

Public Audit Committee
Wednesday 10 December 2025
33rd Meeting, 2025 (Session 6)

The 2024/25 audit of NHS Tayside

Introduction

1. At its meeting today, the Public Audit Committee will take evidence from the Auditor General for Scotland (AGS) on his section 22 report, [The 2024/25 audit of NHS Tayside](#), which was published on 20 November 2025.
2. The AGS has prepared a paper on the key messages and recommendations from the report which can be found at **Annexe A**. A copy of the report can be found at **Annexe B**.
3. The Committee will decide any further action it wishes to take following the evidence session today.

Clerks to the Committee
December 2025

Annexe A: Briefing Paper by the Auditor General for Scotland

1. The Auditor General's report on the 2024/25 audit of NHS Tayside was published on 20 November 2025. The report brings the following to the Scottish Parliament's attention:
 - An overview of NHS Tayside's financial position. The report highlights that the board has made progress in meeting its financial targets. It achieved financial balance in 2024/25 with no requirement for brokerage funding from the Scottish Government. However, it did rely on non-recurring savings and late funding allocations to break even.
 - The progress made by NHS Tayside in addressing the long-standing concerns about mental health services in Tayside. These concerns resulted in a highly critical independent inquiry into mental health services in Tayside being published in February 2020. Then in January 2023, an Independent Oversight and Assurance Group (IOAG) published its final report covering progress made by Tayside in addressing the recommendations from the independent inquiry. This highlighted that progress had been made in some areas and identified six priority issues to focus on moving forward.

2. This report provides an overview of the progress made by NHS Tayside in addressing the six priority issues identified by the IOAG. It also covers the governance and leadership arrangements of the mental health and learning disabilities Whole System Change Programme (WSCP), which was approved in June 2023 by NHS Tayside and the three Tayside Integration Joint Boards.

3. Our review found that the WSCP in Tayside has made some progress in addressing the six priority issues identified by the IOAG, such as decreasing the level of mental health delayed discharges and addressing the backlog of repairs needed at Strathmartine. But substantial issues and challenges remain, such as the following:

- The planned move to a single site for inpatient mental healthcare at Murray Royal Hospital is delayed, and there is a lack of clarity about how concerns relating to the availability of staff and services at the new site will be addressed.
- The WSCP aimed to streamline and prioritise work to deliver the improvements needed. However, groups involved in leading this work highlighted complicated structures and siloed working, a lack of time and capacity and shifting timelines. The scope of the WSCP was reduced in late 2024, in recognition of a lack of skills and capacity to participate in change.
- The WSCP board assessed that integration was working well, but NHS Tayside has recognised that there remains complex leadership, financial and governance structures for mental health and learning disabilities services. It has set a corporate objective for 2025/26 to fully integrate the mental health and learning disabilities services across Tayside under a single management structure.

