

**Council of Governors
Public Meeting – Thursday 19 January 2023**

For a virtual meeting to be held at 2.30pm by Microsoft Teams.

Quoracy for business to be transacted– 6 Public Governors, 1 Appointed Governor, 1 Staff Governor

The meeting should last two hours and there will be a comfort break for five minutes every 45 minutes. Governors do not have to be on camera during the meeting. However, it would be helpful if Governors could be on camera for asking questions/making comments. Please click the relevant icon to be called and where approval is required.

		Lead	Action	Report Format
	Standing Items			
1.	Apologies for Absence	CF	Note	verbal
2.	Declarations of Interest	CF	Note	√
3.	Minutes of the Meeting held on 13 October 2022	CF	Approve	√
4.	Actions Log, Workplan and Matters Arising	CF	Discuss	√
5.	Patient Story – “Living a Productive, Working Life with Borderline Personality Disorder” from Voluntary Services.	CF	Note	√
	Board Report Backs			
6.	Annual Accounts 2021/22	PB	Note	√
7.	Chair’s Report	CF	Discuss	verbal
8.	Chief Executive’s Report	MM	Discuss	√
9.	Non-Executive Director Chairs of Sub Committees Assurance Reports & Feedback	NEDs	Discuss	√
	Governor Items			
10.	An Addendum to NHS England’s ‘Your Statutory duties: A reference guide for NHS foundation trust governors’.	SJ	Note	√
11.	Code of Governance for NHS Provider Trusts	SJ	Note	√

12.	Council of Governor Sub-Groups Feedback inc Membership Engagement Activities	DP	Note	√
13.	Governor Support Proposals Action Plan	CF	Note	√
14.	Governors Questions – topical issues not already covered or discussion re any questions received in advance	All	Discuss	verbal
Performance & Delivery				
15.	Performance Update	PB	Discuss	√
16.	Finance Report	PB	Discuss	√
Corporate				
17.	Public Trust Board Minutes – September and October 2022	CF	Note	√
18.	Any Other Business	CF	Note	verbal
19.	Review of the Meeting – Being Humber	CF	Note	verbal
20.	Date, Time and Venue of Next Meeting Thursday 20 April 2023, 2.00pm via Microsoft Teams			



Agenda Item 3

Minutes of the Council of Governors Public Meeting held on Thursday 13 October 2022 via Microsoft Teams

Present:

Rt Hon Caroline Flint, Chair
Michele Moran, Chief Executive
Cllr Julie Abraham Appointed Governor East Riding of Yorkshire Council
Jenny Bristow, Appointed Governor Humberside Police
Cllr Linda Chambers Appointed Governor, Hull City Council
Sue Cooper, East Riding Public Governor
Tony Douglas, East Riding Public Governor
Tim Durkin, Wider Yorkshire & Humber Public Governor
Craig Enderby, Staff Governor
Marilyn Foster, Patient and Carer Governor
Patrick Hargreaves, Hull Public Governor
Jonathan Henderson, Appointed Governor, Humberside Fire & Rescue
Anthony Houfe, Service User and Carer Public Governor
Doff Pollard, Whitby Public Governor/ Lead Governor
Helena Spencer, Hull Public Governor
Brian Swallow Hull Public Governor
William Taylor, Staff Governor
Jacquie White, Appointed Governor, University of Hull

In Attendance:

Phillip Earnshaw, Non-Executive Director
Francis Patton, Non-Executive Director/SID
Dean Royles, Non-Executive Director
Mike Smith, Non-Executive Director
Hanif Malik, Associate Non-Executive Director
Stuart McKinnon-Evans, Non-Executive Director
Iain Omand, Deputy Director of Finance
Lynn Parkinson, Chief Operating Officer
Jenny Jones, Trust Secretary
Katie Colrein, Membership Officer
James Collier, Communications Officer
Sarah Hicks, Mental Health & Wellbeing Coach (for item 52/22)
Pete Cook, Head of Learning & Organisational Development (for item 52/22)
Steve McGowan, Director of Workforce & Organisational Development (for item 52/22)
Sarah Clinch, Senior Partnerships and Strategy Manager (for item 61/22)

Apologies: Andy Barber, Appointed Governor, Smile Foundation
 John Cunningham, East Riding Public Governor
 Joanne Gardner, Staff Governor
 Soraya Hutchinson, East Riding Public Governor
 Ruth Marsden, East Riding Public Governor
 Tom Nicklin, Staff Governor Sharon Nobbs, Staff Governor
 Peter Beckwith, Director of Finance

The meeting was held virtually via Microsoft Teams and was also live streamed.

49/22	<p>Declarations of Interest Any changes to declarations should be notified to the Trust Secretary. The Chair requested that if any items on the agenda presented anyone with a potential conflict of interest, they should declare the interest and remove themselves from the meeting for that item.</p> <ul style="list-style-type: none"> • Cllr Chambers declared that she is a lay representative for the Royal College of GPs and a member of the Patient Participation Group for Haxby Group. • Doff Pollard declared that she is a resident of Whitby for any associated discussions.
50/22	<p>Minutes of the Meeting held on 14 July 2022 The minutes of the meeting held on 14 July were agreed as a correct record.</p> <p>It was noted that it should read the Integrated Care System and not Integrated Care Services under item 37/22.</p> <p>The agenda for the meeting also stated that the minutes were from 13 July, and the correct date is 14 July as per the minutes.</p>
51/22	<p>Matters Arising and Actions Log The action log was noted and no matters arising were raised.</p> <p>36/22 Chair's Report It was queried whether the visits programme had been circulated as most Governors had not seen it. This point also linked in with the Governors Support Action Plan.</p> <p>Post Meeting Note The visits programme was circulated to Governors (18.10.22)</p>
52/22	<p>Staff Story – Sarah Hicks – Mental Health and Wellbeing Coach Sarah Hicks joined the meeting to share her story and experiences. Sarah was selected to join the Humber Potential Development Scheme. She has been with the NHS in various roles for some years. She shared her challenges and personal circumstances with the Board and how this had empowered her to become involved in her current work. This included establishing a Violence Against Women and Girls support group and assisting the Police by being involved in a lived experience video to help train police officers with situations.</p> <p>The Chair thanked Sarah for presenting her story in an inspirational way and brave way. Lynn Parkinson asked about connections Sarah had made and suggested that the Trauma Informed Care work would be of benefit to her and will make contact outside of the meeting. Hanif Malik asked about the work with women from minority</p>

communities and whether there was anything that Sarah could share that could help with other groups. Sarah explained that it is hard to get women to openly talk about issues as they are asked for a home address, and some may not have one. Work is taking place to try and remove this aspect so that women will talk about their issues. Another area is around interpreters being available for all meetings with women, so they are able to communicate in their preferred language. Sarah's work takes her into contact with the Humber and All Nations group, the Afro Caribbean Centre and with the Smile Foundations.

Jacque White was please to hear about the connections that Sarah has made and suggested the Domestic Abuse partnership as another route. Jacque agreed that language and culture is important and should be appropriate for the person. Anthony Houfe suggested contacting PC Danny Fleming in the community cohesion office if Sarah hadn't already.

The Chief Executive thanked Sarah for the way she had delivered her presentation. She recognised the work that Sarah is doing but that also Sarah should look after her own health and wellbeing, Sarah confirmed that she is well supported and uses self help apps for her personal wellbeing.

Sarah was thanked for attending and sharing her story.

53/22

Chair's Report

The Chair provided a verbal update on her recent activities.

Reference was made to the recent Panorama and Dispatches programmes that have been aired recently and showed unacceptable behaviours at an organisation. There are systems and checks in the organisation to prevent this happening, but there is no room for complacency as it could happen to anyone in the NHS. The Trust has also recommended that all staff watch the programmes. A discussion was also held as part of the Chairs Mental Health Network meeting with the Chair of the Care Quality Commission (CQC) on the call. A Board Time Out was held this week with discussions on safeguarding and patient safety. The Divisions have been asked to contribute to a report that is going to the October Board meeting as part of reviewing the organisation's position. There will also be reflection on this at the next Governor Development Day.

The Chief Executive recognised the programmes were difficult to watch. The Divisions have reacted positively. There is the Freedom to Speak Up and other routes for reporting any issues and the Trust promotes an open and honest culture. Visits and peer audits take place

A Governor Development Day was held with a focus on audit, lead provider work and children and young people's services. The next event is on 22 November when time will be spent looking at how patient's voices are heard and how issues are acted on.

Changes to the schedule of Board meetings have been agreed and Governors have been notified there will be six public Board meetings held bi-monthly and six strategic business meetings in between Board meetings.

The opening of Whitby Hospital and the Annual Members meeting were held earlier in the month. The Chair thanked Doff Pollard and everyone who was involved in the planning of these events.

Resolved: The verbal updates were noted

54/22

Chief Executive's Report

The Chief Executive presented her report which gave an update on the local issues. The Council's attention was drawn to:

- Ratification of extension of the external auditor's contract.
- Visits – these continue in person and virtually across the organisation.
- Shortlisting of awards the Trust has been nominated for with detail included in the report
- Communications team update included in the report
- Annual Members Meeting – this was a good event with the market stalls to promote services and an opportunity to meet staff.
- Update on Health Stars work
- Flu and Covid vaccination programmes. The first week saw 12% of staff receiving their flu vaccination. If staff receive either vaccination elsewhere, they are asked to report it so it is included in the figures.
- The staff survey for this year has been issued and staff are encouraged to complete this.
- System & Winter pressures update included in the report. Demand for services remains high from primary care through to the ambulance service. The system is extremely busy, and the Trust position continues to be managed at OPEL 2 level. Thanks were extended to Lynn Parkinson and the team for their work.

Lynn Parkinson provided an update on the winter plans which as well as looking at system pressures, also includes adverse weather, cost of living and the potential risk of industrial action. Work continues with system partners who are also struggling with the Acute Hospital currently at OPEL 4 and shows no signs of abating. An increase in Covid infection rates is being seen and there is potential for cases to increase. The Trust's OPEL 2 position is good despite system pressures, and the management of beds is being managed efficiently. A surge in Covid rates is expected at the beginning of November and a further surge at the end of January/early February. Business continuity plans have been reviewed to ensure they are in order and have been tested through the Emergency Planning process.

The Integrated Care Board is developing, and the Chief Executive suggested a development session on this would be helpful for Governors.

Extension to External Audit Contract

Doff Pollard referred to the external auditor's contract item included in the report. She felt that she did not have sufficient information to be able to make a decision and that a more in-depth discussion was required. Tim Durkin acknowledged Doff's point and raised that it had also been agreed by EMT why Governors had not had the opportunity to make the decision. Iain Oman, Deputy Director of Finance reassured Governors that it is good practice to assess a contract during its lifetime. He explained that the external auditor's performance is high and gives value for money, but there is a risk that if an extension is not secured, the organisation could be left without an external auditor due to the external market and the reluctance of auditors to take on NHS work. There is a clause in the contract to extend the term for a year and it was felt appropriate to request an extension to two years. The second year of the contract would be through a single tender and through Standing Financial Instructions.

The Chief Executive clarified that it is a Governor duty to appoint the external auditors and the proposed extension of contract is done in the interests of the organisation. It does not breach any financial standing orders or other governance and is necessary to not leave the Trust exposed. It was confirmed that the cost of the extension represents value for money. There was discussion at the September Governor Development Day too where it was mentioned about the difficulty some larger organisations are having and have been left without external auditors.

Mr Patton added that this has been through the Audit Committee, and it was a recommendation to ask Governors to endorse the approach. Cllr Julie Abraham proposed that the Council of Governors endorsed the recommendation for a two year extension. Doff Pollard thanked everyone for their comments and based on the information provided was happy to support the extension proposal. A note will be circulated to all Governors to clarify the details from Iain Omand and Stuart McKinnon-Evans outside the meeting.

Tim Durkin raised queries on recruitment and Trust HQ. In relation to recruitment, he asked how well recruitment is going in the various categories. There has been an increase in staffing numbers and an agency recovery plan is in place, many of which relate to medics and individual discussions take place to see if they will move onto Trust locum contracts. Recruitment is going well and is the main priority for the organisation. More detail will be shared with Governors outside the meeting,

The move to the new Trust HQ is part of the wider plan to develop and redesign inpatient services. Tim Durkin asked if an update on this work could be provided to Governors. The Chief Executive explained that the old HQ building is costing too much to run. With the new blended approach to working, the new facility is modern and meets the needs of staff to be able to come in on a temporary basis for a meeting. The Estates team has done a fantastic job with the design and works of the building. The blended approach will continue with most meetings being held on Microsoft Teams due to the geographical patch and the feedback from staff who are more able to attend an online meeting. In relation to the redesign work an update will be provided to Governors outside the meeting. The Chair informed Governors that the stakeholder group is being re-established and there will be representation by a staff Governor and a Public Governor.

Resolved: The report and verbal updates were noted.

Development session on the ICB to be arranged **Action MM**

A note will be circulated to all Governors to clarify the details of the external auditor extension from Iain Omand and Stuart McKinnon-Evans **Action IO/SMcKE**

Details of how recruitment is progressing in different categories to be provided to Governors **Action SMcG**

Update on inpatient redesign to be sent to Governors **Action LP**

55/22

Non-Executive Director Chairs of Sub Committees Assurance Reports and Feedback

The assurance reports from the Sub Committees of the Board were provided for information and a summary provided by the Non-Executive Director Chair.

Audit, Charitable Funds & Collaborative Committees

Stuart McKinnon-Evans is the chair for the above meetings. He reported that the Audit Committee had received updates on procurement, risk management and from an audit perspective that the organisation is in a good place.

Two reports were provided from the Charitable Funds Committee. A good list of potential new campaigns has been produced. There has been some below par performance and fund zone targets are being looked at.

The collaborative Committee reports contained details of the meetings. Main concerns were around the backlog that is causing delayed discharges, waiting lists for CAMHS and the learning the lessons from the Schoen Clinic issues.

Finance & Investment Committee

The assurance report from the July meeting was provided for information. Francis Patton reported that the ICB position is not delivering to plan, and it is being monitored in case there are local repercussions. Agency spend from the workforce perspective was reviewed. The primary care recovery plan was discussed which links to the workforce with GP recruitment.

Quality & Mental Health Legislation Committees

Mike Smith chairs both these Committees. The Quality Committee discussed the suicide strategy plan and associated issues. It was noted that $\frac{3}{4}$ of suicides involve people who are not known to services. The Allied Health Professionals Annual Report was received which included case studies and Friends and Family results.

The Mental Health Legislation Committee meeting discussed the assurance received from the MHA Use of Force Act. Patient leaflets have been distributed and de-escalation management training will take place every 12 months. The RRI group update was noted, and a visit requested to the Humber Patient Forum. Case studies were included in the RRI report, and a good indication of what plans are in services following the Edenfield programme.

Workforce & Organisational Development Committee

The latest meeting was held yesterday, previous meetings assurance reports were provided for information.

Reassurance was provided by Directors who attend (Chief Operating Officer, Medical Director and Director of Nursing). Presentations were received on Health & Wellbeing, Apprenticeships and the work done on values. The Committee goes into the detail of areas including training, vacancies and to understand the complexity in teams of staff in post. The establishment is rising faster than we are able to recruit to posts. There are more GPs and more nurses than there was a year ago but still a high number of vacancies due to the increasing establishment.

Doff Pollard declared an interest as a Whitby resident. She appreciated all the work that is done by the Non-Executive Directors and the executive team. She referred to the difficulty with the Out of Hours GP service in Whitby raised in the Audit Committee report and wondered whether the issues could be overcome. Stuart McKinnon-Evans commented that it was to do with Vocare and that the Audit Committee was seeing a continuing extension of the current arrangements. The Committee wanted to ensure that the best service was received and asked the Procurement team to see what other arrangements could be put in place. It is work that is in progress.

In relation to the Charitable Funds Committee reports, Doff Pollard asked to discuss an issue outside the meeting regarding a Wish that did not come to fruition with Stuart McKinnon-Evans. She recognised that performance is being reviewed around fund

	<p>raising and performance of Health Stars and HEY Smile. She pointed out that in mitigation the fund raising for Whitby initially started during Covid and any review needed to take into consideration the environment at the time and to look at lessons learned and any alternative ways for fund raising considered for future projects.</p> <p><u>Resolved:</u> The updates from the Committee chairs were noted <u>Discussion to take place re Charitable Funds Wish Action SMcKE/DP</u></p>
56/22	<p>Council of Governor Sub Groups Feedback A verbal update was received from Sue Cooper, Chair of Appointments, Terms and Conditions Committee and Doff Pollard, Chair of the Engaging with Members Governor Group.</p> <p>Appointments, Terms and Conditions Committee The Committee met yesterday and discussed items including the workplan for next year, the action log from the previous meeting and the terms of office for Non-Executive Directors. The appraisal system worked well this year and will continue to be used for next year with dates already arranged. It was suggested at the meeting that objectives for the Trust Chair and Non-Executive Directors be shared with Governors. Succession planning was discussed at the meeting to ensure sufficient time is given to any recruitment required.</p> <p>Engaging with Members Governor Group A meeting was held on 9 August with a focus on preparations for the Annual Members Meeting (AMM). Excellent support was received from the Communications Team for the event and in helping to produce videos for the events. Feedback received has been positive from people who watched online.</p> <p>The next meeting is on 20 October and Doff Pollard invited any Governors who may be interested to attend.</p> <p><u>Resolved:</u> The verbal updates were noted.</p>
57/22	<p>Governor Support Proposals Action Plan Following approval of the proposals at the last meeting, the action plan was presented for information.</p> <p>Brian Swallow queried whether some items had been circulated as stated as he had not received them.</p> <p>Anthony Houfe asked if there is a glossary of terms that could be sent to Governors. The Chair explained that this is included in the Governor Information Pack that is being finalised, but it will be sent out separately to Governors.</p> <p><u>Resolved:</u> The action plan was noted <u>Glossary of terms to be circulated to Governors Action KC</u></p> <p>Post Meeting Note Confirmation received that the documents referred to in the meeting had been sent out and that Brian Swallow had access to them.</p>
58/22	<p>Governor Questions No questions were submitted or raised by Governors at the meeting.</p>

59/22	<p>Performance Update</p> <p>The report was presented to the Council of Governors by Iain Omand. Highlights from the report were included on the front sheet.</p> <p>Tony Douglas asked about consultant vacancies and whether there is a national benchmark that can be compared to. He was informed there is no national benchmark but the organisation does compare itself to other similar sized organisations but each consultant profession differs. Any vacancies are covered by agency staff</p> <p>There was no detail on Delayed Transfers of Care (DTC) for the community beds at Malton and Whitby in the report. The Chief Executive reported there are significant problems with DTC and the right to reside criteria. Details of DTC at community wards will be circulated outside the meeting'</p> <p>Resolved: The report was noted Details of DTC at community wards will be circulated outside the meeting'</p> <p>Action IO</p>
60/22	<p>Finance Update</p> <p>The report presented provides a summary of financial performance for the Trust for the 3 month period June 2022 to September 2022. There is a high level of financial governance across the Trust and appropriate oversight from Non-Executive Directors in a supportive way.</p> <p>The Trust recorded an overall deficit of £0.275m for Month 2 consistent with the Trust's planning target. Cash balance at the end of Month 2 was £32.529m of which £4.682m relates to the Provider Collaborative.</p> <p>Doff Pollard asked about the underspends in some areas. Governors have raised in the past about how they can be used in more priority areas such as waiting list. She asked how it was ensured that the money allocated in the budget is spent to ensure better service provision. Iain Omand explained that the organisation wants to spend the money but in most cases it is connected to staffing budgets where there are vacancies.</p> <p>Reference was made to Community & Primary Care and Marilyn Foster asked if an update could be provided at a future Development Day session. She felt that the recovery plan was not working in the way it should as there are still issues. The Chair said this will be covered as part of the Patient Voice item at the next session as there are a lot of issues raised from patients of GP practices. There have been some changes in Bridlington to bring some practices together to improve the situation and to encourage people to work there. Marilyn will send any concerns to the Chair if there is anything specific to raise.</p> <p>Cllr Julie Abraham commented that it was good to see the balance the Trust has. She asked how the Trust compared to other organisations of a similar nature with its cash position and whether it will be spent wisely. Iain Omand responded that the Trust had done well to get to the cash position that it has. It provides an opportunity to use money non-recurrently to ensure the cash position is positive and to ensure that a level of working capital is held so if a situation arises it can be covered. EMT look at this regularly and review the positions.</p> <p>Resolved: The report was noted.</p>

61/22	<p>Trust Strategy Update Sarah Clinch, Senior Partnerships & Strategy Manager joined the meeting to give an update on the Trust strategy. The Strategy was launched at the Annual Members Meeting (AMM) and set out the strategy for the next five years. Engagement took place as part of the process with opportunities to provide comments and be involved. A short presentation was shared with Governors and the film to support the launch was played. The presentation will be shared with Governors who were not present at the meeting.</p> <p><u>Resolved:</u> The update was noted</p>
62/22	<p>Public Trust Board June & July 2022 Minutes The minutes of the public Board meetings for June and July were provided for information.</p> <p><u>Resolved:</u> The minutes were noted.</p>
63/22	<p>Any Other Business</p> <p>Annual Accounts Meeting The Chair reported that the additional Council of Governors arranged for 27 October to present the annual accounts has been cancelled. This is due to a delay in laying them before Parliament. They will now be presented at the public Council of Governors meeting in January 2023.</p>
64/22	<p>Date and Time of Next Meeting Thursday 19 January 2023, 2.30pm by Microsoft Teams</p>

Signed..... Date
Chair

**Action Log:
Actions Arising from Public Council of Governor Meetings**

Summary of actions from October 2022 meeting and update report on earlier actions due for delivery in January 2023						
<i>Rows greyed out indicate action closed and update provided here</i>						
Date of Meeting	Minute No	Agenda Item	Action	Lead	Timescale	Update Report
13.10.22	54/22(a)	Chief Executive's Report	Development session on the ICB to be arranged	MM	March 2023	A brief introduction to the wider responsibility of governors to represent the views of the public at large (i.e. the public within the ICS system) will be provided at the March Development Session. Additional papers are also on today's agenda that have brief references to system requirements
13.10.22	54/22(b)	Chief Executive's Report	A note will be circulated to	IO/SMcKE	November	E mailed 17.11.22

			all Governors to clarify the details of the external auditor extension from Iain Omand and Stuart McKinnon-Evans		2022	
13.10.22	54/22(c)	Chief Executive's Report	Details of how recruitment is progressing in different categories to be provided to Governors	SMcG	December 2022	E Mailed to Governors 28.12.22
13.10.22	54/22(d)	Chief Executive's Report	Update on inpatient redesign to be sent to Governors	LP	November 2022	E mailed to Governors 17.11.22
13.10.22	55/22	Non-Executive Director Chairs of Sub Committees Assurance Reports and Feedback	Discussion to take place re Charitable Funds Wish	SMcKE/DP	November 2022	Meeting held
13.10.22	57/22	Governor Support Proposals Action Plan	Glossary of terms to be circulated to Governors	KC	October 2022	Circulated to Governors 17.10.22
13.10.22	59/22	Performance Update	Details of DTOC at community wards will be circulated outside the meeting'	IO	January 2023	Post meeting note e mailed to Governors 9.1.23

Outstanding Actions arising from previous Council meetings for feedback to a later meeting

No outstanding items

A copy of the full action log recording actions reported back to the Council and confirmed as completed/closed is available from the Trust Secretary

Council of Governors Work Plan 2022/23 v3

Council of Governors Meeting Dates: Reports:	Frequency	LEAD	14 April 2022	14 July 2022	13 Oct 2022	19 Jan 2023	20 April 2023	20 July 2023	19 Oct 2023
Standing Items									
Minutes of the Last Meeting	Every Mtg	CF	✓	✓	✓	✓	✓	✓	✓
Actions List	Every Mtg	CF	✓	✓	✓	✓	✓	✓	✓
Chair's Report	Every Mtg	CF	✓	✓	✓	✓	✓	✓	✓
Chief Executives Report inc updates from Directors	Every Mtg	MM	✓	✓	✓	✓	✓	✓	✓
Patient /Staff Story presentation	Every Mtg	KF/SMcG	✓	✓	✓	✓	✓	✓	✓
NEDs Chairs of Sub Committees Assurance Reports & Feedback	Every Mtg	NEDs			✓	✓	✓	✓	✓
Quality and Clinical Governance									
Patient Led Assessment of Care Environment Report (PLACE)	Annually	LP			✓				
Corporate									
Public Trust Board Minutes	Every Mtg	CF	✓	✓	✓	✓	✓	✓	✓
Review of Constitution	As req	SJ							
Review of Council of Governors Workplan	Annually	CF		✓				✓	
Fit and Proper Persons Compliance Report	Annually	CF		✓				✓	
Update on the Operating Plan	Bi-monthly	PB			✓				✓
Annual Declarations Report	Annual	SJ	✓				✓		
Performance & Delivery									
Finance Report	Every Mtg	PB	✓	✓	✓	✓	✓	✓	✓
Performance Report	Every Mtg	PB	✓	✓	✓	✓	✓	✓	✓
Governors									
Feedback from Governor Groups/Governor Activity	Every Mtg	All	✓	✓	✓	✓	✓	✓	✓
Governors Questions	Every Mtg	All	✓	✓	✓	✓	✓	✓	✓
Annual Effectiveness Review of the Council of Governors including Terms of reference	Annually	CF		✓				✓	
Annual Effectiveness Review for Appointments, Terms and Conditions Committee including terms of reference for approval	Annually	SC		✓				✓	
Annual Effectiveness Review for Engaging with members group including Terms of Reference for approval	Annually	DP	✓				✓		

Council of Governors Statutory Duties									
Remuneration of the Chair and other Non Executive Directors (to ratify) Links to Appointments Terms and Conditions (ATC) Committee	As req	SM							
Presentation of the Annual Report and Accounts and any report on them (to receive)	Annually	AMM		✓					
Approve the appointment of the Chief Executive (to approve – support)	As req								
Appointment of the external auditor (to ratify)	As req								
Approval of an application for a merger with or acquisition of another FT or NHS Trust	As req								
Approval of an application for the dissolution of the FT	As req								
Council of Governors Non Statutory Duties									
Non Executive Director and Governor Visits	As req								
Receive the Membership Plan	As req								
Agree with the Audit Committee the process for appointment /removal of the external auditor	As req								
Be consulted on the appointment of the Senior Independent Director	As req								
Agree the process for the appointment of the Chair of the Trust and the other NEDs (link to AT&C)	As req								
Added items									
Formal Presentation of Accounts	Annual	PB				✓			
Governor Support proposals Action Plan	As req	CF			✓	✓			
Removed Items									
Annual Effectiveness Review for Finance Quality, Audit and Strategy Group including Terms of Reference for approval	Annually			✓					

Agenda Item 5

Title & Date of Meeting:	Council of Governors Public Meeting – 19 th January 2023																		
Title of Report:	Carol's Story - Living a Productive, Working Life with Borderline Personality Disorder																		
Author/s:	Carol – Service User/Volunteer Cath Ceely - Voluntary Services Lead Val Higo – Team Leader																		
Recommendation:	<table border="1"> <tr> <td>To approve</td> <td></td> <td>To receive & discuss</td> <td></td> </tr> <tr> <td>For information/To note</td> <td>✓</td> <td>To ratify</td> <td></td> </tr> </table>			To approve		To receive & discuss		For information/To note	✓	To ratify									
To approve		To receive & discuss																	
For information/To note	✓	To ratify																	
Purpose of Paper: <i>Please make any decisions required of Board clear in this section:</i>	<p>To inform the Council of Governors of the experience of living productively with Borderline Personality Disorder (BPD).</p> <p>Carol lives with BPD and is passionate about using her lived experience to help people understand, help others on their recovery journey and support people on their road back to employment.</p> <p>Carol has come to the team through volunteering herself. Carol has had various Mental Health struggles in the past and was out of work for 20 years due to her mental health.</p>																		
Key Issues within the report:																			
Matters of Concern or Key Risks to Escalate: <ul style="list-style-type: none"> No matters to escalate 		Key Actions Commissioned/Work Underway: <ul style="list-style-type: none"> N/A 																	
Positive Assurances to Provide:		Decisions Made: <ul style="list-style-type: none"> N/A 																	
Governance: <i>Please indicate which committee or group this paper has previously been presented to:</i>	<table border="1"> <thead> <tr> <th></th> <th>Date</th> <th></th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>Appointments, Terms & Conditions Committee</td> <td></td> <td>Engaging with Members Group</td> <td></td> </tr> <tr> <td>Finance, Audit, Strategy and Quality Governor Group</td> <td></td> <td>Other (please detail) Quarterly report to Council</td> <td>✓</td> </tr> <tr> <td>Trust Board</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>				Date		Date	Appointments, Terms & Conditions Committee		Engaging with Members Group		Finance, Audit, Strategy and Quality Governor Group		Other (please detail) Quarterly report to Council	✓	Trust Board			
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Appointments, Terms & Conditions Committee		Engaging with Members Group																	
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Trust Board																			

Monitoring and assurance framework summary:

Links to Strategic Goals (please indicate which strategic goal/s this paper relates to)

√ Tick those that apply

	Innovating Quality and Patient Safety
√	Enhancing prevention, wellbeing and recovery
	Fostering integration, partnership and alliances
	Developing an effective and empowered workforce
	Maximising an efficient and sustainable organisation
√	Promoting people, communities and social values

Have all implications below been considered prior to presenting this paper to Trust Board?	Yes	If any action required is this detailed in the report?	N/A	Comment
Patient Safety	√			To be advised of any future implications as and when required by the author
Quality Impact	√			
Risk	√			
Legal	√			
Compliance	√			
Communication	√			
Financial	√			
Human Resources	√			
IM&T	√			
Users and Carers	√			
Equality and Diversity	√			
Report Exempt from Public Disclosure?			No	

Agenda Item 6

Title & Date of Meeting:	Council of Governors Public Meeting– 19 th January 2023			
Title of Report:	Annual Accounts 2021/22			
Author/s:	Name: Peter Beckwith Title: Director of Finance			
Recommendation:	To approve		To receive & discuss	
	For information/To note	<input checked="" type="checkbox"/>	To ratify	
Purpose of Paper:	This purpose of this report is to present the audited annual accounts for 2021-22.			

