NHS
York and Scarborough Teaching Hospitals
NHS Foundation Trust

Annual Report & Accounts

2025/26

York and Scarborough Teaching Hospitals NHS Foundation Trust

Annual Report and Accounts 2025/26

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This Annual Report and Accounts have been prepared on a Group basis and include references to York Teaching Hospital Facilities Management Limited Liability Partnership which is a subsidiary of the Trust.

Statement from Trust Chair

It is my pleasure and privilege to introduce our Annual Report which reflects the activities of the Trust during my second full year as Chair of the Trust, having started in November 2023.

With regard to compliance with Care Quality Commission standards, in June 2023 the Trust received a poor and concerning CQC report. I am delighted that the Trust has completed all of the "Must Do" requirements and all of the "Should Do's". Subsequent inspections of the medical services at York and Scarborough hospitals and the Urgent and Emergency Care services in both hospitals took place in 2025. The findings led to an improvement in the ratings of these services and I am especially pleased for my colleagues who work in the medical services at Scarborough Hospital where all five domains are now rated as "Good". Good progress has been made, and everyone is committed to continue the Trust's improvement journey to achieve ratings of "Outstanding". The Section 31 conditions relating to Maternity services were lifted in October 2025. Further information can be found on page 144.

The Trust's underlying financial challenges have continued to be a focus of attention. Regrettably the Trust has fallen short of meeting its financial obligations by £28m during 2025/26. This includes an operational shortfall of £15m, driven by an inability for the Trust to deliver its full required efficiency programme, and the impact of two technical issues relating to non-payment for additional elective work above plan in 2024/25 and a shortfall in affordability for the commissioner to meet the required sparsity payment associated with Scarborough hospital.

In the financial year beginning April 2026 we have to achieve the biggest ever financial improvement of some £62m.This will necessitate some very difficult decisions to be made and introducing new ways of doing things, but we do not have the right to spend money we do not have. Once we eliminate what is in effect our £50m underlying deficit next year and the year after the Trust will be financially sound.

Last year I also commented on the seriously concerning annual staff survey results, especially on the crucial metric of "staff engagement". But this year I am delighted to report that the Trust has improved in all segments. However, our scores remain below average for Trusts of our type. The Board fully acknowledge how many colleagues are feeling and the need for effective action to build on the improvements that have taken place. Whilst we have several very urgent and pressing priorities not least of which is reducing delays for treatment and diagnostics, improving what it feels like to work here is the most important for the sake of our 12,000 colleagues and in turn to the benefit of the patients we serve.

The Urgent and Emergency care service has continued to experience real challenges to reduce waiting times for patients. Too often patients experience long delays in being admitted to a ward due to an insufficient number of available beds at any one time. This causes overcrowding in our Emergency Departments. However, in March changes were implemented which has led to a marked improvement in reducing waiting times for both the 4 hour and 12 hour standards. In addition, ambulance handover times were drastically reduced in the summer with this improvement being sustained ever since. One of the top three priorities of the Trust in 2026 is to eliminate what is now

known as “corridor care” i.e. to drastically reduce waiting times for patients who need to be admitted to hospital. We aim to achieve this primarily by reducing length of stay through improved processes within the Trust. We must make “12 hours plus trolley waits / corridor care” a thing of the past.

NHS England introduced a “league table” (one for acute trusts and other for mental health trusts etc). The league table is updated every 3 months based on the comparative performance of Trusts at the end of each quarter. Based on performance against some twenty metrics I regret to say that the Trust is 131st out of 134 Trusts. The next update will be published in May using data as at 31st March. Our position is due to the difficulty we have matching our capacity to demand for our services to achieve NHS Constitutional standards, poor staff engagement, and our financial deficit. The solution is improving the way we do things, and in March we received agreement from NHS England for us to procure support for two years to enable the Trust to introduce and embed a systemic approach to continuous improvement, Based on my previous experience it is the nearest thing I know to a panacea (even though I know they do not exist) to eliminating waste, reducing non-value adding work and crucially enabling colleagues to test out and adopt new ways of doing things. This leads to improved staff engagement and productivity.

During the past year there have been several changes to the membership of the Trust Board, including the retirement of Simon Morritt the previous Chief Executive who retired in September and welcoming our new Chief Executive, Clare Smith who started with us at the end of November who has got off to a flying start. I said goodbye to Jenny McAleese, my deputy, who gave great service to the Trust for 9 years and Dr Stephen Holmberg and Jim Dillon who both served the Trust well for 6 years. Dawn Parkes sadly also retired at the end of March. Her successor joins us in May. We welcomed Dr Richard Reece as an Associate Non-Executive Director (NED), Rukmal Abeysekera as a NED and Ian Floyd joins us as an Associate NED and Matthew Taylor as a NED both on 1st April 2026.

I am conscious that most of my introduction has focussed on the challenges the Trust continues to face. But this belies the fact that our colleagues work incredibly hard to provide the best service and quality of care they can, whether working directly with patients or in support roles behind the scenes. Healthcare is all about teamwork, every one of our 12,000 colleagues has a valuable role. In this annual report there are very good examples of terrific work carried out each and every day. I pay tribute to our colleagues for their commitment, skill and resilience in often difficult circumstances. I want to also pay tribute to the Trust’s Council of Governors for their help, support and advice, and the important support provided by our 200 plus volunteers. I especially want to thank the former lead Governor Rukmal Abeysekera and Linda Wild who kindly stepped forward to take on the role of Lead Governor. They have both been so helpful and supportive.

The support and help of the various voluntary sector organisations with which the Trust works and of course our local authority partners, primary care partners, and Humber and North Yorkshire Integrated Care Board has and will continue to be invaluable for the Trust to make year on year improvements.

Martin Barkley
Chair, York and Scarborough Teaching Hospitals NHS Foundation Trust
June 2026

Part 1
Performance Report

2025/2026

Statement from Trust Chief Executive

Welcome to the 2025/26 Annual Report for York and Scarborough Teaching Hospitals NHS Foundation Trust. I am proud to introduce it as Chief Executive, and I do so with a clear sense of both the privilege and responsibility that comes with leading an organisation that matters so much to the communities we serve.

I joined the Trust three quarters of the way through the year, so I want to begin by thanking my predecessor Simon Morritt who retired in September 2025, and also Deputy Chief Executive Andrew Bertram for excellent interim leadership during the transition.

I made an early commitment that I would spend the majority of my first 100 days getting out and about: listening to teams, learning about our services in detail, and understanding what helps colleagues deliver excellent care, alongside what gets in the way. That has meant time in clinical areas, support services and corporate teams; in scheduled meetings and informal conversations; and in our communities with partners and the people who use our services.

From my first day, I have been struck by the professionalism, compassion and determination I see in every part of the organisation. It has been a fantastic introduction, and it has reinforced my belief that our biggest strength is our people.

This is my first annual report as Chief Executive, and I have joined at what I would describe as a pivotal time for our Trust and for the NHS. Demand continues to rise, workforce pressures remain real, and the financial environment is tighter than at any point in recent memory. My focus is to ensure we deliver safe, effective services now, while also making the changes required to be sustainable for the future.

It is right that this report is honest about the challenges we face. Like many trusts, we have worked through an ongoing period of operational pressure, and we have not ended the year where we wanted to be financially. We are tackling this with urgency, transparency and resolve.

We ended the year with a £28m deficit, after taking account of the technical adjustments NHS England applies to reflect our underlying position. This outcome was in line with our forecast from December and January, when it became clear we would not be able to deliver our break-even plan.

Looking ahead, we expect to be required to deliver at least £62m of savings in 2026/27, over 6% of our operational budgets. It is clear that we must live within our means, while protecting quality and safety. This will require disciplined financial control, stronger grip on workforce and procurement, and a relentless focus on reducing avoidable delay and waste in our pathways.

While 2026/27 will be challenging, I am confident we can make the progress required if we work together across care groups and corporate teams, and if we keep our decision-making focused on what matters most: safe care, timely access, and the experience of patients and colleagues.

Alongside these financial pressures, we have stayed focused on service delivery and on improving performance towards constitutional standards. We are not yet consistently where we need to be, but

there is progress in important areas, and, crucially, there is a growing shared understanding of what needs to change to sustain that progress.

By year end, there were no patients waiting more than 65 weeks, and we saw a further reduction in the number of patients waiting more than 52 weeks. Waiting times remain too long in some specialties, but the direction of travel is the right one.

Our cancer performance also improved overall during the year. We still have significant work ahead to consistently achieve the national 28-day Faster Diagnosis Standard and the 62-day Treatment Standard, and we are focusing on the full pathway.

In Urgent and Emergency care, we have made further progress this year on reducing ambulance handover delays, and we ended the year in a better position against the Emergency Care Standard than we began it. Demand remains very high, and we know that improvement depends not only on the emergency department itself, but on flow through the whole hospital and into community pathways.

Quality of care and patient experience remain our highest priority. During the year, the Care Quality Commission (CQC) published two reports following inspections of our Trust.

In July, the CQC published its report following an inspection of urgent and emergency care and medical care services at York Hospital in January 2025.

In Urgent and Emergency care at York, the overall rating improved from ‘inadequate’ to ‘requires improvement’. The safe and responsive domains also moved from ‘inadequate’ to ‘requires improvement’, while well-led improved from ‘inadequate’ to ‘good’. Both effective and caring are now rated ‘good’.

In medical care at York, the caring domain remains rated ‘good’. The safe, effective, responsive and well-led domains remain rated ‘requires improvement’.

Importantly, the CQC acknowledged that most patients and their families spoke positively about the care they received and felt they were treated with kindness and compassion. That matters deeply to me, and it is a powerful reflection of the values our teams bring to work every day.

The CQC also carried out an assessment of our urgent and emergency care and medical care services at Scarborough Hospital in October 2025, and the report was published in March. This report also contained positive feedback, including recognition of improvements in medical care and of the compassion and respect shown by colleagues to patients and those close to them.

Medical care services at Scarborough improved to an overall rating of ‘good’. Urgent and emergency care was rated ‘requires improvement’ overall. The report highlighted good practice - including teamwork and a positive learning culture - while also being clear about the ongoing pressures in urgent and emergency care, particularly around safety and access.

Of course, we know there is more to do. Our task now is to sustain the progress we have made, embed it into everyday practice, and move faster on the areas where patients still experience delay, overcrowding or inconsistency. The CQC findings provide a clear roadmap, and we are committed to delivering it.

One of the most important areas of focus is to improve how it feels for colleagues to work for our Trust, and the national NHS Staff Survey results are a key measure for understanding this. This year, our response rate increased to 55%, the highest and most representative response we have had in

over a decade. The more colleagues who share their experience, the clearer our view is of what it feels like day-to-day: what is going well, what is difficult, and what we must improve.

There are areas where the results improved compared with 2024, which is encouraging, particularly in two key measures; the percentage of colleagues who would recommend the Trust as a place to work increased from 44.81% to 48.72%, and the percentage who would recommend the Trust as a place to receive care increased from 43.09% to 46.74%.

Those measures matter because they go to the heart of what it means to work in healthcare: whether you would choose this organisation for your own career, and whether you would trust it to care for the people you love. Seeing those figures move in the right direction is really encouraging.

But we also need to be honest with ourselves. It is deeply concerning that around half of colleagues would not yet recommend the Trust as a place of care for the people who matter most to them, and fewer than half would recommend us as a place to work. We must understand the lived experience behind these responses - especially where colleagues feel unable to deliver the standard of care they aspire to - and then act decisively to change the conditions that sit behind it.

Despite these challenges, I have seen many examples of teams improving services, innovating to meet patients and colleagues' needs, and providing great care. A few highlights from this year include:

- The renovation of the Women's Unit at York Hospital was completed in June 2025. The upgraded unit provides enhanced facilities for patients and families, more space and a better working environment for colleagues, as well as additional room capacity for early pregnancy assessment and gynaecology assessment, and dedicated spaces for hysteroscopy and colposcopy.
- Bridlington Hospital achieved accreditation as an elective surgical hub, demonstrating its commitment to high standards of planned surgery. Ring-fenced facilities and theatres support faster access to common procedures such as cataract surgery and hip replacement. The hub was assessed against clinical and operational standards through NHS England's Getting It Right First Time (GIRFT) programme, working with the Royal College of Surgeons of England.
- The NHS Lung Cancer Screening Programme launched in June 2025, starting in Bridlington and supported by a new mobile CT scanner so it can be delivered across York and North Yorkshire. The programme offers free Lung Health Checks to people aged 55–74 who are current or former smokers and registered with a local GP. 70% of cancers identified through the programme so far were diagnosed at stage one.
- The new £47 million Urgent and Emergency Care Centre at Scarborough Hospital opened, the largest capital investment in our Trust's history. This state-of-the-art facility brings together emergency, same-day emergency and acute medical services under one roof, alongside vital diagnostics including CT scanning.
- We are in the final stages of preparation for the planned go-live of the first phase of Nervecentre, our new Electronic Patient Record (EPR). This is the largest transformation programme our Trust has undertaken. It will change how we record, share and use clinical information, supporting safer care, better communication, and more efficient working.

Our Trust strategy sets an ambition of providing an excellent patient experience every time. What I have heard and seen since joining has reinforced two things: first, colleagues care deeply about delivering that experience; and second, the system pressures around flow, access and workforce can make it harder than it should be to do the basics consistently well. The priorities I am therefore setting for 2026//27 as a result of what I learned in my first 100 days are therefore focused on creating the conditions for excellent care and for delivering our strategic objectives.

These priorities are:

- Coming off corridors – we must focus on transforming our services, harnessing the power of early decision making and community services, augmenting where we need to in order to reduce length of stay and create the space both mentally and physically for our teams to care.
- Undertaking a big conversation with colleagues about our values and how they link to our behaviour framework and then, crucially, how we will agree to live them day to day by creating strong and visible leadership capability and starting to create the conditions for psychologically safe environments where everyone feels safe and welcome.
- Improve access and timeliness of care for our patients and deliver our plans because it is what they have told us and asked of us most.

And we will support this by:

- Commencing our journey of continuous quality improvement.
- Creating a clinical strategy to help guide our decision making as we must protect and improve outcomes and reduce existing health inequalities, whilst also delivering our financial plan this year and in future years.
- Developing our community services and pathways aligned to our clinical strategy so that we work as our patients need us to, blurring the line between acute and community care.
- Understanding how we can protect the basics for our colleagues, such as access to rest, food and communication as a core element of our infrastructure.
- Strengthening clinical leadership.
- Measuring what matters and refreshing our 'True North' metrics to those that truly tell us if we are moving towards our aim of delivering an excellent patient experience.
- Delivering the Electronic Patient Record (EPR) rollout safely and successfully and realising its benefits in day-to-day care.

One of my commitments is to create the right environment for a well-governed improvement mindset across the organisation, so that colleagues feel able and supported to make the changes they want to see. What has encouraged me most in my first months is the optimism I encounter: colleagues are clear about the pressures and the gaps, but they also have practical ideas, deep expertise and strong values.

I want to thank every colleague for what you have done for patients and for each other this year. This annual report sets out our performance, our progress and our challenges in detail. My commitment is that we will face those challenges honestly, make decisions that put quality and safety first, and deliver the improvements our communities need together.

Clare Smith
Chief Executive, York and Scarborough Teaching Hospitals NHS Foundation Trust
June 2026

Overview

The purpose of the overview is to provide a short summary of the organisation, its purpose, key risks and how it has performed during the year.

Statement of purpose

The principal purpose of the Trust is the provision of healthcare.

The Trust is registered with the CQC to provide safe care that is responsive and effective. We are a NHS Foundation Trust. Foundation Trusts operate independently of the Department of Health but remain part of the NHS. This gives us greater freedom and more formal links with patients and staff, who we are accountable to through an elected and appointed Council of Governors.

The Trust covers one of the biggest geographical areas in the country. We are a large integrated acute and community Trust that provides a comprehensive range of clinical services to a catchment population of approximately 800,000 people living in York, North and East Yorkshire and Ryedale, an area covering 3,400 square miles. This includes the City of York but also covers a large rural geography with a dispersed population.

Services are provided from two main acute hospital sites in York and Scarborough but also from a range of other facilities, including community hospitals and community units in York, Selby, Malton, Easingwold and Bridlington. The Trust also provides community nursing, midwifery and therapy services to the population of York, Selby and surrounding areas.

Both York and Scarborough hospitals have Accident and Emergency and critical care units and are admitting sites for emergencies and complex elective care. They both provide inpatient maternity and neonatal services, as well as children's inpatient services, along with a wide range of outpatient services.

The Trust provides specialist services from other sites, including renal dialysis in Easingwold and Harrogate. The Trust also works collaboratively in certain specialties through clinical alliances with Harrogate and District NHS Foundation Trust and Hull University Teaching Hospitals NHS Trust to strengthen the delivery of services.

We are part of the Humber and North Yorkshire Integrated Care Partnership which brings together health and social care partners across York, North Yorkshire, East Riding, Hull, North Lincolnshire and North East Lincolnshire. Together we have a shared ambition for the people living in these communities to Start Well, Live Well and Age Well.

About us

Our History

York Hospital opened on its current site on Wigginton Road in 1976. When it first opened the Hospital had 600 beds and replaced numerous smaller sites, including Acomb Hospital, City Hospital, York County Hospital, Deighton Grove Hospital, Fulford Hospital, Military Hospital and Yearsley Bridge Hospital.

York Health Authority became a single district Trust in April 1992, known as York Health Services NHS Trust and became York Hospitals NHS Foundation Trust on 1 April 2007. The Trust then decided to adopt 'Teaching' into its name, which was approved by NHS Improvement (formerly Monitor) and came into effect from 1 August 2010.

In April 2011, the Trust took over the management of community-based services in Selby, York, Scarborough, Whitby and Ryedale. In 2018 community services for Scarborough Whitby and Ryedale transferred to Humber Teaching NHS Foundation Trust.

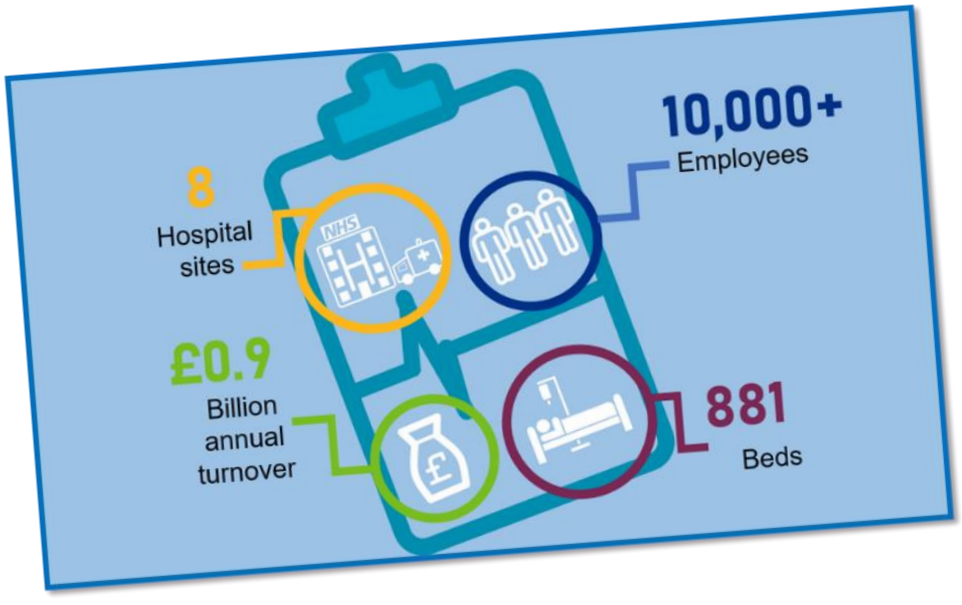
In July 2012 acquired Scarborough and Northeast Yorkshire Healthcare NHS Trust, bringing Scarborough and Bridlington hospitals into the organisation. To reflect this change, in 2021 the Trust officially changed its name to York and Scarborough Teaching Hospitals NHS Foundation Trust.

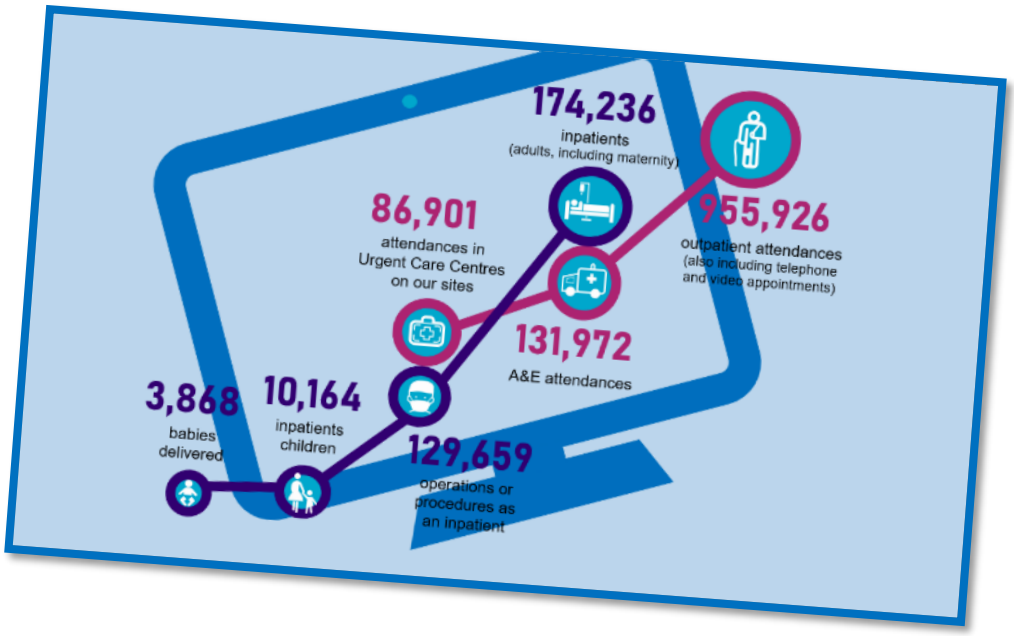
Geography and demographics

Our Trust provides a comprehensive range of acute hospital and specialist healthcare services for approximately 800,000 people living in and around York, North Yorkshire, North East Yorkshire and Ryedale - an area covering 3,400 square miles. Our sites include:

- York Hospital
- Scarborough Hospital
- Bridlington Hospital
- Malton Hospital
- The New Selby War Memorial Hospital
- St Monica's Hospital Easingwold
- White Cross Rehabilitation Hospital
- Nelsons Court Inpatients Unit

Snapshot of Trust 2025/26 overview





York Teaching Hospital Facilities Management LLP (YTHFM)

York Teaching Hospital Facilities Management Limited Liability Partnership (YTHFM LLP), established in 2018, operates as a subsidiary of York & Scarborough Teaching Hospitals NHS Foundation Trust.

It provides a comprehensive range of Estates and Facilities Management services. The organisation is jointly owned by two members: York & Scarborough Teaching Hospitals NHS Foundation Trust (holding a 95% share) and Northumbria Healthcare Facilities Management Limited (NHFML), which owns the remaining 5%.

YTHFM functions under the leadership of an independent Management Group, which includes designated Member Representatives (from York and Northumbria), a Chair, a Managing Director, and a senior leadership team.

As of 31st March 2026, YTHFM employs 1,105 staff (excluding bank employees).

The organisation's primary role is to deliver Estates and Facilities Management services to York & Scarborough Teaching Hospitals NHS Foundation Trust, supporting the Trust's Strategy 2025 – 2030 Towards Excellence and its commitment to consistently delivering an outstanding patient experience.

For the reporting period, YTHFM operated with an annual budget exceeding £100 million and implemented a capital investment programme of approximately £62 million. Additionally, it is one of the leading contributors to the local economy, with a growing emphasis on partnering with local contractors where feasible.

Over the past year, YTHFM has aligned its approach with the Trust's strategy - Towards Excellence - resulting in several key accomplishments:

- Achieved an operating surplus of £4 million.
- Successfully delivered a Cost Improvement Programme valued at £4.2 million.

These achievements demonstrate YTHFM's ongoing commitment to financial sustainability and strategic alignment with the Trust's objectives.

Our People

- YTHFM continues to engage in the Trust's Changemakers programme to support the development of a positive organisational culture
- A One Team Leadership Programme was launched.
- YTHFM continues to respond to insights from the annual Staff Survey.
- Employee of the month award established.

Quality and Safety (Compliance)

Over the year which is measured March 2025 to February 2026 (reflecting reporting mechanisms and data availability timelines), YTHFM monitored 37 KPIs each month in partnership with the Trust's Compliance Team. Performance in year resulted in 225 Green, 41 Amber and 37 Red KPI results, alongside 70 Not Applicable (N/A) and 130 Unreportable (UR) submissions; proportionally this equates to 45% Green, 8% Amber, 7% Red, 14% N/A and 26% UR across all services.
Organisational KPIs (assurance view):

- Sickness absence (MPA01) averaged 8.91% (Red) across the year.
- Statutory & Mandatory (MSA02) training averaged 74.15% (Red), reflecting ongoing recruitment and sickness pressures on compliance completion rates.
- Patient Environment TAPE (MSA03) {quarterly} remained Green throughout, averaging 89.11%.
- Premises Assurance Model (PAM) (MSA01) remained Green, averaging 85.26% over the year, with earlier months in the year lower and sustained improvement through 2025/26.

Reporting was refined further this year to reduce duplication and unnecessary reporting, therefore a reduction in reportable KPIs achieving last year's target to reduce the number of KPIs to lower than 45. By exception, Medical Devices Management servicing sustained high compliance throughout the year, Security and Portering remained consistently in green also. Variability in selected Estates and Domestics KPIs reflected the combined impact of financial constraints, recruitment challenges, and elevated sickness rates within YTHFM. Finally, the ageing estate ultimately effects overall performance and YTHFM's ability to deliver consistent appropriate working environments; the completion of a Six-facet condition survey within the year will undoubtedly provide industry standard detailed analysis to decide on key priorities in the future.

Facilities Management

Facilities Management continues to play a vital role in supporting the delivery of safe, effective and high-quality patient care across the Trust. Through the coordinated management of Domestic Services, Portering, Waste Management, Support Facilities, Linen and Laundry, and Catering Services, the directorate has focused on service modernisation, operational efficiency, workforce optimisation and strong financial stewardship during the year.

Throughout 2025/26, Facilities Management has delivered measurable improvements through the effective use of technology, enhanced workforce planning and improved resource management. The increased adoption of digital systems, revised rota models and strengthened stock control arrangements has reduced unnecessary activity, improved service responsiveness and supported more efficient deployment of staffing resources, while maintaining compliance with regulatory and safety standards.

Domestic Services has continued to maintain high standards of cleanliness and infection prevention, supported by modern equipment, structured staff training and improved monitoring of resources. These improvements have enhanced service quality while reducing waste and operating costs. Portering Services has strengthened patient flow and operational resilience through improved workload visibility, better workforce alignment and reduced reliance on overtime, delivering improvements in productivity, staff wellbeing and cost control across sites.

Waste Management has sustained strong performance through robust segregation practices, comprehensive training and effective contract management, achieving zero waste to landfill for a fifth consecutive year. Continued engagement with regional partners has supported compliance with national waste strategies, improved performance data and reinvestment into waste infrastructure, contributing to improved operational and financial outcomes.

Support Facilities Services has modernised a range of operational functions, including postal services, uniforms, and interpreting provision. Process improvements and service redesign have reduced duplication, improved turnaround times and strengthened value for money, while supporting service continuity and patient experience. Linen and Laundry Services have delivered significant efficiency gains through improved stock control and reduced unnecessary processing, lowering handling, transport and laundering demand while achieving cost savings.

Catering and Retail Catering Services have focused on improving procurement, logistics and waste management, while modernising food provision for patients, staff and visitors. Improved planning, supplier engagement and waste reduction initiatives have enhanced service quality and customer choice while delivering operational efficiencies.

Facilities Management will continue to prioritise service improvement through further digitalisation, automation and targeted investment in infrastructure and equipment. Key areas of focus include improving productivity, reducing avoidable activity, strengthening performance reporting and embedding consistent Trust wide processes. Continued collaboration with clinical services and sustained organisational support will be essential to ensure Facilities Management remains a resilient, efficient and high performing contributor to patient care and operational delivery.

Capital Projects Delivery and Achievements 2025/26

Overview

During 2025/26, the Capital Projects Department continued to deliver a large, complex, and operationally sensitive capital programme across York, Scarborough and Bridlington, and other Trust sites supporting, the Trust's priorities for patient safety, clinical capacity, diagnostic resilience, statutory compliance, and estate sustainability.

The 2025/26 Capital Plan represented one of the largest annual capital programmes managed by the Trust, with a total programme value of £88.2 million, funded through a combination of Public Dividend Capital (PDC), charitable funding and internal capital allocations, and year-end outturn expenditure of £87.2m. The Capital Projects Department had a key role in delivering most of this expenditure and an equally key role in securing the majority of the PDC funding, e.g. circa £48m total PDC for the eradication of Reinforced Autoclaved Aerated Concrete ('RAAC') at Scarborough Hospital. Delivery took place against a challenging backdrop of high clinical activity, constrained supply chains, inflationary pressures and increased regulatory expectations, requiring strong programme governance, close coordination with clinical and operational colleagues and robust executive oversight.

Programme Governance and Assurance

Throughout the year, capital delivery was overseen through established governance arrangements, including regular reporting to the Capital Programme Executive Group (CPEG) and the Portfolio Executive Group (PEG). These forums provided executive level assurance on progress, financial control, risk management, and service impact, and enabled timely escalation of issues requiring senior decision making. The Capital Projects Department provided routine portfolio level updates, supported by project specific reports at key delivery stages, ensuring that clinical, operational, financial and statutory risks were visible and actively managed across the programme.

Scale of Delivery and Financial Performance

As reported through the Trust's capital governance structure, the 2025–26 programme covered a broad portfolio of major schemes, diagnostic developments, backlog maintenance, and compliance driven investment, reflecting both strategic priorities and essential safety requirements.
The programme incorporated:

- Major multi-year infrastructure and compliance projects,
- High value diagnostic and imaging schemes,
- Ward refurbishments and service reconfigurations,
- Backlog maintenance and engineering infrastructure upgrades, and
- Charitably funded patient and staff environment improvements.

Managing Risk and Complexity

Delivery of capital projects in an acute hospital environment is inherently complex and involves the careful management of clinical, technical, financial, and operational risk. During 2025–26, a small number of particularly large and technically challenging projects required enhanced oversight as issues emerged that needed to be resolved in the interests of patient safety and long term service resilience.

Against this backdrop, there is significant cause for celebration. The year saw the operational opening of the Urgent, Emergency and Critical Care building at Scarborough Hospital, the construction completion of the Vascular Imaging Unit at York Hospital, and the construction completion of the Community Diagnostic Centre in Scarborough. In addition, new staff wellbeing facilities were completed at York, Scarborough and Bridlington hospitals (the latter funded by NHS Charities Together), alongside good progress across a wide range of other schemes. Collectively, these projects are playing a vital role in improving the delivery of clinical services and in maintaining patient and staff safety, comfort, and dignity within modern healthcare environments.

A defining feature of 2025–26 was the scale and interdependency of projects being delivered concurrently, particularly at Scarborough Hospital, where multiple major schemes were coordinated within a constrained operational environment. These interdependencies and constraints are set to be a feature of project delivery at Scarborough Hospital for the next two financial years.
To manage this ongoing complexity, the Capital Projects Department:

- Is applying tiered risk based oversight, focusing enhanced assurance on projects with the greatest potential service impact.
- Is collaborating closely with clinical leaders, estates colleagues and infection prevention teams to minimise disruption and maintain safe operation.
- Is ensuring that decisions to delay occupation or commissioning were taken in the interests of patient safety, particularly where water safety, ventilation or fire compliance assurance could not be fully demonstrated at the point of planned handover.

Across the portfolio of projects being managed by the Capital Projects Department, close financial risk management was maintained, with careful control of cash flow, contingency and scope to ensure alignment with approved funding envelopes and external funding conditions.

Major Projects Progressed During 2025–26

During the year, the Capital Projects Department progressed and/or delivered work across several high profile and high risk schemes, including:

Diagnostic and Imaging Capacity

- Continued delivery of major diagnostic projects at York and Scarborough, including cardio-vascular, CT and MRI developments, aimed at improving diagnostic capacity, resilience, and patient flow in the hospital-setting and in the community.
- Progression of enabling works and commissioning activity for new imaging facilities at York Hospital, with close management of technical compliance, water safety, and ventilation assurance.
- Critical Infrastructure and Statutory Compliance
- Advancement of significant RAAC eradication and roof replacement works at Scarborough Hospital, addressing critical safety and compliance risks while maintaining clinical services through complex phased decanting arrangements.
- Delivery of backlog maintenance schemes across the estate, targeting service resilience, engineering resilience, building fabric and environmental compliance.

Clinical Environment Improvements

- The operational go-live for the new Urgent, Emergency, and Critical Care facilities at Scarborough Hospital towards the start of 2025/26 (a £50m+ capital investment project).
- Progression of ward refurbishments and service specific upgrades, including schemes focused on women's services, critical care support areas, and post anaesthetic recovery, designed to modern standards, and aligned with NHS technical guidance.

Cancer and Specialist Facilities

- Continued delivery of the Macmillan Cancer Care Centre project at York Hospital, supported by substantial external charitable funding, with careful management of programme extensions and operational impacts to ensure quality and safety were maintained throughout construction.

Summary

In 2025/26, the Capital Projects Department successfully managed and delivered a high value and highly complex capital programme on behalf of the Trust. Despite the inherent challenges of delivering major construction and refurbishment programmes within a live acute healthcare setting, the year achieved several significant milestones and sustained progress across a wide range of schemes. The Capital Projects Department achieved this by maintaining strong financial discipline, robust governance and a clear focus on patient safety and service continuity.

Despite significant delivery challenges, not least of which was a contractor going into receivership part way through a building project, the 2025/26 programme of projects undertaken by the Capital Projects Department has delivered modern, safe, and resilient facilities that will support patients and staff for many years to come and has laid strong foundations for continued investment in 2026–27 and beyond. Through the projects completed or advanced by the department, there has been tangible progress in modernising the Trust's estate, addressing critical compliance risks and enabling future service transformation. The department continues to play a central role in ensuring that capital investment delivers safe, sustainable, and high quality healthcare environments for patients, staff, and visitors.

Sustainability

Please see sustainability section on page 49.

Key Issues and Risks

Financial Sustainability

For the 2025/26 financial year, NHS England set a small number of clear and stretching financial objectives aimed at ensuring the continued delivery of high-quality services within a constrained funding environment. The overarching requirement for Integrated Care Systems (ICSs) and NHS providers is to deliver a balanced net system financial position, ensuring that expenditure remains within allocated resources and demonstrating strong financial discipline and accountability across the system.

In order to support delivery of financial balance, NHS organisations were required to reduce their underlying cost base by at least 1% and deliver productivity improvements of around 4% during 2025/26. This reflects the need to absorb significant cost pressures, while continuing to increase activity and improve access for patients. Achieving these improvements requires sustained focus on operational efficiency, service redesign, workforce productivity and the reduction of unwarranted variation.

NHS England also reiterated the strong expectation that organisations continue to reduce their reliance on bank and agency staffing through improved workforce planning, retention of substantive staff and effective use of national frameworks. Reducing temporary staffing expenditure remains a key lever for improving productivity and supporting financial sustainability across the NHS.

The establishment of Integrated Care Boards (ICBs) enables NHS England to set financial allocations and objectives at a system level. There is a statutory duty on all NHS bodies within an ICS to contribute to the delivery of agreed system financial plans. While NHS providers retain their existing organisational, governance and statutory financial responsibilities, they are also required to have regard to system financial objectives and to work collaboratively in the best interests of the wider system.

For 2025/26, this collaborative approach was particularly important as ICBs were expected to drive system-wide efficiencies and ensure alignment with national and regional financial priorities. ICBs have a central role in overseeing system financial performance, monitoring risks, and ensuring that resources are directed to agreed priorities while maintaining service quality and safety.

Contract Payment Mechanism

The contract payment mechanism for 2025/26 operated in line with the NHS Payment Scheme. An Aligned Payment and Incentive (API) approach formed the principal contractual payment arrangement between the Trust and its main commissioners. This blended payment model was designed to support financial stability while incentivising delivery of national operational priorities.
Under API arrangements, funding comprises a mixture of fixed payments, which provide financial certainty and help manage system risk, and variable elements linked primarily to elective activity and productivity. This approach supported recovery of elective activity and reduction of patient backlogs, while enabling systems to manage overall affordability and financial risk.

Group Going Concern Assessment

The going concern concept is fundamental to the preparation of the Group's annual accounts. It assumes that the Group (i.e. the Trust and the LLP) will continue in operational existence for the foreseeable future and will be able to realise its assets and discharge its liabilities in the normal course

of business. The period considered must be at least, but not limited to, twelve months from the end of the reporting period.

For NHS bodies, there is no automatic presumption of going concern in all circumstances. However, since 2020/21 NHS England has provided updated guidance on the assessment of going concern for NHS accounts. This guidance, approved by the Financial Reporting Council (FRC), is reflected in the DHSC Group Accounting Manual (GAM) and HM Treasury's Financial Reporting Manual (FReM).

The guidance confirms that, while management are still required to document their assessment of going concern, this assessment should be based solely on the anticipated future provision of services within the public sector. As a result, it is highly unlikely that NHS organisations would have material uncertainties related to going concern that require disclosure.

Management has completed a detailed going concern assessment, and it is considered appropriate that the Board of Directors prepares the Group annual accounts for 2025/26 on a going concern basis.

Trust financial position 2025/26

The Trust's financial outturn for 2025/26 resulted in a reported deficit of £33.1m. After taking account of NHS England technical normalisation adjustments, including items such as asset impairments, this equated to a reported income and expenditure deficit of £32.3m. The final position is subject to external audit.

At 31 March 2026, the Group held a year-end cash balance of £27.3m, reflecting the ongoing management of cash and working capital throughout the year.

Planning and Budgets 2026/27

With a challenging efficiency programme, the Trust is still forecasting a £22m deficit for 2026/27. The multi-year financial planning work does show a return to financial sustainability and a balanced income and expenditure position from year 3. At this stage this position is not acceptable to NHSE and so an interim arrangement has been put in place. The Trust is part of the NHSE Challenged Provider Programme and will be working and engaging fully with this programme to improve the financial and activity position of the Trust.

NHSE have confirmed that the final Board-agreed plan should be used to set the Group operational budgets at this stage.

Working Capital and Liquidity

The Group began the year with a cash balance of £57.7m and continued to operate an enhanced cash management regime throughout 2025/26. This included monthly Cash committee meetings chaired by the Deputy Finance Director and regular debtor reviews involving Care Group finance teams.

Cash performance is reviewed regularly at senior management level and reported to the Board of Directors on a monthly basis. In 2026/257 cash will remain a key focus for the Group, with ongoing financial pressures and the successful delivery of the waste reduction and productivity programme (WRAP) being critical to maintaining liquidity during the year.

Sustainable Resource Deployment

During 2025/26, the Group continued to focus on sustainable deployment of resources through a range of system-wide and organisational initiatives. The Group remained fully engaged with the Getting It Right First Time (GIRFT) programme, working closely with national clinical teams to support service recovery, improve clinical quality and safety, and identify opportunities for efficiency and productivity improvement.

Collaboration within the Integrated Care System continued to play a central role in sustainable resource deployment. Partnership working enabled better coordination of services, shared approaches to demand management and workforce planning, and more effective use of collective capability and capacity across the Humber and North Yorkshire system.

The Group also continued to participate in collaborative procurement arrangements through the Hull and North Yorkshire procurement collaborative. Partner Trusts remain committed to developing a more integrated procurement model, supporting value for money, supply chain resilience and the sustainable provision of clinical and non-clinical services.

In 2025/26 the efficiency target was split into a Core Efficiency programme of £25.35m and a further Central Efficiency programme of £29.939m, giving a total programme of £55.29m. The Group overachieved its core efficiency target of £25.35m CIP target in 2025/26 by £9.156m; the central target however has proved much more difficult to achieve in full, resulting in a shortfall of £23.947m, the total delivery in year was £40.498m. This is the highest level of efficiencies that the Trust has ever delivered and is a very significant achievement, but the overarching requirement proved too great a stretch in a single year.

For 2026/27, the Group faces a core efficiency requirement of at least £61.6m, equating to 6.4% of operational expenditure, underlining the scale of the continued financial challenge.

Financial and Operational Risk Management

NHS England's Medium-Term Planning Framework for 2026/27 to 2028/29 sets out national expectations to deliver sustained recovery in access and performance while maintaining financial balance and progressing longer-term system reform. For 2026/27, systems are required to demonstrate continued improvement in urgent and emergency care, elective recovery and cancer performance, alongside delivery of productivity improvements and a balanced financial position.

Key national operational priorities for 2026/27 include continued improvement in emergency care performance, with a particular focus on reducing long waits and improving patient flow; further progress in elective recovery, with an interim national ambition of around 70% of patients waiting less than 18 weeks for treatment by the end of 2026/27; and sustained improvement in performance against cancer waiting time standards, including the 62-day referral-to-treatment standard and the Faster Diagnosis Standard.

In addition, NHS England has placed increased emphasis on outpatient transformation, digital enablement and the development of neighbourhood-based models of care to reduce avoidable admissions, shorten lengths of stay and improve productivity across acute pathways. These reforms are integral to managing operational demand and improving service sustainability over the medium term.

The Trust's approach to financial and operational risk management for 2026/27 focuses on delivering national recovery priorities while maintaining a strong grip on financial control, workforce capacity and patient safety. Risks to delivery are actively monitored through the Trust's governance and performance management framework, enabling early intervention and targeted mitigations where required. This approach supports delivery against national standards while safeguarding quality of care and financial sustainability.

Approach to Corporate Governance

The Board of Directors provides leadership on the overall governance framework of the Trust, including oversight of risk management and internal control. The Board is supported by a number of Committees that provide assurance and scrutiny across key areas of organisational activity.

These include:

- Group Audit Committee - independent assurance on the effectiveness of the system of internal control and overall governance arrangements.
- Quality Committee – assurance on the effectiveness of the systems for ensuring clinical quality and patient safety.
- Resources Committee – assurances of operational and strategic plans and activities for Finance, Performance and People aspects of the Trust, and Estates, Facilities and Sustainability for YTHFM.
- Executive Committee - implementing the agreed strategy as directed by the Board of Directors and providing oversight on Trust-wide governance, risk, operations, performance, quality, workforce and finance.

The Board Assurance Framework (BAF) identifies the principal risks to delivery of the Trust's strategic objectives and provides assurance over the effectiveness of controls and mitigating actions. The BAF is regularly reviewed by the Board and its Committees.

This governance structure is supported by a comprehensive performance management framework. All Care Groups participate in monthly Performance Review and Improvement Meetings, supplemented by local governance arrangements, to ensure robust oversight of quality, operational performance and financial sustainability.

Workforce Sustainability

Workforce sustainability forms part of the Staff Report which can be found on page 99.

Performance Analysis

How the Trust measures performance

The Trust delivers services across both hospital and community settings and monitors its operational performance using a comprehensive suite of measures. These cover key areas such as urgent and emergency care, cancer pathways, elective care waiting times, diagnostics, and wider quality and outcome indicators.

Each month, the Board reviews performance through the Trust Priorities Report (TPR), which is structured in line with NHSE's *Making Data Count* methodology and uses statistical process control (SPC) charts to interpret variation. SPC provides a science-based approach to analysing data over time, helping the organisation distinguish normal variation from signals that require action. This aims to ensure that performance issues are identified early and addressed promptly.

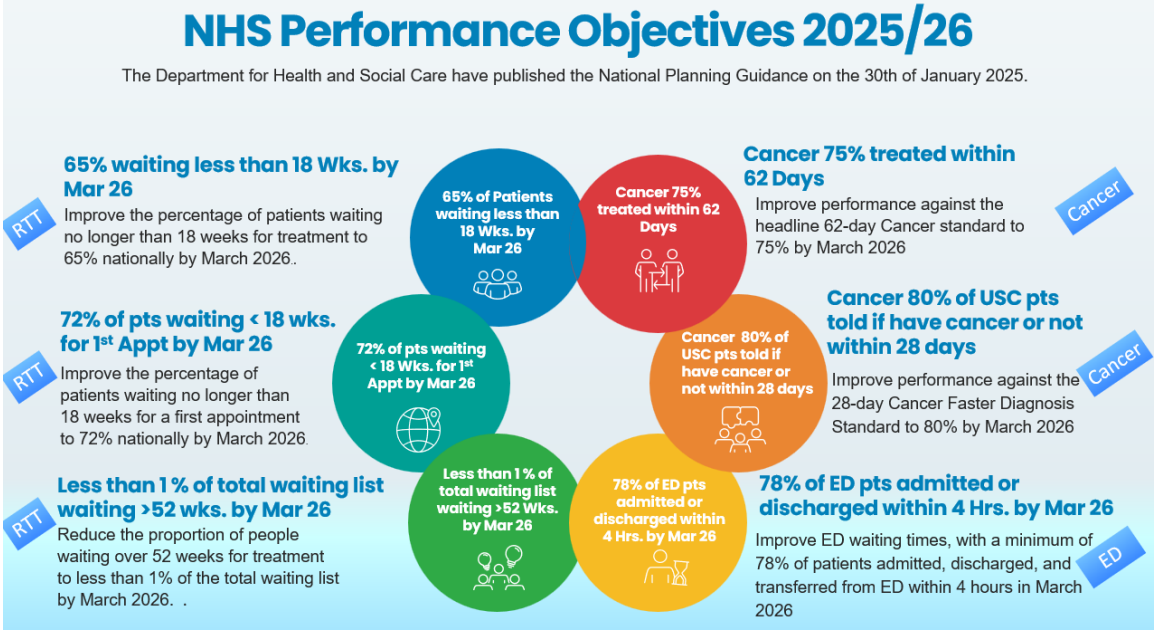
The TPR also underpins the more detailed scrutiny undertaken by the Board's monthly sub-committees, the Quality Committee and Resources Committee. This is supported by focused reviews on key areas periodically throughout the year. Annual performance data is summarised in the table overleaf. At an operational level, Care Group performance is reviewed through the monthly Performance Review and Improvement Meetings (PRIMs), which feed via escalations into the Executive Committee. In addition, the Trust reports performance regularly to NHS England (NHSE) via established assurance routes.

The Trust was placed in NHSE tier 1 in January 2026 of the National Oversight of the Elective Recovery Support Programme for elective, cancer and diagnostics in 2025/26 due to challenges in delivering the planned improvement trajectories.

The national priorities to improve patient outcomes in 2025/26 were:

- Reduce the time people wait for elective care, improving the percentage of patients waiting no longer than 18 weeks for elective treatment to 65% nationally by March 2026, with every Trust expected to deliver a minimum 5%-point improvement. Systems were expected to continue to improve performance against the cancer 62-day and 28-day Faster Diagnosis Standard (FDS) to75% and 80% respectively by March 2026
- Improve A&E waiting times and ambulance response times compared to 2024/25, with a minimum of 78% of patients seen within 4 hours in March 2026.

The following performance objectives were set:



Elective Recovery

Elective recovery remained one of the priorities for 2025/26. While the Trust successfully eliminated waits for patients of over 65 weeks, overall waiting lists grew during the year. This reflected both increased GP referrals during the first 6 months of the year, and a programme of increased oversight and data validation to ensure patients were waiting no longer than clinically necessary. Although this temporarily worsened headline performance, it strengthened patient safety and accuracy. As a result, the Trust did not deliver its improvement ambitions for the proportion of patients on a referral to treat pathway who received care or were discharged within 18 weeks.

The 2025/26 Elective Programme was developed with the key aim:

To ensure everyone has access to safe, timely and patient focused elective care.

There are three primary drivers within this programme:

- Referral to Treatment: reduce waiting times.
- Cancer: Diagnose patients within 28 days of suspected cancer referral and treat patients within 62 days of a suspected cancer referral.
- Diagnostics: Complete a routine diagnostic procedure within 6 weeks and for suspected cancer / Urgent within 14 days.

These were delivered through defined workstreams:

- Theatre Improvement
- Outpatient improvement
- Diagnostics Improvement
- Health inequalities
- Children and Young People
- Cancer Improvement Programme

As part of the outpatient programme the Trust improved clinic utilisation rates by 4.4%, reduced the new to follow up ratio from 2.6 in April 2025 to 2.17 in February 2026 and continued to achieve low did not attend (DNA) rates. Referral for expert input was rolled out in clinical haematology and a focus on increased Patient Initiated Follow Ups in cardiology and gynaecology.

The Trust participated in the NHSE Referral to Treatment (RTT) validation sprint throughout 2025/26, stopping more clocks than the 2024/25 baseline position. This entailed more capacity to data cleanse and validate our waiting lists. The Trust also participated in a local improvement network project to pilot RTT priority clinics in February and March 2026.

Bridlington Hospital successfully achieved accreditation in 2025 as an elective surgical hub, demonstrating its commitment to delivering high standards of operational care. Paediatric Surgery was also reestablished at Scarborough Hospital in 2025.

Cancer

In line with the 2025/26 NHSE operational planning guidance there was a focus on improving the number of patients treated within 62 days and being diagnosed within 28 days (faster diagnosis standard). A refresh of the Trust's cancer strategy was developed in quarter 4 2024/25 which outlined six key themes, with programmes of work mapped to local and national priorities.

The Trust remained in Tier 2: National Oversight of the Elective recovery support programme for Cancer and Diagnostics from April to December 2025, moving into Tier 1 in January 2026. This was driven by specific tumour site performance issues, and Q4 recovery plan success is reflected in the highest ever Faster Diagnosis Standard the Trust has achieved (March 2026).

Challenges included a significant rise in referrals compare to 2024/25 (7% cumulative increase, 35% in skin), delays to capital programmes which have impacted the release of diagnostic capacity and workforce challenges creating fragile services.

The Trust's Earlier Diagnosis programme has made improvements to the existing Liver Surveillance programme, with 95.7% of attendees attending an ultrasound. Lung Cancer Screening programme was launched in June 2025 and commenced in Bridlington, moving to Selby Q4. Year to date, 70% cancers have been diagnosed at stage one. This involved significant work to recruit staff, utilise new CT equipment and work with partners in the wider system. The programme will return to the East Coast (Scarborough) in 2026/27.

Pathway transformation has taken place in several tumour sites. A new post-menopausal bleeding pathway was launched in November 2025 across the whole trust footprint, enabling quick access to Ultrasound and same day consultant report review. This was rolled out in conjunction with new Pipelle clinics in Selby Community Diagnostic Centre (CDC), which brought less invasive diagnostics closer to patients.

A Colorectal frailty pathway pilot commenced in September 2025 Colorectal cancer, supporting patients and families to have a holistic expert discussion with an elderly medicine consultant at the first point of the pathway. The GI nursing team also implemented a new process in November 2025 for telephone assessment of referrals without frailty scores, to enable suitable patients to go straight to test and receive a diagnosis or ruling out of cancer sooner. In January 2026, 24-hour CT staging offer was made available to patients who receive a cancer diagnosis at point of endoscopy and robotic theatre lists were expanded.

Urology bladder pathway has introduced 30 CT scans per week to offer a straight to test pathway to patients, which has directly contributed to a 20% improvement in the two weeks wait 1st seen date.

The Trust was nationally recognised in Parliament and the national 10-year cancer plan for the oral systemic anti-cancer treatment (SACT) at home pilot. This innovative service delivery has reduced the need for patients to travel repeatedly to acute sites for treatment, created capacity in consultant clinics and expanded competencies in clinical skills. Treatment capacity and expertise have also been widened by the introduction of a cancer alliance funded new Immunotherapy CNS role which covers

multiple tumour sites, offers toxicity management support in a virtual clinic and been instrumental in supporting education across the organisation. The Head and Neck Cancer Team in collaboration with the Trust's research team are successfully participating in the national Cancer Vaccine Launchpad (CVLP), and one of the top referring trial sites in the country.

These improvements were delivered through sustained effort by multidisciplinary teams, often working under significant workforce pressure, and in partnership with primary care, diagnostics and regional cancer networks.

Diagnostics

Diagnostic performance (DM01) is monitored monthly and is reported through to the planned care oversight group. The focus of the diagnostics programme has been the delivery of Community Diagnostic Centres (CDC), reducing our longest waiting patients

The Trust continued to develop its CDC spoke provision at Selby Hospital and the Askham Bar site. These CDCs deliver a range of diagnostics services including phlebotomy, ultrasound, cardiorespiratory tests, mobile CT and MRI on a mobile pad. Delivering more diagnostics closer to home has reduced travel for patients, particularly benefiting those in rural and coastal communities.

The CDC at Scarborough development continues. In advance of the CDC opening acceleration activity has been undertake at Bridlington with provision of cardiorespiratory, ultrasound, CT and MRI on the mobile pad being delivered through 2025/26.

As part of the Scarborough Urgent & Emergency Care Centre (UECC) build a second static CT scanner was opened in May 2025. This provides a co-located CT scanner with the emergency department improving acute turnaround times and providing more business continuity resilience to the CT provision.

The Trust was successful in receiving funding for an additional MRI at the York site and design work and development has commenced to establish a third MRI in 2026/27.

A significant reduction in patients waiting over 13 weeks from 17% in June 2025 to 5% in February 2026 through the additional activity that has been achieved.

Urgent and Emergency Care (UEC)

Over the course of 2025/26 the Trust continued to face significant pressures caused by increasing demand and resource constraints, both within the Trust and with our system partners. This resulted in ongoing issues with patient flow and long waits in our Emergency Departments, with some key performance metrics remaining below our improvement trajectories. Despite these challenges our performance was generally improved year-on-year and there are several achievements to celebrate.

Scarborough Urgent and Emergency Care Centre (UECC)

The Trust met a huge milestone with the opening of the new Urgent and Emergency Care Centre at Scarborough Hospital in May 2025. This £47m project took three years of building works and a longer planning period, and the result is a state-of-the-art facility that marks a new era in the Scarborough area, with thousands of patients set to benefit from faster, safer, and more joined-up care every week for many years to come.

Ambulance Handovers - Withdraw at 45 minutes

In Quarter 1 a national ask was made that all ambulance crews "withdraw at 45 minutes" (W45) – meaning that patients and their information must be safely handed over to Emergency Department teams quickly enough for crews to be released back to the roads as soon as possible. Our position

improved from an average of ~35 minutes in April 2025 to ~22 minutes in June 2025, where it has remained even over the busy winter period.

Tests of Change/Improvement mindset
This year both Emergency Department teams launched a series of 'tests of change'. These provided an opportunity to try short-term improvements and understand the impact of them, with some leading to permanent changes.

One example is testing a new patient pathway: Emergency Department Ambulatory Care (EDAC) for non-admitted patients who require more than the Urgent Treatment Centre (UTC) but could most likely be seen and discharged within four hours. EDAC was successfully introduced at both main sites in May 2025 with the resource being found through internal movement rather than additionality. Because of funding constraints this has not been able to continue for the full year, but testing the concept of splitting admitted and non-admitted pathways successfully proved the concept.