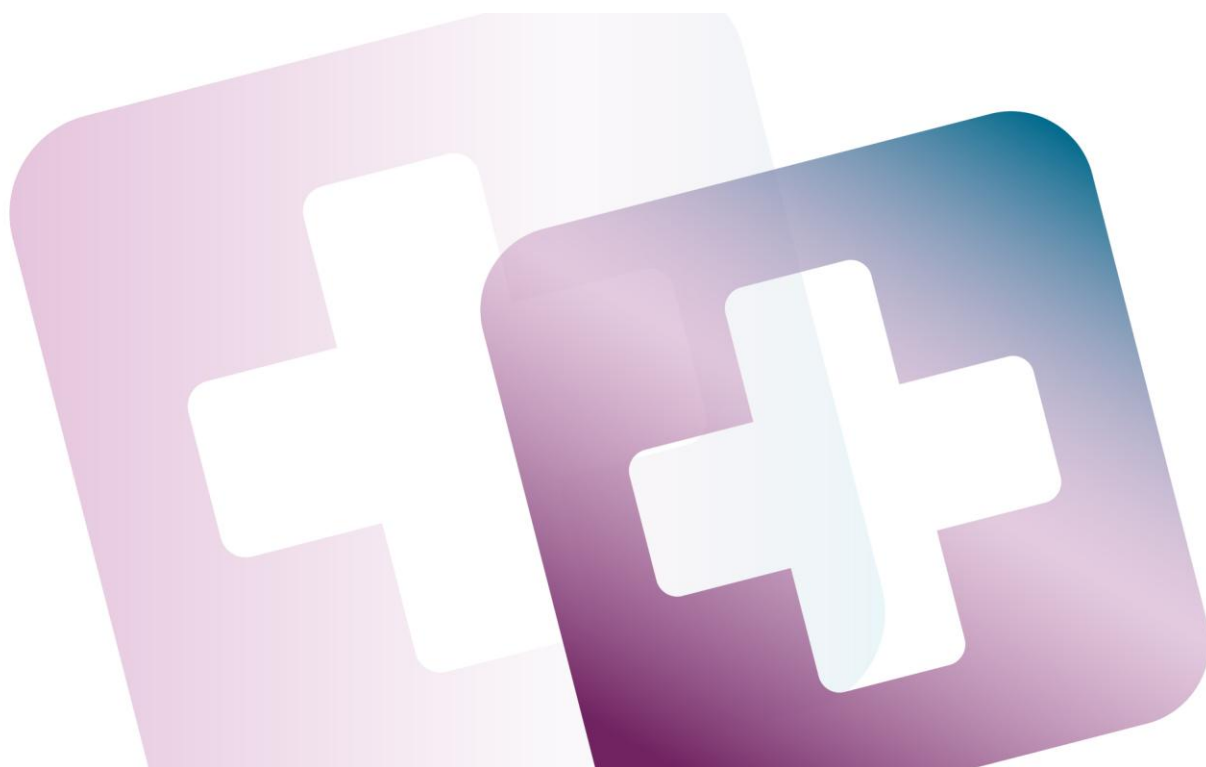
4. Following the decision to reduce the scope of the WSCP, there is a need for refreshed priorities for improvement and a clear plan for implementation, including specific actions, timescales and costs. To ensure it is achievable, this plan should set out how this work will be resourced and how progress will be monitored and reported publicly. NHS Tayside committed to implementing a prioritised programme of work including specific actions, timescales and expected costs by October 2025.

5. Governance and leadership arrangements for the WSCP are complicated and unclear. Our review highlighted a lack of clarity about the purpose, roles and responsibilities of the various groups involved in leading and overseeing the WSCP, and how these interact. NHS Tayside should clarify the roles and responsibilities for each group involved in leadership and governance arrangements for the WSCP, and update Terms of Reference, structure diagrams and progress reports to reflect these arrangements. NHS Tayside committed to fully reviewing the governance arrangements for the WSCP by October 2025.

6. The report also highlighted limited evidence about the quality of information provided to the WSCP board and the scrutiny and challenge of decisions made. The suite of Key Performance Indicators (KPIs) to monitor progress with the WSCP was

incomplete and progress was not reported transparently or in a way that enables good scrutiny and oversight. Improvements are needed to the KPIs to ensure it is possible to clearly assess progress. These improvements should include clarifying targets and timescales for achieving these, and reporting progress in a way that clearly shows long-term trends in performance. NHS Tayside has committed to developing a revised suite of KPIs by December 2025.

The 2024/25 audit of
NHS Tayside



AUDITOR GENERAL 

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Accessibility

You can find out more and read this report using assistive technology on our website www.audit.scot/accessibility.