Key Issues within the report:

Matters of Concern or Key Risks to Escalate: <ul style="list-style-type: none"> • None 	Key Actions Commissioned/Work Underway: <ul style="list-style-type: none"> • None
Positive Assurances to Provide: <ul style="list-style-type: none"> • All audit work is now complete and accounts have been laid before parliament • Unqualified audit opinion on the accounts • Audit Completion Report from External Auditors (Mazars) is attached. 	Decisions Made: <ul style="list-style-type: none"> • None (report is to note)

Governance:		Date		Date
	Appointments, Terms & Conditions Committee		Engaging with Members Group	
	Finance, Audit, Strategy and Quality Governor Group		Other (please detail) Report to Council	✓
	Trust Board			

Monitoring and assurance framework summary:

Links to Strategic Goals (please indicate which strategic goal/s this paper relates to)				
√ Tick those that apply				
	Innovating Quality and Patient Safety			
	Enhancing prevention, wellbeing and recovery			
	Fostering integration, partnership and alliances			
	Developing an effective and empowered workforce			
	Maximising an efficient and sustainable organisation			
	Promoting people, communities and social values			
Have all implications below been considered prior to presenting this paper to Council of Governors?	Yes	If any action required is this detailed in the report?	N/A	Comment

Patient Safety	√			
Quality Impact	√			
Risk	√			To be advised of any future implications as and when required by the author
Legal	√			
Compliance	√			
Communication	√			
Financial	√			
Human Resources	√			
IM&T	√			
Users and Carers	√			
Equality and Diversity	√			
Report Exempt from Public Disclosure?			No	

Humber Teaching NHS Foundation Trust

Annual accounts for the year ended 31 March 2022

Foreword to the accounts

Humber Teaching NHS Foundation Trust

These accounts, for the year ended 31 March 2022, have been prepared by Humber Teaching NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.

Signature

Michele Moran
Chief Executive
Date

Statement of Comprehensive Income

		2021/22	2020/21
	Note	£000	£000
Operating income from patient care activities	3	195,453	156,986
Other operating income	4	13,521	21,071
Operating expenses	6, 8	(212,080)	(175,939)
Operating surplus/(deficit)		(3,106)	2,118
Finance income	11	242	226
Finance expenses	12	(430)	(392)
PDC dividends payable		(2,248)	(2,172)
Net finance costs		(2,436)	(2,338)
Other gains / (losses)	13	64	-
Deficit for the year		(5,478)	(220)
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	7	(3,936)	(1,895)
Revaluations	15, 17	2,865	-
Remeasurements of the net defined benefit pension scheme liability / asset	32	1,659	(2,065)
Total comprehensive income expense for the period		(4,890)	(4,180)

All operating activities relate to continuing activities.

A reconciliation of the deficit reported above to NHS England and Improvement is included on page 20 of the 2021/22 annual report.

Statement of Financial Position

		31 March 2022	31 March 2021
	Note	£000	£000
Non-current assets			
Intangible assets	14	10,870	10,393
Property, plant and equipment	15	86,288	87,254
Receivables	21	66	-
Total non-current assets		97,224	97,647
Current assets			
Inventories	20	137	155
Receivables	21	16,562	5,031
Non-current assets for sale and assets in disposal groups	22.1	342	1,540
Cash and cash equivalents	23	29,386	39,936
Total current assets		46,427	46,662
Current liabilities			
Trade and other payables	24	(29,443)	(32,105)
Borrowings	26	-	(280)
Provisions	28	(1,401)	(1,423)
Other liabilities	25	(7,513)	(4,822)
Total current liabilities		(38,357)	(38,630)
Total assets less current liabilities		105,294	105,679
Non-current liabilities			
Borrowings	26	-	(3,565)
Provisions	28	(2,579)	(529)
Other liabilities	25	(2,232)	(3,497)
Total non-current liabilities		(4,811)	(7,591)
Total assets employed		100,483	98,088
Financed by			
Public dividend capital		76,937	69,652
Revaluation reserve		14,776	16,250
Other reserves		(414)	(2,073)
Income and expenditure reserve		9,184	14,259
Total taxpayers' equity		100,483	98,088

The notes on pages 3 to 51 form part of these accounts.

Michele Moran
Chief Executive
9 December 2022

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2022

	Public dividend capital £000	Revaluation reserve £000	* Other reserves £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2021 - brought forward	69,652	16,250	(2,073)	14,259	98,088
Deficit for the year	-	-	-	(5,478)	(5,478)
Impairments	-	(3,936)	-	-	(3,936)
Revaluations	-	2,865	-	-	2,865
Transfer to retained earnings on disposal of assets	-	(18)	-	18	-
Remeasurements of the defined net benefit pension scheme liability/asset	-	-	1,659	-	1,659
Public dividend capital received	7,285	-	-	-	7,285
Other reserve movements	-	(385)	-	385	-
Taxpayers' and others' equity at 31 March 2022	76,937	14,776	(414)	9,184	100,483

Statement of Changes in Equity for the year ended 31 March 2021

	Public dividend capital £000	Revaluation reserve £000	* Other reserves £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2020 - brought forward	61,179	18,568	(8)	14,056	93,795
Deficit for the year	-	-	-	(220)	(220)
Other transfers between reserves	-	(423)	-	423	-
Impairments	-	(1,895)	-	-	(1,895)
Remeasurements of the defined net benefit pension scheme liability/asset	-	-	(2,065)	-	(2,065)
Public dividend capital received	8,473	-	-	-	8,473
Taxpayers' and others' equity at 31 March 2021	69,652	16,250	(2,073)	14,259	98,088

* Other reserves relate to the Local Authority pension scheme

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.

Financial assets reserve

This reserve comprises changes in the fair value of financial assets measured at fair value through other comprehensive income. When these instruments are derecognised, cumulative gains or losses previously recognised as other comprehensive income or expenditure are recycled to income or expenditure, unless the assets are equity instruments measured at fair value through other comprehensive income as a result of irrevocable election at recognition.

Other reserves

The balance on this reserve is the movement in the East Riding of Yorkshire Council Pension scheme relating to the membership of Humber Teaching NHS Foundation Trust.

Income and expenditure reserve

The balance of this reserve is the accumulated surpluses and deficits of the trust.

Statement of Cash Flows

	2021/22	2020/21
Note	£000	£000
Cash flows from operating activities		
Operating surplus / (deficit)	(3,106)	2,118
Non-cash income and expense:		
Depreciation and amortisation	6.1 4,124	3,101
Net impairments	7 5,166	578
Income recognised in respect of capital donations	4 (76)	(616)
Non-cash movements in on-SoFP pension liability	394	216
(Increase) / decrease in receivables and other assets	(11,672)	5,010
(Increase) / decrease in inventories	18	(5)
Increase / (decrease) in payables and other liabilities	(62)	12,628
Increase / (decrease) in provisions	2,035	852
Net cash flows from / (used in) operating activities	(3,179)	23,882
Cash flows from investing activities		
Interest received	6	3
Purchase of intangible assets	(1,696)	(2,521)
Purchase of property, plant & equipment and investment property	(7,820)	(2,692)
Sales of property, plant and equipment and investment property	1,009	-
Receipt of cash donations to purchase assets	-	616
Net cash flows from / (used in) investing activities	(8,501)	(4,594)
Cash flows from financing activities		
Public dividend capital received	7,285	8,473
Movement on loans from DHSC	(3,838)	(327)
Interest on loans	(144)	(177)
PDC dividend (paid) / refunded	(2,173)	(2,431)
Net cash flows from / (used in) financing activities	1,130	5,538
Increase / (decrease) in cash and cash equivalents	(10,550)	24,826
Cash and cash equivalents at 1 April - brought forward	39,936	15,110
Cash and cash equivalents at 31 March	23.1 29,386	39,936

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

NHS Improvement, in exercising the statutory functions conferred on Monitor, 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 2021/22 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, intangible assets, inventories and certain financial assets and financial liabilities.

Note 1.2 Going concern

The Trust's annual report and accounts have been prepared on a going concern basis. Non-trading entities in the public sector are assumed to be going concerns where the continued provision of a service in the future is anticipated, as evidenced by inclusion of financial provision for that service in published documents.

Note 1.3 Interests in other entities

Humber Teaching NHS Foundation Trust holds an interest in Humber Primary Care Limited. Humber Primary Care is a limited company, set up in November 2017 to hold the GMS contract for Peeler House and Princes Medical Centre.

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. In 2021/22 and 2020/21, the majority of the trust's income from NHS commissioners was in the form of block contract arrangements. The Trust receives block funding from its commissioners, where funding envelopes are set at a Integrated Care System level. For the first half of the 2020/21 comparative year these blocks were set for individual NHS providers directly, but the revenue recognition principles are the same. The related performance obligation is the delivery of healthcare and related services during the period, with the trust's entitlement to consideration not varying based on the levels of activity performed.

The Trust also receives additional income outside of the block payments to reimburse specific costs incurred and, in 2020/21, other income top-ups to support the delivery of services. Reimbursement and top-up income is accounted for as variable consideration.

Mental health provider collaboratives

NHS led provider collaboratives for specialised mental health, learning disability and autism services involve a lead NHS provider taking responsibility for managing services, care pathways and specialised commissioning budgets for a population. As lead provider for Humber Coast and Vale Specialised Mental Health, Learning Disability and Autism Provider Collaborative, the Trust is accountable to NHS England and Improvement and as such recognises the income and expenditure associated with the commissioning of services from other providers in these accounts. Where the trust is the provider of commissioned services, this element of income is recognised in respect of the provision of services, after eliminating internal transactions.

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.

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 consolidated 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 Digital Apprenticeship Service (DAS) 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. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

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.

Local Government Pension Scheme

Since December 2016, some employees are members of the East Riding of Yorkshire Local Government Pension Scheme which is a defined benefit pension scheme. The scheme assets and liabilities attributable to these employees can be identified and are recognised in the trust's accounts. The assets are measured at fair value, and the liabilities at the present value of future obligations.

The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The net interest cost during the year arising from the unwinding of the discount on the net scheme liabilities is recognised within finance costs. Remeasurements of the defined benefit plan are recognised in the income and expenditure reserve and reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

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.
- Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

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.

All assets are measured subsequently at valuation. The valuation of buildings has been undertaken with reference to the buildings' current condition and agreed obsolescence and assumed that over its life it will be maintained to its current condition. The valuation is undertaken on a modern equivalent asset basis and reflects the current service potential of the Trust. The Trust's has had a full valuation undertaken by the Cushman and Wakefield, which included inspecting all of the Trust buildings.

An item of property, plant and equipment which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 of IFRS 5.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowings costs. 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.

The valuation exercise was carried out in February/March 2022 with a valuation date of 31 March 2022 and involved applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2020 ('Red Book').

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful 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.

Revaluations

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.

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	Max life
	Years	Years
Buildings, excluding dwellings	10	96
Plant & machinery	-	16
Transport equipment	5	7
Information technology	1	10
Furniture & fittings	3	10

Finance-leased assets (including land) are depreciated over the shorter of the useful life or the lease term, unless the trust expects to acquire the asset at the end of the lease term in which case the assets are depreciated in the same manner as owned assets above.

Note 1.9 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the trust's business or which arise from contractual or other legal rights. They 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.

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Intangible assets held for sale are measured at the lower of their carrying amount or fair value less costs to sell.

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

	Min life	Max life
	Years	Years
Software licences	4	5
Licences & trademarks	-	7
Other (purchased)	2	7

Note 1.10 Inventories

Inventories are valued at the lower of cost and net realisable value using the first-in first-out cost formula. This is considered to be a reasonable approximation to fair value due to the high turnover of stocks.

In 2020/21 and 2021/22, the Trust received inventories including personal protective equipment from the Department of Health and Social Care at nil cost. In line with the GAM and applying the principles of the IFRS Conceptual Framework, the Trust has accounted for the receipt of these inventories at a deemed cost, reflecting the best available approximation of an imputed market value for the transaction based on the cost of acquisition by the Department.

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 the Office of National Statistics.

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 except where the asset or liability is not measured at fair value through income and expenditure. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices or valuation techniques.

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 Trust recognises an allowance for expected credit losses.

The Trust 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).

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.

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

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.

The trust as a lessee***Finance leases***

Where substantially all risks and rewards of ownership of a leased asset are borne by the trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The implicit interest rate is that which produces a constant periodic rate of interest on the outstanding liability.

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for an item of property plant and equipment.

The annual rental charge is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to finance costs in the Statement of Comprehensive Income.

Operating leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially in other liabilities on the statement of financial position and subsequently as a reduction of rentals on a straight-line basis over the lease term. Contingent rentals are recognised as an expense in the period in which they are incurred.

Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

The trust as a lessor***Finance leases***

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the trust's net investment outstanding in respect of the leases.

Operating leases

Rental income from operating leases is recognised on a straight-line 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 Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective from 31 March 2022:

		Nominal rate	Prior year rate
Short-term	Up to 5 years	0.47%	Minus 0.02%
Medium-term	After 5 years up to 10 years	0.70%	0.18%
Long-term	After 10 years up to 40 years	0.95%	1.99%
Very long-term	Exceeding 40 years	0.66%	1.99%

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 2022:

	Inflation rate	Prior year rate
Year 1	4.00%	1.20%
Year 2	2.60%	1.60%
Into perpetuity	2.00%	2.00%

Early retirement provisions and injury benefit provisions both use the HM Treasury's pension discount rate of minus 1.30% in real terms (prior year: minus 0.95%).

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 29 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

The trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses when the liability arises.

Note 1.15 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in note 29 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 29, unless the probability of a transfer of economic benefits is remote.

Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

Note 1.16 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 1.17 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 1.18 Corporation tax

Under current regulations Humber Teaching NHS Foundation Trust is not liable to corporation tax, as the Trust's activities are purely healthcare related and therefore exempt.

Note 1.19 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 1.20 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 1.21 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

Note 1.22 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2021/22.

Note 1.23 Standards, amendments and interpretations in issue but not yet effective or adopted

IFRS 16 Leases

IFRS 16 Leases will replace *IAS 17 Leases*, *IFRIC 4 Determining whether an arrangement contains a lease* and other interpretations and is applicable in the public sector for periods beginning 1 April 2022. The standard provides a single accounting model for lessees, recognising a right of use asset and obligation in the statement of financial position for most leases: some leases are exempt through application of practical expedients explained below. For those recognised in the statement of financial position the standard also requires the remeasurement of lease liabilities in specific circumstances after the commencement of the lease term. For lessors, the distinction between operating and finance leases will remain and the accounting will be largely unchanged.

IFRS 16 changes the definition of a lease compared to IAS 17 and IFRIC 4. The trust will apply this definition to new leases only and will grandfather its assessments made under the old standards of whether existing contracts contain a lease.

On transition to IFRS 16 on 1 April 2022, the trust will apply the standard retrospectively without restatement and with the cumulative effect of initially applying the standard recognised in the income and expenditure reserve at that date. For existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000, a lease liability will be recognised equal to the value of remaining lease payments discounted on transition at the trust's incremental borrowing rate. The trust's incremental borrowing rate will be defined by HM Treasury. For 2022, this rate is 0.95%. The related right of use asset will be measured equal to the lease liability adjusted for any prepaid or accrued lease payments. For existing peppercorn leases not classified as finance leases, a right of use asset will be measured at current value in existing use or fair value. The difference between the asset value and the calculated lease liability will be recognised in the income and expenditure reserve on transition. No adjustments will be made on 1 April 2022 for existing finance leases.

For leases commencing in 2022/23, the trust will not recognise a right of use asset or lease liability for short term leases (less than or equal to 12 months) or for leases of low value assets (less than £5,000). Right of use assets will be subsequently measured on a basis consistent with owned assets and depreciated over the length of the lease term.

Plans for implementing IFRS16 were at a good stage of development at 31 March 2022, the numbers below are estimated and based upon information available at 31 March 2022. The Trust has a plan for management and identification of leases which will be rolled out in 2022/23.

The trust has estimated the impact of applying IFRS 16 in 2022/23 on the opening statement of financial position and the in-year impact on the statement of comprehensive income and capital additions as follows:

	£000
Estimated impact on 1 April 2022 statement of financial position	
Additional right of use assets recognised for existing operating leases	40,083
Additional lease obligations recognised for existing operating leases	<u>(40,083)</u>
Net impact on net assets on 1 April 2022	<u><u>-</u></u>
Estimated in-year impact in 2022/23	
Additional depreciation on right of use assets	(2,285)
Additional finance costs on lease liabilities	(359)
Lease rentals no longer charged to operating expenditure	2,432
Estimated impact on surplus / deficit in 2022/23	<u><u>(212)</u></u>
Estimated increase in capital additions for new leases commencing in 2022/23	<u><u>2,332</u></u>

The above impact is estimated as at 31 March 2022 and based upon information available at that date. The valuations for buildings rented at a peppercorn rent are estimated and are yet to be confirmed. The impact is not expected to materialise.

Note 1.24 Critical judgements in applying accounting policies

In the application of Humber Teaching NHS Foundation Trust's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and the estimates, and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Note 1.25 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:

The main use of estimates by Humber Teaching NHS Foundation Trust are:

Going Concern

The accounting rules (IAS1) require management to assess, as part of the accounts preparation process, Humber Teaching NHS Foundation Trust's ability to continue as a going concern

Property Valuation and Asset Lives

Valuations are undertaken by an independent external valuer. These values will therefore be subject to changes in market conditions and market values. The asset lives are also estimated by the independent external valuer and are subject to professional judgement.

Note 2 Operating Segments

IFRS 8 / IAS14 has detailed guidance as to which items of revenue and expense are included in segment revenue and segment expense. All companies will report a standardised measure of segment result – basically operating profit before interest, taxes, and head office expenses. For an entity's primary segments, it requires disclosure of:

- Income (distinguishing between external income and intersegment income)
- Profit or loss
- Assets
- The basis of intersegment pricing
- Liabilities
- Capital additions
- Depreciation and amortisation
- Significant unusual items
- Non-cash expenses other than depreciation
- Special disclosures are required for changes in segment accounting policies.
- Where there has been a change in the identification of segments, prior year information should be restated. If this is not practicable, segment data should be reported for both the old and new bases of segmentation in the year of change.
- Disclosure is required of the types of products and services included in each reported business segment.
- Segment revenue should be reconciled to consolidated revenue
- Segment result should be reconciled to a comparable measure of consolidated operating profit or loss and consolidated net profit or loss
- Segment assets should be reconciled to entity assets
- Segment liabilities should be reconciled to entity liabilities.

The Trust is primarily a provider of NHS healthcare services and from 1 October 2021 hosted a Provider Collaborative arrangement for commissioning adult eating disorders, adult secure mental health services, and child and inpatient children's and adolescent mental health services. The provider collaborative commissions services on behalf on NHS England.

The Humber Coast and Vale Specialised Provider Collaborative develops all proposals for investment or disinvestment in services. Members of the provider collaborative, (i.e. NHS and non NHS healthcare providers providers), CCG's, and Local Authorities along with service users work together to agree strategic plans and ensure best use of the resources available

Plans are agreed by the Provider Collaborative Oversight Group and the Trust's Board with clear decision making governance arrangements which are included in a Provider Collaborative Partnership Agreement.

As well as a Partnership Agreement, there is also a Financial Risk and Gain share agreement which all NHS collaborative members (have signed up to.) All partners are provided with a financial plan – spend and projected spend – at each Provider Collaborative Oversight Group to ensure transparency

The overall results for the Provider Collaborative are included in the financial position reported to the Trust's Board because the Trust acts as the Lead Provider and host. However, the Trust's Board has no power to influence commissioning decisions or manage the performance of the Provider Collaborative outside its role as a partner within the Collaborative. It may however, as lead provider influence the collaborative where it feels there is a financial risk to the Trust.

As the revenue from the Provider Collaborative / commissioning segment is > 10% of the total revenue for all sectors added together, the Trust has made the judgement to disclose the Provider Collaborative element under segmental reporting disclosure, as below:

	Commissioning	Provider	Total for the Trust
	£000	£000	£000
Income	21,702	187,578	209,280
Expenditure	(21,702)	(193,056)	(214,758)
Surplus / Deficit	0	(5,478)	(5,478)
Assets	1,024	142,627	143,651
Liabilities	(1,371)	(41,797)	(43,168)

Note 3 Operating income from patient care activities

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4

Note 3.1 Income from patient care activities (by nature)	2021/22	2020/21
	£000	£000
Mental health services		
Block contract / system envelope income	119,995	104,876
Services delivered under a mental health collaborative	7,572	-
Income for commissioning services in a mental health collaborative	21,702	-
Other clinical income from mandatory services	1,902	4,645
Community services		
Block contract / system envelope income	26,941	21,199
Income from other sources (e.g. local authorities)	9,474	5,243
All services		
Additional pension contribution central funding*	5,274	4,819
Other clinical income	2,593	16,204
Total income from activities	195,453	156,986

*The employer contribution rate for NHS pensions increased from 14.3% to 20.6% (excluding administration charge) from 1 April 2019. Since 2019/20, NHS providers have continued to pay over contributions at the former rate with the additional amount being paid over by NHS England on providers' behalf. The full cost and related funding have been recognised in these accounts.

Note 3.2 Income from patient care activities (by source)

	2021/22	2020/21
	£000	£000
Income from patient care activities received from:		
NHS England	47,422	21,748
Clinical commissioning groups	134,062	123,352
Other NHS providers	1,902	2,663
NHS other	1,244	239
Local authorities	9,474	8,143
Non NHS: other	1,349	841
Total income from activities	195,453	156,986
Of which:		
Related to continuing operations	195,453	156,986
Related to discontinued operations	-	-

Note 3.3 Overseas visitors (relating to patients charged directly by the provider)

Humber Teaching NHS Foundation Trust received no income from overseas visitors in 2021/22 (Nil return 2020/21)

Note 4 Other operating income

	2021/22			2020/21		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	486	-	486	493	-	493
Education and training	1,843	387	2,230	4,111	43	4,154
Non-patient care services to other bodies	3,693		3,693	1,141		1,141
Reimbursement and top up funding	138		138	9,237		9,237
Income in respect of employee benefits accounted on a gross basis	3,174		3,174	957		957
Receipt of capital grants and donations		76	76		616	616
Charitable and other contributions to expenditure		324	324		1,477	1,477
Rental revenue from finance leases		-	-		-	-
Rental revenue from operating leases		2,348	2,348		2,254	2,254
Other income	230	822	1,052	742	-	742
Total other operating income	9,564	3,957	13,521	16,681	4,390	21,071
Of which:						
Related to continuing operations			13,521			21,071
Related to discontinued operations			-			-

Note 5.1 Additional information on contract revenue (IFRS 15) recognised in the period

	2021/22	2020/21
	£000	£000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	4,733	1,845

Note 5.2 Transaction price allocated to remaining performance obligations

	31 March 2022	31 March 2021
	£000	£000
Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:		
within one year	7,513	4,733
after one year, not later than five years		
after five years		
Total revenue allocated to remaining performance obligations	<u>7,513</u>	<u>4,733</u>

The trust has exercised the practical expedients permitted by IFRS 15 paragraph 121 in preparing this disclosure. Revenue from (i) contracts with an expected duration of one year or less and (ii) contracts where the trust recognises revenue directly corresponding to work done to date is not disclosed.

Note 5.3 Income from activities arising from commissioner requested services

Under the terms of its provider licence, the trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider licence and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	2021/22	2020/21
	£000	£000
Income from services designated as commissioner requested services	148,838	129,167
Income from services not designated as commissioner requested services	46,615	27,819
Total	<u>195,453</u>	<u>156,986</u>

Note 5.4 Profits and losses on disposal of property, plant and equipment

Humber Teaching NHS Foundation Trust has no disposal of assets in 2021/22 (2020/21 £NIL)

Note 5.5 Fees and charges

HM Treasury requires disclosure of fees and charges income. The following disclosure is of income from charges to service users where income from that service exceeds £1 million and is presented as the aggregate of such income. The cost associated with the service that generated the income is also disclosed. This is not applicable for the Trust as their fees and charges do not exceed £1m

Note 6.1 Operating expenses

	2021/22	2020/21
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	9,134	988
Purchase of healthcare from non-NHS and non-DHSC bodies	22,308	11,370
Staff and executive directors costs	138,419	127,708
Remuneration of non-executive directors	122	118
Supplies and services - clinical (excluding drugs costs)	4,485	3,929
Supplies and services - general	1,551	3,609
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	1,304	1,179
Consultancy costs	136	152
Establishment	2,787	4,752
Premises	7,775	9,471
Transport (including patient travel)	1,575	588
Depreciation on property, plant and equipment	2,905	2,967
Amortisation on intangible assets	1,219	134
Net impairments	5,166	578
Movement in credit loss allowance: contract receivables / contract assets	69	406
Increase/(decrease) in other provisions	2,073	960
Fees payable to the external auditor		
audit services- statutory audit *	73	70
other auditor remuneration (external auditor only) **	-	-
Internal audit costs	101	134
Clinical negligence	773	634
Legal fees	113	262
Insurance	44	130
Research and development	656	597
Education and training	2,476	1,358
Rentals under operating leases	2,089	3,758
Redundancy	8	86
Hospitality ***	-	-
Losses, ex gratia & special payments	4	1
Other services, eg external payroll	209	-
Other ****	4,506	-
Total	212,080	175,939

All expenditure relates to continued operations

Additional pay and non-pay costs were incurred during the year in relation to the COVID 19 pandemic. The additional expenses were reimbured to the Trust by NHS England and Improvement.

* 2020/21 figure has been restated from £59k to £70k. Both year's figures include VAT.

** Other Audit remuneration - the Trust has not incurred any costs over the last 2 years

*** Hospitality - the Trust did not incur any true hospitality

Note 6.2 Other auditor remuneration

There were no 'other' audit remuneration other than the statutory fee.

Note 6.3 Limitation on auditor's liability

#REF!

Note 7 Impairment of assets

	2021/22 £000	2020/21 £000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	5,166	578
Total net impairments charged to operating surplus / deficit	5,166	578
Impairments charged to the revaluation reserve	3,936	1,895
Total net impairments	9,102	2,473

Chestnuts, an asset held for sale, was impaired by £105k during the period as a result of changes in market prices, this was charged to operating costs.

Net impairments of £5.166m (£0.578m in 2020/21) caused by changes in market prices, were charged to operating expenses during the year. Net impairments of £1.072m (in 2020/21 £1.895m) also resulting from changes in market prices were charged to the revaluation reserve.

A total of £5,656k was taken to operating expenses as a reversal of previous impairments (2020/21 £Nil).

	2021/22 £000	2020/21 £000
Impairments charged to operating expenditure:		
Reversal of previous impairments charged to operating expenditure	10,822	578
Net impairment charged to operating expenses	(5,656)	-
	5,166	578
Impairments charged to the revaluation reserve:		
Impairments	9,117	1,895
Reversal of previous impairments charged to the revaluation reserve	(5,181)	-
Net impairment charged to revaluation reserve	3,936	1,895

Note 8 Employee benefits

	2021/22	2020/21
	Total	Total
	£000	£000
Salaries and wages	103,906	96,534
Social security costs	9,727	8,790
Apprenticeship levy	480	439
Employer's contributions to NHS pensions *	17,397	15,915
Pension cost - other	559	432
Temporary staff (including agency)	8,406	6,711
Total gross staff costs	140,475	128,821
Recoveries in respect of seconded staff	(280)	-
Total staff costs	140,195	128,821
Of which		
Costs capitalised as part of assets	642	-

* Employer's contribution to NHS Pensions include additional costs related to the increase in the employer contribution rate for NHS Pensions from 14.3% to 20.6% from April 2019, the value is £5,274k for 2021/22

Note 8.1 Retirements due to ill-health

#REF!