Above all, the tests of change at both Emergency Departments have supported teams to think about different ways of working and get involved in testing changes.

Discharge
The Trust made progress reducing the proportion of patients not meeting the criteria to reside and remaining in our care this financial year. From routinely having around 20% of our bed base filled with patients waiting onward care, that figure has reduced to around 14%.

Winter 2025/26

Using feedback and lessons learned from last winter, the planning phase started much earlier this year with a full winter plan taken through formal governance routes in September 2025. The early arrival of influenza disrupted the positive momentum felt at the front doors at both main sites, however robust escalation plans led to swift decision making. This included the opening of Ward 25 (30 beds) at York Hospital, increased escalation opportunities with system partners to enable discharges, and redeploying senior nursing staff to inpatient wards to help with patient discharges. This experience strengthened the Trust's confidence in ts escalation processes and system working ahead of future winters.

Performance against key health care targets 2025/26

Indicator	Target 2025-26	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26
Emergency Care Standard (ED 4 hour target)*	78%	63.8%	68.6%	69.4%	69.7%	68.9%	67.6%	68.7%	69.6%	65.7%	62.5%	64.5%	71.0%
*The Trust is monitored on the combined performance; Emergency Departments (Type 1) and Minor Injury Units (Type 3).													
Ambulance average handover time (MM:SS)	29:42	34:27	23:24	21:34	22:11	21:22	22:02	22:00	20:13	22:02	21:59	19:39	19:46
Referral to treatment time, 18 weeks in aggregate, incomplete pathways	67.5%	56.6%	58.0%	59.4%	58.6%	56.9%	56.9%	56.4%	55.7%	55.0%	54.1%	54.7%	56.4%
RTT 65+ Week waits at month end	0	38	36	13	10	30	47	46	30	1	1	0	0
RTT 52+ Week waits at month end	389	1,149	1,424	1,548	1,758	1,988	2,034	1,809	1,550	1,321	1,311	1,253	1,088
Cancer 28 day Faster Diagnosis Standard	80%	67.4%	67.9%	69.8%	68.1%	64.7%	60.6%	63.3%	60.0%	60.4%	58.8%	76.2%	77.2%
Cancer Referral/Upgrade to First Treatment Standard (62-day standard)	75%	66.9%	66.3%	62.2%	66.8%	64.5%	66.8%	63.1%	65.9%	62.8%	66.4%	70.7%	72.4%
Diagnostics 6 week wait from referral to test	95%	62.7%	65.3%	64.0%	63.3%	61.7%	65.5%	71.2%	74.6%	70.7%	70.8%	77.5%	77.0%

Health inequalities – at a glance

- Health inequalities embedded as a core Trust quality priority.
- Health Inequalities Reduction Programme established with Care Group champions.
- Improved access to population health and interactive data dashboards.
- Targeted service level interventions addressing access, experience and outcomes.
- Alignment with national frameworks including NHSE health inequalities guidance, Equality Delivery System 2 (EDS2) and Accessible Information Standards (AIS).

Health inequalities remain one of the most significant challenges facing the communities we serve. Persistent and avoidable variations in health outcomes are driven by deprivation, ethnicity, geography, and barriers to accessing care. As a Trust, we remain committed to reducing these disparities by embedding a health equity approach across all services, strengthening our use of population health data, and working collaboratively with patients, carers, and system partners including at neighbourhood level. Through this focus, we aim to ensure that the care we deliver is not only clinically effective and safe, but equitable, inclusive, and responsive to the diverse needs of all our populations.

Impact and outcomes

Our focus on reducing health inequalities is beginning to translate into measurable improvements in how patients access and experience care. Progress during the year includes improved completeness and quality of ethnicity recording, enabling more reliable identification of variation across pathways and supporting more targeted service improvement. Service level initiatives across Care Groups are reducing barriers to engagement, improving access for underserved populations, and supporting earlier intervention. While progress remains at different stages of maturity, this work provides a strong foundation for more robust outcomes monitoring in 2026/27 as core health inequalities metrics are fully embedded within Trust reporting.

Our Health Inequalities Priorities

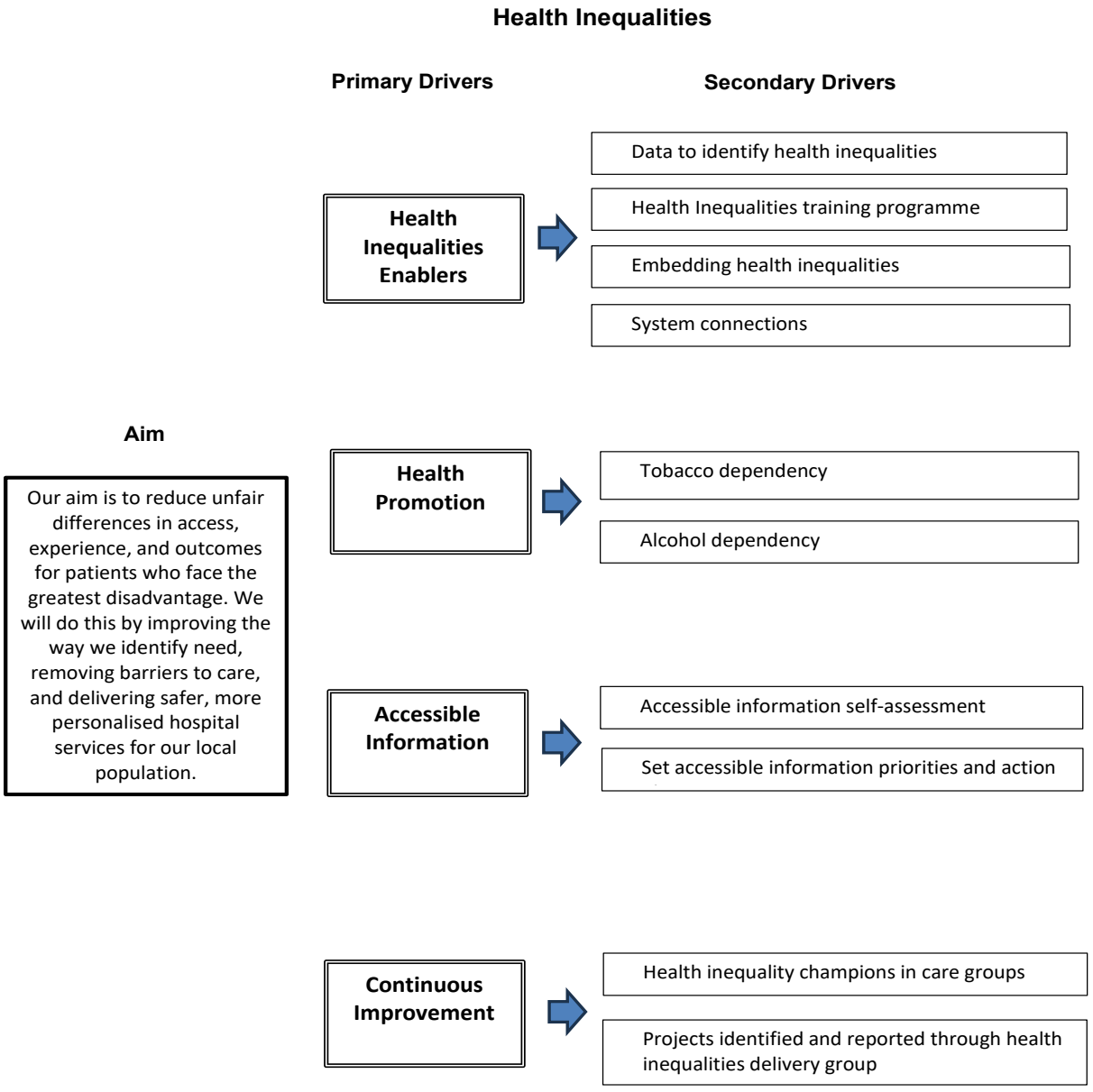
Our staff have access to data to identify inequalities in access, outcomes and experience	Health inequalities are everyone's business - people in all parts of our Trust are empowered to make change happen within our services.	Deliver accessible information to ensure we meet the communication needs of patients
Embed a health inequalities and equity across all organisational priorities, strategic documents and annual planning processes	We connect / collaborate with our system partners to maximise our collective impact on health inequalities	Continue to deliver health promotion for smoking and alcohol dependency

How we will deliver our priorities

The Trust has established a Health Inequalities Reduction Programme to address the priorities identified through both the Health Inequalities and Accessible Information self-assessments. Each care group has appointed a Health Inequalities Champion to link into the programme and support

delivery of identified improvement actions. Reducing health inequalities and strengthening health promotion remain key priorities for the Trust. To support this, four workstreams have been developed (Figure 1) providing a structured framework to delivery against our health inequalities objectives and ensure sustained, measurable improvement across services.

Figure 1 – Health Inequalities Driver



Governance and assurance

Delivery of the Health Inequalities Reduction Programme is overseen through Trust governance arrangements, with progress reviewed through quality and performance reporting structures and escalated as required. Health inequalities data relating to access, experience and outcomes is monitored using local business intelligence dashboards, supporting identification of unwarranted variation and tracking of improvement over time. This provides assurance that action to reduce health inequalities is systematic, monitored, and aligned to wider Trust quality and safety priorities.

Workstream progress 2025/26

Heath Inequalities Enablers

- Functionality to search by age, sex, ethnicity and deprivation has been added to key interactive data reports supporting more targeted analysis. We are reviewing the metrics recommended within the NHSE statement for health inequalities to ensure alignment with national standards Health inequalities development sessions have been provided to Trust Board and the Senior Leadership Forum strengthening leadership awareness and commitment to action within the organisation.
- Access to population health dashboards from the Integrated Care System and the Cancer Alliance is now in place, improving our understanding of local need and variation.
- Our local community of practice has developed a Health Inequalities Education Framework for health inequalities which we will embed across relevant training programmes and use to guide development of a Trust-wide training matrix.
- Health inequalities are incorporated into our local Quality Improvement (QI) training, ensuring improvement activity routinely considers equity and inclusion.
- Health inequalities are discussed as part of research proposals and research support processes helping ensure studies address representation, access, and inclusion for underserved groups.
- Health Literacy education is provided by our library service team supporting staff to communicate effectively and reduce barriers to understanding.
- Conscious inclusion online education is now available for staff -, introducing concepts relating to inclusivity, accessibility, micro-behaviours, inclusive communication, and courageous conversations.
- Health inequalities are explicitly considered within our Quality Impact Assessment (QIA) and Business Case processes, ensuring equity impacts are assessed in all service changes, developments, and redesigns.
- Making every contact count (MECC) is offered as an online learning package through our learning hub promoting brief intervention skills and supporting health promotion across services.

Accessible Information Standards

- A comprehensive self-assessment against the Accessible Information Standards (AIS) has been completed, identifying key gaps and priorities for improvement.
- An accessible information delivery group has been established to lead and coordinate delivery of the identified priorities across the Trust against standards.
- A Trust-wide action plan has been developed, with clear timelines and milestones to ensure progress is monitored and compliance to the standards is achieved.

Health Promotion

Alcohol dependency

- City of York Council have funded an Alcohol Specialist Nurse (ASN) for a 12-month pilot period for York only. The ASN is providing clinical support on identified pilot wards and undertaking patient assessments using an evidence-based alcohol screening tool.
- An ‘identification and brief advice’ tool for alcohol has been developed and approved for use at York Hospital supporting early intervention and consistent brief advice at the point of care.

- All Trust alcohol related documentation has been reviewed and updated, ensuring policies, pathways, and clinical guidance reflect current best practice.
- Continue working with system partners to keep support pathways in place, ensuring safe, well-planned discharges and ongoing help for patients with alcohol dependency.

Smoking Dependency

- We have made it easier for inpatients to access nicotine replacement therapy. This has helped people stop smoking temporarily, feel more at ease on the wards, and reduced the need for them to leave the ward areas
- We have regular, ongoing communication around smoke free environment. Smoke-free hospital grounds protect health, reduce second-hand smoke exposure, and support people to quit

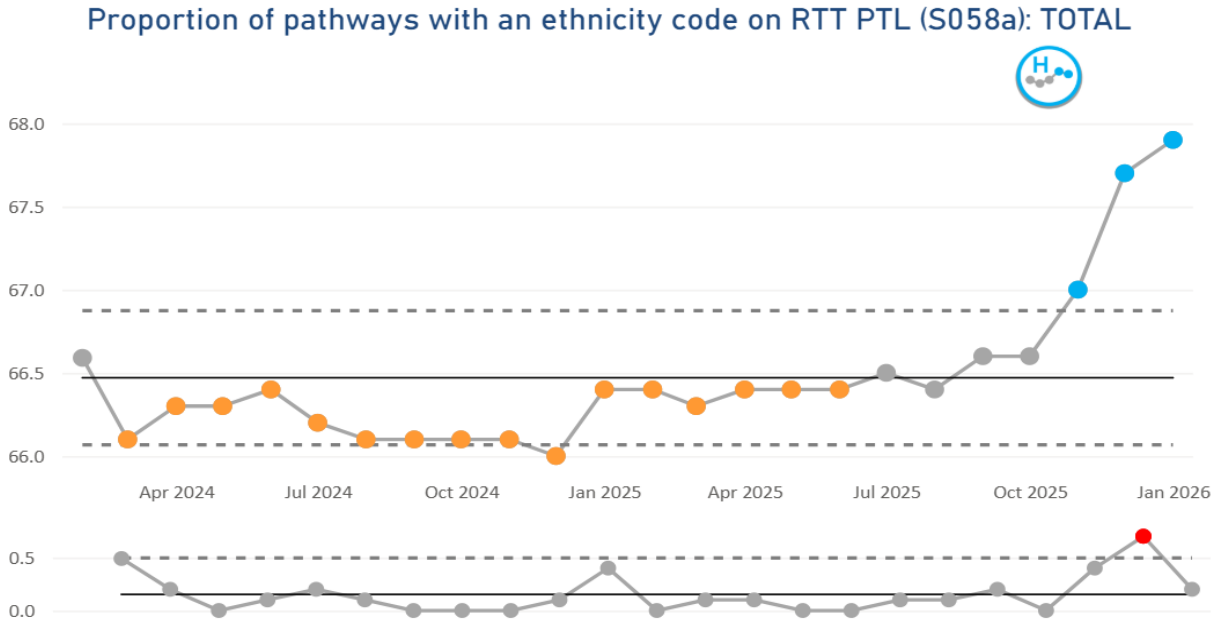
Continuous Improvement – Health Inequalities projects this year

Continuous improvement underpins our approach to reducing health inequalities. Care Groups are actively engaged in the identification and developing annual health inequalities projects that respond to local need and variation. Health Inequalities Champions have been identified across Care Groups to provide representation, sharing progress and strengthening organisational ownership of the agenda. This structure ensures that health equity considerations are embedded into routine service development and quality improvement activity. Progress this year has included:

Ethnicity recording

Improving the completeness and accuracy of ethnicity recording is a critical enabler for addressing health inequalities. High quality data allows the Trust to identify variation in access, experience and outcomes, target improvement activity more effectively, and monitor the impact of interventions over time. Continued focus on data quality will strengthen population health insights and support more equitable service planning and delivery.

The Trust has improved the recording of patient ethnicity across the organisation through targeted staff education in patient-facing areas and the introduction of a laminated self-selection sheet to support patients in choosing their ethnicity accurately. This work will continue into 2026/27 to further strengthen data quality and ensure more reliable population health insights. The graph below shows the improvements achieved over recent months.



Medicine Care Group
We are collaborating with the local neighbourhood teams to identify patients with complex needs who have been identified as high Intensity users of our emergency departments, work is planned to review pathways and develop interventions aimed at reducing avoidable attendances and improving continuity of care.

The Equality Delivery System 2 (EDS2) was completed for York Emergency Department – The results showed us to be developing/achieving across the 4 elements. The Equality Delivery System 2 (EDS2) is a mandatory NHS England framework for used to review and improve performance for people with protected characteristics under the Equality Act 2010. It supports improved health outcomes, better access to services, a supported and fair workforce, and inclusive leadership-ultimately ensuring that care is equitable and responsive for all patients.

Family Health Care Group
Equality Delivery System 2 (EDS2) was completed for Sexual Health and HIV services with results demonstrating the service to be Achieving/Excelling across all four domains.

Equality Delivery System 2 (EDS2) Scarborough Paediatric Speech and Language Therapy, Community (SLT) – with results demonstrating the service to be Achieving/Excelling across all four domains.

Maternity health inequalities:
Two community midwives for equitable health commenced in post in April 2025 -The role of midwife for equitable health aims to work towards supporting women, birthing people and families at higher risk of health inequalities and we have applied to principles of proportionate universalism to this role. This includes case-loading for refugees, asylum seekers and women in prison. A maternity disadvantaged tool has also been launched to enhance early identification of need.

Collaborative work with the Maternity and Neonatal voices partnership is a standard approach to improving maternity service overall, including a specific project to ensure current patient information is meeting service user need. As part of this work a personalised care plan was launched alongside a bespoke survey to capture ongoing feedback.

Maternity services are working collaboratively with Askham Grange prison to develop a perinatal pathway in line with the national service specification for care of pregnant and postnatal women in detained settings.

The Baby Friendly Initiatives (BFI) standards have been reviewed, and quality improvement work is commencing to identify the resource required to provide an equitable service and meet national best practice standards in line with BFI.

Surgery Care Group

Advancing health equity in Musculoskeletal (MSK) and pre-operative pathways including:

- A coordinated programme is in place to strengthen equity within MSK pathways, improving access, inclusion, and community engagement.
- Community Appointment Days were reintroduced in February 2026, increasing local access points, reducing travel-related barriers, and strengthening collaboration with community and voluntary sector partners.
- A dedicated Neurodiversity Project is evaluating gold-standard approaches to improving accessibility, communication formats, and staff skills, creating predictable, inclusive environments for neurodivergent patients and reducing the risk of unequal outcomes.

- A targeted MSK messaging project is underway to refine communication strategies—including digital and social media content—to ensure under-represented groups receive timely, culturally appropriate information that supports improved health literacy and self-referral.

Pre-operative Assessment

- The initial Health Questionnaire has been expanded so it can now be completed via post, digital submission, or telephone.
- Proactive telephone contact is made with patients who do not return their questionnaire, ensuring completion with support if needed and reducing inequitable access.
- Additional proactive check-ins and reminders are provided for patients more likely to DNA or be cancelled due to socioeconomic or intersectional risk factors.

Cancer, Specialist & Clinical Services Care Group

- A lung screening programme is operational in Bridlington, one of the most deprived coastal towns in England, improving early detection in a high-risk population.
- A Community Diagnostic Centre will open in March 2026 in Eastfield, Scarborough, one of the most deprived areas in North Yorkshire, improving access to diagnostics and reducing travel-related inequalities.
- Retinal screening DNAs are being addressed through alignment ("piggybacking") with other clinic attendances, reducing missed appointments and improving early detection outcomes.
- Mobile chemotherapy is now offered in Bridlington and Selby, improving equitable access to cancer treatment and reducing travel burdens

NHSE Statement for Health Inequalities - Key lines of enquiry

The NHS England statement on information about health inequalities sets out a series of key lines of enquiry that Trusts must use to understand and reduce unfair differences in access, experience, and outcomes. It asks organisations to strengthen their understanding of local health needs by using data broken down by factors such as ethnicity, age, deprivation, and sex. Trusts are expected to improve the quality, completeness, and analysis of this data, including work on ethnicity recording and the reasonable adjustment digital flag. The statement also emphasises the need to use this information to identify variation in access, patient experience, and outcomes, and to develop core metrics that can be monitored through local reporting systems. Finally, it requires organisations to publish clear, transparent information on health inequalities to support accountability and drive improvement across services. Figure 2 shows our progress in line with the key lines of enquiry.

Figure 2 - Progress in line with the key lines of enquiry from the NHSE statement on information on health inequalities:

Understanding health needs	• The local 'core20' and 'PLUS' groups have been identified for our population • We hold face to face patient and carer forums to identify the needs of our patients • We have access to the ePiPH&NY (Integrated Care Board (ICB) Wide population health dashboard) and ICB cancer alliance dashboards for accessing population health data • We review surveys, identifying issues relating to health inequalities • SHARC - The Scarborough Coastal Health and Care Research Collaborative have launched to support research around health inequalities on the east coast
Understanding healthcare access, experience and outcomes	• Key interactive information reports are now able to be broken down by ethnicity, age, deprivation and sex – our move to a new Electronic Patient Record (EPR) system will bring this level of data to all reports • Work has commenced on creating the metrics as advised in the NHSE statement for health inequalities
Improving data quality, collection and analysis	• Targeted work on improving our ethnicity recording across the organisation has shown initial improvements • A development group has been set up to work through the NHSE reasonable adjustment digital flag actions checklist to ensure compliance
Using information on health inequalities	• Health inequalities are highlighted in our trust 5-year delivery plan • Sharing of data on high intensity users/frail elderly to ED to support the identification of caseloads for neighbourhood caseloads • Collaborative working with the ICB for neighbourhood working • Health inequalities education is incorporated in our local Quality Improvement training • Our operational 'Care Groups' are identifying key health inequalities projects
Publishing information	• The core metrics from the NHSE statement for health inequalities are being developed and will be published in our local BI reporting area • The Trust Priorities report includes information on: • Proportion of BAME pathways on Referral to treatment / Patient tracking list • Proportion of most deprived quintile pathways on Referral to treatment / Patient tracking list • Proportion of pathways with an ethnicity code on Referral to treatment / Patient tracking list

Looking ahead

Whilst the Trust recognises that outcome and impact measures are still maturing, the foundations required to demonstrate sustained reduction in inequalities are firmly established. During 2026/27 the Trust will strengthen its focus on outcomes and impact by embedding the core metrics recommended within the NHS England statement on information on health inequalities into routine performance reporting. This will enable clearer tracking of progress, support targeted improvement where variation persists, and provide transparent reporting to patients, staff and system partners. Reducing health inequalities will remain a central component of the Trust's five-year delivery plan and quality improvement priorities.

Emergency Planning – Emergency Preparedness, Resilience and Response Certificate

Yorkshire and the Humber Local Health Resilience Partnership (LHRP)
Emergency Preparedness, Resilience and Response (EPRR) assurance 2025/26

Significant progress has been made to strengthen the Trust's ability to respond to major incidents, with compliance improving from non-compliant to partially compliant within the year.

In 2024 the Trust was assessed as "Non-Compliant" against the 62 core standards with 35 graded as fully compliant (56%). The 2025 assurance has seen the Trust improve to PARTIALLY COMPLIANT against the 62 core standards with 51 graded as FULLY COMPLIANT (82%). This improvement is in line with the timeline reported to the Board of Directors on 29th September 2023 where a return to SUBSTANTIAL compliance from NON-COMPLIANT would take approximately 24 months; SUBSTANTIAL compliance is likely to be achieved in 2026.

The actions to address the partially compliant standards is included in an action plan approved by the Board of Directors. Progress reporting will be conducted throughout 2026 by the Head of Emergency Preparedness, Resilience and Response to the Resource Committee on behalf of the Accountable Emergency Officer.

Significant progress has been made over the last 12 months increasing the number of standards that are fully compliant. Progress in 2026 will be possible however the rate this will be achieved will be dependent on the time available to the small Emergency Preparedness, Resilience and Response team to engage with core business when competing with incident response and support to projects such as EPR implementation.

North East & Yorkshire Emergency Preparedness, Resilience and Response (EPRR) assurance 2025/26

STATEMENT OF COMPLIANCE

The York & Scarborough Teaching Hospitals NHS Foundation Trust has undertaken a self-assessment against required areas of the EPRR Core standards self-assessment tool V2.

Where areas require further action, the York & Scarborough Teaching Hospitals NHS Foundation Trust will meet with the Humber Local Health Resilience Partnership (LHRP) to review the attached core standards, associated improvement plan and to agree a process ensuring non-compliant standards are regularly monitored until an agreed level of compliance is reached.

Following self-assessment, the organisation has been assigned as an EPRR assurance rating of Partial (from the four options in the table below) against the core standards.

Organisational rating	Criteria
Fully	The organisation is fully compliant against 100% of the relevant NHS EPRR Core Standards
Substantial	The organisation is fully compliant against 89-99% of the relevant NHS EPRR Core Standards
Partial	The organisation is fully compliant against 77-88% of the relevant NHS EPRR Core Standards
Non-compliant	The organisation is fully compliant up to 76% of the relevant NHS EPRR Core Standards

I confirm that the above level of compliance with the core standards has been agreed by the organisation's Accountable Emergency Officer (AEO) pending submission to the Board/governing body.

Signed by the organisation's Accountable Emergency Officer:

Date signed: 28 November 2025

Date of Board/Governing Body meeting: 28 Jan 26	Date to be presented at public Board: 28 Jan 26	Date published in Annual Report: In board report 2026

New and Significantly Revised Services during 2025/26

Throughout 2025/26, colleagues across the Trust delivered a wide range of service improvements, combining clinical innovation, partnership working and capital investment to improve care for patients and create better working environments for staff.

- The Trust opened the brand-new, multimillion- pound Urgent and Emergency Care Centre (UECC) at Scarborough Hospital. As the largest capital investment in our Trust's history, the UECC brought together emergency care, same-day emergency care, and the acute medical unit under one roof, enabling an integrated approach to patient care. This purpose-built, two-storey facility offers 3,120 square metres of space on each floor - a third larger than our previous facilities. The additional space, combined with a modern, patient-centred design, is set to make a real difference to staff, patients, and visitors alike. From patients with minor injuries to those with the most complex needs, everyone will now be treated by a single team of healthcare professionals, working together. This integrated model is especially important for frail and elderly patients, who will now benefit from improved outcomes and a more seamless care journey. The scheme has also involved major improvements to essential site-wide infrastructure, including upgrades to the electrical systems, ventilation, and drainage. These behind-the-scenes improvements are vital in ensuring our facilities remain safe, efficient, and future-proof.

- Work was completed on additional clinical side rooms on several York Hospital wards to increase capacity and improve the Trust's capability to safely care for patient with infections.

- The Emergency Department at York had some refurbishment to facilitate the co-location of the Urgent Treatment Centre and minor injuries area to support effective streaming from the emergency department and support improved multi-disciplinary working.

- York Hospital introduced a new and better approach to assessing patients suspected of having a stroke on the Acute Stroke Unit. The new stroke Prehospital Video Triage (PVT) initiative, which was launched in partnership with Yorkshire Ambulance Service (YAS), now uses a live video on tablet screens to let stroke care specialists see what is happening and in real time, before the patient arrives at hospital.

- Maternity services launched a new personalised maternity care plan across services in York and Scarborough. This new plan was developed through close partnership working between colleagues in Maternity and the Maternity and Neonatal Voices Partnership (MNVP). Importantly, it was co-produced with women and birthing people who use our services, helping to ensure it reflects what families say matters most during pregnancy, birth, and beyond.

- The Trust joined a national trial for a pioneering mRNA cancer vaccine targeting advanced head and neck cancer. The AHEAD-MERIT (BNT113-01) trial, part of the NHS Cancer Vaccine Launch Pad, is coordinated by the University of Southampton and developed by BioNTech. The vaccine trains the immune system to attack cancer cells expressing HPV proteins. Patients at York Hospital being treated for advanced head and neck cancer are now able to access a trial for a potential groundbreaking cancer vaccine

- The Trust's Picture Archiving Communication Systems (PACS) team launched a major advancement in imaging capability, set to transform patient pathways. AGFA Xero, a secure and pioneering web-based imaging platform, was launched at our Trust in July. The system allows authorised users to instantly access radiology images and reports across multiple NHS trusts, significantly speeding up diagnosis and clinical decision-making. The real-time system successfully links the Trust with Harrogate, Hull, and North Lincolnshire and Goole (NLAG) hospitals, with expansion plans underway to include Leeds Teaching Hospitals and Sheffield

Children's Hospital. This technology represents a major step forward for PACS, which now supports the exchange of far greater volumes of data. A decade ago, the department managed around 7,000 patient images and report transfers per year; it is now on track to process more than 40,000. PACS continues to support clinical teams by providing fast, seamless access to medical imaging, helping with timely diagnosis and treatment planning

- York Hospital completed its redevelopment of the Women's Unit in June 2025. The upgraded unit provides enhanced privacy and dignity for patients and their families, along with more space and a better working environment for colleagues. There is also an additional room for Early Pregnancy Assessment Unit appointments and two rooms for Gynae Assessment Unit patients, increasing capacity for acute assessments. Additionally, the department now provides dedicated spaces for hysteroscopy and colposcopy services. The redesign reflects a careful understanding of patients' emotional and physical needs, creating a calm and supportive sanctuary within the hospital.

- Bridlington Hospital has successfully achieved accreditation as an elective surgical hub, demonstrating its commitment to delivering high standards of operational care. The hub provides faster access to some of the most common surgical procedures, such as cataract operations and hip replacements, with planned surgery being ring-fenced. The hub at Bridlington Hospital brings together the skills and expertise of staff under one roof, with protected facilities and theatres, helping to deliver shorter waits for surgery. The surgical hub scheme, run by NHS England's Getting It Right First Time (GIRFT) programme in collaboration with the Royal College of Surgeons of England, assessed Bridlington's hub back in April. The hub was evaluated against a set of clinical and operational standards, including the patient pathway, training, and governance.

- The NHS Lung Cancer Screening Programme launched in June 2025 and commenced in Bridlington. The programme offers free Lung Health Checks to people aged 55 to 74 who are past or current smokers and registered with a GP in the area. It's all about spotting any potential problems early, even before symptoms appear, when treatment is more likely to be successful. The programme has sent over 14,680 invites, performed over 3,000 CT scans and 70% cancers have been diagnosed at stage one. A new mobile CT scanner was procured as part of the programme so that programme can be delivered throughout York and North Yorkshire.

- York Hospital introduced a new Endoscopic Ultrasound Service (EUS), to significantly enhance patient care and streamline diagnostics for conditions like cancer and pancreatitis. This local service marks a key moment in improving both patient experience and outcomes at the Trust.

Review of Financial Performance – Fair view of the Trust

The table below provides a high-level summary of the Trust's financial results for 2025/26.

Table 1 - Summary financial performance 2025/26

	Plan	Actual	Variance
	£million	£million	£million
Clinical income	796.754	836.648	39.894
Non-clinical income	98.195	90.92	(7.275)
Total income	**894.949**	**927.568**	**32.619**

Pay expenditure	591.256	637.367	(46.111)
Non-pay expenditure	290.137	313.151	(23.014)
Total expenditure before dividend, and interest	**881.393**	**950.518**	**(69.125)**
Operating surplus (loss) before exceptional items	**13.556**	**(22.950)**	**(36.506)**
Dividend, finance costs, interest and other	12.196	10.184	2.012
Net profit/ (loss)	**1.360**	**(33.134)**	**(34.494)**
Regulator Adjusted Net Profit/(loss)	**0.000**	**(32.293)**	**(32.293)**

Statement of Comprehensive Income 2025/26 - Clinical income totalled £836.6m, and arose mainly from contracts with NHS Commissioners, including Humber and North Yorkshire ICB, NHSE and Local Authorities (£833.9m), with the balance of (£2.8m) from other patient-related services, including private patients, overseas visitors, and personal injury cases. The majority of the variance in clinical income related to NHSE pension contribution income (£34.6m). The remaining variances related to NHSE drugs and device income (£1.6m) and ICB Elective Sprint income for activity undertaken in Quarter 4 (£1.95m)

Other income totalled £90.92m and comprised funding for education and training, research, and development, and for the provision of various non-clinical services to other organisations and individuals.

The Trust re-values all its property fixed assets, including land, buildings, and dwellings, at the end of each year, to reflect the true value of land and buildings, considering in year changes in building costs, and the initial valuation of new material assets. In 2025/26, there was a site wide desktop revaluation with an overall decrease in valuation (impairment charge) of the Trust's assets of £6.032m, of which £3.9m can be attributed to the newly completed Scarborough community diagnostics centre.

At the end of the financial year, the Trust reported an income and expenditure deficit of (£33.134m); after consideration of NHSE technical normalisation adjustments, the final regulator assessed position of the Group is (£32.293m) income and expenditure deficit.

Accounting policies - The Trust has adopted international financial reporting standards (IFRS), to the extent that they are applicable under the Department of Health Group Accounting Manual (DH GAM).

Cash - The Trust's cash balance at the end of the year totalled £27.3m.

Capital investment - During 2025/26, the Trust invested £88.2m in capital projects across the estate, including IFRS16 lease schemes. The major projects on site during this period included:

- New Vascular Imaging Unit, - £12m
- Scarborough and York – Significant programme of back log maintenance & Medical equipment replacement - £6.7m
- Scarborough replacement roof (multi-year) -£4.5m

- Digital Information Services (DIS) investment – All sites - £1.5m
- DIS investment – Multiyear scheme for installation of the new Electronic Patient record (EPR) - £10.4m
- Scarborough Community Diagnostic Centre - £1.3m
- Purchase of relocatable MRI £1.6m
- CT scan replacement £3.5m
- Removal of RAAC on the Scarborough site - £19.9m
- New and replacement leases for property, vehicles and medical equipment totalling £5.5m
- Refurbishment of SCBU £1.9m
- Energy solar partnership £2.8m
- Decarbonisation Scarborough site £4.8m

Planned capital investment – The Trust has a major Capital investment plan for 2026/27 of £64.6m: The largest elements of this are:

- Scarborough and York – Significant programme of back log maintenance & Medical equipment replacement - £14m
- Removal of RAAC on the Scarborough site including a new pathology laboratory - £25.2m
- Scarborough replacement roof (multi-year)-£3.6m
- Decarbonisation Scarborough site £5.3m
- DIS investment – Multiyear scheme for installation of the new Electronic Patient record (EPR) - £7.2m
- Histopathology refurbishment £1.8m
- Hybrid Theatre / MRI 3 (multi-year)£2.3m
- DIS investment – All sites - £1.5m

A key Trust focus remains on reducing backlog maintenance and investing in our IT infrastructure across all Trust sites, although capital funding has been extremely tight and there has been a requirement to prioritise the work within the capital programme. The Trust has been successful at securing additional external funding from NHS England to fund various schemes listed above, many of which would not be possible without access to this additional funding.

Land interests - There are no significant differences between the carrying amount and the market value of the Trust's land holdings.

Investments - There are no significant differences between the carrying amount and the market value of the Trust's investment holdings.

Value for money – As public-sector organisations, NHS Trusts and NHS Foundation Trusts are expected to demonstrate to their patients, communities, and taxpayers that they are delivering value for money, evidencing both efficiency and effectiveness. This is even more important in times of fiscal constraint.

The creation of ICBs in 2022 allows NHS England to set financial allocations and other financial objectives at a system level. There is a statutory duty for all NHS bodies to meet the system financial objectives and deliver the agreed financial plan. 2025/26 was a challenging year and the Trust's group financial position is an income and expenditure deficit of £33.1m However, after consideration of NHSE technical normalisation adjustments (such as fixed asset impairments), this results in a £32.3m income and expenditure deficit.

The Group has a year-end cash balance of £27.3m.

In 2025/26 the efficiency target was split into a core efficiency target of £25.35m and a further corporate efficiency target of £29.939m, giving a total programme of £55.29m. The corporate efficiencies were delivered through a range of initiatives, including schemes to reduce bed occupancy and to review and reduce reliance on bank and agency staffing.

The Group overachieved its core efficiency target of £25.35m in 2025/26 by £9.156m; the corporate target however has proved much more difficult to achieve in full, resulting in a shortfall of £23.947m, the total delivery in year was £40.498m. This is the highest level of efficiencies that the Trust has ever delivered and is a very significant achievement, but the overarching requirement proved too great a stretch in a single year.

Good resource management provides clarity of focus and is usually linked to improved patient care, when backed by a rigorous quality impact assessment (QIA) process. The work involves linking across the Trust to identify and promote efficient practices.

The Group has continued to fully engage and has worked very closely with the national Getting It Right First Time (GIRFT) team in 2025/26.

The Group continues to be a key partner within the Humber & North Yorkshire (HNY) system.

Better payment practice - The Better Payment Practice Code requires the Trust to aim to pay 95% of undisputed invoices by the due date, or within 30 days of receipt of goods or receipt of a valid invoice, whichever is later. The Trust's in year performance is detailed in table 2 below:

Table 2

BPP Performance	Number	Value
		(£'000)
Total non-NHS trade invoices paid in year	113,925	915,797
Total non-NHS trade invoices paid within target	103,661	575,808
Percentage of non-NHS trade invoices paid within target	91.00%	93.50%
Total NHS trade invoices paid in year	3,681	94,125
Total NHS trade invoices paid within target	2,801	76,845
Percentage of NHS trade invoices paid within target	76.10%	81.60%
2025/26 Overall Percentage of bills paid within target	**90.50%**	**91.90%**
2024/25 Overall Percentage of bills paid within target	**88.80%**	**91.10%**

The Trust has fallen slightly below the national target in this area but has continued its improvement journey, with improved performance compared to 2024/25.

The total amount of any liability to pay interest which accrued by virtue of failing to pay invoices within the 30-day period was £2k.

The Trust has complied with the cost allocation and charging requirements set out in the HM Treasury and Office of Public Sector Information guidance.

Income disclosure - Section 43 (2A) of the National Health Service Act 2006 (as amended by the Health and Social Care Act 2012) requires that the income from the provision of the goods and services for the purpose of the health service in England must be greater than its income for the provision of goods and for any other purposes. The Trust can confirm it has met this requirement during the year.

Insurance Cover - The Trust has maintained Directors' and Officers' Liability Insurance during the year. This insurance provides cover for directors and officers of the Trust in respect of legal claims arising from the proper discharge of their duties, subject to the terms, conditions and exclusions of the policy.

Political and charitable donations - No political or charitable donations were made during the year.

Accounting policies for pensions and other retirement benefits - Past and present employees are covered by the provisions of the NHS pension scheme. The scheme is accounted for as a defined contribution scheme. Further details are included in the accounting policies notes to the Trust's annual accounts.

Overseas operations - The Trust has no overseas operational activity and has received no commercial income from overseas activity during the year.

Statement as to disclosure to auditors - Each Director at the time of approving this report has confirmed that, so far as they are aware, there is no relevant audit information of which the NHS Foundation Trust's auditor is unaware. Each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Trust's auditor is aware of that information.

Counter Fraud Policies and Procedures –The Foundation Trust's counter fraud arrangements are aligned with the NHS Standards for Providers: fraud, bribery and corruption, in accordance with Government Functional Standard GovS 013. These arrangements are underpinned by the appointment of accredited Local Counter Fraud Specialists and a Trust-wide counter fraud, bribery and corruption policy. Annual counter fraud plans, which identify actions to promote an anti-fraud culture and to deter, prevent, detect and, where necessary, investigate fraud, are produced and approved by the Trust's Audit Committee.

ISA 570 Going Concern Statement

Introduction and Background

This report outlines the concept of the going concern accounting basis and considers the appropriateness of this for the 2025/26 Group Annual Accounts.

International Accounting Standard (IAS) 1 requires management to assess, as part of the account's preparation process, the Trust's ability to continue as a going concern.

International Standards for Auditors (ISA) 570 requires the auditor to consider the appropriateness of managements' assessment as part of the annual accounts audit.

Considerations

Going Concern concept in the public sector/NHS context

The going concern concept is fundamental to the way in which the assets and liabilities are recorded in the accounts and assumes that the Group will be able to realise its assets and liabilities in the normal course of business and that it will continue in business for the foreseeable future. The future is an important point to note in the going concern assessment, it should be at least but is not limited to a period of twelve months from the end of the reporting period, but more realistically a period of 12-18 months, depending on the timing of the Group audit. While International Accounting Standard (IAS) 1 requires Directors to positively assess going concern and there is no automatic presumption, NHS guidance and the DHSC Group Accounting Manual make it clear that, in the public sector context, the going concern assessment is based on the anticipated continuation of service provision rather than the financial position of the current provider."

The Department of Health Group Accounting Manual (DHSC GAM) 2024/25 outlines the interpretation of going concern for the public sector context.

Paragraph 4.18 states:
The FReM notes that in applying paragraphs 25 to 26 of IAS 1, preparers of financial statements should be aware of the following interpretations of going concern for the public sector context.

Paragraph 4.19 states:
For non-trading entities in the public sector, the anticipated continuation of the provision of a service in the future, as evidenced by inclusion of financial provision for that service in published documents, is normally sufficient evidence of going concern.

Paragraph 4.20 states:
A trading entity needs to consider whether it is appropriate to continue to prepare its financial statements on a going concern basis where it is being, or is likely to be, wound up.

Paragraph 4.22 states:
Where an entity ceases to exist, it must consider whether its services will continue to be provided (using the same assets, by another public sector entity) in determining whether to use the concept of going concern in its final set of financial statements.

Paragraph 4.23 states:
While an entity will disclose its demise in various areas of its Annual Report and Accounts such as in the Performance Report and cross reference this in its going concern disclosure, this event does not, in itself, prevent the accounts being prepared on a going concern basis or give rise to a material uncertainty in relation to going concern.

Paragraph 4.24 states:
DHSC group bodies must therefore prepare their accounts on a going concern basis unless informed by the relevant national body or DHSC sponsor of the intention for dissolution without transfer of services or function to another entity.

Paragraph 4.26 states:
As the continued provision of service approach, per paragraph 4.22, applies to DHSC group bodies, material uncertainties requiring disclosure will only arise in very exceptional circumstances.

IAS 1 - requires management to assess, as part of the accounts preparation process, the NHS foundation trust's ability to continue as a going concern. The financial statements should be prepared on a going concern basis unless management either intends to apply to the Secretary of State for the dissolution of the NHS foundation trust without the transfer of services to another entity or has no realistic alternative but to do so.

Against this accounting and public-sector framework, the Directors' specific assessment of the Group's going concern position is set out below."

Directors' Assessment

It is important to note the going concern assessment by the Directors is a forward-looking assessment and should consider the period of 12-18 months from the date the Group accounts are signed.

The Y&STHFT has a wholly owned subsidiary, YTHFM, who provide all the traditional Hotel, Estates & Facilities and Capital services to the Trust. YTHFM has one major contract which is to provide these services to Y&STHFT, and this is a fundamental and integral part of this going concern assessment.

The specific factors that the Directors should consider include:

a) financial conditions
- A poor financial risk rating
- Significant operating losses, historical or projected
- Loss of income from commissioners actual or anticipated
- Major cost improvement programme with high risk of non-achievement
- Major losses and/or cash flow problems
- Inability to repay loans

b) Operating conditions
- Loss of key staff and/or management without replacement
- A poor governance risk rating
- Significant failure to achieve Care Quality Commission standards
- Fundamental market changes to which the Group is unable to adapt

c) Other conditions
- Serious non-compliance with regulatory or statutory requirements
- Pending legal or regulatory proceedings against the Group
- Changes in legislation or Government policy expected to adversely affect the Group

Current Position/Issues

The pre-audited draft Group financial position for 2025/26 is an income and expenditure deficit of £33.1m. However, after consideration of NHSE technical normalisation adjustments (such as fixed asset impairments), this results in a £32.3m income and expenditure deficit. This position is subject to external audit. There are no more significant adjustments expected to this financial position. The Group capital program is £87.2m, in line with the Group CDEL allocation from the ICS.

The Group has a positive cash balance of £27.3m at the end of the financial year. Whilst 2025/26 has been a year where the financial regime has returned to a more normal position the big change following the introduction of the Health and Care Act 2022 and the creation of ICBs is that NHS England now sets financial allocations and other financial objectives at a system level.

Financial Year 2026/27

The financial challenges from 2025/26 are set to continue into 2026/27. This is at organisational level, system level and indeed at national level.

The Trust's main contract with HNY ICB is agreed with Trust income assumptions matching the ICB's spend assumptions. However, with a challenging efficiency programme the Trust is still forecasting a £22m deficit. The multi-year financial planning work does show a return to financial sustainability and a balanced income and expenditure position from year 3. At this stage this position is not acceptable to NHSE and so an interim arrangement has been put in place. The Trust is part of the NHSE Challenged Provider Programme and will be working and engaging fully with this programme to improve the financial and activity position of the Trust.

Sustainable Resource Deployment – In 2025/26, the NHS focused on sustainable resource deployment through initiatives like: -

- The Getting It Right First Time (GIRFT) Programme: The Group has continued to fully engage and has worked very closely with the national Getting It Right First Time (GIRFT) team in 2025/26, as we seek to drive clinical recovery and using all the opportunities this gives us to drive quality, safety, and efficiency
- Partnership working: Integrated Care Systems (ICSs) played a pivotal role in sustainable resource deployment. Collaborations within ICSs facilitated shared resources, and coordinated care pathways, leading to more efficient use of resources and improved patient outcomes. The Group continues to be a key partner within the HNY system, and indeed is at the forefront of the Integrated Care System (ICS) as the system develops and matures
- Sustainable Procurement: The NHS emphasised sustainable procurement practices. The Group is part of the Hull & North Yorkshire (HNY) procurement collaborative, which as been set up to provide procurement and supply chain services to 8 hospitals across the ICS. The partner Trusts including the Group have set an objective of creating a single procurement function which will help support the sustainable provision of clinical and non-clinical services.

In 2025/26 the efficiency target was split into a Core Efficiency programme of £25.35m and a further Central Efficiency programme of £29.939m, giving a total programme of £55.29m. The Group overachieved its core efficiency target of £25.35m Cost Improvement Programme (CIP) target in 2025/26 by £9.156m; the central target however has proved much more difficult to achieve in full, resulting in a shortfall of £23.947m, the total delivery in year was £40.498m. This is the highest level of efficiencies that the Trust has ever delivered and is a very significant achievement, but the overarching requirement proved too great a stretch in a single year.

In 2026/27 the Group core savings requirement is set at a minimum of £61.6m (6.4%).

Financial and Operational Risk Management

The NHS Operational Standards for 2025/26, as outlined in NHS England's priorities and operational planning guidance, focus on improving patient access, reducing waiting times, enhancing service integration, and driving digital transformation.

The Trust overarching strategic objective remains Quality of Care; to provide timely, responsive, safe and accessible and effective services at all times. This aligns with the above operational standards and as such the Trust has set an ambition to improve in all of these areas.

The Trust has been successful in acquiring national funding of £37.9m to fund a new electronic patient record system, this is a multi-year project that will drive digital transformation across the Trust.

To support the above, the Trust has a well-developed performance management framework with all Care Groups attending a monthly Performance Review and Improvement Meeting (PRIM), this process is supplemented by the Care Groups own governance processes

Partnership Working

The Group remains fully engaged with all system partners both in terms of financial planning and developing plans for activity recovery. The Group's system presence and engagement is further evidenced by the following:

- The Group is a member of Humber and North Yorkshire Cancer Alliance.
- The Group has membership of both the ICS Collaboration of Acute Providers & Community Services Collaborative Boards and the Clinical and Professional Executive Committee and is an active participant in the work programmes of these Boards.
- The Group is a major partner in the development and implementation of the ICS Planned Care Strategy
- The Group is a member of the York, North Yorkshire and East Riding ICS Place and Health & Wellbeing Boards

NHSE Guidance on Assessing Going Concern & recommended accounts disclosure

From the 2020/21 financial year onwards, NHS England issued updated guidance on the assessment of going concern for NHS bodies, which was approved by the Financial Reporting Council and incorporated into both the DHSC Group Accounting Manual (GAM) and HM Treasury's Financial Reporting Manual (FReM).

This guidance clarifies that, while management must continue to document their assessment of going concern in accordance with IAS 1, the assessment should be made in the context of the anticipated continuation of the provision of services by the public sector. As a result, material uncertainties relating to going concern for NHS bodies will only arise in very exceptional circumstances."

The FReM states that a 'typical' accounts disclosure would read:

"After making enquiries, the Directors have a reasonable expectation that the services provided by the York and Scarborough Teaching Hospitals NHS Foundation Trust Group 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, in accordance with the definition of going concern for the public sector set out in HM Treasury's Financial Reporting Manual."

Summary

As is the case for most of the NHS, the Group is facing challenging operating conditions given the overall financial climate; however, the Group has taken, and continues to take, significant actions to mitigate and manage these challenges, and the Board of Directors is fully sighted on the risks faced and actions in place.

As set out above, the assessment of going concern for NHS bodies is made within the public sector framework established by NHS England and reflected in the DHSC Group Accounting Manual and HM Treasury's Financial Reporting Manual.

In summary, after making enquiries, the Directors have a reasonable expectation that the services provided by the Group will continue to be provided by the public sector for the foreseeable future.

Accordingly, the preparation of the Group Annual Accounts on a going concern basis is considered appropriate.

Task force on climate-related financial disclosures (TCFD)

Sustainability, Climate Change and Net Zero Carbon Commitments

Sustainability in healthcare centres on balancing economic, environmental, and social needs—the so-called triple bottom line—ensuring current and future generations are considered. The NHS faces significant challenges, including an ageing population, high obesity rates, and increasing chronic conditions, all exacerbated by climate change, which affects health through issues such as respiratory illnesses from damp homes and heat-related ailments. York and Scarborough Teaching Hospitals NHS Foundation Trust prioritises sustainability as a core corporate objective and must comply with key legislative requirements that obligate the Trust to achieve Net Zero emissions by 2040 for those it can control and by 2045 for those it can influence, such as patient and supplier travel.

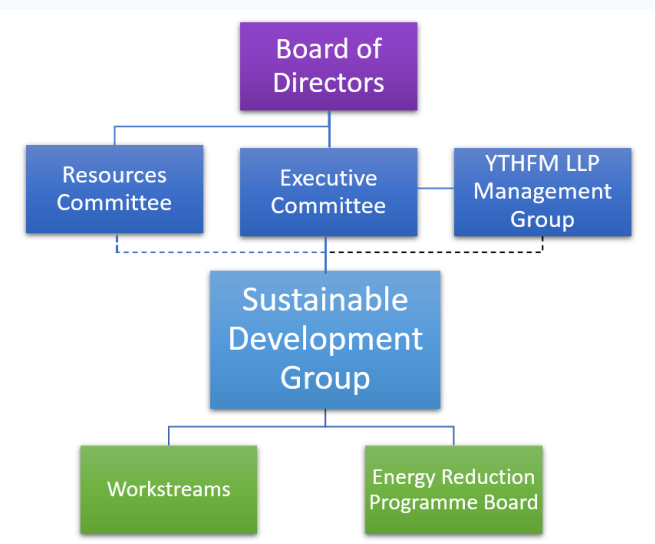
Trust Green Plan and Governance

The Trust is actively advancing its sustainability agenda, updating its Green Plan to reflect new data and regional climate strategies, and aligning its efforts with both local and national climate change initiatives. This update will support the Trust in meeting interim emissions reduction targets by 2028, paving the way towards the 80% Net Zero goal by 2032 and the ultimate target of 100% Net Zero by 2040.

Raising awareness and embedding the Green Plan across all departments remains a priority, with ongoing engagement by the Communications Team and Sustainability team to involve staff at all levels. Emphasis is placed on empowering staff to implement changes, particularly in clinical services, using national programmes and sustainable methodologies to achieve both environmental and financial benefits.

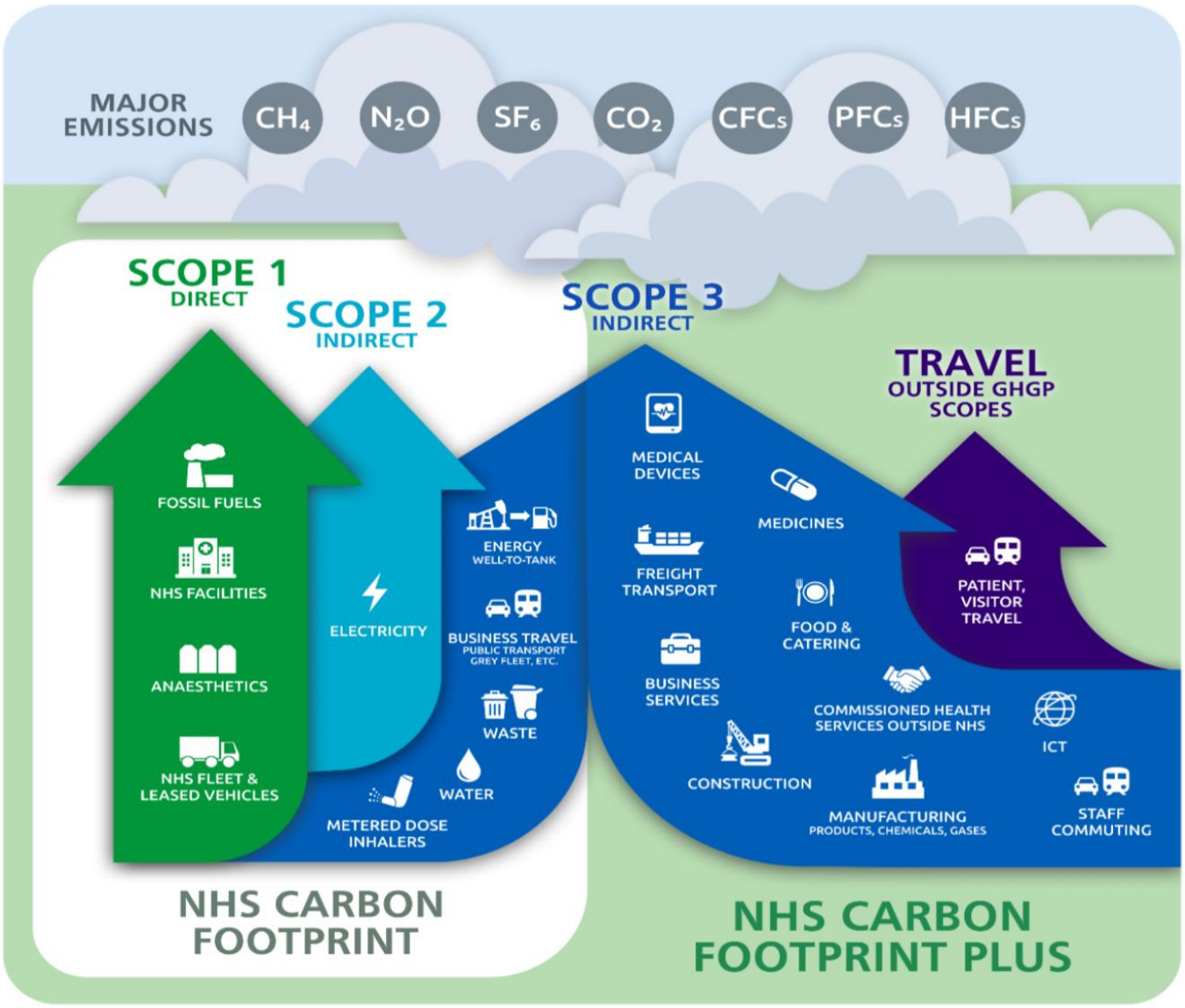
The governance of the Green Plan is managed by the Sustainable Development Group (SDG), which includes senior managers and provides regular progress reports to the Trust Board and NHS England. The Finance Director/Deputy Chief Executive leads at Board level, and the Plan is reviewed annually and quarterly, ensuring continuous improvement and adaptation to new policies and guidance.