Key messages

- 1 Long-standing concerns about mental health services in NHS Tayside resulted in a highly critical [independent inquiry into mental health services in Tayside](#) being published in February 2020. A subsequent Independent Oversight and Assurance Group (IOAG) published its final report in January 2023 on progress against the recommendations made by the Independent Inquiry. The mental health and learning disabilities Whole System Change Programme (WSCP) in Tayside has made some progress in addressing the issues identified by the subsequent IOAG, but substantial issues and challenges remain.
 - 2 In late 2024, the WSCP board agreed to reduce the scope of the WSCP. Limited skills and capacity for leading and participating in the WSCP has been highlighted as a key reason for this. Following this decision, the board needs to set refreshed priorities for improvement and agree a clear plan for implementation, including specific actions, timescales and costs. The plan should set out how this work will be resourced, and how progress will be monitored and reported publicly.
 - 3 Governance and leadership arrangements for the WSCP remain complicated and unclear and are not yet working well. There is a lack of clarity about the purpose, roles and responsibilities of the various groups involved in leading and overseeing the WSCP, and how these interact.
 - 4 There is limited evidence about the quality of information provided to the WSCP board and the scrutiny and challenge of decisions made. The suite of KPIs to monitor progress with the WSCP is incomplete and progress is not reported transparently or in a way that enables good scrutiny and oversight.
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Introduction

1. I have received the audited annual report and accounts including the independent auditor's report for NHS Tayside for 2024/25. I am submitting these accounts and auditor's report under section 22(4) of the Public Finance and Accountability (Scotland) Act 2000, together with this report that I have prepared under section 22(3) of the Act.
2. My report brings to the Scottish Parliament's attention NHS Tayside's progress in improving mental health services and outlines the substantial issues and challenges that remain.
3. The auditor issued unqualified opinions on the annual report and accounts of NHS Tayside for 2024/25.

Background

4. There has been ongoing Parliamentary attention given to NHS Tayside over a number of years. In December 2020, the [sixth consecutive report](#) on the audit of NHS Tayside was presented to Parliament. Previous reports highlighted a series of significant concerns, covering financial, performance and governance issues. The 2020 report commented on the progress that the board had made in meeting its financial and performance targets.
5. NHS Tayside has continued to make progress in meeting its financial targets. In 2024/25, the board achieved financial balance with no requirement for brokerage funding from the Scottish Government. However, it did rely on non-recurring savings and late funding allocations to break even. Late funding allocations hinder effective financial management by creating uncertainty in budgeting and potentially delaying decision-making and planned spending.
6. NHS Tayside achieved £36.1 million in savings in 2024/25, £18.9 million of which were recurring savings. However, NHS Tayside's financial plan set out the need to achieve £58 million in savings. The reliance on non-recurring savings to break even means that NHS Tayside will face additional financial pressure in 2025/26, with the need to find those savings again.
7. The focus of this report is on mental health services in Tayside, which was part of the wider scope work in the 2024/25 annual audit of NHS Tayside. Long-standing concerns about mental health services in NHS Tayside resulted in a highly critical [independent inquiry into mental health services in Tayside](#) being published in February 2020. This report

made 49 recommendations for NHS Tayside, and two recommendations for the Scottish Government. As a result of concerns over mental health services in NHS Tayside, the board remains at Stage 3 on the NHS in Scotland Support and Intervention Framework.

8. An Independent Oversight and Assurance Group (IOAG) was appointed by Scottish ministers in October 2021 to provide independent assurance on the progress made by Tayside against the 51 recommendations from the independent inquiry. In January 2023, the IOAG's [final report](#) identified six priority areas for NHS Tayside to focus on ([Exhibit 1, page 6](#)).

9. The Minister for Mental Wellbeing and Social Care requested a detailed action plan setting out how the priorities identified by the IOAG would be addressed. NHS Tayside and the three Tayside Integration Joint Boards (IJBs) approved the mental health and learning disabilities Whole System Change Programme (WSCP) in June 2023, in response to the minister's request. There were initially 12 workstreams, several of which aligned to the six priority areas identified by the IOAG. Exhibit 7 in [NHS Tayside's 2023/24 Annual Audit Report](#) (AAR) set out the 12 workstreams.

