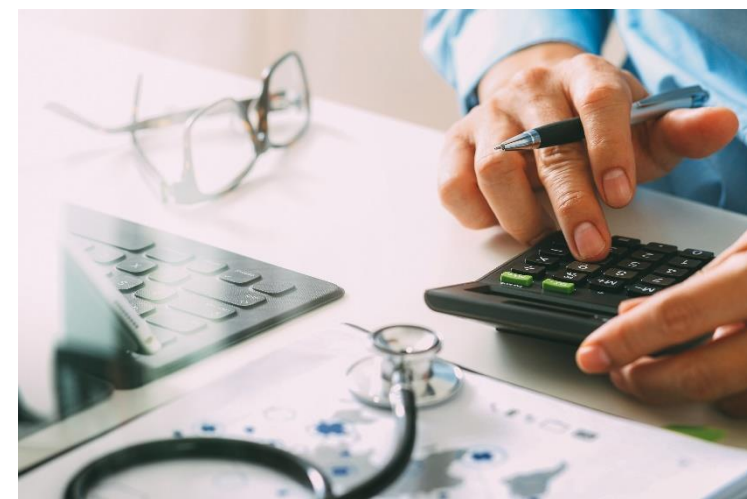
When a potential saving is identified (for example a vacant role), the budget holder must make a case through a Quality Impact Assessment (QIA). The QIA is reviewed at committee level and an assessment is made to ensure that quality will not be impaired if the saving is taken.

Financial planning and strategic priorities

The Executive Team takes an overview of the Trust's strategic priorities and this feeds into detailed the planning process.

The Trust receives and reviews the national planning priorities in advance of setting the annual budget. The NHSE initial operational and planning guidance published in December 2021 highlighted 10 key priority areas for NHS systems to plan for, this increased to 12 in 2023-24. Key areas for Kent are identified as well as funding routes, and the Trust then works with system partners on the design and implementation of plans across the priority areas.

National priorities include investing in workforce (e.g. funding for international nurse recruitment), elective care backlog and reducing waiting times (funding to support elective recovery), build community capacity (e.g. virtual wards), continue to develop population health, and digital technology.



Financial sustainability

Financial planning and other operational plans

Approved financial plans and expectations in workforce plans are developed together to ensure alignment. Finance and HR work closely together with the directorates when plans are being formulated to ensure alignment also. When the Trust submits plans to NHSE both finance and workforce data is sent.

The Trust is sufficiently small that there is limited complexity in its planning compared to larger, acute providers. In the planning rounds outline workforce, capital and financial plans are able to be honed and defined together as an integrated planning package.

The annual plan narrative also brings together every aspect of the Trust within one document and this is where the Trust ensures that the various parts align together. We found no evidence of contradiction between the Trust's plans. There were no changes in approach for 2022-23. The Trust does not have a clinical plan as such, but a Quality Strategy was provided.

The link between the Trust's organisational strategy and the Kent and Medway Integrated Care System is clear and builds on existing work first started during the development of the STP. Continuing to shape the future form and function of the ICS as an equal partner is an area of focus and energy for the Board.

The Trust recognises that it provides clinical services in two ICBs outside of Kent and Medway and works to meaningfully engage in those systems.

It is evidence through Board/Committee paper review that senior management think at a 'system-level' and not a 'Trust only level'.

Manging risks to financial resilience

Risk registers are maintained and feed into Board reporting structures, while specific financial risks are incorporated in financial reporting into the Executive Team and the Programme Board/Committee/Board management structure. Risks identified by various departments/divisions go to the Risk Scrutiny Committee, then to the relevant Board sub-committee via a detailed Board Assurance Framework (BAF), which is reported to the Board regularly. This ensures that the risks are being considered at all levels, with detail dependent on significance of the risk.

Annual planning and priorities are set up/updated to address identified risks. Risks are one of the main driving factors for increased investment. When significant risks are identified, they prioritised over growth. This is integrated into the Trust's strategic planning with a significant focus on understanding the risk environment and the risks on the various department/division registers as well as the BAF.

We note that the Trust has various assurance reports which ensure data quality and information accurately feeds from groups, to sub-committees, to the Board (such as the Data Integrity Report, the ToR Assurance review and the Annual Financial Assurance work which are discussed in more detailed within the Governance section of this report).

Since the BAF is the key vehicle for the Trust to manage its strategic risks, and this is informed by individual risk registers, we are satisfied that a clear link can be made between the BAF and the financial planning and monitoring of the Trust.