The diagram below shows the Trust's sustainability governance structure. Risks identified through the Sustainability team and Workstreams are co-ordinated and reviewed by the SDG. Depending on the scope and severity of the risk, risks are escalated up to the relevant committee above the SDG then on to the Trust Board.



Carbon Footprint

In the "Delivering a Net Zero National Health Service" report, published in October 2020, the following diagram illustrates the **NHS Carbon Footprint** and **NHS Carbon Footprint Plus**.



Scopes are defined by the international Greenhouse Gas Protocol (GHGP). Scope 1 are emissions that are under the direct control of the organisation. Scope 2 are emissions from the electricity imported from the national grid. Scope 3 are areas where the organisation has indirect control or influence.

The NHS Carbon Footprint include all activities where NHS organisations are directly responsible for producing, or have a strong control over, including some Scope 3 emissions.

The NHS Carbon Footprint Plus is a much larger carbon footprint covering all the equipment, products and services purchased by the organisation. It also includes construction work, staff commuting and travel by patients and visitors to NHS premises which is outside the scopes as defined by the GHGP.

The Trust has calculated its carbon footprint in line with guidance from Greener NHS (part of NHS England) and the GHGP framework. Where new and more accurate data was sourced, the Trust carbon footprint was recalculated from 2019/20 baseline.

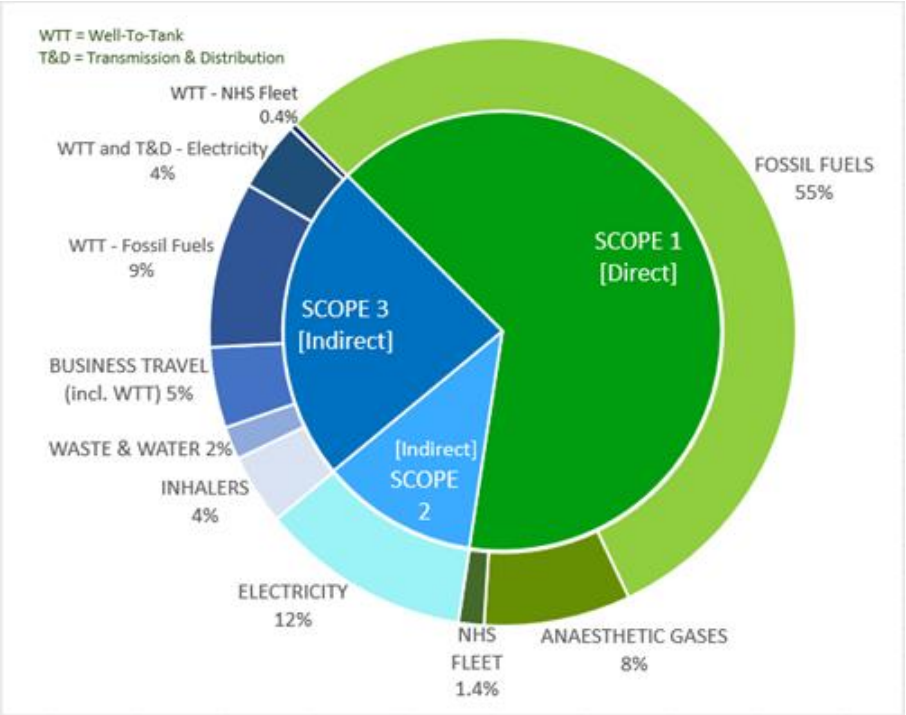
This year we are only showing data for the NHS Carbon Footprint which is calculated using activity-based data. Previously we showed NHS Carbon Footprint Plus figures which were calculated using spend data. Unfortunately spend data is heavily skewed by inflation and market forces and fails to reflect the actual activities which are generating the greenhouse gases, and the work being done to reduce carbon emissions. The latest sustainability data available in this annual report is for 2024/25.

2024/25 saw an increase in our NHS Carbon Footprint. This was mainly due to the breakdown of the Combined Heat & Power (CHPs) plants at both York & Scarborough. 80% of our NHS Carbon Footprint was due to our energy usage.

Category	Sub-category	2020/21	2021/22	2022/23	2023/24	2024/25
NHS CARBON FOOTPRINT	**SCOPE 1**					
	Building Energy - Fossil Fuels	13,487	13,648	12,764	11,526	12,201
	Anaesthetic Gases	1,818	2,124	2,072	1,892	1,780
	Trust Fleet [1]	130	268	297	300	309
	SCOPE 2					
	Building Energy – Electricity [2]	1,754	1,500	1,695	2,427	2,551
	SCOPE 3					
	Waste	412	439	401	369	319
	Water	288	102 [3]	95	73	78
	Metered Dose Inhalers	576	859	805	809	857
	Business Travel (incl. WTT)	927	1,245	1,452	1,379	979
	Energy & Fleet – Well-To-Tank	2,200	2,969	2,853	2,781	2,935
	YSTHFT NHS Carbon Footprint Total (tCO_2e)	**21,592**	**23,154**	**22,433**	**21,555**	**22,008**
Number of Patient Contacts (inpatients & outpatients)		1,099,139	1,235,437	1,386,957	1,491,818	1,563,224
Carbon intensity per patient contact (tCO_2e)		0.020	0.019	0.016	0.014	0.014

1 NHS fleet emissions recalculated using fuel consumption which is more accurate than using mileages.
2 From 2020, all electricity is purchased on a green energy tariff with renewable energy guarantees of origin (REGO) certificates.
3 The drop to a lower figure is mainly due to a change in the carbon conversion factor supplied by the UK Government.

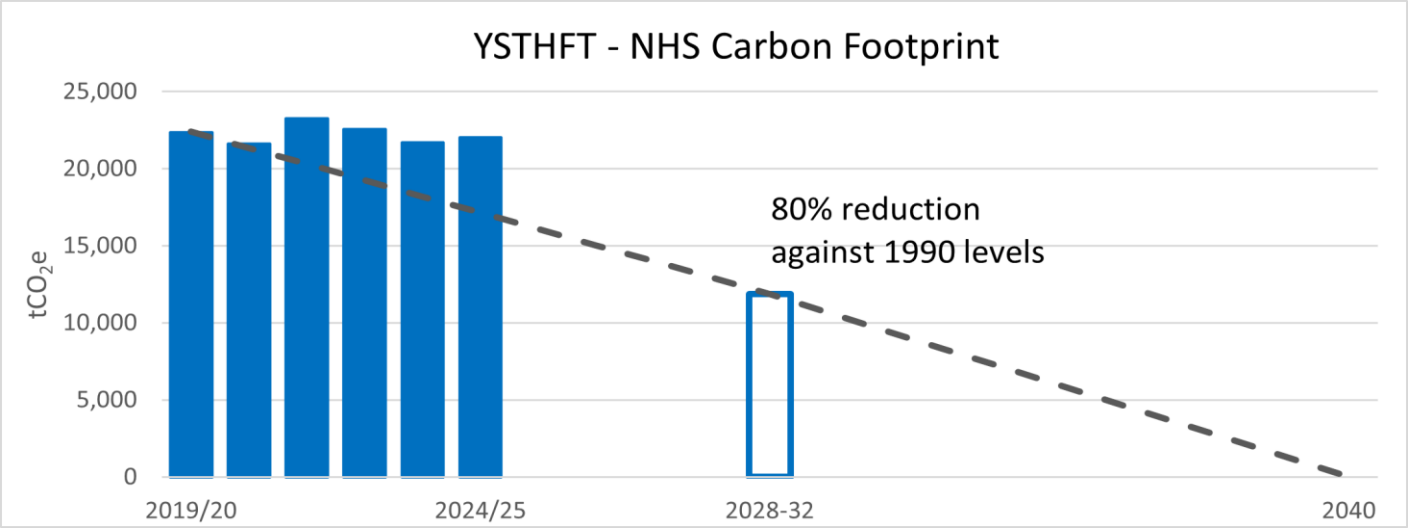
The Trust's NHS Carbon Footprint for 2024/25 is broken down as follows:



Progress against NHS Net Zero Targets

The long-term consequences of carbon emissions are serious, leading to irreversible climate change, damaging infrastructure, and impacting public health. The NHS aims to become the world's first net zero national health service, with the Health and Care Act 2022 requiring trusts in England to meet net zero carbon and air quality targets, and adapt to climate change.

Two main net zero targets have been set: for emissions directly controlled by the NHS, net zero is to be achieved by 2040 with an 80% reduction by 2028-2032; for emissions the NHS can influence, net zero is targeted for 2045 with an 80% reduction by 2036-2039. Progress is measured against a 2019/20 baseline, requiring a 47% reduction in direct emissions and a 73% reduction in influenced emissions to reach these ambitions.

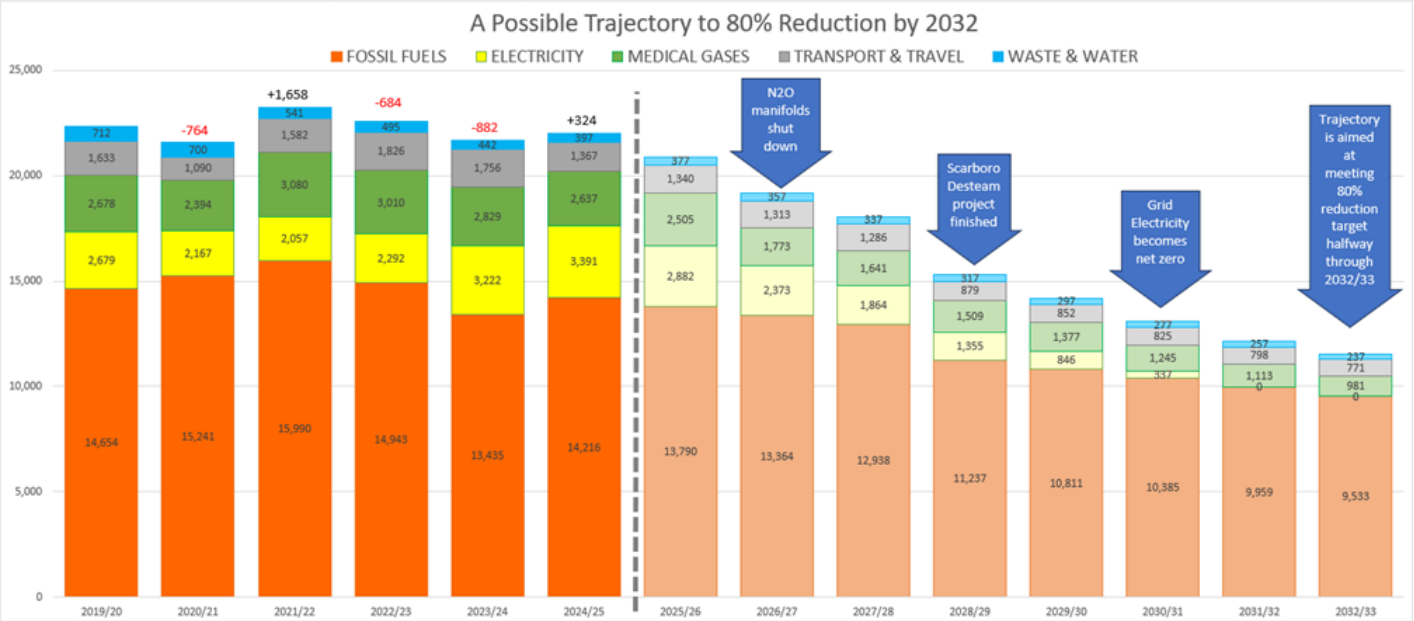


The Trust NHS Carbon Footprint increased by 1.5% in 2024/25:

- The biggest contributor to this increase was using more gas and national grid electricity due to the failures of the CHPs at both York & Scarborough.
- However, we saw a 12% reduction in emissions from anaesthetic gases.
- There was a 10% reduction in emissions from waste and water.
- And there was a 29% reduction in emissions from our business travel.
- The Trust is treating more patients than ever. Despite the increase in emissions this year, carbon emissions intensity per patient contact stayed at 0.014 tCO_2e.

Future Plans

To hit the 80% reduction target by the end of 2032, we need to accelerate our work in reducing carbon emissions, seeing them drop by 1,350 tonnes per year on average. This will not be a straight-line reduction, but rather a series of step changes alongside our daily work in seeking savings and efficiencies. The graph below shows our current planned trajectory.



- In 2026 we will shut down our nitrous oxide manifolds (pipes) and replace them with portable cylinders. A recent NHS survey estimated that between 83-100% of piped nitrous oxide is lost to the environment before it reaches the patient.
- Funding has been awarded to replace the old steam system at Scarborough with a more efficient system.
- However, we are dependent on the government being successful in decarbonising our national grid by 2030.
- And we also rely on the government to supply the necessary capital funding to modernise our buildings.

The next section is broken down into the workstream themes we use in the Green Plan, that has been provided by each workstream lead for their theme, helping to detail the progress being made towards the Net Zero and other sustainability targets in our Green Plan.

Workforce, System Leadership and Partnership Working

The Head of Sustainability is now responsible for leading this workstream and reporting to the Executive Director of Workforce and Organisational Development. The Sustainability team, including the Green Champions network and staff travel plan initiatives, has been central to delivering progress. Their efforts to influence behavioural change and engage staff—through internal communications, training opportunities, events, and encouraging participation—are crucial for advancing the Green Plan and achieving net zero targets. Notably, staff changemakers play a vital role in action planning and representing the workforce, helping increase knowledge and empowering individuals to reduce their carbon footprint. The strategic objectives for this workstream focus on supporting the Sustainability team to embed sustainability practices throughout the organisation, implementing and promoting the Green Plan across the Trust, and increasing staff engagement by encouraging colleagues to become Green Champions. Actions include:-

- Encourage staff to join the Green Champions network.
- Share monthly internal communications to drive behavioural change.
- Support and expand sustainability training programmes.
- Promote sustainable transport options through the Trust Travel plan.
- Highlight sustainability efforts at key employment milestones.
- To continue to build strategic partnerships with local councils and other organisations who are also working to the goal of Net Zero between 2035 and 2050.

Sustainable Models of Care

The Sustainable Models of Care workstream currently covers all clinical areas and is primarily led by the nursing team, with plans to broaden leadership to include medical and pharmaceutical staff. Collaboration between the Head of Sustainability and senior nursing staff has resulted in initiatives that embed sustainable practices and behaviours throughout the nursing team, aiming to drive positive change across clinical operations.

Key initiatives focus on cost savings through supply chain optimisation, such as reducing the number of dressing suppliers and streamlining product choice, achieved by regular procurement reviews. Additionally, the Trust's large, rural catchment area makes telephone and video consultations an important tool for reducing patient travel and associated carbon emissions. Given the challenges of limited public transport, future plans will need to enhance community care provision, bringing services closer to patients and further minimising travel requirements.

Digital Transformation

The Trust is advancing its digital transformation agenda, using technology to improve service delivery, support staff, and optimise resources. Key IT upgrades include replacing older servers with energy-efficient models, expanding cloud-based services such as NHSmail, Microsoft 365, and MS Teams, and accelerating the transition to SharePoint, all helping to reduce local storage, energy consumption, and support the NHS Net Zero targets. Investment in IT has facilitated the growth of virtual appointments and teleconferencing, while devices are refurbished or securely disposed of for reuse. The Trust is digitising patients' notes, significantly reducing paper use and storage needs. In 2025 we scanned **3.54 million pages** and destroyed **87k** legacy case notes across York and Scarborough, reducing off-site holdings and storage spend; Q1 2026 puts us on track for **≥2.6–2.8 million pages** digitised this year depending on funding and resources. The use of MS Teams enables agile working, which minimises unnecessary staff travel and supports remote working.

A key priority for the Trust this year is the move to a new EPR – Nervecentre. The adoption of Nervecentre will enable an increased mobile first approach to digital health and further reduce the need for paper forms. Nervecentre is provided as "software as a service" (Saas) and is hosted in the Microsoft Azure cloud.

Travel and Transport

The Trust Travel Plan, published in January 2025, forms a central part of the Trust's sustainability strategy. It is designed to promote healthy and active travel, reduce pollution and congestion caused by travel, and ensure fair and consistent transport options for staff, operational needs, and, where relevant, patients and visitors. Notably, the Trust's Travel Plan serves as an exemplar model for NHS England, as all NHS Trusts are now required to have statutory Travel Plans. The Trust recognises the significant health impacts of air pollution, with thousands of premature deaths and cases of chronic illness attributed to poor air quality across England. Efforts to improve local air quality include promoting active travel and participating in National Clean Air Day events alongside the City of York Council. Initiatives such as new cycle stores, bus stops, and subsidised bus travel schemes for staff demonstrate a commitment to encouraging sustainable transport and reducing vehicle emissions and congestion on Trust sites.

Additional measures include plans to relaunch a staff car share scheme integrated with ANPR systems and parking permits, as well as ongoing discussions with other major employers and local councils to explore joint journey-sharing solutions. The Trust also supports sustainable commuting by offering electric and hybrid vehicles through staff benefits and operating a cycle-to-work scheme, further reinforcing its dedication to environmentally friendly and health-conscious travel options.

NHS Fleet and Business Travel

The NHS fleet consists of vehicles owned or leased by the Trust. The majority of our travel emissions comes from the grey fleet and public transport. The grey fleet are personal vehicles used for Trust business. The table below breaks down the CO_2e emissions for each category of transport.

Transport Category	Units	2021/22	2022/23	2023/24	2024/25
NHS FLEET					
Fleet Vehicles – Petrol & Diesel	miles	601,036	765,212	995,000[2]	1,016,000[2]
Fleet Vehicles – Electric	miles	87,381	75,361	91,990	98,045
NHS Pool Cars	miles	495,923	517,352	705,202	821,775
NHS Fleet (incl. WTT[1])	**tCO_2e**	**337**	**374**	**377**	**389**
BUSINESS TRAVEL					
Business Travel - Grey Fleet	miles	2,895,880	2,820,842	2,771,764	2,416,110
	tCO_2e	1,009	979	938	820
Public Transport – Train, Bus, Coach & Taxi	miles[3]	292,073	465,242	486,520	651,000
	tCO_2e	21	35	35	66[4]
Business Air Travel	miles	622,144	1,273,411	851,263	199,916
	tCO_2e	214	438	407	92
Business Travel (incl. WTT)	**tCO_2e**	**1,245**	**1,452**	**1,379**	**979**

1 The tCO2e figures have been recalculated using fuel volumes which is more accurate than previous method of using mileage figures
2 These are estimated totals based on mileage records obtained for approximately 75% of the fleet
3 Bus & taxi mileages are estimates based on spend
4 More accurate data on taxi usage was found for 2024/25. Taxi usage was greater than previously thought.

Facilities Management

The Facilities Management service covers a broad range of service areas in support of the Trust delivering of its care to patients. The following sections provide an update of the work they are doing that impacts on the Green Plan and sustainability work including items for the Trust to consider.

Waste

YTHFM Waste Management has already achieved significant improvements to waste management and waste segregation at the point of origin across all of the Trust's operational sites. The delivery of specialist training, advice and ongoing support to both clinical and non-clinical colleagues continue to drive YTHFM's sustainability agenda in line with that of the Trust through its Green Plan. The following table shows the last full years waste figures:-

Waste Type	Unit	2020/21	2021/22	2022/23	2023/24	2024/25
High Temperature Incineration	tonne	223.4	255.0	227.2	241.5	237.4
	tCO_2e	201	230	205	218	214
Alternative Treatment[1]	tonne	462.7	469.3	422.8	293.7	250.6
	tCO_2e	166	169	152	106	90
Waste (EfW[2])	tonne	1,135.7	1,183.4	1,305.0	1439.5	1,582.3
	tCO_2e	24	25	28	31	10[3]
Landfill	tonne	4.0	nil	nil	nil	nil
	tCO_2e	2	0	0	0	0
Recycling	tonne	635.2	707.5	759.1	687.9	745.3
	tCO_2e	14	15	16	15	5[3]
Food	tonne	26.9	20.3	23.5	38.4	39.6
	tCO_2e	0.3	0.2	0.2	0.3	0.4
Total Weight in tonnes		**2,488**	**2,636**	**2,738**	**2,701**	**2,855**
Total tCO_2e		**407**	**439**	**401**	**369**	**319**

1 Alternative Treatment is when waste is treated or sterilised before going into the EfW waste stream.
2 EfW = Energy from Waste. Waste is incinerated at a low temperature and energy is recovered.
3 The UK Government's carbon conversion factor for normal waste and recycling was reduced in 2024/25

Domestic Services

Domestic Services continues to advance the Trust's sustainability agenda through modern cleaning technologies, resource-efficient practices, and workforce development. Some examples of successes include:-

- Reduced chemical and water use via microfibre systems.
- Low-energy and chemical-free equipment.
- Reusable mops and digital monitoring reduce waste.
- Better stock control and reduced expiry.

Portering Services

YTHFM Portering Services continues to contribute positively to the Trust's sustainability objectives through operational efficiency, digital transformation, and resource optimisation. Recent developments across both the East Coast and York sites demonstrate clear progress in reducing carbon impact, improving workforce utilisation, and supporting financial sustainability. Some of these successes include:-

- 90% reduction in paper via digitisation.
- Up to 10% decrease in preventable journeys.
- 100% activity traceability.
- Rota improvements delivering cost savings.

Support Facilities Services

Postal Services

- Major reduction of 1st-class mail and £1,850 savings.
- Uniforms: 100% reuse of suitable returns; full recycling of unusable items.
- Interpreting: increased virtual appointments reducing travel.

Linen & Laundry

- Avoid processing of 448k linen items.
- £190k savings FY25/26.
- New Bed Changing Policy to reduce unnecessary usage.
- Planned on-site mop laundering system.

Catering Services

- Sustainability criteria in supplier selection.
- Reduced food miles and plastics.
- Waste diverted to energy recovery.
- Future: digital meal ordering, reusable cup schemes, 70% local suppliers.

Retail Catering

- 100% segregation of coffee grounds.
- Full removal of plastic cutlery.
- Vegware packaging.
- Plant-based options expanded.
- Food waste reduction schemes.

Estates and Biodiversity

The Estates workstream has merged Biodiversity, Green Space, and Adaptation initiatives to bolster resilience against climate change and promote sustainable estate management. The adoption of the NHS Net Zero Building Standards and the

Sustainable Building Design Guide ensures all new construction and refurbishment projects prioritise energy efficiency and sustainability. Maintenance practices are evolving, with embedded standards guiding the procurement of eco-friendly components and the identification of opportunities to reduce energy and carbon emissions. Advanced building management systems are being deployed, enabling more precise energy control and reporting, with contractors actively tracking CO2 savings to facilitate continuous improvement.

Recent and ongoing capital projects exemplify the Trust's commitment to sustainability, including new buildings in Scarborough adhering to BREEAM excellent standards and significant investments in renewable energy. Successful funding bids have allowed for the installation of air source heat pumps, solar PV panels, and battery storage systems, all aimed at reducing fossil fuel reliance and supporting the Trust's net zero goals. Additional funding is being pursued to expand electric vehicle charging infrastructure and upgrade to LED lighting across the estate, demonstrating a proactive approach to environmental responsibility and operational efficiency.

The Trust continues to prioritise social value and biodiversity, working closely with local contractors and charities to benefit the community. Efforts to enhance active travel are visible in the development of secure cycle parking facilities and bids for further funding to improve cycling infrastructure. Biodiversity is being actively supported through collaborations with organisations such as White Rose Forest, which are developing tailored green space strategies for each main site. This not only improves wellbeing for patients and staff but also increases biodiversity and helps offset emissions through thoughtful tree and shrub planting.

Energy

Energy Source	Unit	2020/21	2021/22	2022/23	2023/24	2024/25
Gas	kWh	73,341,924	73,925,487	69,472,009	61,766,914	66,707,741
	tCO_2e [1]	15,239	15,858 [2]	14,842	13,165	14,216
Oil	kWh	6,200	403,631	309,100	378,290	150,386
	tCO_2e [1]	2	132	101	124	49
Electricity	kWh	7,523,317	7,063,109	8,763,398	11,613,618	12,288,745
	tCO_2e [3]	2,166	2,057	2,292	3,192	3,382
Total kWh		**80,871,441**	**81,392,227**	**78,544,507**	**73,758,822**	**79,146,872**
Total tCO_2e		**17,407**	**18,047**	**17,235**	**16,481**	**17,647**
Internal Floor Area (m^2)		174,214	176,420	178,282	181,444	181,504
Energy Intensity (kWh/m^2)		464.2	461.4	440.6	406.5	436.1
Carbon Intensity (tCO_2e/m^2)		0.100	0.102	0.097	0.091	0.097

1 Includes Well-To-Tank (WTT) emissions
2 Conversion factor for gas WTT increased from 0.02391 to 0.03135 (+31%) due to changes in gas supply following Ukraine invasion
3 Includes emissions from Well-To-Tank (WTT) and Transmission and Distribution (T&D)

Over the past five years, the Trust has maintained relatively stable overall energy consumption, with notable improvements in carbon performance and energy efficiency despite operational challenges and estate expansion. Gas remains the largest energy source, showing a downward trend except for a slight increase in 2024/25, while electricity consumption has steadily risen due to a shift towards low-carbon technologies. Oil use is minimal and fluctuates in response to operational needs, particularly regarding energy resilience and clinical service continuity.

Carbon emissions have decreased significantly, with total tCO_2e falling from 17,407 to 16,481 before a slight uptick linked to higher electricity usage. Even as the estate grew, energy and carbon intensity improved markedly, thanks to investments in low-carbon heating, solar panels, insulation upgrades, LED lighting, and efficient motors. These targeted measures have delivered measurable progress towards the Trust's Net Zero ambitions.

Water

	Unit	2020/21	2021/22	2022/23	2023/24	2024/25
Water	m^3	313,820	276,519	255,408	215,180	253,641
	tCO_2e	108	41 [2]	38	38 [4]	39
Wastewater[1]	m^3	254,896	225,102	208,136	175,095	250,054
	tCO_2e	180	61 [3]	57	35 [5]	46
Total tCO_2e		**288**	**102**	**95**	**73**	**85**

1 Wastewater is not metered, so a standard calculation of 80% of incoming water for York, Scarborough & Bridlington hospitals is used, and 95% for all other Trust sites.

2 The carbon conversion factor changed from 0.344 to 0.149

3 The carbon conversion factor changed from 0.708 to 0.272

4 The carbon conversion factor changed from 0.149 to 0.177

5 The carbon conversion factor changed from 0.272 to 0.201

Water usage across the Trust demonstrated a significant downward trend from 2020/21 to 2023/24, decreasing from 313,820 m³ to 215,180 m³. This reduction was achieved through improved operational efficiencies and estate-wide monitoring, reflecting effective management of water-intensive processes and optimised building systems. The subsequent increase to 253,641 m³ in 2024/25 is likely attributable to greater patient numbers, enhanced building utilisation, and environmental factors impacting cooling and hygiene needs.

Correspondingly, carbon emissions linked to water supply also declined in line with reduced consumption and changes to national carbon conversion factors for water and wastewater. Overall, these trends highlight the Trust's sustained progress in water stewardship, supporting Net Zero ambitions by minimising resource use, lowering carbon footprint, and strengthening the sustainability and resilience of Trust estates.

Medicines

Medicines, including medical gases and chemicals, account for the largest share (36%) of the Trust's NHS Carbon Footprint Plus. The Trust is obligated to reduce the use of environmentally harmful anaesthetic gases such as desflurane and nitrous oxide, in line with the NHS Standard Contract. Desflurane, with a particularly high Global Warming Potential, was phased out by the Trust in November 2022 in favour of sevoflurane, a less damaging alternative, and efforts are ongoing to further reduce nitrous oxide usage by switching to cylinder supply and minimising its use in anaesthetic practice.

Significant progress has also been made in medicines management, including improved communication between waste and clinical teams, the implementation of controlled drug destruction on wards, and stock audits that identified savings through reduced stockholding. The Pharmacy Improvement Group has introduced paperless systems and consolidated procurement, while initiatives such as pre-appointment calls and temperature monitoring have eliminated waste of key medicines like azacitidine and ready-to-administer chemotherapy, contributing to enhanced sustainability and efficiency.

Following the work done last year this group will continue to: -

- Reduce metered dose inhaler use by switching to dry powder inhalers. Salamol salbutamol inhalers, with a lower propellant, are used to minimise environmental impact. Respiratory teams adopt greener inhaler options where clinically appropriate for patients.

- Investigate alternative to single use products – review to be completed of single use products via procurement processes and the Pharmacy Improvement Group.

- Reduce nitrous oxide manifolds across the Trust – being addressed via the Trust Medical Gas Committee- the Anaesthetists have agreed to move away from nitrous oxide manifolds. Information regarding nitrous oxide cylinder requirements is currently being ascertained.

- Identify how to increase sustainability educational outputs specific to clinicians .

Supply Chain and Procurement

During the financial year, several initiatives have been undertaken to strengthen sustainable procurement practices across the Trust and the wider collaborative:-

- Sustainable Procurement Gap Analysis: A baseline assessment was carried out to review current procurement practices against NHS sustainable procurement expectations and national policy requirements. This exercise helped identify areas for improvement and informed priority actions to strengthen governance, supplier engagement and sustainability reporting.

- Sustainable Procurement Maturity Assessment: The team contributed to the development and pilot of the NHS Sustainable Procurement Maturity Assessment, which has now been launched nationally through NHS England. The tool enables NHS organisations to assess their maturity across key sustainability domains, identify improvement opportunities and track progress over time.

- Training and Awareness: Targeted training sessions have been delivered across procurement and contract management teams to improve understanding of social value, sustainability in procurement, and sustainable contract management practices. These sessions aim to ensure sustainability considerations are embedded throughout the procurement lifecycle, from specification development to contract monitoring.

- Supplier Engagement: Ongoing engagement with suppliers continues to support adoption of sustainability initiatives such as Carbon Reduction Plans, Evergreen supplier assessments, and improved environmental reporting.

Alongside these governance and capability initiatives, the Trust has continued to implement practical sustainable procurement actions. These include the use of recycled materials in furniture procurement, sourcing uniform fabrics through the Better Cotton Initiative, exploring sustainable alternatives to single-use disposable items such as reusable patient garments, and supporting the transition to remanufactured and reusable medical technologies, including remanufactured surgical devices where clinically appropriate.

Through these initiatives and partnerships, the Trust continues to embed sustainability within procurement processes while supporting the wider NHS commitment to achieving net zero and delivering social value for the communities we serve.

These activities also support the Trust's alignment with national procurement policy, including the NHS Net Zero commitment and the evolving requirements of the Procurement Act 2023, ensuring sustainability and social value considerations are embedded within procurement governance and decision-making.

Our Year in Review 2025/26

Delivering high-quality care through our people and for our patients

April 2025

Bridlington Hospital accredited as elective surgical hub

To start the financial year, Bridlington Hospital achieved NHS England accreditation as an elective surgical hub - a significant milestone in improving planned care. With dedicated theatres, expert teams and ring-fenced beds, the hub delivered faster access to surgery, fewer cancellations and consistently high standards of patient-centred care.

May 2025

£47 million emergency care centre opened at Scarborough Hospital

Scarborough Hospital opened its £47 million Urgent and Emergency Care Centre - the Trust's largest ever investment. The facility brought together emergency, same-day and acute medical services with advanced diagnostics, transforming urgent care and delivering faster, more coordinated treatment for the region's most seriously ill patients.

Asthma Friendly Schools initiative launched across York

The Trust also launched the 'Asthma Friendly Schools' initiative across York, equipping schools with training and resources to improve support for pupils with asthma. The programme strengthened asthma management and created safer environments for children living with the condition.

June 2025

Lung cancer screening launched in Bridlington

The first patients in Bridlington received invitations for the Lung Cancer Screening Programme, supporting earlier diagnosis of lung cancer and other conditions. Delivered through NHS England's National Cancer Programme, the rollout began in Bridlington, focusing on areas with higher deprivation, smoking rates and later-stage diagnoses. More than 7,000 eligible people were invited, with screening starting via telephone assessment and, where appropriate, a low-dose CT scan on a mobile unit - improving outcomes and tackling health inequalities.

July 2025

Consultant received national award for cancer research

York Hospital's Consultant Oncoplastic Breast Surgeon, Jenny Piper, received a Medipex NHS Innovation Award for developing a pioneering breath test for early breast cancer detection. The award recognised collaborative research advancing diagnosis and screening, with the potential to transform future cancer care.

August 2025

Construction began on York Hospital's new hybrid theatre and MRI facility

This month, work began on York Hospital's £8 million hybrid theatre and MRI facility, combining surgical and imaging technologies to enhance diagnostics, vascular treatment and timely access to high-quality care.

York Hospital opened newly refurbished Women's Unit

Following an eight-month transformation, York Hospital opened its refurbished Women's Unit. The modernised space improved privacy, dignity and comfort - supporting complex treatments, acute gynaecological care and early pregnancy assessment in a purpose-designed environment.

September 2025

Trust joined national trial for groundbreaking cancer vaccine

In September, we joined a national NHS initiative to trial an innovative mRNA cancer vaccine for advanced head and neck cancer. Part of the Cancer Vaccine Launch Pad, the BioNTech-developed vaccine aimed to train the immune system to target and destroy HPV-related cancer cells.

Trust launched new breakthrough service for cancer patients

York Hospital also began delivering a major advance in diagnostics with the launch of its new Endoscopic Ultrasound Service (EUS), supporting patients affected by gastrointestinal cancers and pancreatitis. The 30-minute procedure offers enhanced imaging accuracy and enables biopsies to be taken during the same session.

October 2025

Trust Play Teams marked 50 years of Play in healthcare

The Trust's Play Teams celebrated 50 years of Play in Healthcare, with colleagues and young patients marking the milestone through special ward activities. Hosted by the Society of Health Play Specialists (SoHPS), 'Play in Healthcare Week' highlighted the role of play in supporting children through treatment and hospital stays. The theme, 'Celebrating 50 years of Play', marked the first national week in 1975 - a significant milestone for the profession.

November 2025

Clare Smith, new Chief Executive

In November, we welcomed Clare Smith as Chief Executive, following the retirement of Simon Morritt, who retired from the Trust at the end of September after six years in post. Clare joined from Leeds Teaching Hospitals NHS Trust, where she had been Chief Operating Officer since 2018, and Deputy Chief Executive. Her career has included senior roles in an acute trust in Scotland, alongside experience in the Armed Forces and local authority education services - strengthening our continued focus on quality, improvement and our people.

January 2026

New approach to stroke assessment launched

Colleagues on the Acute Stroke Unit at York introduced Prehospital Video Triage (PVT), enabling stroke specialists to assess patients in real time via live video links with Yorkshire Ambulance Service. Replacing telephone handovers, the approach supported faster, more informed clinical decisions and improved timely access to life-saving treatment when every minute counted.

February 2026

A new era for pathology at Scarborough: the countdown began

In February, the countdown began to the opening of Scarborough's new acute service laboratory, replacing the ageing pathology building following the identification of RAAC in 2023. The three-storey, 2,600m² facility will include a 24/7 acute laboratory supporting urgent care across Scarborough and surrounding communities. The £25 million investment is due to be operational towards the end of 2027 and will also provide future outpatient space and rooftop solar panels to support sustainability.

Supporting every pregnancy journey: new personalised maternity care plan launched

A personalised maternity care plan was introduced across York and Scarborough, developed with the Maternity and Neonatal Voices Partnership (MNVP) and co-produced with women and birthing people. Offered to everyone receiving maternity care, the plan supports informed choices, sets out what to expect at each stage and provides space to record preferences - strengthening personalised, meaningful conversations throughout pregnancy and birth.

March 2026

Trust and partners won national award for elective care recovery

The Trust, working in partnership with Ramsay Health Care UK, won 'Best Elective Care Recovery Initiative' at the 2026 HSJ Partnership Awards, recognising the impact of a collaborative approach to tackling orthopaedic waiting lists. Through the elective hub at Clifton Park Hospital in York, the partnership expanded capacity, improved patient flow and supported faster access to high-quality NHS care. Since the introduction of a modular theatre in 2022, supported by the NHS England Targeted Investment Fund, around 1,500 patients each year have benefited from treatment through the hub.

Part 2
Accountability Report

2025/2026

Composition of the Board of Directors (BoD)

The Board membership during the year was as follows:

Executive Directors

Name	Role	From	To
Clare Smith	Chief Executive	November 2025	Present
Simon Morritt	Chief Executive	August 2019	September 2025
Andrew Bertram	Finance Director Deputy Chief Executive Interim Chief Executive	January 2009 May 2018 August 2025	Present Present November 2025
Karen Stone	Medical Director	November 2022	Present
Claire Hansen	Chief Operating Officer	July 2023	Present
Dawn Parkes	Chief Nurse	June 2023	March 2026
Tara Filby	Interim Chief Nurse	March 2026	Present
Polly McMeekin	Director of Workforce and Organisational Development	February 2019	Present
James Hawkins	Chief Digital and Information Officer	August 2022	Present

Non-executive Directors

Name	Role	From	To
Martin Barkley	Chair	November 2023	Present
Jenny McAleese	Non-executive Director Vice Chair Senior Independent Director	March 2017 October 2020 May 2019	Feb 2026 Feb 2026 Feb 2020
Lorraine Boyd	Non-executive Director Senior Independent Director	April 2018 June 2022	Present Present
Stephen Holmberg	Non-executive Director Senior Independent Director	July 2019 March 2020	May 2025 May 2022

Jim Dillon	Non-executive Director	July 2019	June 2025
Matt Morgan	Hull York Medical School Stakeholder Non-executive Director	June 2020	July 2025
Julie Charge	Non-executive Director YTHFM Chair Vice Chair	June 2024 March 2026	Present Present
Jane Hazelgrave	Non-executive Director	February 2025	Present
Helen Grantham	Assoc. Non-executive Director Non-executive Director	May 2024 July 2025	June 2025 Present
Noel Scanlon	Non-executive Director	June 2025	Feb 2026
Richard Reece	Assoc. Non-executive Director	July 2025	Present
Rukmal Abeysekera	Non-executive Director	November 2025	Present

All NEDs are considered to be independent, meeting the criteria for independence as laid out in NHS England's Code of Governance other than where stated in this report.

The BoD has included additional non-voting Directors in the membership of the Board:

Non-voting Directors			
Name	**Role**	**From**	**To**
Lucy Brown	Director of Communications	February 2020	Present
Chris Norman	Managing Director to York Teaching Hospital Facilities Management	April 2025	Present

There were no further changes occurring in the Board membership during the year.

The gender balance and age profile of the Board at 31 March 2026 was:

Gender		
	Female	**Male**
Non-executive Directors including Chair	5	1
Executive Directors	5	2
Corporate Directors	1	1

Age	
Range	**No. of Directors**
18 - 39	0
40 - 49	1
50 - 59	7
60 - 69	4
70+	1

Directors Biographies

Under section 17 and 19 of Schedule 7 of the National Health Service Act 2006, the Chair, Chief Executive, Executive and Non-executive Directors were appointed to the Board of Directors as follows:

Chair – Martin Barkley

Appointed November 2023

Martin was appointed Interim Chair of the Trust in November 2023. Martin started his career in the NHS as a trainee hospital administrator. In 1983, he commissioned and opened East Surrey Hospital and, in 1986, moved into general management with responsibility for the East Surrey Learning Disability and the mental health services, transforming the services from being institutional-based to community-based, leading the unit to become an NHS Trust in 1994, when he became its Chief Executive. He subsequently went on to serve four more Trusts (Nottingham Healthcare NHS Trust, Hampshire Partnership NHS Trust, Tees, Esk & Wear Valleys NHS Foundation Trust, and Mid Yorkshire Hospitals NHS Trust) as Chief Executive, up to his retirement in 2021. His career is characterised by leading service modernisation, quality improvement, and organisational development.

Chief Executive – Clare Smith

Appointed November 2025

Clare brings a wealth of experience from across the NHS and public sector. She previously served as Chief Operating Officer and Deputy Chief Executive at Leeds Teaching Hospitals NHS Trust, where she had been part of the leadership team since 2014. During that time, she played a key role in leading one of the largest and busiest hospital trusts in the country. Clare's career also includes senior roles within an acute trust in Scotland, as well as experience in the Armed Forces and in local government education services. She has held regional leadership roles too, including Chair of the West Yorkshire Association of Acute Trusts' Chief Operating Officers Group and Senior Responsible Officer for Urgent and Emergency Care Transformation within the West Yorkshire Integrated Care System.

Chief Executive – Simon Morritt

Appointed August 2019 – Retired September 2025

Simon joined the Trust from Chesterfield Royal Hospital NHS Foundation Trust, where he had been Chief Executive since 2016. He has more than 25 years' experience in the NHS, which he joined in September 1989 as a General Management Trainee in Greater Manchester. After roles across Yorkshire he went on to be successful in number of senior positions. His first Chief Executive post was for the Doncaster Central Primary Care Trust in October 2000 and he was appointed Chief Executive of the former Bradford and Airedale Teaching Primary

Care Trust (now NHS Bradford and Airedale) in October 2006. Following his time in commissioning organisations, he became Chief Executive of Sheffield Children's Hospital. He retired from the Trust in September 2025.

Executive Finance Director – Andrew Bertram

Appointed January 2009
Deputy Chief Executive - appointed May 2018
Interim Chief Executive September 2025 – November 2025

Andrew has previously held a number of roles at the Trust, first joining in 1991 as a Finance Trainee as part of the NHS Graduate Management Training Scheme. On qualifying as an accountant, he undertook a number of finance manager roles supporting many of the Trust's clinical teams. He then moved away from finance to take a general management role as Directorate Manager for Medicine. Andrew then joined the senior finance team, firstly at York, subsequently at Harrogate and District NHS Foundation Trust, as their Deputy Finance Director, and then returning to York to become the Executive Finance Director. He has since been appointed Deputy Chief Executive in May 2018.

Executive Medical Director – Karen Stone

Appointed November 2022

Karen graduated from Birmingham University with a medical degree in 1990. She then worked in posts in paediatrics in Birmingham, London and Yorkshire. She was appointed to a consultant paediatric post with an interest in emergency paediatrics at Pontefract General Infirmary in 2001 after obtaining her Certificate of Completion of Specialist Training. Her career at Pontefract, which became part of the Mid Yorkshire Hospitals Trust, saw her develop into an accomplished medical leader. In 2014 Karen became the Medical Director, a post that she has left to join YSTHFT.

Executive Chief Nurse – Dawn Parkes

Appointed September 2024 – Retired March 2026

Dawn is the former Director of Nursing and Quality at Mid Yorkshire Teaching Trust and has held this board position since June 2022. She has previously been the Deputy Director of Nursing and Quality a role which she held between 2015 and 2022, and several other senior leadership roles across West Yorkshire. An experienced nurse and service leader, she started her career as a registered adult nurse at Leeds Teaching Hospitals Trust before moving into clinical strategic leadership and transformational work. She retired from the Trust in March 2025.

Executive Chief Operating Officer – Claire Hansen

Appointed July 2023

As Chief Operating Officer, Claire is responsible for the leadership and delivery of the Trust's operational services and is the lead executive director for Strategic Planning. Claire began her career in the Strategic Health Authority undertaking statistical analysis before moving to Clinical Audit in secondary care. Her career was in Northern Lincolnshire & Goole NHS Foundation Trust where she worked for over 20 years across many of the specialties spanning hospital and community services, culminating as Deputy Chief Operating Officer.

Executive Director of Workforce and Organisational Development – Polly McMeekin

Appointed February 2019

After graduating from Durham University in 2000, Polly began her career in Financial Services. In 2002 she joined the NHS working for Great Ormond Street Hospital, where she trained in Human Resource Management. Polly joined Harrogate and District NHS Foundation Trust 2009 and progressed to Deputy Director of Workforce and Organisational Development before she left in 2015. She joined the Trust in September 2015 as Deputy Director of Workforce reporting into the Chief Executive. She was subsequently appointed to the position of Director of Workforce and Organisational Development in February 2019. Her portfolio includes Human Resources, Organisational Development, Corporate Learning and Equality and Diversity.

Executive Chief Digital and Information Officer – James Hawkins

Appointed August 2022

James joined the Trust from NHS Digital where he had several different roles on the executive team and was central to the delivery of many of the national NHS IT systems and services and commercial frameworks, such as the NHS App, NHS.UK, NHS 111, NHS Summary Care Records and the GP IT Commercial Framework to name a few. At the Trust he is responsible for the delivery of the strategic digital capabilities required to underpin new models of care provided across the Trust and the integrated care system.

Non-executive Director - Jenny McAleese

Appointed March 2017 – End of Term February 2026
Senior Independent Director from May 2019 – February 2020
Vice Chair from September 2020

After graduating from Jesus College, Oxford in French and German, Jenny joined Grant Thornton and qualified as a chartered accountant. She remained with the firm for ten years, becoming an Audit Manager and then a Senior Healthcare Financial Consultant advising NHS Trusts. For 18 months she was seconded to the NHS Management Executive as a Business Analyst. In 1996, Jenny joined The Retreat Psychiatric Hospital in York as Director of Finance and a year later became Chief Executive until retiring in October 2016. She left the Trust in February 2025 at the end of her tenure.

Non-executive Director – Lorraine Boyd

Associate Non-executive Director from April to June 2018
Appointed July 2018
Senior Independent Director from June 2022

Lorraine is a GP and brings 30 years of experience of direct patient care. In recent years Lorraine has been involved as GP representative within NHS Vale of York Clinical Commissioning Group and The Humber, Coast and Vale Sustainability and Transformation Partnership. She is the founder Directory of City and Vale GP Alliance and she has supported the development of collaborative working between the Trust and primary care.

Non-executive Director – Jim Dillon

Appointed July 2019 – End of Term June 2025

Jim was Chief Executive at Scarborough Borough Council from April 2006 until his recent retirement. Before that he was a Director at Ipswich Borough Council. Jim has

a strong passion for the Scarborough area and wishes to continue contributing to improving the quality of life of the community through being a Director of the Trust and having been involved at a strategic level of health and wellbeing agenda at both local and regional levels for many years. He left the Trust in June 2025 at the end of his tenure.

Non-executive Director – Stephen Holmberg

Appointed July 2019 – End of Term June 2025
Senior Independent Director from March 2020 - May 2022

Stephen has been a Consultant Cardiologist in the NHS with more than 25 years' experience in direct patient care. He brings extensive experience as a previous Trust Board Executive and also held senior roles in other NHS organisations and the charitable sector. Steve has a strong interest in education in health care and in the development of safety and quality in patient care. He left the Trust in June 2025 at the end of his tenure.

Non-executive Director (Hull/York Medical School Stakeholder) – Matt Morgan

Appointed June 2020 – End of Term July 2025

Matt is Deputy Dean and Professor of Renal Medicine and Medical Education at Hull York Medical School. As Deputy Dean he supports the Dean in the strategic development and delivery of the Medical School. Matt has wide experience in both undergraduate and postgraduate medical and allied health profession education and is a Fellow of both the Higher Education Academy and the Royal College of Physicians. He has also been active in promoting diversity and inclusion in healthcare and healthcare education. He continues to practice as a consultant in renal medicine in the NHS. He left the Trust in July 2025 at the end of his tenure.

Non-executive Director – Julie Charge

Appointed June 2024
Vice Chair from March 2026

Julie has worked at the University of Salford since 2014, originally as the Executive Director of Finance, but has most recently taken up the role of Deputy Chief Executive and Chief Financial Officer. Julie oversees the professional services of the University, including Finance, Strategy, Estates, Digital IT, Student services and Marketing. Julie qualified as an accountant in 1995, completing her Masters in Business Administration in 2009. she has over 30 years of experience working in Finance. She's worked in a variety of Public and Private sectors including Health, Manufacturing and Higher Education.

Non-executive Director – Jane Hazelgrave

Appointed February 2025

Jane has worked in the NHS for over 30 years, including the last 14 years as an executive Director of Finance on a number of NHS boards including Humber and North Yorkshire ICB and Mid Yorkshire Teaching NHS Trust. She has spent most of her NHs career working in acute trusts but has also worked in commissioning and a strategic Health Authority. Before working in the NHS Jane worked in the private sector in a number of senior financial roles mostly in the brewing sector. Jane is a qualified Chartered Management accountant and holds a degree in Accounting and Finance.

Non-executive Director – Helen Grantham

Associate Non-executive Director June 2024 – June 2025
Appointed July 2025

Helen is a solicitor and spent her executive career in the private sector as General Counsel and Group Secretary of large, complex listed companies and latterly at the Co-op Group. The majority of her career was spent in consumer-facing organisations going through periods of significant change and having executive responsibility for legal, compliance, governance, risk, audit and corporate affairs functions. Her roles also involved extensive stakeholder engagement. Helen is a Council member at the University of Leeds, where she chairs their remuneration committee. She also chairs the Yorkshire and North-East Advisory Board at the Canal and River Trust which provides green and blue spaces in communities across the region.

Non-executive Director – Noel Scanlon

Appointed June 2025 – Resigned February 2026

Noel has been a registered nurse for over thirty years, with a career spanning more than two decades in senior nursing roles within the NHS. He has held positions such as Executive Director of Nursing and Deputy Chief Executive in large acute secondary hospital trusts. His career has been marked by his dedication to the nursing profession and his commitment to improving healthcare delivery. His leadership roles have been pivotal in various initiatives, including the COVID-19 pandemic response and the recruitment and retention of nursing staff. Scanlon's contributions have been recognized with awards for his exceptional kindness and dedication, and he has been instrumental in fostering collaboration and innovation within the healthcare sector.

Associate Non-executive Director – Dr Richard Reece

Appointed July 2025

Richard dedicated nearly 40 years to the NHS before retiring in June 2024. He began his medical career after qualifying as a doctor in Cardiff in 1987, choosing to specialise in Rheumatology. Richard completed his specialist training in Yorkshire, including 18 months as a Senior Registrar in York, and finished his training in 1998. He was appointed to his first Consultant post in August 1998, working across Leeds and Huddersfield. In 2010, Richard joined County Durham and Darlington NHS Foundation Trust as a Consultant, later moving to Newcastle upon Tyne in 2019 to further his career. Richard also pursued leadership roles, serving as Departmental Lead and Clinical Director at County Durham and Darlington NHS Foundation Trust. His move to Newcastle allowed him to devote more time to clinical teaching at the Medical School, sharing his expertise with the next generation of doctors.

Non-executive Director – Rukmal Abeysekera

Appointed November 2025

Rukmal is the University of York Stakeholder Non-Executive Director. She previously served as a Governor of the Trust for five years from 2020, including three years as Lead Governor. She brings over 30 years of experience in building partnerships across academia, industry, and the public sector, with extensive expertise in healthcare research and innovation. She holds a BSc and MSc from the University of Auckland, a PhD from Dalhousie University and a Diploma in Management Studies from the University of York. Rukmal also serves on the external Advisory Board for the national PRISM network (Professional Research Investor and Strategy Managers) and the Sustainability Steering Group at University of York.

The following other Directors have provided additional support to the Board:

Director of Communications – Lucy Brown

Appointed February 2020

Lucy joined the Trust in July 2008 as Communications Service Manager, bringing a wealth of knowledge with her. She established the Trust's first in-house communications function and was later appointed Head of Communications in 2011, reporting to the Chief Executive. Her portfolio includes media relations and PR, internal communications, stakeholder engagement and charity fundraising. She was appointed Acting Director of Communications in June 2018 and was appointed to the substantive role in February 2020.

Managing Director to York Teaching Hospital Facilities Management – Chris Norman

Appointed April 2025

Chris's journey began in the private sector as a Chartered Civil Engineer, where he had the opportunity to deliver infrastructure projects in the water industry and airports. This experience laid the foundation for his transition into the health sector, where he contributed to capital projects for Leeds Teaching Hospitals and Sheffield Teaching Hospitals, delivering major service improvement projects. Chris embarked on his NHS career at Hull & East Yorkshire Hospitals, spending 12 years working across capital, estates, and facilities services. This diverse experience eventually led him to the role of Estates Director at Sheffield Teaching Hospitals, where he delivered a service redesign programme and produced and delivered the estates strategy.

The Board of Directors

The Board of Directors met ten times during the year. Attendance and membership is as follows:

	30/04/25	21/05/25	25/06/25	30/07/25	24/09/25	29/10/25	26/11/25	28/01/26	25/02/26	25/03/26
Martin Barkley	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Simon Morritt	✓	✓	✓	✓	✓	-	-	-	-	-
Clare Smith	-	-	-	-	-	-	✓	✓	✓	✓
Andrew Bertram	✓	Dp	Dp	✓	✓	✓	✓	✓	✓	✓
Karen Stone	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dawn Parkes	✓	✓	✓	✓	✓	✓	✓	✓	✓	-
Claire Hansen	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Polly McMeekin	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
James Hawkins	✓	✓	✓	x	✓	✓	✓	✓	✓	✓
Tara Filby	-	-	-	-	-	-	-	-	-	✓
Jenny McAleese	✓	✓	x	x	✓	x	✓	✓	✓	-
Lorraine Boyd	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Jim Dillon	✓	✓	✓	-	-	-	-	-	-	-

Stephen Holmberg	✓	✓	✓	-	-	-	-	-	-	-
Matt Morgan	✓	✓	✓	✓	-	-	-	-	-	-
Julie Charge	✓	✓	✓	✓	✓	✓	✓	x	✓	✓
Jane Hazelgrave	✓	✓	x	✓	✓	✓	x	✓	✓	✓
Helen Grantham	✓	✓	✓	✓	✓	x	✓	✓	✓	✓
Noel Scanlon	-	-	x	✓	✓	✓	x	✓	✓	✓
Richard Reece	-	-	-	✓	✓	✓	✓	✓	✓	✓
Rukmal Abeysekera	-	-	-	-	-	-	✓	✓	✓	✓
Lucy Brown	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Chris Norman	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Register of Directors' Interests

Declarations of interest by members of the Trust Board are sought at each meeting of the Board and its committees and recorded in the minutes of the relevant meetings. The Register of Interests of Board Members is published each year on the Trust website, and includes those interests recorded during the preceding 12 months for Directors whose appointments have terminated in-year.

Guidance to the codes defines 'relevant and material' interests as follows:

a) Directorships, including Non-executive Directorships held in private companies or PLCs (with the exception of those for dormant companies)

b) Ownership or part ownership of private companies, businesses or consultancies likely or possibly seeking to do business with the NHS

c) Majority or controlling shareholding in organisations likely or possibly seeking to do business with the NHS

d) A position of authority in a charity or voluntary organisation in the field of health and social care

e) Any connection with a voluntary or other organisation contracting for NHS services

f) Research funding / grants that may be received by an individual or department

g) Interests in pooled funds that are under separate management.

The public can access the register on the website, or by making a request in writing to:

The Associate Director of Corporate Governance
York and Scarborough Hospitals NHS Foundation Trust
Wigginton Road
York YO31 8HE

Or by emailing him at trustsecretary@nhs.net

Board Committees

During 2025/26 the Trust had four Board Committees: the Remuneration Committee, the Group Audit Committee, the Resources Committee and the Quality Committee.