10. Between April and June 2025, we carried out a short review of progress as part of the annual audit work. The review provided a high-level overview of progress since the IOAG's final report on mental health services in NHS Tayside, January 2023 (Exhibit 1), and covered the governance and leadership arrangements of the WSCP.

11. The review consisted of progress reported by NHS Tayside and the three IJBs, desk-based reviews of available documentation and interviews with the co-chairs of the mental health and learning disabilities WSCP – the Deputy Chief Executive of NHS Tayside and the Chief Officer of Perth and Kinross IJB.

Findings

The WSCP has made some progress, but substantial issues and challenges remain

Exhibit 1

Progress against the six priority areas identified by the IOAG

Some progress has been made but substantial issues and challenges are still a concern.

IOAG priority area	High-level overview of progress at June 2025
<p>1. Progress urgent issues identified in the IOAG interim report, June 2022:</p> <ul style="list-style-type: none">Progressing the decision about single site provision in Tayside for inpatient mental healthcare.Addressing the issues with the physical environment in Strathmartine.Addressing significant delayed discharges.	<p>Single site provision: The decision to move to a single site was made in 2018 but was not progressed. In 2024, a new deadline was set for the move to Murray Royal Hospital by August 2025. At the time of the review, it was not clear if the move was on track, as timescales and expected costs were not yet available. We found a disconnect between the leadership and staff's views about the move, and the risk register highlighted some significant risks that had not yet been addressed:</p> <ul style="list-style-type: none">Most staff had indicated that they were not willing to transfer to Murray Royal Hospital. Management was engaging with staff and planned to put in place support to encourage staff to transfer, and to recruit additional newly qualified staff if needed. However, these plans were not yet costed to determine if they were affordable.There were significant concerns that the new site would be more restrictive and would lack access to some therapeutic interventions. Management was developing plans to address these concerns, but it was not yet clear how these issues would be resolved. <p>Strathmartine physical environment: In May 2024, the Mental Welfare Commission identified significant problems with the physical environment at Strathmartine and found that previous repairs had been makeshift and done little to address the significant state of disrepair. In April 2025, NHS Tayside reported that almost all the previously identified backlog repairs at Strathmartine had been addressed. Our review did not cover whether the significant issues had been resolved.</p> <p>Delayed discharges: Mental health delayed discharges decreased, but delayed discharges in learning disabilities services remained high. Planned recruitment of a complex care discharge lead for learning disabilities was delayed and there was a lack of suitable community provision for patients with very complex needs. NHS Tayside was working with the health and social care partnerships to explore options, but there was not yet a clear plan in place for reducing these delays.</p>

IOAG priority area	High-level overview of progress at June 2025
<p>2. Streamline and prioritise the change programme in support of ‘Living Life Well’</p> <p>The change programme relating to the strategy Living Life Well is overly complex. There is a need to simplify governance arrangements, prioritise areas for improvements and put in place a clear resource framework for delivery.</p>	<p>The mental health and learning disabilities WSCP aimed to streamline and prioritise the Living Life Well strategy. However, in October 2024 the Integrated Leadership Group (ILG) and Executive Leadership Group (ELG) highlighted complicated structures and siloed working, a lack of time and capacity, shifting timelines and difficulty in reporting progress accurately. In November 2024, the WSCP board agreed to reduce the scope of the WSCP.</p> <p>At the time of our review, there remained a lack of capacity for staff to lead and participate in change. At April 2025, an Annual Delivery Plan progress report highlighted this as an ongoing issue. It reported that reducing the scope and re-prioritising the WSCP through developing new model of care workstreams may enable leaders to progress with prioritised work.</p> <p>Much of this work was ongoing. The new models of care workstreams and priorities had not yet been agreed, and there was not yet a clear delivery plan in place with specific actions, timescales and costs.</p>
<p>3. Make integration work</p> <p>Following the revised integration schemes, partners must now focus on collaborative working to make the arrangements work in practice.</p>	<p>In November 2024, the WSCP board determined that this workstream was complete and agreed to close the workstream. It stated that stakeholders have reported good progress and that all indicators suggest that the integration agenda is working well across the system. However, our review found it was not clear what stakeholder engagement was carried out, or what indicators were used, to make this assessment.</p> <p>In October 2024, the ELG and ILG highlighted challenges with differing priorities between partners. And in January 2025, a series of ‘collaborative conversations’ with staff found that staff still lacked clarity about leadership roles and responsibilities.</p> <p>The WSCP board’s assessment that integration was working well did not align with NHS Tayside’s assessment. It recognised that there remains complex leadership, financial and governance structures for mental health and learning disability services. One of NHS Tayside’s corporate objectives for 2025/26 is to fully integrate the mental health and learning disability services across Tayside under a single management structure to simplify leadership and governance arrangements and maximise resources.</p>