Financial impact from workforce planning

- The Government has committed to publishing an NHS workforce plan, for the staff numbers needed to maintain the workforce over the next five to fifteen years
- It has also commissioned Health Education England to review trends in the health and regulated social care workforce
- There is a target for 50,000 more nurses by the end of March 2024 but think tanks have expressed concern that demand for nurses is increasing faster than supply
- The goal of 26,000 more primary care professionals appears on track, but the number of GPs has decreased
- NHS figures indicate more people are joining than leaving the NHS. However, vacancies have increased in recent years. September 2022 had 133,450 vacancies recorded across the NHS with 47,500 of these for nurses
- The NHS uses internal 'banks' of staff and external agencies to fill vacancies. Staff supplied by agencies cost on average 20% more than NHS bank staff. The NHS England spend on agency staff was £2.44 billion in 2020-21

Financial governance

Annual budget setting

The financial forecast is completed by looking at trends in income and expenditure, adjusting for non-recurrent items and future plans. The forecast is subject to risk and sensitivity analysis – for example, the pay forecast is reviewed to ensure that the assumptions take into consideration leavers based on historic trends as well as recruitment plans. Risks and opportunities in the coming period are identified and quantified.

The Investment Policy, which is detailed within the Standing Financial Instructions Scheme of Delegation, sets out thresholds Board or Committee approval. The more significant the commitment the more scrutiny required. There is a fair amount of autonomy for budget holders, however, decisions within the scope of the Investment Policy cannot be made without appropriate Executive Committee or Board approval. Approvals are based on business cases which 'what ifs' scenarios, including trend and sensitivity data, and an example of what will occur if no action is taken. Project Management Office is included for investments, so specialist support exists to consider sensitivities and trends. Papers also include focus on risks and 'what could go wrong's'.

We note the lack of medium and longer term planning, recognising that is an issue at both system and national levels. Although we have seen a significant amount of evidence to support that the Trust adequately plans in the short term, without an updated medium to longer term financial plan, we are only able to review the Trust's historic track record of financial success to support the view that the

Trust does consider drivers and pressures fully in the long run, but this is not formally documented. Discussions with the Chief Finance Officer indicate that medium term planning is to be taken up at a system level by the ICB in 2023-24 and the Trust will play its part in this and any Medium Term Financial Plan (MTFP) for the Trust will be in line with the ICB medium term plan. We have raised a recommendation in line with this on page 13.

Budgetary control


The Trust monitors its budget through the monthly FBI Committee meetings. A monthly finance report is presented by the Chief Finance Officer. In March 2023, the reported position was that the Trust was in a breakeven position to the end of February 2023. As well as the favourable outturn position, the trend identified during the financial year from the monthly Financial Performance Reports demonstrates that there are no significant weaknesses in budgetary control.

Review of finance reports show income and expenditure position, the directorate position, forecast, in year budget changes, service line reporting, CIPs, Capital, and Cash however the report does not show any scenario planning or any links between expenditure and activity – we have raised a recommendation for this on page 14.

The Integrated Performance Report (IPR) includes key financial metrics of surplus, cash, turnover, capital and agency spend.


	2023-24
Planned surplus/(deficit)	Breakeven
Planned surplus/(deficit) as a % of income	N/A
Planned CIP	£ 14.4m
Planned CIP as a % of income	4.93%
Planned CIP (recurrent/non-recurrent)	£7.5m (52%)
Planned CIP schemes rated amber/green	Not yet reported

Improvement recommendations

Recommendation 1	The Trust should work with system partners to develop a sustainable medium term financial plan.
Improvement opportunity identified	Document medium to long term financial aspirations for the Trust in line with system plans.
Summary findings	We note the lack of medium and longer term planning, recognising that is an issue at both system and national levels. Although we have seen a significant amount of evidence to support that the Trust adequately plans in the short term, without an updated medium to longer term financial plan, we are only able to review the Trust's historic track record of financial success to support the view that the Trust does consider drivers and pressures fully in the long run, but this is not formally documented.
Criteria impacted	 Financial sustainability
Auditor judgement	Our work has enabled us to identify a weakness in arrangements which we do not consider to be significant but have raised a recommendation to support management in making appropriate improvements.
Management comments	Agreed, the Trust has already commenced this work with the ICS as part of developing a system Financial Recovery Plan.

Progressing the actions management has identified to address the recommendations made will support the Trust in addressing the improvements identified from our work. We consider that the timescales provided by management are appropriate and encourage the Audit Committee to monitor progress of implementation to gain assurance over the arrangements in place. The range of recommendations that external auditors can make is explained in Appendix B.