All the Committees are chaired by a Non-executive Director and its membership is drawn from the Non-executive Directors and Executive Directors. Each Committee is supported by managers and senior leadership of the Trust. An Executive Committee is chaired by the Chief Executive and is the senior operational Committee of the Trust.

- **Remuneration Committee**

  Details of the Remuneration Committee can be found on page 90.

- **The Group Audit Committee**

  The Group Audit Committee met five times during the year. Attendance and membership of the Committee is as follows:

	13/05/25	16/06/25	09/09/25	13/01/26	10/03/26
Jane Hazelgrave	✓	✓	✓	✓	✓
Lorraine Boyd	-	✓	✓	✓	✓
Helen Grantham	✓	✓	x	✓	✓
Jim Dillon	x	x	-	-	-
Stephen Holmberg	✓	-	-	-	-

  A number of officers and advisors attended the meetings to provide assurance to the Committee, including:

  - Andrew Bertram, Finance Director/Deputy Chief Executive
  - Sarah Hogan, Deputy Finance Director
  - Helen Higgs, Head of Internal Audit
  - Sandra Glaister, Internal Audit Manager
  - Marie Dennis, Counter Fraud Officer
  - Chris Norman, Managing Director, YTHFM
  - Alastair Newall, Engagement Lead, Forvis Mazars (External Auditors)
  - Sophie Hirst, External Audit Manager, Forvis Mazars (External Auditors)
  - Mike Taylor, Associate Director of Corporate Governance

  The Committee receives reports from internal and external auditors and undertakes reviews of financial, value for money and clinical reports on behalf of the Board of Directors. The Committee considers matters for both the Trust and YTHFM.

  The Trust has an independent internal audit function provided by Audit Yorkshire. The internal audit service also provides audit services to a number of other Foundation Trusts and other NHS organisations in the region. To coordinate the governance and working arrangements of the service, all Trusts that obtain services from the internal audit service are members of the Board of Audit Yorkshire.

The internal audit service agrees a work programme at the beginning of the financial year with the Trust. The service reports to each Group Audit Committee meeting on the progress of the work programme and provides detailed reports on the internal audits that have been completed during the previous quarter.

The list of activities below shows some of the work the Committee has undertaken during the year:

- Considered internal audit reports and reviewed the recommendations associated with the reports.
- Reviewed the progress against the work programme for internal and external audit and the Counter Fraud Service.
- Considered the annual accounts and associated documents and provided assurance to the BoD.
- Considered, provided challenge and approved various ad hoc reports about the governance of the Trust.
- Considered the external audit report, including interim and annual reports to those charged with governance and external assurance review of the Quality Report.
- Reviewed and monitored the clinical audit process, triangulating information with the Quality and Resources Committees to ensure there is also assurance around effectiveness of the processes in place.
- Considered the effectiveness of the Committee and internal audit.
- Provided a focus on risk management, the Corporate Risk Register and Board Assurance Framework processes in order to challenge and evolve the documents.

The Audit Committee has considered no significant issues relating to the financial statements during 2025/26.

Role of Internal Audit

Audit Yorkshire delivers the Group's Internal Audit and Anti-Crime services, reporting independently to the Board via the Group Audit Committee. Their compliance with Global Internal Audit Standards has been confirmed by an external assessment from CIPFA.

The Managing Director/Head of Internal Audit leads a professionally qualified team, ensuring all auditors are qualified or working towards professional accreditation. Auditors annually declare any conflicts of interest to maintain independence.

Audit Yorkshire has extensive experience of delivering high quality and cost-effective Internal Audit services to their members and undertake to:

- Provide professional, high quality audit coverage of key areas of risk and operational issues compliant with the prevailing Global Internal Audit Standards.
- Use the audit coverage and collate the opinions drawn to provide a meaningful Head of Internal Audit Opinion to support the Annual Governance Statement.
- Offer value-added work to assist the Group in making business improvements and achieving its corporate objectives.

Audit Yorkshire operates a dedicated Counter Fraud service, charged with identifying, investigating, and preventing fraud and other economic crime and conducting investigations as needed. Consultancy, advisory, and additional services are also available.

Role of External Audit

External Auditors are invited to attend every Group Audit Committee meeting. The appointed External Auditors have right of access to the Chair of the Group Audit Committee at any time. The Trust's current External Auditors are Forvis Mazars who were appointed at the beginning of August 2020 to provide this service for the Trust. This contract had been extended in December 2024 for a further three years approved by the Trust's Council of Governors following a procurement process and an assessment of their performance.

The objectives of the External Auditors fall under two broad headings. To review and report on:

- The audited body's financial statements.
- Whether the audited body has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

In each case, the Group Audit Committee sees the resulting conclusions.

External Audit also prepares an annual audit plan, which is received by the Group Audit Committee. This annual plan sets out details of the work to be carried out, providing sufficient detail for the Group Audit Committee and other recipients to understand the purpose and scope of the defined work and the level of priority. The Group Audit Committee discusses with the External Auditors the main issues and parameters for audit planning in the meeting before the annual audit plan is presented. This allows the Committee members time and space to:

- Discuss the organisation's audit risks.
- Reflect on the previous years' experience.
- Be updated on likely changes and new issues.
- Ensure coordination with other bodies.

In reviewing the draft plan presented to the Committee, members concentrate on the outputs from the plan and what they will receive from the external auditors, balanced against an understanding of the auditors' statutory functions. Review of the audit fee is an important role, but the focus should be on consistency with NHSE's guidelines and appropriateness, in the context of the organisation's needs, and the statutory functions of the external auditors.

The annual audit plan is kept under review to identify any amendments needed to reflect emerging audit risks. The Group Audit Committee receives material changes to the annual audit plan.

- ### Resources Committee

The purpose of the Resources Committee is to provide assurance to the Board of Directors the reviewing and seeking of assurance regarding the operational and strategic plans and activities for Finance, Performance and People aspects of the Trust. This includes areas such as York Teaching Hospitals Facilities Management (YTHFM) estates and facilities, and sustainability.

The Resources Committee met monthly during the year. Attendance and membership of the Committee is as follows:

	15/04/25	20/05/25	17/06/25	15/07/25	19/08/25	16/09/25	21/10/25	18/11/25	16/12/25	20/01/26	17/02/26	17/03/26
Jim Dillon	✓	✓	✓	-	-	-	-	-	-	-	-	-
Helen Grantham	✓	✓	✓	✓	✓	✓	✓	✓	✓	x	✓	✓
Jane Hazelgrave	✓	✓	✓	✓	✓	✓	✓	x	✓	✓	✓	✓
Jenny McAleese	-	-	-	✓	✓	✓	✓	✓	✓	✓	✓	-
Rukmal Abeysekera	-	-	-	-	-	-	-	-	✓	✓	✓	✓
Richard Reece	-	-	-	✓	✓	✓	✓	✓	✓	x	✓	x
Andrew Bertram	✓	Dp	Dp	✓	✓	✓	Dp	Dp	✓	✓	✓	✓
Claire Hansen	✓	✓	✓	Dp	✓	✓	✓	✓	Dp	✓	✓	Dp
James Hawkins	✓	✓	✓	✓	✓	✓	Dp	✓	✓	✓	x	✓
Karen Stone	✓	✓	Dp	✓	✓	✓	✓	✓	✓	✓	x	✓
Polly McMeekin	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dawn Parkes	Dp	✓	Dp	Dp	Dp	✓	✓	Dp	✓	✓	✓	Dp
Chris Norman	✓	✓	✓	Dp	✓	✓	✓	✓	✓	x	x	x

A number of officers attended the meetings to provide assurance to the Committee:

- Tara Filby, Deputy Chief Nurse
- Emma George, Assistant Chief Nurse
- Mike Taylor, Associate Director of Corporate Governance

The list of activities below shows some of the reports the Committee has overseen during the year:

- Focussed in depth reviews on Diagnostics, Cancer, Elective Care, Urgent and Emergency Care, Cost Improvement Programmes (CIPs), Workforce & Organisational Development and Staff Survey
- Trust Priorities Report (TPR) reporting on:
    - Finance - Income and expenditure, efficiency programme update and cash and capital
    - Operational Performance - Performance to national standards and recovery plans
    - People Update – Workforce and Organisational Development update
- YTHFM Assurance Quarterly Reporting: Operational Performance, Estates and Facilities Management, Sustainability Reporting
- Nursing Workforce Reporting
- Medical Workforce Reporting
- Annual Reporting of Workforce Race Equality Standard (WRES), Workforce Disability Equality Standard (WDES), Staff Survey Results, Freedom to Speak Up, Equality Delivery System (EDS) and Health and Wellbeing Reporting
- Risk Management Reporting

- **Quality Committee**

  The purpose of the Quality Committee is to provide assurance to the BoD around patient safety and putting the interests of patients first in relation to the Trust's performance on quality and safety and transformational quality improvement and drawing any issues or matters of concern to the attention of the BoD.

  The Committee met monthly during the year. Attendance and membership of the Committee is as follows:

	22/04/25	20/05/25	17/06/25	15/07/25	19/08/25	16/09/25	21/10/25	18/11/25	16/12/25	20/01/26	17/02/26	24/03/26
Steven Holmberg	✓	✓	-	-	-	-	-	-	-	-	-	-
Jenny McAleese	x	✓	✓	✓	✓	✓	✓	x	x	✓	✓	-
Lorraine Boyd	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Noel Scalon	-	-	x	✓	✓	x	✓	✓	✓	x	✓	✓
Richard Reece	-	-	-	-	-	-	-	-	-	-	✓	✓
Rukmal Abeysekera	-	-	-	-	-	-	-	-	-	-	-	✓
Karen Stone	✓	✓	Dp	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dawn Parkes	Dp	✓	Dp	Dp	Dp	✓	✓	Dp	Dp	✓	Dp	-
Claire Hansen	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Tara Filby	-	-	-	-	-	-	-	-	-	-	-	✓

Key officers attended the meeting to provide assurance to the Committee, including:

- Nicola Topping, Deputy Medical Director
- Tara Filby, Deputy Chief Nurse
- Emma George, Assistant Chief Nurse
- Donald Richardson, Chief Clinical Information Officer
- Sascha Wells-Munro, Director of Midwifery
- Adele Coulthard, Director of Quality, Improvement and Patient Safety
- Stuart Parkes, Chief Pharmacist
- Mike Taylor, Associate Director of Corporate Governance
- Senior rolling representation from each Care Group

The list of activities below shows some of the reports the Committee has overseen during the year:

- Care Group Deep Dive assurance presentations from each Care Groups leadership: Medicine, Surgery, Cancer, Specialist and Clinical Support Services (CSCS) and Family Health.
- Sub-Committee escalation reporting from:
  - Patient Experience Sub-Committee
  - Patient Safety and Clinical Effectiveness Sub-Committee
  - Maternity and Neonatal Reports including the Maternity Section 31 submission

- CCQ Compliance Update Reporting
- Overall Quality Strategy progress
- Nurse Staffing Reporting
- Infection Prevention and Control Reporting
- Patient Experience Reporting
- Risk Management Reporting

Executive Committee

The Executive Committee is the key operational group of the Trust and is chaired by the Chief Executive. Its membership comprises the senior leadership of the Trust. The Executive Committee discusses the formulation and implementation of strategy as well as key operational decisions. The formed strategy proposals are discussed with the Board of Directors and at their Committee meetings.

NHSE's Well Led Framework

NHSE states that it is good practice for organisations to conduct 'in-depth, regular and externally facilitated developmental reviews of leadership and governance' every three to five years. These reviews should then be used to facilitate development of the Board. The Key Lines of Enquiry and more recently the Quality Statements, which were developed also underpin the CQC's regular regulatory well led assessments.

The Trust has assured itself that it's well-led across its governance framework as detailed in the review of economy, efficiency and effectiveness of the use of resources section in the Annual Governance Statement and via the Board's Committees in their activities across the year as detailed in the Director's report. The Trust's internal control framework as a key part of its self-assessment provides assurance in the Board Assurance Framework for management of strategic risks and their assurance and operationally via the Corporate Risk Register. The Risk Management Strategy and Policy provide further assurance on the management of risks, issues and performance across the Trust. The performance report also provides areas in which the Trust has sought to improve its services both regarding patient care and stakeholder relations.

The Trust last carried out a well-led review during September-November in 2025 with NHS Providers which made a number of recommendations for the Trust to continue to improve its governance leading to improved effectiveness and culture. The Board accepted all of the recommendations and progress of implementing those recommendations is considered by the Board each quarter. ..

The Trust was inspected by the CQC during the year with the inspection focused on Urgent and Emergency Care and Medical Care at Scarborough Hospital and York Hospital.

The Trust is an active partner in the multiagency Heath and Care alliance boards in York, North Yorkshire and the East Riding. These are the vehicles for developing system strategic plans and for the delivery of collaborative projects working across the localities.

Patient Experience 2025/26

Complaints and Concerns

Patient, family and carer feedback is central to the Trust's approach to quality and improvement. It provides an important insight into how our services are experienced and highlights what matters most to those who rely on our care. By listening to feedback, the Trust can reflect on the standard of care delivered, recognise good practice, and identify opportunities to improve where expectations have not been met.

During 2025/26 the Trust received 1178 formal complaints compared to 1124 in 2024/25, representing an increase of 5%. This equates to an average of 23 complaints per week. In 34% of cases, investigations concluded that no failings in care were identified. This highlights opportunities to improve communication, manage patient expectations more effectively, and strengthen overall patient experience.

Emerging themes and trends are monitored on an ongoing basis and escalated through Care Group governance structures to ensure learning is embedded and that actions are implemented at both local and Trust-wide levels. The Trust welcomes all feedback from patients, families and carers and views this is a vital source of learning and improvement. Feedback enables us to understand what matters most to patients, assess the quality of care we provide, and identify where further improvements are required.

Key Themes

Communication issues featured prominently, with patients reporting that they were not kept adequately informed or updated, particularly in relation to diagnosis and discharge arrangements.

Delays in diagnosis and treatment were also a significant concern, including repeated cancellations and prolonged waits to access services, which patients described as distressing and, at times, poorly explained.

Staff attitude and behaviour, including both nursing and medical staff, was highlighted in a number of complaints. Some patients reported feeling ignored, spoken to inappropriately, or treated without sufficient dignity, often describing a sense of “not being listened to”.

Together, these themes provide valuable insight into patient experience across our services and continue to inform the Trust’s ongoing work to strengthen communication, improve responsiveness, and reinforce compassionate, patient-centred care.

Performance and Improvement

Overall Care Group performance in responding to complaints within agreed timescales was 57%, an improvement from 49% in the previous year. While this demonstrates progress, the overall position reflects the ongoing challenges associated with increased complaint volumes and wider service pressures.

Improving the complaints experience remains a key priority for the Trust. Our focus has been placed on strengthening the quality and timeliness of complaint investigations and responses, with a clear ambition to achieve 90% compliance with agreed response timescales (30 days for standard complaints and 45 days for complex complaints).

To support this, The Trust has taken several actions to strengthen complaints management:

- We have introduced Parliamentary and Health Service Ombudsman (PHSO) training alongside letter-writing skills training to support the delivery of clear, compassionate and patient-centred complaint responses.
- A new concerns and complaints form, co-produced with Healthwatch, has been developed to improve accessibility and ease of use.
- Bedside handovers have been implemented at ward level to strengthen communication and engagement with patients, relatives and carers, enabling concerns to be identified and addressed more promptly.
- A Trust-wide quality improvement project is underway to better understand barriers to timely complaint closure and to support more effective, consistent and timely responses.

Volunteering Service

Volunteers make a significant impact to improving the experience of patients, carers and staff and support medical wards, maternity services, reception areas, outpatient areas, discharge lounge and our emergency departments at York and Scarborough hospitals.

Our volunteers have responded flexibly to operational pressures, including supporting winter pressures through additional ward-based shifts focused on hydration, nutrition and patient flow.

During the year, 47 new volunteers were recruited and assigned to many different roles including:

- Ward support roles (focused on hydration and nutrition)
- Discharge lounge support
- the Emergency Department in York
- the Meet and Greet roles at York and Scarborough Hospitals
- Pets as Therapy services
- Patient Safety Partners

New activity-based volunteer roles were also introduced, including:

- Supporting stroke patients at White Cross Court, in partnership with Occupational Therapy team
- Supporting people living with Dementia with nurses and the Elderly Care Services team.

Additional roles were developed to support bereavement services, the Magnolia Centre, and coronary care units, enhancing support for patients, relatives and carers.

Recognising the increasing demand for spiritual and pastoral support, the Trust has expanded its chaplaincy volunteer programme, recruiting 14 new volunteers and invested in their training and support to enable inclusive, compassionate care, reflective of the diverse communities' faiths and beliefs our communities. This further strengthens the compassionate, human-centred care at the heart of our hospitals

The Trust also participated in the Volunteering for Health programme supporting youth volunteering, "volunteer to career" pathways and further improving recruitment experiences.

We value the generous gift of time that our volunteers provide to the Trust and enjoyed the opportunity to celebrate and recognise their contributions to the Trust with events during National Volunteers Week in June and throughout the year.

National Patient Surveys

The Trust continues to participate in the NHS Patient Survey Programme, commissioned by the Care Quality Commission (CQC) providing nationally comparable insight into patient experience and remain assurance regarding the quality of care. Survey results are reviewed through established governance routes, including Care Group forums and Trust-wide committees, ensuring learning informs both local and strategic improvement plans.

- **National Adult Inpatient Survey 2024**
  Results published in September 2025 from the Adult Inpatient Survey 2024, showed patient experience to be broadly stable and in line with national averages. Areas of strength included

respect and dignity, kindness and compassion, and privacy during care and treatment. As in previous years, the survey highlighted opportunities for improvement in areas including waiting times, noise at night, food outside of mealtimes, and information provided at discharge, particularly around ongoing support after leaving hospital. These findings are informing our improvement actions within inpatient services.

- **National Children and Young People's Survey 2024**
  Published in May 2025, The Children and Young People's Survey (2024), demonstrated performance in line with national benchmarks, with positive feedback regarding staff attitudes, privacy, and parental and carer involvement. Improvements focus on communication, information provision support during hospital stays, particularly for older children and young people.

- **National Maternity Survey 2025**
  Published in December 2025, results from the Maternity Survey (2025), highlighted strong performance in mental health discussions, multidisciplinary working and pain management during labour. Areas requiring improvement included partner involvement post birth, feeding support at nights and weekends, and communication on postnatal wards. These actions are embedded within the Trust's Maternity and Neonatal Single Improvement Plan.

- **National Cancer Survey 2024**
  Published in July 2025 the National Cancer Survey results reflected high levels of confidence in quality, timeliness and staff helpfulness. Improvement actions are focused on providing holistic patient care including wellbeing and advice for care planning during treatment phase, confidence and trust in staff during stay in hospital, including family access and involvement in decision making, pain management and time to speak with ward staff, access to cancer research opportunities and environmental factors such as car parking, food and treatment rooms.

- **Survey Provider Transition** - Following a full procurement process IQVIA was appointed as the Trust's new national survey provider form May 2025, ensuring continuity and quality assurance in survey delivery.

Friends and Family Test (FFT)

The Friends and Family Test (FFT) continues to provide timely insight into patient experience. During 2025-2026, the Trust transitioned to a new FFT service provider, Gather It Limited, introducing a introducing a digital-first approach, while retaining paper options to ensure accessibility.

The service delivers core questions to all patients and has provided flexibility for us to adapt questions relevant to specific services. The surveys include standardised demographic questions enabling services to identify disparities in experience and take action to improve their services for everyone.

The service went live in September 2025 and has delivered a significantly higher response rates (11-22%) compared with the national averages (typically 4–10%). Standardised demographic questions support identification of disparities in experience, and take action to improve their services for everyone.

The new service has improved the timeliness for staff at ward and department level being able to access insights from patients completing the survey, therefore enabling us to celebrate good care and the prompt identification of areas requiring improvement.

Further embedding of FFT will continue in the next financial year, including increasing awareness of alternative ways that patients an provide feedback including through non-digital channels.

Patient Equality Diversity and Inclusion

Improving the experience for unpaid carers
The Trust recognises the essential role of unpaid carers. A Carers Forum has been established, supporting the co-production of new Unpaid Carers Charter and a new Carer Icon to improve identification and support. A new 'Carers Hub' on the Trust website provides guidance and resources for carers accessing hospital services.

Supporting neurodivergent patients accessing Urgent and Emergency care
Working with York St John University and people with lived experience, the Trust coproduced an information video to support neurodivergent patients attending urgent and emergency care. The resource has been positively received by parents/carers and is now used as both patient preparation tool and staff training resource.

Making our services more accessible
We have taken several actions to improve accessibility including:

- Launch of an Accessibility Hub on the Trust's website to help ensure they can access the care they need. The hub includes information about accessible parking, accessible toilets, the new animal spending area at York hospital, how to request information in a range of formats e.g. audio, large print and braille, and how to request an interpreter for an appointment.
- Introduction of visual communication tools and picture food menus.
- Improved support for assistance animal access.
- Collaboration with digital inclusion partners to support access to online health information including supporting the public to use platforms such as AccessAble, Reach Deck and Interpreters Live to assist patients in accessing information on our website and online platforms including the NHS app.

These initiatives support statutory Accessible Information Standards and the Trust's wider health inequalities agenda.

We are thankful for the continued engagement and support of our local (Voluntary, Community & Social Enterprise (VCSE) organisations, carers organisations and patient advocacy groups including Healthwatch York, Healthwatch North Yorkshire and Healthwatch East Riding in helping us access patient insight. Their involvement has included support through surveys, community-led engagement, social media promotion, and participation in community discussion groups to reach people less likely to engage through standard NHS channels. Insights gathered through these partnerships have been embedded into service development and improvement plans.

Chaplaincy and Spiritual Care

The Chaplaincy team provides pastoral, spiritual and religious care to patients, carers, relatives and staff, regardless of faith or belief. Demand for chaplaincy support continues to increase, with a 9.9% rise in inpatient referrals following integration of referral pathways within electronic patient records.

In line with NHS England Chaplaincy Guidelines, the Trust has introduced a new chaplaincy experience survey using the Scottish Patient Reported Outcome Measure (PROM) of Spiritual Care, strengthening assurance and supporting service development. Significant developments during the year included:

- Establishment of a monthly Bereavement Support Group at Bridlington Hospital

- Provision of chaplaincy services to Malton Hospital on behalf of Humber Teaching NHS Foundation Trust
- Development of a new chaplaincy service model for St Catherine's Hospice, Scarborough commencing April 2026.

Recruitment processes have been reviewed to support inclusivity and diversity, with active recruitment of volunteer honorary chaplains and faith group representatives from under-represented faith and belief groups.

Looking ahead

Listening to and learning from patient feedback remains central to our commitment to compassionate, high-quality care. In 2026/27, we will continue to strengthen responsiveness, accessibility and equity across all aspects of patient experience.

The Trust would like to thank all patients, carers, volunteers, staff and partners who have shared their experiences and supported service improvements during this past year.

Partnerships and Alliances

Partnership working remains central to the Trust's ability to deliver effective, high quality healthcare for our communities. Collaborative approaches across organisational boundaries continue to be a critical enabler of patient centred pathways, improved outcomes and reduced unwarranted variation. Within the Humber and North Yorkshire Health and Care Partnership Integrated Care System (ICS), the Trust is an active member of a number of clinical alliances, including collaborative arrangements with Hull University Teaching Hospitals NHS Trust and Harrogate and District NHS Foundation Trust. Through the Collaborative of Acute Providers, these partnerships support the delivery of safe, sustainable hospital services across the ICS footprint, enabling shared learning, service resilience and continuous quality improvement across whole system pathways.

The Trust also plays a key role within established clinical networks, including the Humber and North Yorkshire Cancer Alliance. In 2025/26, the Trust received £1.3 million in cancer system development funding via the Alliance, supporting pathway redesign and clinical leadership roles that enable Trust clinicians to work across the ICS to reduce variation and tackle inequalities in cancer outcomes. This collaborative work has also enabled the expansion of home-based chemotherapy, significantly improving patient experience by reducing the need for hospital visits while freeing up capacity within outpatient and day case settings.

At place level, the Trust is a core partner within the York Health and Care Partnership and is fully engaged in place-based governance and delivery arrangements. This includes active participation in the York Integrated Community Model Joint Delivery Board, which oversees the development and implementation of integrated community services aligned to neighbourhood health principles. Through this forum, the Trust is working alongside health, local authority and voluntary sector partners to redesign pathways, reduce hand offs and strengthen alternatives to hospital admission. The Trust is also supporting major place-based programmes focused on prevention, neighbourhood working and community-based care, including the Accelerating Healthy Communities programme in York and comparable initiatives across North Yorkshire and the East Riding.

Joint commissioning and pooled funding arrangements continue to be an important enabler of integrated care. The Trust is working with local authorities to align budgets through Section 75 agreements, supporting more joined up, person centred services that wrap around individual needs and reduce duplication across the system.

A strong example of the impact of effective partnership working is the Trust's collaboration with Ramsay Health Care UK at Clifton Park Hospital, which was recognised as Best Elective Care Recovery Initiative at the 2026 HSJ Partnership Awards. Together, the organisations have developed an innovative orthopaedic elective hub that has expanded local capacity, improved patient flow and supported fairer, faster access to high quality NHS care across the region. The introduction of a modular theatre in 2022, funded through a joint bid to the NHS England Targeted Investment Fund, has been a key enabler of this model, with around 1,500 patients each year now benefiting from treatment through the hub. Judges praised the partnership for its collaborative approach and clear impact on reducing waiting times, demonstrating what can be achieved when organisations work together with a shared focus on improving outcomes and experience for patients.

The Trust is also strengthening partnerships that support children and young people. In Scarborough, the Children's Therapy Team has expanded its presence across toddler groups in Kirkbymoorside, Scarborough town centre, Barrowcliffe and Eastfield. What began as a small pilot has grown rapidly, offering families accessible advice, early support and clear signposting within familiar community settings. Parents have shared highly positive feedback, describing the sessions as "very helpful", "reassuring" and a welcome opportunity to receive face to face guidance and simple activity ideas to use at home. This work complements the wider Speech, Language and Communication Needs (SLCN) improvement programme delivered jointly with local authorities in York and North Yorkshire, which is focused on building integrated, preventative support across the system. Recent progress includes significant reductions in long waits for specialist Speech and Language Therapy, the development of open access training and resources, and continued group-based interventions such as Connect and Communicate, Language Lift Off and Singing Speech. Initiatives like the NELI programme at Westfield Primary—now mobilised and due to report outcomes in the autumn—are helping shape future approaches in line with SEND reforms and the emerging 'Experts at Hand' model.

Partnerships in education and workforce development have also continued to strengthen. Hull York Medical School (HYMS) has enhanced its national profile and educational offer across both York and Scarborough, achieving its strongest league table results to date in 2026—ranking 3rd among UK medical schools in the Guardian and 10th in the Times. Growing student numbers have driven further innovation in teaching and simulation, with clinical skills teams expanding supplementary sessions to support communication, teamwork and digital literacy. Clinical Educators in York and Scarborough have introduced a clinical Escape Room, an immersive scenario designed to test problem solving and teamworking in a simulated clinical environment, while simulation delivery has been enhanced through increased use of digital and interactive tools. HYMS' research capability has also grown, with the York clinical skills team partnering with the University of Ottawa on a study exploring stress responses in fifth year students managing acutely unwell patients in simulation. The project, presented internationally in August 2025, has broadened the School's research portfolio while enriching the learning experience for students.

The Trust has also strengthened its partnership working in support of people with complex mental health needs, progressing a significant programme of improvement jointly with Tees, Esk and Wear Valleys NHS Foundation Trust (TEWV). This work forms part of the wider Complex Needs Improvement Plan and responds to national expectations, internal learning and external recommendations, with a shared focus on improving patient experience, safety, timely access to specialist input and compliance with the Mental Health Act (1983). A jointly established Strategic Oversight Group, led by the Chief Operating Officer and including senior representation from TEWV, provides system leadership and assurance, supported by the Complex Needs Assurance Group which brings partners together to drive improvement and strengthen collaborative working. Over recent months, substantial activity has taken place across both acute sites to enhance pathways, build workforce capability, strengthen governance and ensure safer, more responsive care for people

experiencing mental health crisis or requiring specialist support, demonstrating the value of integrated working across organisational boundaries.

Partnership working with primary care remains a priority. The Trust continues to collaborate with primary care partners to improve pathways for patients, with further work planned for 2026/27 focused on specialties experiencing high demand growth. This includes joint delivery of community diagnostic capacity and the development of integrated diagnostic pathways to support earlier diagnosis and improved access to care closer to home.

Clare Smith
Chief Executive, York and Scarborough Teaching Hospitals NHS Foundation Trust
June 2026

Remuneration Report – Statement from the Chair

The remuneration report summarises our remuneration policy and, particularly, its application in connection with the Executive Directors.

The report also describes how the Trust applies the principles of good corporate governance in relation to Directors' remuneration as defined in the NHS Code of Governance, in sections 420 to 422 of the Companies Act 2006 and the Directors' Remuneration Report Regulation 11 and Parts 3 and 5 of Schedule 8 of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) ('the Regulations') as interpreted for the context of NHS Foundation Trusts, Parts 2 and 4 Schedule 8 of the Regulations and elements of the Foundation Trust Code of Governance.

The Remuneration Committee considers and acts with delegated authority from the Board of Directors on all matters concerning the remuneration, allowances and other terms of service of the Executive Directors. The Committee comprises the Trust Chair and all Non-executive Directors. The Committee is attended by the Chief Executive and others at the request of the Chair in an advisory capacity where appropriate.

Non-executive Directors' remuneration and terms and conditions of service are developed and reviewed periodically by the Council of Governors Nominations and Remuneration Committee and ratified by the Council of Governors.

All Directors of the Trust are subject to individual performance review. This involves the setting and agreeing of objectives for a 12-month period running from 1 April to 31 March. The very senior managers at the Trust received a 3.35% uplift during 2025/26 to reflect the cost of living in-line with the recommendations of the national Senior Salaries Review Body (SSRB) accepted by the government.

The full remuneration report of salary, allowances and benefits of senior managers are set out in the Salaries and Pension Entitlements of Senior Managers section of the Annual Report on Remuneration.

Remuneration for Non-executive Directors is also set out within that section and within the Full Statutory Accounts. No additional fees are payable in the role of Non-executive Director.

Martin Barkley
Chair, York and Scarborough Teaching Hospitals NHS Foundation Trust
June 2026

Remuneration Policy

Future Policy Table					
Item	**Salary/Fees**	**Taxable Benefits**	**Annual Performance Related Bonus**	**Long Term Related Bonus**	**Pension Related Bonus**
How this supports for the short and long term objectives of the Foundation Trust	Ensure the recruitment and retention of Directors of sufficient calibre to deliver the Trust's objectives	None disclosed	None Paid	None Paid	Ensure the recruitment and retention of Directors of sufficient calibre to deliver the Trust's objectives
How the component operates	Determined by the Remuneration Committee using a range of data and criteria as set out in the Remuneration Committee section. Paid in even twelfths	Senior Managers in the Trust are entitled to lease cars	None Paid	None Paid	Contributions paid by both employee and employer, except for any employee who has opted out of the scheme, in line with national regulations
Maximum payment	As set out in the accounts	None disclosed	None Paid	None Paid	Contributions are made in accordance with the NHS Pension Scheme
Framework used to assess performance	The Trust's Values Based Appraisal and objective setting process is used for all staff including Executive Directors, together with specific measures agreed for the Executive Team by the Remuneration Committee.	None disclosed	None Paid	None Paid	Not applicable
Performance period	Tailored to individual posts	None disclosed	None Paid	None Paid	Not applicable
Amount paid for minimum level of performance and any further level of performance	Salaries are agreed on appointment and set out in the contract of employment	None disclosed	None Paid	None Paid	Not applicable
Explanation of whether there are any provisions for recovery of sums paid to Directors or provisions for withholding payments	Any sums paid in error may be recovered.	None disclosed	None Paid	None Paid	Any sums paid in error may be recovered.

Service contract obligations

All Executive Directors are required to provide six months' notice; however, in appropriate circumstances this could be varied by mutual agreement. Terms of each of the Non-executive Directors are given in the details of the Board members below.

Policy on payment for loss of office

Payment for loss of office is covered within contractual notice periods and standard employment policies and legislation. The Trust has made no provision for compensation for early termination and no payment for loss of office for senior managers.

Statement of consideration of employment conditions elsewhere in the Foundation Trust

Other members of staff who are not Board members are employed on agenda for change terms and conditions and any percentage pay increases are applied in accordance with national agreements. The Remuneration Committee agrees very senior managers' pay and conditions following consideration of benchmarking information on comparable roles.

The Non-executive Director fees are considered by the Council of Governors Nominations and Remuneration Committee and a recommendation is approved by the Council of Governors. The recommendation is prepared following a discussion and the receipt of benchmarking data. The Nominations and Remuneration Committee includes a Staff Governor as part of its membership. The Council of Governors includes five Staff Governors as part of its membership.

Service contracts

All Executive Directors are employed on a permanent basis.

As stated in the Service Contract Obligations above, all Executive Directors are subject to six months' notice period and the Non-executive Directors are subject to a month's notice period. The table below shows their start and finish dates, where applicable, or if their role is current:

Executive Director	Title	Date of appointment	Contract date to
Simon Morritt	Chief Executive	August 2019	September 2025 (retired)
Clare Smith	Chief Executive	November 2025	Current
Andrew Bertram	Finance Director	January 2009	Current
	Deputy Chief Executive	May 2018	Current
Karen Stone	Medical Director	November 2022	Current
Dawn Parkes	Chief Nurse	September 2024	March 2026 (retired)

Claire Hansen	Chief Operating Officer	July 2024	Current
Polly McMeekin	Director of Workforce and Organisational Development	February 2019	April 2026 (left the Trust)
James Hawkins	Chief Digital and Information Officer	August 2022	Current
Lucy Brown	Director of Communications	February 2020	Current

Non-executive Director	Title	Date of Appointment	Contract date to
Martin Barkley	Trust Chair	01.11.23 (1st term)	31.10.26
Jenny McAleese	Non-executive Director	01.03.24 (3rd term)	28.02.26 (left the Trust)
Lorraine Boyd	Non-executive Director	01.07.21 (3rd term)	31.12.26
Jim Dillon	Non-executive Director	01.07.22 (2nd term)	30.06.25 (left the Trust)
Steven Holmberg	Non-executive Director	01.07.22 (2nd term)	30.06.25 (left the Trust)
Matt Morgan	Non-executive Director	01.06.23 (2nd term)	30.05.26 (left the Trust)
Julie Charge	Non-executive Director	03.06.24 (1st term)	02.06.27
Jane Hazelgrave	Non-executive Director	26.02.25 (1st term)	25.02.28
Helen Grantham	Non-executive Director	01.07.25	30.06.28
Noel Scanlon	Non-executive Director	01.06.25	28.02.26 (left the Trust)
Rukmal Abeysekera	Non-executive Director	01.11.25	30.10.28
Richard Reece	Associate Non-executive Director	07.07.25	06.07.26

Remuneration Committees

The Trust has two Remuneration Committees: The BoD Remuneration Committee and the Council of Governors Nominations and Remuneration Committee.

- **Board Remuneration Committee**

  The Board's Remuneration Committee is composed of all NEDs and is responsible for determining and agreeing, on behalf of the Board, policies for the remuneration and terms and conditions of service for all VSMs (Executive Directors and other managers on VSM contracts). It is responsible for considering the performance and annual objectives of the Chief Executive and Executive Directors and for termination arrangements that involve severance payment. The Committee is responsible for:

  - Reviewing of the structure, size and composition of the Board of Directors.
  - Developing succession plans for the Chief Executive and other Executive Directors, taking into account the challenges and opportunities facing the Trust.
  - Appointing candidates to fill vacancies amongst the Executive Directors.
  - Reviewing remuneration and terms of conditions for Executive Directors and very senior managers (those managers not on NHS agenda for change pay scales).
  - Recommending to the Board of Directors the award of discretionary points for consultants and specialist and associate specialist and staff grade doctors.

  The Trust Chair is the Chair of the Remuneration Committee and its members are the remaining Non-executive Directors. The Chief Executive attends for any decisions relating to the appointment or removal of the Executive Directors. The Committee is also advised by the Chief Executive on performance aspects, by the Director of Finance on the financial implications of remuneration or other proposals, and by the Director of Workforce and OD on personnel and remuneration policy.

  The Committee reviews national pay awards for staff within the Trust alongside information on remuneration for Executive Directors at other Trusts of a similar size and nature, taking account of overall and individual performance and relativities, with the aim of ensuring that remuneration of Executive Directors is fair and appropriate. Through this process any salary above the threshold of £150,000 used by the Civil Service is considered and approved by the Committee with a view to attracting and retaining individuals to support the Trust in delivering its vision and meeting its objectives.

  The Committee also reviews the balance of skills, knowledge and experience on the BoD when considering the appointment of an Executive Director or when a vacancy arises for a Non-executive Director. The diversity and inclusion of the Board is considered in relation to the Trust's WRES and WDES standards and their action plans reported to the Board of Directors in reflection of the Trust's workforce and communities served.

  The table below sets out the members of the committee during 2025/26 and the number of meetings at which each Director was present.

	12/06/25	30/06/25	13/08/25	17/09/25	19/11/25	10/12/25	18/03/26
Martin Barkley	✓	✓	✓	✓	✓	✓	✓
Lorraine Boyd	✓	✓	✓	✓	✓	✓	✓
Jenny McAleese	✓	✓	✓	x	✓	✓	-
Julie Charge	✓	✓	✓	✓	✓	✓	x
Jane Hazelgrave	✓	✓	✓	✓	x	x	✓
Helen Gratham	x	✓	✓	✓	✓	✓	✓
Noel Scanlon	✓	✓	✓	x	✓	✓	✓
Matt Morgan	x	✓	-	-	-	-	-
Jim Dillon	x	-	-	-	-	-	-
Rukmal Abeysekera	-	-	-	-	✓	✓	✓

Key officers who attended the meeting to provide assurance to the Committee, included:

- Simon Morritt, Chief Executive
- Polly McMeekin, Director of Workforce & Organisational Development

- **Governor Nominations and Remuneration Committee**

The Council of Governors Nomination and Remuneration Committee is responsible for making recommendations to the Council of Governors on the following:

- Appointment and remuneration of the Chair and Non-executive Directors
- Appraisal of the Chair
- Approval of appointment of the Chief Executive
- Succession Planning for posts of Chair and Non-executive Directors

There were eight meetings of the committee during this financial period. The extraordinary meetings related to Non-executive Director recruitment. The members' attendance is set out below:

	08.04.25	23.04.25	02.05.25	05.09.25	05.11.25	21.11.25	18.12.25	16.01.26
Martin Barkley, Chair	✓	✓	✓	✓	✓	✓	✓	✓
Rukmal Abeysekera	✓	✓	✓	✓	-	-	-	-
Gerry Richardson	x	✓	x	✓	✓	✓	✓	✓
Catherine Thompson	✓	✓	x	x	-	-	-	-
Beth Dale	✓	✓	✓	✓	x	x	✓	x
Bernard Chalk	-	-	-	-	x	x	x	x
Linda Wild	✓	✓	✓	✓	✓	✓	✓	✓
Julie Southwell	✓	✓	✓	✓	✓	✓	✓	✓
Ros Shaw	✓	x	✓	✓	✓	✓	✓	✓
James Hayward	-	-	-	✓	x	x	✓	✓
Jean Flanagan	-	-	-	✓	✓	✓	x	✓

The Associate Director of Corporate Governance services and provides advice to the Committee.

Remuneration and pension entitlements of senior managers (Subject to Audit)

a) Salary

Name and Title	2025/26					
	Salary and Fees	Taxable benefits	Annual Performance Related Bonus	Long Term Performance Related Bonus	Pension Related Benefits	Total
	£000's Bands of £5,000	£s Nearest £100	£000's Bands of £5,000	£000's Bands of £5,000	£000's Bands of £2,500	£000's Bands of £5,000
Executive Directors						
Mr S Morritt Chief Executive	115-120	2,700	-	-	-	115-120
Ms C Smith Chief Executive	80-85	-	-	-	47.5-50	130-135
Mr A Bertram Finance Director & Deputy Chief Executive	185-190	4,500	-	-	142.5-145	335-340
Ms S Barrow Acting Finance Director	15-20	-	-	-	10-12.5	30-35
Dr K Stone Medical Director	235-240	3,200	-	30-35	70-72.5	340-345

Mrs C Hansen Chief Operating Officer	165-170	2,300	-	-	72.5-75	240-245
Ms P McMeekin Director of Workforce & Organisational Development	150-155	-	-	-	70-72.5	225-230
Mrs D Parkes Chief Nurse	165-170	4,300	-	-	-	170-175
Ms T Filby Interim Chief Nurse	0-5	-	-	-	2.5-5	5-10
Mr T Hawkins Chief Digital Information Officer	170-175	-	-	-	50-52.5	220-225
Non-Voting Directors						
Mrs L Brown Director of Communications	130-135	-	-	-	47.5-50	180-185
Mr C Norman Director of Estates	145-150	-	-	-	100-102.5	245-250
Non-executive Directors						
Mr M Barkley Chairman	55-60	-	-	-	-	55-60
Mrs J McAleese Non-Executive Director	15-20	-	-	-	-	15-20
Dr L Boyd Non-Executive Director	15-20	-	-	-	-	15-20
Mr S Holmberg Non-Executive Director	0-5	-	-	-	-	0-5
Mr J Dillon Non-Executive Director	0-5	-	-	-	-	0-5
Mr M Morgan Non-Executive Director	0-5	-	-	-	-	0-5
Ms H Grantham Associate Non-Executive Director	15-20	-	-	-	-	15-20
Ms J Charge Non-Executive Director	15-20	-	-	-	-	15-20
Ms J Hazelgrave Non-Executive Director	15-20	-	-	-	-	15-20
Ms N Scanlon Non-Executive Director	10-15	-	-	-	-	10-15
Mr R Reece Associate Non-Executive	10-15	-	-	-	-	10-15
Ms R Abeysekera Non-Executive Director	5-10	-	-	-	-	5-10

Taxable benefits listed above relate to those executive directors who are in receipt of a Trust business lease cars. Director's pay is made up of basic pay plus enhancements. The Trust does not award bonuses or performance related payments.

Mr S Morritt retired from their role as Chief Executive 30th September 2025. Mr A Bertram was interim Chief Executive from 1st October 2025 until 23rd November 2025 when Ms C Smith was appointed as new Chief Executive from 24th November 2025. Ms S Barrow acted up as Director of Finance from 1st October 2025 to 30th November 2025. Ms D Parkes retired from their role as Chief Nurse on 18th March 2026 and Ms T Filby was appointed interim Chief nurse on 19th March 2026. Mr C Norman was appointed Director of Estates 1st April 2025.

Those directors salaries above which include elements for clinical roles are :

Mrs K Stone salary for clinical role £231k
Mrs K Stone also receives a Clinical Excellence Award which is presented within the Long-Term Performance Related Bonus column above.

Of the 23 directors (incl. 12 non-executive directors), 9 submitted expense claims totalling £4,400. (2045-25 Of the 20 directors (incl. 10 non-executive directors), 10 submitted expense claims totalling £10,900)

Name and Title	2024-25					
	Salary and Fees	Taxable benefits	Annual Performance Related Bonus	Long Term Performance Related Bonus	Pension Related Benefits	Total
	£000's Bands of £5,000	£s Nearest £100	£000's Bands of £5,000	£000's Bands of £5,000	£000's Bands of £2,500	£000's Bands of £5,000
Executive Directors						
Mr S Morritt Chief Executive	235-240	4,900	-	-	32.5-35	270-275
Mr A Bertram Finance Director & Deputy Chief Executive	170-175	3,900	-	-	17.5-20	190-195
Dr K Stone Medical Director	210-215	1,700	-	30-35	60-62.5	300-305
Mrs C Hansen Chief Operating Officer	160-165	1,500	-	-	95-97.5	260-265
Ms P McMeekin Director of Workforce & Organisational Development	145-150	-	-	-	25-27.5	175-180
Mrs D Parkes Chief Nurse	160-165	2,500	-	-	145-147.5	305-310
Mr J Hawkins Chief Digital Information Officer	160-165	-	-	-	22.5-25	185-190
Non-Voting Directors						
Mrs L Brown Director of Communications	125-130	-	-	-	37.5-40	165-170
Ms M Liley Chief Allied Health Professional	135-140	-	-	-	-	135-140
Non-executive Directors						
Mr M Barkley Chairman	55-60	-	-	-	-	55-60
Mrs J McAleese Non-Executive Director	15-20	-	-	-	-	15-20
Dr L Boyd Non-Executive Director	15-20	-	-	-	-	15-20
Ms L Mellor Non-Executive Director	10-15	-	-	-	-	10-15
Mr S Holmberg Non-Executive Director	15-20	-	-	-	-	15-20
Mr J Dillon	15-20	-	-	-	-	15-20

Non-Executive Director						
Mr M Morgan Non-Executive Director	5-10	-	-	-	-	5-10
Ms H Grantham Associate Non-Executive Director	10-15	-	-	-	-	10-15
Ms J Charge Non-Executive Director	10-15	-	-	-	-	10-15
Ms J Hazelgrave Non-Executive Director	0-5					0-5

Taxable benefits listed above relate to those executive directors who are in receipt of a Trust business lease cars. Directors pay is made up of basic pay plus enhancements. The Trust does not award bonuses or performance related payments.

Mrs D Parkes is a seconded Interim Chief Nurse from Mid Yorkshire Teaching NHS Trust from 1st April 2024 to 4th September 2024 and was appointed Chief Nurse 5th September 2024. Ms Melanie Liley stepped down from Chief Allied Health Professional 31st October 2024 and was in receipt of a mutually agreed resignation scheme (MARS) payment included in the salary and fees figures.

Those directors' salaries above which include elements for clinical roles are:

- Mrs K Stone salary for clinical role £268k
- Mrs K Stone also receives a Clinical Excellence Award which is presented within the Long-Term Performance Related Bonus column above.

Of the 20 directors (incl. 10 non-executive directors), 10 submitted expense claims totalling £10,900. (2023-24 Of the 21 directors (incl. 11 non-executive directors), 9 submitted expense claims totalling £9,800)

b) Pensions

	(a) Real increase in pension at pension age	(b) Real increase in pension lump sum at pension age	(c) Total accrued pension at pension age at 31 March 2026	(d) Total Lump Sum at pension age related to accrued pension at 31 March 2026	(e) Cash Equivalent Transfer Value at 1 April 2025	(f) Real Increase in Cash Equivalent Transfer Value	(g) Cash Equivalent Transfer Value at 31 March 2026	(h) Employer's contribution to stakeholder pension
Name	**Bands of £2500**	**Bands of £2500**	**Bands of £5000**	**Bands of £5000**	**£000**	**£000**	**£000**	**£000**
Mr S Morritt Chief Executive	0-2.5	0	90-95	245-250	2,327	1	0	0
Ms C Smith Chief Executive	2.5-5	0	60-65	0	840	40	997	
Mr A Bertram Finance Director & Deputy Chief Executive	7.5-10	12.5-15	80-85	205-210	1,706	164	1,922	0
Ms S Barrow Acting Finance Director	0-2.5	0-2.5	20-25	55-60	403	11	488	0
Dr K Stone Medical Director	2.5-5	0-2.5	95-100	245-250	2,227	95	2,386	0
Mrs C Hansen	2.5-5	2.5-5	55-60	135-140	1,079	75	1,192	0

Chief Operating Officer								
Ms P McMeekin Director of Workforce & Organisational Development	2.5-5	2.5-5	40-45	90-95	692	62	784	0
Mrs D Parkes Chief Nurse	0	0	45-50	130-135	1,217	0	0	0
Ms T Filby Interim Chief Nurse	0-2.5	0-2.5	50-55	140-145	29	0	61	
Mr J Hawkins Chief Digital Information Officer	2.5-5	0-2.5	45-50	100-105	941	53	1,031	0
Mr C Norman Director of Estates	5-7.5	0	35-40	0	530	86	643	0
Mrs L Brown Director of Communications	2.5-5	0-2.5	40-45	90-95	715	41	784	0

The following directors are affected by the Public Service Pensions Remedy and their membership between 1 April 2015 and 31 March 2022 was moved back into the 1995/2008 Scheme on 1 October 2023. Negative values are not disclosed in this table but are substituted for a zero.

- Mr A Bertram
- Mrs L Brown
- Ms C Hansen
- Mr J Hawkins
- Ms P McMeekin
- Mr S Morritt
- Ms C Smith
- Mrs D Parkes
- Dr K Stone
- Mr C Norman

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 2026. HM Treasury published updated guidance on 17 March 2026; this guidance will be used in the calculation of 2025/26 CETV figures.

All directors are included in the pension scheme for 2025/26.

As Non-Executive Directors do not receive pensionable remuneration, there are no entries in respect of pensions for Non-executive Directors.

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 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 reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, 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 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 a 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 (below) provides further information on the pension benefits accruing to the individual.

Fair Pay disclosures (Subject to Audit)

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

	2025/26	**2024/25**
Highest paid Director	**Bands of £5k £000's**	**Bands of £5k £000's**
Salary	225-230	210-215
Clinical Excellence Award	30-35	30-35
Total Remuneration	255-260	240-245

The banded remuneration for the highest-paid director in the organisation in the financial year 2025/26 was £227.50 (2024/25 was £212.50). This is a change between years of 7% (2024/25 8%). The percentage change in clinical excellence award was £0% (2024/25 0%)

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 2025/26 was from £11,564 to £294,676 (2024-25 was £16,816 to £288,864).

The percentage change in average employee remuneration excluding the highest paid director (based on total for all employees on an annualised basis divided by full time equivalent number of employees) between years is 4% (2024/25 the change was 7%), this is due to the pay award.

8 employees received remuneration in excess of the highest-paid director in 2025/26 (6 employees in 2024/25).

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 organisation's workforce.

2025/26	25th Percentile	Median	75th Percentile
Total Pay and benefits excluding pension benefits which is equal to Salary component of pay	£28,983	£38,544	£50,569
Pay and Benefits excluding pension: Pay ratio for highest paid director	7.8:1	5.9:1	4.5:1
2024/25	**25th Percentile**	**Median**	**75th Percentile**
Total Pay and benefits excluding pension benefits which is equal to Salary component of pay	£27,248	£36,577	£48,354
Pay and Benefits excluding pension: Pay ratio for highest paid director	8.9:1	6.7:1	5.1:1

The increase in the ratio's is due to annual pay award for Agenda for Change Staff. Directors pay is set by the Remuneration committee and are not subject to Agenda for Change terms and conditions.

Clare Smith
Chief Executive
June 2026

Workforce Metrics

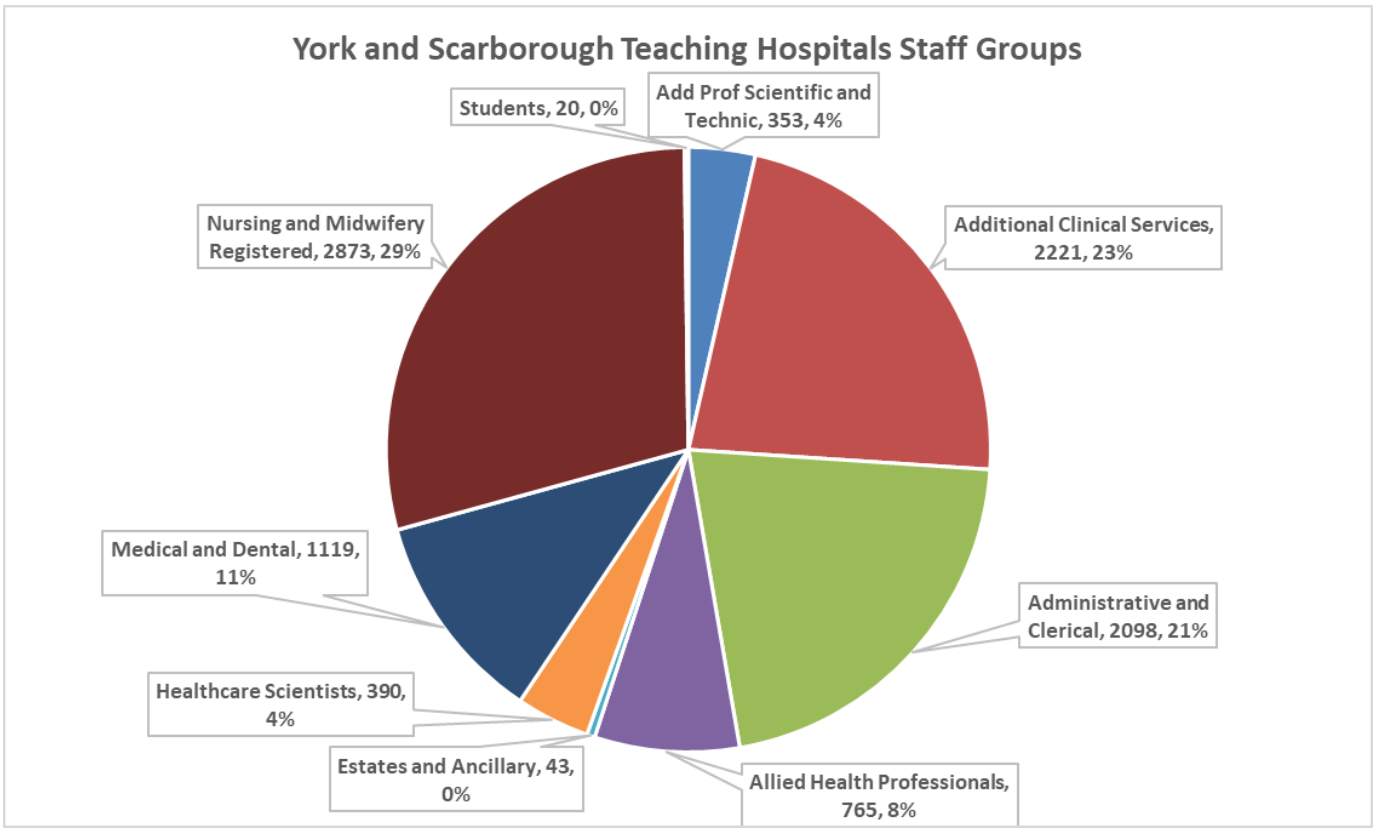
The tables below provide a summary of the staff employed by the organisation during 2025 – 2026, broken down by age, ethnicity, gender, and recorded disabilities.