These estimated costs are calculated on an average basis and will be borne by the NHS Pension Scheme.

Note 9 Pension costs

Past and present employees are covered by the provisions of the two 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 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 2022, is based on valuation data as 31 March 2021, updated to 31 March 2022 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 report of the scheme actuary, which forms part of the annual NHS Pension Scheme 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 (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay.

The 2016 funding valuation also tested the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. There was initially a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case

HMT published valuation directions dated 7 October 2021 (see Amending Directions 2021) that set out the technical detail of how the costs of remedy are included in the 2016 valuation process. Following these directions, the scheme actuary has completed the cost control element of the 2016 valuation for the NHS Pension Scheme, which concludes no changes to benefits or member contributions are required. The 2016 valuation reports can be found on the NHS Pensions website at <https://www.nhsbsa.nhs.uk/nhs-pension-scheme-accounts-and-valuation-reports>.

Note 9.1 Local Government Superannuation Scheme

East Riding of Yorkshire Council Pension Scheme

Further disclosure of the East Riding of Yorkshire Council Pension Scheme relating to the Trust is shown in note 32

Note 9.2 NEST Pension Scheme

Some employees are members of the NEST Pension Scheme. NEST was set up by the Government especially for auto enrolment. The intention of the scheme is to ensure that all employees have access to a scheme that meets the requirements of the pension rules. Further disclosure can be found in Note 1.6 Employer contributions to the Scheme in 2020/2021 were £56k (2020/21 £46k)

Note 10 Operating leases

Note 10.1 Humber Teaching NHS Foundation Trust as a lessor

This note discloses income generated in operating lease agreements where Humber Teaching NHS Foundation Trust is the lessor.

Humber Teaching NHS Foundation Trust receives operating income from buildings leased to private tenants and local authorities

	2021/22 £000	2020/21 £000
Operating lease revenue		
Minimum lease receipts	2,348	2,254
Total	2,348	2,254
	31 March 2022	31 March 2021
	£000	£000
Future minimum lease receipts due:		
- not later than one year;	2,348	2,254
- later than one year and not later than five years;	6,039	6,797
- later than five years.	468	-
Total	8,855	9,051

Note 10.2 Humber Teaching NHS Foundation Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where Humber Teaching NHS Foundation Trust is the lessee.

Following NHS reforms under the Health and Social Care Act 2012 (Commencement No.4, Transactional, Savings and Transitory Provisions Order 2013) the costs of properties leased through NHS Property Services are disclosed in the accounts, as substance over form dictates, as operating leases, though there are no formal lease agreements in place.

Minimum lease payments represent the recharge by NHS Property Services in year.

	2021/22 £000	2020/21 £000
Operating lease expense		
Minimum lease payments	2,089	3,758
Total	2,089	3,758
	31 March 2022	31 March 2021
	£000	£000
Future minimum lease payments due:		
- not later than one year;	2,494	3,550
- later than one year and not later than five years;	6,465	8,089
- later than five years.	33,610	10,390
Total	42,569	22,029
Future minimum sublease payments to be received	-	-

Note 11 Finance income

Finance income represents interest received on assets and investments in the period.

	2021/22	2020/21
	£000	£000
Interest on bank accounts	16	3
Other finance income	226	223
Total finance income	242	226

Note 12.1 Finance expenditure

Finance expenditure represents interest and other charges involved in the borrowing of money or asset financing.

	2021/22	2020/21
	£000	£000
Interest expense:		
Loans from the Department of Health and Social Care	137	177
Interest on late payment of commercial debt	-	-
Total interest expense	137	177
Unwinding of discount on provisions	(7)	(6)
Other finance costs	300	221
Total finance costs	430	392

Note 12.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015

Humber Teaching NHS Foundation Trust paid £750 as a result of late payment legislation in 2021/22 (2020/21 £Nil) and paid no compensation under this legislation (2020/21 £Nil)

Note 13 Other gains / (losses)

	2021/22	2020/21
	£000	£000
Gains on disposal of assets	64	-
Total gains / (losses) on disposal of assets	64	-

This gain is relating to the disposal of the Assets held for sale during the year relating to Hallgate and Victoria House.

Note 14.1 Intangible assets - 2021/22

	Software licences £000	Licences & trademarks £000	Intangible assets under construction £000	Other (purchased) £000	Total £000
Valuation / gross cost at 1 April 2021 - brought forward	2,689	52	9,544	114	12,399
Additions	-	-	1,696	-	1,696
Reclassifications	-	-	(9,762)	9,762	-
Valuation / gross cost at 31 March 2022	2,689	52	1,478	9,876	14,095
Amortisation at 1 April 2021 - brought forward	2,006	-	-	-	2,006
Provided during the year	134	-	-	1,085	1,219
Amortisation at 31 March 2022	2,140	-	-	1,085	3,225
Net book value at 31 March 2022	549	52	1,478	8,791	10,870
Net book value at 1 April 2021	683	52	9,544	114	10,393

The useful lives attached to intangible assets are shown at note 1.9

Note 14.2 Intangible assets - 2020/21

	Software licences £000	Licences & trademarks £000	Intangible assets under construction £000	Other (purchased) £000	Total £000
Valuation / gross cost at 1 April 2020 - as previously stated	2,097	52	7,615	114	9,878
Additions	-	-	2,521	-	2,521
Reclassifications	592	-	(592)	-	-
Valuation / gross cost at 31 March 2021	2,689	52	9,544	114	12,399
Amortisation at 1 April 2020 - as previously stated	1,872	-	-	-	1,872
Provided during the year	134	-	-	-	134
Amortisation at 31 March 2021	2,006	-	-	-	2,006
Net book value at 31 March 2021	683	52	9,544	114	10,393
Net book value at 1 April 2020	225	52	7,615	114	8,006

Note 15.1 Property, plant and equipment - 2021/22

	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation/gross cost at 1 April 2021 - brought forward	7,993	70,332	6,428	3,336	121	16,226	1,225	105,661
Additions	-	-	7,911	-	12	-	-	7,923
Impairments	(1,410)	(18,424)	-	-	-	-	-	(19,834)
Reversals of impairments	2,275	8,562	-	-	-	-	-	10,837
Revaluations	(829)	(756)	-	-	-	-	-	(1,585)
Reclassifications	-	8,547	(10,784)	-	-	2,237	-	-
Transfers to / from assets held for sale	300	(152)	-	-	-	-	-	148
Valuation/gross cost at 31 March 2022	8,329	68,109	3,555	3,336	133	18,463	1,225	103,150
Accumulated depreciation at 1 April 2021 - brought forward	916	2,140	-	2,664	121	11,492	1,074	18,407
Provided during the year	-	1,394	-	319	-	1,136	56	2,905
Revaluations	(916)	(3,534)	-	-	-	-	-	(4,450)
Accumulated depreciation at 31 March 2022	-	-	-	2,983	121	12,628	1,130	16,862
Net book value at 31 March 2022	8,329	68,109	3,555	353	12	5,835	95	86,288
Net book value at 1 April 2021	7,077	68,192	6,428	672	-	4,734	151	87,254

Note 15.2 Property, plant and equipment - 2020/21

	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation / gross cost at 1 April 2020 - as previously stated	8,363	70,126	1,958	3,313	121	15,126	1,225	100,232
Additions	-	-	8,463	-	-	-	-	8,463
Impairments	(5)	(1,890)	-	-	-	-	-	(1,895)
Revaluations	(65)	(474)	-	-	-	-	-	(539)
Reclassifications	-	2,870	(3,993)	23	-	1,100	-	-
Transfers to / from assets held for sale	(300)	(300)	-	-	-	-	-	(600)
Valuation/gross cost at 31 March 2021	7,993	70,332	6,428	3,336	121	16,226	1,225	105,661
Accumulated depreciation at 1 April 2020 - as previously stated	916	779	-	2,324	121	10,298	1,013	15,451
Provided during the year	-	1,372	-	340	-	1,194	61	2,967
Impairments	65	464	-	-	-	-	-	529
Revaluations	(65)	(474)	-	-	-	-	-	(539)
Transfers to / from assets held for sale	-	(1)	-	-	-	-	-	(1)
Accumulated depreciation at 31 March 2021	916	2,140	-	2,664	121	11,492	1,074	18,407
Net book value at 31 March 2021	7,077	68,192	6,428	672	-	4,734	151	87,254
Net book value at 1 April 2020	7,447	69,347	1,958	989	-	4,828	212	84,781

Note 15.3 Property, plant and equipment financing - 2021/22

	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Plant & machinery £000	Information technology £000	Furniture & fittings £000	Total £000
Net book value at 31 March 2022							
Owned - purchased	8,264	67,888	3,555	310	5,835	95	85,947
Owned - donated/granted	65	221	-	43	-	-	329
NBV total at 31 March 2022	8,329	68,109	3,555	353	5,835	95	86,276

Note 15.4 Property, plant and equipment financing - 2020/21

	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Plant & machinery £000	Information technology £000	Furniture & fittings £000	Total £000
Net book value at 31 March 2021							
Owned - purchased	6,976	67,800	5,812	585	4,734	151	86,058
Owned - donated/granted	101	392	616	87	-	-	1,196
NBV total at 31 March 2021	7,077	68,192	6,428	672	4,734	151	87,254

Note 16 Donations of property, plant and equipment

Humber Teaching NHS Foundation Trust has received a donation of an asset, a van for £12k. (2020/21, received from DHSC Infrastructure £97k and IT equipment £261k due to the coronavirus pandemic).

Note 17 Revaluations of property, plant and equipment

Land and Buildings are included in the statement of financial position at their valuation on 31 March 2022. A comprehensive and full valuation was undertaken by an independent RICS valuer, Cushman and Wakefield, in accordance with RICS guidance .

The valuation took into account improvements undertaken during the year and took into account their current condition and an agreed level of obsolescence. The valuation methodology assumes that our buildings will be maintained to their current condition over their remaining lives. The valuation was undertaken on a modern equivalent asset basis and reflects the current service potential .

Prior to the valuation at 31 March 2022 by Cushman and Wakefield, land and buildings were valued by the Valuation Service using a different methodology but still on a modern equivalent asset basis and reflecting the service potential to the Trust.

The impact of the valuation on land and property in full use was a net reduction in value of £6.132m.

The carrying value of assets not in active use and held for sale are valued at £0.342m.

The Gross book value of property plant and equipment that is fully depreciated at 31 March 2022 is £13.159m

The useful lives applied to property plant and equipment assets are shown in note 1.8

Note 18.1 Investment Property

Humber Teaching NHS Foundation Trust held no investment property in 2021/22 (2020/21 : £Nil)

Note 18.2 Investment property income and expenses

Humber Teaching NHS Foundation Trust held no investments in associates or joint ventures in 2021/22 (2020/21: £Nil)

Note 19 Disclosure of interests in other entities

Humber Teaching NHS Foundation Trust owns by control, Humber Primary Care Limited.

Humber Primary Care Limited is a limited company, set up in November 2017. It holds the GMS contract for Peeler House, Princes Medical Centre, in 2019/20 it aquired Manor House Surgery and in 2020/21 acquired Practice 2. It has not been consolidated in the accounts of Humber Teaching NHS Foundation Trust on the basis of materiality. In 2021/22 the company suffered a loss of £479k (2020/21 £341k)

Humber Teaching NHS Foundation Trust is the Corporate Trustee of the Humber Teaching NHS Foundation Trust Charitable Funds - Registered charity number 1052727. The Charitable Funds have not been consolidated into the accounts of Humber Teaching NHS Foundation Trust on the basis of materiality. The balance of the funds at 31 March 2022 is £401k. (2020/21 £713k)

Note 20 Inventories

	31 March 2022 £000	31 March 2021 £000
Consumables	137	155
Total inventories	<u>137</u>	<u>155</u>
of which:		
Held at fair value less costs to sell	-	-

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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 21.1 Receivables

	31 March 2022 £000	31 March 2021 £000
Current		
Contract receivables	9,002	4,835
Allowance for impaired contract receivables / assets	(1,266)	(1,499)
Prepayments (non-PFI)	1,031	861
PDC dividend receivable	93	168
VAT receivable	522	545
Other receivables	7,180	121
Total current receivables	<u>16,562</u>	<u>5,031</u>
Non-Current		
Clinician pension tax provision reimbursement funding from NHSE	66	-
	<u>66</u>	<u>-</u>
Of which receivable from NHS and DHSC group bodies:		
Current	2,145	1,151
Non-Current	66	-

Note 21.2 Allowances for Credit Losses

	2021/22 receivables £000	2020/21 receivables £000
Allowances as at 1 April - brought forward	1,499	1,197
New allowances arising	69	406
Utilisation of allowances (write offs)	(302)	(104)
Allowances as at 31 Mar 2022	<u>1,266</u>	<u>1,499</u>

Note 21.3 Exposure to Credit Risk

	31 March 2022	31 March 2021
Non NHS Invoices	3,160	2,314
NHS Invoices	1,058	1,216
	<u>4,218</u>	<u>3,530</u>
Credit Risk	30%	42.46%
Loss Provision	(1,265)	(1,499)
Net Carrying amount	<u>2,953</u>	<u>2,031</u>

All credit losses apply to contract receivables and assets

Note 22.1 Non-current assets held for sale and assets in disposal groups

	2021/22	2020/21
	£000	£000
NBV of non-current assets for sale and assets in disposal groups at 1 April	1,540	990
Assets classified as available for sale in the year	450	599
Assets sold in year	(945)	-
Impairment of assets held for sale	(105)	(49)
Assets no longer classified as held for sale, for reasons other than sale	(598)	-
	342	1,540

At 31st March 2022 there was 1 asset held for sale, Chestnuts, of which is currently under offer and disposal is expected to be completed in early 2022/23. Westend has now been transferred from assets held for sale to a non-current asset following a decision to use it for operational services.

Note 22.2 Liabilities in disposal groups

There are no liabilities in disposal groups in 2020/21 (2019/20 £Nil)

Note 23.1 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.

	2021/22	2020/21
	£000	£000
At 1 April	39,936	15,110
Net change in year	(10,550)	24,826
At 31 March	(10,550)	39,936
Broken down into:		
Cash at commercial banks and in hand	245	286
Cash with the Government Banking Service	29,141	39,650
Total cash and cash equivalents as in SoFP	29,386	39,936
Total cash and cash equivalents as in SoCF	29,386	39,936

The reduction in the cash balance is due to repayig of the 3 loans the Trust had and a reduction in payables

Note 23.2 Third party assets held by the trust

Humber Teaching NHS Foundation Trust held cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties and in which the trust has no beneficial interest. This has been included within the cash and cash equivalents figure reported in the accounts.

	31 March 2022	31 March 2021
	£000	£000
Bank balances	4	421
Total third party assets	4	421

Note 24.1 Trade and other payables

	31 March	
	2022	31 March 2021
	£000	£000
Current		
Trade payables	8,363	12,334
Capital payables	3,341	3,250
Accruals	11,630	9,668
Social security costs	1,475	1,362
Other taxes payable	1,023	963
Other payables	3,611	4,528
Total current trade and other payables	<u>29,443</u>	<u>32,105</u>

All the above payables are all current

Note 24.2 Early retirements in NHS payables above

Humber Teaching NHS Foundation Trust made no payments for early retirements in the year 2021/22 (2020/2021: £Nil)

Note 25 Other liabilities

	31 March 2022 £000	31 March 2021 £000
Current		
Deferred income: contract liabilities	7,513	4,822
Total other current liabilities	<u>7,513</u>	<u>4,822</u>
Non-current		
Net pension scheme liability	2,232	3,497
Total other non-current liabilities	<u>2,232</u>	<u>3,497</u>

Note 26.1 Borrowings

	31 March 2022 £000	31 March 2021 £000
Current		
Loans from DHSC	-	280
Other loans	-	-
Total current borrowings	<u>-</u>	<u>280</u>
Non-current		
Loans from DHSC	-	3,565
Other loans	-	-
Total non-current borrowings	<u>-</u>	<u>3,565</u>

All 3 of the Trust's outstanding loans were repaid in March 2022

Note 26.2 Reconciliation of liabilities arising from financing activities - 2021/22

	Loans from DHSC £000
Carrying value at 1 April 2021	3,845
Cash movements:	
Financing cash flows - payments and receipts of principal	(3,838)
Financing cash flows - payments of interest	(144)
Non-cash movements:	
Application of effective interest rate	137
Carrying value at 31 March 2022	<u>-</u>

Note 26.3 Reconciliation of liabilities arising from financing activities - 2020/21

	Loans from DHSC £000 2021/22
Carrying value at 1 April 2020	4,204
Cash movements:	
Financing cash flows - payments and receipts of principal	(327)
Financing cash flows - payments of interest	(177)
Non-cash movements:	
Application of effective interest rate	145
Carrying value at 31 March 2021	<u>3,845</u>

Note 27 Other Financial Liabilities

There are no Other financial liabilities (2020/21: £Nil)

Note 28 Provisions for liabilities and charges analysis

	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Other	Total
	£000	£000	£000	£000	£000
At 1 April 2021	176	434	151	1,191	1,952
Arising during the year	586	-	123	1,430	2,139
Utilised during the year	(72)	(32)	-	-	(104)
Unwinding of discount	(1)	(6)	-	-	(7)
At 31 March 2022	689	396	274	2,621	3,980

Expected timing of cash flows:

- not later than one year;	54	24	134	1,189	1,401
- later than one year and not later than five years;	216	98	140	1,432	1,886
- later than five years.	419	274	-	-	693
Total	689	396	274	2,621	3,980

"Pensions early departure costs – these provisions relate to the expected pension payments to former employees. The total value is based upon a standard life expectancy of the former employee. Should this life expectancy be different the value and timings of the payments will be affected. The value of the pension payment is also affected by annual pension increases determined by the NHS Pensions Agency.

Legal claims – this provision relates to public and employer's liability claims. The value and timing of these claims is uncertain until the claims have been fully investigated and any settlements agreed.

Injury benefits are payable by the NHS Pensions Agency. The total value of the provision is based upon standard life expectancy of the former employees. Should this life expectancy not be achieved, the value and the timing of payments will be affected. The value of the pension payment is also affected by annual pension increases, determined by the NHS Pensions Agency.

Other includes a provision for potential liability in relation to IR35

Note 28.1 Clinical negligence liabilities

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Note 29 Contingent assets and liabilities

	31 March 2022	31 March 2021
	£000	£000
Value of contingent liabilities		
NHS Resolution legal claims	(31)	(17)
Gross value of contingent liabilities	<u>(31)</u>	<u>(17)</u>
Amounts recoverable against liabilities	-	-
Net value of contingent liabilities	<u>(31)</u>	<u>(17)</u>
Net value of contingent assets	-	-

Contingent liabilities relate to NHS Resolution legal claims that have been identified as a contingent liability by NHS Resolution. There are no contingent assets in either year.

Note 30 Contractual capital commitments

	31 March 2022	31 March 2021
	£000	£000
Property, plant and equipment	797	1,363
Total	<u>797</u>	<u>1,363</u>

Note 31 Other financial commitments

Humber Teaching NHS Foundation Trust is not committed to making payments under non-cancellable contracts (which are not leases, PFI contracts or other service concession arrangement) in 2020/21 (2020/21: £Nil)

Note 32 Defined benefit pension schemes

In 2015/16 49 members of staff transferred employment from Kingston upon Hull Council and in 2017/18 39 members of staff transferred employment from East Riding of Yorkshire Council. Both sets of transferring staff transferred with active membership of the Pension Fund, which is a defined benefits scheme.

Humber Teaching NHS Foundation Trust's obligations in respect of pension liabilities for the transferring staff is with effect from the respective dates of transfer and no obligation is included for the period of employment before the transfer.

The Trust commissioned Hymans Robinson to prepare an actuarial report to provide full pension details in accordance with IAS19.

In the financial year 2021/22 Humber Teaching NHS Foundation Trust contributed £803k to the fund (2020/21: £639k). A pension deficit of £2,232k is included in the Statement of Financial Position as at 31 March 2022 (2020/21: Deficit of £3,497k)

Note 32.1 The main actuarial assumptions used at the date of the Statement of Financial Position in measuring the present value of the defined benefit scheme liabilities are:

Financial Assumptions

	2022	2021
Pension Increase Rate	3.20%	2.85%
Salary Increase Rate	4.10%	3.75%
Discount Rate	2.70%	2.00%

Note 32.2 The estimated Fund Asset allocation is as follows:

	2022	2021
Equities Securities	1,468	1,013
Debt Securities	1,644	1,459
Private Equity	691	634
Real Estate	1,408	1,341
Investment Funds & Unit Trusts	6,563	6,543
Cash & Cash Equivalents	336	298
	<u>12,110</u>	<u>11,288</u>

Note 32.3 Sensitivity Analysis

Change in assumptions at 31 March 2021	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount £000
0.1% decrease in Real Discount Rate	2%	300
1 year increase in member life expectancy	4%	574
0.1% increase in the Salary Increase Rate	0%	35
0.1% increase in the Pension Increase Rate (CPI)	2%	262

Note 32.4 Projected Defined Benefit cost for the period 31 March 2023

Period Ended 31 March 2023	Assets £'000	Obligations £'000	Net (Liability)/Asset £'000	% of Pay
Projected Current Service cost		458	(458)	(43.7%)
Total Service Cost	0	458	(458)	(43.7%)
Interest income on plan assets	328		328	31.3%
Interest cost on defined benefit obligation		392	(392)	(37.4%)
Total Net Interest Cost	328	392	(64)	(6.1%)
Total included in SoCI	328	850	(522)	(49.8%)

Note 32.1 Changes in the defined benefit obligation and fair value of plan assets during the year

	2021/22	2020/21
	£000	£000
Present value of the defined benefit obligation at 1 April	(14,784)	(10,856)
Current service cost	(503)	(386)
Interest cost	(300)	(253)
Contribution by plan participants	(71)	(73)
Remeasurement of the net defined benefit (liability) / asset:		
- Actuarial (gains) / losses	1,149	(3,378)
Benefits paid	167	162
Present value of the defined benefit obligation at 31 March	(14,342)	(14,784)
Plan assets at fair value at 1 April	11,287	9,640
Prior period adjustment		-
Interest income	226	223
Remeasurement of the net defined benefit (liability) / asset:		
- Actuarial gain / (losses)	510	1,313
Contributions by the employer	183	200
Contributions by the plan participants	71	73
Benefits paid	(167)	(162)
Business combinations	-	-
Plan assets at fair value at 31 March	12,110	11,287
Plan surplus/(deficit) at 31 March	(2,232)	(3,497)

Note 32.2 Reconciliation of the present value of the defined benefit obligation and the present value of the plan assets to the assets and liabilities recognised in the balance sheet

	31 March 2022	31 March 2021
	£000	£000
Present value of the defined benefit obligation	(14,342)	(14,784)
Plan assets at fair value	12,110	11,287
Net defined benefit (obligation) / asset recognised in the SoFP	(2,232)	(3,497)
Net (liability) / asset after the impact of reimbursement rights	(2,232)	(3,497)

Note 32.3 Amounts recognised in the SoCI

	2021/22	2020/21
	£000	£000
Current service cost	(503)	(386)
Interest expense / income	(74)	(30)
Total net (charge) / gain recognised in SOCI	(577)	(416)

Note 33 Financial instruments

Note 33.1 Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that Humber Teaching NHS Foundation Trust has with Clinical Commissioning Groups and the way those Clinical Commissioning Groups are financed, Humber Teaching NHS Foundation 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 listed companies, to which the financial reporting standards mainly apply. Humber Teaching NHS Foundation Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing it in undertaking its activities.

Humber Teaching NHS Foundation Trust's treasury management operations are carried out by the Finance Department, within parameters defined formally within standing financial instructions and policies agreed by the board of directors. Treasury activity is subject to review by Humber Teaching NHS Foundation Trust's internal auditors.

Currency Risk

Humber Teaching NHS Foundation Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based, has no overseas operations and therefore has low exposure to currency rate fluctuations.

Interest Rate Risk

Humber Teaching NHS Foundation Trust borrows from government for capital expenditure. The borrowings are for 1 – 25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund rate, fixed for the life of the loan. Humber Teaching NHS Foundation Trust therefore has low exposure to interest rate fluctuations.

Credit Risk

As the majority of revenue comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2022 are in receivables from customers, as disclosed in the trade and other receivables note

Liquidity Risk

The Trust's operating costs are incurred under contracts with Clinical Commissioning Groups, which are financed from resources voted annually by Parliament. The Trust funds its capital expenditure from funds obtained within its borrowing limit. The Trust is not, therefore, exposed to significant liquidity risks

Note 33.2 Carrying values of financial assets

Carrying values of financial assets as at 31 March 2022

	£000
Trade and other receivables excluding non financial assets	14,982
Other investments / financial assets	-
Cash and cash equivalents	29,386
Total at 31 March 2022	<u>44,368</u>

Carrying values of financial assets as at 31 March 2021

	£000
Trade and other receivables excluding non financial assets	3,453
Cash and cash equivalents	39,936
Total at 31 March 2021	<u>43,389</u>

All financial assets are held at amortised cost

Note 33.3 Carrying values of financial liabilities

Carrying values of financial liabilities as at 31 March 2022

	£000
Loans from the Department of Health and Social Care	-
Obligations under finance leases	-
Trade and other payables excluding non financial liabilities	26,945
Total at 31 March 2022	<u>26,945</u>

Carrying values of financial liabilities as at 31 March 2021

	£000
Loans from the Department of Health and Social Care	3,845
Trade and other payables excluding non financial liabilities	29,776
Total at 31 March 2021	<u>33,621</u>

All financial liabilities are held at amortised cost

Note 33.4 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.

	31 March 2022	31 March 2021
	£000	£000
In one year or less	26,945	30,184
In more than one year but not more than five years	-	1,894
In more than five years	-	2,617
Total	<u>26,945</u>	<u>34,695</u>

Note 33.5 Fair values of financial assets and liabilities

Book value (carrying value) has been used as a reasonable approximation of the fair value.

The variation in the value of financial assets and liabilities between 31 March 2021 and 31 March 2022 reflect the higher levels of receivables and lower levels of payables held on the statement of financial position

Note 34 Losses and special payments

	2021/22		2020/21	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
Losses				
Cash losses	1	1	-	-
Total losses	1	1	-	-
Special payments				
Ex-gratia payments *	11	3	4	249
Total special payments	11	3	4	249
Total losses and special payments	12	4	4	249
Compensation payments received		-		-

* The bulk of the figure relating to 2020/21 is relating to the corrective payments relating to the Flowers judgment.

Guidance issued for 2020/21 year end asked for the nationally agreed corrective payments and associated income based on the nationally generated estimated to be accrued. These payments are considered special payments for which HMT approval was sought nationally by NHS England on local employers' behalf. As the losses and special payments note is prepared on an accruals basis, these amounts should have been disclosed in 2020/21 accounts, so an adjustment has been made to reflect this judgement

Note 35 Related parties

Humber Teaching NHS Foundation Trust is a body corporate established by order of the Secretary of State for Health Ms Michele Moran, Chief Executive, a voting member, was appointed as a Trustee for the RSPCA for the Leeds and Wakefield branch. Ms Moran is also Chair of Yorkshire & Humber Clinical Research Network, a Senior Responsible Officer for the Mental Health / Learning Disabilities Collaborative Programme together with the Humber and North Yorkshire Health and Care Partnership CEO lead for the Provider Collaborative.

Mr Peter Beckwith is Director of Finance and is a voting member. Mr Beckwith's sister is a social worker for East Riding of Yorkshire Council and his son is a student at Hull York Medical School.

Dr John Byrne is Medical Director and voting member. Dr Byrne is an Executive lead for Research and Development in the Trust. He does not have any personal involvement in research funding or grants. Dr Byrne is also Senior responsible officer for the Local Health Care Record Exemplar (LHCRE), which is governed through Humber Teaching NHS FT standing orders and procedures.

Rt Hon Caroline Flint, Non Executive Director and Chair, voting member, has a husband who is a member of Doncaster MBC Council and a brother-in-law who works at Sandwell and West Midlands Trust as the Senior Consultant in Ophthalmology. He is also a professor of Ophthalmology at Aston University and Hon. Consultant at Birmingham Children's Hospital. In addition, Caroline is chair of the committee on Fuel Poverty, an advisory non-departmental public body sponsored by the Department for Business, Energy and Industrial Strategy.

Mr Peter Baren, Non Executive Director, voting member, is also a Non Executive Director at Beyond Housing Ltd. Mr Baren's son is a doctor at Leeds Hospitals.