Improvement recommendations

Recommendation 2	Consideration should be given to improving financial reporting by including best, expected and worst case forecast for outturn and inclusion of activity data.
Improvement opportunity identified	More detailed financial information will better support informed decision making.
Summary findings	Review of finance reports show income and expenditure position, the directorate position, forecast, in year budget changes, service line reporting, CIPs, Capital, and Cash however the report does not show any scenario planning or any links between expenditure and activity.
Criteria impacted	 Financial Sustainability
Auditor judgement	Our work has enabled us to identify a weakness in arrangements which we do not consider to be significant but have raised a recommendation to support management in making appropriate improvements.
Management comments	Agreed, and as part of the HFMA checklist review and action plan we recognised the need to triangulate with activity projections.

Progressing the actions management has identified to address the recommendations made will support the Trust in addressing the improvements identified from our work. We consider that the timescales provided by management are appropriate and encourage the Audit Committee to monitor progress of implementation to gain assurance over the arrangements in place. The range of recommendations that external auditors can make is explained in Appendix B.

Governance



We considered how the Foundation Trust:

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

National context

With the impending introduction of Integrated Care Systems in 2022 and following on from the pandemic which saw governance stripped back to basics, it is not surprising that the greatest number of significant weaknesses reported for trusts in 2021-22 related to governance.

Common themes seen across provider trusts included:

- Strategic risks not being appropriately mitigated
- Risk management arrangements not being robust throughout the organisation
- CQC required improvements not be progressed at an appropriate pace, particularly for Emergency Services and Maternity

We are seeing more high profile cases of leadership over-ride within the press which is an indication of poor governance and trusts should ensure that they are maintaining high standards in all their arrangements.

Risk management and internal controls

The Trust's Risk Management Policy is overseen by the Corporate Assurance and Risk Management Group (CARM) and was implemented in May 2022, due to be reviewed in May 2025. We note that in this version, amendments to the Trust's risk appetite were made in context of the Trust's post pandemic priorities where some risk aspect scores have changed, for example increased risk aspect scores in areas such as workforce and recruitment, IT/Digital, patient care & quality – all key risk areas that NHS organisations are currently faced with. Strategic risks are identified as part of the BAF which is regularly reviewed at Executive, Board and Committees. All risks are logged on the Trust's risk register system Datix.

The BAF has a clear matrix scoring system. This is common across the sector and is a structure which we deem appropriately able to capture a range of possibilities (likelihood and impact) resulting in an optimum scoring system. All risks are extracted by the Risk Team on a weekly basis and the officer responsible for those risks are contacted by the team to prompt a review when required.

Our overall review is that risk management is a clear priority at the Trust, review of risks via the BAF is included at every Board and sub-committee meetings. Discussion of risks is detailed at each meeting, with discussion not only in relation to scoring but by NEDs following up on mitigating actions.



The Board Assurance Framework (BAF)

- The BAF brings together in one place all relevant information on risks to the Board's strategic objectives
- BAFs should remain a live document and drive strategic risk management across the Trust and in Board agendas
- Assurances in place and gaps in controls should be mapped to each risk, drawing on many sources of information, including internal audit and external regulators
- Using a scoring matrix, risks can be assessed to allow greater scrutiny to those most significant
- We have assessed that with too many strategic objectives or too many risks, it is difficult to maintain a meaningful BAF

Governance

Informed decision making including the Audit & Risk Committee

The Scheme of Delegation sets out responsibilities of each committee. Committee members have a responsibility to ensure they have the information they need in order to make the decisions they are responsible for. Papers are issued to committees of the Board a week in advance of the meeting so that committee members have sufficient time to consider papers and items they are being asked to approve. Business cases are required to be completed for investments.

All sub-committees undertake Annual Effectiveness Reviews to ensure Terms of References (TOR) are being met and Board members undergo development programmes to ensure they have the skills required for their roles.

At each Board meeting, the Chief Executive's report is provided outlining key highlights in the areas of people, business and service developments in the Trust since the previous meeting. Further assurances are evident by the Chair assurance reports provided at each Board meeting for the Audit & Risk Committee, the Charitable Funds Committee, the Finance, Business and Investment Committee, the Quality Committee and the Strategic Workforce Committee, showing this that information from key strategic areas is reported to Board for oversight and discussion.

Our review of Audit & Risk Committee and Board minutes demonstrates there is a good level of engagement by directors and NEDS. There is also clinical involvement at Board level, with the Chief Medical Officer and Chief Nursing Officer in attendance.

The Trust's performance against key governance metrics is set out in the table below.