IOAG priority area	High-level overview of progress at June 2025
<p>4. Engaging the workforce</p> <p>Providing the resources, support and leadership to ensure staff can do their jobs effectively while supporting their own wellbeing; and engaging with staff in major decisions affecting service delivery.</p>	<p>The WSCP included an ‘engage the workforce’ workstream. In October 2024, a review of progress acknowledged that this was not meeting as a formal workstream but reported that staff engagement was under way across the change programme.</p> <p>It reported that leadership training has been developed for senior clinical leaders and that the leadership and management structure was being refreshed with engagement with staff.</p> <p>It also acknowledged that there lacked a systematic approach to staff engagement. It has since introduced ‘collaborative conversations’, which involves meeting with staff every three months. At the time of our review, it was not yet clear how this will feed into decision-making.</p>
<p>5. Engaging with patients, families, partners and communities</p> <p>Build and rebuild relationships with people with lived experience of mental health services through meaningful engagement. Redouble efforts to work with third and community sectors in Tayside to shift the balance of care away from inpatient services and into the community.</p>	<p>The WSCP included an ‘engaging with patients, families, carers and communities’ workstream. In October 2024, a review of progress acknowledged that this did not exist as an individual workstream but is embedded throughout all workstreams.</p> <p>The WSCP board determined that, while some actions had not yet been completed and remained relevant, NHS Tayside now has a long-term reliable approach and so agreed to close the workstream and embed it within the other workstreams.</p> <p>It highlighted that there had been significant changes to the approach to engagement, co-design and co-production, and an evaluation would be produced in December 2024. We requested this evaluation, but we were not provided with it.</p> <p>The WSCP also set out that an engagement and participation Key Performance Indicator would be established, but at the time of our review, this was not yet in place.</p>

IOAG priority area	High-level overview of progress at June 2025
<p>6. Continued focus on patient safety</p> <p>Ensure that the organisations' systems, processes and physical infrastructure support continued improvement in patient safety across Tayside where appropriate.</p>	<p>From January 2024, NHS Tayside set up a mental health safety and quality forum, with sessions focused on quality improvement. The sessions aim to provide opportunity for discussions, with the aim of identifying changes to patient safety measures and developing agreed quality improvement approaches. In January 2025, the annual report of the forum highlighted challenges with capacity of staff to attend the forum and engage with improvement activities. It is therefore not clear that this will have the intended impact of supporting continuous improvement in patient safety.</p> <p>In February 2025, an assurance action plan for board retained mental health and learning disability services recognised that the services had been offering limited assurance to the clinical governance committee over a sustained period. It recognised that complicated clinical governance arrangements inhibited the ability to have a whole system perspective on the quality, safety and effectiveness of clinical care, and highlighted several areas that needed to improve. It set out an action plan for improvement, and an aim to provide reasonable assurance by the August clinical governance committee meeting.</p>

Source: Audit Scotland, NHS Tayside, IOAG final report

Governance and leadership arrangements for the WSCP are complicated and unclear

12. The mental health and learning disabilities WSCP is overseen by a WSCP board. The WSCP board reports progress to NHS Tayside board and to the three IJBs. An executive leadership group (ELG) was also set up to provide collaborative leadership of the change programme alongside the WSCP board, and an integrated leadership group (ILG) is in place to provide strategic direction and oversight to mental health services.