Mr Mike Smith, Non Executive Director, voting member, is also (1) Director and sole owner of MJS Business Consultancy Ltd, Director at Magna Trust, Associate Hospital Manager at RDaSH, Associate Hospital Manager at John Munroe Group, Leek, Non Executive Director for the Rotherham NHS Foundation Trust. Mr Smith is also chair of the Charitable Funds Committee at the Rotherham NHS Foundation Trust and a Trustee at the Rotherham Minister Development Trust

Mr Francis Patton, Non Executive Director, voting member, is also Non Executive Chair at The Cask Marque Trust, Treasurer at All Party Parliamentary Beer Group, Industry Advisor at The BII - British Institute of Innkeeping, Managing Director at Patton Consultancy, Non Executive Director of SIBA Commercial - The Society of Independent Brewers and Director at Fleet Street Consultancy Ltd.

Mr Dean Royles, Non Executive Director, voting member, is also Director and owner of Dean Royles Ltd, Advisory Board of Sheffield Business School, Strategic Advisor Skills for Health and an Associate for KPMG.

Mr Stuart Mckinnon-Evans, voting member, Non Executive Director is also Chief Finance Office for the University of Bradford, together with Director at Bradford Culture Company Ltd and Northern Consortium.

Mr Hanif Malik, Associate Non-Executive Director, non-voting member, is also a non-executive Director at Karbon Homes, Director at Harehills Social Action CIC, Impact Hub Bradford CIC and was stepped down from his director role at The Yorkshire Cricket Foundation in January 2022.

The Trust has not had any transactions with any of these related parties disclosed and are not part of the NHS group or other parts of central government or local government.

The Trust owns Humber Primary Care Ltd, a company registered in the United Kingdom. This has not been included in the accounts because it is not material in the context of the Trusts accounts. The Company's main activity is providing Primary Care and owns 4 Primary Care practices

The Department of Health and Social Care is registered as a related party and is the parent. During the period Humber Teaching NHS Foundation Trust has had significant number of material transactions with the Department, and with other entities for which the Department is registered as the parent Department. These entities are listed below:

CUMBRIA, NORTHUMBERLAND, TYNE AND WEAR NHS FOUNDATION TRUST
HEALTH EDUCATION ENGLAND
HULL UNIVERSITY TEACHING HOSPITALS NHS TRUST
LEEDS & YORK PARTNERSHIP NHS FOUNDATION TRUST
LEICESTERSHIRE PARTNERSHIP NHS TRUST
NHS BUSINESS SERVICES AUTHORITY
NHS ENGLAND
NHS PROPERTY SERVICES LTD
NHS SUPPLY CHAIN
ROTHERHAM DONCASTER & SOUTH HUMBER NHS FOUNDATION TRUST
TEES ESK & WEAR VALLEYS NHS FOUNDATION TRUST
NHS HULL CCG
NHS EAST RIDING OF YORKSHIRE CCG

In addition, Humber Teaching NHS Foundation Trust has had a number of material transactions with other Government Departments and other central government bodies. Humber Teaching NHS Foundation Trust has had no other related party transactions

Note 36 Prior period adjustments

There were no prior period adjustments made during the year (2020/21 £Nil)

Note 37 Events after the reporting date

There were no reportable events after the accounting period reporting date (2020/21 - £nil)

Audit completion report

Humber Teaching NHS Foundation Trust
– year ended 31 March 2022

June 2022



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- 05** Internal control recommendations
- 06** Summary of misstatements
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Appendix A: Draft management representation letter

Appendix B: Draft audit report

Appendix C: Independence

Appendix D: Other communications

This document is to be regarded as confidential to Humber Teaching Foundation Trust. It has been prepared for the sole use of the Audit Committee as the appropriate sub-committee charged with governance by the Board of Directors. No responsibility is accepted to any other person in respect of the whole or part of its contents. Our written consent must first be obtained before this document, or any part of it, is disclosed to a third party.



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17 June 2022

Dear Committee Members

Audit Completion Report – Year ended 31 March 2022

We are pleased to present our Audit Completion Report for the year ended 31 March 2022. The purpose of this document is to summarise our audit conclusions.

The scope of our work, including identified significant audit risks and other areas of management judgement, was outlined in our Audit Strategy Memorandum which we presented on 8 February 2022. We have reviewed our Audit Strategy Memorandum and concluded that the original significant audit risks remain appropriate.

We would like to express our thanks for the assistance of your team during our audit.

If you would like to discuss any matters in more detail, please do not hesitate to contact me on 07795 506 766.

Yours faithfully

Mark Dalton
Mazars LLP

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We are registered to carry on audit work in the UK by the Institute of Chartered Accountants in England and Wales. Details about our audit registration can be viewed at www.auditregister.org.uk under reference number C001139861. VAT number: 839 8356 73

01

Section 01:

Executive summary

1. Executive summary

Principal conclusions and significant findings

As outlined in our Audit Strategy Memorandum, our audit has been conducted in accordance with International Standards on Auditing (UK) and means we focus on audit risks that we have assessed as resulting in a higher risk of material misstatement.

In section 4 of this report, we have set out our conclusions and significant findings from our audit. This section includes our conclusions on the audit risks and areas of management judgement in our Audit Strategy Memorandum, which include:

- Management override of controls;
- Risk of fraud in revenue recognition; and
- Valuation of property, plant and equipment.

Section 5 sets out internal control recommendations and section 6 sets out audit misstatements.

Status and audit opinion

Our audit in respect of the financial statements for the year ended 31 March 2022 is substantially complete.

At the time of preparing this report some matters remain outstanding as outlined in section 2.

We will provide an update to you in relation to the significant matters outstanding through issuance of a follow up letter.

Subject to the satisfactory completion of the remaining audit work, we have the following conclusions:



Audit opinion

We anticipate issuing an unqualified opinion, without modification, on the financial statements. Our proposed audit opinion is included in the draft auditor's report in Appendix B. As explained at the previous audit committee this opinion will be delayed until we have a letter of assurance from the East Riding Pension Fund audit. We do not anticipate receiving this letter until Autumn 2022.



Value for Money

The National Audit Office has issued an extended timeframe for reporting the results of our work on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources. We will report the results of our work in our Auditor's Annual Report within three months of issuing our audit opinion. Further detail on our Value for Money work is provided in section 7 of this report.



Reporting to the group auditor

We anticipate reporting to the National Audit Office (NAO) that the Trust's consolidation data is consistent with the financial statements although we will undertake the procedures required by NAO when we have the information from the pension fund auditor necessary to complete our audit.










02

Section 02:

Status of the audit

2. Status of the audit

Our work is substantially complete and there are currently no matters of which we are aware that would require modification of our audit opinion, subject to the outstanding matters detailed below.

Audit area	Status	Description of the outstanding matters
Journals		We have a small number of queries outstanding on the journals we tested as part of our response to management override of control risk.
Income		We are currently reviewing working papers showing the reconciliation of income in the accounts to contracts and adjustment invoices
Remuneration report		We are in the process of testing the fair pay disclosures and exit packages.
Leases		We are in the process of testing the new IFRS16 disclosure and have requested evidence for a small sample of leases.
Pensions and WGA		This work will be completed in autumn 2022 when we have received assurance from the East Riding Pension Fund audit.
Final versions of the Annual Report, AGS and amended financial statements		We need to review the final versions of the Annual Report, Annual Governance Statement and amended financial statements
Post Balance Sheet events		Review of post balance sheet events up to the point at which we sign our audit report.
Letter of representation		Receipt of signed Letter of Management Representation in Autumn 2022
Audit Review and quality control		Completion of Manager and Partner review and Mazars quality control processes in respect of the audit.



Likely to result in material adjustment or significant change to disclosures within the financial statements.



Potential to result in material adjustment or significant change to disclosures within the financial statements.



Not considered likely to result in material adjustment or change to disclosures within the financial statements.

03

Section 03:

Audit approach

3. Audit approach

Changes to our audit approach

We provided details of our intended audit approach in our Audit Strategy Memorandum in March 2022. We have not made any changes to our audit approach since we presented our Audit Strategy Memorandum.

Materiality

Our provisional materiality at the planning stage of the audit was set at £3.6m using a benchmark of circa 2% of gross operating expenditure. Our final assessment of materiality, based on the final financial statements and the same benchmark is £4m. The increase reflects the new area of expenditure in respect of the Provider Collaborative in the second half of 2021-22.

Use of experts

Where relevant and necessary, provide information on the planned and actual use of experts as part of the audit and any changes to the planned approach as outlined in the ASM.

Item of account	Management's expert	Our expert
Property valuations	Cushman and Wakefield	We used available third party information and market data to challenge the key valuation assumptions. We also re-calculated the valuation movement using these assumptions and met the valuer to discuss the results.
Cash equivalent transfer values of pensions as disclosed in the Remuneration Report	NHS Pensions	PwC actuarial experts provide a review of the NHS Pensions Agency.
Actuarial valuation of defined benefit pension scheme	Hymans Robertson	NAO's Consulting Actuary (PWC) provided a review of Hymans Robertson.

There are no reporting matters to highlight from our consideration of the work of experts.

Service organisations

Where relevant and necessary, provide information on the planned and actual use of service organisations as part of the audit and any changes to the planned approach as outlined in the ASM.

Items of account	Service organisation	Audit approach
Payroll	NHS Electronic Staff Record system (ESR) - National payroll system	We reviewed ESR ISAE3402 controls assurance report and ELFS ISAE3402 controls assurance report. We reviewed and tested the data held by the Trust. No significant deficiencies were identified, which we need to bring to the audit committee's attention.
All entries in the financial statements that are included in the Trust's General Ledger (Oracle). Accounts payable, accounts receivable and cash	NHS Shared Business Services (SBS)	We reviewed the assurance report provided by the service organisation to identify any additional risks to our audit. We also reviewed and tested the data held by the Trust (the outputs).

There are no reporting matters to highlight from our consideration of the work of service organisations.



04

Section 04:

Significant findings

4. Significant findings

In this section we outline the significant findings from our audit. These findings include:

- our audit conclusions regarding significant risks and key areas of management judgement outlined in the Audit Strategy Memorandum;
- our comments in respect of the accounting policies and disclosures that you have adopted in the financial statements. On page 14 we have concluded whether the financial statements have been prepared in accordance with the financial reporting framework and commented on any significant accounting policy changes that have been made during the year;
- any further significant matters discussed with management; and
- any significant difficulties we experienced during the audit.

Significant risks

Management override of controls	Description of the risk
	<p>This is a mandatory significant risk on all audits due to the unpredictable way in which such override could occur. Management at various levels within an organisation are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such override could occur there is a risk of material misstatement due to fraud on all audits.</p>
	<p>How we addressed this risk</p>
	<p>We addressed this risk through performing audit work over:</p> <ul style="list-style-type: none"> • Accounting estimates impacting amounts included in the financial statements; • Consideration of identified significant transactions outside the normal course of business; and • Journals recorded in the general ledger and other adjustments made in preparation of the financial statements.
	<p>Audit conclusion</p>
	<p>Subject to the satisfactory completion of the work outstanding (set out in Section 2), our work has provided the assurance we sought in the above areas and has not highlighted any material issues to bring to your attention.</p>



4. Significant findings

Significant risks (continued)

Risk of fraud in revenue recognition

Description of the risk

The risk of fraud in revenue recognition is presumed to be a significant risk on all audits due to the potential to inappropriately shift the timing and basis of revenue recognition as well as the potential to record fictitious revenues or fail to record actual revenues.

For Humber Teaching NHS Foundation Trust we deem the risk to relate specifically to:

- Cut-off – recognition of income and receivables around the year end.

How we addressed this risk

We evaluated the design and implementation of any controls the Trust has in place which mitigate the risk of income being recognised in the wrong year. In addition, we undertook a range of substantive procedures including:

- testing of material income and year end receivables to ensure they relate to 2021/22;
- testing receipts in the pre and post year end period to ensure they have been recognised in the right year; and
- reviewing intra-NHS reconciliations and data matches provided by the Department of Health and if necessary seek direct confirmation from third parties or their external auditors.

Audit conclusion

Our work in response to the risk of fraud in revenue recognition has provided the assurance we sought in the above areas and has not highlighted any material issues to bring to your attention..



4. Significant findings

Significant risks (continued)

Valuation of property, plant and equipment

Description of the risk

Land and buildings are the Trust’s highest value assets accounting for £76m of the Trust’s £86m Property, Plant and Equipment balance at 31 March 2022. Management engages an external valuer as an expert to assist in determining the fair value of land and buildings to be included in the financial statements. A new valuer was appointed in 2020-21 and 2021-22 was their first full physical valuation of the Trust’s land and buildings. Changes in methods and assumptions have materially impacted on the valuation, as is common when a there is a change of valuer. Changes in the value of property may impact on the Statement of Comprehensive Income depending on the circumstances and the specific accounting requirements of the Group Accounting Manual.

How we addressed this risk

- Our approach to this significant risk was to:
- liaise with management to update our understanding of the approach taken by the Trust in obtaining valuations;
 - assess the scope and terms of engagement of management’s valuation expert and the competence, skills and objectivity thereof;
 - review the work of management’s valuation expert and how these have been incorporated into the financial statements;
 - review the valuation methodology used, including testing the underlying data and assumptions;
 - Consider the reasonableness of the valuation by comparing the valuation output with market intelligence and challenging the Trust and the valuer; and
 - Re-calculate the valuation of specialised land and buildings using the Valuer’s methods and assumptions and source data provided by RICS and the Trust.

Audit conclusion

There are no matters to report in respect of valuation of property, plant and equipment. However as within the disclosure amendments listed on page 21, accumulated depreciation was not reversed after posting the revaluation entries. This overstated the gross book value of assets and accumulated depreciation in respect of buildings by £3,534K. There was no impact on the net book value of property plant and equipment shown on the Statement of Financial Position.



4. Significant findings

Qualitative aspects of the Trust's accounting practices

We have reviewed the Trust's accounting policies and disclosures and concluded they comply with Department of Health and Social Care Group Accounting Manual 2021/22 (GAM), appropriately tailored to the Trust's circumstances.

Draft accounts were received from the Trust on 26 April 2022 and were of a good quality.

Significant matters discussed with management

Significant matters discussed with management during the audit included:

- The significant increase in deferred income and the extent to which this should have been recognised in 2021/22. We concluded that income was understated, and deferred income overstated by £1.9M as reported on page 20;
- The significant increase in the IR35 provision in respect of the potential impact of any demand from HMRC for tax and national insurance in respect of locums in 2020/21 and 2021/22. We concluded that the Trust had reasonable grounds for believing that there was an obligation at the 31 March 2022 and thus the provision was reasonable. However, on page 17 we have made a recommendation to the Trust to improve its IR35 arrangements to reduce the risk of recovery by HMRC; and
- The quinquennial valuation was undertaken by a different valuer to the previous one and resulted in some significant upward and downward movements in different assets. We compared the different methods and assumptions employed in the 2017 and 2022 valuations to obtain assurance that both valuations were compliant with RICS professional guidance and the GAM and understand the reasons for the movements. This resulted in the PPE audit taking several days longer than planned"

There are no additional matters in relation to these discussions that we need to highlight in this section of our report.

Significant difficulties during the audit

During the audit we did not encounter any significant difficulties and we have had the full co-operation of management. Working papers were significantly improved on 2020-21 and the vast majority were available by the start of the audit on 9 May 2022, significantly earlier than in the previous year.

We would like to thank the Finance Team for the improvement in working papers and for their cooperation throughout the audit in response to our queries and requests for further information.



05

Section 05:

Internal control recommendations

5. Internal control recommendations

The purpose of our audit was to express an opinion on the financial statements. As part of our audit we have considered the internal controls in place relevant to the preparation of the financial statements in order to design audit procedures to allow us to express an opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of internal control or to identify any significant deficiencies in their design or operation.

The matters reported are limited to those deficiencies and other control recommendations that we have identified during our normal audit procedures and that we consider to be of sufficient importance to merit being reported. If we had performed more extensive procedures on internal control we might have identified more deficiencies to be reported or concluded that some of the reported deficiencies need not in fact have been reported. Our comments should not be regarded as a comprehensive record of all deficiencies that may exist or improvements that could be made.

At this stage of the audit there is one significant control deficiencies we are required to highlight in this section of the report.

We have however provided an update on the internal control recommendations made during 2020/21.

Priority ranking	Description	Number of issues
1 (high)	In our view, there is potential for financial loss, damage to reputation or loss of information. This may have implications for the achievement of business strategic objectives. The recommendation should be taken into consideration by management immediately.	0
2 (medium)	In our view, there is a need to strengthen internal control or enhance business efficiency. The recommendations should be actioned in the near future.	1
3 (low)	In our view, internal control should be strengthened in these additional areas when practicable.	0



5. Internal control recommendations

New internal control recommendation– Level 2

Description of deficiency

The Trust is required to complete a CEST assessment for locums and other off-payroll contractors under IR35 rules set by HMRC. However, it has accepted that its arrangements for ensuring that these are accurately completed are weak and has received advice that HMRC are likely to recover tax and NI in respect of locums if they have not exercised due care in ensuring they were completed accurately.

Potential effects

Although the potential liability at 31 March 2022 is covered by a provision in the accounts the liability is increasing annually and thus reducing funds available for patient care.

Recommendation

The Trust should ensure that during 2022/23 the arrangements for ensuring the accurate completion of CEST assessments are improved and the provision in the accounts reviewed annually to ensure it remains appropriate..

Management response

The Trust will develop a standing operating procedure to enable robust CEST assessments to be undertaken. The outcome from the robust assessments will inform a full and through review of the current provision and any future provisions – this will be reported through the Finance and Investment Committee.



5. Internal control recommendations

Follow up on previous internal control points

Description of deficiency

In 2019/20 IT user access testing found that rom review of all leavers in the period, 8 accounts were found not to have been deactivated from the Oracle finance system in a timely manner following their leaving date. Additional procedures were carried out to check the last log-on date. All accounts had not been accessed since the employee had left.

Potential effects

Notwithstanding other access controls, there is an increased risk of inappropriate access to business critical systems by an individual that has left the organisation.

Recommendation

IT should perform and document scheduled periodic access reviews of business critical systems to ensure appropriate deactivation of user accounts.

2020/21 update

Management have assured us that the Trusts Month end checklist was updated to ensure the Financial Control Team received a leavers list from HR on a monthly basis. This list will be used to deactivate the leavers from the Oracle Financial System by designated staff (Finance Service Manager and Staff within that team).

Once actioned, the list was forwarded to the Financial Controller / Deputy Director of Finance for sign off by either as part of the Month End closedown process..

2021/22 update

The HR department sends a list of leavers to the Procurement Support Specialist each month, and she then proceeds to disable the user on the Oracle system. Naturally, this means many users' access to Oracle are revoked retrospectively after their leave date. The process in place is therefore inappropriate.

The client's risk mitigation concerning inappropriate access relies on the Trust's leaver process for returning Trust equipment. the Procurement Support Specialist confirmed that no employee can access Oracle without a Trust device (laptop). Therefore, the client gains comfort that no employee inappropriately accesses Oracle due to this process, as they are aware accounts are not revoked in a timely manner.

The mitigating control is not robust enough, and leaves too much margin for error (i.e. if an employee would be unable to travel to collect / return the relevant equipment by the leave date).

New Recommendation

All exit staff accounts should be disabled/deleted from the relevant applications and active directory in a timely manner by the IT team (on or before their last working day). In the event where the member of staff is rehired or their contract extended, a new request should be raised for the user's access.

Management Response

The IT Team will undertake a review of the starters and leavers process to move to a more automated process (most likely ms forms) to enable timely notification of leavers to enable accounts to be disabled in a timely manner.



06

Section 06:

Summary of misstatements

6. Summary of misstatements

This section outlines the misstatements identified during the audit, above the trivial threshold for adjustment of £120,000. The table outlines the misstatements that were identified during the audit which management has assessed as not being material either individually or in aggregate to the financial statements and does not currently plan to adjust.

There were no adjusted misstatements impacting on the Statement of Comprehensive Income or Statement of Financial position in 2021/22 but there are several adjustments in respect of the supporting notes, described on the next page.

Unadjusted misstatements

	SOCI		SOFP	
	Dr (£'000)	Cr (£'000)	Dr (£'000)	Cr (£'000)
1 Dr: Other liabilities			1,936	
Cr: Other Operating income		1,936		
Total unadjusted misstatements	£0	£1,936	£1,936	£0
<p>This relates to two large sums received in 2021/22 that may require repayment. However, there is insufficient evidence of contractual conditions that have not been met to justify deferring the income.</p>				

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6. Summary of misstatements

Disclosure amendments

The following minor disclosure amendments have been agreed with management and actioned within the revised Accounts:

1. **Statement of Comprehensive Income** – a cross-reference to the section of the Annual Report reconciling the deficit on the SOCI to the break-even performance against the financial performance target has been added and the note reference beside the revaluation line corrected;
2. **Statement of Changes in Taxpayers Equity** – the statement title has been updated to include 'Taxpayers'.
3. **Note 1 Accounting policies** – updated to refer to the presumption of service continuity underpinning the assessment of going concern;
4. **Note 1.25 Sources of estimation uncertainty** – the disclosure has been updated to refer only to sources of estimation uncertainty that are significant risks of material error;
5. **Note 6.1 Operating expenditure** – the other line has been split between its main components, so the residual is immaterial;
6. **Note 10.2 Operating leases** – the minimum lease repayments by HTFT as lessee are misstated by £3.5M;
7. **Note 14 Intangible Assets** – the £8,926K shared care records system has been given its own column rather than including as software licenses;
8. **Note 15 Property, Plant and Equipment** – as stated on page 13 the accumulated depreciation on buildings has now been reversed following the revaluation at 31 March 2022;
9. **Note 17 Revaluations** – The figure for fully depreciated assets has been corrected to £12.7M from £82.7M and a cross-reference has been added to the policy on asset useful lives;
10. **Note 28 Clinical Negligence Contingent Liabilities** – Corrected to show £15M not £15K in this disclosure note;
11. **Note 31 Financial Instruments** – the disclosure has been expanded to refer to credit and liquidity risk;
12. **Note 41 Losses and Special Payments** – the reference to the Flowers payment has been clarified and the 2020/21 column of the note headed 'restated';
13. **Remuneration report** – the classification between bonuses and salaries and wages has been corrected and an explanation of the bonus and special responsibility allowances added;
14. **Remuneration report** – the fair pay disclosure was expanded to fully comply with the GAM requirements;
15. **Remuneration report** – the calculation of the real increase in pensions has been corrected; and
16. **Staff report** – the 202/21 average number of employees has been corrected.

In addition to the above, we identified a small number of minor presentational issues during our audit of the financial statements and the 'subject to audit' sections of the Annual Report and these have all been amended by the Trust.

If any misstatements are identified on completion of the outstanding audit work highlighted in section 2, these will be reported to the Audit Committee in a follow-up letter



07

Section 07:

Value for Money

7. Value for Money

Approach to Value for Money

We are required to consider whether the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The NAO issues guidance to auditors that underpins the work we are required to carry out and sets out the reporting criteria that we are required to consider. The reporting criteria are:

- **Financial sustainability** - How the Trust plans and manages its resources to ensure it can continue to deliver its services
- **Governance** - How the Trust ensures that it makes informed decisions and properly manages its risks
- **Improving economy, efficiency and effectiveness** - How the Trust uses information about its costs and performance to improve the way it manages and delivers its services

At the planning stage of the audit, we undertake work to understand the arrangements that the Trust has in place under each of the reporting criteria and we identify risks of significant weaknesses in those arrangements. Although we describe this work as planning work, we keep our understanding of arrangements under review and update our risk assessment throughout the audit to reflect emerging issues that may suggest significant weaknesses in arrangements exist.

Where our risk-based procedures identify actual significant weaknesses in arrangements we are required to report these and make recommendations for improvement. Where such significant weaknesses are identified, we report these in the audit report.

The primary output of our work on the Trust's arrangements is the commentary on those arrangements that forms part of the Auditor's Annual Report. Consistent with the NAO's revised deadlines for the Auditor's Annual Report, we intend to issue the Auditor's Annual Report within three months of issuing our audit opinion.

Status of our work

We are yet to complete our work in respect of the Trust's arrangements for the year ended 31 March 2022. At the time of preparing this report, we have not identified any significant weaknesses in arrangements that require us to make a recommendation, however we continue to undertake work on the Trust's arrangements.

Our draft audit report at Appendix B outlines that we have not yet completed our work in relation to the Trust's arrangements. As noted above, our commentary on the Trust's arrangements will be provided in the Auditor's Annual Report within three months of the date of our audit opinion.



Appendices

A: Draft management representation letter

B: Draft audit report

C: Independence

D: Other communications

Appendix A: Draft management representation letter

Mark Dalton
Mazars LLP
5th Floor
3 Wellington Place
Leeds
LS1 4AP

Dear Mark,

Humber Teaching Foundation Trust - audit for year ended 31 March 2022

This representation letter is provided in connection with your audit of the financial statements of Humber Teaching Foundation Trust for the year ended 31 March 2022 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view in accordance with the DHSC Group Accounting Manual. I confirm that the following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, inspection of supporting documentation) sufficient to satisfy ourselves that I can properly make each of the following representations to you.

My responsibility for the financial statements and accounting information

I believe that I have fulfilled my responsibilities for the true and fair presentation and preparation of the financial statements in accordance with the DHSC Group Accounting Manual and relevant legislation and International Financial Reporting Standards (IFRS) as adapted and adopted by HM Treasury.

My responsibility to provide and disclose relevant information

I have provided you with:

- access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other material;
- additional information that you have requested from us for the purpose of the audit; and
- unrestricted access to individuals within the Trust you determined it was necessary to contact in order to obtain audit evidence.

I confirm as Accountable Officer that I have taken all the necessary steps to make me aware of any relevant audit information and to establish that you, as auditors, are aware of this information. As far as I am aware there is no relevant audit information of which you, as auditors, are unaware.

Accounting records

I confirm that all transactions that have a material effect on the financial statements have been recorded in the accounting records and are reflected in the financial statements. All other records and related information, including minutes of all Board and relevant committee meetings, have been made available to you.

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Appendix A: Draft management representation letter

Accounting policies

I confirm that I have reviewed the accounting policies applied during the year in accordance with DHSC Group Accounting Manual and International Accounting Standard 8 and consider these policies to faithfully represent the effects of transactions, other events or conditions on the Trust's financial position, financial performance and cash flows.

Accounting estimates, including those measured at fair value

I confirm that any significant assumptions used by the Trust in making accounting estimates, including those measured at fair value, are reasonable.

Contingencies

There are no material contingent losses including pending or potential litigation that should be accrued where:

- information presently available indicates that it is probable that an asset has been impaired or a liability had been incurred at the balance sheet date; and
- the amount of the loss can be reasonably estimated.

There are no material contingent losses that should be disclosed where, although either or both the conditions specified above are not met, there is a reasonable possibility that a loss, or a loss greater than that accrued, may have been incurred at the balance sheet date.

There are no contingent gains which should be disclosed.

All material matters, including unasserted claims, that may result in litigation against the Trust have been brought to your attention. All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in accordance with the DHSC Group Accounting Manual and relevant legislation and IFRSs as adapted and adopted by HM Treasury.

Laws and regulations

I confirm that I have disclosed to you all those events of which I am aware which involve known or suspected non-compliance with laws and regulations, together with the actual or contingent consequences which may arise therefrom.

We have complied with all aspects of contractual agreements that would have a material effect on the accounts in the event of non-compliance.



Appendix A: Draft management representation letter

Fraud and error

I acknowledge my responsibility as Accountable Officer for the design, implementation and maintenance of internal control to prevent and detect fraud and error.

I have disclosed to you:

- all the results of my assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- all knowledge of fraud or suspected fraud affecting the Trust and Group involving;
 - management and those charged with governance;
 - employees who have significant roles in internal control; and
 - others where fraud could have a material effect on the financial statements.

I have disclosed to you all information in relation to any allegations of fraud, or suspected fraud, affecting the Trust's financial statements communicated by employees, former employees, analysts, regulators or others.

Related party transactions

I confirm that all related party relationships, transactions and balances, have been appropriately accounted for and disclosed in accordance with the requirements of the DHSC Group Accounting Manual and relevant legislation and IFRSs as adopted by HM Treasury.

I have disclosed to you the identity of the Trust's related parties and all related party relationships and transactions of which I am aware.

Impairment review

To the best of my knowledge, there is nothing to indicate that there is a permanent reduction in the recoverable amount of the property, plant and equipment and intangible assets below their carrying value at the statement of financial position date. An impairment review is therefore not considered necessary.

Charges on assets

All the Trust's assets are free from any charges exercisable by third parties except as disclosed within the financial statements.

Future commitments

I am not aware of any plans, intentions or commitments that may materially affect the carrying value or classification of assets and liabilities or give rise to additional liabilities.