	2022-23	2021-22
Annual Governance Statement (control deficiencies)	No significant issues identified	No significant issues identified
Head of Internal Audit opinion	Reasonable assurance	Reasonable assurance
System Oversight Framework segmentation	1	1
Care Quality Commission rating	Outstanding	Outstanding

Governance



NHS Leadership

- Leadership plays a key role in shaping the culture of an NHS organisation
- NHS leaders are facing considerable challenges, including significant financial and operational pressures and high levels of regulation
- This is reflected in high vacancy rates and short tenures among senior leaders that risk undermining organisational culture and performance
- Many of the recent NHS failures have come from poor leadership. This may be a focus on one aspect of delivery at the expense of another, e.g., prioritising financial performance over clinical care
- Senior leadership should welcome honesty in their assurances, creating an environment where staff can be open and flag risks
- Boards should remain alert to the question “could we have a problem and how do we know we don’t?”

Standards and behaviours

Regarding behaviours, the Trust has in place policies for Standards of Business Conduct and Conflicts of Interest, and Confidentiality Code of Conduct. The Trust has its own values, and a values into action framework to communicate expectations to staff - ‘To ensure that all our dealings are conducted to the highest standards of integrity and that NHS monies are used wisely so that we are using our finite resources in the best interests of patients.’

The Trust has a Gifts, Hospitality & Interests Policy and updated at regular intervals. This is included in the Trust’s policy Standards of Business Conduct and Conflicts of Interest. The last review date of the policy appears to be January 2021 with the next review due in January 2024. Our review of the policy confirms that it contains detailed information around required standards on gifts and hospitality in different capacities.

The 2022-23 Register of Gifts, Hospitality and Sponsorship is clear, providing a name of recipient, date, item being declared, the value and who authorised the gift. The register is available online for employees and the public. In 2022-23 10 items were included on the register with five of those items being declined, examples of which were cash donations and gift vouchers.

All directors are required to comply with Care Quality Commission Regulation 5: Fit and proper persons; directors. Directors must certify on appointment, and each year within the appraisal process, that they are/remain a fit and proper person. DBS checks are conducted, in addition to an annual self-declaration, with checks carried out on appointment. All applicants are verified by the Trust with Companies House, and where a relevant post is subject to a DBS check on appointment, the checks are repeated every three years.

For the 2022-23, Fit and Proper Persons test arrangements are in place and the latest declarations were made as at September 2022 and available on the Trust’s website. They were reviewed and found to be sufficient.

The Trust’s Policy on Standards of Business Conduct requires a Register of Interests to be maintained. It is expected that all staff should declare material interests immediately when they are known on their appointment, if they move to new role with a change in responsibilities, at the beginning of any new project or as soon as circumstances change. Directors are asked to review interests annually and confirm if changes are required or if the information is still correct. Staff deemed to have decision making influence must also declare interests.

The Audit & Risk Committee receives the Standards of Business Conduct Annual Report each year to provide assurance that processes are in place, the last report was presented to the Audit & Risk Committee in September 2022.



Improving economy, efficiency and effectiveness



We considered how the Foundation Trust:

- uses financial and performance information to assess performance to identify areas for improvement
- evaluates the services it provides to assess performance and identify areas for improvement
- ensures it delivers its role within significant partnerships and engages with stakeholders it has identified, in order to assess whether it is meeting its objectives
- where it commissions or procures services assesses whether it is realising the expected benefits

Use of financial and performance information

KPIs provided to the Board in respect of the Trust's performance is presented via the Integrated Performance Report (IPR). The report gives an overview of performance against a number of national, contractual and internal key performance indicators (KPIs). This report is presented with the use of statistical process control charts. We note that finance, workforce and quality performance reports are also presented at their respective committees. Key performance metrics are reported at each Board meeting via the IPR. The Board constantly challenges and adapts the performance measures it scrutinises to provide the best possible assurance that the Trust is well-managed, patients are well-cared for and that early warning signs of issues are identified, and action is taken.

Financial and performance data comes from various sources e.g., clinical data for KPIs comes from RiO (electronic patient records) main system and other bespoke systems used by different services. The performance team works on a collaborative approach with other support services to obtain required data from systems. Data is used for both the high-level Board IPR and also for the detail Power BI dashboard reporting. Local service level reports are produced and sent out, or services can use Power BI at a dashboard level to generate bespoke reports for areas such as patient monitoring level for data quality or case load management. Services can access Power BI to help manage their services daily from a strategic and operational point of view but also for day-to-day caseload management.