13. These structures are not yet working well. An ELG session in September 2024 highlighted a lack of clarity of the purpose of the ELG, proposed that the ELG could be disbanded, and the WSCP board could report directly to the executive leadership team. It also highlighted that the role of the ILG was not clear and needed to be developed. A joint session between the ILG and ELG in October 2024 also highlighted complicated structures and a lack of clarity about roles and responsibilities.

14. Management told us that the ELG had been disbanded but at June 2025, it continued to be referenced in papers as providing joint leadership of the change programme alongside the WSCP board. It was therefore not clear what the reporting arrangements for the WSCP board were, as we were not provided with a revised Terms of Reference.

15. A new ILG Terms of Reference had been developed. This set out its role as providing advice and recommendations to the WSCP board.

However, it proposed meeting bi-monthly and only reporting to the WSCP board every six months. It was therefore unclear what the purpose of the interim meetings would be.

16. There was limited evidence about the quality of information provided to the WSCP board, and the scrutiny and challenge of decisions made. The WSCP board kept a decision log; however, no minutes were taken of the board's meetings, and there were routinely verbal updates to the board without accompanying papers. This means that the context, scrutiny, and rationale for decisions was not documented.

Progress of the WSCP is not reported clearly enough to enable good scrutiny or transparency

17. In 2023/24, NHS Tayside's AAR included a recommendation to develop a suite of key performance indicators (KPIs) to monitor whether the WSCP is delivering the intended improvements in mental health services in Tayside and to demonstrate progress to the public.

18. Highlights from a set of KPIs were reported to the NHS Tayside board in February 2025. It stated these are being reported to the Tayside Executive Team monthly within the Annual Delivery Plan reporting framework, and bi-monthly to the WSCP board. However, the information being reported was not clear enough to enable good scrutiny and transparency about progress:

- At May 2025, the full suite of KPIs were still incomplete – an engagement and participation KPI was still to be established, and data was not yet available for the number of long-stay learning disabilities patients who have returned to the community.
- KPI performance was presented in writing and does not show long-term trends for all indicators. It was therefore not possible to easily see whether trends were improving or not.
- Targets and timescales for achieving the KPIs were not clear, making it difficult to determine whether any progress made was on track.

Conclusion

19. The review identified a number of risks and issues with addressing the long-standing challenges facing mental health services in Tayside. The external auditor made three recommendations in the 2024/25 AAR:

- Following the decision to reduce the WSCP in scope, refreshed priorities for improvement are needed and a clear plan for implementation, including specific actions, timescales and costs. The plan should set out how this work will be resourced and how progress will be monitored and reported publicly.
- NHS Tayside should clarify the roles and responsibilities for each group involved in leadership and governance arrangements for the WSCP, how they interact, and that Terms of Reference, structure diagrams and progress reports should be updated to reflect these arrangements.
- Improvements are needed to the suite of KPIs to ensure it is possible to clearly assess progress. This should be done by developing the remaining KPIs, clarifying targets and the timescales for achieving these, and reporting progress in a way that clearly shows long-term trends in performance.

20. NHS Tayside has committed that the WSCP board will monitor the implementation of a prioritised programme of work including specific actions, timescales and expected costs by October 2025. It has also committed to fully reviewing and updating the governance arrangements for the WSCP by October 2025 and developing a revised suite of KPIs by December 2025.

21. I expect to see NHS Tayside implement these actions within the timescales it has committed to. I will continue to monitor progress with the issues highlighted in the report and consider further reporting as necessary.

The 2024/25 audit of NHS Tayside



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