Appendix A: Draft management representation letter

Ultimate parent company

I confirm that the ultimate parent company for Humber Teaching Foundation Trust is the Department of Health and Social Care.

Subsequent events

I confirm all events subsequent to the date of the financial statements and for which the Group Accounting Manual, relevant legislation and IFRSs require adjustment or disclosure have been adjusted or disclosed. Should further material events occur after the date of this letter which may necessitate revision of the figures included in the financial statements or inclusion of a note thereto, I will advise you accordingly.

Other matters

I can confirm in relation to the following matters that:

- COVID-19 - we have assessed the impact of the COVID-19 virus pandemic on the Trust and the financial statements, including the impact of mitigation measures and uncertainties, and are satisfied that the financial statements and supporting notes fairly reflect that assessment.
- Ukraine – we have assessed the potential impact of Russian Forces entering Ukraine on the Trust, including the impact of mitigation measures and uncertainties, and are satisfied that the financial statements and supporting notes fairly reflect that assessment.
- Brexit - we have assessed the potential impact of the United Kingdom leaving the European Union and that any disclosure in the Annual Report fairly reflects that assessment.

Going concern

To the best of my knowledge there is nothing to indicate that the Trust will not continue as a going concern in the foreseeable future. The period to which I have paid particular attention in assessing the appropriateness of the going concern basis is not less than twelve months from the date of approval of the accounts.

I have updated our going concern assessment in light of the Covid-19 pandemic. I continue to believe that the Trust's financial statements should be prepared on a going concern basis and have not identified any material uncertainties related to going concern on the grounds that there will be continuity of services. We believe that no further disclosures relating to the Trust's ability to continue as a going concern need to be made in the financial statements.

Annual Governance Statement

I am satisfied that the Annual Governance Statement (AGS) fairly reflects the Trust's risk assurance and governance framework and I confirm that I am not aware of any significant risks that are not disclosed within the AGS.



Appendix A: Draft management representation letter

Annual Report

The disclosures within the Annual Report and Remuneration Report fairly reflect my understanding of the Trust’s financial and operating performance over the period covered by the financial statements.

Unadjusted misstatements (if required)

I confirm that the effects of any uncorrected misstatements are immaterial, both individually and in aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to this letter as an Appendix.
Insert appendix of unadjusted misstatements.

Yours sincerely

Accountable Officer.....



Appendix B: Draft auditors report

Independent auditor's report to the Council of Governors of Humber Teaching NHS Foundation Trust

Report on the audit of the financial statements

Opinion on the financial statements

We have audited the financial statements of Humber Teaching NHS Foundation Trust ('the Trust') for the year ended 31 March 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Taxpayers' Equity, the Statement of Cash Flows, and notes to the financial statements, including the summary of significant accounting policies. 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 2021/22 as contained in the Department of Health and Social Care Group Accounting Manual 2021/22, 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 as at 31 March 2022 and of the Trust'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 2021/22; 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 section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this report.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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.

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Appendix B: Draft auditors report

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 2021/22 and prepare the financial statements on a going concern basis, unless the Trust is informed of the intention for dissolution without transfer of services or function to another entity. The Accounting Officer is responsible for assessing each year whether or not it is appropriate for the Trust 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.

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, we identified that the principal risks of non-compliance with laws and regulations related to the National Health Service Act 2006 (as amended by the Health and Social Care Act 2012) and we considered the extent to which non-compliance might have a material effect on the financial statements.

We evaluated the Accounting Officer'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, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- discussing with management and the Audit Committee the policies and procedures regarding compliance with laws and regulations;
- 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 which were contrary to applicable laws and regulations, including fraud. Our audit procedures in relation to fraud included but were not limited to:
 - making enquiries of management and the 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.

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 management and the 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, and Supplementary Guidance Note 01, issued by the Comptroller and Auditor General in April 2021.

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.

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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 2022.

We have not completed our work on the Trust's arrangements. On the basis of our work to date, having regard to the guidance issued by the Comptroller and Auditor General in December 2021, we have not identified any significant weaknesses in arrangements for the year ended 31 March 2022.

We will report the outcome of our work on the Trust's arrangements in our commentary on those arrangements within the Auditor's Annual Report. Our audit completion certificate will set out any matters which we are required to report by exception.

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 by 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. 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 December 2021.

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 and Staff Report subject to audit have been properly prepared in accordance with the requirements of the NHS Foundation Trust Annual Reporting Manual 2021/22; 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 2021/22; or
- the Annual Governance Statement is misleading or is not consistent with our knowledge of the Trust and other information of which we are aware from our audit of the financial statements; 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 Humber Teaching NHS Foundation Trust as a body in accordance with Schedule 10(4) of the National Health Service Act 2006.

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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 completed the work necessary to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Mark Dalton, Director
For and on behalf of Mazars LLP

5th Floor
3 Wellington Place
Leeds
LS1 4AP

Date to be confirmed



Appendix C: Independence

As part of our ongoing risk assessment, we monitor our relationships with you to identify any new actual or perceived threats to our independence within the regulatory or professional requirements governing us as your auditors.

We can confirm that no new threats to independence have been identified since issuing the Audit Strategy Memorandum and therefore we remain independent.



Appendix D: Other communications

Other communication	Response
Compliance with Laws and Regulations	We have not identified any significant matters involving actual or suspected non-compliance with laws and regulations. We will obtain written representations from management that all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements have been disclosed.
External confirmations	We did not experience any issues with respect to obtaining external confirmations.
Related parties	<p>We did not identify any significant matters relating to the audit of related parties.</p> <p>We will obtain written representations from management confirming that:</p> <ul style="list-style-type: none"> a. they have disclosed to us the identity of related parties and all the related party relationships and transactions of which they are aware; and b. they have appropriately accounted for and disclosed such relationships and transactions in accordance with the requirements of the applicable financial reporting framework.
Going Concern	We have not identified any evidence to cause us to disagree with Audit Committee that Humber Teaching Foundation NHS Trust will be a going concern, and therefore we consider that the use of the going concern assumption is appropriate in the preparation of the financial statements.

Appendix D: Other communications

Other communication	Response
<p>Subsequent events</p>	<p>We are required to obtain evidence about whether events occurring between the date of the financial statements and the date of the auditor’s report that require adjustment of, or disclosure in, the financial statements are appropriately reflected in those financial statements in accordance with the applicable financial reporting framework.</p> <p>We will obtain written representations from management that all events occurring subsequent to the date of the financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.</p>
<p>Matters related to fraud</p>	<p>We have designed our audit approach to obtain reasonable assurance whether the financial statements as a whole are free from material misstatement due to fraud. In addition to the work performed by us, we will obtain written representations from management, and where appropriate Audit Committee, confirming that</p> <ul style="list-style-type: none"> a. they acknowledge their responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud; b. they have disclosed to the auditor the results of management’s assessment of the risk that the financial statements may be materially misstated as a result of fraud; c. they have disclosed to the auditor their knowledge of fraud or suspected fraud affecting the entity involving: <ul style="list-style-type: none"> i. Management; ii. Employees who have significant roles in internal control; or iii. Others where the fraud could have a material effect on the financial statements; and d. they have disclosed to the auditor their knowledge of any allegations of fraud, or suspected fraud, affecting the entity’s financial statements communicated by employees, former employees, analysts, regulators or others.



Mark Dalton, Director – Public Services

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Mazars is an internationally integrated partnership, specialising in audit, accountancy, advisory, tax and legal services*. Operating in over 90 countries and territories around the world, we draw on the expertise of 40,400 professionals – 24,400 in Mazars' integrated partnership and 16,000 via the Mazars North America Alliance – to assist clients of all sizes at every stage in their development.

*where permitted under applicable country laws.

Agenda Item 8

Title & Date of Meeting:	Council of Governors Public Meeting – 19 January 2023											
Title of Report:	Chief Executive's Report											
Author/s:	Name: Michele Moran Title: Chief Executive											
Recommendation:	<table border="1"> <tr> <td>To approve</td> <td></td> <td>To receive & discuss</td> <td></td> </tr> <tr> <td>For information/To note</td> <td>x</td> <td>To ratify</td> <td></td> </tr> </table>				To approve		To receive & discuss		For information/To note	x	To ratify	
To approve		To receive & discuss										
For information/To note	x	To ratify										
Purpose of Paper:	<p>To provide the Council of Governors with an update on local, regional and national issues.</p> <p>The Communications, Health Stars and Operational update reports will be included in the January Board papers</p>											
Key Issues within the report:												
Matters of Concern or Key Risks to Escalate:		Key Actions Commissioned/Work Underway:										
<ul style="list-style-type: none"> Nothing to escalate 		<ul style="list-style-type: none"> Contained within the paper 										
Positive Assurances to Provide:		Decisions Made:										
<ul style="list-style-type: none"> Planning in place for industrial action 		N/A										
Governance:		Date		Date								
	Audit Committee		Remuneration & Nominations Committee									
	Quality Committee		Workforce & Organisational Development Committee									
	Finance & Investment Committee		Executive Management Team									
	Mental Health Legislation Committee		Operational Delivery Group									
	Charitable Funds Committee		Collaborative Committee									
			Other (please detail) Quarterly report to Council of Governors	✓								

Monitoring and assurance framework summary:

Links to Strategic Goals (please indicate which strategic goal/s this paper relates to)

√ <i>Tick those that apply</i>					
√	Innovating Quality and Patient Safety				
√	Enhancing prevention, wellbeing and recovery				
√	Fostering integration, partnership and alliances				
√	Developing an effective and empowered workforce				
√	Maximising an efficient and sustainable organisation				
√	Promoting people, communities and social values				
Have all implications below been considered prior to presenting this paper to Trust Board?		Yes	If any action required is this detailed in the report?	N/A	Comment
Patient Safety		√			To be advised of any future implications as and when required by the author
Quality Impact		√			
Risk		√			
Legal		√			
Compliance		√			
Communication		√			
Financial		√			
Human Resources		√			
IM&T		√			
Users and Carers		√			
Equality and Diversity		√			
Report Exempt from Public Disclosure?				No	

Chief Executive's Report

1 Around the Trust

1.1 Visit to the Warren Centre

I visited the Warren Centre (a service for Young People in Hull) with Teresa Fenech as part of the ICB Board development work. Humber FT has links into the Warren Centre's work with young peoples.

1.2 Events Co-Ordinator

It is nice to welcome our new Events Co-Ordinator, Anita Green to the Trust. Initial events being planned are:

- Carol Service
- Wellbeing January
- Walk/Cycle Spring Challenge
- Sports Days
- Annual Staff Awards Ceremony

More on these later and we will also be sending out to staff a calendar of standard and religious events.

1.3 Blue Lite Scheme

A thank you card was sent from the Board at Christmas alongside a small Christmas Gift of the Blue Lite Scheme membership (which gives discounts on a huge array of goods and services) to all staff.

1.4 ICS Work

My National, Regional and ICS work continues, so Humber remains influential in national policy development,

2 Around the Integrated Care System (ICS)

2.1 Headlines from the ICB Board meeting:

- The board received an update on the urgent care planning work across the system. HFT are a little behind in the virtual ward development, but this is under control.
- 5044 extra beds in the system alongside social care discharge funding and virtual wards, main focus of action.
- The system control room has been set up though Mental input remains unclear.
- 1212 new asylum seekers in the ICS, many more planned for the area and numbers not clear.
- Humberside Local Medical Committee announced the appointment of Dr Zoe Norris as Chief Executive Medical Director. Zoe, who is currently LMC Medical Director, will take up her new post in January 2023 leading the organisation, which represents and supports GPs and practices in East Yorkshire, Hull, North Lincolnshire and North East Lincolnshire. Zoe has extensive experience in the region having worked both as a GP partner and as a salaried GP, and also in medical education and as a GP appraiser.

- As you will be aware, the ICB has been undertaking a process to appoint NHS Place Directors across Humber and North Yorkshire. Sarah Coltman-Lovell was confirmed as Place Director for York from 19 December 2022. Sarah was the Interim Director of Strategic Planning for the ICB and will take over from Simon Bell who has held the Place Director role on an interim basis since August 2022.
- RDaSH - Kath Lavery has been announced as the new Chair and Toby Lewis the new CEO. Sheila Lloyd will be acting CEO until Toby starts in the spring.

4.1 Chief Operating Officer Update

4.1.1 Operational, Winter Pressures, Industrial Action and Covid Update – December 2022

This update provides an overview of the operational, winter pressures, industrial action and covid position across our clinical services and the arrangements and continuing work in place in the Trust and with partner organisations to manage these concurrent pressures.

Our winter plan recognises that the complexities of planning for a winter when system pressures have remained very high throughout the year and with the lasting impact of the pandemic still evident, the seasonal pressures along with the risk of industrial action make this winter likely to be particularly challenging. Integrated Care Boards are tasked to maximise the benefits of system working. A lack of capacity across the NHS and social care has an impact on all areas of the system and it is essential that access to primary care, community health services, mental health and learning disability services for urgent patients is sufficient to ensure patients do not need to present to emergency services when alternatives are available. Our winter plan has been subject to external scrutiny and challenge and has been positively received.

Our winter plan incorporates the risk of disruption to services due to **Industrial Action**. Trade unions representing NHS staff advised the Secretary of State for Health and Social Care that they are in dispute over the 2022/23 pay award. Several unions have decided to ballot or have signalled their intention to ballot their NHS members to take part in industrial action. Those Trade Unions included are the Royal College of Nursing (RCN) who opened their ballot between 6 October and 2 November 2022. This ballot threshold required 50% of participants to ballot with at least 40% required to respond 'yes' to support the industrial strike action. The results from this ballot were available on 9 November 2022 with the outcome being 'No Strike' for the HTFT staff group within the RCN, strike days for Trusts that are affected took place on the 15th December with a further day announced for 20th December. Unison and the Chartered Society of Physiotherapists balloted their staff and the threshold was not met by either union for our staff to strike. In each circumstance, the union provided a comprehensive list of member numbers by area to enable an impact assessment to take place. The BMA is considering a formal ballot of GPs relating to new GP contracts, and it plans to ballot junior doctors from 9 January to 20 February.

Despite the latest outcome of the RCN and other ballots, the Trust is still preparing for potential industrial action so that there is minimal disruption to patient care and service provision. The Emergency Preparedness Resilience and Response (EPRR) Team have coordinated the completion of an assessment checklist which has been developed to support the trusts preparations. Industrial action guidance for staff and managers has been refreshed to be followed in the event of strike action being taken. This planning relates to the potential and planned strike action by other services and sectors. Yorkshire Ambulance Service (YAS) (along with other ambulance services) are planning strike action

on 21st December and 28th December, we are working with the ICB and system partners to ensure that we have plans in place to address the impact of this action on our services.

The Trust participated and contributed to Exercise Arctic Willow which took place week commencing 14th November and was coordinated by the Integrated Care Board (ICB). This was a multi-day exercise run by the ICB working with Trusts to explore the health and social care response to multiple, concurrent operational and winter pressures occurring including industrial action. This led to the Trust reviewing and updating further our business continuity plans to address the risk of industrial action, possible planned disruption to energy supply and supply chain interruption. The outcomes of the exercise were shared at a specially convened Trust Gold Command meeting held on 13th December in order to assess our preparedness to respond to them. The divisions and corporate area Business Continuity Plans (BCPs) have been refreshed as part of the review cycle and all areas are aware of the procedure for enacting their plans.

Our Winter Plan is being monitored through our daily sitrep reporting processes to identify and respond to pressures quickly across services, ensuring we are clear what our level of pressures are, allowing us to communicate these to the wider system effectively and either respond with or receive mutual aid as necessary.

Operational service pressures have remained stable in the Trust in late November and early December. The highest pressures were seen in our community services in Scarborough and Ryedale due to ongoing high demand from the acute hospitals for discharges and delays in discharging patients from our community beds. The Trusts overall operational pressures in the last month have been at escalation level (OPEL) 2 (moderate pressure) predominantly.

Child and Adolescent Mental Health (CAMHS) services are continuing to experience high demand for both community and inpatient services in line with the national surge due to the direct impact of the pandemic on children, young people and their families. Demand has plateaued in December with presenting needs continuing to be of high levels of acuity and complexity. Breakdown of placements for young people in residential care continues to lead to urgent and crisis admissions to mental health and acute hospital beds. High demand for young people experiencing complex eating disorders has led to pressure on CAMHS beds locally and nationally leading to admissions to acute hospital beds. System and ICS work is ongoing to enhance provision to support out of hospital care for children and young people including those with eating disorders. A proposal has been developed and supported to establish a new eating disorder community treatment service. Focus continues on reducing waiting times in these services, particularly in relation to autism and attention deficit hyperactivity disorder diagnosis.

Nationally requirements are in place to eradicate the use of out of area mental health beds and our services are implementing plans to achieve this. Our out of area bed use has reduced, it rose slightly over the summer due to a further significant increase in the number of delayed transfers of care, however the position has improved again in December. Our overall bed occupancy has remained high in November and early December with the pressures especially high for mental health, learning disability beds and our community beds at Malton and Whitby Hospitals, it has been between 78.4 – 85.0%.

Delayed transfers of care from our community and mental health beds remain high and above usual variation during the last month. Patients are waiting predominantly for

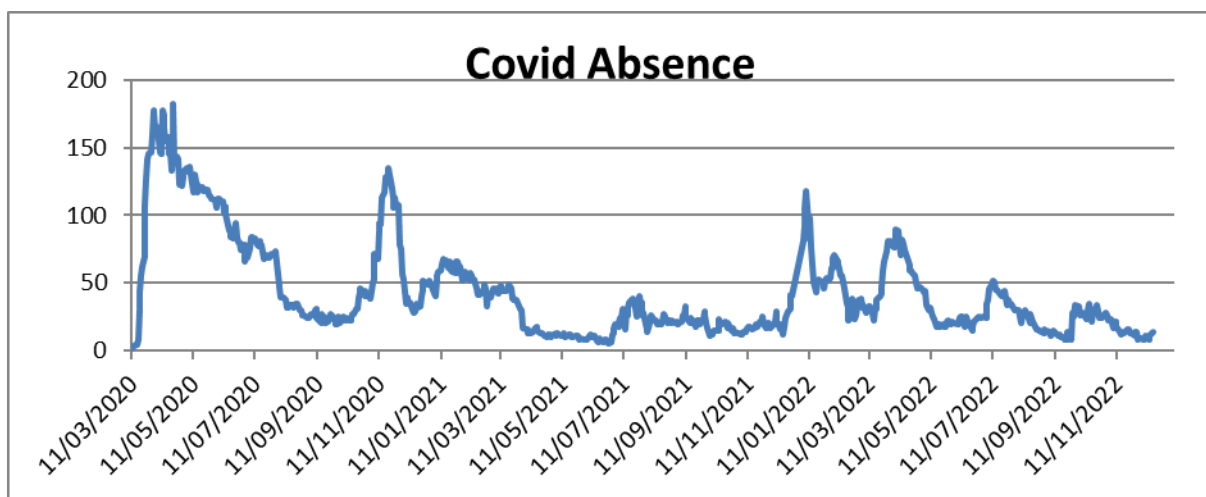
specialised hospital placements with other NHS providers or local authority provided residential placements. Escalation mechanisms are in place with partner agencies to take action to resolve the delayed transfers and discharges that our patients are experiencing.

System pressures have remained very high in North Yorkshire and York and in the Humber areas in November and early December for both health and social care, system command arrangements remain in place. Acute hospital partners in all parts of our area have reported pressures at OPEL 4 predominately during the last month. Local authorities have also seen their pressures remain very high due to staff availability and the national requirement that all patients who do not meet the criteria to reside in an acute hospital should be discharged. Ambulance services have continued to experience pressures and delays in handover times at acute hospitals resulting in decreased call response times. The combined impact of these pressures has seen system pressures remain at overall OPEL 3. System work has continued to focus on reducing the number of patients in the acute hospitals who do not meet the criteria to reside in order to improve patient flow, reduce ambulance handover times and to recover elective activity. New initiatives have been developed supported by new national discharge funding to improve patient flow. Progress is now also being made to develop space identified by Hull University Teaching Hospitals NHS Trust to provide a new facility, adjacent to the Emergency Department, to stream mental health service users to. This new service proposal has been in development for some time, now that space has been identified the service should be operational by April 2023. This will provide an enhanced environment to assess the needs of those presenting with mental health issues and will be staffed by our expanded hospital mental health liaison team.

Ongoing work has been taking place by our recruitment team to increase the number of staff available to us on our bank, recruitment campaigns focussed on specific clinical areas e.g., CAMHS have had some success. Effort is taking place to reduce the number of health care assistant vacancies to reduce reliance on agency use.

The Trust recorded an increase in the number of **Covid-19** positive inpatients during late November and early December and currently has five positive patients. Our covid and flu vaccination programmes are underway and support our winter planning preparation, uptake by our staff has been very good compared to other similar organisations.

Staff sickness absence related to Covid remains reduced. When combined with non-covid related sickness the overall absence position is currently at 7.69% which is a slight overall increase compared with the previous month.



The remit of the Covid- 19 task group chaired by the Deputy Chief Operating Officer has been broadened to include our response to winter and the risk of industrial action.

The Trust continues to effectively manage the impact of very high system pressures, impact of winter and Covid-19 within its ongoing arrangements. Overall, the Trust is routinely reporting OPEL 2, though delayed transfers of care/patients with no criteria to reside (NCTR) remain the most significant operational risk in relation patient flow and access to inpatient beds. Key activity in December will be to mobilise the Virtual Ward in Scarborough and continue to reduce the delayed transfers of care.

4.2 Director of Workforce & Organisational Development Updates

4.2.1 Cority

As part of delivering on our digital agenda, training has been taking place for managers in the new Occupational Health system, Cority. An upgrade from the previous Cohort system, this will allow managers to send through to OHS on-line referrals for their team that need OHS support. This should provide better audit trails and information governance as well as speeding up the process. This in turn should help further reduce our time to hire and how long staff are absent due to sickness. Full system go live is in January.

4.2.2 Staff Survey 2022

Final take up was 44% across the Trust (the same as last year). The survey was also open to bank staff for the first time in 2022. Final completion for this group was 29%.

4.3 Director of Finance Updates

4.3.1 Cyber Security Updates

There are two types of CareCert notifications,

High priority notifications cover the most serious cyber security threats, these notifications are sent to the IT Service desk with requirements for acknowledgement to NHS digital within 48 hours and remediation applied within 14 days.

Any high priority notifications that cannot be resolved within 14 days require a signed acceptance of the risk by the CEO and SIRO to be submitted to the NHS Digital portal.

Other CareCert notifications are part of a general weekly bulletin and these are general awareness items with most issues identified requiring no action as the Trusts patching process has normally already deployed the updates required

The Trust are using software to track that status of its digital estate which provides the data included in this section of the report.

In terms of CareCerts

- CareCERT notices issued during 2022: 214 (Inc. 18 in November)
- High Priority CareCERT notices Issued during 2022: 12 (1 issued in October)

November Statistics

- CareCERT Notices with patch(s) NOT approved for deployment: 0
- CareCERT notices with patch(s) applied to all devices: 16

- CareCERT notices with devices still to check in to patch: 2

Workstations update:

- Total workstations detected 3,467
- Workstations non seen in last 60 days (28)
- Workstations non seen in last 90 days (10)

There were no Distributed Denial of Service (DDoS) attacks against the Trusts internet connections during November 2022.

4.3.2 Ligature Reduction Programme

Main contractor appointed to commence the door replacement programme (including door alarms) at Avondale, Newbridges and Westlands. Works are programmed to complete within the financial year.

4.3.3 Humber Centre Works Update

Works are on site with the Health Garage now complete. The main works to the reception area remain on programme and are scheduled to completed mid annuary 2023.

Plans for wider improvement works to improve the physical estate across the entire Humber Centre are currently in development and will be included for prioritisation within the Trust future years capital programme

4.3.4 Blend and Thrive Update

Following opening of the new HQ and based on feedback some minor alterations are planned which will include the provision of an additional six bookable workstations and creation of more formal meeting spaces.

The Estates Team continue to work with colleagues on the decommissioning of the Old Trust HQ building, the post room is relocating to Mary Seacole early in the new financial year, following which services into the old HQ Building will be isolated to enable the planned demolition to be progressed.

4.3.5 Planning for potential power outages

Plans are currently being developed to establish the feasibility of installing fixed power generators to all inpatient sites that don't currently have this provision (*Maister, Newbridges, Westlands*) including those sites that have existing mobile generator connection points (*Inspire, Townend Court*).

4.3.6 Electronic Patient Record

Following approval of the Outline Business Case at Trust Board the Trust has received confirmation of the funding from NHS England. The Invitation to Tender has been issued, current timelines are for the tender process to complete with contract award June 2023.

4.3.7 Data Warehouse

The Trusts existing Data Warehouse has transferred from the previous IT Legacy servers to new support on site servers, one of the key task to support the Trust as it aims to achieve cyber essentials plus accreditation.

4.3.8 Planning Guidance

Planning Guidance for 2023/23 was issued week late December and a full update on the guidance will be provided at the January Board Meeting

5 Communications Update

Events Update

Anita Green joined the team in December as our new Events and Communications Officer. The first campaign to launch with her support will be '28 Days of Wellbeing' launching on the 16th January.

The campaign invites colleagues to join a 28-day challenge to kick off 2023. An online interactive calendar at healthy.humber.nhs.uk (under development) which will reveal a daily challenge, every day for four weeks to support them to pick up new habits, challenge themselves and try something new. It includes a mix of online events, learning opportunities and wellbeing events. Individuals can choose if they want to complete the full 28-day challenge or pick and mix the activities that are right them.

The challenge has been created jointly with the workforce wellbeing team and will include promotion of all wellbeing initiatives including staff benefits.

Theme 1: Promoting people, communities, and social values

- **Social Values Report**

This year we have had a fresh look at how we do social values reporting to ensure we are delivering the highest possible quality report that follows best practice. We partnered with the Strategy and Partnerships team to review our approach to reporting on our contribution to the health and wellbeing of our local communities.

Our ambition is that this format is continued annually and developed to include more comprehensive social value measures further improving our reporting and showing the scale of our impact. The report will be presented to the Board in January 2023.

- **Brand Updates**

Online photo library

Since 2019 we have invested in professional photography to create a bank of high-quality images of staff, teams and locations. These images are currently only accessible to the communications team and are used by them in publications, designs and for recruitment advertising.

We are pleased that the Digital Delivery Group has approved funding to develop an enhancement to the Brand Centre which will provide a searchable image library for staff to source images for use in documents such as reports, presentations and patient information. This new tool will maximise the use of the Trust's investment in photography, support staff to create engaging designs in line with brand guidelines, reduce reputational risk (by ensuring correct photo permissions are in place) and free up resource within the communications team.

The creation of the new library will ensure that we are continuously improving our brand resource for staff, raise awareness of our guidelines and reinforce the importance of consistency in communications.

Extensive work has been completed already to prepare our photography archive for the platform and establish a filtering system so staff can find the images they need and download them intuitively. The project is estimated at 8 weeks to be launched in February 2023.

Workshops

An online Brand Workshops was held in December to update staff on the enhancements to the brand platform including accessibility and new templates.

It was well attended with excellent feedback which has helped us create a list of further enhancements for the next update. The sessions will be held every six weeks.

- **Health Stars**

This month we were pleased to have had a wish granted to send craft packs to our mental health inpatient units for staff and patients to enjoy over the festive season. This replicates activity we co-ordinated for World Mental Health Day which we got excellent feedback for and it created positive messaging across all our communications channels.

- **Social media content**

This period is dominated by the New Year, New Job campaign. The campaign uses graphics and messaging consistent with two large billboard ads being displayed on high traffic commuter routes in Hull, alongside radio advertising and paid-for editorials across the regional press to drive traffic to the Join Humber website.

The campaign has had a great start with web page views up 70% against last year, seeing over 3500 sessions in 12 days since launch with over 5000 page views. The site has also seen more than double the amount of traffic from the same time last month (3593 V 1753 sessions).

- **Media coverage**

A total of eight positive stories were published on our Trust website news page this month. The top three performing stories over the period were:

1. **New Year, New Job**, published in Viking FM, Greatest Hits Radio Yorkshire Coast, Alight Media Billboards across Hull, Whitby Gazette, Bridlington Free Press, Scarborough News, Yorkshire Post, Pocklington Post, Driffield and Wolds Weekly
2. **Kickstart your career in Nursing**, published on the Humber website to showcase the Golden Hello recruitment and retention initiative we offer B5 Nurses
3. **High Commendations at the HSJ Awards**, published in That's TV Humber and Hull Is This

Media coverage has been high this month, with 18 publications in total, five unique stories (three positive, one neutral, one negative) were shared across local media outlets and channels.

