

ENFORCEMENT UNDERTAKINGS

TO:

The Airedale NHS Foundation Trust (“**the Licensee**”)
Airedale General Hospital
Skipton Road
Steeton
Keighley
West Yorkshire
BD20 6TD

1. DECISION

NHS England, on the basis of the grounds set out below, and having regard to its Enforcement Guidance, has decided to accept from the Licensee the enforcement undertakings specified below pursuant to its powers under section 106 of the Health and Social Care Act 2012 (“the Act”).

2. GROUNDS

- 2.1 The Licensee is the holder of a licence granted under section 87 of the Act.
- 2.2 Issues and need for action

Financial planning and governance

- 2.2.1 NHS England has reasonable grounds to suspect that the Licensee has provided and is providing health care services for the purposes of the health service in England while failing to comply with and apply those principles, systems and standards of good corporate governance which reasonably would be regarded as appropriate for a provider of health care services to the NHS, specifically the following conditions of the Licence: NHS2.2, 2.5 (a), (b) (d) and (f).
- 2.2.2 In-year monitoring of the Licensee’s deficit plan of £3.6m for 2025/26 indicated a risk of this not being delivered, including with regard to the significant cost improvement schemes that are required to support this delivery. Subsequently the Licensee has submitted a reforecasting request to NHS England to deteriorate its deficit plan for 2025/26 to £16.5m. NHS England is concerned this deterioration for 2025/26 indicates a lack of effective financial decision-making and control. It is considered that further action is required by the Licensee to address the financial position, including with regard to the underlying financial position.
- 2.2.3 The Licensee commissioned an independent external review at the end of Quarter 1 of 2025/26 when it became apparent that there was

a risk that it would not achieve its deficit plan which was presented internally to the Board. Following the request from West Yorkshire Integrated Care Board and NHS England to set up a Board to Board meeting to discuss the emerging risks associated with delivery of the Licensee's financial plan for 2025/26, the outputs of this review was shared. The Licensee took steps to start to address the risks to its financial position, including working with NHS England to secure recovery support from PWC and appointing a recovery director.

2.2.4 Whilst the Licensee has been working with NHS England during 2025/26, to date it has not been able to provide the necessary or sufficient assurance or evidence in relation to its ability to meet its clinical and financial sustainability plans and the wider plans pertaining to the sustainability of health and care services and providers in the Bradford District and Craven place.

2.2.5 These breaches by the Licensee demonstrate a failure of governance arrangements including, in particular, failure to apply those principles, systems and standards of good corporate governance which reasonably would be regarded as appropriate for a provider of health care services to the NHS and effectively implement board and committee structures and systems and processes:

- to ensure compliance with the Licensee's duty to operate efficiently, economically and effectively;
- for timely and effective scrutiny and oversight by the Board of the Licensee's operations;
- for effective financial decision-making, management and control; and
- to identify and manage material risks to compliance with the Conditions of its Licence.

System working

2.2.6 NHS England has reasonable grounds to suspect that the Licensee, in providing health care services for the purposes of the health service in England, is failing to co-operate with other NHS bodies including Bradford District and Craven Health and Care Partnership and West Yorkshire Integrated Care Board as necessary and appropriate for the purposes of developing and delivering clinical and financial sustainability plans and related operational and workforce plans and breach or suspected breach of condition WS1.3(a) of the provider licence pertaining to development and delivery of system plans, delivery of financial plans and agreed workforce plans. The assessment is that this is impacting on the Licensee being able to deliver its own financial responsibilities alongside those of the system

and supporting workforce plans in breach of the following condition of its licence: WS 1.3(a).

2.2.7 These breaches, or suspected breaches of licence condition WS 1.3(a) are evidenced by the Licensee failing to remain appropriately engaged in and committed to the work to develop clinical and financial sustainability plans for the system it is operating in. This is impacting the ability of the Licensee and other system partners to put in place compliant operational plans in addition to the ongoing absence of agreed medium term sustainability plans including those pertaining to the replacement of the main hospital site.

2.2.8 These breaches by the Licensee demonstrate a failure of governance arrangements to establish and effectively implement systems or processes to manage material risk to compliance with the Licensee's duties to collaborate and work with system partners.

2.3 Need for action:

2.3.1 NHS England believes that the action which the Licensee has undertaken to take pursuant to the undertakings recorded here is action required to secure that the breaches in question do not continue or recur.

3. APPROPRIATENESS OF UNDERTAKINGS

3.1 In considering the appropriateness of accepting in this case the undertakings set out below, NHS England has taken into account the matters set out in its Enforcement Guidance.

UNDERTAKINGS

NHS England has agreed to accept, and the Licensee has agreed to give, the following undertakings, pursuant to section 106 of the Act:

1. Finance and financial governance

1.1 The Licensee will take all reasonable steps as set out in the Recovery Plan (see paragraph 1.3 below) with the objective of improving its financial position and minimising its external funding requirements both within the financial year and on a recurrent basis.