Benchmarking data is included in the IPR Board report where available, such as on workforce metrics. There is a national detailed benchmark programme, part of annual submissions to the NHSE Benchmark (NHSEBM) Group, but there is no formal process in place to review with the output of this exercise. The results are not reviewed at Board level, but the Trust is planning to request the NHSEBM network to present findings to the leadership forum and discuss how they can support the Trust in using BM data effectively.

The Annual Data Integrity report provides assurance over the status of data completeness and quality across the Trust. This provides assurance that the KPIs are using complete and best quality data available.



Improving economy, efficiency and effectiveness

Assessing performance and identifying improvement

Using our bespoke Grant Thornton benchmarking tool, we have used NHS performance data to provide a comparison for your Trust against other similar organisations, as well as assessing trend analysis across historic data. Below is a scorecard for your operational and clinical performance data, highlighting indicators which require further review.

The Trust is in the top five performing trusts in the country for every measure we have. It is the second most cost-effective community trust in the country, having steadily decreased its costs over the last 15 months. Cost savings may have influenced its referral to treatment times where it is failing to reach the statutory target of 92% of patients waiting less than 18 weeks, although it was in the top 25% for over a year until January 2023. Staff sickness rates and staff turnover are among the lowest nationally, potentially reflective of a positive working environment. However, there was a recent spike of safety incidents in January 2023, around the same time as the referral to treatment times dipped. We do not have the workforce data for that period to assess if there is any correlation.

	Indicator*	Average	C&I	RAG	Previous	Assessment period
Financial	National Cost Collection Index (NCCI)	100.07	88.00	●	↓	April 2022
Operational	Non-admitted patients waited 18 weeks or less from referral to treatment	63%	83.13%	●	↑	February 2022
	Percentage of patients waiting:					
	- 13+ weeks for diagnostic tests	11%	0%	●	↓	
	- 6+ weeks for diagnostic tests	22%	1.77%	●	↓	
	Staff sickness absence rate	5%	4.28%	●	↓	
	Staff turnover stability index	84%	86.03%	●	↑	

*These indicators are published as RAG rated by definition. For these indicators the RAG rating relates to the published indicator rather than how the indicators position compares to other organisations.

Legend

- Poorest performing 25% of organisations
- Middle performing 50% of organisations
- Best performing 25% of organisations
- ↓ Performance deteriorated (higher better)
- ↑ Performance deteriorated (lower better)
- ↑ Performance improved (higher better)
- ↓ Performance improved (lower better)
- Performance stayed the same



Challenges for rural healthcare

Rural populations are often:

- more dispersed with hospitals located over a wider geographical spread making networking for services harder
- older and frailer with greater comorbidities
- less connected with poor road networks resulting in longer ambulance waits and access problems for patients via public transport

Rural trusts often:

- struggle to attract staff both nationally and internationally
- have fewer benefits from the provider collaborative model than in areas where hospitals are in closer proximity

Maximising opportunities from virtual wards where possible and initiating patient-initiated pathways where clinically safe should be high on a rural acute Trust's agenda.

All rural providers should ensure their partnership working, particularly at a system level, which includes the local authority and 3rd sector, is as strong as possible.

Improving economy, efficiency and effectiveness



Workforce pressures

There are significant workforce challenges across all roles and all regions. Many bodies are reporting that the recruitment and retention of skilled and experienced staff is their greatest risk.

How the NHS found itself in this position is a complex picture; a perfect storm.

- **Historic understaffing:** inadequate workforce planning with insufficient funding and infrastructure
- **Declining wellbeing:** delivering care amid persistent staff shortages with agency staff and normalised increased workloads
- **Early retirements:** staff choosing to retire earlier than planned has reduced both capacity and experience
- **Poor retention:** greater workloads and stressful working conditions have increased attrition
- **Pay pressures:** recent strike action has highlighted the level of feeling from NHS workers

Assessing performance and identifying improvement

In 2019, the CQC carried out a full inspection of the Trust's services, which concluded an overall 'Outstanding' rating. At the time, this made Kent Community Health NHS FT the third community trust in the country to be rated outstanding overall, and one of 23 provider trusts in the South East to achieve this rating, an award which remains valid in 2023.