KPI	Measure of	Benchmark	This month
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	success by 2025		
Positive Media Stories published	Positive vs negative coverage maintained at 5:1	5 stories covered by media per month	5 unique stories 18 publications total
Visits to Brand Portal	Up 20% to 696 sessions	580	672
Facebook engagement rate	2%	2%	21.97% HTN-FT FB page 17% Join Humber Account
Twitter engagement rate	2%	2%	2.5%
LinkedIn follower growth	+ 15%	Target 2872 followers	2828 +92 followers over the period

Theme 2: Enhancing prevention, wellbeing and recovery

- **Electronic Patient Record Project**

We are working in partnership with the Digital Team to develop an engaging brand identity for this significant project. A full communications plan will be produced to ensure internal communication and engagement is prioritised and well supported throughout.

- **Awareness Days**

In the last month, we have continued to support a high volume of awareness days and create impactful campaigns in collaboration with our diverse services across the Trust.

Key dates of note this month were:

- Stop Pressure Ulcer Day
- Antimicrobial Week
- Safeguarding Week
- Carers Rights Day
- International Migrants Day
- Grief Awareness Week
- White Ribbon Day
- 16 Days of Action
- Patient Safety Week
- Hannukah

The days generate content across our social media channels supporting our performance on these channels as well as giving us opportunities for positive media coverage.

For Safeguarding Week, we delivered an end-to-end campaign which covered all of our internal and external channels. We also supported the team when delivering their networking and inform event with partners across the region.

Theme 3: Developing an effective and empowered workforce

- **Staff Celebration Event Relaunch**

We are developing a proposal for a relaunched Staff Awards Celebration in Autumn 2023. The proposal will include a new venue, refreshed categories to reach out to the widest possible audience and a streamlined shortlisting process

- **‘The Local’ – new monthly divisional newsletter**

One of our objectives is to improve the cascade of information from Board and EMT level to our teams within the clinical divisions.

We have reviewed the data from our current platforms alongside the most recent research and best practice and have made a recommendation for a new monthly divisional newsletter which we are calling ‘The Local’. The first edition will be shared in February 2023.

Through our attendance of divisional ODG’s we will create a monthly email which will include:

- Division Performance
- Achievements and celebrations
- Updates from across the Trust – Content from the speakers who attended the meeting from outside the division to share their campaigns/initiatives
- Team Brief - Stories of importance taken from EMT news/Board Talk from the previous month.

- **Humblebelievable Marketing Recruitment**

The New Year, New Job campaign officially launched on Monday 5 December.

As part of this campaign, we are working with several media organisations: JPi Media (Whitby Gazette, Yorkshire Post, Scarborough News, Pocklington Post, Bridlington Free Press), Bauer Media (Viking FM and Greatest Hits Yorkshire Coast), Alight Media (digital billboards in Hull).

Our recruitment and North Yorkshire based teams have already reached out to us to express an interest in extending this campaign further, and we are exploring our options for outdoor advertising across a wider patch.

We are working together with our system partners to deliver a wide-ranging and innovative campaign across the months of December and January. A full report will be included in the next Board report on conclusion of the campaign.



Flu and Covid-19 Booster campaign

This successful campaign has now been completed by the team. Recent figures show the Trust to be leading the way in terms of Covid-19 and Flu vaccinations with amongst the highest figures in the Yorkshire and Northeast Region.

Weekly communications will continue to promote the national booking line for Covid vaccinations as well as signposting to the national and local flu vaccine providers and the Trust's Occupational Health team who have advised that they are happy to continue giving the flu jab.

- **Staff Survey 2022 promotion**

Following an extensive communications campaign, we were able to maintain the response rate achieved last year. We had a particularly strong response rate from our bank employees with the response rate from that group being well above the national average.

KPI	Measure of success by 2025	Bench mark	Progress to date (average since Sept 22)	This month
Intranet bounce rate reduced	< 50%	57.71 %	58.7%	60%
Intranet visits maintain at current level	7,300 visits p/m	8971	7161	7450
Global click through rate (CTR) increase	7%	12.2%	10.72%	10.86%

Theme 4: Fostering integration, partnerships, and alliances

- **Sharing Best Practice**

Head of Marketing and Communications, Rachel Kirby was invited to present our HSJ Highly Commended Marketing Campaign, Humbelievable to the ICB Communications Partnership Monthly Communications Meeting which includes all Heads of Communications from Trusts, Providers and Local Authorities. This is the third presentation of the campaign to external audiences helping to raise the profile of our Communications team and our work.

- **Humber and North Yorkshire Health and Care Partnership**

As pressures on primary care services continue to rise towards winter, we have used our social media channels to support Humber and North Yorkshire Health and Care Partnership to encourage patients to choose the correct source of treatment if a condition is not serious or life-threatening, rather than adding unnecessary pressure to urgent care.

Theme 5: Innovating for quality and patient safety

- **Carol service**

Our annual Christmas Carol concert took place in the Lecture Theatre at Willerby Hill and via MS Teams. The concert was led by Trust Chaplain Eve Rose and was well attended by staff and patients – over 100 people attended in person and online.

- **Awards update**

The awards season for 2022 has now closed and we are pleased to have exceeded our targets continuing to celebrate our innovation, build our Trust profile and acknowledge the work of our teams.

- Shortlisted in 14 categories (5 local, 9 national)
- Successfully shortlisted in almost 50% of the categories we entered.
- Won 8 individual awards (4 local, 4 national)
- Submitted to 10 different award organisations
- Submitted to 31 different categories across all organisations

KPI	Measure of success by 2025	Benchmark	This month	Progress to target
Annual number of awards nominations	2 local and 4 national shortlists p/a	4 national p/a	4 submissions this quarter 3 local, 4 national shortlists	100% Achieved measure of success following successful submissions to HSJ awards

Theme 6: Optimising an efficient and sustainable organisation

- **Service Websites**

Scoping work has taken place to establish the lay-out of new service microsites within our main website. These will allow users to find all the key information they need about a service easily and in one place, for example visiting information, directions, parking, referral information, contact details, service overviews and more. A staff, patient and stakeholder panel will advise on these sites to ensure they achieve their objectives.

The first sites will be created by March 2023 and will cover our inpatient mental health units and community hospitals.

KPI	Measure of success by 2025	Benchmark	This month
Reduce homepage bounce rate	Below 50%	64.9% (2021/22 avg)	67.26 %
Increase average page visits per session	Over 2 per visitor	2	2.01

Increase average dwell time	Over one minute	1m28s	1m32s
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6 Health Stars Update

Fundraising Activity

A sell out comedy night was held at the Hull Truck Theatre last month to help raise funds for DBT and units have engaged with the World cup to arrange football themed fundraising. We have continued to promote the Whitby Bricks appeal and have arranged an on-line Christmas raffle with some great prizes was drawn at the Christmas carol concert on 15th December which raised £500. With a view to increasing fundraising income a Fundraising strategy will be created for the new year.

Update on Campaigns/Appeals

Fundraising for Whitby continues, but due to numerous factors including the cost of living crisis our focus has switched towards creating grant funding applications to support the Trust's charitable work in the area. Going forward it is our intention to be connected more with existing local events where people can fundraise for health stars or make us their chosen charity. We will be engaging more with local corporates to increase fundraising income and conversations have already taken place with a large fish merchant in the town. We also have identified several potential local grant funding streams which are suitable for an application for Whitby. These include:-

CooP Community Fund
 Tesco Ground Works
 The Screwfix Foundation
 Stronger Communities (NYCC)
 Cadent Hydrogen Village Community Fund
 The Woodsmith Foundation

In line with the application time frames requests will be made to these funders when the windows open, however we have already submitted applications to Coop and Tesco.

As yet we have not received information as to whether we have been successful with any past grant applications.

Clare Woodard is holding regular meetings with the Business Development team to look at ways in which Health Stars and HEY Smile can support the Trust to apply for additional funding to enhance revenue and capital projects.

Summary of wishes

As of 30th November 2022, 98 wishes had been submitted to Health Stars. 21 have been granted, 11 have been declined or withdrawn and the rest are in progress, where we are awaiting further information from the wish makers, services, or clarity on funding. Calls will be made to the wish makers to see how we can best progress some of these wishes which have been outstanding for some time, to get things moving and thus promoting greater spend across the funds.

Clare Woodard recently met with Claire Jenkinson to look at some of the ideas and go through the paper which was presented to the last CFC. Some of these schemes could potentially make good wishes. Clare W sent through the wishes process to Claire J, the link to the website as well as the funding criteria.

It has been highlighted that some staff aren't clear how to apply to charitable funds so Health Stars will look at ways to ensure a better understanding of the Circle of Wishes process is communicated across the Trust.

Health Stars/HEY Smile Foundation Staffing Changes

Since the last Charitable Funds Committee (CFC) Meeting in September there have been several changes to the staffing structure at HEY Smile Foundation and Health Stars.

HEY Smile Foundation has a new Chief Executive. Jamie Lewis joined the Smile team last month and is currently in a handover period from Andy Barber who leaves the organisation at the end of December 2022.

Victoria Winterton started her maternity leave in mid-October and Clare Woodard has taken over as Head of Smile Health. Victoria had a baby girl on 11th November.

Cheryl Beal, Health Stars Manager has left the organisation to take up a new role with the Humber Bridge Board charity. Clare Woodard is currently overseeing the day to day running of Health Stars.

Michele Moran
Chief Executive
January 2023

Agenda Item 9

Title & Date of Meeting:	Council of Governors Public Meeting – 19 January 2023														
Title of Report:	Non-Executive Director Chairs of Sub Committees Assurance Reports & Feedback														
Author/s:	Stuart McKinnon-Evans, Chair of Audit Committee & Collaborative Committee Francis Patton, Chair of Finance & Investment Committee Dean Royles, Chair of Workforce & Organisational Development Committee Phillip Earnshaw, Chair of Quality Committee Mike Smith, Chair of Mental Health Legislation Committee														
Recommendation:	<table border="1"> <tr> <td>To approve</td> <td></td> <td>To receive & discuss</td> <td></td> </tr> <tr> <td>For information/To note</td> <td>✓</td> <td>To ratify</td> <td></td> </tr> </table>			To approve		To receive & discuss		For information/To note	✓	To ratify					
To approve		To receive & discuss													
For information/To note	✓	To ratify													
Purpose of Paper:	To provide the Council of Governors with the Sub Committee Assurance reports that have been submitted to the Board since the last Council of Governors meeting														
Key Issues within the report:															
Matters of Concern or Key Risks to Escalate:		Key Actions Commissioned/Work Underway:													
<ul style="list-style-type: none"> No matters to escalate 		<ul style="list-style-type: none"> N/A 													
Positive Assurances to Provide:		Decisions Made:													
Details included in the reports from <ul style="list-style-type: none"> Audit Committee Collaborative Committee Mental Health Legislation Committee Quality Committee Workforce & Organisational Development Committee 		<ul style="list-style-type: none"> N/A 													
Governance:	<table border="1"> <thead> <tr> <th></th> <th>Date</th> <th></th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>Appointments, Terms & Conditions Committee</td> <td></td> <td>Engaging with Members Group</td> <td></td> </tr> <tr> <td>Finance, Audit, Strategy and Quality Governor</td> <td></td> <td>Other (please detail) Quarterly report to Council</td> <td>✓</td> </tr> </tbody> </table>				Date		Date	Appointments, Terms & Conditions Committee		Engaging with Members Group		Finance, Audit, Strategy and Quality Governor		Other (please detail) Quarterly report to Council	✓
		Date		Date											
	Appointments, Terms & Conditions Committee		Engaging with Members Group												
Finance, Audit, Strategy and Quality Governor		Other (please detail) Quarterly report to Council	✓												

	Group			
	Trust Board	Oct & Nov 22		

Monitoring and assurance framework summary:

Links to Strategic Goals (please indicate which strategic goal/s this paper relates to)				
√ Tick those that apply				
✓	Innovating Quality and Patient Safety			
✓	Enhancing prevention, wellbeing and recovery			
✓	Fostering integration, partnership and alliances			
✓	Developing an effective and empowered workforce			
✓	Maximising an efficient and sustainable organisation			
✓	Promoting people, communities and social values			
Have all implications below been considered prior to presenting this paper to Trust Board?	Yes	If any action required is this detailed in the report?	N/A	Comment
Patient Safety	√			To be advised of any future implications as and when required by the author
Quality Impact	√			
Risk	√			
Legal	√			
Compliance	√			
Communication	√			
Financial	√			
Human Resources	√			
IM&T	√			
Users and Carers	√			
Equality and Diversity	√			
Report Exempt from Public Disclosure?			No	

Title & Date of Meeting:	Trust Board Public Meeting – 26 October 2022										
Title of Report:	Finance and Investment Committee – Chair’s Log										
Author/s:	Francis Patton Chair of Committee/Non-Executive Director										
Recommendation:	<table border="1"> <tr> <td>To approve</td> <td></td> <td>To receive & discuss</td> <td>X</td> </tr> <tr> <td>For information/To note</td> <td></td> <td>To ratify</td> <td></td> </tr> </table>			To approve		To receive & discuss	X	For information/To note		To ratify	
To approve		To receive & discuss	X								
For information/To note		To ratify									
Purpose of Paper: <i>Please make any decisions required of Board clear in this section:</i>	The aim of this paper is to provide assurance to the Trust board on the financial performance of the Trust and any business development opportunities identified. It is recommending that the Primary care strategy and a strategic review of future potential cost reduction asks are part of the December Board development session.										
Key Issues within the report:											
<p>Matters of Concern or Key Risks to Escalate:</p> <ul style="list-style-type: none"> The ICS deficit position at month 5 and possible implications arising from it. The high level of agency spend versus plan. The deficit position of Primary Care. The need to reprofile the 22/23 capital plan. That the ask for the 23/24 BRS plan and future years might be increased over the planned 1.5%. 		<p>Key Actions Commissioned/Work Underway:</p> <ul style="list-style-type: none"> Agency recovery plan being overseen by the Executive. The Primary Care recovery plan being overseen by the Executive. 									
<p>Positive Assurances to Provide:</p> <ul style="list-style-type: none"> The Trusts continued delivery against plan and positive cash position. Continued delivery of the 22/23 BRS. The strong governance around the YHCR programme. That the liability against IR35 is being reviewed and quantified. That the new approach to the Estates strategy synchronises with the Trust Strategic plan and splits out the overarching strategy from the more detailed delivery 		<p>Decisions Made:</p> <ul style="list-style-type: none"> That Primary Care should be a discussion topic at the December Board development session. That a strategic review of the implications of an increased cost reduction be explored at the December Board development session alongside the wider 23/24 planning framework. 									

<p>plan.</p> <ul style="list-style-type: none"> • That the 23/24 BRS plan is already in development. • That there is a clear agreed strategy for the development of a joint EPR system. 					
<p>Governance: Please indicate which committee or group this paper has previously been presented to:</p>			Date		Date
	Audit Committee			Remuneration & Nominations Committee	
	Quality Committee			Workforce & Organisational Development Committee	
	Finance & Investment Committee		19.10.22	Executive Management Team	
	Mental Health Legislation Committee			Operational Delivery Group	
	Charitable Funds Committee			Collaborative Committee	
				Other (please detail)	

Monitoring and assurance framework summary:

Links to Strategic Goals (please indicate which strategic goal/s this paper relates to)				
√ Tick those that apply				
	Innovating Quality and Patient Safety			
	Enhancing prevention, wellbeing and recovery			
	Fostering integration, partnership and alliances			
	Developing an effective and empowered workforce			
✓	Maximising an efficient and sustainable organisation			
	Promoting people, communities and social values			
Have all implications below been considered prior to presenting this paper to Trust Board?	Yes	If any action required is this detailed in the report?	N/A	Comment
Patient Safety	√			
Quality Impact	√			
Risk	√			
Legal	√			
Compliance	√			
Communication	√			
Financial	√			
Human Resources	√			
IM&T	√			
Users and Carers	√			
Equality and Diversity	√			
Report Exempt from Public Disclosure?			No	

Key Issues:

The committee is providing assurance that the Trust financial performance remains on plan and that the Trust has a healthy cash position. Good assurance was also provided around the ongoing delivery of the budget reduction strategy, delivery of capital spend to date, the Yorkshire Health Care Records programme, risk 5 on the BAF, the development of the new Estates strategy, the development of the new BRS for 23/24 and the HNY HCP Convergence Charter. There was also positive assurance around ongoing business development opportunities.

Concerns were flagged around the ICS position at month 5 and possible implications on the Trust and the delivery of both the Agency spend recovery plan and the Primary care recovery plan. The committee felt that the present economic conditions, uncertainty over the Government and the ICS financial position could result in further cost pressures going forward which needed Board discussion.

The key areas of note arising from the Committee meeting held on 19th of October were:

- In terms of the Insight report the key issues raised were: -
 - There was no in year finance update at the most recent NHSE Board Meeting however there was a focus in the 2023/24 financial planning process. At the board meeting the NHS Chief Financial Officer (Julian Kelly) warned that inflationary pressures and planned efficiency savings could force the NHS to rethink the level of patient services, including cancer, mental health, and steps to reduce waiting times. Key pressure highlighted in the NHS Board Report included:
 - Covid expenditure above spending review assumptions
 - Inflationary Pressures (SR planned 2% - current CPI 9.9%)
 - Pay Settlement A total of £14bn pressures have been highlighted with further potential pressures of up to £6-7bn.
 - As discussed at the Board development session at Month 5 the Humber and North Yorkshire ICB recorded a deficit position of £7m, this represents a £8.5m adverse variance to plan. Adverse positions are being reported in all Acute Trusts, with bed pressures and efficiency target shortfalls the main reason for the variance.
 - The NHS is hoping for a decision in December on the total budget for the new hospital programme and for investment in five major hospitals at critical risk from issues with reinforced autoclaved aerated concrete (RAAC) NHS England board reported that seven hospitals were severely impacted by RAAC and would need new builds to mitigate their risk of closure over the next 10 years. A decision on the next eight NHP projects has been scheduled for early December.
 - The NHS Employers body has written to the chancellor to request urgent changes to the way pension tax is calculated. NHS employers are concerned that pension growth could be skewed upwards by rapidly rising inflation, in the context that growth could rise above the annual allowance
- The Trust recorded an overall deficit of £0.239m for Month 6 consistent with the Trust's planning target. Cash balance at the end of Month 3 was £31.440m of

which £5.116m relates to the Provider Collaborative. Aged debtors stood at £4.144m and creditors at £8.303m. The committee encouraged the team to review both areas before the next meeting in January. Areas of concern discussed were that agency expenditure was £4.472m, which is £0.812m more than the previous year's equivalent Month 6 position; Primary Care recorded a deficit of £0.918m, primarily due to the increased costs of locums; the Year-to-Date Trust Income position is showing an underachievement of £0.735m of which £0.381m is risk. In response to those concerns work is continuing with Commissioners in relation to the income risk; work continues to reduce the level of agency costs with the aim of recruiting to permanent medical consultancy posts and a full plan was reviewed; a Recovery Plan is in place regarding Primary Care and regular finance accountability meetings are being held with the service. That said FIC are recommending that, following a review by the Executive, Primary Care comes to the next Board time out in December for discussions on how it should be managed within the strategy going forward.

- At month 6 Children's and LD reported a £0.308m gross expenditure underspend; Community and Primary Care reported an overspend of £0.474m; Mental Health reported an underspend of £0.661m; Forensic services reported an underspend of £0.001m Corporate Services reported an underspend of £0.512m
- In terms of BRS for 2022/23 the Year to Date (YTD) actual savings are £1.446m. The Mental Health Division is currently forecasting an underachievement of £0.324m which does relate to savings from Unidentified Post Reductions. The Service is reviewing all vacant part posts with the aim of any savings that are identified being used to offset the potential underachievement. The Service is estimating that an in-year underspend of £0.300m will be achieved which would cover the bulk of the underachievement non recurrently and that the underachievement would be carried into 2023/24.
- Again, as discussed at the Board development session and highlighted above in terms of financial concerns the committee received an update on Agency spend and the plans to address it. The Trust is targeted with a 10% reduction in agency spend and at month six is over the target. The action plan developed by the Executive is targeting a 2% reduction between 21-22 and 22-23 leading to a 29% reduction between 22-23 and 23-24 but this is connected to recruitment initiatives for nurses and consultants in a difficult market. FIC will continue to monitor delivery of the recovery plan.
- The Committee received a Capital Programme update. The Trusts original capital programme was approved in April 2022 and totalled £14.151m which was inclusive of £7.661m of resource to be drawn down from the Hull City Council S75 agreement (£1.8m Granville court, and £5.861m YHCR). Since the capital programme was agreed the proposed treatment of the S75 agreement has altered following the annual accounts process, and whilst the cash remains the S75 funding can no longer be drawn down to support the capital programme as a revenue grant, the consequence of which is that CDEL cover is required to support this expenditure.

As a result, the original 2022/23 programme needed reprofiling by circa £1.8m to manage within CDEL levels although the reprioritised 22/23 plan is over-committed by £0.300m (4.5%) to ensure CDEL is maximised. Draft programmes

for 2023/24 and 2024/25 also exceed current CDEL levels and programmes will be revised and brought back to EMT. Confirmation of CDEL for £1.276m of South Yorkshire YHCR is still awaited.

At the end of August 2020 £1.696m had been spent, comprising, £0.782m of estates schemes, £0.149m of digital scheme and £0.765m on the Yorkshire and Humber care record. Within that

- The Humber Centre scheme phase 1 is almost complete (Gym and Shop) and phase two has been tendered with contracts awarded (Reception). Total expenditure is expected to be £1.325m for the year, which is £1.175m less than planned.
- The purchase of Granville court is being pursued; however, the refurbishment/alternative plans have not yet been finalised which means the work will not take place during this financial year.
- The corporate accommodation scheme was expanded to include the following: - Relocation of the Trust HQ post room (£0.030m), - DME training facilities at the East Riding Community Hospital (£0.105m) - Audio-visual equipment for use around all sites (£0.100m).

The committee noted the update and expressed some concern that the Trust was building up issues for future years but noted the restrictions of the CDEL limitations.

- The Committee received an update report on the YHCR programme showing that CDEL approval from Humber and North York's ICB has been provided and capital expenditure can proceed but that the CDEL approval from South Yorks has not formally been provided and that continued dialogue with the South Yorks ICB will be held and the expenditure will be held back until formal approval has been made. The committee were assured that there was close Governance on the running and finances of this programme.
- The Committee received and noted both the draft BAF and risk register. The Committee recommended that issues around agency costs and Primary care were added to negative assurance on the BAF and agreed with the overall assurance level of yellow.
- The Committee received a report on employment tax issues and issues arising from IR35 which requires engaging organisations to assess whether a role being undertaken by an agency worker working through an intermediary, is one of employment. The Trust has a provision of £2.6m on the balance sheet but this needs bringing to a head particularly from an audit perspective as the Trust may have a financial liability in respect of underpaid tax. The extent of the any liability is unknown and the external auditors have recommended determining whether a liability exists. A plan to mitigate risk has been developed and approved by the Executive management team and the output from this this will come to January FIC.

- The Committee received the Estates Strategy update which was a summary position of the development of the Trust's updated Estate Strategy and to outline the structure by which the updated strategy is recommended to take. The new approach would mean that the document is restructured into two parts; Estate Strategy that is directly aligned with the Trust Strategy and an Estate Plan that will include locality plans, property disposal, acquisition and consolidation plans, and document scheduled changes in operational requirements. The proposed document structure provides assurance that the Estate Strategy is aligned with the Trusts Strategy. The Estate Strategy will provide a framework from which estate development and capital investment proposals can be aligned with the Trust's strategic goals. The provision of a distinct Estates Plan can be used to establish the workstreams that will be monitored via the Estates Strategy and Capital Delivery Group and the Finance and Investment Committee. The Estate strategy was in draft form and will come in final form to the January committee with the Estates plan coming to the April meeting. The Committee were very supportive of the new approach but suggested that it should go further than the bricks and mortar estate linking in with the digital approach being taken and should be linked to the IT/Digital strategy and Green strategy and to the ICS Estates strategy.
- The Committee received the draft Budget Reduction Strategy (BRS) 2023-24 to 2025-2026. Savings of £1.282m have been proposed to date leaving a gap in savings developed of £0.840m compared to the target (1.5% saving). The Committee congratulated the team and keeping a culture of cost saving in place throughout Covid and for the work so far on the plans but highlighted the present economic issues, ICS issues versus plan and the potential need for more cost savings in future years. As a result, the committee felt that this was an area that needed further discussion at the December Board development session to start scenario planning and what we might need to look at in terms of services offered and savings to be made.
- The Committee received the Digital Update and - HNY HCP Convergence Charter which has been created to provide a clear approach for ICS partners to join information together using shared care record, EPR and back-office services. The charter has been developed independently by channel 3 consulting and the ICS digital executive and ICS EPR steering group, ICS partners and our digital team have all been fully engaged with the process and support the decisions made in the charter which is that the four Acutes will procure a new single EPR and Humber Teaching NHS Foundation Trust will procure a single EPR for community and mental health.

Title & Date of Meeting:	Trust Board Public Meeting – 26 October 2022										
Title of Report:	Collaborative Committee Assurance Report										
Author/s:	Stuart McKinnon-Evans Non-Exec Director - Audit Chair (Chair)										
Recommendation:	<table border="1" data-bbox="539 584 1528 663"> <tr> <td data-bbox="539 584 938 622">To approve</td> <td data-bbox="938 584 1034 622"></td> <td data-bbox="1034 584 1410 622">To receive & discuss</td> <td data-bbox="1410 584 1528 622"></td> </tr> <tr> <td data-bbox="539 622 938 663">For information/To note</td> <td data-bbox="938 622 1034 663">x</td> <td data-bbox="1034 622 1410 663">To ratify</td> <td data-bbox="1410 622 1528 663"></td> </tr> </table>			To approve		To receive & discuss		For information/To note	x	To ratify	
To approve		To receive & discuss									
For information/To note	x	To ratify									
Purpose of Paper: <i>Please make any decisions required of Board clear in this section:</i>	<p>The Collaborative Committee is one of the sub committees of the Trust Board</p> <p>This paper provides an executive summary of discussions held at the meeting on Friday 14 October 2022 and a summary of key points for the Humber Teaching NHS Foundation Trust Board to note.</p>										
Key Issues within the report:											
<p>Matters of Concern or Key Risks to Escalate:</p> <ul style="list-style-type: none"> • Due to staffing pressures the Mill Lodge CAMHS day care model has been paused • Staffing pressures at both Mill Lodge and Inspire CAMHS units which has resulted in increased out of area placements and increased financial spend on CAMHS • Low level of referrals and admissions into Schoen Clinic 	<p>Key Actions Commissioned/Work Underway:</p> <ul style="list-style-type: none"> • Clear and robust support and oversight for CPaQT in place for management of patient safety incidents at Stockton Hall Hospital • Work is underway across all 3-work stream to implement our agreed strategic plans and priorities • CPaQT is working with Schoen Clinic York to establish appropriate assurance for the provision of day care • New reporting schedules have been developed for CPaQT monitoring, Provider Collaborative Oversight Group and Collaborative Committee reporting and assurance • Collaborative Committee asked for a report at the next meeting on the actions to address the CAMHS overspend and address that both units in HNY are not operating at contracted capacity • Continue to triangulate oversight and assurance mechanisms (metrics; case management; lines of sight; soft intelligence; creating open cultures) 										

<p>Positive Assurances to Provide:</p> <ul style="list-style-type: none"> • No HNY service users are in the Edenfield service, following the BBC Panorama programme exposing alleged abuse of patients by staff there – all providers have been asked to review and provide their plans to prevent such harm in line with NHSE directive • Considerable assurance received from NHS England at the recent Specialised Provider Collaborative Quarter 1 contract monitoring meeting • Significant reduction in CAMHS Delayed Transfers of Care and waiting list following intensive work with all health and social care partners • Quality assurance visit to Inspire on Monday 10 October 2022 was extremely positive • Schoen Clinic Lessons Learned report shared and each 'lesson learnt' has active actions underway. Acknowledged the significant assurance and work undertaken by the CPaQT • Generally, good evidence that the CPaQT are responding with agility to the dynamic interplay between in-patient and community provision, including assessing the potential impact of introducing more day care into the mix 	<p>Decisions Made:</p> <ul style="list-style-type: none"> • Risk and Gain Share ToR were ratified • Day Care Provision at Inspire was ratified • IFR Policy for Out of Natural Clinical Flow was ratified • Work plan reviewed and will be amended to reflect discussion at the meeting
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<p>Governance: Please indicate which committee or group this paper has previously been presented to:</p>		Date		Date
	Audit Committee		Remuneration & Nominations Committee	
	Quality Committee		Workforce & Organisational Development Committee	
	Finance & Investment Committee		Executive Management Team	
	Mental Health Legislation Committee		Operational Delivery Group	
	Charitable Funds Committee		Collaborative Committee	14.10.22
			Other (please detail)	

Monitoring and assurance framework summary:

Links to Strategic Goals (please indicate which strategic goal/s this paper relates to)				
√ Tick those that apply				
	Innovating Quality and Patient Safety			
	Enhancing prevention, wellbeing and recovery			
√	Fostering integration, partnership and alliances			
	Developing an effective and empowered workforce			
	Maximising an efficient and sustainable organisation			
	Promoting people, communities and social values			
Have all implications below been considered prior to presenting this paper to Trust Board?	Yes	If any action required is this detailed in the	N/A	Comment

		report?		
Patient Safety	√			
Quality Impact	√			
Risk	√			To be advised of any future implications as and when required by the author
Legal	√			
Compliance	√			
Communication	√			
Financial	√			
Human Resources	√			
IM&T	√			
Users and Carers	√			
Equality and Diversity	√			
Report Exempt from Public Disclosure?			No	

Committee Assurance Report – Key Issues

The aim of this report is to provide assurance to the Board about the Collaborative Committee which has been established by Humber Teaching NHS FT (HTFT) as the Lead Provider within the Humber and North Yorkshire (HNY) Specialised Mental Health, Learning Disability and Autism Provider Collaborative.