1.2 The Licensee will take all reasonable steps as set out in the Recovery Plan (see paragraph 1.3 below) with the objective of delivering its services on a financially sustainable basis taking into account:

- 1.2.1 Alignment with local system service and sustainability plans and strategies including workforce
 - 1.2.2 Impact on delivery of other licence conditions including those pertaining to the quality and safety of services
 - 1.2.3 The development of the outline business case for the replacement of the hospital and consequent costs and capital requirements
- 1.3 The Licensee will, within a timeframe to be agreed with NHS England, submit to NHS England a clinically led recovery plan (“the Recovery Plan”) setting out the steps it will take to achieve the objectives outlined in paragraphs 1.1 and 1.2 above including how it will address any issues and recommendations emerging from any relevant reviews and/or inspections. The Recovery Plan must specify timescales for completion of identified actions.
- 1.4 The Recovery Plan set out in paragraph 1.3 should be subject to external/independent review prior to submission to NHS England. All reasonable steps should be taken to secure commissioner support for the Plan, and the Licensee will provide NHSE with a clear explanation of the dispute where the commissioner’s support has not been given.
- 1.5 The Licensee will implement sufficient and robust programme management and governance arrangements considering external recommendations to enable delivery of the steps described in paragraphs 1.1 and 1.2.

2. Strategy and system working

- 2.1 In a timescale to be agreed with NHS England the Licensee will undertake a systematic review of its services to determine whether, and the extent to which, they are sustainable in their current form, and if not, determine next steps (e.g. divestment or transformation). The review must take into account relevant developments of the local health and care system including the strategies of Bradford District and Craven Health and Care Partnership and West Yorkshire Integrated Care Board and with regard to the wider financial and clinical sustainability considerations. The review should also take account of other relevant plans and strategies with interdependencies including the West Yorkshire Association of Acute Trusts’ case for change and clinical strategy.
- 2.2 The Licensee will share with NHS England the findings of the well-led developmental review it is currently participating in which was due to report to its Board in early 2026.
- 2.3 The Licensee will commission a phase 2 of its well-led developmental review to look specifically at leadership and culture pertaining to both the internal functioning of the organisation alongside being an effective system partner in developing and implementing financial and service sustainability plans. The Licensee will agree the scope of phase 2 of its well-led developmental review

with NHS England. The Licensee will subsequently take appropriate and timely action to address the findings of the review and implement the actions arising from it; the Licensee will share with NHS England the findings from the review and provide updates on the actions being taken in response.

2.4 The Licensee should take all reasonable steps to continue to actively engage with local system partners to seek agreement with such partners to develop plans to ensure financial and service sustainability, including:

- 2.4.1 sharing relevant plans with key local partners and seeking commissioner support, as required, for such plans; and
- 2.4.2 consideration of shared roles and shared leadership for specific elements of the Licensee's and other system partners' work; so as to achieve, in agreement with such system partners, demonstrable progress in collaboration with, and reciprocal support across, local system partners.

3. Funding conditions and spending approvals

3.1 Where interim support financing or planned term support financing is provided by the Secretary of State for Health to the Licensee pursuant to section 40 of the NHS Act 2006, the Licensee will comply with any terms and conditions which attach to the financing.

3.2 The Licensee will comply with any reporting requests made by NHS England in relation to any financing to be provided to the Licensee by the Secretary of State for Health pursuant to section 40 of the NHS Act 2006.

3.3 The Licensee will comply with any spending approvals processes that are deemed necessary by NHS England.

4. Delivery of the undertakings

4.1 The Licensee will implement sufficient governance arrangements to enable delivery of these undertakings. Such governance arrangements must enable the board to:

- 4.1.1 obtain clear oversight over the process in delivering these undertakings;
- 4.1.2 obtain an understanding of the risks to the successful achievement of the undertakings and ensure appropriate mitigation; and
- 4.1.3 hold individuals to account for the delivery of the undertakings.

5. Meetings and reports

- 5.1 The Licensee will attend meetings or, if NHS England stipulates, conference or on-line calls, at such times and places, and with such attendees, as may be required by NHS England.
- 5.2 The Licensee will provide such evidence, reports or other information in relation to the matters covered by these undertakings as NHS England may require.

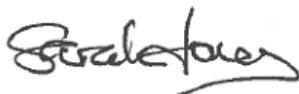
The undertakings set out above are without prejudice to the requirement on the Licensee to ensure that it is compliant with all the conditions of its licence, including any additional licence condition imposed under section 111 of the Act and those conditions relating to:

- compliance with the health care standards binding on the Licensee; and
- compliance with all requirements concerning quality of care.

Any failure to comply with the above undertakings will render the Licensee liable to further formal action by NHS England. This could include the imposition of discretionary requirements under section 105 of the Act in respect of the breach in respect of which the undertakings were given and/or revocation of the licence pursuant to section 89 of the Act.

Where NHS England is satisfied that the Licensee has given inaccurate, misleading or incomplete information in relation to the undertakings: (i) NHS England may treat the Licensee as having failed to comply with the undertakings; and (ii) if NHS England decides so to treat the Licensee, NHS England must by notice revoke any compliance certificate given to the Licensee in respect of compliance with the relevant undertakings.

LICENSEE



Signed (Chair of Licensee)

Dated: 20 March 2026

NHS ENGLAND



Signed: Fiona Edwards, Chair of the Regional Support Group (North East & Yorkshire)

Dated: 25 March 2026