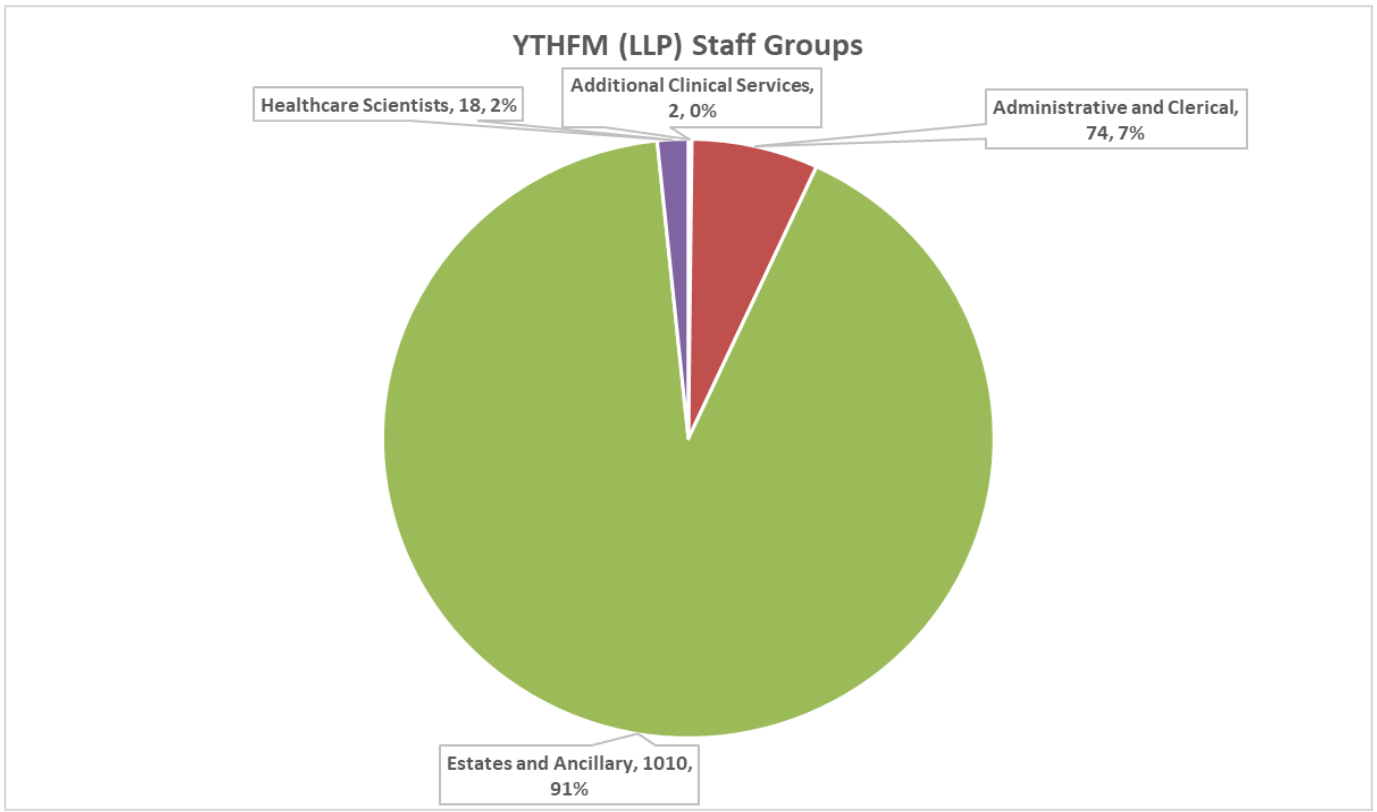
York and Scarborough Teaching Hospitals NHS Foundation Trust has 9,079 permanent employees and 803 staff holding fixed term contracts. Staff workforce data, including turnover, is published monthly through NHS England – Digital: [NHS workforce statistics - NHS England Digital]

York Teaching Facilities Management (YTHFM LLP) has 1,075 permanent employees and 29 staff holding fixed term contracts.

	Staff 25-26	%	York & Scarborough Teaching Hospitals		YTHFM (LLP)	
			Staff 25-26	%	Staff 25-26	%
Age						
<=20 Years	75	0.68%	60	0.61%	15	1.36%
21-25	708	6.44%	667	6.75%	41	3.71%
26-30	1306	11.89%	1233	12.48%	73	6.61%
31-35	1486	13.53%	1390	14.07%	96	8.70%
36-40	1474	13.42%	1371	13.87%	103	9.33%
41-45	1276	11.61%	1141	11.55%	135	12.23%
46-50	1191	10.84%	1081	10.94%	110	9.96%
51-55	1284	11.69%	1137	11.51%	147	13.32%
56-60	1128	10.27%	958	9.69%	170	15.40%
61-65	847	7.71%	683	6.91%	164	14.86%
66-70	172	1.57%	132	1.34%	40	3.62%
>=71 Years	39	0.35%	29	0.29%	10	0.91%
Gender						
Female	8380	76.28%	7806	78.99%	574	51.99%
Male	2606	23.72%	2076	21.01%	530	48.01%
Disability						
Yes	721	6.56%	644	6.52%	77	6.97%
No	9211	83.84%	8223	83.21%	988	89.49%
Prefer not to answer	45	0.41%	39	0.39%	6	0.54%
Not Declared	456	4.15%	425	4.30%	31	2.81%
Unspecified	553	5.03%	551	5.58%	2	0.18%
Ethnicity						
Any Other Ethnic Group	144	1.31%	129	1.31%	15	1.36%
Asian British	10	0.09%	10	0.10%	0	0.00%
Asian East African	1	0.01%	1	0.01%	0	0.00%
Asian Mixed	1	0.01%	1	0.01%	0	0.00%

Asian or Asian British - Any other Asian background	210	1.91%	193	1.95%	17	1.54%
Asian or Asian British - Bangladeshi	24	0.22%	23	0.23%	1	0.09%
Asian or Asian British - Indian	585	5.32%	570	5.77%	15	1.36%
Asian or Asian British - Pakistani	100	0.91%	99	1.00%	1	0.09%
Asian Sinhalese	2	0.02%	2	0.02%	0	0.00%
Asian Sri Lankan	5	0.05%	5	0.05%	0	0.00%
Asian Unspecified	9	0.08%	7	0.07%	2	0.18%
Black British	2	0.02%	2	0.02%	0	0.00%
Black Nigerian	42	0.38%	40	0.40%	2	0.18%
Black or Black British - African	551	5.02%	521	5.27%	30	2.72%
Black or Black British - Any other Black background	26	0.24%	24	0.24%	2	0.18%
Black or Black British - Caribbean	28	0.25%	27	0.27%	1	0.09%
Black Unspecified	2	0.02%	2	0.02%	0	0.00%
Chinese	50	0.46%	45	0.46%	5	0.45%
Filipino	68	0.62%	66	0.67%	2	0.18%
Malaysian	1	0.01%	1	0.01%	0	0.00%
Mixed - Any other mixed background	37	0.34%	34	0.34%	3	0.27%
Mixed - Asian & Chinese	2	0.02%	2	0.02%	0	0.00%
Mixed - Black & Asian	2	0.02%	2	0.02%	0	0.00%
Mixed - Black & Chinese	1	0.01%	0	0.00%	1	0.09%
Mixed - Black & White	3	0.03%	3	0.03%	0	0.00%
Mixed - Other/Unspecified	14	0.13%	12	0.12%	2	0.18%
Mixed - White & Asian	42	0.38%	37	0.37%	5	0.45%
Mixed - White & Black African	37	0.34%	35	0.35%	2	0.18%
Mixed - White & Black Caribbean	16	0.15%	15	0.15%	1	0.09%
Not Stated	385	3.50%	351	3.55%	34	3.08%
Other Specified	1	0.01%	1	0.01%	0	0.00%
Unspecified	15	0.14%	15	0.15%	0	0.00%
White - Any other White background	368	3.35%	288	2.91%	80	7.25%
White - British	7606	69.23%	6833	69.15%	773	70.02%
White - Irish	59	0.54%	55	0.56%	4	0.36%
White Cypriot (non-specific)	1	0.01%	1	0.01%	0	0.00%
White English	283	2.58%	246	2.49%	37	3.35%
White Greek	3	0.03%	3	0.03%	0	0.00%
White Italian	3	0.03%	3	0.03%	0	0.00%
White Northern Irish	7	0.06%	7	0.07%	0	0.00%
White Other European	57	0.52%	47	0.48%	10	0.91%
White Polish	54	0.49%	24	0.24%	30	2.72%
White Scottish	9	0.08%	8	0.08%	1	0.09%
White Turkish	2	0.02%	2	0.02%	0	0.00%
White Unspecified	114	1.04%	86	0.87%	28	2.54%
White Welsh	4	0.04%	4	0.04%	0	0.00%


York and Scarborough Teaching Hospitals Staff Groups
Students, 20, 0%
Add Prof Scientific and Technic, 353, 4%
Additional Clinical Services, 2221, 23%
Nursing and Midwifery Registered, 2873, 29%
Medical and Dental, 1119, 11%
Administrative and Clerical, 2098, 21%
Healthcare Scientists, 390, 4%
Estates and Ancillary, 43, 0%
Allied Health Professionals, 765, 8%


YTHFM (LLP) Staff Groups
Healthcare Scientists, 18, 2%
Additional Clinical Services, 2, 0%
Administrative and Clerical, 74, 7%
Estates and Ancillary, 1010, 91%

Gender Profile

The breakdown below includes information about female and male staff at the end of the year. The data is split by Directors, senior managers and the remainder of the workforce.

York & SGH TH	Female		Male		Total
Board Directors	11	0.11%	4	0.04%	15
Managers – Bands 8a, 8b, 8c, 8d, 9, personal salary (non-board members), M&D Consultants & SAS Doctors	545	5.51%	435	4.40%	980
All other staff – Bands 7 and under, and all other M&D	7251	73.37%	1637	16.56%	8888

YTHFM (LLP)	Female		Male		Total
Board Directors	0	0.00%	1	0.09%	1
Managers – Bands 8a, 8b, 8c, 8d, 9	3	0.27%	11	1.00%	14
All other staff – Bands 7 and under	571	51.72%	518	46.92%	1089

Since April 2017, all employers with more than 250 staff are required to publish information about their gender pay gap. We are required to publish the following:

- Gender pay gap (mean and median averages)
- Gender bonus gap (mean and median averages)
- Proportion of men and women receiving bonuses
- Proportion of men and women in each quartile of the organisation's pay structure

In the Trust the only bonuses that are awarded are to medical and dental staff through the Clinical Excellence Awards.

The Trust's gender pay information is reported on the government website - Gender pay gap reports for York Teaching Hospital NHS Foundation Trust - Gender pay gap service (gender-pay-gap.service.gov.uk)

Staff Costs, Staff Numbers and Exit Packages (Subject to Audit)

In line with the HM Treasury requirements, some previous accounts disclosures relating to staff costs are now required to be included in the staff report section of the annual report instead.

Staff costs

	Group			
			2025/26	2024/25
	Permanent	Other	Total	Total
	£000	£000	£000	£000
Salaries and wages	416,858	61,151	**478,009**	443,375
Social security costs	54,340	7,974	**62,314**	46,945
Apprenticeship levy	2,063	303	**2,366**	2,212
Employer's contributions to NHS pension scheme	79,422	11,655	**91,077**	83,897
Pension cost - other	94	13	**107**	123
Termination benefits	-	-	**-**	418
Temporary staff	-	6,544	**6,544**	14,759
Total gross staff costs	**552,777**	**87,640**	**640,417**	**591,729**
Recoveries in respect of seconded staff	-	-	**-**	-

Total staff costs	**552,777**	**87,640**	**640,417**	**591,729**
Of which				
Costs capitalised as part of assets	2,922	-	**2,922**	5,153

Average number of employees (WTE basis)

	Group			
			2025/26	**2024/25**
	Permanent	**Other**	**Total**	**Total**
	Number	**Number**	**Number**	**Number**
Medical and dental	519	694	**1,213**	1,180
Administration and estates	1,991	472	**2,463**	2,033
Healthcare assistants and other support staff	2,061	88	**2,149**	2,221
Nursing, midwifery and health visiting staff	2,658	399	**3,057**	2,941
Scientific, therapeutic and technical staff	1,295	65	**1,360**	1,248
Healthcare science staff	700	25	**725**	693
Total average numbers	**9,224**	**1,743**	**10,967**	**10,316**
Of which:				
Number of employees (WTE) engaged on capital projects	93	-	**93**	84

Reporting of compensation schemes - exit packages 2025/26

	Number of compulsory redundancies	**Number of other departures agreed**	**Total number of exit packages**
	Number	**Number**	**Number**
Exit package cost band (including any special payment element)			
<£10,000	1	-	**1**
£100,001 - £150,000	1	-	**1**
Total number of exit packages by type	**2**	**-**	**2**
Total cost (£)	£129,000	£0	**£129,000**

Reporting of compensation schemes - exit packages 2024/25

	Number of compulsory redundancies	**Number of other departures agreed**	**Total number of exit packages**
	Number	**Number**	**Number**
Exit package cost band (including any special payment element)			
<£10,000	-	3	**3**
£10,000 - £25,000	-	2	**2**
£25,001 - 50,000	-	6	**6**
£50,001 - £100,000	-	2	**2**
Total number of exit packages by type	**-**	**13**	**13**
Total resource cost (£)	£0	£418,000	**£418,000**

Exit packages: other (non-compulsory) departure payments

	2025/26	**2024/25**

	Payments agreed	Total value of agreements	Payments agreed	Total value of agreements
	Number	£000	Number	£000
Mutually agreed resignations (MARS) contractual costs	-	-	13	418
Total	**-**	**-**	**13**	**418**

The Trust's consultancy expenditure over the reporting period was £116,815 excluding VAT.

The Trust had no off-payroll engagements over the reporting period.

Sickness Absence Rates

The Department of Health and Social Care Group Accounting Manual requires the sickness absence data for NHS bodies to be reported in the annual report on a calendar year basis.

Table 5A Staff sickness absence	31 Mar 2026	31 Mar 2025
	2025	2024
This table is prepared using data for a calendar year	No.	No.
Total days lost in calendar year	109,259	100,440
Average WTEs for calendar year	9,344	9,113
Average working days lost (per WTE)	**12**	**11**

The most current data for the Trust for the calendar year 2025 can be found at NHS Sickness Absence Rates - NHS Digital

Being attractive to and welcoming new staff

Over the past 12 months the Trust has continued to build on its attraction methods by aligning all of our recruitment materials, so they clearly represent Trust branding and give a professional impression. All medical job descriptions have been updated to mirror Agenda for Change counterparts for content. This was carried out not only to align branding but also in support of the EDI agenda after it was highlighted that including a visual hierarchy to medical and dental job descriptions encourages applications from diverse backgrounds. In addition, the Trust has created an interactive recruitment pack which is shared on every job advert to showcase the benefits of working for the organisation and provide key information about our localities. Alongside the Recruitment Pack, we include details of flexible working, and the reasonable adjustments guide that was co-developed with the Enable staff network.

In the last year, the Trust successfully renewed our Armed Forces Gold standard covenant, to sit alongside our Disability Confident Employer status, and the organisation is exploring the introduction of Care Leavers on our recruitment system, Trac. Including this option supports individuals who have spent time in care during their childhood to secure an interview where they meet the essential criteria for a role, working in line with the Two Ticks and Armed Forces schemes already in place. The aim is to continue promoting our roles and welcoming those from the community with diverse backgrounds. In addition, the organisation has moved forward with the SWAP scheme (Sector-based Work Academy Programme) in conjunction with the Job Centre, successfully recruiting two cohorts of Healthcare Support Workers. The Job Centre are partnered with the Disability Employment Advisory team, and the Refugee scheme, and as a result of this programme, the Trust has supported the recruitment of refugees into the organisation. There are plans to run SWAP events on a quarterly basis and extend these to YTHFM roles too.

International nurse recruitment has been a prominent recruitment pathway in the Trust since 2019. This year marks the final planned cohorts of internationally recruited nurses, following the organisation's decision to cease the programme in acknowledgement of the significantly improved nurse vacancy position. The final cohort for internationally recruited nurses arrived from Kerala, India in March 2026. Over the past eight years, the Trust has successfully recruited and onboarded 610 international nurses through its international recruitment programme, contributing to workforce growth, retention, organisational culture and international reputation. Despite plans to remove the dedicated international recruitment function, the Trust will continue to support international applicants to secure roles and succeed within the organisation. As part of #StayAndThrive, the Trust ran 2 career conferences, 1 in York and 1 in Scarborough, to target a variety of staff groups and support individuals to develop their careers with the Trust. 19 staff attended the York event, and 7 attended in Scarborough. Feedback from these events was extremely positive, with a number of staff requesting more of these events in future.

Schools and Work Experience Programme

The Trust's schools and work experience programme supports local students with aspirations of a career in health by broadening horizons, raising awareness of the full range of roles available in the NHS and supporting students on the path to their career of choice.

Over the past year, the Trust has engaged with over 18,000 students, including through attendance at 93 careers events and facilitation of on-site work experience activities for more than 300 young people. The organisation has continued to support careers education in local schools, sixth forms and colleges. Funding from the York and North Yorkshire Combined Authority has again supported the delivery of teacher training and sixth form taster activities throughout the academic year.

An area of focus during the year has been to improve the offer to local SEND schools, Pupil Referral institutions and schools with high levels of disadvantaged students. To help with this, the Universal Skills Builder Framework has been used to create custom packages and lesson resources, while on-site activities have been tailored in partnership with educators to suit the needs and interests of these groups.

Moving into next year, the Trust will be reviewing its work experience offer in line with the Government's Work Experience Guarantee and the new Equalex/Modern Work Experience Framework. The former promises all secondary school students two-weeks' work experience, while the latter introduces statutory work experience from age 11.

Graduate Management Programme

In 2025/26, an application was submitted to host five trainees linked on the NHS Graduate Management Training Scheme (across the Operations, Finance, and Policy and Strategy programmes). One trainee was allocated to the Trust, in part due to changes within NHS England making the Policy and Strategy placement unviable, while in another case a trainee was unable to take up an allocated post. While this resulted in fewer placements than anticipated, the Trust remains committed to supporting the development of early-career leaders, and has submitted an application to host four trainees within Operations in 2026-27. In parallel, a local Graduate Development Scheme has been designed and is ready for implementation should this be required as an alternative.

eRostering

In 2025, the organisation made significant progress in delivering its eRostering improvement plan and advancing implementation of eRostering across the Trust. The continued development and expansion of eRostering has strengthened the organisation's ability to manage staffing requirements more effectively, while enhancing the quality and accuracy of workforce reporting.

A key milestone this year has been achieving 100% of clinical staff rostered on the system, with over 90% of the total workforce now utilising eRostering. The remaining areas to transition include Trust administrative staff and York Teaching Hospital Facilities Management which are planned to be implemented by Summer 2026. In addition, the Trust made further progress with NHS England's Levels of Attainment Standards for eRostering, maintaining the Level 4 rating for in-patient nursing units, whilst also achieving Level 2 for AHP services and Level 1 for healthcare scientists and pharmacy. Progression against the standards demonstrates the organisations development in workforce digitisation and compliance.

The Trust has also continued to expand the use of both team-based rostering and self-rostering models. These approaches deliver a range of benefits, supporting staff wellbeing alongside operational efficiency. By enabling greater control over working patterns, self-rostering promotes improved work–life balance, increased engagement, and higher levels of job satisfaction.

Auto-Roster functionality remains a key performance metric, with a sustained focus on increasing adoption across services. The system is capable of generating between 60–90% of a roster automatically, significantly reducing administrative burden and supporting more efficient workforce planning.

The eRostering Assurance Group and the associated Check and Challenge processes are now fully embedded within the Nursing Staffing Group, driving measurable efficiencies. Building on this success, AHP and Midwifery Staffing Groups have now adopted the Assurance Group framework, enabling targeted improvements in temporary staffing and rostering performance indicators. As a result, further progress has been achieved in roster approval timelines, management of net hours balances, and annual leave oversight.

Temporary Staffing

Temporary staffing continues to be a key focus for the organisation with a drive to reduce agency and bank reliance. The organisation has made significant progress towards this, achieving a 62% reduction in agency use and 16% reduction in bank use reported between March and December 2025.

Medical and Dental temporary staffing is a key area of focus, with the Trust introducing new processes this year to support reductions within this staffing group. This includes bringing the control and oversight of all medical and dental agency bookings back in-house from an external supplier, supporting the organisation to more closely manage and report on its medical agency use. In conjunction with this, the Trust is now engaging 100% of its agency workers through Direct Engagement contracts, helping the organisation to achieve best value for money. In August 2025, the Trust introduced new Medical and Dental bank rates, including unsocial rates, to support a reduction in bank rate escalations. The new rates were launched alongside a new rate escalation process, which requires all rate escalations requests (bank and agency) to be reviewed by Executive Directors. As a result of these changes, the Trust has seen over an 80% reduction in the number of medical bank rates being escalated each week.

The Trust has also made significant improvements to streamline the recruitment process for Agenda for Change bank roles. New workers can now be cleared within four weeks, compared to the previous twelve week timeframe. This improvement has been helped by the Temporary Staffing Team being one of the first areas to implement and go live with Manager Self Service in ESR, enabling swifter contract creation.

Training compliance within the bank-only workforce has also grown substantially, with statutory and mandatory training completion now just under 90%.

Culture & Engagement (Values & Behaviours)

The Trust two-year cultural change programme, 'Our Voice Our Future' (OVOF) has an ambition to support the development of a more compassionate and inclusive culture within the Organisation' continues. The OVOF Programme is underpinned by the NHSE Culture & Leadership national programme and uses an evidence- based framework and tools to support culture change which have been adapted to fit the specific needs of our organisation. The programme is led by 'Change Makers' who are a wide representation of colleagues employed within the Organisation, who are given time away from their substantive roles to support this work. Following each phase of the programme 'Change Makers' write a report and present their findings to the Trust Board in person.

Throughout the 'Design' phase of the programme our 'Change Makers' (ranging from 25 to 50 'Change Makers' at each of the phases) listened to and designed projects based on their conversations with fellow colleagues throughout the organisation. This approach continued into the current 'Delivery Phase' to guarantee colleague's voices continued to be at the heart of the programme when implementing the changes.

Change Maker Journey Timeline

During 2025/26, the programme reached the delivery phase. The final phase of the cycle.

There are 8 projects within 3 pillars.

- Values-led leadership and management
- Quality improvement and learning
- Communications and engagement

Each project has defined measures linked directly to the deliverables which will be monitored following delivery phase to assess impact

All projects continue to progress as scheduled and are expected to meet the agreed deadlines.

Staff Survey 2025

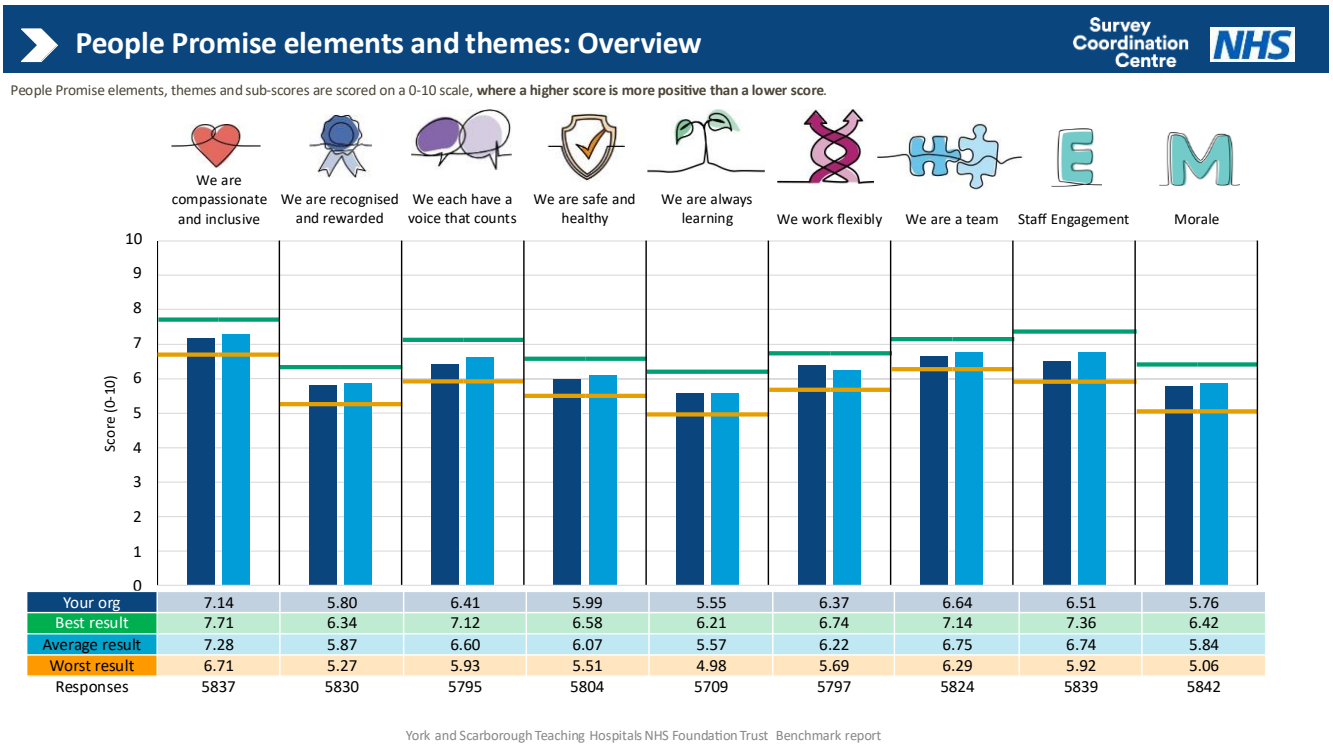
The 2025 national NHS Staff Survey was open between 3 October and 28 November. It measures how engaged staff are and provides insight into how colleague experiences and ultimately retention can be improved. Evidence shows that more engaged staff result in better patient experiences and outcomes.

The Trust results (including YTHFM) are benchmarked against our national peer group of all Acute/Acute & Community Trusts (121 including this Trust).

Our response rate improved significantly in 2025 following the introduction of a voucher incentive and was 8% above the peer group average:

	2025	2024	2023	2022	2021
Trust overall #	55%	36%	39%	43%	40%
National peer average	47%	49%	45%	45%	46%

The results have been categorised into nine themes, seven of these are based on elements of the People Promise plus the two recurring themes of 'Staff Engagement' and 'Morale':



[scores are out of 10]

There are 101 mandated questions in the survey, we did not ask any additional local questions in 2025.

Compared to 2024, as the scores are reported to two decimal points in the national benchmarking reports, the Trust has technically improved in all of the nine People Promise elements and themes. 'We are safe & healthy' has only improved fractionally but no areas have deteriorated.

Nationally the scores for all Acute/Acute & Community Trusts have remained similar for all of the nine elements/themes.

The Trust is below our peer group average for every element and theme in 2025 except 'We work flexibly' where we are above average.

The biggest gaps in performance compared to our peers are for the element 'We each have a voice that counts' (but that gap has narrowed from 0.41 in 2024 to 0.19 in 2025) and the theme 'Staff Engagement' (but that gap has narrowed from 0.53 in 2024 to 0.23 in 2025).

Within 'Staff Engagement' the sub-score of 'Advocacy' has the biggest gap (0.64 below our peers – this gap is smaller than in 2024 when it was 1.04).

The Advocacy sub-score has three questions:	Trust 2024	Trust 2025	National Average 2025
Care of patients is my organisation's top priority	58.87%	64.10%	71.63%
I would recommend my organisation as a place to work	44.81%	48.72%	57.77%
If a friend or relative needed treatment I would be happy with the standard of care provided	43.09%	46.74%	60.83%

Questions not linked to a People Promise Element / Theme

The Trust scores worse than the peer average for many of the questions relating to discrimination based on a protected characteristic, except for sexual orientation, marriage and civil partnership, race, and religion.

In relation to questions about errors/near misses/incidents, the Trust performs worse than the peer average for the number observed, feeling that staff involved will be treated fairly, and that the organisation takes action to ensure they are not repeated. On a positive note, there has been a 6% increase in the number of colleagues saying they are given feedback about changes made if they have reported something

For the fourth year running the Trust is better overall than the peer average at making reasonable adjustments where required, although it should be noted that our performance has deteriorated by 2% since 2024.

Workforce Race Equality Standard & Workforce Disability Equality Standard

The questions relating to the WRES standards continue to show that staff from all other ethnic groups have a worse experience than their white colleagues, and worse than the peer average. It is positive to note however that bullying and harassment from other colleagues and discrimination from managers has decreased.

The questions relating to the WDES standards continue to show that staff with a disability / long term health condition have a worse experience than their colleagues; when compared to the peer average the Trust is better for some questions but worse for others. It is positive to see that bullying and harassment from managers has decreased, as has pressure from managers to attend work whilst unwell.

Medical Education

Hull York Medical School (HYMS) has continued to strengthen its national standing and educational provision across both York and Scarborough sites. In the 2026 UK university league tables, published in August 2025, HYMS ranked 3rd among UK medical schools in the Guardian and 10th in the Times,

reflecting strong performance in teaching quality, learning opportunities, assessment and feedback, and mental-wellbeing support.

Growing student numbers have driven the development of innovative teaching approaches. The clinical skills teams have expanded supplementary sessions to support communication, teamwork, and digital literacy. Clinical Educators in York and Scarborough have introduced a clinical Escape Room for students, designed to test problem-solving and teamworking in a simulated clinical setting. Simulation delivery has also been enhanced through the increased use of digital and interactive tools.

The York HYMS clinical skills team has formed a research partnership with the University of Ottawa, focusing on stress responses in fifth-year medical students managing acutely unwell patients in simulation. The project, now complete, was presented internationally in August 2025 and has broadened HYMS' research capability while enriching student simulation experiences.

Postgraduate education continues to expand, with 21 new tariff-funded training posts established during the last academic year.

Across both sites, there has been significant progress in course delivery, simulation provision, equipment management, and the adoption of new educational technologies. Monthly in-situ simulations are now embedded in Emergency Departments, with plans to extend into Paediatrics and General Medicine in Scarborough. In-situ simulation strengthens communication, communication enhances teamwork across multidisciplinary groups, improves the management of complex situations, and builds confidence and awareness in interpersonal interactions.

Apprenticeships

Apprenticeships remain a key part of the NHS's ambitions to develop its people for delivery of the 10 Year Health Plan. Locally, the Trust, along with YTHFM, continues to promote and support apprenticeship opportunities in accordance with its People Strategy, organisational workforce planning and national directives.

During 2025, the Government, via Skills England, introduced a raft of Apprenticeship Reforms, including:

- replacing the Apprenticeship Levy with a new Growth and Skills Levy to provide greater flexibility
- introduction of shorter Foundation Apprenticeships
- stepping-down an automatic requirement for all apprentices to study Maths and English
- limiting funding for Level 7 apprenticeships to young people aged 16-21, and under 25 for care leavers and those with an Education, Health and Care Plan (EHCP)

The latter of these has been a significant change for the Trust: between 2018 and 2025, it has supported 72 colleagues to undertake apprenticeships at this level, including the Level 7 Senior Leader, Advanced Clinical Practitioner and Accountancy/Taxation Professional programmes.

During this financial year, the utilisation of the Growth and Skills Levy accounts show:

Trust's annual Growth and Skills Levy	£2,420,014
Trust's utilisation of Levy	£1,650,779
Apprentices on programmes	180

YTHFM's annual Growth and Skills Levy	£159,945
YTHFM's utilisation of Levy	£135,900
Apprentices on programmes	28

Of the apprenticeship starts during the year, 82% were existing employees and 18% were new recruits to the organisation. A total of 33 apprenticeship programmes has been delivered throughout the year, with the greatest concentration across Nursing, Audiology, Health Care Sciences and Leadership and Management apprenticeships.

Funding for Continuous Professional Development

In 2025/26, the Trust received Continuous Professional Development (CPD) funding from NHS England to support the professional development of Registered Nurses, Midwives, Allied Health Professionals, and Nursing Associates. A clear governance process was used to identify priorities, ensure equitable access, and oversee effective allocation and monitoring of this investment.

A proportion of funding was used to strengthen leadership capability, with programmes specifically targeted at Band 6 and Band 7 nurses. It also enabled an additional cohort of Clinical Educators to achieve formal teaching qualifications, further enhancing the Trust's educational capacity. The funding further supported the ongoing delivery of the Preceptorship Programme for newly registered nurses and Allied Health Professionals, ensuring a structured and supportive transition into practice.

Another notable use of the funding was for delivery of Insights training through provision of accredited facilitators and learning materials. In addition, it underpinned a broad portfolio of in-house development programmes, including Health Coaching, Physical Intervention Training, Domestic Abuse awareness, Mental Capacity Act training, Dietetic training, and introduction of Legacy Mentors to support workforce development and succession planning.

Approximately one third of the total funding allocation was directed towards individual development opportunities, identified through Care Group Learning Needs Analyses, ensuring that investment was aligned to both service priorities and personal professional growth.

Personal, team and leadership development

The NHS Management & Leadership Framework (M&LF) launches in Spring 2026, setting national standards for leadership capability, behaviour and development across healthcare. It aims to strengthen leadership practice, increase consistency, and provide assurance to patients, carers and staff about the competence of those managing NHS services.

The framework aligns closely with our Trust's existing leadership and management approaches, including our internal Leadership Framework, values-led development, and Our Voice, Our Future (Change Makers). It provides a nationally recognised benchmark to ensure leadership practice is consistent, evidence-based and aligned with national expectations.

The framework applies to all leaders and managers, from fundamental capability through first-line and mid-level leadership to senior, executive and system leadership, and is supported by a Code of Practice outlining expected behaviours and accountabilities.

Developing our workforce remains a Trust priority. Investing in people maximises talent, supports career progression and enhances service quality and patient experience. The Trust offers access to a broad range of internal and external development opportunities aligned to the national framework, including leadership, management, communication, coaching and mentoring programmes. These

support our values of kindness, openness and excellence and enable staff to access learning suited to their role and experience, with a focus on applying skills in practice.

Development is open to all staff, clinical and non-clinical, and our programmes promote equality, diversity and inclusion by ensuring equitable access.

All internal development opportunities are regularly reviewed to remain evidence-based and responsive to the Trust's strategic and operational needs. The YTHFM: One Team, Middle Manager programme below is an example of a focused approach to development.

YTHFM: One Team, Middle Manager programme

This programme is designed for the middle managers with in YTHFM, it aims to equip these colleagues to be able to provide a consistent management and leadership with ion YTHFM and support the concept of being 'One Team.'

The programme is aligned to the key organisational priorities, underpinned by the principles of 'Our Leadership Framework,' the Trust 'Values, quality improvement, proven models of leadership, the requirements of Civility, Respect & Resolution, and Line Manger Development Programme.

The programme consists of five development sessions, which cover:

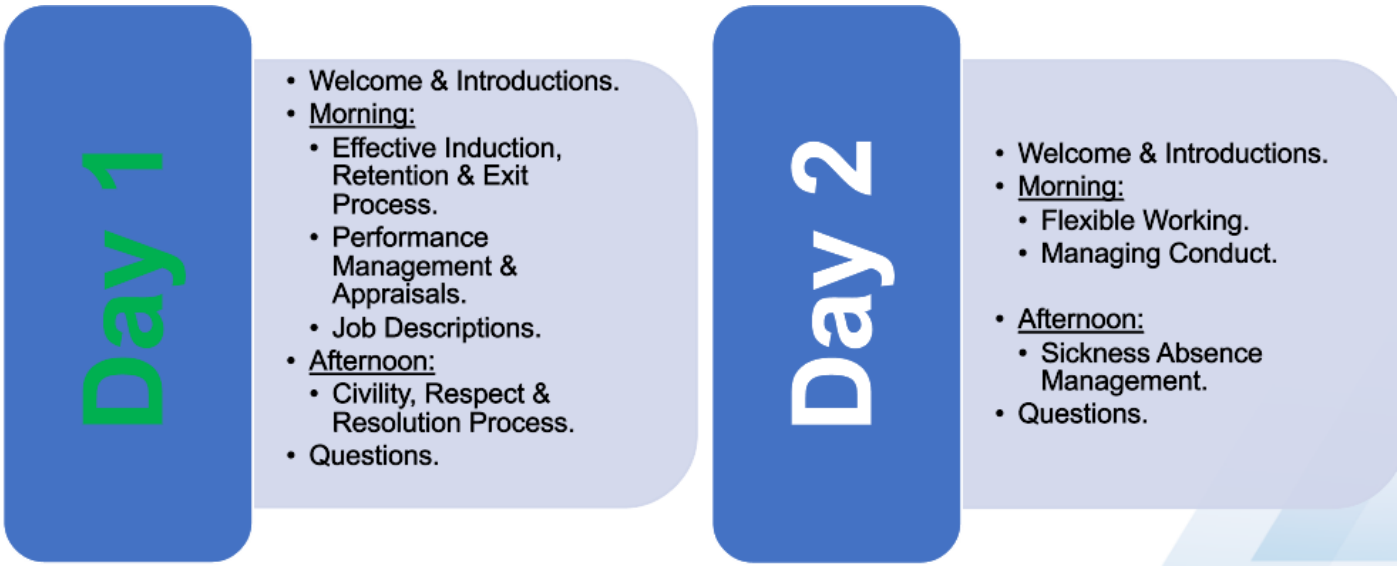
- Setting Direction.
- Know Our Business.
- Strategic overview.
- Line Manager Development
- Civility Respect & Resolution
- Insights
- Communication, and Coaching skills
- 'Leading Our Journey to Excellence,' as care group teams.

Line Manager Development programme

The Trust continues to strengthen development for all line managers through its interactive Line Manager Toolkit and the Line Manager Development Programme, launched in August 2024. Running quarterly, the programme promotes compassionate, inclusive and collaborative leadership in line with our Trust values of kindness, openness and excellence. Around 1,200 line managers have completed the programme since launch.

Together with the Management Fundamentals Programme, it supports managers to deliver a consistent and values-led approach across the organisation.

The Management Fundamentals Programme has been running since August 2025 and consists of two days of training, which can be attended in either order. The programme covers the following areas:



Over 170 managers attended Day 1 and over 150 attended Day 2. Further sessions have been scheduled for each day of the course on a monthly basis, for the remainder of this year.

Coaching and Mentoring

The Trust continues to support access to coaching and mentoring by enabling staff to access both internal and external coaching opportunities by working closely with our Integrated Care Board, actively being part of their 'My Coaching Platform for all staff, targeting personal and team development, building resilience, and contributing to supporting staff wellbeing. Coaching skills are

included in all the leadership programmes to support the development of a coaching culture within the Trust.

Reverse/Reciprocal Mentoring

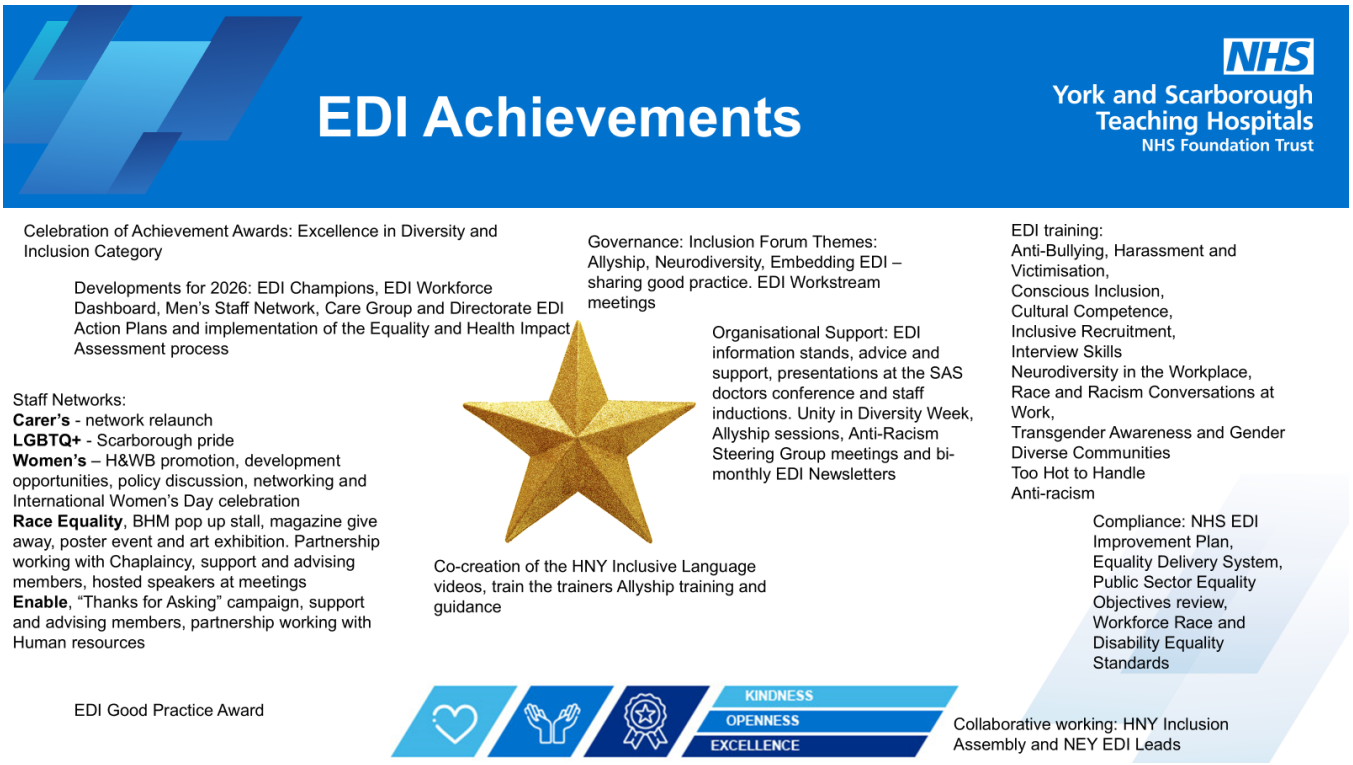
Organisation Development have been working with colleagues in the staff networks to offer further opportunities to engage with reverse /reciprocal mentoring to middle and senior managers, this provides an opportunity for colleagues in the staff networks to share their lived experience.

Equality, Diversity and Inclusion (EDI)

Y&S Teaching Hospitals is a large organisation that has a diverse employee base and provides care for diverse communities across a large geographical area. Therefore, we have a significant responsibility to ensure that we embed inclusion into everything we do to ensure the people we work with and care for have equity in access, experience and outcomes.

Our aim is to create an inclusive culture where everyone feels valued and respected for who they are and what they bring to the organisation. Our EDI activity is aligned with our EDI Objectives, the NHS EDI Improvement Plan, the Trust's Strategy, our Trust's Behavioural Framework, the Equality, Delivery System (EDS) (2022) and the Workforce Race and Disability Equality Standards. We aim to create an inclusive culture which focuses on raising the skills and knowledge of our colleagues, so they feel empowered to work inclusively with colleagues and provide accessible and sensitive care.

Achievements so far include:



Looking after our workforce and protecting their Health and Wellbeing

Health and wellbeing outcomes are grouped under headings which align to the best practice NHS Employers Health and Wellbeing Framework and Diagnostic Tool. The information below details actions and initiatives under these headings, which commenced and were delivered during 2025, as well as those ongoing into 2026.

Personal Health and Wellbeing:

- The Staff Health and Wellbeing team visit the three main Trust sites as part of their regular outreach work, running monthly roadshows, in line with national awareness days. These include Know Your Numbers Week, Time to Talk Day, Nutrition and Hydration Week, Be Active Week, Mental Health Awareness Week, Men's Health Week and Women's Health Week.
- Online menopause workshops were promoted and delivered in collaboration with HNY Health Care Partnership and will continue in 2026. There are currently two Menopause Champions in the Trust, and a new cohort of champions will be trained in 26/27, to increase knowledge and awareness Trust wide, and link in with the new Menopause Action Plan, which will be implemented from Spring 2026.
- On-site Bridlington Hospital staff gym was used on average 47 times per month and has over 100 members.
- Period dignity products are now available across all sites, at over 70 locations, supported by a team of Period Dignity Champions. This was funded by the Trust Charity and Care Groups from 2024.

Relationships:

- Throughout 2025 the Wellbeing Lead and Freedom to Speak-Up Guardian continued their wellbeing ward visits. They specifically target areas that include staff who cannot attend the roadshows easily, for example, those working in maternity or Scarborough Hull York Pathology Service (SHYPS). These will continue throughout 2026, with a focus on areas with specific issues around absence.
- The Wellbeing Team supported Health information week, in collaboration with the Library Team (mental health and winter wellbeing) – York site.
- The first online Mental Health First Aider (MHFA) Schwartz Round was completed, with MHFA Trust colleagues as guest speakers; supported by the Staff Psychology Team.
- The team were involved in several events throughout the year – the New Starters and Dr Induction Fairs, Estates and Facilities Day, the annual Smoking Cessation event, and the Nurse Preceptorship and Maternity Preceptorship events.

Environment:

- The provision of Wellbeing Rooms at York, Bridlington, and Scarborough sites has been completed Bridlington opened in June 2025, to fantastic feedback from staff and those at Scarborough and York Hospitals opened early 2026.
- Anti-violence training is open to all colleagues. From the data received on the last staff survey the EDI team are carrying out actions around incidents, rates of violence, racism etc.

Management and Leadership:

- A new staff sickness absence policy has been developed and agreed with Trade Union colleagues.
- Previous sections regarding Line Manager Development Programme, Line Manager Fundamentals, and Line Manager Toolkit refer.

Professional Wellbeing Support:

- There are currently 123 Mental Health First Aiders (MHFA) across the Trust, and 27 of these have been retrained to comply with the 3 yearly reaccreditations.
- The 123 Mental Health First Aiders (MHFA) across the Trust are supported with resources and signposting information, a quarterly webinar, as well as support by a Psychologist from the Staff Psychology Service.

Staff Psychology Service (SPS):

The staff psychology service continues to follow the strategy agreed and developed in 2022 to ensure maximum reach across the Trust.

Responding

Offering direct support to staff through four work streams:

1.) Direct Individual Clinical Work:
- 68 referrals were received
- A total of 666 appointments were offered, 301 face-to-face, 352 video & 13 telephones.
- 51 initial assessments were attended, 494 follow ups, 96 cancelled, and 25 did not attend.

2.) Individual signposting session:
- 32 signposting sessions were attended by staff from across all 3 Trust sites. 8 face-to-face and 24 telephone/video sessions.

3.) Post Event Pathway (PEP):
- The roll out of this pathway designed to support staff after involvement in or witnessing a traumatic incident at work continues.
- The roll out of this pathway designed to support staff after involvement in or witnessing a traumatic incident at work continues.
- A steering group was established in the summer of 2025 with stakeholders from across the initial four pilot areas for the PEP (ED, maternity, ICU and theatres) to ensure co-production of the pathway and its component parts.
- Links have been established with the patient safety team to ensure the two processes complement each other and are more streamlined. 2026/27 further work is required to ensure the debriefs consider both staff wellbeing/trauma responses as well as the mandatory patient safety learning.
- Video materials are being co-produced by staff on the ground who are implementing the post event check-ins so there will be concrete examples to inform training. Completed 2026/27.
- The QI process will be informed by the evaluations completed by an assistant psychologist. Support is required to free up people to attend training, emphasising the importance for staff well-being and team functioning. Started 2026 – completed 2027.
- A post trauma screen has been developed to facilitate staff and line managers to reflect on their response to trauma and seek help if required. This will be piloted and evaluated 2026/27.

4.) Support for teams
- 17 team requests were responded to using a 30-minute formulation model; delivered interventions varied (including psychoeducation, team support, reflective space or tailored workshops). We continue to assess and formulate each team request and tailor accordingly. This includes our support for line managers. The desire for 2026/27 is to increase the offer to line managers, particularly related to a response to trauma.
- Maternity support has been developed at all levels, from newly qualified to senior RPG. This will continue 26/27.
- There were 3 supervision sessions held for Bereavement midwives to continue 2026/27.
- Reflective practice sessions have been offered to PMAs (Professional Midwifery Advocates) to establish a sustainable stepped care approach within midwifery – discussions ongoing.

- Reflective practice sessions have been established with the Freedom to Speak up Guardian and Wellbeing Lead to support them in their frontline roles across the Trust. To continue 2026/27.
- For 26/27 Reflective practice groups session have also just started and the chaplaincy team will be evaluated.

Prevention and Active outreach

- The Healthy Headspace webinars offer continues for all staff as a skill-based and preventative intervention. Since April 2024, 585 people have attended the online workshops facilitated by the Staff Psychology team.
- For colleagues not able to access our online workshops due to a variety of factors, we are also in the process of developing and piloting Interactive Healthy Headspace Workbooks to help mitigate the known barriers to attendance. A formal evaluation of this Healthy Headspace offer will be completed by an assistant psychologist.
- Workshops delivered – in total 395 staff attended workshops, psychological skills training, and team interventions. These were:

    - Delivered 1 restorative supervision session to MSK (45 attended)
    - Delivered 1 burnout webinar for all staff (9 attended) & 1 x session for the Yorsexual Health team (56 attended)
    - Delivered 7 psychological information & support sessions to the Waiting List team, Theatres, AHP's, ED nurses, the PCT, On call Physio team, Hyms students & CSCS nurses (132 attended in total)
    - Delivered 4 wellbeing sessions to new staff in ICU, Medical Educators & New Consultants (29 attended in total)
    - Delivered 1 psychological trauma online session to the Fairness Champions and Mental Health First aiders (30 attended)
    - Delivered 1 PEP introduction session to the HR Business partners (16 attended)
    - Delivered 2 online wellbeing session for Line managers (20 attended)
    - Delivered 3 moral injury sessions delivered to Medics (58 in total)

- For 2026/27 we are going to develop a psychological skills training similar to Healthy Headspace based on a compassion-focused therapy approach.
- The documentation and materials for support following loss of a colleague has been completed and launched. The networking and joint co-ordinated response will continue 2026/27.
- In 2025 a demographic data system was initiated to evaluate the accessibility of the Staff Psychology Service (SPS). The SPS demographic data is now compared at quarterly intervals to Trust-wide staff demographic data to assess gaps in access. For 2026/27 joint working with the staff networks (in particular, Enable and REN) and EDI lead as well as patients with protected characteristics accessing the service, will gradually improve access. The SPS service is starting to collect demographic data not only for 1:1 therapy but also from people accessing the service for workshops and groups. This will ensure the widest reach to those living with protected characteristics who are statistically more likely to experience mental health difficulties.
- Developed an evaluation process in line with the broad scope of work the SPS delivers (i.e. team-based interventions, psychoeducation and training sessions, individual therapy etc.), with the aim of embedding service-user experience into the way we operate as a service and develop our strategy at each quarterly review. Incorporating service user experience has been

suggested to promote meaningful intervention, improvement, and empowers the voices of those who use the service (Mockford et al., 2012).

- A referral criterion was developed to ensure we maximise our reach for staff who meet criteria for support from our service. This criterion was written and shared with Occupational Health, using a RAG model.
- To continue to attend York & Scarborough welcoming events for new staff, and Staff Benefits fairs, to promote support available from SPS.
- Work has been underway to improve access to the service by medics, who are often senior leaders within the trust with responsibility for other staff and patients, but who traditionally are less likely to ask for mental health support. Workshops aimed at various levels of medics from students to consultants leading the development of registrars are now a regular part of the SPS offer. To continue 2026/27.

Trade Union Facility Time Disclosures

The Trust fulfils its obligations under the Trade Union (Facility Time Publication Requirements) Regulations. The information reported for financial year 2024-25 is as follows:

- Number of Trade Union representatives: 14
- The percentage of time spent on facility time:
  - 1 to 50% of working hours: 13 representatives
  - 51 to 99% of working hours: 1 representative
- The amount spent on facility time: £82,914.33
- Percentage of pay spent on facility time: 0.02%

Percentage of paid facility time spent on paid trade union activities: 40.3%

Code of Governance for NHS Provider Trusts Disclosures

York and Scarborough Teaching Hospitals NHS Foundation Trust has applied the principles of the NHS Provider Code of Governance on a 'comply or explain' basis. The NHS Provider Code of Governance, most recently revised in April 2023, is modelled on the 2018 version of the UK Corporate Governance Code. The Trust reviewed its governance arrangements in light of the code and makes the following statements.

Directors

The Trust is headed by a Board; it exercises its functions effectively, efficiently and economically. The Board is a unitary Board and at the end of March 2026 consisted of a Non-executive Chair, six Non-executive Directors (with one vacancy) and seven Executive Directors. Full details of members of the Board and changes to the membership of the Board during 2025/26 can be found on page 64. The Board meets a minimum of 10 times a year so that it can regularly discharge its duties.

The Board provides active leadership within a framework of prudent and effective controls and to ensure it is compliant with the terms of its licence. Further reference is made to this in the Annual Governance Statement on page 149.

The Non-executive Directors hold Executive Directors accountable through scrutiny of performance outcomes, management of business process systems and quality controls, and satisfy themselves as to the integrity of financial, clinical and other information. Financial and clinical quality control systems of risk management are robust and defensible.

The Non-executive Directors, through the Board Remuneration Committee, fulfil their responsibility for determining appropriate levels of remuneration of Executive Directors. The Committee is provided with benchmark data to support decisions being made about the level of remuneration for the Executive Directors. More details about the Board Remuneration Committee can be found in the Board remuneration section on page 90.

The Board reviews the strategic aims and takes responsibility for the quality and safety of healthcare services, education, training and research. Day-to-day responsibility is devolved to the Executive Directors and their teams. The BoD is committed to applying the principles and standards of clinical governance set out by NHSE, the Department of Health and the CQC. As part of the planning exercise, the BoD reviews its membership and undertakes succession planning.

The BoD has reviewed its values and standards to ensure they meet the obligations the Trust has to its patients, members, staff and other stakeholders as part of the work around the Five-Year Strategy.

The appointment process for the Chair and Non-executive Directors is detailed on page 121 and forms part of the information included in the Standing Orders written for the CoG. Each year the Chair and Non-executive Directors receive an appraisal which is reviewed by the CoG. The Chair undertakes an appraisal of the Chief Executive, and the Chief Executive undertakes the appraisal of the Executive Directors. Details of the approach to appraisals can be found on page 126 of this report.

Members of the BoD regularly attend the CoG and discuss issues with the Governors. The Non-executive Directors attend the private section of the CoG and are involved in committees and groups where the Governors are members or attend the meetings.

The Chair

A clear statement outlining the division of responsibility between the Chair and the Chief Executive has previously been approved by the BoD.

Board of Directors (BoD)

The Annual Governance Statement provides information in how the BoD ensures its effectiveness, efficiency and economy, the quality of healthcare over the long-term and contribution to the objectives of the ICP and ICB, and place-based partnerships. This includes addressing opportunities to work with providers and manging opportunities and risks to future sustainability.

The assessing and monitoring of culture, the seeking of assurances of corrective action where not satisfied and the BoD activities are described in the Chief Executive's Statement on page 4 and the Our Voice Our Future section and the Looking after our Current Workforce and protecting their Health and Wellbeing sections of the Staff Report on page 99.

Governors

Being an NHS Foundation Trust, the Trust has a Council of Governors (CoG) that is responsible for representing the interests of the members of the Trust, partners, voluntary organisations within the local health economy and the general community served by the Trust. Governors and their constituencies are identified on page 131.

The CoG holds the BoD to account for the performance of the Trust, including ensuring the BoD acts within the terms of the Licence. Governors' feedback information about the Trust to Members and the local community through a monthly newsletter, information placed on the Trust's website and public Council of Governor meetings.

The CoG consists of elected and appointed Governors. More than half of the Governors are Public Governors elected by members of the Trust. Elections take place once a year. The next elections will be held during summer 2026.