The Trust undertakes periodic self-assessments against the CQC Well-Led Framework. In August 2022, the Trust engaged the Good Governance Institute to carry out a rapid due diligence review and a developmental review of governance and leadership using the Well-Led Framework. The reports identified many areas of good practice and strong leadership, and also made recommendations for further strengthening governance arrangements and leadership. An overview of the arrangements in place to govern service quality is included in the Annual Governance Statement (AGS) and will be included in the Quality Report, which will be published separately as per the Health Act 2009 and the National Health Service (Quality Accounts) Regulations 2010. The Quality Committee seeks assurance on systems, processes and outcomes relating to quality (safety, clinical effectiveness, and patient experience) on behalf of the Board. Non-executive directors, governors and other key stakeholders participate in We Care visits.

The current Trust strategy is due to be refreshed for 2023. There is appetite for a continuous quality improvement approach to the strategy for the next five years. The Trust is developing a plan for a 'true north-style of strategy' over the next quarter, to articulate the Trust's purpose which will guide every decision. The strategy will be ready to launch for 2023-24 and will engaging with colleagues, patients and partners in its development.

Partnership working

The Trust has several key partnership arrangements in place. As reported in its AGS, the Trust was named as one of 12 national pilots to develop a new model of rehabilitation and recovery, which will be one of its key priorities for the year ahead. In addition, in June 2022 the Trust delivered a joint carers conference in partnership with Kent and Medway Partnership Trust. The conference was attended by more than 80 family carers and representatives from partner carers organisations across Kent

The Trust's vaccination teams worked closely with the UK Health Security Agency throughout November and December 2022 to vaccinate migrants against diphtheria after a spike in infections at the Manston processing centre.

Partnership working is also evident with the ICB's Trust Risk Register presented to Board meetings, which shows strong oversight of the operational strategic risks within the health system.



Improving economy, efficiency and effectiveness

Commissioning and procurement

The Trust operates in a highly regulated environment with clear links to Government. It is unsurprising that much of their commissioning of services, and indeed income, is from consistent suppliers.

The Trust applies a procurement process to all possible/potential services. Where the process is not followed, a single tender waiver must be obtained, for which approval is needed from the Head of Procurement, with submission to Audit & Risk Committee via a Single Tender Waivers and Retrospective Requisitions Report.

The use of consultants is monitored closely to ensure its use is not excessive. Although the use of agency and locum staff has increased from the prior year, this is a direct result of the key staff retention risk identified by the Trust – the risk is monitored regularly at Board level and contained within the BAF.

Despite there being a change in senior manager personal in both 2021-22 and 2022-23, the Trust avoided the use of external (and often expensive) interim staff by use of acting up roles within the existing team. This ensure knowledge, direction and culture remains consistent, of which the Trust has is renowned for and provides development opportunities for individuals.

The Head of Procurement oversees commissioning and procurement. There is to be a system-wide appointment to oversee procurement, and there will be a piece of work that will be further developed going forward on how the different bodies work together on procurement. The Trust has shared procurement arrangements for some services, for example the Internal Audit function is shared with other trusts. A paper went to the Finance Business & Investment committee in July 2022 outlining how the arrangements with the Central Commercial Function will work and noted that the FBI Committee would be kept informed of developments where relevant to the Trust.

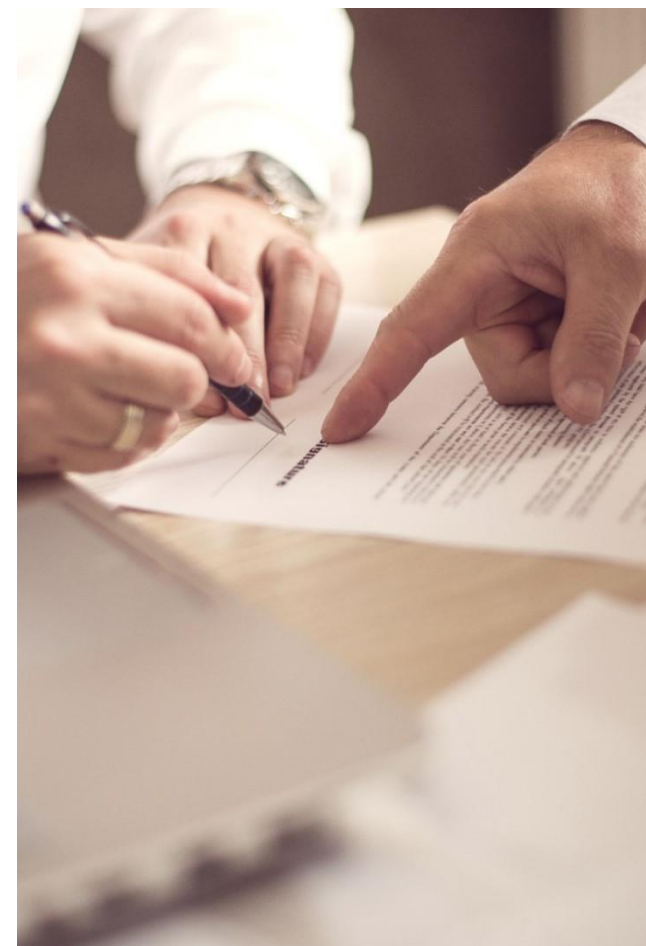


Central Commercial Function (CCF)