To demonstrate robust governance in its role as Lead Provider and avoid conflicts of interest with its provision arm, HTFT as Lead Provider has delegated some of its responsibilities to the Collaboration Planning and Quality Team (CP&QT) which is accountable to the Collaborative Committee.

The purpose of the Team's role will be to undertake much of the work previously carried out by NHS England Specialised Commissioning in terms of planning, contractual management and quality assurance of the provision, Specialised Mental Health, Learning Disability and Autism services in the HCV region, and for patient placements outside of natural clinical flow for people who are receiving specialist care for:

- Child and Adolescent Mental Health In-Patient services
- Adult Low and Medium Secure services
- Adult Eating Disorder In-Patient services.

The meeting on 14 October 2022 was quorate

Quarterly Insight Report

Report shared with the Collaborative Committee to give a high-level oversight of regional and national work on Specialised Provider Collaborative. From next meeting onward the Insight Report will include high level summary from each of the 3 work stream areas.

Quality Assurance and Improvement

- Collaborative Planning and Quality Team (CPaQT) will undertake an annual quality review with Stockton Hall Hospital and enhanced oversight of incident management
- All providers have been asked to submit plans in place for assurance following the Edenfield/BBC Panorama expose
- CPaQT is supporting Schoen Clinic York with communications to wider Provider Collaborative regarding them being reopen to referrals and potential admissions
- CPaQT is working with Schoen Clinic York to establish appropriate assurance for the provision of day care
- New reporting schedules have been developed for CPaQT, PCOG and Collaborative Committee

Schoen Clinic Lesson Learned

Report shared at the Collaborative Committee – high level summary:

- The case management function needs to be sufficient and integrated into the quality oversight arrangements
- Meaningful and embedded involvement strengthens the quality agenda considerably, provided this will well-resourced, well-led and explicitly featured in reporting structures and

processes

- There needs to be clearly agreed 'lines of sight' from the front line all the way through to Board via POCG and CC – qualitative and quantitative data needs to be triangulated from a range of sources with a focus on assurance, not relying on reassurance
- Each 'lesson learnt' has active actions underway
- Support between providers has been evident throughout
- Providers have been active in reviewing practice/policy in Schoen Clinic throughout

Risk Register

- Agreed to add CAMHS financial risk to the CAMHS and Overall Risk Register
- Agreed to add descriptor of movement in the risks
- Agreed to have a cover sheet for the risk register

Work Stream Updates

1 CAMHS

- Total Patients receiving care Inside Natural Clinical Flow - 13
- Total Patients receiving care Outside Natural Clinical Flow - 14
- Delayed Transfers of Care and Waiting List both have reduced since last month
- Inspire PICU ward is temporarily closed to admission due to staffing pressures and this will be escalated to NHS England for regional oversight
- CAMHS in-patient service review is underway

2 Adult Eating Disorder

The committee reviewed the AED work stream strategic plan and priorities as part of the AED assurance report.

- Total Patients receiving care Inside Natural Clinical Flow: 10
- Total Patients receiving care Outside Natural Clinical Flow: 1
- Continued variance in specialised community ED service impacts on how people are managed and admissions from those areas. Work was to be undertaken as part of CMHT transformation funding – however challenges with the funding has resulted in services being paused.
- Tees, Esk and Wear Valleys (TEWV) NHS Trust who are contracted to provide specialised community eating disorder provision across Vale of York and North Yorkshire place have struggled to recruit to specialised community ED provision – consequently have reached out to the Specialised Provider Collaborative to seek assistance. In the interim the outpatient support will be commissioned by TEWV from Schoen Clinic York, with specialised commissioning support from the Specialised Provider Collaborative.

3 Adult Secure

- 69 low secure patients of which 44 are within natural clinical flow
- 83 medium secure patients of which 74 are within natural clinical flow
- Single Point of Access has been identified as leading the way nationally with monitoring and assurance of referrals into secure services. High compliance for accuracy of data compared to other Specialised Provider Collaboratives across the region
- Alignment of Learning Disability forensic outreach and liaison and mental health forensic outreach liaison is progressing well across Humberside and work is to commence in

November across North Yorkshire and York.

Finance

- Budget updated to reflect financial inflation uplift as agreed with NHS England
- CAMHS is demonstrating an end of year pressure which is being closely monitored and will be added to the overall risk register.
- Collaborative Committee asked for a report at the next meeting on the actions to address the CAMHS overspend and address that both units in HNY are not operating at contracted capacity.

Contract and Performance Assurance Report

- Shared with the Collaborative Committee as an update to progress of agreeing both Sub-Contract and Lead Provider to Lead Provide contracts
- Assurance given that even if individual contracts remain unsigned, NHS-standard contractual provisions would apply in the event of a dispute.

Planning Update

- To date no planning guidance received from NHS England
- Understood to be national pressures – however await further information from NHS England

Agenda Item 10

Title & Date of Meeting:	Trust Board Public Meeting – 12 th October 2022										
Title of Report:	Workforce and OD Committee Assurance Report										
Author/s:	Name: Dean Royles Title: Non-Executive Director and Chair of Workforce and OD Committee										
Recommendation:	<table border="1" data-bbox="539 577 1516 656"> <tr> <td data-bbox="539 577 938 613">To approve</td> <td data-bbox="938 577 1034 613"></td> <td data-bbox="1034 577 1409 613">To receive & discuss</td> <td data-bbox="1409 577 1516 613"></td> </tr> <tr> <td data-bbox="539 613 938 656">For information/To note</td> <td data-bbox="938 613 1034 656">√</td> <td data-bbox="1034 613 1409 656">To ratify</td> <td data-bbox="1409 613 1516 656"></td> </tr> </table>			To approve		To receive & discuss		For information/To note	√	To ratify	
To approve		To receive & discuss									
For information/To note	√	To ratify									
Purpose of Paper:	<p>The Workforce and Organisational Development Committee is one of the sub committees of the Trust Board</p> <p>This paper provides an executive summary of discussions held at the meeting held on 12th October 2022 and a summary of key points for the Board to note.</p>										
Key Issues within the report:											
<p>Matters of Concern or Key Risks to Escalate:</p> <ul style="list-style-type: none"> August 2022 Workforce Insight Report <p>The number of vacancies is higher than it has been for the past two years. This is as a result of increasing our establishment faster than we have been able to recruit staff. Although our vacancies are at the highest level, we have 200 more staff in post in comparison to two years ago. From a recruitment point of view, we recruited 95 nurses into the organisation in a five-month period. Benchmark figures for turnover indicate that there is an increase across all regions.</p> <p>We are working through the operationalisation of apprenticeships but are still committed to making this work and we will have a further review and discussion on this in January.</p> <p>We will have a trajectory update on the STAT man training for the non-compliant areas, HG and SMC will pull this together.</p>	<p>Key Actions Commissioned/Work Underway:</p> <ul style="list-style-type: none"> Risk Register's and BAF <p>We have received the risk register and BAF, we have discussed rising vacancy rates, rising turnover and rising absence. We have asked EMT to review the risks to see whether they are appropriately rated and to consider any other mitigations.</p> <p>We have asked EMT to review the rating on the BAF to see whether this should be amber.</p> <ul style="list-style-type: none"> WRES and WDES Action Plans <p>Both the WRES and WDES reports have been received and these will go to board. We have noted the benchmarking around those in terms of comparing to the NHS average in those areas and the need to focus on a few key priorities. Progress has been noted in these areas in comparison to when these reports were first undertaken years ago.</p>										

Positive Assurances to Provide:

- **Staff Health and Wellbeing Engagement Group**

Update received from SMC who chaired the staff health and wellbeing group. The group has been operating for 18 months and this was part of a refresh in terms of membership and terms of reference to ensure we are receiving more feedback.

The estates refurbishment continues to be well received. There is still active engagement with this to ensure staff take advantage of what is on offer in terms of improving the environment for staff.

- **Equality, Diversity and Inclusion Group**

Update from KP. The networks continue to be variant following a refresh. The networks are being used to consultant on EDI issues but also policy and procedures which has been well received.

There is some ringfenced leadership available to members of the group. Well received inclusion week.

A chair is still be sought for the Humber ability group but in the meantime, this is operating very effectively as a peer network which welcomes support from HG as exec sponsor.

- **Medical Education Committee**

KF gave an update. This continues to be a very active group led by Soroya. We welcome the emphasis that continues to be played on and we noted the number 1 ranking in the region of the medical education training and welcomed this achievement.

- **Guardian of Safe Working Hours Quarterly Report**

We received the paper for the guardian of safe working report, we receive the assurance and the work which is ongoing to continue work in this area and we express our thanks to Dr Qadri.

- **Workforce Wellbeing Team**

Decisions Made:

- **Review of Strategy Metrics for Developing an Effective and Empowered Workforce**

We received the update on the metrics for the strategy. We agreed the approach to sign of high-level board metrics on the people part and that there will be a further discussion on more detailed metrics as we develop the people plan and how we measure and report on this.

- **Presentation on Work Experience and Apprenticeships**

We received an update on the work experience and apprenticeships.

LP and HG both support this. SMC is going to have a discussion at MT to review the apprenticeship pay rate for first year.

Great presentation, very well received. The team are doing an effective job to portray the wellbeing message to staff. Feedback is very positive and encouraging from the group.

- **Updated Behavioural Standards**

We received an update on the being Humber campaign and the Trust values have been well received, we are looking forward to those being embedded within the organisation as we launch in October and beyond.

<p>Governance: Please indicate which committee or group this paper has previously been presented to:</p>		Date		Date
	Audit Committee		Remuneration & Nominations Committee	
	Quality Committee		Workforce & Organisational Development Committee	13.07.22
	Finance & Investment Committee		Executive Management Team	
	Mental Health Legislation Committee		Operational Delivery Group	
	Charitable Funds Committee		Collaborative Committee	
			Other (please detail)	

Monitoring and assurance framework summary:

Links to Strategic Goals (please indicate which strategic goal/s this paper relates to)				
√ Tick those that apply				
	Innovating Quality and Patient Safety			
	Enhancing prevention, wellbeing and recovery			
	Fostering integration, partnership and alliances			
	Developing an effective and empowered workforce			
	Maximising an efficient and sustainable organisation			
	Promoting people, communities and social values			
Have all implications below been considered prior to presenting this paper to Trust Board?	Yes	If any action required is this detailed in the report?	N/A	Comment
Patient Safety	√			To be advised of any future implications as and when required by the author
Quality Impact	√			
Risk	√			
Legal	√			
Compliance	√			
Communication	√			
Financial	√			
Human Resources	√			

IM&T	√			
Users and Carers	√			
Equality and Diversity	√			
Report Exempt from Public Disclosure?			No	

Agenda Item 10

Title & Date of Meeting:	Trust Board Public Meeting – 26 October 2022										
Title of Report:	Quality Committee Assurance Report – August 2022										
Author/s:	Dr Phillip Earnshaw, Non-Executive Director, and Chair of Quality Committee										
Recommendation:	<table border="1" data-bbox="512 689 1500 768"> <tr> <td data-bbox="512 689 911 730">To approve</td> <td data-bbox="911 689 1002 730"></td> <td data-bbox="1002 689 1385 730">To receive & discuss</td> <td data-bbox="1385 689 1500 730"></td> </tr> <tr> <td data-bbox="512 730 911 768">For information/To note</td> <td data-bbox="911 730 1002 768">X</td> <td data-bbox="1002 730 1385 768">To ratify</td> <td data-bbox="1385 730 1500 768"></td> </tr> </table>			To approve		To receive & discuss		For information/To note	X	To ratify	
To approve		To receive & discuss									
For information/To note	X	To ratify									
Purpose of Paper: <i>Please make any decisions required of Board clear in this section:</i>	<p>The Quality Committee is one of the sub committees of the Trust Board</p> <p>This paper provides a summary of discussions held at the Annual Report meeting on 29th September 2022 with a summary of key issues for the Board to note. The approved minutes of the meeting held on 3 August 2022 are presented for information.</p>										
Key Issues within the report:											
Matters of Concern or Key Risks to Escalate: <ul style="list-style-type: none"> The NICE guidance report noted the Risk Register entry around gaps in compliance in NICE guidance with the concern around low levels of baseline assessments completed. 	Key Actions Commissioned/Work Underway: <ul style="list-style-type: none"> The risk register entry for NICE guidance was circulated as requested from the Annual NICE guidance report discussion for members information and updates will be reported back LP and KF will look at the variances in NICE guidance work and report back 										
Positive Assurances to Provide: <ul style="list-style-type: none"> Assurance was received in all of the annual reports discussed 	Decisions Made: The Quality Committee approved the following: - <ul style="list-style-type: none"> The Annual Infection Prevention Control Report (for presentation to Board) as part of the required reporting The Annual Clinical Audit Report The Annual Patient Safety Report The Annual NICE Guidance Report 										

<p>Governance: Please indicate which committee or group this paper has previously been presented to:</p>		Date		Date
	Audit Committee		Remuneration & Nominations Committee	
	Quality Committee		Workforce & Organisational Development Committee	
	Finance & Investment Committee		Executive Management Team	
	Mental Health Legislation Committee		Operational Delivery Group	
	Charitable Funds Committee		Collaborative Committee	
			Other (please detail) Report produced for the Trust Board	

Monitoring and assurance framework summary:

Links to Strategic Goals (please indicate which strategic goal/s this paper relates to)				
√ Tick those that apply				
<input type="checkbox"/>	Innovating Quality and Patient Safety			
<input type="checkbox"/>	Enhancing prevention, wellbeing and recovery			
<input type="checkbox"/>	Fostering integration, partnership and alliances			
<input type="checkbox"/>	Developing an effective and empowered workforce			
<input type="checkbox"/>	Maximising an efficient and sustainable organisation			
<input type="checkbox"/>	Promoting people, communities and social values			
Have all implications below been considered prior to presenting this paper to Trust Board?	Yes	If any action required is this detailed in the report?	N/A	Comment
Patient Safety	√			To be advised of any future implications as and when required by the author
Quality Impact	√			
Risk	√			
Legal	√			
Compliance	√			
Communication	√			
Financial	√			
Human Resources	√			
IM&T	√			
Users and Carers	√			
Equality and Diversity	√			
Report Exempt from Public Disclosure?			No	

Executive Summary - Assurance Report:

Key Issues

The key areas of note arising from the Annual Report Quality Committee meeting held 29th

September are as follows:

PE chaired his first meeting and thanked MS for his work as interim chair.

There were no declarations of interest at the meeting.

The minutes of the meeting held on 3rd August 2022 were agreed as a true record and the action log approved with updates for all actions. The Quality Committee Assurance report was noted, and the updated work plan noted and agreed with a minor amendment.

Annual Clinical Audit Report 2021/22

The report was noted as read with key highlights presented showing the achievements of clinical audit over the past year. It was agreed it was an interesting report showing the improvement journey of clinical audit over the past few years noting the enthusiasm of the team supporting clinical networks in regard to clinical audit, with the breadth and depth of audit embedding into the way clinical teams are working found to be impressive. The team and author were thanked for the report.

The report was approved by the Quality Committee

Annual Infection Prevention Control Report 2021/22

It was noted the report was presented in line with reporting requirements for infection Prevention Control (IPC) and the new Board Assurance Framework along with the ongoing requirements from the Health and Social Care Act and outlined the progress on the key performance indicators (KPIs) and the existing IPC strategy, cataloguing the breadth of work the relatively small IPC team have been involved with over the past year and acknowledging the incredible contribution the team has made to complete this work despite the ongoing challenges of the pandemic. Thanks were passed on to the team to let them know the appreciation of all the work they have completed for the Trust, and recognition of their central role in the midst of a global pandemic.

The report was approved by the Quality Committee for submission to Trust Board.

Annual NICE Guidance Report 2021/22

The report was presented with TF explaining the importance of reflection on the current journey of NICE Guidance, with the potential disruption of Covid-19 confirming traction was retained and reporting improved to give network oversight of their position of NICE guidance. The next steps were outlined to address those gaps in guidance along with the initiatives in place to move networks towards fully implementing guidance. It was noted NICE guidance has been placed on the risk register to ensure oversight and maintain a level of scrutiny of the improvement work around the risks of having gaps in NICE guidance, noting the concern was around the low levels of baseline assessments. A discussion was held regarding the risk register entry and the path of escalation up to Quality Committee where required.

The report was approved by the Quality Committee.

Annual Patient Safety Report 2021/22

The report was noted as read with the key areas highlighted to the committee including the safety huddles, the progress on all the six patient safety priorities, the top five patient safety incidents and the improved reporting of near misses. NHS England have now published the new Patient Safety Incident Review Framework (PSIRF) which will fundamentally change how Patient Safety incidents are responded to in the NHS and Trusts have 12 -18 months to implement. A discussion was held, and it was agreed that some minor amendments should be

made, to make culture more explicit than implicit within the report.

The report was approved by the Quality Committee with the minor amendments suggested at the meeting.

Annual Psychology Report 2022

The report shows the increase in psychology staff within the Trust along with the new roles embraced by the Trust over the last year of Clinical Associate Psychologist (CAP) and MDT Approved Clinician (AC), with four in each role currently training within the Trust. It was noted there has also been an increase in places on the doctorate course for clinical psychologists with 26 commissioned places this year, starting in October. A few suggestions were given on the layout of the report for next year including reviewing elements in other annual reports from professional groups acknowledging the difficulty in capturing the work completed. It was great to receive the report. Next year we will look for it to follow more of a standard annual report format and for there to be more emphasis on impact and looking outside of the team.

Fascinating to see how embedded they are in multiple facets of the trust's work. We would like to understand how this input makes a difference. It was agreed there was some fantastic work highlighting the breadth of work the team is involved in.

Thanks, and appreciate were passed to the team for their great work and the initial report was received and noted by the committee.

Any other business

FP noted this would be his last Quality Committee as his responsibility had been moved to another committee and the chair thanked him for his commitment in attending the past meetings, and DM was thanked for his contribution as interim Medical Director now he is returning to his previous role.

It was noted the date of the next committee meeting was to be rearranged due to previous commitments for the chair and a new date would be sent out to members once organised.

The approved minutes of the last meeting as attached as appendix A

- for primary care functions it seems to work best if someone distils the key point of guidance as bureaucratic process doesn't work well in small practices.

Agenda Item 10

Title & Date of Meeting:	Trust Public Board Meeting – 30 November 2022										
Title of Report:	Mental Health Legislation Committee Assurance Report following meeting of 10 th November 2022										
Author/s:	Name: Michael Smith Title: Non-Executive Director and Chair of Mental Health Legislation Committee										
Recommendation:	<table border="1" data-bbox="539 689 1524 770"> <tr> <td data-bbox="539 689 938 730">To approve</td> <td data-bbox="938 689 1031 730"></td> <td data-bbox="1031 689 1410 730">To receive & discuss</td> <td data-bbox="1410 689 1524 730">√</td> </tr> <tr> <td data-bbox="539 730 938 770">For information/To note</td> <td data-bbox="938 730 1031 770">√</td> <td data-bbox="1031 730 1410 770">To ratify</td> <td data-bbox="1410 730 1524 770"></td> </tr> </table>			To approve		To receive & discuss	√	For information/To note	√	To ratify	
To approve		To receive & discuss	√								
For information/To note	√	To ratify									
Purpose of Paper:	<p>The Mental Health Legislation Committee (MHLC) is one of the sub-Committees of the Trust Board</p> <p>This paper provides assurance to the Board with regard to the agenda issues covered in the committee held on 10 November 2022.</p>										
Key Issues within the report:											
<p>Matters of Concern or Key Risks to Escalate:</p> <ul data-bbox="97 1137 742 1245" style="list-style-type: none"> • No written update regarding progress with re-audit of consent to treatment • Staff shortages within Probation Service 	<p>Key Actions Commissioned/Work Underway:</p> <ul data-bbox="813 1137 1476 1397" style="list-style-type: none"> • To report back on consent to treatment re-audit • Continue to receive assurance re Edenfield scandal • To be kept updated on MAPPA level 4 (terrorism) consultation • Issue with s136 data is being addressed 										
<p>Positive Assurance to Provide:</p> <ul data-bbox="97 1514 782 2098" style="list-style-type: none"> • MAPPA update reported on positive impact of re-unification of Probation Service (though see above re staff shortages) • Committee provided with submission to Mental Health Bill consultation, resulting from Trustwide process using focus groups • Committee assured regarding Board report, Reducing Restrictive Interventions (RRI) group, team meetings and safety huddles relating to potential issues as highlighted at Edenfield Centre by BBC Panorama programme • Performance report highlighted no major issues and utility of s4 commentary was commended • CQC had made 8 unannounced visits – only 	<p>Decisions Made:</p> <ul data-bbox="813 1514 1492 1585" style="list-style-type: none"> • Minor variations Terms of Reference agreed and approved for submission to Board. 										

minor actions needed, all of which are complete			
Governance: <i>Please indicate which committee or group this paper has previously been presented to:</i>	Audit Committee	Date	Remuneration & Nominations Committee
	Quality Committee		Workforce & Organisational Development Committee
	Finance & Investment Committee		Executive Management Team
	Mental Health Legislation Committee		Operational Delivery Group
	Charitable Funds Committee		Collaborative Committee
			Other (please detail) Report produced for the Trust Board

Monitoring and assurance framework summary:

Links to Strategic Goals <i>(please indicate which strategic goal/s this paper relates to)</i>				
√ Tick those that apply				
	Innovating Quality and Patient Safety			
	Enhancing prevention, wellbeing and recovery			
	Fostering integration, partnership and alliances			
	Developing an effective and empowered workforce			
	Maximising an efficient and sustainable organisation			
	Promoting people, communities and social values			
Have all implications below been considered prior to presenting this paper to Trust Board?	Yes	If any action required is this detailed in the report?	N/A	Comment
Patient Safety	√			To be advised of any future implications as and when required by the author
Quality Impact	√			
Risk	√			
Legal	√			
Compliance	√			
Communication	√			
Financial	√			
Human Resources	√			
IM&T	√			
Users and Carers	√			
Equality and Diversity	√			
Report Exempt from Public Disclosure?			No	

Committee Assurance Report – Key Issues

- Insight report: - The Committee was informed about:
 - Call for Evidence Draft Mental Health Bill – response from series of consultations from Trustwide focus groups submitted. Staff shortages in Community Mental Health Team (CMHT). Report highlighted issues re capacity of Community Mental Health teams (CMHT) to develop therapeutic relationships due to high caseloads and a rise in acuity. Assurance heard that Hull and East Riding areas have received £4m investment into primary mental health over past few years and work ongoing to optimise investment monies.
 - 'Toxic culture' of abuse at mental health hospital revealed by BBC secret filming – Edenfield. Report discussed in (Reducing Restrictive Interventions) RRI group, observed visits should include asking patients if they feel safe. Meetings with all divisional leadership teams to look at findings and focus on visibility and engagement at Matron and above levels and how they use patient safety data, RRI group data by

RRI group and quality of safety huddles; Trust in reasonably good position.

- Performance Report: -
 - Admission rates –within usual parameters; detentions at under 50% with a high in July and is a system variation.
 - S5(4) and S5(2) within usual parameters and appropriate to section conversion.
 - Utility of s4 commentary was commended.
 - Applied CTOs (Community Treatment Order) average at 30 over the quarter.
 - Tribunal/hearing requests heard – percentage remains consistent.
 - Out of Area – slight increase for September.
 - AWOL commentary explains most attributed to failing to return from unescorted leave.
 - S136 – lower numbers in September - issue uploading S136 form to Lorenzo in a timely manner. Issue is being addressed with Mental Health Crisis Intervention Team (MHCIT) to understand the issue with completing the form.

- RRI report Q1: –
 - RRI group considering findings of Edenfield specifically use of restrictive practices. Report highlighted team meetings and safety huddles relating to potential issues as highlighted at Edenfield Centre by BBC Panorama programme.
 - Making gradual progress with compliance for PATS (Personal and Team Safety) and DMI (De-escalation Management Intervention) training; reviewed staff training needs analysis for PATS.
 - Reduction in seclusion in Q2 within usual variations, but above variation rise in restraint; focus on understanding reasons.
 - Use of Force – accessible real time data included on dashboard end November to enable triangulation at ward and overall levels; needs work to interpret.
 - Reviewed work plan; keen to step up co-production work to reduce restrictive interventions
 - Chair requested commentary to explain length of long-term segregation and CAFO (Care Away From Others) patients in light of Edenfield report.

- MAPPA update reported on positive impact of re-unification of Probation Service, though there are significant staffing challenges. Good continuity with single points of access (SPA) across Divisions, including Learning Disabilities. Next report will include a section on terrorism for clients considered to be at risk of radicalisation and terrorism.

- Subject to slight amendment in relation to a further Non-Executive Director being identified to become a member of the committee Terms of Reference agreed and approved for submission to Board.

- MHLSG subgroups and CQC MHA visits: -
 - Committee noted there were no overdue actions for the eight CQC MHA visits over the last year, environmental outstanding action and issue with provider both resolved.
 - Completion of capacity to consent to treatment form (Z48) position had improved however Committee requested written update regarding progress with re-audit of consent to treatment.