The CoG has in place a process for the appointment of the Chair which includes understanding the other commitments a prospective candidate has. The CoG appointed a new Chair during 2023/24 who took up office from 1 November 2023.

Information, development and evaluation

The information received by the BoD and CoG is timely, appropriate and in a form that is suitable for members of the Board and Council to discharge their duty.

Development is provided throughout the year for Governors and Non-executive Directors in several formats.

The CoG has agreed the process for the evaluation of the Chair and Non-executive Directors and the process for appointment or re-appointment of the Non-executive Directors.

The Chair, having sought the views of the Non-executive Directors and Executive Director Board members, reviews the performance of the Chief Executive as part of the annual appraisal process.

The Chief Executive evaluates the performance of the Executive Directors on an annual basis and the outcome is reported to the Chair. The Chair and Non-executive Directors provide the Chief Executive with their view of the Executive Directors' performance in the Board meeting.

Performance evaluation of the Board and its committees

NHS Providers conducted a well-led review during September-November 2026 which involved the performance on the Board and its committees based on the 8 Quality Statements of the CQC.

The Board's Committees produce an annual report and effectiveness review each year which is presented to the Board. The report sets out the work of the committees and their performance against their respective Terms of Reference.

Appointment of Members of the BoD

The CoG is responsible for the appointment and/or removal of the Chair and Non-executive Directors. The Governors have a standing Nominations/Remuneration Committee which takes responsibility for leading the process of appointment/removal on behalf of the CoG. The Non-executive Directors are responsible for the appointment of the Executive Directors, including the Chief Executive. The CoG is required to approve the appointment of the Chief Executive.

The Process for the Appointment of the Chair

During 2023 the CoG and the Governors' Nomination/Remuneration Committee considered and agreed the process for the appointment of the Chair. It was agreed that an outside recruitment agency should manage the process, led by the Lead Governor, and supported by the Associate Director of Corporate Governance. The CoG agreed that the Nomination/Remuneration Committee would agree the job description and criteria for the post, along with approving the advertisement and the appointment process.

A long list of applicants is reviewed for compliance with the requirements of the constitution and a short list of candidates is agreed by the Nomination/Remuneration Committee. The candidates are required to complete a Fit and Proper Person Declaration; an online search is undertaken and the Trust compiles evidence of the Fit and Proper Person test of the successful candidate.

The shortlisted candidates are asked to attend a one-to-one interview that tests pre-agreed requirements. This is followed by a number of group interviews which involve membership from Governors, Directors and members of staff and an unseen presentation. The candidates will then be asked to attend a final interview. The panel for the final interview comprises the Lead Governor and four other Governors, along with an invited external advisor. After the final interview the panel discusses the candidates and agrees what recommendation to put forward to the CoG for approval. Following approval by the CoG, the successful candidate is advised of their appointment.

Throughout the process both the Nomination/Remuneration Committee and the CoG are updated on progress.

The Process for the Appointment of the Non-executive Directors

Once it has been established that there is a need to appoint a Non-executive Director, the Nomination/ Remuneration Committee meets to agree the details. The post is advertised and a long list process is completed. The Nomination/Remuneration Committee reviews the applications to develop a shortlist. Governors from the Nomination/Remuneration Committee form the appointment panel and the panel undertakes the interviews. The panel develops a recommendation for approval by the CoG, following which the successful candidate is advised.

Non-executive Directors can serve a total of nine years but can choose to leave or have their service terminated by a recommendation of the Nomination/Remuneration Committee and a majority vote of the CoG.

Outside recruitment agencies are engaged with to manage any future recruitment of Non-executive Directors.

Appointment of Executive Directors

In the event of needing to recruit to an Executive Director post in future, the Trust would place an advert in appropriate media and work with an outside recruitment agency (if required) whom have been appointed to manage the process for the next two years to invite applications. Each shortlisted candidate would then undertake a series of profiling exercises followed by a formal interview process including a presentation to the interview panel, which would include members of the BoD.

Compliance with the Code of Governance

YSTHFT has applied the principles of the Code of Governance on a 'comply or explain' basis. The Code of Governance, most recently revised in April 2023, is modelled on the 2018 version of the UK Corporate Governance Code.

Summarised details on the disclosures required by the Code of Governance are set out in the following table:

Summary of requirement	Where the information is available
The Board of Directors assessment of effectiveness, efficiency and economy as well as quality of its healthcare delivery over the long term, and contribution to the objectives of the ICP and ICB, and place-based partnership.	Annual report – Performance Report and the Annual Governance Statement
Board of Directors assessment and monitoring of culture.	Annual Report – Performance and Accountability Reports, and the Annual Governance Statement
Board of Directors assessment of how it works with stakeholders, including system and place-based partners.	Annual Report – Performance Report and the Annual Governance Statement
The Board of Directors should identify in the annual report each Non-executive Director it considers to be independent. Circumstances that are likely to impair, or could appear to impair, a Non-executive Director's independence include, but are not limited to, whether a director: • has been an employee of the trust within the last two years • has, or has had within the last two years, a material business relationship with the trust either directly or as a partner, material shareholder, director or senior employee of a body that has such a relationship with the trust • has received or receives remuneration from the trust apart from a director's fee, participates in the trust's performance-related pay scheme or is a member of the trust's pension scheme • has close family ties with any of the trust's advisers, directors or senior employees	A Non-executive Director had a material business relationship with the Trust in being employed by the ICB in the last two years. The Non-executive Director retired from the ICB at the time of Trust appointment and has no formal employed relationship in the NHS with the Trust. A Non-executive Director has served on the Trust Board for more than six-years from the date of their first appointment. The Non-executive Director has had robust and positive appraisals conducted by different Trust Chairs with different Lead Governors over this time with no independence issues raised.

• holds cross-directorships or has significant links with other directors through involvement with other companies or bodies • has served on the trust board for more than six years from the date of their first appointment • is an appointed representative of the trust's university medical or dental school. Where any of these or other relevant circumstances apply, and the Board of Directors nonetheless considers that the non-executive director is independent, it needs to be clearly explained why.	
The number of times the Board and its Committees met and individual Director attendance.	Annual Report – Accountability Report
Statement detailing the roles and responsibilities of the Council of Governors.	Annual Report – Accountability Report
External consultancy engagement and identification in the annual report of any other connection it has with the Trust or individual Directors.	Annual Report – Accountability Report
Council of Governors approach by the Council of Governors to appoint the Chair and Non-executive Directors.	Annual Report – Accountability Report
Board of Directors description of each Directors' skills, expertise and experience.	Annual Report – Accountability Report
All trusts are strongly encouraged to carry out externally facilitated developmental reviews of their leadership and governance using the Well-Led framework every three-five years, according to their circumstances. The external reviewer should be identified in the annual report and a statement made about any connection it has with the Trust or individual Directors.	Annual Report – Accountability Report
Description of the work of the Nomination(s) Committee.	Annual Report - Accountability Report
Governors work to canvass opinion of the Trust's members and the public.	Annual Report - Accountability Report
Significant issues relating to financial statements that the Audit Committee considered, assessment of independence and effectiveness of the external audit process and tender information.	Annual Report - Accountability Report
Directors' responsibility for preparing the annual report and accounts.	Annual Report - Accountability Report
Trust's emerging and principal risks.	Annual Report – Performance Report and Annual Governance Statement

Trust's risk management and internal control systems.	Annual Report – Annual Governance Statement
The Board of Directors should state whether it considered it appropriate to adopt the going concern basis of accounting when preparing them.	Annual Report – Performance Report and Notes to the Accounts
Where a Trust releases an Executive Director e.g. to serve as a Non-executive Director elsewhere, the remuneration disclosures in the annual report should include a statement as to whether or not the Director will retain such earnings.	N/a
Members of the Council of Governors and information on their membership.	Annual Report - Accountability Report
Board of Directors should ensure that the NHS Foundation Trust provides effective mechanisms for communication between governors and members from its constituencies.	Annual Report – Accountability Report and Trust Website
The Directors should state in the annual report the steps that have taken to ensure that the members of the Board, and in particular the Non-executive Directors, develop an understanding of the views of governors and members about the NHS Foundation Trust e.g. through attendance at meetings of the Council of Governors, direct face to face contact, surveys of members' opinions and consultations.	Annual Report - Accountability Report
If during the financial year, the Governors have exercised their power* under paragraph 10C** of schedule 7 of the NHS Act 2006, then information on this must be included in the annual report. This is required by paragraph 26(2)(aa) of schedule 7 to the NHS Act 2006, as amended by section 151 (8) of the Health and Social Care Act 2012. *Power to require one or more of the Directors to attend governors' meeting for the purpose of obtaining information about the Foundation Trust's performance of its functions or the Directors' performance of their duties (and deciding whether to propose a vote on the Foundation Trust's or Directors' performance). **As inserted by section 151 (6) of the Health and Social Care Act 2012)	N/a

Information relating to disclosures to meet the requirements of the Code of Governance is documented throughout this Annual Report.

The BoD is committed to high standards of corporate governance, understanding the importance of transparency and accountability and the impact of Board effectiveness on organisational performance.

Responsibility for Preparing the Annual Report and Accounts

The Directors of the Trust are responsible for the preparation of the Annual Report and Accounts. The Directors approve the Annual Report and Accounts prior to their publication. The Directors are of the opinion that the Annual Report and Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and stakeholders to assess the NHS Foundation Trust's performance, business model and strategy.

Resolution of Disputes between the CoG and the BoD

The Code of Governance requires the Trust to hold a clear statement explaining how disagreements between the CoG and the BoD would be resolved.

The BoD promotes effective communications between the CoG and the Board. The Board, through the Chief Executive and the Chair, provides regular updates to the CoG on developments being undertaken in the Trust. The Board encourages Governors to raise questions and concerns during the year and to ask for further discussions at their public meetings where they feel further detail is required. The Chief Executive and any invited Director, or Non-executive Director, will ensure that the CoG is provided with any information when, for example, the Trust has materially changed the financial standing of the Trust, or the performance of its business has changed, or where there is an expectation as to performance, which, if made public, would be likely to lead to a substantial change to the financial wellbeing, healthcare delivery performance or reputation and standing of the Trust.

The Chair of the Trust also acts as Chair of the CoG. The Chair's position is unique and allows him to have an understanding of a particular issue expressed by the CoG. Where a dispute between the CoG and the Board occurs, in the first instance, the Chair of the Trust would endeavour to resolve the dispute.

Should the Chair not be willing or able to resolve the dispute, the Senior Independent Director and the Lead Governor of the CoG would jointly attempt to resolve the dispute. In the event of the Senior Independent Director and the Lead Governor being unable to resolve the dispute, the BoD, pursuant to section 15(2) of Schedule 7 of the National Health Service Act 2006, will decide the disputed matter.

The Board makes decisions about the functioning of the Trust contained in the Trust's Standing Orders (available on request from the Associate Director of Corporate Governance), and where appropriate, consults with the CoG prior to making a decision. Any major new development in the sphere of activity of the Trust which is not public knowledge is reported to the CoG in a private session, and to NHSE.

The CoG is responsible for the decisions around the appointment of Non-executive Directors, the appointment of the External Auditors in conjunction with the Group Audit Committee, the approval of the appointment of the Chief Executive and the appointment of the Chair. The CoG sets the remuneration of the Non-executive Directors and the Chair. The CoG is encouraged to discuss decisions made by the Trust and highlight any concerns it has. The CoG also has in place a statement that identifies at what level the BoD will seek approval from the CoG when there is a proposed significant transaction.

Board Balance, Completeness and Appropriateness

As at 31 March 2026, the BoD for YSTHFT comprised seven Executive Directors, six Independent Non-executive Directors (one current vacancy) and an Independent Non-executive Chair. One Corporate Director (non-voting) and an Associate non-executive Director also attends the Board.

Changes to the Board composition during the financial year 2025/26 are set out on page 64.

Appraisal of Board Members

The Chair has conducted a thorough review of each Non-executive Director to assess their independence and contribution to the BoD and confirmed that they are all effective, independent Non-executive Directors.

The appraisals are used as an opportunity to provide a basis for both individual and collective development programmes. A programme of appraisals has been run during 2024/25 and all Non-executive Directors have undergone an annual appraisal as part of the review.

The appraisal of the Chief Executive is undertaken on an annual basis by the Chair. The Chair has put in place a robust system where he discusses the outcome of his enquiries with the Chief Executive and draws up a set of objectives.

The BoD maintains a register of interests as required by the constitution and Schedule 7 section 20 (1) of the National Health Service Act 2006.

The BoD requires all Non-executive Directors to be independent in their judgement. The structure of the Board and integrity of the individual Directors ensure that no one individual or group dominates the decision-making process.

Each member of the BoD upholds the standards in public life and displays selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

All Board members have confirmed that they are fit and proper persons to hold the office of Director in the Trust and have no declarations to make that would be contrary to the requirements. All Board members have confirmed that they do not hold any additional interests that are not declared in the Trust's Declaration of Interests.

The appointment of Executive Directors is discussed at the Remuneration Committee.

Biographies for the BoD can be found on page 66 of this report.

Internal Audit Function

The Trust has an internal audit function in place that provides support to the management of the organisation. Details of the internal audit function can be found on page 74.

Attendance of Non-executive Directors at the CoG

All Non-executive Directors have an open invitation to attend the CoG meetings, which they attend on a regular basis. The BoD and the Governors meet at the Board to Council of Governor meetings, which are held twice a year. Each meeting has focused on areas that the Governors would like more information or understanding of.

Members of the CoG and Non-executive Directors work together on other occasions through various groups and committees and meet on a one-to-one basis during the year.

Executive/Corporate Directors' Remuneration

The Board Remuneration Committee meets on a regular basis, as a minimum once a year, to review the remuneration of the Executive/Corporate Directors. Details of the work of the Remuneration Committee can be found on page 90.

The CoG has a Nominations/Remuneration Committee which meets a minimum of four times a year. Part of the role of the Nominations/Remuneration Committee is to review the remuneration of the Non-executive Directors. Details of the Governor Nominations Remuneration Committee can be found on page 91.

Accountability and Audit

The BoD has an established Group Audit Committee that meets on a quarterly basis, as a minimum. A detailed report on the activities of the Group Audit Committee is on page 73.

Relations and Stakeholders

The BoD has ensured that there is satisfactory dialogue with its stakeholders during the year. Some examples of the Trust working with stakeholders can be found on page 47.

Council of Governors Annual Report

Annual statement from the Lead Governor

I was elected to the Council of Governors in October 2022 and was honoured to take on the role of Lead Governor in November 2025. This is both a challenging and rewarding position, supported by a proactive Council that is committed to driving positive change within the Trust. It is widely recognised that the NHS is currently facing one of the most challenging periods in its history.

I meet monthly with the Trust Chair, Martin Barkley, to review current Trust and Governor activities, address any emerging issues, and identify opportunities to strengthen Council processes, communication, and assurance. In addition, I hold one-to-one meetings with Governors as needed and chair the quarterly Governor Forum meetings.

The Council of Governors also meets monthly with the Chair and the Trust's Chief Executive, Clare Smith, following Trust Board meetings. These sessions provide Governors with the opportunity to raise questions and discuss matters arising from the Board. At the quarterly Council of Governors meetings, Governors are also able to question both Non-Executive and Executive Directors, either during scheduled sessions or on an ad hoc basis where necessary.

As a member of the Nomination and Remuneration Committee, I have worked alongside fellow Governors to support the recruitment of Non-Executive Directors on several occasions, contributing to successful appointments.

Governor engagement with members and the public includes:

- Participation by some Governors in local GP Patient Groups, providing opportunities for direct dialogue and discussion
- Dedicated time at the start of each Council of Governors meeting for engagement with members of the public
- Volunteering by Governors within the Trust, including ward support, PLACE assessments, and patient experience initiatives
- Annual constituency meetings held during the summer, where the Trust Chair and local Governors share updates followed by question-and-answer sessions

Looking ahead

As the NHS continues to evolve, including proposed changes to governance arrangements, the Council of Governors remains fully committed to working collaboratively with members, Non-Executive and Executive Directors. Together, we aim to support Trust staff, strengthen organisational impact, and uphold the highest standards of patient care.

I would like to thank all Governors for their dedication and hard work in driving continuous improvement across the Trust, while championing our core values of kindness, openness, and excellence. I also extend my sincere thanks to Martin Barkley for his guidance, support, and commitment to collaborative working with the Council.

Finally, I would like to recognise the continued support provided by Mike Taylor, Associate Director of Corporate Governance, and Tracy Astley, Governor and Membership Manager, whose contributions are invaluable to the effective functioning of the Council of Governors.

Linda Wild
Lead Governor
June 2026

Role of the Council of Governors

All NHS Foundation Trusts are required to have a body of elected and nominated Governors. York and Scarborough Teaching Hospitals NHS Foundation Trust has a Council of Governors which is responsible for representing the interests of the public in their local areas, Trust members, staff members and partner organisations in the local health economy.

As a public benefit corporation, the Trust is accountable to the local community, staff who have registered for membership and to those elected or appointed to seats on the Council of Governors.

The Council of Governors' roles and responsibilities are outlined in legislation and detailed in the Trust's constitution. The primary function of the Council of Governors is:

- To hold the Non-executive Directors, individually and collectively, to account for the performance of the Board of Directors; and,
- To represent the interests of the members of the Trust as a whole and the interests of the public.

The Council of Governors has a right to be consulted on the Trust's strategies and plans, and on any matter of significance affecting the services it provides. All Governors, both elected and appointed, are required to act in the best interest of the NHS Foundation Trust and to adhere to the values and code of conduct of the Trust.

Other duties and responsibilities of governors are laid out in Monitor's publication "Your statutory duties, A reference guide for NHS foundation trust governors" August 2013, and subsequent addendum published in October 2022.

The Council of Governors and the Board of Directors continue to work together to develop an appropriate and effective working relationship. They are regularly updated on the performance of the Trust from the Board of Directors and receive both the agenda and minutes of each public Board of Directors meeting. They are invited to attend these meetings and have a follow up meeting with the Chair and Chief Executive after each one.

The Council of Governors at York and Scarborough Teaching Hospitals NHS Foundation Trust currently has 30 Governor seats in the constitution, as follows:

Public Governors	16 elected seats
Staff Governors	7 elected seats
Stakeholder Governors: • Local Authorities • Voluntary/Healthcare Organisations • Local Universities	7 appointed comprising: • 3 seats • 3 seats • 1 seat

Governor Elections

The Trust holds elections each summer. Where there are vacancies in constituencies the members will be informed and invited to nominate themselves for the seats. Members who have joined prior to the closing date for nominations are eligible to vote. The elections process begins in June and the election results are announced at the end of September each year.

The Governors

Listed below are the members, elected or appointed, who have served on the Council of Governors during the year 2025/26.

Name	Initial Apt Year	Date Appointed	Term of Office	End of Term Date
ELECTED GOVERNORS – PUBLIC				
Hambleton Constituency (1 seat)				
Catherine Thompson	2016	01.10.22	3 Years	30.09.25 (end of term)
Vacancy				
East Coast of Yorkshire (5 seats)				
Paul Gibson	2024	01.10.24	3 Years	30.09.27
James Hayward	2024	01.10.24	3 Years	30.09.27
Linda Wild	2022	01.10.25	3 Years	30.09.28
Bernard Chalk	2021	01.05.25	3 Years	30.04.28
Jean Flanagan	2025	01.10.25	3 Years	30.09.28
Elaine McNicholl	2025	01.05.25	3 Years	30.04.28 (resigned 21/09/25)
Selby Constituency (2 seats)				
Peter Morley	2025	01.10.25	3 Years	30.09.28
Wendy Loveday	2022	01.10.25	3 Years	30.09.28
Ryedale and East Yorkshire Constituency (3 seats)				
Graham Lake	2025	01.05.25	3 Years	30.04.28
Sandra Fox	2025	01.10.25	3 Years	30.09.28
Ian Foxley	2025	01.10.25	3 Years	30.09.28
York Constituency (5 seats)				
Nick Bosanquet	2025	01.10.25	3 Years	30.09.28
Beth Dale	2021	01.10.24	3 Years	30.09.27 (resigned 02/03/26)
Mary Clark	2022	01.10.25	3 Years	30.09.28
Ros Shaw	2024	01.10.24	3 Years	30.09.27
Michael Reakes	2016	01.10.22	3 Years	30.09.25 (end of term)
Rukmal Abeysekera	2020	01.10.23	3 Years	31.10.26 (resigned 31/10/25)
Vacancy x 2				
APPOINTED GOVERNORS				
North Yorkshire Council (1 seat)				
Cllr Liz Colling	2022	01.09.25	3 Years	31.08.28
City of York Council (1 seat)				
Cllr Jason Rose	2023	01.06.25	3 Years	31.05.28
East Riding Council (1 seat)				
Cllr Tim Norman	2025	01.07.25	3 Years	30.06.28

Cllr Jonathan Bibb	2024	01.08.24	3 Years	30.07.27 (resigned 06/06/25)
University of York (1 seat)				
Gerry Richardson	2017	01.05.23	3 Years	30.04.26
Voluntary/Healthcare Organisations (3 seat)				
Elizabeth McPherson CEO Carers Plus	2023	01.05.23	3 Years	30.04.26
Jill Quinn CEO Dementia Forward	2024	09.01.24	3 Years	31.12.27 (resigned 04/03/26)
Vacancy x 2				
ELECTED GOVERNORS - STAFF				
Community (1 seat)				
Rebecca Bradley	2023	01.10.23	3 Years	30.09.26
Scarborough and Bridlington (3 seats)				
Adnan Faraj	2023	01.10.23	3 Years	30.09.26
Carol Popplestone	2025	01.10.25	3 Years	30.09.28
Franco Villani	2022	01.10.22	3 Years	30.09.25 (end of term)
Graham Healey	2024	01.10.24	3 Years	30.09.27 (resigned 26/11/25)
Vacancy				
York (3 seats)				
Gary Kitching	2024	01.10.24	3 Years	30.09.27
Julie Southwell	2022	01.10.25	3 Years	30.09.28
Elena Clerici	2025	01.10.25	3 Years	30.09.28
Abbi Denyer	2022	01.10.22	3 Years	30.09.25 (end of term)

The appointment to the Council of Governors is for a maximum term length of three years or until the Governor ends their term, whichever is sooner. A Governor can serve a maximum of nine years.

The following changes occurred in the Council of Governors membership during the year:

<u>Incoming</u>

- Jean Flanagan was elected as Public Governor representing East Coast of Yorkshire on 1 October 2025
- Peter Morley was elected as Public Governor representing Selby on 1 October 2025
- Graham Lake was elected as Public Governor representing Ryedale & East Yorkshire on 1 May 2025
- Sandra Fox was elected as Public Governor representing Ryedale & East Yorkshire on 1 October 2025
- Ian Foxley was elected as Public Governor representing Ryedale & East Yorkshire on1 October 2025
- Nick Bosanquet was elected as Public Governor representing York on 1 October 2025
- Carol Popplestone was elected as Staff Governor representing Scarborough & Bridlington on 1 October 2025
- Elena Clerici was elected as Staff Governor representing York on 1 October 2025

- Cllr Tim Norman was appointed as Appointed Governor representing East Riding Council on 1 July 2025.
- Mary Clark was re-elected as Public Governor representing York on 1 October 2025
- Linda Wild was re-elected as Public Governor representing East Coast of Yorkshire on 1 October 2025
- Bernard Chalk was re-elected as Public Governor representing East Coast of Yorkshire on 1 May 2025
- Julie Southwell was re-elected as Staff Governor representing York on 1 October 2025
- Cllr Liz Colling was reappointed as Appointed Governor representing NYC, on 1 September 2025
- Cllr Jason Rose was reappointed as Appointed Governor representing CYC, on 1 June 2025

Outgoing

- Catherine Thompson, Public Governor Hambleton, end of term
- Michael Reakes, Public Governor York, end of term
- Franco Villani, Staff Governor Scarborough & Bridlington, end of term
- Abbi Denyer, Staff Governor York, end of term
- Cllr Jonathan Bibb, Appointed Governor for East Riding Council, resigned 6 June 2025 due to not being re-elected in the local government elections.
- Graham Healey, Staff Governor Scarborough & Bridlington constituency, resigned 26 November 2025 due to work pressures.
- Elaine McNicholl, Public Governor Scarborough & Bridlington constituency, resigned 21 September 2025 due to change in personal circumstances.
- Rukmal Abeysekera, Public Governor York, resigned 31 October 2025 and became a Trust Non-Executive Director on 1 November 2025.
- Beth Dale, Public Governor York, resigned 2 March 2026 due to health issues.
- Jill Quinn, Appointed Governor for Voluntary/Healthcare Organisation, resigned 4 March 2026 due to health issues.

Council of Governors Meetings

The Trust Chair also acts as Chair of the Council of Governors. Meetings of the Council of Governors took place on eight occasions. The table below shows the attendance of Governors at the formal Council of Governors meetings.

Name	02.05.25 XCoG	11.06.25 CoG	06.08.25 XCoG	10.09.25 CoG	10.12.25 CoG	16.01.26 XCoG	11.03.26 CoG
Rukmal Abeysekera	√	√	√	√	-	-	-
Cllr Jonathan Bibb	X	-	-	-	-	-	-
Nick Bosanquet	-	-	-	-	√	X	√
Rebecca Bradley	X	√	√	√	√	X	√
Bernard Chalk	-	√	√	√	X	X	X
Mary Clark	X	√	√	X	√	X	√
Elena Cleric	-	-	-	-	√	X	√
Cllr Liz Colling	X	√	√	√	√	X	X
Beth Dale	√	X	√	X	√	X	-
Abbi Denyer	X	√	√	√	-	-	-
Adnan Faraj	X	√	√	X	X	X	X

Jean Flanagan	-	-	-	-	√	√	√
Sandra Fox	-	-	-	-	√	√	√
Ian Foxley	-	-	-	-	X	X	X
Paul Gibson	X	X	√	√	X	X	√
James Hayward	√	√	√	√	√	X	X
Graham Healey	X	X	X	X	-	-	-
Gary Kitching	√	√	√	√	√	X	√
Graham Lake	-	X	√	√	√	√	√
Wendy Loveday	X	X	√	X	√	X	X
Elaine McNichol	-	√	√	√	-	-	-
Elizabeth McPherson	X	√	√	√	√	√	√
Peter Morley	-	-	-	-	√	X	√
Cllr Tim Norman	-	-	-	√	√	X	X
Carol Popplestone					√	X	√
Jill Quinn	X	X	X	X	X	X	-
Michael Reakes	√	√	√	√			
Gerry Richardson	X	√	√	X	X	√	√
Cllr Jason Rose	x	√	√	√	√	√	√
Ros Shaw	√	√	√	√	√	√	√
Julie Southwell	√	√	√	√	√	√	√
Catherine Thompson	√	√	√	√	-	-	-
Franco Villani	x	√	√	x	-	-	-
Linda Wild	√	√	√	x	√	√	√

The extraordinary Council of Governor meetings were held to ratify the appointment of new Non-executive Directors.

A number of officers and advisors attended the meetings to provide assurance to the Council, including:

- Clare Smith, Chief Executive (November 2025 onwards)
- Simon Morritt, (up to September 2025)
- Andrew Bertram, Finance Director/Deputy Chief Executive
- Dawn Parkes, Chief Nurse
- Claire Hansen, Chief Operating Officer
- Lucy Brown, Director of Communications
- Chris Norman, Managing Director, YTHFM
- Alastair Newall, Engagement Lead, Mazars
- Mike Taylor, Associate Director of Corporate Governance

The Non-executive Directors regularly attend meetings of the Council of Governors and its subgroups to present appropriate reports and provide information on the Trust's performance at the Council's request. The table below shows the attendance of the Non-executive Directors at the formal Council of Governors meetings.

Name	11.06.25 CoG	10.09.25 CoG	10.12.25 CoG	11.03.26 CoG
Martin Barkley (Chair)	✓	✓	✓	✓
Jenny McAleese	✓	x	✓	-
Lorraine Boyd	✓	✓	✓	✓
Jim Dillon	✓	-	-	-
Steven Holmberg	x	-	-	-
Matt Morgan	x	-	-	-
Julie Charge	✓	✓	✓	✓
Helen Grantham	✓	x	✓	✓
Jane Hazelgrave	✓	✓	x	✓
Noel Scanlon	✓	✓	✓	-
Richard Reece	-	-	✓	✓
Rukmal Abeysekera	-	-	✓	✓

During 2025/26 the Council of Governors received updates and considered reports on a number of issues including:

- Trust priorities
- Operational pressures and recovery
- Care Quality Commission progress reports
- Board appointments
- NED appraisals
- Ockenden Progress
- Governor Elections
- NED Succession Planning
- Performance updates
- Digital, Performance & Finance updates
- Quality & Safety Committee updates
- Resources Committee updates
- Industrial Action updates
- Workforce Disability Equality Standard (WDES) Annual Report
- Workforce Race Equality Standard (WRES) Annual Report
- Staff Survey results
- External Auditors update
- Council of Governors Effectiveness Survey and Results

Attendance at Meetings

In addition to the Council of Governors meetings, the Governors have also been involved in or attended the following meetings/events:

- Virtual Annual General Meeting/Annual Members' Meeting 2025
- Governors' informal meetings
- Monthly Public Board of Directors meetings
- Monthly Board/Council of Governors meetings
- Constituency meetings
- PLACE Assessments

- Patient Experience projects

Training for Governors

To ensure the Governors are equipped with the skills they need to undertake their role, the Trust continues to ensure that Governors receive the information and understanding they require to perform the role. An Induction session is provided to new Governors and the agendas from the Council and Board of Directors meetings are provided to all governors for their information. The governors are encouraged to enroll on the courses provided by Governwell through NHS Providers, including:

- Governor Focus Conference
- NED Recruitment Training
- Membership & Public Engagement
- Accountability and Holding to Account
- Core Skills
- NHS Finance & Business Skills
- Effective Questioning & Challenge

Governor Expenses

Governors are not remunerated but are entitled to claim expenses for costs incurred whilst undertaking duties for the Trust as a Governor (i.e., travel expenses to attend the Council of Governors meetings). The total amount of expenses claimed during the year from 1 April 2025 to 31 March 2026 by Governors was £399.89.

Related Party Transactions

Under International Accounting Standard 24 “Related Party Transactions”, the Trust is required to disclose in the annual accounts any material transactions between the NHS Foundation Trust and members of the Council of Governors or parties related to them. There were no such transactions for the period 1 April 2025 to 31 March 2026.

Appointment of the Lead Governor

The process for the appointment of Lead Governor requires Governors to put their name forward and provide a statement. These names and statements are put forward to the full Council of Governors which holds an election. As the current Lead Governor, Rukmal Abeysekera, resigned on 31 October 2025 to become a Trust NED, the Council of Governors followed this process and, as there was only one applicant, Linda Wild became Lead Governor on 1 November 2025.

Membership of the Committees and Groups

The Council of Governors has delegated authority to a number of Committees and Groups to address specific responsibilities of the Council of Governors. During the year the Council of Governors welcomed some new members following the elections. This has meant that during the early part of 2025 the Governors have reviewed the Groups and Committees memberships and replacements have been confirmed. The Council of Governors was supported by the following Sub-Groups and Committees.

- **Nomination/Remuneration Committee**

  The Committee has met on numerous occasions throughout the year. Issues discussed included:

  - NED succession planning
  - NED recruitment
  - NED annual appraisals
  - Terms of Reference
  - Work Programme
- Lead Governor recruitment

The Committee continues to reflect on the process for appointment of new Non-executive Directors and will take any learning forward to help shape the future Non-executive Director appointment processes.

Items discussed at the Nominations and Remuneration Committee are highlighted at the full Council of Governors meetings and the Chair offers time for discussion.

- **Community & Neighbourhood Network** (formerly Out of Hospital Care Group)

The Community & Neighbourhood Network is a quarterly meeting of Governors and others who represent the localities served by the Trust. Members include Public and Staff Governors, a Non-executive Director, senior managers from the Trust and any external contacts that are invited. The Group is chaired by a governor. The Group has a wide remit, looking at any services provided out of hospital by the Trust and reporting back to the Council of Governors. The Group serves three key purposes:

- To provide a forum for Governors (on behalf of the members and local communities) to raise any issues regarding community services.
- To provide a reference group for development in community services to gain insight from a public perspective.
- To keep Governors updated on the developments in community services.

The Governors are involved in exploring options for improving the links between public Governors and the communities they represent.

- **Constitution Review Group**

The Constitution Review Group met during the year and discussed several topics, including:

- Constitution amendments
- Public Constituency/Governor number changes
- Governor Code of Conduct
- Terms of Reference

- **Membership Development Group**

The Membership Development Group has met during the year and discussed several topics, including:

- The Membership Development Strategy
- Increase/decline of membership numbers
- Development of the action plan
- Use of social media/press releases/articles to promote membership

The meetings are open to all Governors to explore all opportunities and ideas to engage with members of the public. The Group is focused on how to maintain membership of the Trust and how to recruit members across the Trust's constituencies using various initiatives including:

- Increasing the number of locations in which the membership poster can be placed around the hospital sites and in the wider community
- Using various methods of communication, including the membership newsletter, email and social media to encourage membership
- Using mobile membership banners which rotate around the Trust's sites.

Code of Conduct

All Governors have read and signed the Trust's Code of Conduct, which includes a commitment to actively support the NHS Foundation Trust's vision and values.

Register of Governor's interests

The Trust holds a register listing any interests declared by members of the Council of Governors. Governors must disclose details of company Directorships or other positions held, particularly if they involve companies or organisations likely to do business, or possibly seeking to do business with the Foundation Trust.

The register forms part of the papers at every public Council of Governors meeting and can be accessed by visiting: https://www.yorkhospitals.nhs.uk/about-us/council-of-governors/papers-and-minutes/. The register is also available in the publications section on the Trust website. The public can also make a request in writing to:

Address: Associate Director of Corporate Governance
York and Scarborough Teaching Hospitals NHS Foundation Trust
Wigginton Road
YORK
YO31 8HE

Telephone: 01904 725076

Email: yhs-tr.governors@nhs.net

Foundation Trust Membership

Membership Strategy

The Trust continues to focus on recruitment and retaining membership using a variety of methods. Members of the public can sign up for Trust membership via the following link: https://www.yorkhospitals.nhs.uk/get-involved/ or complete a paper application found in the main reception area at any of the Trust's hospitals.

The Trust continues its aim to build a representative membership base to support public accountability and local engagement. It is recognised that a well-informed, motivated, and engaged membership helps organisations to be more responsive, with an improved understanding of the needs of its patients and local communities. Therefore, it is vital to create a membership that matches the demographic mix of our catchment area and to create a vibrant membership programme to support successful long-term engagement with members.

The vision is based around three key areas:

Objective 1	Increase the overall size of the membership of the Trust.
Objective 2	Increase the diversity of our membership
Objective 3	Improve engagement and communication

Objective 1 - While the value of membership lies in the quality of engagement, not solely in the numbers, we welcome a large and active membership community and recognise that the membership of the Trust needs to be large enough to be representative. We will strive to increase the public membership each year.

Objective 2 - We analyse our membership at least once a year. We take steps to ensure, as far as possible, it is representative of the people we serve. Where some groups are less well represented, we will try new ways of engaging with them.

We will develop wider membership that is more representative of all parts of the Trust's geographical area, and the demographics of the communities that use our services.

We will strive to improve any under-representation in membership each year. Increase the diversity of the membership to make it more representative of the Trust's patients and staff.

Objective 3 - Foundation Trusts are based on the principle of local accountability, and an active and engaged membership helps to anchor the Trust in its local community. The value of membership is not solely in the numbers of people who have joined, but in the degree of quality of our engagement with members. We recognise that it is beneficial to build a more engaged and active membership rather than a large but passive one. Enhancing the quality of our engagement with our members is therefore at the heart of this strategy and will be the overriding focus of our efforts.

We want to create powerful two-way engagement between the Trust and its members and provide meaningful opportunities for members to engage in issues affecting the future of the Trust, for example any service changes, strategy development, quality improvement, and the activities of the new Integrated Care Board.

We want members to feel engaged and involved in the organisation and be supported to add value to the Trust. This engagement will help support Governors to represent the interests of members and the public. We want to develop a partnership culture between members, Governors, and the Trust Board to facilitate effective working relationships.

Besides our Annual General Meeting, a local Constituency meeting is held in each constituency each year to enable Members to meet their elected Governors and the Trust Chair to raise any questions and concerns that Members have as well as to receive a briefing about the work of the Trust and current issues the Trust is grappling with.

We will monitor and assess the quantity and quality of engagement and strive for an increase in engagement each year to improve the quantity and quality of engagement and communication with members.

In order to maintain our membership level and recruit new public members, the Trust has continued a number of initiatives during 2025/26, including:

- Membership information displayed in main reception of each hospital.
- Continued use of the Trust's social media platforms to engage and inform members and the wider public of developments and events at the Trust.
- Dedicated Governor & Membership Manager who acts as link between the members and the Trust.
- Updating the membership section on the Trust's website to include the benefits of being a member, easier access to signing up, and contact information.
- Membership posters being displayed in GP surgeries, libraries, and other public areas.
- Membership postcards being handed out at local events.

The strategy seeks to support the Council of Governors with specific goals to increase membership and maintain support for the Trust.

Retention of Members

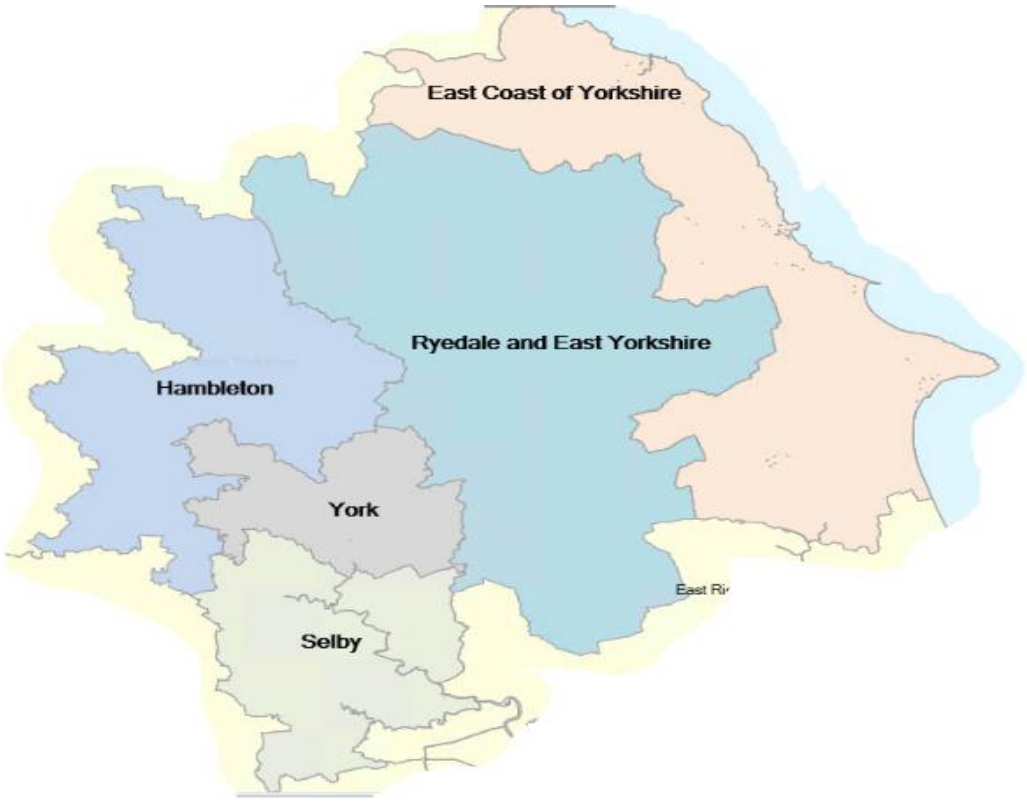
The Trust recognises the importance and value of a representative membership and has continued to focus on opportunities to engage with and retain existing Members. Over the past year various events have been arranged and we continue to keep Members up to date through a dedicated electronic membership newsletter. Initiatives include:

- Inviting all Members to the Public Council of Governors meetings throughout the year. There is a half hour allocated prior to the meetings to give the public/members the opportunity to talk to their Governors.
- Inviting all members to the virtual Annual Members' Meeting which took place in October 2025.

Over the next 12 months we will continue to look at new ways to promote the benefits of membership in order to maintain and increase our membership. The Membership Strategy is currently being revised.

The Trust's Current Catchment Area

The map shows the five community areas the Trust serves and each one forms a public constituency for our membership.



Constituencies

The Trust has defined its public constituency boundaries to fit as far as possible with clearly defined local authority boundaries and "natural" communities. Each of the five constituencies contains at least one hospital facility which is either run by or has services provided by the Trust. These are places that the local population clearly identify with and care much about; it is the Trust's experience that is a key issue for membership.

Constituency	Wards
York	All council wards and the wards of Ouseburn and Marston Moor of Harrogate Borough Council. Hospital facilities include York General Hospital, Nelsons Court Inpatient Unit, White Cross Court Rehabilitation Hospital.
Selby	All council wards and the parishes of Bubwith, Ellerton, Foggathorpe and Wressle. Hospital facilities include the Selby War Memorial Community Hospital.
Hambleton	All council wards and the areas of Northallerton, Bromfield, Northallerton Central, Romanby, Sowerby, Thirsk, Throntons, Topcliffe, Whitestone Cliff, Bishop Monkton, Boroughbridge, Carlo, Hookstone, Knaresborough East, Knaresborough King James, Knaresborough Scriven park, Newby, Pannal, Ribston, Ripon Minster, Ripon Mooreside, Ripon Spa, Spofforth with Lower Wharfdale, Starbeck, Wetherby. Hospital facilities include St Monica's Community Hospital.

Ryedale and East Yorkshire	All 20 Ryedale wards and the East Riding wards of Pocklington Provincial, Wolds Weighton and the parish of Holme upon Spalding Moor. Hospital facilities include Malton, Norton and District Community Hospital.
East Coast of Yorkshire	Whitby council wards. Hospital facilities include Whitby Community Hospital. Scarborough council wards. Hospital facilities include Scarborough and District General Hospital. All 3 wards of Bridlington Town Council and 2 wards of East Riding Council, Driffield and Rural and East Wolds and Coastal. Hospital facilities include Bridlington and District General Hospital.

Membership of the Trust is free and is open to anyone aged 16 years of age and over. No special skills or experience is required to be a member. Our public membership consists of patients, volunteers and members of the public who wish to become involved.

Out of Area Public Members

The Trust will continue to offer membership to the public who live outside of these constituencies.

Public Membership Profile

Membership of the Trust at 31 March 2026 was as follows:

Constituency	Members
East Coast of Yorkshire	1118
Hambleton	400
Ryedale and East Yorkshire	1050
Selby	1266
York	4076
Out of Trust Area	751
Total	**8661**

Age	Public
0-16	0
17-21	7
22+	8264
Not Stated	390

Gender	Public
Unspecified	135
Female	5254
Male	3271
Transgender	1

Ethnicity	Public
White - English, Welsh, Scottish, Northern Irish, British	3666
White - Irish	20
White - Gypsy or Irish Traveller	0
White - Other	58
Mixed - White and Black Caribbean	6
Mixed - White and Black African	4
Mixed - White and Asian	6
Mixed - Other Mixed	4
Asian or Asian British - Indian	23
Asian or Asian British - Pakistani	7

Asian or Asian British - Bangladeshi	2
Asian or Asian British - Chinese	5
Asian or Asian British - Other Asian	16
Black or Black British - African	21
Black or Black British - Caribbean	4
Black or Black British - Other Black	1
Other Ethnic Group - Arab	1
Other Ethnic Group - Any Other Ethnic Group	6
Not stated	4811

Staff Membership

The staff constituency comprises:

- Permanent, directly employed members of staff.
- Temporary members of staff who have been employed in any capacity on a series of short-term contracts for 12 months or more.

For staff, membership runs on an opt-out basis, i.e., all qualifying staff are automatically members unless they seek to opt out. The staff membership is broken down into three constituencies: -

York	All staff whose designated base hospital is York Hospital, White Cross Court Rehabilitation Hospital, Nelsons Court Inpatient Unit, Archways Hospital and any other staff not included in either of the staff groups described below.
Scarborough and Bridlington	All staff whose designated base hospital is Scarborough General Hospital or Bridlington and District Hospital.
Community	All staff whose designated base hospital is Malton Community Hospital, Whitby Community Hospital, New Selby Community Hospital (also known as the New Selby War Memorial Hospital), St Monica's Hospital, Easingwold and any other staff who are designated as "Community" staff and therefore do not have a designated base hospital as they work mainly with patients in a non-acute setting, including those members of staff who are engaged in support functions in connection with such services.

Any member of staff employed by the Trust on a permanent contract or a fixed term contract of 12 months or longer can become a member. Staff employed through service partners, including the YTHFM, are also eligible to become Members.

Further Information on Membership

Contact can be made through the Associate Director of Corporate Governance. The contact details are:

Associate Director of Corporate Governance
York and Scarborough Teaching Hospitals NHS Foundation Trust
Wigginton Road
York
YO31 8HE

or by e-mailing yhs-tr.membership@nhs.net

Regulatory Ratings

Care Quality Commission

York and Scarborough Teaching Hospitals NHS Foundation Trust is required to register with the Care Quality Commission (CQC), and its current registration status is “Registered with Conditions.”

Mental Health Risk Assessment – Section 31 Notice (Emergency Care)

Since January 2020, the Trust has been operating under a Section 31 Notice requiring improvements to the mental health risk assessment process within emergency care. To address this, the Trust initially introduced a paper-based mental health risk assessment proforma, with monthly compliance submissions provided to the CQC.

To further strengthen safety and improve patient outcomes, the Trust developed an integrated Urgent and Emergency Care (UEC) risk assessment screening tool, incorporating mental health, falls and skin integrity assessments. The mental health component of this tool went live in April 2024.

The Trust continues to focus on enhancing staff capability through targeted training and support, alongside introducing a more therapeutic approach to enhanced observation. This work is led by the Mental Health Improvement Group, supported by a strong collaborative relationship with Tees, Esk and Wear Valleys NHS Foundation Trust, who contribute to training and specialist support.

Maternity Services – Section 31 Urgent Conditions Notice

Between October 2022 and March 2023, the CQC inspected Emergency and Urgent Care, Medical Care and Maternity Services. Following this inspection, the Trust received a Section 31 Urgent Conditions Notice relating specifically to maternity services, issued where the CQC identifies concerns requiring immediate action to mitigate risks and protect patient safety.

In response, the Trust delivered a comprehensive improvement programme, including strengthened local leadership, enhanced clinical risk governance, and increased workforce and safety measures. As a result of sustained improvements, the Trust applied for removal of the Section 31 conditions, and the CQC approved this application in October 2025.

CQC Inspection Activity during 2025/2026

In July 2025, the CQC published its report following the inspection of medical care services and urgent and emergency care at York Hospital, undertaken in January 2025. The report reflected the significant progress made, particularly within urgent and emergency care, which improved from ‘Inadequate’ to ‘Requires Improvement’. Medical care services were also rated ‘Requires Improvement’, with the ‘Caring’ domain rated ‘Good’, demonstrating the continued compassion, professionalism and commitment of our staff.

An unannounced inspection was subsequently carried out at Scarborough Hospital in October 2025. The Trust was assessed across urgent and emergency care and medical care services, with inspectors reviewing whether services were safe, effective, caring, responsive and well-led.

The final report, published in March 2026, confirmed that medical care services had improved to an overall rating of 'Good', reflecting strengthened safety, effectiveness and leadership. Inspectors highlighted strong multidisciplinary working and the delivery of positive, patient-centred care. The report also noted areas requiring further improvement, including aspects of governance, ongoing training challenges for medical staff and the management of complaints.

Urgent and emergency care services received an overall rating of 'Requires Improvement'. Inspectors identified several examples of good practice, including a positive learning culture, effective teamwork and a clear understanding among staff of how to raise concerns.

The report also acknowledges the significant operational pressures facing the service, including sustained high demand that continues to impact patient access, flow through the department, and delays in ambulance handovers. It further identifies areas where improvement is required, including strengthening infection prevention and control practices, improving assurance processes around consent, and ensuring more consistent documentation of ongoing patient assessments. The Trust recognises these challenges and is taking forward a focused programme of work to address them and support continued improvement.

The Trust is committed to addressing all regulatory breaches identified in the CQC reports published during 2025/26. A structured improvement programme is in place to ensure that all required actions are delivered in full, supported by strengthened governance, clear accountability and enhanced monitoring through Trust Board and sub-committee oversight.

NHS Oversight Framework

NHS England's NHS Oversight Framework 2025/26 is the framework for assessing health systems including providers. It promotes transparency, improvement, and helps identify potential support or intervention needs. NHS organisations are allocated to one of five 'segments'.

Segmentation indicates performance and whether improvement is required, from high-performing across all domains (segment 1) to low performance across a range of domains (segment 4). An organisation assessed as segment 4 combined with a low capability to improve is allocated to segment 5.

NHS England's oversight response to an organisation is based on:

a) Its segment derived from scored metrics under five performance domains (being access to services, effectiveness and experience of care, patient safety, people and workforce, and finance and productivity)
b) considering financial override which may limit a segment to be no better than 3
c) contextual metrics which are not scored (for example those under sixth domain of improving health and reducing inequality) and
d) capability assessments which consider the organisation's leadership and governance.

York and Scarborough Teaching Hospitals Foundation Trust has been allocated into segment 4. This segmentation information is the trust's position as at 31 March 2026. Current segmentation information for NHS trusts and foundation trusts is published on the NHS England website: https://www.england.nhs.uk/nhs-oversight-framework/segmentation and-league-tables/. The trust is included on the acute trust dashboard.

Finance and Use of Resources

The finance and use of resources is one of five themes feeding into the NHS Oversight Framework for Trusts. As part of the oversight of ICBs and Trusts, NHS England monitors and gathers insights about performance across each of the themes of the framework. The information collected and reviewed includes both quantitative data, including, but not limited to, the published Oversight Framework metrics, and qualitative information derived from oversight, quality, improvement and performance conversations with ICBs and their formal reporting documents, as well as other routine information including that from relevant third parties.

A key outcome of the implementation of the framework is the early identification of any emerging issues and concerns, so that they can be addressed before they have a material impact or performance deteriorates further. To provide an overview of the level and nature of support required across systems, inform oversight arrangements and target support capacity as effectively as possible, NHSE regional teams allocate all ICBs and trusts into one of four 'segments'.

The Trust has been allocated in segment 4, which indicates that there are significant support needs against one or more of the five national oversight themes. The scale and nature of support the Trust receives includes bespoke mandated support, potentially through a regional improvement hub, drawing on system and national expertise as required.

Clare Smith
Chief Executive
June 2026

Statement of Accounting Officer's Responsibilities

Statement of the Chief Executive's Responsibilities as the Accounting Officer of York and Scarborough Teaching Hospitals NHS Foundation Trust

The National Health Service 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.

NHSE has given Accounts Directions which require York and Scarborough Teaching Hospitals 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 York and Scarborough Teaching Hospitals 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 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.

Clare Smith
Chief Executive
June 2026

Part 3

Annual Governance Statement

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 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 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 Trust Accountable Officer Memorandum*.

The Chief Executive, as Accounting Officer at the date of signing, was appointed during the financial year and, in forming this statement, has drawn on assurances from the Board, Audit Committee, internal audit opinion and established systems of governance and internal control covering the full year.

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 York and Scarborough Teaching Hospitals NHS Foundation Trust (YSTHFT), 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 YSTHFT for the year ended 31 March 2026 and up to the date of approval of the annual report and accounts.

This Annual Governance Statement has been prepared on a Group basis and includes York Teaching Hospital Facilities Management (YTHFM) which is a subsidiary limited liability partnership. References therefore throughout this Annual Governance Statement to 'Trust' are in relation to the Group.

Capacity to handle risk

As Accounting Officer, I have overall responsibility for ensuring there are effective risk management systems and internal controls in place within the Trust and for meeting all statutory requirements and adhering to guidance issued by NHS England (NHSE) in respect of governance and risk management. I have delegated overall duty to ensure risk management is discharged appropriately to the Associate Director of Corporate Governance, who has been responsible for the implementation of the Risk Management Strategy.

The Board of Directors (BoD) provides leadership on the overall governance agenda, including risk management. It is supported by a number of Committees that scrutinise and review assurance on internal control. These include:

- Group Audit Committee
- Quality Committee
- Resources Committee
- Executive Committee

Independent assurance on the effectiveness of the system of internal control and overall governance arrangements is provided by the Group Audit Committee. Additional assurance on the effectiveness of the systems for ensuring clinical quality is given by the Quality Committee. The BoD routinely receives escalation reports from these Committees alongside the Board Assurance Framework (BAF) and Corporate Risk Register (CRR) to review the effectiveness of the Trust's system of internal controls.

The Executive Committee receives and reviews updates from all Care Groups and corporate areas relating to risk management, as well as the Trust's BAF and CRR. Each Board Committee and its sub-groups have a collective responsibility to ensure effective risk management and good governance as they discharge their duties, and this is reflected in their respective Terms of Reference. Through their work plans they contribute towards reducing the organisation's exposure to risk. Risks identified by Committees and reporting groups are communicated and recorded on the appropriate Directorate/Care Group risk registers and subject to overview, monitoring and intervention by internal governance arrangements, as well as providing assurance to the Audit Committee, BoD and relevant Board Assurance Committees.

The Trust has a Risk Management Strategy and Policy in place to ensure that risks are identified, assessed and properly managed. This was reviewed and updated considering best practice risk management approaches, approved by the BoD in February 2025.

2025/26 has further established a 4-care group governance structure now in its second year (reduced from 6 during 2023/24) - Medicine, Surgery, Family Health and Cancer, Specialist and Clinical Sciences with the objective of strengthening and improving governance and performance management. The Trust has further subsequently embedded a monthly Performance, Review and Improvement Meeting (PRIM) to monitor and oversee the performance of each of the Trust's Care Groups across the domains of Quality and Safety, Operations, Finance and Workforce to support the delivery of the Trust's goals. The Care Groups also report into the Quality Committee on a quarterly basis to provide assurance.

Ultimate responsibility for the management of the risks facing the organisation sits with the BoD. The BoD considers the strategic and high-level Trust-wide operational risks facing the organisation as part of its routine business in order to satisfy itself collectively that risks are being effectively managed.

The Chief Executive has overall responsibility for the management of risk. Other members of the Executive Team exercise lead responsibility for the specific types of risk as follows:

- The Medical Director and Chief Nurse are jointly responsible for clinical governance, risk management and patient safety, and, whilst each has been allocated specific duties and responsibilities, there are clear lines of accountability.
- The Chief Nurse is also responsible for infection prevention and control and safeguarding children and adults.
- The Chief Operating Officer is responsible for overall risks to operational performance.
- The Finance Director provides the strategic lead for financial risk and the effective co-ordination of financial controls throughout the Trust.
- The Director of Workforce and Organisational Development is responsible for workforce planning, staffing issues, education and training and organisational development.
- The Chief Digital and Information Officer is responsible for the overall risks associated with information technology and is also the Senior Information Risk

Owner (SIRO) and has responsibility for information governance.