Launched in July 2022, the CCF aims to build a world class commercial community in the NHS, which will help unlock significant commercial opportunities for the NHS (including leveraging NHS buying power where appropriate), deliver value for money for the taxpayer, ensure clinicians have the right products and services they need, and tackle some of NHS England's commercial challenges such as supplier resilience.

The purpose of the CCF is to bring together and engage with 42 directors at an Integrated Care Service level representing all Integrated Care Boards and acute, community and mental health trust providers.

The vision is to reduce the number and complexities of the current national framework agreement processes, having single procurement functions at individual ICS level. Some ICSs have already adopted this method of delivery.



Improvement recommendations

Recommendation 3	<p>The Trust should formalise the use of benchmarking data and ensure that benchmarking reports are adequately used by service divisions to help inform performance and drive improvement.</p> <p>We also recommend robust systems be put in place for the collection of reliable KPI data.</p>
Improvement opportunity identified	Improved management information supports better decision-making.
Summary findings	While benchmarking data is used across the Trust there is currently no formal review process. We note also that the Internal Audit report on Data Quality of Key Performance Indicators provided 'Limited' assurance.
Criteria impacted	 Improving economy, efficiency and effectiveness
Auditor judgement	Our work has enabled us to identify a weakness in arrangements which we do not consider to be significant but have raised a recommendation to support management in making appropriate improvements.
Management comments	Agreed we will build this into the performance management framework refresh we have started since the GGI well led review.

Follow-up of previous recommendations

Recommendation	Type of recommendation	Date raised	Progress to date	Addressed?	Further action?
<p>1 The Trust's annual 2022-23 CIP Programme of £6.769 million should be, as a high priority, based on:</p> <ul style="list-style-type: none"> • approved CIP schemes, underpinned by business cases, with target dates for delivery; and • monthly profiling according to CIP delivery rather than an equal target of £564k a month. 	Improvement	August 2022	The Trust has agreed a dual approach to monitor CIP delivery – profiled by CIP delivery basis (to monitor actual against forecast) and also on a 1/12th basis.	In progress	We will continue to monitor this recommendation
<p>2 The Trust should update its Communications, Engagement and Patient Experience, and Commercial Strategies and ensure that all other enabling strategies are reviewed on an annual basis.</p>	Improvement	August 2022	The Trust were streamlining the number of strategies so removed the Communications strategy. The plan instead is to write a communications plan once the new Trust strategy is launched, later in 2023.	In progress	We will continue to monitor this recommendation

Opinion on the financial statements



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

- give a true and fair view of the financial position of the Trust as at 31 March 2023 and of its expenditure and income for the year then ended;
- have been properly prepared in accordance with international accounting standards as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2022-23; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

We conducted our audit in accordance with:

- International Standards on Auditing (UK);
- the Code of Audit Practice (2020) published by the National Audit Office; and
- applicable law.

We are independent of the Trust in accordance with applicable ethical requirements, including the Financial Reporting Council's Ethical Standard.

Audit opinion on the financial statements

We issued an unqualified opinion on the Trust's financial statements on 16 June 2023.

The full opinion will be included in the Trust's Annual Report for 2022-23, which can be obtained from the Trust's website.

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



Opinion on the financial statements



Timescale for the audit of the financial statements

- The 2022-23 Audit Plan was issued in March 2023 and shared with TCWG in April 2023.
- Our planning and risk assessment visit took place in March 2023 with the final accounts visit taking place in May to June 2023.
- The Trust provided its draft 2022-23 financial statements in line with the national timetable, along with a good set of working papers.
- The opinion on the 2022-23 financial statements was issued on 16 June 2023, in advance of the national deadline, 30 June 2023.

Findings from the audit of the financial statements

Detailed findings from the audit of the 2022-23 financial statements are set out in our Audit Findings Report, presented to the Trust's Audit & Committee on 13 June 2023.

The 2022-23 Audit Findings Report sets out the significant risks identified for the 2022-23 financial statements audit, along with the procedures performed to address each significant risk – we have not identified any significant matters in relation to these procedures.

No significant adjustments were been made to the 2022-23 financial statements submitted for audit, and no significant recommendations have been made as a result of the financial statements audit.

Requests for this Audit Findings Report should be directed to the Trust.



Other reporting requirements



Remuneration and Staff Report

Under the Code of Audit Practice (2020) published by the National Audit Office, we are required to audit specified parts of the Remuneration and Staff Report included in the Trust's Annual Report for 2022-23. These specified parts of the Remuneration and Staff Report have been properly prepared in accordance with the requirements of the Department of Health and Social Care Group Accounting Manual 2022-23.

Annual Governance Statement

Under the Code of Audit Practice (2020) published by the National Audit Office, we are required to consider whether the Annual Governance Statement included in the Trust's Annual Report for 2022-23 does not comply with the guidance issued by NHS England, or is misleading or inconsistent with the information of which we are aware from our audit. We have nothing to report in this regard.

Annual Report

Under the Code of Audit Practice (2020) published by the National Audit Office, we are required to consider whether, based on the work undertaken in the course of the audit of the Trust's financial statements for 2022-23, the other information published together with the financial statements in the Trust's Annual Report for 2022-23 is consistent with the financial statements. We have nothing to report in this regard.

Whole of Government Accounts

To support the audit of Consolidated NHS Provider Accounts, the Department of Health and Social Care group accounts, and the Whole of Government Accounts, we are required to examine and report on the consistency of the Trust's consolidation schedules with their audited financial statements. This work includes performing specified procedures under group audit instructions issued by the National Audit Office. Our work in this area is complete.



The use of auditor's powers

We bring the following matters to your attention:

Referral to the regulator

Under Schedule 10 paragraph 6 of the National Health Service Act 2006, auditors can report to the relevant regulatory body if they have reason to believe that the audited body is:

- About to make, or has made, a decision which would involve unlawful expenditure
- About to take, or has taken, a course of action which, if pursued to its conclusion, would be unlawful and likely to cause a loss or deficiency.

We did not make any referral to the regulator in 2023-24.

Public Interest Report

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

We did not issue a report in the Public Interest with regard to arrangements at Kent Community Health NHS FT for 2022-23.

Appendices

Appendix A:

Responsibilities of the Foundation Trust

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

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

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

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

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

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



Appendix B:

An explanatory note on recommendations

A range of different recommendations can be raised by the Trust's auditors as follows:

Type of recommendation	Background	Raised within this report	Page references
Statutory	Written recommendations to the Trust under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014.	No	n/a
Key	The NAO Code of Audit Practice requires that where auditors identify significant weaknesses as part of their arrangements to secure value for money they should make recommendations setting out the actions that should be taken by the Trust. We have defined these recommendations as 'key recommendations'.	No	n/a
Improvement	These recommendations, if implemented should improve the arrangements in place at the Trust but are not a result of identifying significant weaknesses in the Trust's arrangements.	Yes	Pages 13, 14, 22

Appendix C:

Sources of evidence



Staff involved

- Mairead McCormack – Chief executive
- Pauline Butterworth – Chief Operating Officer
- Gordon Flack – Chief Finance Officer
- Nick Plumber – Associate Director of Performance and Business Intelligence
- Karen Swainson, TIAA – Internal Audit Engagement Manager



Documents reviewed

- Board of Directors papers
- Audit and Risk Committee papers
- Finance, Business and Investment Committee papers
- Operational Plan Submission 2023-24
- Workforce Plan 2022-23
- Annual Report 2021-22
- Draft Annual Report 2022-23
- Annual Governance Statement
- Board Assurance Framework
- CIP Savings tracker 2022-23
- Registers of interest, gifts, hospitality and sponsorship
- Care Quality Commission inspection reports
- Standing Financial Instructions (policies and procedures guidance)
- Benchmarking information

Appendix D:

Key acronyms and abbreviations

The following acronyms and abbreviations have been used within this report

ARC – Audit and Risk Committee

BAF – Board Assurance Framework

CCG – Clinical Commissioning Group;.

CIP – Cost Improvement Programme

CSG – Capital Steering Group

EPR – Executive Performance Reviews

FBI – Finance, Business and Investment Committee

FTSU – Freedom to speak up

IA – Internal Audit

ICB – Integrated Care Board

ICP – Integrated Care Partnership

ICS – Integrated Care System

IPR – Integrated Performance Report

KCHFT – Kent Community Health NHS Foundation Trust

KMCR – Kent & Medway Care Records system

NAO – National Audit Office

NHSEI – NHS England and Improvement

QIA – Quality Impact Assessment