- The Associate Director of Corporate Governance/Foundation Trust Secretary is responsible for the management of the BAF and CRR and ensuring that strategic risks and high priority operational risks are identified and reported to the BoD.

All Executive Directors, Associate Chief Operating Officers, Care Group Clinical Leads and Managers are responsible for identifying, communicating and managing the risks associated with their portfolios in accordance with the Trust's Risk Management Strategy and Policy. They are responsible for understanding the approach towards risk management of all key stakeholders, contractors, suppliers and partners and mitigate where necessary, where gaps are found. They are responsible for identifying risks that should be escalated to and from the CRR. The Risk Management Strategy and Policy is available to all staff electronically via the Trust's intranet. Roles and responsibilities in terms of risk management are incorporated into the Trust's Risk Management Strategy and Policy. The Executive Committee via the Risk Committee brings together those responsible to ensure effective mitigation of the strategic and operational risks of the Trust. The Risk Committee will report directly to the BoD from 2026/27 further strengthening assurance provision.

The Trust recognises the importance of supporting staff. The risk management team acts as a support and mentor to staff who are undertaking risk assessments, incident reporting, incident investigation and managing risk as part of their role. In addition, the BoD has set out the minimum requirements for staff training required to control key risks. A training needs analysis informs the Trust's mandatory training requirements and has been kept under review; this sets out the training requirements of all staff and includes the frequency of training in each case. The Associate Director of Corporate Governance through continuous professional development reviews good practice and incorporates learning into the Risk Management Strategy and Policy.

Incidents, complaints and patient feedback are routinely analysed to identify learning opportunities and improve control. Lessons for learning are disseminated to staff using a variety of methods, including regular safety briefings and through Care Group governance groups.

The Trust has in place counter fraud arrangements through Audit Yorkshire from the NHS Counter Fraud Authority and has a named Local Counter Fraud Specialist. In order to ensure that counter fraud resources are effective there is a Counter Fraud Plan and Annual Counter Fraud Report which outline the proactive, reactive and strategic counter fraud work undertaken for the Trust in 2025/26.

I have ensured that all significant risks of which I have become aware are reported through to the BoD at each formal meeting. All new significant risks are escalated to me as Chief Executive and subject to validation by the Executive Team at the Risk Committee. The residual risk score determines the escalation of risk. The BoD undertakes risk appetite reviews at a Board Development session on an annual basis.

The Risk and Control Framework

The Trust has a Risk Management Strategy and Policy, which is reviewed and endorsed by the BoD. The Strategy provides a framework for all staff across the organisation to manage risks, including quality, performance, financial and workforce with specialist advice sought to manage and control specific areas of concern e.g. data security. The Strategy provides a clear, systematic embedded approach to the management of risks to ensure that risk assessment is an integral part of clinical, managerial and financial processes across the organisation. The Strategy including the Trust's risk appetite categories were reviewed and formally approved by

the BoD in February 2025 including the following categories of risk:

- Quality of Care
- People
- Financial
- Technology
- Operational Performance
- Sustainability

The Strategy sets out the role of the Board and its Sub-committees, together with individual responsibilities of the Chief Executive, Executive Directors, other senior managers and all staff managing risk to ensure that risks which cannot be managed locally are escalated through the organisation. All risks are evaluated against the risk assessment process to ensure that all risks are considered alike. The control measures, designed to mitigate and minimise identified risks, are recorded within the CRR and BAF.

The BAF sets out:

- The strategic objectives (what the organisation aims to deliver).
- Strategic risks (those factors that could prevent the objectives being achieved).
- Controls (processes in place to manage the risks).
- Assurance (evidence that appropriate controls are in place and operating effectively)
- Risk rating (pre and post mitigation and target rating)
- Actions (to provide further control once completed to achieve the target rating).

The BAF provides assurance to the Board that the risks are being adequately controlled and informs the preparation of the Annual Governance Statement. The BAF was reviewed regularly at the BoD meetings, the meetings of the Board's Sub-committees and the Executive Team during 2025/26; it did not identify any significant gaps in control/assurance.

The Trust has a range of key strategic risks, which it has identified and is proactively managing; for example, through action plans and named leads. Progress is monitored by the relevant Assurance Committee and the Group Audit Committee. The Board considers the Board Assurance Framework at its Board meetings in public, and the final BAF of 2025/26 identified the Trust's strategic risks as at 31 March 2026 as follows:

- Failure to deliver financial balance to deliver the 2025/26 annual plan of the Trust's Strategy 2025-30
- Inability to provide consistently effective clinical pathways leading to poor outcomes, experience and possible harm.
- Inability to nurture a Trust culture that facilitates good staff engagement and development leading to poor staff morale, recruitment and retention issues and ultimately poor patient outcomes.
- Failure to maintain and transform services to deliver the Trust's green plan and sustainability agenda.
- Working ineffectively with the Trust's partners to contribute to effective patient care, good patient experience and system sustainability.
- Failure to demonstrate effective governance to achieve the Trust's strategy.
- Trust service, pathways and support functions are not designed, and improved in a sufficiently transformative way across the Trust for the benefit of patients.

All these BAF risks are proposed to be carried over into 2026/27, their outcomes monitored, and further risk assessed during the forthcoming year at Board Development Seminar workshops where risk appetite will also be determined.

The high rated risks on the CRR as at 31 March 2026 relate to the following areas:

- Impact of backlog maintenance on patient care (age of infrastructure and no life cycle funding / investment)
- Failure to deliver our Annual Financial Plan
- Roof at Scarborough Hospital covering Maternity, Oak Ward and associated corridors
- Sustained significant pressure in ED
- Cyber Security
- Response to the Deteriorating Patient
- Major IT Failure
- Failure to deliver the Operational Planning Guidance 2025/26
- Impact on Renal patients at Tanpit Lodge due to inadequate estate provision
- Failure to recognise deteriorating patients and delayed assessment and care to paediatric patients in the York Emergency Department
- Validation of non RTT Patient Tracking Lists
- Audiology patients at Springhill House due to inadequate estate provision
- Not meeting contractual requirements, the national and locally set objectives for Trust acquired Bacteraemia including MRSA, MSSA and gram negative bacteraemia
- Deterioration of reinforced autoclaved aerated concrete (RAAC) Pathology Roof Scarborough
- Harm to children's communication, educational, and life outcomes due to excessive waiting times for Paediatric Speech and Language Therapy (SLT) assessment and intervention
- National Pandemic Impacting Trust Services and Patient Safety
- More than 10% of General G&A beds have Patients With No Criteria to Reside
- Prescribing Practice
- Patient Access: Pathways

A series of mitigation actions and their outcomes for the management of these risks are provided on a rolling basis by the accountable Executives and assessed at Risk Committee meetings. The membership of which are the Executive risk owners with assurance provided to the BoD in the reporting of the CRR.

Care Quality Commission (CQC) Registration requirements

York and Scarborough Teaching Hospitals NHS Foundation Trust is required to register with the Care Quality Commission (CQC), and its current registration status is "Registered with Conditions."

Mental Health Risk Assessment – Section 31 Notice (Emergency Care)

Since January 2020, the Trust has been operating under a Section 31 Notice requiring improvements to the mental health risk assessment process within emergency care. To address this, the Trust initially introduced a paper-based mental health risk assessment proforma, with monthly compliance submissions provided to the CQC.

To further strengthen safety and improve patient outcomes, the Trust developed an integrated Urgent and Emergency Care (UEC) risk assessment screening tool,

incorporating mental health, falls and skin integrity assessments. The mental health component of this tool went live in April 2024.

The Trust continues to focus on enhancing staff capability through targeted training and support, alongside introducing a more therapeutic approach to enhanced observation. This work is led by the Mental Health Improvement Group, supported by a strong collaborative relationship with Tees, Esk and Wear Valleys NHS Foundation Trust, who contribute to training and specialist support.

Maternity Services – Section 31 Urgent Conditions Notice

Between October 2022 and March 2023, the CQC inspected Emergency and Urgent Care, Medical Care and Maternity Services. Following this inspection, the Trust received a Section 31 Urgent Conditions Notice relating specifically to maternity services, issued where the CQC identifies concerns requiring immediate action to mitigate risks and protect patient safety.

In response, the Trust delivered a comprehensive improvement programme, including strengthened local leadership, enhanced clinical risk governance, and increased workforce and safety measures. As a result of sustained improvements, the Trust applied for removal of the Section 31 conditions, and the CQC approved this application in October 2025.

CQC Inspection Activity during 2025/2026

Urgent and Emergency Care and Medical Care Services York Hospital

In July 2025, the CQC published its report following the inspection of medical care services and urgent and emergency care at York Hospital, undertaken in January 2025. The report reflected the significant progress made, particularly within urgent and emergency care, which improved from ‘Inadequate’ to ‘Requires Improvement’. Medical care services were also rated ‘Requires Improvement’, with the ‘Caring’ domain rated ‘Good’, demonstrating the continued compassion, professionalism and commitment of our staff.

Urgent and Emergency Care and Medical Care Services Scarborough Hospital

An unannounced inspection was subsequently carried out at Scarborough Hospital in October 2025. The Trust was assessed across urgent and emergency care and medical care services, with inspectors reviewing whether services were safe, effective, caring, responsive and well-led.

The final report, published in March 2026, confirmed that medical care services had improved to an overall rating of ‘Good’, reflecting strengthened safety, effectiveness and leadership. Inspectors highlighted strong multidisciplinary working and the delivery of positive, patient-centred care. The report also noted areas requiring further improvement, including aspects of governance, ongoing training challenges for medical staff and the management of complaints.

Urgent and emergency care services received an overall rating of ‘Requires Improvement’. Inspectors identified several examples of good practice, including a positive learning culture, effective teamwork and a clear understanding among staff of how to raise concerns.

The report also acknowledges the significant operational pressures facing the service, including sustained high demand that continues to impact patient access, flow through the department, and delays in ambulance handovers. It further identifies areas where improvement is required, including strengthening infection prevention and control practices, improving assurance processes around consent, and ensuring more consistent documentation of ongoing patient assessments. The Trust recognises these challenges and is taking forward a focused programme of work to address them

and support continued improvement.

Overall, the Trust is rated 'Requires Improvement'.

Maternity Services
York and Scarborough Hospital sites

An unannounced onsite inspection of Maternity Services at the York and Scarborough Hospital sites took place between the 14 and 17 April. The inspection was a planned re-assessment following the 2023 inspection, where services were rated inadequate. The Trust is awaiting the draft inspection report.

The Trust is committed to addressing all regulatory breaches identified in the CQC reports published during 2025/26. A structured improvement programme is in place to ensure that all required actions are delivered in full, supported by strengthened governance, clear accountability and enhanced monitoring through Trust Board and sub-committee oversight.

Learning from Incidents

Over the course of 2025/26, the Trust continued the development and refinement of the Patient Safety Incident Response Framework (PSIRF), further embedding it as the Trust's normal way of working.

The identified local priorities remain under review; however, several priorities continue from those agreed following the thematic analysis of incidents, complaints, and claims last year. These include:

- Inpatient falls
- Responding to the deteriorating patient
- Pressure-related skin damage
- Discharge and onward referral

Further priorities for 2026/27 are to be confirmed. A comprehensive review of PSIRF priorities is currently underway, collating and analysing both quantitative and qualitative data to determine future areas of focus. This process maintains an emphasis on thematic analysis and data triangulation, alongside corporate oversight through engagement with key stakeholders.

Training remains a key focus for the Patient Safety Team, ensuring staff are equipped to undertake meaningful learning responses and identify relevant learning from incidents. Booking processes have been streamlined, and historical record-keeping for PSIRF learning responses has been enhanced, including records of training such as After-Action Reviews. Completion rates for Level 1 *Essentials in Patient Safety* e-learning continue to exceed the planned trajectory.

Following consultation, NHS England relaxed requirements regarding who can deliver PSIRF training. This change enabled the Patient Safety Team to design and deliver an internally developed PSIRF training course, avoiding additional external costs and delivering an estimated saving of £18,000 per suite of courses delivered. This programme builds on the original course implemented in 2024. One cohort has successfully completed training in April 2026, with further sessions scheduled. Delivery of this programme will remain a priority for the Patient Safety Team.

Incidents continue to be reported via Datix and are reviewed daily by Care Groups and the Patient Safety Team. Incidents rated as moderate harm and above are reviewed using a Patient Safety Incident Review report and presented by clinicians at the weekly Quality and Safety (Q&S) Group, which includes Executive and senior Care Group representation. Learning is shared across Care Groups, with certain issues requiring assurance back to Q&S that actions have been implemented and learning embedded. Care Groups bring incidents of concern to Q&S with suggested PSIRF

responses, where the appropriateness and timing of the response are confirmed.

Building on the success of the Q&S Group, the Patient Safety Team established a similar forum for YTHFM. This has reduced overdue incidents and a lack of investigations from over 500 to 45 at the time of reporting.

Since its launch in September 2024, over 823 *Great-ix* submissions have been received, highlighting staff and teams demonstrating excellence in patient safety and colleague wellbeing. This initiative supports the development of a positive safety culture, encouraging learning from good practice and reinforcing Trust values.

The Patient Safety Team produces a daily incident update highlighting the most significant incidents from the previous 24 hours. This is shared with senior leaders, with an expectation that Care Groups take immediate action where required. These incidents are also discussed further at Q&S meetings.

The Patient Safety Team plays a central role in promoting shared learning and timely communication across the organisation. Weekly staff updates highlight key safety concerns and are widely valued as an effective communication mechanism. In addition, a bi-monthly *Safety Spotlight* newsletter disseminates important learning, while targeted safety briefings are produced in response to urgent concerns raised at Q&S. Collectively, these initiatives strengthen organisational learning, enhance collaboration, and support a culture of continuous improvement.

NHS Provider Licence – Section 4 (governance)

The effectiveness of the governance structure has been assessed by the Associate Director of Corporate Governance who, working with the Chair and newly appointed Chief Executive during 2025/26, has begun implementation of improvements to the corporate governance structure in compliance with our licence. This has been informed by the Trust's external well-led development review during 2025/26. The governance structure is continually reviewed to ensure the Trust is meeting its responsibilities and managing its risks effectively.

Throughout 2025/26 the Trust had a consistent corporate governance structure and conducted effectiveness reviews of the BoD and its Committees with accurate, complete and timely Trust Priorities Report (TPR) reporting of risk and performance across the governance structure by each individual Director's area of defined responsibility.

This has strengthened the reporting lines and accountabilities between the BoD, its Sub- Committees via focussed escalation reports, and the Executive Team to improve the overall effectiveness of the Trust's governance structure with the BoD having mechanisms for effective oversight of the Trust's performance.

NHS Oversight Framework

As at 31 March 2026 the Trust is in segment 4 of the NHS Oversight Framework based on the performance domains: access to services, finance and productivity, effectiveness and experience, patient safety and people and workforce.

Performance

The Board reviews performance data each month against NHSE and CQC standards and outcomes via its Trust Priorities Report (TPR), focussing on key performance indicators; quality, safety, patient experience and clinical outcomes; people and organisational development; and finance. This was reported in the context of the Trust's Strategy 2025- 2030: Towards Excellence with further oversight at the Board's Sub-Committees.

Continuous improvement of the Trust's key performance indicators is reviewed to identify key actions to improve Trust performance and its assurance. This further enhances the rigour and scrutiny necessary to assure the Board that recovery plans are on trajectory or mitigating actions are put in place where performance is off-track. The Trust during 2026/27 is to undergo a Trust-wide Continuous Quality Improvement programme to further strengthen improvements to performance and assurance integral to its culture.

The Trust is a key member of the Humber and North Yorkshire Health and Care Partnership (HNYHCP), with a number of Trust Directors and Senior Managers leading on and participating in work to re-design and configure pathways, and to optimise and expand service capacity where feasible.

Financial Performance

NHS England's financial strategy for 2025/26 continued to prioritise delivery of a balanced net system financial position, improved productivity and strengthened financial discipline across all NHS organisations. Funding for the NHS in 2025/26 reflected a modest uplift, delivering broadly flat real-terms funding at provider level once the impact of inflation and national pay awards was taken into account. Within this context, NHS providers were required to absorb significant cost pressures while continuing to deliver recovery of core services and national operational priorities.

For 2025/26, NHS England set clear financial expectations for Trusts, including delivery of a balanced net system financial position, sustained productivity improvement, reduction in reliance on temporary staffing and maintenance of strong financial grip alongside recovery of elective, urgent and cancer services.

The Trust operated within this challenging national and system context during the year. The Trust reported an income and expenditure deficit of £33.1m for 2025/26. After taking account of NHS England technical normalisation adjustments, including asset impairments, the regulator-assessed income and expenditure deficit was £32.3m.

At 31 March 2026, the Group held a year-end cash balance of £27.3m. Cash and liquidity remained a key focus throughout the year and were managed through established financial governance arrangements, including regular monitoring and reporting to senior management and the Board of Directors.

The Trust recognises its statutory responsibility to contribute to the delivery of an agreed and balanced net system financial position within the Humber and North Yorkshire Integrated Care System. Financial planning, performance management and risk mitigation have been undertaken in close partnership with the Integrated Care Board and system partners, reflecting NHS England's continued emphasis on collaborative system working.

The contract payment mechanism for 2025/26 operated in accordance with the NHS Payment Scheme, with an Aligned Payment and Incentive (API) approach forming the principal contractual arrangement between the Trust and its main commissioners. This blended payment model, comprising fixed and variable elements, was designed to provide financial stability while incentivising delivery of national priorities, including elective recovery and productivity improvement, and supporting effective management of financial risk at both organisational and system level.

Looking ahead, the Trust faces a significant financial challenge in 2026/27. With a challenging efficiency programme, the Trust is forecasting an income and expenditure deficit of £22m for the year. Multi-year financial planning demonstrates a return to financial sustainability and a balanced income and expenditure position from year three. However, at this stage, this position is not acceptable to NHS England, and an interim arrangement has been put in place.

Under this arrangement, the year one deficit is confirmed as the maximum allowable deficit for the Trust, with additional cost reduction and productivity support to be agreed with NHS England through the Challenged Provider Programme. The Trust is engaging fully with NHS England as part of this programme to improve both financial and activity performance, supported by strengthened governance, delivery oversight and system partnership working.

Cost Improvement Programme (CIP)

NHS England's financial framework for 2025/26 placed a strong emphasis on productivity improvement and cost base reduction as key enablers of financial sustainability. Trusts were expected to deliver significant efficiency savings in order to absorb the impact of pay awards, inflation and demand growth within constrained funding levels, while ensuring that quality and patient safety were maintained. This included continued expectations to reduce reliance on temporary staffing and address unwarranted variation through service and workforce transformation.

Within this context, the Trust established a Cost Improvement Programme (CIP) for 2025/26 totalling £55.29m, comprising a core efficiency requirement of £25.35m and a central efficiency programme of £29.939m. The core programme focused on locally led schemes aligned to operational productivity and efficiency, while the central programme included cross-organisational initiatives to reduce bed occupancy, review workforce deployment and eliminate non-recurrent and residual expenditure.

During the year, the Trust over-delivered against its core efficiency requirement by £9.156m, reflecting strong engagement at Care Group level and focused operational grip. Delivery of the central efficiency programme proved significantly more challenging within a single financial year, resulting in a shortfall of £23.947m. Total efficiency delivery in 2025/26 was
£40.498m, representing the highest level of efficiencies delivered by the Trust to date.

Governance arrangements are in place to support delivery of the Cost Improvement Programme and ensure that financial savings are achieved in a safe and controlled manner. All CIP schemes are subject to a formal Quality Impact Assessment (QIA) process to assess potential impacts on patient safety, quality of care and workforce wellbeing. Schemes identified as higher risk are escalated for enhanced scrutiny and approval through executive-level governance, with further escalation to the Quality Committee where required.

Delivery of the Cost Improvement Programme is monitored throughout the year (named Waste Reduction and Productivity from next year) through established performance and financial reporting arrangements including Financial Improvement Boards (FIBs). Progress, risks and mitigations are routinely reviewed by the Executive Committee, Resources Committee and Board of Directors, providing assurance that efficiency delivery is aligned with national expectations, organisational priorities and the Trust's statutory duties.

The Trust also works closely with Integrated Care System partners to support system-wide productivity and financial sustainability. Consistent with NHS England's emphasis on collaborative working, opportunities for shared efficiencies and demand management are considered at system level alongside organisational plans.

Looking ahead, the scale of the efficiency challenge remains a significant risk. For 2026/27, the Trust faces a further core efficiency requirement of £61.6m, equating to 6.4% of operational expenditure, reinforcing the importance of strong financial governance, continued productivity improvement and close partnership working across the system.

Stakeholders

Public stakeholders are involved in the management of risks which impact on them through public meetings of the Board, and our attendance at Health Overview and Scrutiny meetings. Governors are involved in discussions about risks which impact on patients and Members through regular meetings including the Council of Governors (CoG) and Governor Sub-Groups. They are involved in the development of the Trust's strategy and operational plans.

Our engagement with our stakeholders produces an additional layer of scrutiny and challenge from broad representative areas of our population groups and therefore enables the Trust to remain grounded and responsive to the communities we serve.

The Trust is engaged with partner organisations in the local health and care system in discussing quality and risk issues impacting on patients, in particular through the work of the Humber and North Yorkshire ICS.

Further information regarding patient and public engagement in the Trust is included in the Annual Report.

Workforce Strategies

The Trust's People Strategy 2025-2030 was updated and subsequently approved by the BoD in April 2025. This describes the Trust's long-term strategy of its workforce with ongoing assurance provided in the workforce section of the TPR.

Assurance on all aspects relating to the workforce is provided to the Resources Committee as a Sub-Committee of the Board. In the context of a challenged environment, particular focus is given to efficient resourcing, leadership and line management capability and cultural change to improve retention.

Register of Gifts and Hospitality

The Foundation Trust has published on its website an up-to-date 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. The register can be found at Declarations (mydeclarations.co.uk).

NHS Pension Scheme

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.

Equality, Diversity and Human Rights

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with. Regular reports are received by the BoD to provide assurance of compliance.

Equality Impact Assessments are developed in review of organisation policy to ensure no one is disadvantaged from changes to the Trust's core business.

Climate Change

The Foundation 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.

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

During the year the BoD has received regular reports informing of the economy, efficiency and effectiveness of the use of resources. The reports provide detail on the financial and clinical performance of the Trust during the previous period and highlight any areas where there are concerns. As a partner of the Humber and North Yorkshire Integrated Care Partnership (HNYICP) these reports have contributed towards the partnership objectives including that of the ICB and the place-based partnerships of the communities that the Trust serves. The Trust continues in a formal partnership with the other acute providers in the HNYICB during 2025/26 in the Collaboration of Acute Providers attending a regular committee-in-common to ensure opportunities and risks for future sustainability are managed effectively in delivery the Trust's and contribution to NHYICP strategies.

The Trust uses a number of ways to review assurance mechanisms, including the Board Committee Structure, internal audit and other reviews, including whether services are well- led under the Care Quality Commission and NHS England well-led framework. Following the well-led independent developmental review conducted at the Trust during 2025/26 a BoD approved action plan for a series of improvements will be implemented during 2026/27 with quarterly progress assurance reports to BoD.

The Trust operates within a governance framework of Standing Orders, Standing Financial Instructions and other processes. The framework includes explicit arrangements for:

- Setting and monitoring financial budgets
- Delegation of authority
- Performance management, and
- Achieving value for money in procurement

The governance framework is subject to scrutiny by the Trust's Audit Committee and internal and external audit. Financial governance arrangements are supported by internal and external audit to ensure economic, efficient and effective use of resources.

Information Governance

The Trust had in post during 2025/26 a Board-level, Chief Digital Information Officer as well as a Data Protection Officer and Head of Information Governance. These roles have responsibility for providing professional leadership on information management, related legislation and professional standards for the Trust and partners. Trust mitigations of cyber risks for example have been a particular focus and area of improvement during 2025/26.

Staff have continued to engage in information governance and security training as part of the mandatory training programme across the Trust.

The Trust measures its performance against the Data Security and Protection Toolkit, which is a set of standards set by the National Data Guardian (NDG) and the Department of Health and Social Care (DHSC). The Toolkit was been changed in 2024/25 to reflect the Cyber Assurance Framework. Due to these updates, the Trust has faced challenges in meeting the new expectations. Of the 47 assessed outcomes, the Trust met the required NHS England level on 31 (66%), while on 16 (34%) we fell short of the required level. The revised standards have introduced more stringent requirements, highlighting areas where the Trust needs to improve its data security and protection

measures. This has prompted a thorough review of current practices and the implementation of corrective actions to align with the updated Toolkit, ensuring that the Trust can achieve compliance and enhance its overall data security posture.The full submission is in progress and due in June 2026. The Digital Sub-committee continues to monitor this and reports to the Chief Executive via the Chief Digital Information Officer.

The Trust manages information security incidents in a transparent manner using the Information Commissioner and Data Security and Protection Toolkits, recommending criteria to determine whether they should be reported or not. All the incidents below were felt to meet this threshold with no further action required from the Information Commissioner's Office:

- Three data breaches concerning staff members inappropriately accessing records with patients informed in line with duty of candour.

Data Quality and Governance

The Trust has arrangements in place to ensure it processes data that is accurate, reliable, timely, complete and sufficient.

Data quality, monitoring, validation and system controls are embedded within the organisation, and reporting processes to assure the quality and accuracy of elective waiting time data for example are in place. The level of assurance has been enhanced during the year through continued development and refining of the collection and use of data, together with the strengthening of the assurance received by the Quality Committee with escalations to the BoD.

The responsibility for patient quality is split between the Chief Nurse and Medical Director, both of whom sit on the Quality Committee. The Quality Committee reports directly into the Board and the Chair of the Committee also is a member of the Group Audit Committee.

The Trust has a number of underpinning strategies in place, including the Patient Safety Strategy and Quality Improvement Strategy which is currently incorporated into the Quality Strategy. These are supported by the Risk Management Framework and policies relating to health and safety, incident reporting, complaints, claims and safeguarding.

Over the course of 2025/26 the governance processes have continued to be strengthened to improve Ward to Board governance. Any areas of concern are escalated to the Board via the Committee Structure, which includes the Group Audit Committee. Thematic analysis of patient safety incident investigation themes has been undertaken and a number of quality improvement projects have been developed to address themes.

Review of Effectiveness

As Accounting 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 Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the performance information available to me. My review is also informed by comments made by the external auditors in their management letter 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 and its Assurance Committees and a plan to address weaknesses and ensure continuous improvement of the systems is in place.

The BAF itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its strategic objectives has been reviewed. The Trust Board seeks assurance from the Trust's internal auditors, by way of reports that are published in response to

reviews initiated following the agreement of an annual audit plan. These reports are undertaken in accordance with the requirements of the Public Sector Internal Audit Standards and provide specific levels of assurance and include suggested actions to improve controls where this is considered necessary.

Apart from the Group Audit Committee, other Sub-committees include Quality Committee and Resources Committee, details of which are set out in the Accountability Report section of this Annual Report. The Group Audit Committee provides the Trust Board with a means of independent and objective review of:

- Internal control
- Financial systems
- The financial information used by the Trust
- Controls assurance systems
- Risk management systems
- Compliance with law, guidance and codes of conduct

The Group Audit Committee reviews the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the organisation's activities (both clinical and non-clinical), that supports the achievement of the organisation's objectives.

Internal Audit

The overall opinion for the period 1 April 2025 to 31 March 2026 provides significant assurance that that there is a good system of governance, risk management and internal control designed to meet the organisation's objectives, and that controls are generally being applied consistently.

The 2025/26 Internal Audit Plan has been delivered, subject to approved changes. This position has been reported within the progress reports across the financial year and any changes to the audit programme have been reviewed and approved by the Audit Committee.

During the year, myself and/or the Finance Director & Deputy Chief Executive and Audit Sponsor have met with the Internal Audit Manager to discuss 'Limited' and 'Low' Assurance reports. Outcomes of the meetings are documented and reported to the Audit Committee, which takes assurance that action plans have been agreed and are being progressed to address areas of weakness identified.

External Audit

External audit provides independent assurance on the accounts, annual report, and Annual Governance Statement. External Audit provides reports to the Group Audit Committee throughout the year. No matters have been reported by External Audit for 2025/26 that indicate any internal control matters not already identified by the Trust.

Conclusion

The system of internal control has been in place at the Trust for the year ended 31 March 2026 and up to the date of approval of the annual report and accounts. In summary I am assured that the NHS Foundation Trust has an overall sound system of internal controls in place, which are designed to manage the key organisational objectives and minimise the NHS Foundation Trust's exposure to risk. My review therefore confirms no significant internal control issues have been identified for the year ending 31 March 2026.

Signed:

Clare Smith
Chief Executive
June 2026

Part 4
Annual Accounts

2025/2026

Independent auditor's report to the Council of Governors of York and Scarborough Teaching Hospitals NHS Foundation Trust

Report on the audit of the financial statements

Opinion on the financial statements

We have audited the financial statements of York and Scarborough Teaching Hospitals NHS Foundation Trust ('the Trust') and its subsidiaries ('the Group') for the year ended 31 March 2026 which comprise the Consolidated Statement of Comprehensive Income, the Statements of Financial Position, the Consolidated Statement of Changes in Taxpayers' Equity for the year ended 31 March 2026, the Statement of Changes in Taxpayers' Equity for the year ended 31 March 2026, the 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 as interpreted and adapted by HM Treasury's Financial Reporting Manual 2025/26 as contained in the Department of Health and Social Care Group Accounting Manual 2025/26, and the Accounts Direction issued under the National Health Service Act 2006.

In our opinion, the financial statements:

- **give a true and fair view of the financial position of the Trust and Group as at 31 March 2026 and of the Trust's and the Group's income and expenditure for the year then ended;**
- **have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2025/26; and**
- **have been properly 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. 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 Trust and Group 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

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, and taking into account the requirements of the Department of Health and Social Care Group Accounting Manual, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's or the Group'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, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information. 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 or a material misstatement of the other information. 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 these regards.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is 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 Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Accounting Officer is required to comply with the Department of Health and Social Care Group Accounting Manual 2025/26 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 public sector entity. The Accounting Officer is responsible for assessing each year whether or not it is appropriate for the Trust and Group to prepare financial statements on the going concern basis and disclosing, as applicable, matters related to going concern.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the Trust and Group, we did not identify any laws and regulations that have an indirect effect on the preparation of the financial statements, where non-compliance might have a material effect on the financial statements.

To help us identify instances of non-compliance with laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- gaining an understanding of the legal and regulatory framework applicable to the Trust and Group, the environment in which it operates, and the structure of the Trust and Group, and considering the risk of acts by the Trust and Group which were contrary to the applicable laws and regulations, including fraud;
- inquiring with management and the Group Audit Committee, as to whether the Trust and Group is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- reviewing minutes of relevant meetings in the year;
- communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- considering the risk of acts by the Trust and Group which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as the National Health Service Act 2006 (as amended by the Health and Social Care Act 2012).

In addition, we evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to year end accruals, the risk of fraud in revenue recognition (which we pinpointed to cut off, existence and valuation), the risk of fraud in expenditure recognition (which we pinpointed to the cut off, completeness and valuation assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included, but were not limited to:

- making enquiries of management, Head of Internal Audit and the Group Audit Committee on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- discussing amongst the engagement team the risks of fraud; and
- addressing the risks of fraud through management override of controls by performing journal entry testing, testing of accounting estimates, and consideration of any significant transaction outside the normal course of business;
- testing income and expenditure transactions around the year end;
- testing year end expenditure accruals and receivables; and
- reviewing intra-NHS reconciliations provided by the Department of Health and Social Care.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with both management and the Group Audit Committee. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

We are also required to conclude on whether the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. We performed our work in accordance with Practice Note 10: Audit of financial statements and regularity of public sector bodies in the United Kingdom, (Revised 2024) and Supplementary Guidance Note 01, issued by the Comptroller and Auditor General in November 2024.

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 the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources

Matter on which we are required to report by exception

We are required to report to you if, in our opinion, we are not satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2026.

On the basis of our work, having regard to the guidance issued by the Comptroller and Auditor General in March 2026, we have identified the following significant weakness in the Trust's arrangements for the year ended 31 March 2026.

In June 2025, we identified a significant weakness in relation to financial sustainability for the 2024/2025 year. In our view this significant weakness remains for the year ended 31 March 2026:

Significant weakness in arrangements – issued in a previous year	Recommendation
The Trust reported a £32m deficit in 2025/26. The Trust's financial management arrangements were not sufficiently robust to mitigate the impact of additional costs and reductions in planned income, and a significant variance from the plan occurred. The Trust's three-year plan forecasts deficits in 2026/27 and 2027/28 and an in-year breakeven position in 2028/29. The 2026/27 planned deficit is reliant on delivering £54m of financial improvements and efficiencies in its Waste Reduction and Productivity programme. In our view there is a significant weakness in the Trust's arrangements for financial sustainability.	The Trust should put in place arrangements to deliver its Medium Term Financial Plan and its Waste Reduction and Productivity programme.

Responsibilities of the Accounting Officer

The Chief Executive as Accounting Officer is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in the Trust's use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor's responsibilities for the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We are required under Schedule 10(1) 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, and to report where we have not been able to satisfy ourselves that it has done so. 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 work in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in March 2026.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Code of Audit Practice

In our opinion:

- the parts of the Remuneration Report and Staff Report subject to audit have been properly prepared in accordance with the requirements of the NHS Foundation Trust Annual Reporting Manual 2025/26; and
- the other information published together with the audited 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:

- in our opinion the Annual Governance Statement does not comply with the NHS Foundation Trust Annual Reporting Manual 2025/26; or
- we refer a matter to the regulator under Schedule 10(6) of the National Health Service Act 2006; or
- we issue a report in the public interest under Schedule 10(3) of the National Health Service Act 2006.

We have nothing to report in respect of these matters.

Use of the audit report

This report is made solely to the Council of Governors of York and Scarborough Teaching Hospitals NHS Foundation Trust as a body in accordance with Schedule 10(4) of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust 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 Council of Governors of the Trust as a body for our audit work, for this report, or for the opinions we have formed.

Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate until we have received confirmation from the NAO that the group audit of the Department of Health and Social Care has been completed and that no further work is required to be completed by us.

Alastair Newall, Key Audit Partner
For and on behalf of Forvis Mazars LLP (Local Auditor)

Forvis Mazars LLP
One St Peter’s Square
Manchester
M2 2DE

19 June 2026

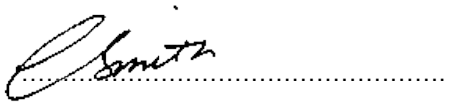
York and Scarborough Teaching Hospitals NHS Foundation Trust

Annual accounts for the year ended 31 March 2026

Foreword to the accounts

York and Scarborough Teaching Hospitals NHS Foundation Trust

These accounts, for the year ended 31 March 2026, have been prepared by York and Scarborough Teaching Hospitals NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006 and are presented to Parliament pursuant to Schedule 7, paragraph 25 (4) (a) of the National Health Service Act 2006.

Signed 

Name **Clare Smith**
Job title **Chief Executive**
Date **17 June 2026**

Consolidated Statement of Comprehensive Income

		Group	
		2025/26	2024/25
	Note	£000	£000
Operating income from patient care activities	2	836,648	813,719
Other operating income	3	90,920	80,857
Operating expenses	6,8	(950,519)	(923,835)
Operating surplus/(deficit) from continuing operations		**(22,951)**	**(29,259)**
Finance income	10	2,547	2,730
Finance expenses	11	(1,322)	(1,295)
PDC dividends payable		(11,405)	(10,259)
Net finance costs		**(10,180)**	**(8,824)**
Other gains / (losses)	12	(4)	78
Surplus / (deficit) for the year from continuing operations		**(33,135)**	**(38,005)**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	7	3,769	(5,377)
Revaluations	15	1,914	2,467
Other reserve movements		(25)	(25)
Total comprehensive income / (expense) for the period		**(27,477)**	**(40,940)**

Statements of Financial Position

	Note	Group 31 March 2026 £000	Group 31 March 2025 £000	Trust 31 March 2026 £000	Trust 31 March 2025 £000
Non-current assets					
Intangible assets	14	21,950	15,152	21,950	15,152
Property, plant and equipment	15	436,181	381,741	353,831	327,338
Right of use assets	20	30,511	33,315	30,511	33,315
Receivables	23	1,377	1,689	1,376	1,689
Receivables relating to subsidiary	23	-	-	208,987	158,549
Total non-current assets		**490,019**	**431,897**	**616,655**	**536,043**
Current assets					
Inventories	22	15,576	14,129	14,713	13,345
Receivables	23	35,849	43,998	27,060	36,643
Receivables relating to subsidiary	23	-	-	13,121	9,375
Cash and cash equivalents	24	27,288	57,777	25,110	56,307
Total current assets		**78,713**	**115,904**	**80,004**	**115,670**
Current liabilities					
Trade and other payables	25	(94,279)	(96,460)	(64,287)	(60,595)
Borrowings	27	(9,987)	(11,181)	(4,123)	(4,827)
Trade and other payables relating to subsidiary	25	-	-	(2,852)	(9,951)
Provisions	28	(252)	(329)	(252)	(329)
Other liabilities	26	(3,152)	(3,592)	(652)	(1,076)
Borrowings relating to subsidiary	27.2	-	-	(14,834)	(13,578)
Total current liabilities		**(107,670)**	**(111,562)**	**(87,000)**	**(90,356)**
Total assets less current liabilities		**461,062**	**436,239**	**609,659**	**561,357**
Non-current liabilities					
Trade and other payables	25	(72)	(72)	(55)	(55)
Borrowings	27	(45,281)	(49,587)	(25,902)	(30,027)
Borrowings relating to subsidiary	27.2	-	-	(165,182)	(140,426)
Provisions	28	(1,089)	(1,237)	(1,089)	(1,237)
Total non-current liabilities		**(46,442)**	**(50,896)**	**(192,228)**	**(171,745)**
Total assets employed		**414,620**	**385,343**	**417,431**	**389,612**
Financed by					
Public dividend capital		358,022	301,268	358,022	301,268
Revaluation reserve		95,422	89,739	95,422	89,739
Income and expenditure reserve		(38,824)	(5,664)	(36,013)	(1,395)
Total taxpayers' equity		**414,620**	**385,343**	**417,431**	**389,612**

The note numbers 1 to 34 form part of these accounts.

Name Clare Smith
Position Chief Executive
Date 17 June 2026

Consolidated Statement of Changes in Taxpayers' Equity for the year ended 31 March 2026

Group	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2025 - brought forward	**301,268**	**89,739**	**(5,664)**	**385,343**
Surplus/(deficit) for the year	-	-	(33,135)	**(33,135)**
Impairments	-	3,769	-	**3,769**
Revaluations	-	1,914	-	**1,914**
Public dividend capital received	56,754	-	-	**56,754**
Other reserve movements	-	-	(25)	**(25)**
Taxpayers' and others' equity at 31 March 2026	**358,022**	**95,422**	**(38,824)**	**414,620**

Consolidated Statement of Changes in Taxpayers' Equity for the year ended 31 March 2025

Group	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2024 - brought forward	**259,457**	**92,649**	**32,366**	**384,472**
Surplus/(deficit) for the year	-	-	(38,005)	**(38,005)**
Impairments	-	(5,377)	-	**(5,377)**
Revaluations	-	2,467	-	**2,467**
Public dividend capital received	41,811	-	-	**41,811**
Other reserve movements	-	-	(25)	**(25)**
Taxpayers' and others' equity at 31 March 2025	**301,268**	**89,739**	**(5,664)**	**385,343**

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2026

Trust	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2025 - brought forward	**301,268**	**89,739**	**(1,395)**	**389,612**
Surplus/(deficit) for the year	-	-	(34,618)	**(34,618)**
Impairments	-	3,769	-	**3,769**
Revaluations	-	1,914	-	**1,914**
Public dividend capital received	56,754	-	-	**56,754**
Taxpayers' and others' equity at 31 March 2026	**358,022**	**95,422**	**(36,013)**	**417,431**

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2025

Trust	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2024 - brought forward	**259,457**	**92,649**	**36,137**	**388,243**
Surplus/(deficit) for the year	-	-	(37,532)	**(37,532)**
Impairments	-	(5,377)	-	**(5,377)**
Revaluations	-	2,467	-	**2,467**
Public dividend capital received	41,811	-	-	**41,811**
Taxpayers' and others' equity at 31 March 2025	**301,268**	**89,739**	**(1,395)**	**389,612**

Information on reserves

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.

Statements of Cash Flows

	Note	Group 2025/26 £000	Group 2024/25 £000	Trust 2025/26 £000	Trust 2024/25 £000
Cash flows from operating activities					
Operating surplus / (deficit)		(22,951)	(29,259)	(26,950)	(31,985)
Non-cash income and expense:					
Depreciation and amortisation	6	28,580	26,026	28,580	26,026
Net impairments	7	6,032	38,069	6,032	38,069
Income recognised in respect of capital donations	3	(6,021)	(978)	(6,021)	(978)
(Increase) / decrease in receivables relating to subsidiary		-	-	(11)	2
(Increase) / decrease in receivables and other assets		8,523	(5,927)	9,958	(2,639)
(Increase) / decrease in inventories		(1,447)	(878)	(1,368)	(898)
Increase / (decrease) in payables and other liabilities		(2,731)	4,916	(2,084)	2,351
Increase / (decrease) in provisions		(238)	8	(225)	20
Increase / (decrease) in payables relating to subsidiary		-	-	(7,099)	(291)
Net cash flows from / (used in) operating activities		**9,747**	**31,977**	**812**	**29,677**
Cash flows from investing activities					
Interest received		2,547	2,730	2,239	2,472
Interest received from subsidiary		-	-	7,629	6,002
Purchase of intangible assets		(12,934)	(11,035)	(12,934)	(11,035)
Purchase of PPE and investment property		(68,798)	(41,572)	(35,607)	(77,599)
Sales of PPE and investment property		5	-	5	-
Initial direct costs or up front payments in respect of new right of use assets (lessee)		(300)	(627)	(13)	(38)
Receipt of cash donations & grants to purchase assets		6,021	978	6,021	978
Net cash flows from / (used in) investing activities		**(73,459)**	**(49,526)**	**(32,660)**	**(79,220)**
Cash flows from financing activities					
Public dividend capital received		56,754	41,811	56,754	41,811
Movement on loans from DHSC		(2,506)	5,411	(2,506)	5,411
Movement on other loans (to) and from subsidiary		-	-	(33,975)	29,284
Capital element of lease liability repayments		(8,239)	(7,224)	(2,070)	(2,187)
Interest on loans to subsidiary		-	-	(5,620)	(3,313)
Interest on loans		(387)	(335)	(387)	(335)
Other interest		(2)	(1)	(2)	-
Interest paid on lease liability repayments		(906)	(936)	(91)	(149)
PDC dividend (paid) / refunded		(11,467)	(10,851)	(11,467)	(10,851)
Cash flows from (used in) other financing activities		(24)	(24)	15	52
Net cash flows from / (used in) financing activities		**33,223**	**27,851**	**651**	**59,723**
Increase / (decrease) in cash and cash equivalents		**(30,489)**	**10,302**	**(31,197)**	**10,180**
Cash and cash equivalents at 1 April - brought forward		**57,777**	**47,475**	**56,307**	**46,127**
Cash and cash equivalents at 31 March	24	**27,288**	**57,777**	**25,110**	**56,307**

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

NHS England has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2025/26 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 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.

Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment and inventories.

Note 1.2 Going Concern

These accounts have been prepared on a going concern basis. The financial reporting framework applicable to NHS bodies, derived from the HM Treasury Financial Reporting Manual, defines that the anticipated continued provision of the entity's services in the public sector is normally sufficient evidence of going concern. The directors have a reasonable expectation that this will continue to be the case.

Note 1.3 Consolidation

The Trust, along with Northumbria Healthcare Facilities Management Ltd, incorporated a subsidiary York Teaching Hospital Facilities Management (YTHFM LLP) registered number OC421341 in March 2018 as a limited liability partnership. YTHFM LLP became operational on 1 October 2018. The primary purpose of the subsidiary is the provision of a fully managed healthcare facility for the Trust's existing infrastructure, including the design, project management and operation of the Trust's capital programme. The income, expenses, assets, liabilities, equity and reserves for the subsidiary are consolidated in full into the appropriate financial statement lines. Appropriate adjustments are made on consolidation where the subsidiary's accounting policies are not aligned with the Group & Trust's. The amounts consolidated for the year ending 31 March 2026 are drawn from the 2025/26 financial statements of YTHFM LLP which operates under the same financial accounting year as the Trust. YTHFM LLP prepares financial statements in accordance with FRS 101 Reduced Disclosure Framework. Northumbria Healthcare Facilities Management Ltd minority interest is not material to the Group's financial statements.

Note 1.4 Revenue from contracts with customers

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.

Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for health care 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. 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 excluded from the calculation of national prices are reimbursed by NHS England based on actual usage or at a fixed baseline in addition to the price of the related service.

The Trust also receives income from commissioners under the Best Practice Tariff (BPT) scheme. Delivery under the scheme is part of how care is provided to patients. As such 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 BPT 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 actual activity performed.

Additional payments for non elective specialised services reflecting patient complexity are included within the fixed element of API contracts. For elective and day cases, these are accounted for as variable consideration under IFRS 15.

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.

In practical terms, this means the Trust conducts a number of individual research projects and compiles supporting progress reports, including end of study reporting to relevant stakeholders, including the National Institute for Health and Care Research (NIHR). This reporting identifies achievement of key milestones and satisfied obligations to enable revenue to be recognised accordingly. Income received in advance is deferred, while income earned but not yet billed is accrued.

NHS injury cost recovery scheme

The Trust receives income under the NHS injury cost recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when performance obligations are satisfied. In practical terms this means that treatment has been given, 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 an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

Note 1.5 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 grants 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.

Note 1.6 Expenditure on employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees.

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Both schemes are unfunded, defined benefit schemes that cover NHS employers, general practices and other bodies, allowed under the direction of Secretary of State for Health and Social Care in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as though it is a defined contribution scheme: the cost to the trust is taken as equal to the employer's pension contributions payable to the scheme for the accounting period. The contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the trust commits itself to the retirement, regardless of the method of payment.

Alternative pension scheme

York & Scarborough Teaching Hospitals NHS Foundation Trust and its subsidiary offers an alternative pension scheme to all employees who are either not eligible; or choose not, to be members of the NHS Pension Scheme at the Trust. This includes employees who are members of the NHS Pension Scheme through another role outside of the Group and those that are not eligible to join the NHS Pension Scheme.

The alternative pension scheme is a defined contribution scheme operated by the National Employment Savings Trust (NEST). Employee and employer contribution rates are a combined minimum of 8% (with a minimum 3% being contributed by the Group).

Note 1.7 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.

Note 1.8 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 trust
• it is expected to be used for more than one financial year
• the cost of the item can be measured reliably
• the item has cost of at least £5,000, or
• collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, eg, plant and equipment, then these components are treated as separate assets and depreciated over their own useful lives.

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.

Measurement

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.

Assets are measured subsequently at valuation. Assets which are held for their service potential and are in use (ie operational assets used to deliver either front line services or back office functions) are measured at their current value in existing use. Assets that were most recently held for their service potential but are surplus with no plan to bring them back into use are measured at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

For specialised assets, current value in existing use is interpreted as the present value of the asset's remaining service potential, which is assumed to be at least equal to the cost of replacing that service potential. Specialised assets are therefore valued at their depreciated replacement cost (DRC) on a modern equivalent asset (MEA) basis. An MEA basis assumes that the asset will be replaced with a modern asset of equivalent capacity and meeting the location requirements of the services being provided. Assets held at depreciated replacement cost have been valued on an alternative site basis where this would meet the location requirements.

Valuation guidance issued by the Royal Institute of Chartered Surveyors states that valuations are performed net of VAT where the VAT is recoverable by the entity. This basis has been applied to the Trust’s Master Service Agreement (MSA) where the construction is completed by a special purpose vehicle, YTHFM LLP, and the costs have recoverable VAT for the Trust.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees. Assets are revalued and depreciation commences when the assets are brought into use.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use.

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful lives in a manner consistent with the consumption of economic or service delivery benefits. 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' cease to be depreciated upon the 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 GAM, 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 is reversed. Reversals are recognised in operating expenditure 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 criteria in IFRS 5 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 useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Donated and 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.

Useful lives of property, plant and equipment

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	Min life Years	Max life Years
Buildings, excluding dwellings	20	60
Dwellings	15	45
Plant & machinery	5	15
Transport equipment	3	7
Information technology	3	10
Furniture & fittings	5	10

Note 1.9 Intangible assets

Recognition

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.

Internally generated intangible assets

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 where it meets the requirements set out in IAS 38.

Software

Software which is integral to the operation of hardware, eg 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, eg application software, is capitalised as an intangible asset where it meets recognition criteria.

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. Subsequent measurement of intangible assets is at cost less amortisation.

Intangible assets held for sale are measured at the lower of their carrying amount or fair value less costs to sell.

Impairments

Where indicators of impairment exist, the recoverable amount is assessed as the higher of its fair value and the cost to replace the service capacity. Where this is lower than the carrying value an impairment is recognised in expenditure. The recoverable amount of intangible assets under construction is assessed annually, irrespective of indicators of impairment.

Amortisation

Intangible assets are amortised over their expected useful lives in a manner consistent with the consumption of economic or service delivery benefits.

Useful lives of intangible assets

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	Min life Years	Max life Years
Information technology systems	5	10
Software licences	2	10

Note 1.10 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the weighted average cost method.

Note 1.11 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 Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

Note 1.12 Financial assets and financial liabilities

Recognition

Financial assets and financial liabilities arise where the Trust is party to the contractual provisions of a financial instrument, and as a result has a legal right to receive or a legal obligation to pay cash or another financial instrument. The GAM expands the definition of a contract to include legislation and regulations which give rise to arrangements that in all other respects would be a financial instrument and do not give rise to transactions classified as a tax by ONS.

This includes the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements and are recognised when, and to the extent which, performance occurs, ie, when receipt or delivery of the goods or services is made.

Classification and measurement

Financial assets and financial liabilities are initially measured at fair value plus or minus directly attributable transaction costs for financial assets and financial liabilities not measured at fair value through profit and loss. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices or 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.

Financial liabilities are recognised when the Group 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 assets and financial liabilities at amortised cost

Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable.

After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income and a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

Impairment of financial assets
For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets, the Group recognises an allowance for expected credit losses.

The Group adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

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 estimated future cash flows discounted at the financial asset's original effective interest rate.

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

Derecognition

Financial assets are de-recognised when the contractual rights to receive cash flows from the assets have expired or the Trust has transferred substantially all the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Note 1.13 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 Group is reasonably certain to exercise.

The Group as a lessee

Recognition and initial 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 includes 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 4.81% applied to new leases commencing in 2025 and 5.32% to new leases commencing in 2026.

The Group 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. 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 Group 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 Group as a lessor

The Group 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 Group is an intermediate lessor, classification of the sublease is determined with reference to the right of use asset arising from the headlease.

Finance leases

The Group does not hold any finance 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.

Note 1.14 Provisions

The Group 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 from 31 March 2026:

		Nominal rate	Prior year rate
Short-term	Up to 5 years	3.64%	4.03%
Medium-term	After 5 years up to 10 years	4.22%	4.07%
Long-term	After 10 years up to 40 years	5.32%	4.81%
Very long-term	Exceeding 40 years	5.07%	4.55%

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 from 31 March 2026:

	Inflation rate	Prior year rate
Year 1	2.5%	2.60%
Year 2	2.0%	2.30%
Into perpetuity	2.0%	2.00%

Early retirement provisions and injury benefit provisions both use the HM Treasury's post-employment benefits discount rate of 2.95% in real terms (prior year: 2.40%).

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the trust is disclosed at Note 28.1 but is not recognised in the Trust’s accounts.

Non-clinical risk pooling

The Group 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.

Note 1.15 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. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

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 by the Department of Health and Social Care.

This policy is available at https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts.

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the “pre-audit” version of the annual accounts. The dividend calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

Note 1.16 Value added tax

Most of the activities of the 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.

Note 1.17 Corporation tax

The Group & Trust Board has reviewed the commercial activities of the Group and consideration has been given to the implications of corporation tax. At this stage the Group Board is satisfied that there are no corporation tax liabilities resulting from non-core activities. The Group will continue to review commercial services in light of any potential changes in the scope of corporation tax.

York and Scarborough Teaching Hospitals NHS Foundation Trust is a Health Service Body within the meaning of s519A ICTA 1998 and accordingly is exempt from taxation in respect of income and capital gains within categories covered by this. There is the power from the Treasury to disapply the exemption in relation to the specified activities of a Foundation Trust (s519A) (3) to (8) ICTA 1988. Accordingly, the Trust is potentially within the scope of corporation tax in respect of activities which are not related to, or ancillary to, the provision of healthcare, and where the profits there from exceed £50,000 per annum.

Tax to be paid on profits arising from the Trust's subsidiary LLP are a Member's tax liability. Trust income from the LLP has been considered as part of the Group Board's review of commercial services.

Note 1.18 Third party assets

Assets belonging to third parties in which the Trust has no beneficial interest (such as money held on behalf of patients) are not recognised in the accounts. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury’s *FReM*.

Note 1.19 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 accrual basis with the exception of provisions for future losses.

Note 1.20 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2025/26.

Note 1.21 Standards, amendments and interpretations in issue but not yet effective or adopted

The DHSC GAM does not require the following IFRS Standards to be applied in 2025/26:

IFRS 14 Regulatory Deferral Accounts - The Standard is effective for accounting periods beginning on or after 1 January 2016. The Standard is not UK-endorsed and not adopted by the FReM, therefore not applicable to DHSC group bodies.

IFRS 18 Presentation and Disclosure in Financial Statements - The Standard has been adopted by the UK Endorsement Board to be effective for accounting periods beginning on or after 1 January 2027. The Standard has not yet been adopted by the FReM and 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 : Disclosures - 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.

The following future changes to adaptations and interpretations of IAS 16 for the public sector are also not yet adopted:

Changes to valuation of property, plant and equipment (PPE) assets – The DHSC GAM for 2026/27 and associated consultation response document confirms future changes which will impact on the financial statements.

From 2026/27 NHS bodies' valuation methodology will be a mandated quinquennial revaluation frequency (or rolling programme) supplemented by annual indexation in the intervening years. The requirement in IAS 16 to revalue an asset when its fair value differs materially from its carrying value is being withdrawn for the public sector. Given the variation in PPE valuations in any given year, and future changes in indices, it is not possible to quantify the impact of applying these changes in future periods. PPE and right of use assets currently subject to revaluation have a total book value of £294m as at 31 March 2026.

The current accounting policy for property assets measures the cost of replacing the service potential using a 'modern equivalent asset'. This policy is not changing. In deriving the modern equivalent asset, the Trust and its valuers currently adopt an 'alternative site' assumption for some of its specialised buildings, meaning the replaced service potential may be in a different location. The option of using this assumption is being withdrawn for NHS bodies from 1 April 2028. Therefore the hypothetical modern equivalent asset will change to be located on current sites in asset valuations from 2028/29. Assets valued on an alternative site basis have a total book value of £227m at 31 March 2026.

Note 1.22 Critical judgements in applying accounting policies

The following are the judgements, apart from those involving estimations (see below) that management has made in the process of applying the trust accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

In the course of preparing the annual accounts, the Directors have to make use of estimated figures in certain cases, and routinely exercise judgement in assessing the amounts to be included. The Directors have formed the judgement that the Group has recognised the appropriate level of income due under the terms of the signed contract, and anticipate recovery of outstanding debts.

Valuation of Land & Buildings - Note 1.8 and Note 17.

For specialised properties (i.e those for which no active market exists), depreciated replacement cost is considered to be a satisfactory approximation of current value in existing use. Within that methodology, the MEA concept (Modern equivalent asset) is applied: the 'replacement cost' is based on the cost of a modern replacement asset that has the same productive capacity as the property being valued. The Group in assessing the MEA concept has made a judgement that an alternative site basis is more appropriate as it is clear that the alternative site would offer advantages in serving the target population. The Group has used an alternative site for both York and Scarborough hospitals for the purposes of the MEA valuation. All other hospital sites have a MEA valuation based on their existing site.

The Group relies on the professional services of the Valuation Office for the accuracy of such valuations.

Segmental Reporting

The Group has one material segment, being the provision of healthcare. Service divisions within the Group all have similar economic characteristics; all of the healthcare activity is undertaken in relation to NHS patient with a minimal amount of private patients.

Lease and lease back

The substance of a lease involves the transfer of the risks and rewards of ownership. It is the judgment of the Group that where it acts as both lessor and lessee for underlying assets to which it holds legal title, that, in substance, there has been no transfer of risks and rewards. In such situations the Group will offset assets and liabilities, as well as income and costs, arising from the contract agreements where the Group is satisfied that it has a legally enforceable right of offset and intends to settles the assets and liabilities simultaneously.

This judgement has been applied to the lease and lease back agreements entered into by the Trust and its subsidiary entity, YTHFM LLP, in regards to the sites; York Hospital, Scarborough Hospital, Bridlington Hospital and various other Trust infrastructure. The Trust has leased the infrastructure to YTHFM LLP for a period of 25 years commencing on 1 October 2018, with the permitted use as a hospital or any ancillary use (including educational purposes) as required by the Tenant for the proper performance of its obligations and exercise of its rights under the Master Services Agreement or such other use required for income generation with the prior consent of the Landlord. Such consent should not to be unreasonably withheld or delayed. The leases also contain a provision that prohibits or restricts any disposition.

YTHFM LLP provides infrastructure back to the Trust via its fully managed facilities contract. The linked transactions do not involve a transfer of the risks and rewards of ownership and hence, in the judgement of the Trust, there is, in substance, no lease.

The Trust invoiced the YTHFM LLP for lease charges of £18.723m during the course of the year, the LLP charged the Trust a similar amount as part of its fully managed facilities billing.

Note 1.23 Sources of estimation uncertainty

The following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year: Although the Group makes estimates within these financial statements such as accrued income, and provisions e.g. early retirements, the amounts involved would not cause a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Valuation of Land & Buildings - Note 1.8 and Note 17.

The Group has conducted a review of land and buildings, using independent qualified valuers (District Valuers - Valuation Office Agency) by a senior surveyor RICS registered valuer as of 31 March 2026 and 31 March 2025. These property valuations and useful lives are based on the Royal Institute of Chartered Surveyors valuation standards insofar as these are consistent with the requirements of HM Treasury and the Department of Health and Social Care. Depreciation of buildings is calculated using the useful lives provided by the independent qualified valuer.

The valuations have been undertaken in accordance with International Financial Reporting Standards (IFRS) as interpreted and applied by the HMT Treasury FReM compliant Department of Health Group Manual for Accounts (DoH GAM) on a Modern equivalent asset basis (MEA). Inherent within valuations are significant judgements relating to MEA valuations in that the York and Scarborough sites are based at alternative locations.
The Valuer uses the Building Costs Information Service (BCIS) (all price) Tender Price index and location factors in deriving the valuation. As such, a degree of uncertainty exists, and a relatively small variation could have a material impact on the accounts. For every 5% change, the valuation assessment could change by £14.7m. The carrying net book value of land & buildings at 31st March 2026 is £295m.

Note 2 Operating income from patient care activities (Group)

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4

Note 2.1 Income from patient care activities (by nature)	2025/26 £000	2024/25 £000
Acute services		
Income from commissioners under API contracts - variable element*	180,672	177,665
Income from commissioners under API contracts - fixed element*	511,452	501,280
High cost drugs income from commissioners	77,327	68,496
Other NHS clinical income	4,021	3,499
Community services		
Income from commissioners under API contracts*	20,939	22,616
Income from other sources (e.g. local authorities)	5,294	4,852
All services		
Private patient income	881	845
National pay award central funding***	-	1,349
Additional pension contribution central funding**	34,611	31,830
Other clinical income	1,451	1,287
Total income from activities	**836,648**	**813,719**

*Aligned payment and incentive contracts are the main form of contracting between NHS providers and their commissioners. More information can be found in the 2025/26 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 14.38% with the additional amount being paid over by NHS England on providers' behalf. The full cost of employer contributions (23.7%) and related NHS England funding (9.4%) have been recognised in these accounts.

***Additional funding was made available directly to providers by NHS England in 2024/25 for implementing the backdated element of pay awards where government offers were finalised after the end of the 2023/24 financial year. NHS Payment Scheme prices and API contracts are updated for the weighted uplift in in-year pay costs when awards are finalised.

Note 2.2 Income from patient care activities (by source) (Group)

	2025/26 £000	2024/25 £000
Income from patient care activities received from:		
NHS England	86,154	116,214
Integrated care boards	742,416	690,170
NHS other	451	351
Local authorities	5,294	4,852
Non-NHS: private patients	881	845
Non-NHS: overseas patients (chargeable to patient)	770	553
Injury cost recovery scheme	567	675
Non NHS: other	115	59
Total income from activities	**836,648**	**813,719**
Of which:		
Related to continuing operations	836,648	813,719

Note 2.3 Overseas visitors (relating to patients charged directly by the provider) (Group)

	2025/26	2024/25
	£000	£000
Income recognised this year	770	553
Cash payments received in-year	517	254
Amounts added to provision for impairment of receivables	47	119

Note 3 Other operating income (Group)

	2025/26		
	Contract income	Non-contract income	Total
	£000	£000	£000
Research and development	3,584	-	**3,584**
Education and training	25,052	1,496	**26,548**
Non-patient care services to other bodies	44,068	-	**44,068**
Income in respect of employee benefits accounted on a gross basis	2,219	-	**2,219**
Receipt of capital grants and donations and peppercorn leases	-	6,021	**6,021**
Charitable and other contributions to expenditure	-	412	**412**
Revenue from operating leases	-	548	**548**
Other income	7,458	62	**7,520**
Total other operating income	**82,381**	**8,539**	**90,920**
Of which:			
Related to continuing operations			90,920

	2024/25		
	Contract income	Non-contract income	Total
	£000	£000	£000
Research and development	3,355	-	**3,355**
Education and training	24,626	1,679	**26,305**
Non-patient care services to other bodies	38,779	-	**38,779**
Income in respect of employee benefits accounted on a gross basis	2,486	-	**2,486**
Receipt of capital grants and donations and peppercorn leases	-	978	**978**
Charitable and other contributions to expenditure	-	336	**336**
Revenue from operating leases	-	419	**419**
Other income	8,106	93	**8,199**
Total other operating income	**77,352**	**3,505**	**80,857**
Of which:			
Related to continuing operations			80,857

Note 4 Additional information on contract revenue (IFRS 15) recognised in the period (Group)

	2025/26	2024/25
	£000	£000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	1,092	134

Note 4.1 Income from activities arising from commissioner requested services (Group)

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:

	2025/26	2024/25
	£000	£000
Income from services designated as commissioner requested services	773,472	750,940
Income from services not designated as commissioner requested services	63,176	62,779
Total	**836,648**	**813,719**

Note 5 Operating leases - York and Scarborough Teaching Hospitals NHS Foundation Trust as lessor

This note discloses income generated in operating lease agreements where the Trust is the lessor.

The Trust leases out several demised spaces to other NHS organisations, retail outlets and a small number of external entities on fixed term contracts which are reviewed as per the agreements.

Note 5.1 Operating leases income (Group)

	2025/26	2024/25
	£000	£000
Lease receipts recognised as income in year:		
Minimum lease receipts	548	419
Total in-year operating lease income	**548**	**419**

Note 5.2 Future lease receipts (Group)

	31 March 2026	31 March 2025
	£000	£000
Future minimum lease receipts due in:		
- not later than one year	548	276
- later than one year and not later than two years	365	276
- later than two years and not later than three years	353	241
- later than three years and not later than four years	238	182
- later than four years and not later than five years	233	143
Total	**1,737**	**1,118**

Note 6 Operating expenses (Group)

	2025/26	2024/25
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	1,299	827
Purchase of healthcare from non-NHS and non-DHSC bodies	21,336	22,026
Staff and executive directors costs	628,653	579,588
Remuneration of non-executive directors	196	186
Supplies and services - clinical (excluding drugs costs)	97,353	93,037
Supplies and services - general	12,640	10,723
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	78,060	77,231
Consultancy costs	117	127
Establishment	6,387	5,867
Premises	25,843	28,280
Transport (including patient travel)	3,713	3,683
Depreciation on property, plant and equipment	25,600	23,210
Amortisation on intangible assets	2,980	2,816
Net impairments	6,032	38,069
Movement in credit loss allowance: contract receivables / contract assets	82	10
Increase/(decrease) in other provisions	30	114
Change in provisions discount rate(s)	(24)	(9)
Fees payable to the external auditor		
audit services- statutory audit (inc VAT) for the Trust	168	150
audit services- statutory audit (Excl VAT) for the subsidiary	47	45
Internal audit costs	328	315
Clinical negligence	20,919	19,936
Legal fees	349	333
Insurance (as a policy holder)	1,009	996
Research and development	4,335	2,972
Education and training	8,429	7,257
Expenditure on short term leases	62	-
Expenditure on low value leases	344	1,009
Redundancy	129	-
Car parking & security	1,694	1,579
Losses, ex gratia & special payments	52	600
Other	2,357	2,858
Total	**950,519**	**923,835**
Of which:		
Related to continuing operations	950,519	923,835

No fees were incurred from the external auditor for other services in 2025/26 or 2024/25.

Note 6.1 Limitation on auditor's liability (Group)

There is no limitation on auditor's liability for external audit work carried out for the financial years 2025/26 or 2024/25.

Note 7 Impairment of assets (Group)

	2025/26	2024/25
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	(987)	3,063
Other	7,019	35,006
Total net impairments charged to operating surplus / deficit	**6,032**	**38,069**
Impairments charged to the revaluation reserve	(3,769)	5,377
Total net impairments	**2,263**	**43,446**

£3.9m of other impairments are attributable to the completion of the new Scarborough Community Diagnostic Centre. £3.1m of the other impairment relates to intangible assets attributable to the development of the Electronic Patient Record (EPR) system.
During the year, Scarborough Community Diagnostics Centre transferred from assets under construction (where it was held at cost) to buildings. At year end the asset was included in the revaluation and measured at depreciated replacement cost.

Note 8 Employee benefits (Group)

	2025/26	2024/25
	Total	Total
	£000	£000
Salaries and wages	478,009	443,375
Social security costs	62,314	46,945
Apprenticeship levy	2,366	2,212
Employer's contributions to NHS pensions	91,077	83,897
Pension cost - other	107	123
Termination benefits	-	418
Temporary staff (including agency)	6,544	14,759
Total staff costs	**640,417**	**591,729**
Of which		
Costs capitalised as part of assets	2,922	5,153

Note 8.1 Retirements due to ill-health (Group)

During 2025/26 there were 9 early retirements from the trust agreed on the grounds of ill-health (2 in the year ended 31 March 2025). The estimated additional pension liabilities of these ill-health retirements is £936k (£68k in 2024/25).

These estimated costs are calculated on an average basis and will be borne by the NHS Pension Scheme.

Note 9 Pension costs (Group)

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:

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 2026, is based on valuation data as at 31 March 2024, updated to 31 March 2026 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 actuarial (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 1 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.
NHS Pensions forecast pensions contributions for 2026/27 are £63.5m based on the provider contribution rate of 14.38%. This excludes additional contributions of 9.4% centrally funded by NHSE (£34.6m in 2025/26).

c) Alternative pension scheme

York and Scarborough Teaching Hospitals NHS Foundation Trust offers an alternative pension scheme to all employees who are either not eligible or choose not to be members of the NHS Pension Scheme at the Trust. This includes employees who are members of the NHS Pension Scheme through another role outside of the Trust and those that are not eligible to join the NHS Pension Scheme.

The alternative pension scheme is a defined contribution scheme operated by the National Employment Savings Trust (NEST). Employee and employer contribution rates are a combined minimum of 8% (with a minimum 3% being contributed by the Trust).

YTHFM LLP

A number of the YTHFM LLP employees remain within the NHS Pension Scheme, however YTHFM LLP also operates a NEST pension scheme for those employees not eligible to join the NHS Pension Scheme. Employee and Employer contributions mirror that of the NHS Pension Scheme as closely as possible, in that employer contributions are capped at 14%, the maximum amount that can be paid into the NEST scheme.

Please see Note 8 Employee Benefits - Pension costs - other for the in year cost to the Group.

Note 10 Finance income (Group)

Finance income represents interest received on assets and investments in the period.

	2025/26	2024/25
	£000	£000
Interest on bank accounts	2,547	2,730
Total finance income	**2,547**	**2,730**

Note 11 Finance expenditure (Group)

Finance expenditure represents interest and other charges involved in the borrowing of money or asset financing.

	2025/26	2024/25
	£000	£000
Interest expense:		
Interest on loans from the Department of Health and Social Care	401	345
Interest on lease obligations	906	936
Interest on late payment of commercial debt	2	2
Total interest expense	**1,309**	**1,283**
Unwinding of discount on provisions	13	12
Total finance costs	**1,322**	**1,295**

Note 11.1 The late payment of commercial debts (interest) Act 1998 (Group)

	2025/26	2024/25
	£000	£000
Amounts included within interest payable arising from claims made under this legislation	2	2

Note 12 Other gains / (losses) (Group)

	2025/26	2024/25
	£000	£000
Gains on disposal of assets	5	352
Losses on disposal of assets	(9)	(274)
Total other gains / (losses)	**(4)**	**78**

Note 13 Trust income statement and statement of comprehensive income

In accordance with Section 408 of the Companies Act 2006, the Trust can omit the Individual profit and loss account for the parent organisation where group accounts are prepared and the organisation's individual balance sheet shows the organisation's surplus/ deficit for the financial year and where the SOCI is approved in accordance with section 414 (1) (approval by directors). This exemption applies and the Trust's surplus/(deficit) and total comprehensive income/(expense) for the period is as per the table below:-

	2025/26	2024/25
	£000	£000
Total Trust Comprehensive Income	917,931	885,024
Total Trust Comprehensive Expense	(944,881)	(917,009)
Operating surplus/(deficit) from continuing operations	**(26,950)**	**(31,985)**
Net Finance Costs	(7,664)	(5,307)
Other gains/losses	(4)	(240)
Surplus / (deficit) for the year from continuing operations	**(34,618)**	**(37,532)**

In addition the Group's subsidiary company - York Teaching Hospital Facilities Management LLP SOCI is included below:-

York Teaching Hospital Facilities Management LLP (YTHFM LLP)	**2025/26**	**2024/25**
	£000	**£000**
Total YTHFM LLP Comprehensive Income	120,528	161,352
Total YTHFM LLP Comprehensive Expense	(116,529)	(158,626)
Operating surplus/(deficit) from continuing operations	**3,999**	**2,726**
Net Finance Costs	(2,516)	(3,517)
Other gains/losses	-	318
Surplus / (deficit) for the year from continuing operations	**1,483**	**(473)**
Consolidated Group Surplus / (deficit) for the year from continuing operations	**(33,135)**	**(38,005)**

Note 14 Intangible assets - 2025/26

Group	Software licences	Internally generated information technology systems	Intangible assets under construction	Total
	£000	£000	£000	£000
Cost at 1 April 2025 - brought forward *	**22,044**	**792**	**3,932**	**26,768**
Additions	33	1,452	11,449	**12,934**
Impairments	-	(3,156)	-	**(3,156)**
Reclassifications	824	3,823	(4,647)	**-**
Disposals / derecognition	(324)	-	-	**(324)**
Cost at 31 March 2026	**22,577**	**2,911**	**10,734**	**36,222**
Amortisation at 1 April 2025 - brought forward	**11,083**	**533**	**-**	**11,616**
Provided during the year	2,901	79	-	**2,980**
Disposals / derecognition	(324)	-	-	**(324)**
Amortisation at 31 March 2026	**13,660**	**612**	**-**	**14,272**
Net book value at 31 March 2026	**8,917**	**2,299**	**10,734**	**21,950**
Net book value at 1 April 2025	**10,961**	**259**	**3,932**	**15,152**

Note 14.1 Intangible assets - 2024/25

Group	Software licences	Internally generated information technology systems	Intangible assets under construction	Total
	£000	£000	£000	£000
Valuation / gross cost at 1 April 2024 - as previously stated	**19,964**	**792**	**1,797**	**22,553**
Additions	305	3,797	6,933	**11,035**
Impairments	-	(6,591)	-	**(6,591)**
Reclassifications	2,004	2,794	(4,798)	**-**
Disposals / derecognition	(229)	-	-	**(229)**
Valuation / gross cost at 31 March 2025	**22,044**	**792**	**3,932**	**26,768**
Amortisation at 1 April 2024 - as previously stated	**8,575**	**454**	**-**	**9,029**
Provided during the year	2,737	79	-	**2,816**
Disposals / derecognition	(229)	-	-	**(229)**
Amortisation at 31 March 2025	**11,083**	**533**	**-**	**11,616**
Net book value at 31 March 2025	**10,961**	**259**	**3,932**	**15,152**
Net book value at 1 April 2024	**11,389**	**338**	**1,797**	**13,524**

Intangible assets are only held in the Trust accounts, therefore both Group & Trust figures are the same.

Note 15 Property, plant and equipment - 2025/26

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2025 - brought forward	**14,976**	**259,738**	**2,223**	**58,965**	**48,399**	**802**	**39,302**	**996**	**425,401**
Additions	-	629	-	66,304	1,444	-	516	15	**68,908**
Impairments	(302)	(4,576)	-	-	-	-	-	-	**(4,878)**
Reversals of impairments	-	8,311	34	-	-	-	-	-	**8,345**
Revaluations	-	(9,827)	148	-	-	-	-	-	**(9,679)**
Reclassifications	600	25,745	-	(39,108)	8,053	-	4,658	52	**-**
Disposals / derecognition	-	(1,722)	-	-	(7,467)	-	(539)	-	**(9,728)**
Valuation/gross cost at 31 March 2026	**15,274**	**278,298**	**2,405**	**86,161**	**50,429**	**802**	**43,937**	**1,063**	**478,369**
Accumulated depreciation at 1 April 2025 - brought forward	**-**	**2,604**	**-**	**-**	**25,270**	**726**	**14,855**	**205**	**43,660**
Provided during the year	-	9,055	119	-	3,727	23	4,238	104	**17,266**
Impairments	-	6,226	-	-	-	-	-	-	**6,226**
Reversals of impairments	-	(3,652)	-	-	-	-	-	-	**(3,652)**
Revaluations	-	(11,474)	(119)	-	-	-	-	-	**(11,593)**
Disposals / derecognition	-	(1,722)	-	-	(7,458)	-	(539)	-	**(9,719)**
Accumulated depreciation at 31 March 2026	**-**	**1,037**	**-**	**-**	**21,539**	**749**	**18,554**	**309**	**42,188**
Net book value at 31 March 2026	**15,274**	**277,261**	**2,405**	**86,161**	**28,890**	**53**	**25,383**	**754**	**436,181**
Net book value at 1 April 2025	**14,976**	**257,134**	**2,223**	**58,965**	**23,129**	**76**	**24,447**	**791**	**381,741**

Disclosed within buildings excluding dwellings are capital improvements made to leased assets. At 31st March 2026, these improvements had a net book value of £0.8m (£0.9m 31st March 2025).

Note 15.1 Property, plant and equipment - 2024/25

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2024 - as previously stated	**14,681**	**235,275**	**2,042**	**87,075**	**44,562**	**827**	**33,756**	**942**	**419,160**
Additions	-	1,413	-	50,204	165	-	1,476	7	**53,265**
Impairments	-	(7,935)	-	-	-	-	-	-	**(7,935)**
Reversals of impairments	295	2,131	132	-	-	-	-	-	**2,558**
Revaluations	-	(37,501)	49	-	-	-	-	-	**(37,452)**
Reclassifications	-	66,355	-	(78,314)	7,425	-	4,487	47	**-**
Disposals / derecognition	-	-	-	-	(3,753)	(25)	(417)	-	**(4,195)**
Valuation/gross cost at 31 March 2025	**14,976**	**259,738**	**2,223**	**58,965**	**48,399**	**802**	**39,302**	**996**	**425,401**
Accumulated depreciation at 1 April 2024 - as previously stated	**-**	**2,540**	**-**	**-**	**25,704**	**686**	**11,787**	**111**	**40,828**
Provided during the year	-	8,398	107	-	3,253	65	3,484	94	**15,401**
Impairments	-	32,697	-	-	-	-	-	-	**32,697**
Reversals of impairments	-	(1,219)	-	-	-	-	-	-	**(1,219)**
Revaluations	-	(39,812)	(107)	-	-	-	-	-	**(39,919)**
Disposals / derecognition	-	-	-	-	(3,687)	(25)	(416)	-	**(4,128)**
Accumulated depreciation at 31 March 2025	**-**	**2,604**	**-**	**-**	**25,270**	**726**	**14,855**	**205**	**43,660**
Net book value at 31 March 2025	**14,976**	**257,134**	**2,223**	**58,965**	**23,129**	**76**	**24,447**	**791**	**381,741**
Net book value at 1 April 2024	**14,681**	**232,735**	**2,042**	**87,075**	**18,858**	**141**	**21,969**	**831**	**378,332**

Note 15.2 Property, plant and equipment financing - 31 March 2026

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	15,274	264,939	2,405	86,161	27,181	53	25,383	753	**422,149**
Owned - donated/granted	-	12,322	-	-	1,709	-	-	1	**14,032**
NBV total at 31 March 2026	**15,274**	**277,261**	**2,405**	**86,161**	**28,890**	**53**	**25,383**	**754**	**436,181**

Note 15.3 Property, plant and equipment financing - 31 March 2025

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	14,976	244,347	2,223	58,965	21,356	76	24,447	790	**367,180**
Owned - donated/granted	-	12,787	-	-	1,773	-	-	1	**14,561**
NBV total at 31 March 2025	**14,976**	**257,134**	**2,223**	**58,965**	**23,129**	**76**	**24,447**	**791**	**381,741**

Note 15.4 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2026

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Not subject to an operating lease	15,274	277,261	2,405	86,161	28,890	53	25,383	754	**436,181**
NBV total at 31 March 2026	**15,274**	**277,261**	**2,405**	**86,161**	**28,890**	**53**	**25,383**	**754**	**436,181**

Note 15.5 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2025

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Not subject to an operating lease	14,976	257,134	2,223	58,965	23,129	76	24,447	791	**381,741**
NBV total at 31 March 2025	**14,976**	**257,134**	**2,223**	**58,965**	**23,129**	**76**	**24,447**	**791**	**381,741**

Note 16 Property, plant and equipment - 2025/26

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2025 - brought forward	**14,976**	**259,744**	**2,217**	**4,567**	**48,398**	**802**	**39,301**	**993**	**370,998**
Additions	-	25,031	-	4,714	9,462	-	1,739	15	**40,961**
Impairments	(302)	(4,576)	-	-	-	-	-	-	**(4,878)**
Reversals of impairments	-	8,311	34	-	-	-	-	-	**8,345**
Revaluations	-	(9,827)	148	-	-	-	-	-	**(9,679)**
Reclassifications	600	1,342	-	(5,461)	32	-	3,435	52	**-**
Disposals / derecognition	-	(1,722)	-	-	(7,467)	-	(539)	-	**(9,728)**
Valuation/gross cost at 31 March 2026	**15,274**	**278,303**	**2,399**	**3,820**	**50,425**	**802**	**43,936**	**1,060**	**396,019**
Accumulated depreciation at 1 April 2025 - brought forward	**-**	**2,605**	**-**	**-**	**25,270**	**726**	**14,854**	**205**	**43,660**
Provided during the year	-	9,055	119	-	3,727	23	4,238	104	**17,266**
Impairments	-	6,226	-	-	-	-	-	-	**6,226**
Reversals of impairments	-	(3,652)	-	-	-	-	-	-	**(3,652)**
Revaluations	-	(11,474)	(119)	-	-	-	-	-	**(11,593)**
Disposals / derecognition	-	(1,722)	-	-	(7,458)	-	(539)	-	**(9,719)**
Accumulated depreciation at 31 March 2026	**-**	**1,038**	**-**	**-**	**21,539**	**749**	**18,553**	**309**	**42,188**
Net book value at 31 March 2026	**15,274**	**277,265**	**2,399**	**3,820**	**28,886**	**53**	**25,383**	**751**	**353,831**
Net book value at 1 April 2025	**14,976**	**257,139**	**2,217**	**4,567**	**23,128**	**76**	**24,447**	**788**	**327,338**

Disclosed within buildings excluding dwellings are capital improvements made to leased assets. At 31st March 2026, these improvements had a net book value of £0.8m (£0.9m 31st March 2025).

Note 16.1 Property, plant and equipment - 2024/25

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2024 - as previously stated	**14,681**	**235,282**	**2,036**	**6,827**	**44,561**	**827**	**33,755**	**940**	**338,909**
Additions	-	66,318	-	3,248	7,491	-	2,003	53	**79,113**
Impairments	-	(7,935)	-	-	-	-	-	-	**(7,935)**
Reversals of impairments	295	2,131	132	-	-	-	-	-	**2,558**
Revaluations	-	(37,501)	49	-	-	-	-	-	**(37,452)**
Reclassifications	-	1,449	-	(5,508)	99	-	3,960	-	**-**
Disposals / derecognition	-	-	-	-	(3,753)	(25)	(417)	-	**(4,195)**
Valuation/gross cost at 31 March 2025	**14,976**	**259,744**	**2,217**	**4,567**	**48,398**	**802**	**39,301**	**993**	**370,998**
Accumulated depreciation at 1 April 2024 - as previously stated	**-**	**2,541**	**-**	**-**	**25,704**	**686**	**11,786**	**111**	**40,828**
Provided during the year	-	8,398	107	-	3,253	65	3,484	94	**15,401**
Impairments	-	32,697	-	-	-	-	-	-	**32,697**
Reversals of impairments	-	(1,219)	-	-	-	-	-	-	**(1,219)**
Revaluations	-	(39,812)	(107)	-	-	-	-	-	**(39,919)**
Disposals / derecognition	-	-	-	-	(3,687)	(25)	(416)	-	**(4,128)**
Accumulated depreciation at 31 March 2025	**-**	**2,605**	**-**	**-**	**25,270**	**726**	**14,854**	**205**	**43,660**
Net book value at 31 March 2025	**14,976**	**257,139**	**2,217**	**4,567**	**23,128**	**76**	**24,447**	**788**	**327,338**
Net book value at 1 April 2024	**14,681**	**232,741**	**2,036**	**6,827**	**18,857**	**141**	**21,969**	**829**	**298,081**

Disclosed within buildings excluding dwellings are capital improvements made to leased assets. At 31st March 2026, these improvements had a net book value of £0.8m (£0.9m 31st March 2025).

Note 16.2 Property, plant and equipment financing - 31 March 2026

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	15,274	264,943	2,399	3,820	27,177	53	25,383	750	**339,799**
Owned - donated / granted	-	12,322	-	-	1,709	-	-	1	**14,032**
Total net book value at 31 March 2026	**15,274**	**277,265**	**2,399**	**3,820**	**28,886**	**53**	**25,383**	**751**	**353,831**

Note 16.3 Property, plant and equipment financing - 31 March 2025

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	14,976	244,352	2,217	4,567	21,355	76	24,447	787	**312,777**
Owned - donated / granted	-	12,787	-	-	1,773	-	-	1	**14,561**
Total net book value at 31 March 2025	**14,976**	**257,139**	**2,217**	**4,567**	**23,128**	**76**	**24,447**	**788**	**327,338**

Note 16.4 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2026

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Not subject to an operating lease	15,274	277,265	2,399	3,820	28,886	53	25,383	751	**353,831**
Total net book value at 31 March 2026	**15,274**	**277,265**	**2,399**	**3,820**	**28,886**	**53**	**25,383**	**751**	**353,831**

Note 16.5 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2025

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Not subject to an operating lease	14,976	257,139	2,217	4,567	23,128	76	24,447	788	**327,338**
Total net book value at 31 March 2025	**14,976**	**257,139**	**2,217**	**4,567**	**23,128**	**76**	**24,447**	**788**	**327,338**

Note 17 Donations and grant funded property, plant and equipment

The Trust received £6m of donated and grant funded assets in 2025/26. This consisted of £4.8m grant funding for a capital decarbonisation scheme on the Scarborough Hospital site alongside further cash donations to purchase medical equipment and fund other capital construction schemes. In 2024/25 the Trust received £1m of donated and grant funded assets.

Note 18 Revaluations of property, plant and equipment

In 2025/26 the Trust's Estate was revalued by a RICS registered surveyor via the District Valuers Office as of 31 March 2026. The valuation was in line with the Trust's accounting policy note 1.8.

Note 19 Leases - York and Scarborough Teaching Hospitals NHS Foundation Trust as a lessee

This note details information about leases for which the Trust is a lessee.

The Trust operates as both a lessor and lessee :-

The Trust provides various land and buildings as a lessor to other NHS organisations for the provision of services outside the scope of services the Trust provides. Various space is leased to retail organisations mainly to provide services to our patients and staff.

As a lessee the Group provides accommodation for Hull York Medical School (HYMS) students plus various buildings including parts of the Community Stadium and medical equipment for the provision of healthcare services.

The Group's transport department leases various vans and transport vehicles and the Trust's fleet of pool cars are also provided through a lease contract.

Note 20 Right of use assets - 2025/26

Group & Trust	Property (land and buildings)	Plant & machinery	Transport equipment	Information technology	Total	Of which: leased from DHSC group bodies
	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2025 - brought forward	**24,126**	**22,319**	**1,104**	**2,261**	**49,810**	**7,253**
Additions	103	4,490	237	-	**4,830**	-
Remeasurements of the lease liability	(240)	898	43	-	**701**	26
Disposals / derecognition	(753)	(614)	(190)	-	**(1,557)**	-
Valuation/gross cost at 31 March 2026	**23,236**	**27,093**	**1,194**	**2,261**	**53,784**	**7,279**
Accumulated depreciation at 1 April 2025 - brought forward	**7,228**	**7,598**	**539**	**1,130**	**16,495**	**2,172**
Provided during the year	2,896	4,621	365	452	**8,334**	848
Disposals / derecognition	(752)	(614)	(190)	-	**(1,556)**	-
Accumulated depreciation at 31 March 2026	**9,372**	**11,605**	**714**	**1,582**	**23,273**	**3,020**
Net book value at 31 March 2026	**13,864**	**15,488**	**480**	**679**	**30,511**	**4,259**
Net book value at 1 April 2025	**16,898**	**14,721**	**565**	**1,131**	**33,315**	**5,081**

Net book value of right of use assets leased from other NHS providers	1,699
Net book value of right of use assets leased from other DHSC group bodies	2,560

Note 20.1 Right of use assets - 2024/25

Group & Trust	Property (land and buildings)	Plant & machinery	Transport equipment	Information technology	Total	Of which: leased from DHSC group bodies
	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2024 - brought forward	**22,155**	**16,330**	**776**	**2,261**	**41,522**	**6,995**
Additions	1,753	7,315	381	-	**9,449**	498
Remeasurements of the lease liability	1,501	211	60	-	**1,772**	327
Disposals / derecognition	(1,283)	(1,537)	(113)	-	**(2,933)**	(567)
Valuation/gross cost at 31 March 2025	**24,126**	**22,319**	**1,104**	**2,261**	**49,810**	**7,253**
Accumulated depreciation at 1 April 2024 - brought forward	**4,681**	**5,203**	**304**	**678**	**10,866**	**1,557**
Provided during the year	3,084	3,930	343	452	**7,809**	870
Disposals / derecognition	(537)	(1,535)	(108)	-	**(2,180)**	(255)
Accumulated depreciation at 31 March 2025	**7,228**	**7,598**	**539**	**1,130**	**16,495**	**2,172**
Net book value at 31 March 2025	**16,898**	**14,721**	**565**	**1,131**	**33,315**	**5,081**
Net book value at 1 April 2024	**17,474**	**11,127**	**472**	**1,583**	**30,656**	**5,438**

Net book value of right of use assets leased from other NHS providers	2,017
Net book value of right of use assets leased from other DHSC group bodies	3,064

Assets categorised as Right of Use assets are only held in the Trust accounts, therefore both Group & Trust figures are the same. The Trust's corresponding lease liability is disclosed within Note 28 Loans from subsidiary and lease liabilities.

Note 20.2 Revaluations of right of use assets (Group)

In accordance with the GAM, the Group has employed the cost model rather than a revaluation model for right of use assets. The Group has determined that the cost model provides an appropriate proxy to the current value in use or fair value, due to;
- Material leases relating to property , contain regular rent reviews to reflect market conditions
- The risk that fair value of equipment and vehicle leases fluctuating is deemed to be low.

Note 21 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 27.

	Group		Trust	
	2025/26	2024/25	2025/26	2024/25
	£000	£000	£000	£000
Carrying value at 1 April	**33,440**	**30,966**	**7,526**	8,573
Lease additions	4,530	8,822	28	155
Lease liability remeasurements	701	1,772	(295)	1,583
Interest charge arising in year	906	936	91	149
Early terminations- Lease novated to Subsidiary	-	(896)	-	(598)
Lease payments (cash outflows)	(9,145)	(8,160)	(2,161)	(2,336)
Carrying value at 31 March	**30,432**	**33,440**	**5,189**	**7,526**

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 6. Cash outflows in respect of leases recognised on-SoFP are disclosed in the reconciliation above.

Note 21.1 Maturity analysis of future lease payments at 31 March 2026

	Group		Trust	
	Total	Of which leased from DHSC group bodies:	Total	Of which leased from DHSC group bodies:
	31 March 2026	31 March 2026	31 March 2026	31 March 2026
	£000	£000	£000	£000
Undiscounted future lease payments payable in:				
- not later than one year;	8,578	926	1,994	522
- later than one year and not later than five years;	17,250	2,947	2,722	1,732
- later than five years.	8,953	1,027	593	433
Total gross future lease payments	**34,781**	**4,900**	**5,309**	**2,687**
Finance charges allocated to future periods	(4,349)	(499)	(120)	(74)
Net lease liabilities at 31 March 2026	**30,432**	**4,401**	**5,189**	**2,613**
Of which:				
Leased from other NHS providers		1,789		-
Leased from other DHSC group bodies		2,612		2,612

Note 21.2 Maturity analysis of future lease payments at 31 March 2025

	Group		Trust	
	Total	Of which leased from DHSC group bodies:	Total	Of which leased from DHSC group bodies:
	31 March 2025	31 March 2025	31 March 2025	31 March 2025
	£000	£000	£000	£000
Undiscounted future lease payments payable in:				
- not later than one year;	8,550	919	2,196	523
- later than one year and not later than five years;	19,470	3,151	4,489	1,825
- later than five years.	10,192	1,727	1,066	868
Total gross future lease payments	**38,212**	**5,797**	**7,751**	**3,216**
Finance charges allocated to future periods	(4,772)	(600)	(225)	(105)
Net finance lease liabilities at 31 March 2025	**33,440**	**5,197**	**7,526**	**3,111**
Of which:				
Leased from other NHS providers		2,086		-
Leased from other DHSC group bodies		3,111		3,111

Note 22 Inventories

	Group		Trust	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
	£000	£000	£000	£000
Drugs	6,352	5,475	6,352	5,475
Consumables	9,061	8,531	8,361	7,870
Energy	163	123	-	-
Total inventories	**15,576**	**14,129**	**14,713**	**13,345**
of which:				
Held at fair value less costs to sell	-	-	-	-

Inventories recognised in expenses for the year were £123,253k (2024/25: £121,089k). Write-down of inventories recognised as expenses for the year were £0k (2024/25: £0k).

These inventories were recognised as additions to inventory at deemed cost with the corresponding benefit recognised in income. The utilisation of these items is included in the expenses disclosed above.

Note 23 Receivables

	Group		Trust	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
	£000	£000	£000	£000
Current				
Contract receivables	20,542	24,764	18,863	23,547
Allowance for impaired contract receivables / assets	(414)	(365)	(414)	(365)
Prepayments (non-PFI)	6,219	7,181	4,237	4,870
PDC dividend receivable	803	741	803	741
VAT receivable	5,591	7,875	536	4,101
Clinicians pensions tax reimbursement funding from NHSE	33	34	33	34
Other receivables	3,075	3,768	3,002	3,715
Receivables relating to the subsidiary	-	-	13,121	9,375
Total current receivables	**35,849**	**43,998**	**40,181**	**46,018**
Non-current				
Contract receivables	661	695	661	695
Allowance for impaired contract receivables / assets	(45)	(43)	(45)	(43)
Receivables relating to subsidiary	-	-	208,987	158,549
VAT receivable	65	241	65	241
Clinicians pensions tax reimbursement funding from NHSE	696	796	695	796
Total non-current receivables	**1,377**	**1,689**	**210,363**	**160,238**
Of which receivable from NHS and DHSC group bodies:				
Current	11,157	16,197		
Non-current	696	796		

Note 23.1 Allowances for credit losses - 2025/26

	Group	Trust
	Contract receivables and contract assets	Contract receivables and contract assets
	£000	£000
Allowances as at 1 Apr 2025 - brought forward	**408**	**408**
New allowances arising	73	73
Changes in existing allowances	8	8
Reversals of allowances	2	2
Utilisation of allowances (write offs)	(31)	(31)
Allowances as at 31 Mar 2026	**459**	**459**

Note 23.2 Allowances for credit losses - 2024/25

	Group	Trust
	Contract receivables and contract assets	Contract receivables and contract assets
	£000	£000
Allowances as at 1 Apr 2024 - as previously stated	**404**	**405**
New allowances arising	125	124
Changes in existing allowances	25	25
Reversals of allowances	(140)	(140)
Utilisation of allowances (write offs)	(6)	(6)
Allowances as at 31 Mar 2025	**408**	**408**

Note 24 Cash and cash equivalents movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	Group		Trust	
	2025/26	2024/25	2025/26	2024/25
	£000	£000	£000	£000
At 1 April	**57,777**	**47,475**	**56,307**	**46,127**
Net change in year	(30,489)	10,302	(31,197)	10,180
At 31 March	**27,288**	**57,777**	**25,110**	**56,307**
Broken down into:				
Cash at commercial banks and in hand	853	153	685	145
Cash with the Government Banking Service	26,435	57,624	24,425	56,162
Total cash and cash equivalents as in SoFP	**27,288**	**57,777**	**25,110**	**56,307**
Total cash and cash equivalents as in SoCF	**27,288**	**57,777**	**25,110**	**56,307**

Note 24.1 Third party assets held by the Trust

York and Scarborough Teaching Hospitals NHS Foundation Trust held cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	Group and Trust	
	31 March 2026	31 March 2025
	£000	£000
Bank balances	12	9
Total third party assets	**12**	**9**

Note 25 Trade and other payables

	Group		Trust	
	31 March 2026 £000	31 March 2025 £000	31 March 2026 £000	31 March 2025 £000
Current				
Trade payables	20,590	18,322	13,180	11,303
Capital accruals	26,773	26,663	7,954	2,602
Accruals	23,661	24,439	20,961	20,976
Receipts in advance and payments on account	1	-	1	-
Payables relating to subsidiary	-	-	2,852	9,951
Social security costs	13,389	11,347	12,761	10,863
Other taxes payable	198	180	186	169
Pension contributions payable	7,641	7,139	7,196	6,718
Other payables	2,026	8,370	2,048	7,964
Total current trade and other payables	**94,279**	**96,460**	**67,139**	**70,546**
Non-current				
Trade payables	72	72	55	55
Total non-current trade and other payables	**72**	**72**	**55**	**55**
Of which payables from NHS and DHSC group bodies:				
Current	6,469	7,695		
Non-current	-	-		

Note 26 Other liabilities

	Group		Trust	
	31 March 2026 £000	31 March 2025 £000	31 March 2026 £000	31 March 2025 £000
Current				
Deferred income: contract liabilities	3,152	3,592	652	1,076
Total other current liabilities	**3,152**	**3,592**	**652**	**1,076**

Note 27 Borrowings

	Group		Trust	
	31 March 2026 £000	31 March 2025 £000	31 March 2026 £000	31 March 2025 £000
Current				
Loans from DHSC	2,181	2,631	2,181	2,631
Loans from subsidiary	-	-	14,834	13,578
Lease liabilities	7,806	8,550	1,942	2,196
Total current borrowings	**9,987**	**11,181**	**18,957**	**18,405**
Non-current				
Loans from DHSC	22,655	24,697	22,655	24,697
Loans from subsidiary	-	-	165,182	140,426
Lease liabilities	22,626	24,890	3,247	5,330
Total non-current borrowings	**45,281**	**49,587**	**191,084**	**170,453**

Note 27.1 Reconciliation of liabilities arising from financing activities (Group)

Group - 2025/26	Loans from DHSC	Lease liabilities	Total
	£000	£000	£000
Carrying value at 1 April 2025	**27,328**	**33,440**	**60,768**
Cash movements:			
Financing cash flows - payments and receipts of principal	(2,506)	(8,239)	**(10,745)**
Financing cash flows - payments of interest	(387)	(906)	**(1,293)**
Non-cash movements:			
Additions	-	4,530	**4,530**
Lease liability remeasurements	-	701	**701**
Application of effective interest rate	401	906	**1,307**
Carrying value at 31 March 2026	**24,836**	**30,432**	**55,268**

Group - 2024/25	Loans from DHSC	Lease liabilities	Total
	£000	£000	£000
Carrying value at 1 April 2024	**21,907**	**30,966**	**52,873**
Cash movements:			
Financing cash flows - payments and receipts of principal	5,411	(7,224)	**(1,813)**
Financing cash flows - payments of interest	(335)	(936)	**(1,271)**
Non-cash movements:			
Additions	-	8,822	**8,822**
Lease liability remeasurements	-	1,772	**1,772**
Application of effective interest rate	345	936	**1,281**
Early terminations	-	(896)	**(896)**
Carrying value at 31 March 2025	**27,328**	**33,440**	**60,768**

Note 27.2 Reconciliation of liabilities arising from financing activities

Trust - 2025/26	Loans from DHSC	Loans from subsidiary	Lease liabilities	Total
	£000	£000	£000	£000
Carrying value at 1 April 2025	**27,328**	**154,004**	**7,526**	**188,858**
Cash movements:				
Financing cash flows - payments and receipts of principal	(2,506)	(11,765)	(2,070)	**(16,341)**
Financing cash flows - payments of interest	(387)	(5,620)	(91)	**(6,098)**
Non-cash movements:				
Additions	-	37,777	28	**37,805**
Lease liability remeasurements	-	-	(295)	**(295)**
Application of effective interest rate	401	5,620	91	**6,112**
Carrying value at 31 March 2026	**24,836**	**180,016**	**5,189**	**210,041**

Trust - 2024/25	Loans from DHSC	Loans from subsidiary	Lease liabilities	Total
	£000	£000	£000	£000
Carrying value at 1 April 2024	**21,907**	**83,650**	**8,573**	**114,130**
Cash movements:				
Financing cash flows - payments and receipts of principal	5,411	(7,700)	(2,187)	**(4,476)**
Financing cash flows - payments of interest	(335)	(3,313)	(149)	**(3,797)**
Non-cash movements:				
Additions	-	78,054	155	**78,209**
Lease liability remeasurements	-	-	1,583	**1,583**
Application of effective interest rate	345	3,313	149	**3,807**
Early terminations	-	-	(598)	**(598)**
Carrying value at 31 March 2025	**27,328**	**154,004**	**7,526**	**188,858**

Note 28 Provisions for liabilities and charges analysis (Group & Trust)

Group & Trust	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Other	Total
	£000	£000	£000	£000	£000
At 1 April 2025	**365**	**171**	**200**	**830**	**1,566**
Change in the discount rate	(19)	(5)	-	(56)	**(80)**
Arising during the year	17	22	-	-	**39**
Utilised during the year	(61)	(22)	-	(59)	**(142)**
Reversed unused	(8)	-	(61)	(33)	**(102)**
Unwinding of discount	9	4	-	47	**60**
At 31 March 2026	**303**	**170**	**139**	**729**	**1,341**
Expected timing of cash flows:					
- not later than one year;	58	22	139	33	**252**
- later than one year and not later than five years;	198	82	-	93	**373**
- later than five years.	47	66	-	603	**716**
Total	**303**	**170**	**139**	**729**	**1,341**

The amounts detailed in the category 'Other' above are Clinicians who are members of the NHS Pension Scheme and who as a result of work undertaken in 2019/20 tax year, potentially face a tax charge in respect of the growth of their NHS pension benefits above their pension savings annual allowance threshold. NHS England and the Government have committed to fund the payments to clinicians as and when they arise.

This statement provides NHS England's updated calculation for provision liabilities arising from the 2019/20 clinicians' pensions compensation scheme for the Trust. These figures use the latest available information on actual uptake of the scheme. They are derived from combining information on applications to join the 2019/20 scheme under the policy, together with information in the scheme pays election form where present, and with averages assumed where these forms are absent or clearly an estimate (values less than £100). Future liabilities based on individual member data and scheme rules are then discounted to give totals for the Trust.

Legal claims relate to outstanding claims that are being handled by NHS Resolution where they have advised that it is likely that the Trust will have to pay the excess relevant for the claim.
Please note both the Group and Trust provisions are the same.

Note 28.1 Clinical negligence liabilities (Group & Trust)

At 31 March 2026, £185,472k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of York and Scarborough Teaching Hospitals NHS Foundation Trust (31 March 2025: £183,387k).

Note 29 Contingent assets and liabilities

On 31 March 2026, the Group held no contingent assets or liabilities. There were no contingent assets or liabilities in the prior year .

Note 30 Contractual capital commitments

	Group		Trust	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
	£000	£000	£000	£000
Property, plant and equipment	30,487	16,002	30,487	16,002
Intangible assets	4,950	5,203	4,950	5,203
Total	**35,437**	**21,205**	**35,437**	**21,205**

Within PPE commitments, £16m relates to the Scarborough Reinforced Autoclaved Aerated Concrete (RAAC) eradication project (£0.2m 2025), £6.8m relates to the Scarborough decarbonisation project (Nil 2025).
Within intangible commitments, £4.8m relates to the Electronic Patient Record project (£5m 2025).

Note 31 Financial instruments

Note 31.1 Financial risk management

IFRS 7 regarding Financial Instruments, requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Due to the continuing service provider relationship that the Trust has with the Integrated Care Board and the way those ICBs are financed, the Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IAS 32, 39 and IFRS 7 mainly apply.

Liquidity Risk
The Trust's operating costs are incurred under contracts with NHS commissioning organisations, which are financed from resources voted annually by Parliament.
Treasury and NHS England have a process in place by which Trusts which find themselves with liquidity risk can make an application for (a) deficit cash support and (b) working capital cash support.
During 2025/26, the Trust did not require any cash support for its revenue position. The Trust did access £56m of Public Dividend Capital (PDC) funding to support NHSE approved capital schemes.
After reviewing all factors, the Trust does not consider itself at risk of liquidity issues.

Interest Rate Risk
The Trust's financial assets and financial liabilities carry nil or fixed rates of interest. Therefore, the Trust is not exposed to significant interest-rate risk.

Credit Risk
The risk that one party will cause a financial loss for the other party by failing to discharge an obligation.
The Trust receives the majority of its income from Integrated Care Board and Statutory bodies and so the credit risk is negligible. The Trust's treasury management policy minimises the risk of loss of cash invested by limiting its investments to:-
- the government banking service and the National Loans Fund
- Banks registered directly regulated by the PRA (Prudential Regulation Authority)

Note 31.2 Carrying values of financial assets (Group)

Carrying values of financial assets as at 31 March 2026	Held at amortised cost	Total book value
	£000	£000
Trade and other receivables excluding non financial assets	24,547	**24,547**
Cash and cash equivalents	27,288	**27,288**
Total at 31 March 2026	**51,835**	**51,835**

Carrying values of financial assets as at 31 March 2025	Held at amortised cost	Total book value
	£000	£000
Trade and other receivables excluding non financial assets	29,649	**29,649**
Cash and cash equivalents	57,777	**57,777**
Total at 31 March 2025	**87,426**	**87,426**

Note 31.3 Carrying values of financial assets (Trust)

Carrying values of financial assets as at 31 March 2026	Held at amortised cost	Total book value
	£000	£000
Trade and other receivables excluding non financial assets	22,795	**22,795**
Receivables relating to subsidiary	222,108	**222,108**
Cash and cash equivalents	25,110	**25,110**
Total at 31 March 2026	**270,013**	**270,013**

Carrying values of financial assets as at 31 March 2025	Held at amortised cost	Total book value
	£000	£000
Trade and other receivables excluding non financial assets	28,379	**28,379**
Receivables relating to subsidiary	167,924	**167,924**
Cash and cash equivalents	56,307	**56,307**
Total at 31 March 2025	**252,610**	**252,610**

Note 31.4 Carrying values of financial liabilities (Group)

Carrying values of financial liabilities as at 31 March 2026	Held at amortised cost	Total book value
	£000	£000
Loans from the Department of Health and Social Care	24,836	**24,836**
Obligations under leases	30,432	**30,432**
Trade and other payables excluding non financial liabilities	73,121	**73,121**
Total at 31 March 2026	**128,389**	**128,389**

Carrying values of financial liabilities as at 31 March 2025	Held at amortised cost	Total book value
	£000	£000
Loans from the Department of Health and Social Care	27,328	**27,328**
Obligations under leases	33,440	**33,440**
Trade and other payables excluding non financial liabilities	77,866	**77,866**
Total at 31 March 2025	**138,634**	**138,634**

Note 31.5 Carrying values of financial liabilities (Trust)

Carrying values of financial liabilities as at 31 March 2026	Held at amortised cost	Total book value
	£000	£000
Loans from the Department of Health and Social Care	24,836	**24,836**
Obligations under leases	5,189	**5,189**
Trade and other payables relating to subsidiary	182,868	**182,868**
Trade and other payables excluding non financial liabilities	44,199	**44,199**
Total at 31 March 2026	**257,092**	**257,092**

Carrying values of financial liabilities as at 31 March 2025	Held at amortised cost	Total book value
	£000	£000
Loans from the Department of Health and Social Care	27,328	**27,328**
Obligations under leases	7,526	**7,526**
Trade and other payables relating to subsidiary	163,955	**163,955**
Trade and other payables excluding non financial liabilities	42,901	**42,901**
Total at 31 March 2025	**241,710**	**241,710**

Note 31.6 Fair values of financial assets and liabilities

The Trust has carried all financial assets and financial liabilities at amortised cost for the years 2025/26 and 2024/25. Due to the nature of the assets and liabilities management consider that the carrying value is a reasonable approximation of the fair value.

Note 31.7 Maturity of financial liabilities

The following maturity profile of financial liabilities is based on the contractual undiscounted cash flows. This differs to the amounts recognised in the statement of financial position which are discounted to present value.

	Group		Trust	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
	£000	£000	£000	£000
In one year or less	84,046	89,239	70,759	68,565
In more than one year but not more than five years	23,804	26,456	73,661	65,418
In more than five years	27,700	30,926	175,889	165,108
Total	**135,550**	**146,621**	**320,309**	**299,091**

Note 32 Losses and special payments

	2025/26		2024/25	
Group and Trust	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000	Number	£000
Losses				
Cash losses	17	-	55	8
Bad debts and claims abandoned	45	25	22	7
Stores losses and damage to property	-	-	2	18
Total losses	**62**	**25**	**79**	**33**
Special payments				
Compensation under court order or legally binding arbitration award	-	-	2	17
Ex-gratia payments	36	65	65	565
Total special payments	**36**	**65**	**67**	**582**
Total losses and special payments	**98**	**90**	**146**	**615**
Compensation payments received				

Note 33 Related parties (Group)

York and Scarborough Teaching Hospitals NHS Foundation Trust is a corporate body established by order of the Secretary of State for Health.
During the year none of the Board Members, members of the Council of Governors or members of the key management staff or parties related to them has undertaken any material transactions with York and Scarborough Teaching Hospitals NHS Foundation Trust. (2024/25 also nil).

The Department of Health and Social Care is regarded as a related party. During the year York and Scarborough Teaching Hospitals NHS Foundation Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department.

Entities where significant transactions have occurred during the year are listed below.

Department of Health and Social Care
HM Revenue & Customs
Hull University Teaching Hospitals NHS FT
NHS England
NHS Humber and North Yorkshire ICB
NHS Pension Scheme
NHS Resolution

During the year, the Trust had a number of transactions with the subsidiary, YTHFM LLP. YTHFM provides healthcare facilities and services to the Trust under a Master Service Agreement (MSA) which commenced on the 1st October 2018.

The Trust received income totalling £8.1m (2024/25 £6.5m) which predominately relates to interest bearing loans the Trust provides to YTHFM. The Trust incurred expenditure totalling £116m (2024/25 £154.3m) relating to the operation of healthcare facilities, design, construction and backlog maintenance of facilities and provision of plant and equipment.

At the year-end there was a receivable balance in the Trust of £222m (2024/25 £168m) due from YTHFM LLP in relation to interest bearing loans. Also, there was a creditor balance of £183m (2024/25 £164m) due to YTHFM LLP in relation to completed capital construction projects and provision of equipment . The receivable and creditor balances will be settled over 17 years, reflecting the remaining life of the MSA.

All of these transactions and balances have been eliminated from the consolidated group position.

The Trust has also received total contributions of £0.7m (£0.4m towards revenue expenditure and £0.3m towards capital expenditure) (2024/25 £1.3m) from the York & Scarborough Hospitals Charity, the Corporate Trustee for which is York and Scarborough Teaching Hospitals NHS Foundation Trust. At the year-end there was a receivable balance in the Trust of £0.3m (2024/25 £0.2m) due from the York and Scarborough Hospitals Charity. The Charity's accounts are not consolidated into the Group on the basis of immateriality.

Note 34 Events after the reporting date (Group)

There are no events after the reporting date.
These financial statements were authorised for issue on 17 June 2026 by Clare Smith Chief Executive.