Title & Date of Meeting:	Trust Board Public Meeting – 30 November 2022											
Title of Report:	Assurance Report from Audit Committee											
Author/s:	Stuart McKinnon-Evans. Chair of Audit & Non-Executive Director											
Recommendation:	<table border="1" data-bbox="539 607 930 685"> <tr> <td data-bbox="539 607 930 645">To approve</td> <td data-bbox="930 607 1031 645"></td> <td data-bbox="1031 607 1410 645">To receive & discuss</td> <td data-bbox="1410 607 1527 645"></td> </tr> <tr> <td data-bbox="539 645 930 685">For information/To note</td> <td data-bbox="930 645 1031 685">X</td> <td data-bbox="1031 645 1410 685">To ratify</td> <td data-bbox="1410 645 1527 685"></td> </tr> </table>	To approve		To receive & discuss		For information/To note	X	To ratify				
To approve		To receive & discuss										
For information/To note	X	To ratify										
Purpose of Paper:	To inform the Trust Board of the outcome of the Audit Committee of 8 November 2022											
Key Issues within the report:												
<p>Matters of Concern or Key Risks to Escalate:</p> <ul style="list-style-type: none"> Regarding single waiver tenders, notwithstanding strong compliance with our procedures, it can be concluded that the lack of a strong local supply chain creates a risk of dependence on one provider, with risks of sustainability, and potential limited options to secure value The national Provider Selection Regime, when introduced in 2023/4, will signal a departure from the long-established competitive tendering regime, and will require the adoption of revised decision-making on when and how to contract while securing quality, value, access/equality, social value, integration and sustainability of supply. Our main information governance and fraud vulnerability remains human error, evidenced in high numbers of staff being caught by mock phishing exercises in November 2021 and again in November 2022. 	<p>Key Actions Commissioned/Work Underway:</p> <ul style="list-style-type: none"> Requested data on contracts that have been competed, compared to those given single tender waiver, to gain a perspective on scale of waiving Any gaps in controls identified on Risk Registers should be accompanied by the specific actions to close them Requested the Executive to keep considering the overall Trust-wide risk assessment, in view of anticipated fiscal pressures Forensic Division were asked to review the composition of their risk assessment, to consider whether eg workforce, clinical, quality risks are assessed commensurate to the mainly security risks evident on the reported register. Cyber Essential should be cited specifically in the Information Governance plan Circulate the Governors and others appropriate the advisory/for information publications named in the external auditor’s reports 											
<p>Positive Assurance to Provide:</p> <ul style="list-style-type: none"> Self-assessment concludes that the work of the Committee passes muster against the standards defined by the HFMA Noted the continued compliance with Single Tender Waiver arrangement, leading to 6 new waivers since August, and a list of upcoming waivers expected 4 Internal Audits have been completed, all with Significant or High Assurance, and an advisory 	<p>Decisions Made:</p> <ul style="list-style-type: none"> Key performance Indicators were agreed (with some development) to be used in tracking progress against the strategic goal of Fostering Integration, Partnerships and Alliances. They are a combination of factual information, supported by a periodic qualitative survey of internal and external stakeholders, to assess the efficacy and impact of our involvement in formal and informal networks and governance, all to be aligned with 											

<p>report on cyber security. The Plan remains on track</p> <ul style="list-style-type: none"> • A busy programme continues to raise awareness of Fraud • External audit work on the Local Government Scheme is on track to complete, which will allow the 2021/2 accounts to be finalised (expectation is by end of November) • The liability against IR35 is being reviewed and quantified • Work is underway, to complete by March 2023, to achieve compliance with the target substantial compliance with national Emergency Preparedness, Resilience and Response standards (current rating being 84%, or partially compliant) • The Information Governance arrangements stand up well against national standards and independent scrutiny, and the work plan for 2021/22 was implemented in full. • A brief review concluded that we were “Being Humber” in the meeting, although there was no explicit reference to diversity in our deliberations. • In general, the Committee conclude from the suite of reports to the meeting, that the systems of internal controls and governance remain in good shape half-way through the operating year. 	<p>the Quality Account.</p> <ul style="list-style-type: none"> • Endorsed the Board Assurance Rating of Green for Fostering Integration Partnerships and Alliances, currently Green • The Committee concluded it is compliant with the HFMA standards for audit committees •
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<p>Governance: Please indicate which committee or group this paper has previously been presented to:</p>		Date		Date
	Audit Committee		Remuneration & Nominations Committee	
	Quality Committee		Workforce & Organisational Development Committee	
	Finance & Investment Committee		Executive Management Team	
	Mental Health Legislation Committee		Operational Delivery Group	
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			Other (please detail) Report produced for the Trust Board	

Monitoring and assurance framework summary:

Links to Strategic Goals (please indicate which strategic goal/s this paper relates to)				
√ Tick those that apply				
X	Innovating Quality and Patient Safety			
X	Enhancing prevention, wellbeing and recovery			
X	Fostering integration, partnership and alliances			
X	Developing an effective and empowered workforce			
X	Maximising an efficient and sustainable organisation			
X	Promoting people, communities and social values			
Have all implications below been considered prior to presenting this paper to Trust Board?	Yes	If any action required is this detailed in the report?	N/A	Comment
Patient Safety	√			
Quality Impact	√			
Risk	√			
Legal	√			
Compliance	√			

Communication	√			
Financial	√			
Human Resources	√			
IM&T	√			
Users and Carers	√			
Equality and Diversity	√			
Report Exempt from Public Disclosure?			No	

Committee Assurance Report – Key Issues

The Committee considered the following matters:

Strategy implementation: Key performance indicators to track progress against the strategic goal of Fostering Integration, Partnerships and Alliances. We agreed a set of metrics to be used in ongoing reporting, recognising the reliance on judgement and perception to measure intangibles such as influence and alignment of purpose, for example. We concluded that progress can be tracked by a combination of a) factual data (maps of governance bodies/networks; financial data to measure collaborations; data on out of area placements and delayed transfers) b) a periodic qualitative survey of internal and external stakeholders to assess the efficacy and impact of our involvement in formal and informal networks and governance c) the data should align with the Quality Account. The Partnerships and Strategy team will develop the reporting.

Self-Assessment: The Committee assessed itself against the criteria of the HFMA checklist, concluding it did pass muster against the standards. No major concerns were raised in relation to any of the items on the checklist, though the Committee asked for some additional evidence to be added to how committees/boards assess risks, and the advantage of having NEDS on different committees to allow cross-referencing and triangulation.

Single tender waivers and contract extensions: the Committee reviewed and endorsed the latest single tender waivers and took note of a list of contracts expiring by September 2023 which will likely to extended without competition. The Committee took assurance that decisions are compliant with our process, including robust challenge from CEX. Some concerns were discussed about whether the supply chain is not strong enough to afford sustainability and demonstrable value (through the lack of competition). We asked for data on contracts which are competed, as opposed to waived through, to give a sense of relative scale.

Introduction at national level of the **Provider Selection Regime** (potentially in 2023/4), which will signal a departure from the long-established competitive tendering regime. It will give the Trust more discretion to make direct awards, to identify most suitable providers without competitive processes, whilst still allowing a place for competitive procurement. The trust will need to adopt new processes to deliver the revised objectives of securing: quality and innovation; value; access, inequalities, disparities, choice; social value; integration, collaboration, service sustainability.

Board Assurance Framework at Q3: notwithstanding our discussion about KPIs and metrics, the Committee considered the BAF as it stands, noting no change in the assessment currently at Green. Following discussion, some of the reported data will be updated/superseded.

Trust-wide risk register: It was endorsed as reported, though the Committee noted the risks have been static for some time. The Executives agreed to have an eye to whether the expected fiscal tightening would change the composition. We also discussed how to report risks associated with potential “Edenfield” situation, noting that such a risk can feature as catastrophic impact but with low likelihood, to keep it visible in risk discussions at all levels of the organisation. NEDs expressed some frustration that some gaps in controls are not accompanied by specific actions to

close them.

A deep-dive into the Forensic Services Divisional risk register: The residual risks relate to: underoccupancy leading to low income; incomplete contract/service specification; staff availability for the new prison contract with TEWV; vehicle shortages; waiting lists; control of weapons, banned and illegal substances; security standard operating procedures need review, and inductions/refreshers have lapsed, both due to absence of security manager; physical characteristics of seclusion rooms (“weak points”); limited psychiatry cover. Forensic Division were asked to review the composition of their risk assessment, to consider whether eg workforce, clinical, quality risks are assessed commensurate to the mainly security risks evident on the reported register.

Progress of the Internal Audit Plan: Delivery of the plan remains on track, with just under 50% of planned days utilised at the time of the report. No new changes have been made to the schedule. Five reports have been finalised. Four provide High/Substantial assurance, which continues good track record of assurance levels (on conflicts of interest; guardians of safe working; e-rostering; communication and marketing. An advisory report on cyber security echoed our known concerns about phishing vulnerabilities. The Trust continues to manage follow up actions well.

Counter Fraud activity: The Committee received a report on Counter Fraud experts and in-house team covering: alerts, fraud prevention notices, advice and guidance issued; referral benchmarking Information for Q2 (all Audit Yorkshire); investigations update; Working Whilst Sick information; update on compliance with the Government Functional Counter Fraud Standard – Requirement 3; and actual days used to deliver 2022/23 counter fraud plan. The most frequent types of fraud remain those related to secondary working. Both the internal audit and Counter Fraud managers commented that, regarding information governance (specifically phishing), they believe the Trust has done all it reasonably can to put controls, safeguards and training in place, but the human error remains the source of risk. On the upside the managed phishing exercise had identified over 500 staff who will participate in Fraud Masterclasses.

External audit: The audit of the Local Government Pension Scheme is still underway, complicated by the need for funds to demonstrate to their auditors more evidence for the valuation of unlisted securities. Only then can the 2021/2 accounts be finalised and signed off (no specific date, November 2022). We took note of advisory and for information publications for the attention of those charged with governance, to be circulated. Looking ahead to 2022/3, it is possible that local government reporting timescales will be shortened which will in turn improve the timescales for the Trust. The Committee welcomed that the high quality of Mazars work has been highlighted in an October 2022 Financial Reporting Council publication.

Emergency Preparedness Resilience and Response: We received a report on how the Trust will be able to comply with the now 55 core standards. Work is due to complete by March 2023 to increase compliance from the current 84% (partial compliance) to above 90% (substantial compliance). This report had already been presented to the October 2022 Trust Board, so the Audit Committee re-endorsed it.

Compliance with IR35: As also reported to the Finance and Investment Committee, work is underway to obtain a better understanding of the Trust’s potential IR35 liability. The Committee endorsed the planned approach, noting good progress to date by PS Tax, who have been commissioned to complete the work by December 2022.

A substantive annual report on **Information Governance (IG) for 2021/2**. We welcomed the High/Substantial, and independently assured, compliance with the NHS Data Security and Protection Toolkit. Policies and procedures have been reviewed and signed off. More than 95% (the target) of staff completed their mandatory training. 235 IG incidents were reported, a rise of

2% on the previous year. Frequently, they related to information being disclosed to the wrong recipient, or information recorded to the wrong patient. 20 incidents were reported to the Information Commissioner's Office, but none required further action. The IG team handled c 1250 internal queries, with data sharing being the mode. The Trust received 818 Access to Record requests, 24% up on the previous year: and 268 FOI, again a 25% rise. 6 formal complaints were lodged, of which 2 upheld. A programme of audits identified mainly positive findings; some isolated weaknesses in paper-based patient data control were identified in Whitby Hospital and West End. Top IG risks are people (ie human error); training and compliance; devices not in use. This is reflected in the results of a phishing test in November 2021 which led 389 members of staff to put security at risk. Lansweeper software has been implemented to automate the detection of vulnerabilities; other operational actions and improvements were taken at the instigation of national initiatives. All objectives of the 2021/22 work plan were achieved, augmented by other actions including guidance, support, information, data sharing agreements. Against this backdrop, it was disappointing to note that 530 users were enticed to enter their credentials at risk in a November 2022 phishing exercise. They are encouraged to take a Fraud Masterclass.

Finally, the Committee undertook a brief self-assessment against the newly promulgated standards for "**Being Humber**", concluding we had, although there was no explicit reference to diversity in our deliberations.

Agenda Item: 10

Title & Date of Meeting:	Council of Governors Meeting – 19 January 2023																		
Title of Report:	An Addendum to NHS England’s ‘Your Statutory duties: A reference guide for NHS foundation trust governors’.																		
Author/s:	Name: Stella Jackson Title: Head of Corporate Affairs																		
Recommendation:	<table border="1"> <tr> <td>To approve</td> <td></td> <td>To receive & discuss</td> <td></td> </tr> <tr> <td>For information/To note</td> <td>✓</td> <td>To ratify</td> <td></td> </tr> </table>	To approve		To receive & discuss		For information/To note	✓	To ratify											
To approve		To receive & discuss																	
For information/To note	✓	To ratify																	
Purpose of Paper:	The Council of Governors is asked to note the published addendum to NHS England’s ‘Your statutory duties: A reference guide for NHS foundation trust governors’ and in particular the requirement for governors to represent the public at large.																		
Key Issues within the report:																			
Matters of Concern or Key Risks to Escalate: <ul style="list-style-type: none"> n/a 	Key Actions Commissioned/Work Underway: <ul style="list-style-type: none"> n/a 																		
Positive Assurances to Provide: <ul style="list-style-type: none"> n/a 	Decisions Made: <ul style="list-style-type: none"> n/a 																		
Governance:	<table border="1"> <thead> <tr> <th></th> <th>Date</th> <th></th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>Appointments, Terms & Conditions Committee</td> <td></td> <td>Engaging with Members Group</td> <td></td> </tr> <tr> <td>Finance, Audit, Strategy and Quality Governor Group</td> <td></td> <td>Other (please detail)</td> <td></td> </tr> <tr> <td>Trust Board</td> <td>30.11.22</td> <td></td> <td></td> </tr> </tbody> </table>				Date		Date	Appointments, Terms & Conditions Committee		Engaging with Members Group		Finance, Audit, Strategy and Quality Governor Group		Other (please detail)		Trust Board	30.11.22		
	Date		Date																
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Links to Strategic Goals (please indicate which strategic goal/s this paper relates to)
 ✓ Tick those that apply

	Innovating Quality and Patient Safety			
	Enhancing prevention, wellbeing and recovery			
	Fostering integration, partnership and alliances			
	Developing an effective and empowered workforce			
	Maximising an efficient and sustainable organisation			
	Promoting people, communities and social values			
Have all implications below been considered prior to presenting this paper to Trust Board?	Yes	If any action required is this detailed in the report?	N/A	Comment
Patient Safety	√			
Quality Impact	√			
Risk	√			To be advised of any future implications as and when required by the author
Legal	√			
Compliance	√			
Communication	√			
Financial	√			
Human Resources	√			
IM&T	√			
Users and Carers	√			
Equality and Diversity	√			
Report Exempt from Public Disclosure?			No	

An Addendum to NHS England's 'Your Statutory duties: A reference guide for NHS foundation trust governors'

Introduction

The 'Your Statutory duties: A reference guide for NHS foundation trust governors' outlines ways in which governors might fulfil their statutory duties and an addendum to this has been published to reflect The Health and Care Act 2022 requirements. The addendum is attached at Appendix 1.

This paper provides information regarding the changes and the impact these will have on the way in which governors fulfil their statutory duties.

Governors are encouraged to read the addendum as it contains illustrative examples of how governors might fulfil their duties.

The Health and Care Act 2022

The Health and Care Act 2022 removed legal barriers to collaboration and integrated care and put Integrated Care Systems (ICS) on a statutory footing. Each ICS has an Integrated Care Partnership (ICP) – this brings together different organisations to improve the care, health and wellbeing of the population – and an Integrated Care Board – this brings local NHS organisations together to improve population health and care.

Foundation trusts will be required to contribute to the objectives of the ICS and to avoid making decisions that might benefit themselves but worsen the position for the system overall.

Statutory Duty: Representing the Views of Members and the Public

The statutory duties of councils of governors outlined in the 2006 Act have not changed and they continue to be legally responsible for representing the interests of the Trust members and the public.

However, to support collaboration between organisations and the delivery of better, joined-up care, councils of governors are required to form a rounded view of the interests of the 'public at large'. This includes the population of the local system of which the NHS foundation trust is part.

Statutory Duty: Holding the Non-Executive Directors to Account for the Performance of the Board

The council of governors has a duty to hold the non-executive directors individually and collectively to account for the performance of the board of directors.

Councils of governors will need to be assured the Board has considered the consequences of decisions on other partners within the ICS, and the impact on the public at large. They should seek assurance that the interests of the public at large have been considered and that the Trust is an active partner within the system. The addendum provides that governors may wish to attend Public Board meetings to listen to discussions regarding ICS arrangements as this will indicate whether the Board is acting in the wider public interest and provides an opportunity to hear the types of questions being asked by Non-Executive Directors.

They should also seek assurance that the Board's decision-making complies with the triple aim duty: better health and wellbeing for everyone; better quality of health services for all individuals; and sustainable use of NHS resources.

Statutory Duty: Approving 'Significant Transactions, Mergers, Acquisitions, Separations or Dissolutions'

Under the 2012 Act, councils of governors have a legal duty to approve: i) the foundation trust entering into a significant transaction (as specified in the constitution); ii) any application by the foundation trust to merge with or acquire another trust, to separate the trust or to dissolve the trust.

Councils of governors will need to be assured that the Board has been thorough and comprehensive in reaching its decision to undertake a transaction (that is, it has undertaken due diligence), and that it has appropriately considered the interests of members and the public at large as part of the decision-making process.

Other Considerations

The Board discussed changes to the system structure at the December Board Time-out meeting and agreed that consideration should be given to capturing the new duties within Board and Committee meeting templates. The Board also agreed the Integrated Care Board should be asked to provide training for Governors regarding the system arrangements.

Addendum to Your statutory duties –
reference guide for NHS foundation trust
governors

System working and collaboration: role of foundation trust councils of governors

27 October 2022

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Equality and health inequalities statement

Promoting equality and addressing health inequalities are at the heart of NHS England's values. Throughout the development of the policies and processes cited in this document, we have:

- Given due regard to the need to eliminate discrimination, harassment and victimisation, to advance equality of opportunity, and to foster good relations between people who share a relevant protected characteristic (as cited under the Equality Act 2010) and those who do not share it; and
- Given regard to the need to reduce inequalities between patients in access to, and outcomes from healthcare services and to ensure services are provided in an integrated way where this might reduce health inequalities.

About this document

This addendum supplements existing guidance for NHS foundation trust governors and explains how the legal duties of foundation trust councils of governors support system working and collaboration.

Key points

- This addendum is based on the existing statutory duties in the 2006 Act, and the principles regarding collaboration and system working in the June 2021 [Integrated care systems: design framework](#).
- To support collaboration between organisations and the delivery of better, joined-up care, councils of governors are required to form a rounded view of the interests of the 'public at large'.
- Updated considerations are set out in respect to the following legal duties of councils of governors: holding the non-executive directors to account, representing the interests of trust members and the public, and approving significant transactions, mergers, acquisitions, separations or dissolutions.
- This addendum only applies to a council of governors' statutory role within its own foundation trust's governance.

Action required

- NHS England expects councils of governors to act in line with the principles in this addendum.

Other guidance and resources

- [Integrated care systems: design framework](#)
- [Working together at scale: guidance on provider collaboratives](#)
- The wider suite of [Integrated care systems: guidance](#)

1. Introduction

This addendum to NHS England's [Your statutory duties: A reference guide for NHS foundation trust governors](#) (the guide for governors), originally published by Monitor, explains how the duties of NHS foundation trust councils of governors support system working and collaboration, and provides examples of good practice. It supplements (rather than replaces) the guide for governors, and the two documents should be used in conjunction.

The guide for governors lays out the statutory duties of NHS foundation trust councils of governors, as provided by the [National Health Service Act 2006](#) (the 2006 Act) and amended by the [Health and Social Care Act 2012](#). It is written for councils of governors (rather than trust boards). The legislation applies to councils of governors as a whole, not individual governors. Councils have no powers of delegation, so they can only take decisions in full council.

There is no change to the statutory duties for councils of governors, as outlined in the 2006 Act. For more details on any of the NHS foundation trust councils of governors' statutory duties and powers, please refer to the legislation or contact your trust secretary.

This addendum is based on the statutory duties in the 2006 Act and the principles regarding collaboration and system working in the June 2021 [Integrated care systems: design framework](#) and the Health and Care Act 2022. NHS England expects councils of governors to act in line with the principles in this addendum.

This addendum only applies to a council of governors' role **within its own foundation trust's governance**. It does not relate to the governance of the boards of integrated care boards (ICBs).

1.1 What has changed and why?

Background

A great deal has changed since the guide for governors was last updated in August 2013. With the publication of the NHS Long Term Plan (a 10-year plan outlining the

future of the NHS) in January 2019, the NHS set out its ambition to develop new ways of working based on the principles of co-design and collaboration.¹

These principles are not new to the NHS, as ‘working together for patients’ has been a core part of the NHS Constitution since 2012. However, the importance of different parts of the health and care system working together in the best interests of patients and the public has been starkly demonstrated during the COVID-19 pandemic. The immediate and long-term challenges facing the NHS, such as an ageing population, increased demand for services and health inequalities, can only be solved by organisations working together and putting patients, service users and populations at the heart of decision-making.

A key milestone in achieving this was the establishment of integrated care systems (ICSs) across England. ICSs bring local health and care organisations together to deliver the priorities for the health and care system, including complying with the triple aim of better health and wellbeing for everyone, better quality of health services for all individuals and sustainable use of NHS resources.² They do this over the defined geographical area, and depend on NHS organisations, local authorities and other partners that deliver health and care services working together to plan care that meets the needs of their population. This approach is often called ‘system working’.

The Health and Care Act 2022 has removed legal barriers to collaboration and integrated care and put ICSs on a statutory footing by establishing for each ICS:

- An integrated care partnership (ICP), a statutory joint committee of the ICB and the responsible local authorities in the ICS, bringing together organisations and representatives concerned with improving the care, health and wellbeing of the population. Each partnership has been established by the NHS and local government as equal partners and has a duty to develop an integrated care strategy proposing how the NHS and local government should exercise their functions to integrate health and care and address the needs of the population identified in the local joint strategic needs assessment(s).
- An ICB, which brings the NHS together locally, to improve population health and care; its unitary board allocates NHS budget and commissions services, and – having regard to the ICP’s integrated care strategy – produces a five-year joint

¹ [NHS Long Term Plan](#), p110, 7.1.

² [Integration and innovation: working together to improve health and social care for all](#) p23, 3.11.

plan for health services and annual capital plan agreed with its partner NHS trusts and foundation trusts.

The ICP and ICB, together with other key elements of the new arrangements including place-based partnerships and provider collaboratives, will bring together all partners within an ICS.

As ICSs develop, organisations are not only expected to provide high-quality care and manage their own finances, but to take on responsibility for wider objectives relating to NHS resources and population health jointly with other providers. This means that system and place-based partnerships will plan and co-ordinate services in a way that improves population health and reduces inequalities.

The success of individual trusts and foundation trusts will increasingly be judged against their contribution to the objectives of the ICS, in addition to their existing duties to deliver safe, effective care and effective use of resources.³ Trusts are also expected to avoid making decisions that might benefit their own institution but worsen the position for the system overall.⁴

Forming a rounded view in representing ‘the public’

The 2006 Act provides councils of governors with their statutory duties. Within those duties, councils of governors are legally responsible for representing the interests of the members of the NHS foundation trust and the public.⁵

While the meaning of ‘the public’ is not specified in legislation, councils of governors are not restricted to representing the interests of a narrow section of the public served by the NHS foundation trust – that is, patients and the public within the vicinity of the trust or those who form governors’ own electorates.

To support collaboration between organisations and the delivery of better, joined-up care, councils of governors are required to form a rounded view of the interests of the ‘public at large’. This includes the population of the local system of which the NHS foundation trust is part. No organisation can operate in isolation, and each is dependent on the efforts of others.

³ [Integrated care systems: design framework](#), p30.

⁴ [NHS Long Term Plan](#), p112, 7.9.

⁵ Paragraph 10A(b) of Schedule 7 to the [NHS Act 2006](#).

While staff governors and patient, carer and service user governors represent specific constituencies, they are also expected to represent the interests of the members of the trust as a whole and the public. Therefore, they are required to seek and form a view of the interests of the ‘public at large’.

This expectation also extends to appointed governors.⁶ The continued expectation of appointed governors is that they will work to further the relationship between their own organisation and the NHS foundation trust, but do so within the context of the system, of which they are part.

There is no requirement for trusts to appoint a governor from an ICB; however, they are free to do so, if they wish.

2. Updated considerations for the statutory duties of councils of governors

The statutory duties of councils of governors have not changed, and governors should not anticipate any material change to their day-to-day role.

However, the NHS’ move to a new way of working will affect what councils of governors need to consider when performing their statutory duties. Councils of governors will need to be assured their foundation trust board has considered the consequences of decisions on other partners within their system, and the impact on the public at large.

This section provides clarity on the three statutory duties that will be most affected by the transition to system working, setting out additional considerations for each duty, that reflect the new context trusts are operating in:

- a. Holding the non-executive directors individually and collectively to account for the performance of the board of directors.
- b. Representing the interests of the members of the NHS foundation trust and the public.

⁶ At least one governor is required to be appointed by a qualifying local authority and at least one by a university if the hospitals include a medical or dental school provided by a university. A foundation trust can decide whether to have any further appointing organisations, specifying as such in its constitution.

- c. Approving ‘significant transactions’, mergers, acquisitions, separations or dissolutions.⁷

Chapter 3 of the guide for governors gives the complete statutory duties and powers of the council of governors.

2.1 General duties of the council of governors (Chapter 4 of the guide for governors)

a. Holding the non-executive directors to account

What are the legal requirements?

The council of governors has a duty to hold the non-executive directors individually and collectively to account for the performance of the board of directors.

General considerations

The guide for governors stipulates: “Holding the non-executive directors to account for the performance of the board does not mean the governors should question every decision or every plan. The role of governors in ‘holding to account’ is one of assurance of the performance of the board.”⁸ It suggests that the council of governors should therefore assess what it believes are the key areas of enquiry and provide appropriate challenge. These could be for example:

- due process is not being followed
- the interests of the members and of the public are not being appropriately represented
- the trust is at risk of breaching the conditions of its licence.

Councils of governors may not always agree with the decisions taken by the directors, and directors do not always have to adhere to the council’s preferences. However, the board of directors, as a whole, does have to give due consideration to the views of the council of governors, especially in relation to matters that concern the interests of the members of the NHS foundation trust and the public.⁹

⁷ [Your statutory duties – a reference guide for governors](#), p19.

⁸ [Your statutory duties – a reference guide for governors](#), p28.

⁹ Ibid.

Chapter 4, section 4.1 of the guide for governors gives a complete description of this duty.

What is the role of councils of governors?

Overall responsibility for running an NHS foundation trust lies with the board of directors, and the council of governors is the collective body through which directors explain and justify their actions. Holding to account is therefore not about the performance of individual directors, nor performance management of the board – that is, the council's role is as follows:

1. To consider the board's account of its performance against the criteria that the council has agreed with the board and based on the conditions in the provider licence.
2. To question the board on its account and feedback in a considered manner based on the evidence presented (asking for more evidence if necessary and reasonable).
3. In extreme cases, to raise difficult issues and, after listening to the account of the board, to consider contacting NHS England if it forms a reasonable belief that the trust is in danger of breaching the terms of its licence.

Updated considerations for governors to discuss with their trust's board regarding system working

1. The success of an individual foundation trust will increasingly be judged against its contribution to the objectives of the ICS. This means the board's performance must now be seen in part as the trust's contribution to system-wide plans and their delivery, and its openness to collaboration with other partners, including with other providers through provider collaboratives. In holding non-executive directors to account for the performance of the board, NHS foundation trust councils of governors should consider whether the interests of the public at large have been factored into board decision-making, and be assured of the board's performance in the context of the system as a whole, and as part of the wider provision of health and social care.

Councils of governors are permitted to demonstrate the interests of the public at large to the board if they feel that the board is not operating in the public's

interests. (For further detail, please see Section 2.1b: Representing the interests of trust members and the public.)

2. Consideration should also be given to how the trust board's decision-making complies with the triple aim duty of better health and wellbeing for everyone, better quality of health services for all individuals and sustainable use of NHS resources, as well as the role the trust is playing in reducing health inequalities in access, experience and outcomes.
3. The statutory duties of councils of governors have not changed, and the relationship of councils of governors remains with their own foundation trust board, the ICB or any other part of the system(s) their trust operates in. It remains the case that if governors are acting outside the context of a council meeting they do so solely as individuals, ie outside their statutory role as governor.

Illustrative scenario 1: A council of governors considers the role the NHS foundation trust has played within the ICS in holding the non-executive directors to account for the performance of the board

To hold the non-executive directors to account, the council of governors may already have a number of approaches in place, including:

1. Observing the contributions of the non-executive directors at board meetings and during meetings with governors.
2. Gathering information on the performance of the board against its strategy and plans.
3. Receiving the trust's quality report and accounts and questioning the non-executive directors on their content.

These allow the council of governors to determine its key areas of concern and provide appropriate challenge.

The council of governors is mindful that NHS England has now set a clear expectation that NHS foundation trusts will collaborate effectively with system partners to co-design and deliver plans, and that the failure of a trust to do so may be treated as a breach of governance licence conditions.

To form a view about the trust's contribution to system performance and development, the council of governors may need to adapt its approaches.

1. Seeking to understand the arrangements for the trust's contribution to shared planning and decision-making forums – eg system and place-based arrangements and provider collaboratives – and how the interests of patients and the public are considered.
2. Requesting information on the ICP's integrated care strategy and the ICB's five-year joint plan from the board to understand how the trust's plans relate to overarching system development.
3. Requesting information on the ICB's performance from the board to understand how the trust's performance relates to that of its system.
4. Receiving assurance from non-executive directors that the board's decisions comply with the triple aim duty – better health and wellbeing for everyone, better quality of health services for all individuals and sustainable use of NHS resources – and have the opportunity to question the non-executive directors about this.

The trust is expected to ensure that the council of governors is provided with appropriate information, and that the governors are given opportunities to meet the board to raise questions about the trust's role within the system, or systems, of which it is part.

b. Representing the interests of trust members and the public

What are the legal requirements?

Under the 2006 Act, councils of governors have a duty to represent the interests of the members of the NHS foundation trust and the public.

General considerations

The general duty to represent the interests of members and the public includes (but is not limited to) all other statutory duties that councils of governors are expected to fulfil, and should underpin all elements of their role as outlined in the guide for governors and the NHS foundation trust's own constitution. The council of governors should therefore interact regularly with the members of the trust and the public to ensure it understands their views, and to clearly communicate information on trust and system performance and planning in return. However, governors should take care to disclose only those matters that the trust considers non-confidential.¹⁰

Councils of governors must be mindful that a number of different bodies and organisations (such as Healthwatch) represent the interests of the public, and governors should therefore work collaboratively with one another and with other representative bodies, to ensure that the public has been as broadly represented as possible.

It should be noted that while staff, patient, carer and service user governors represent specific constituencies, they are also expected to represent the interests of the members of the trust as a whole and the public at large.

Chapter 4, section 4.2 of the guide for governors gives a complete description of this duty.

Updated considerations for governors to discuss with their trust's board regarding system working

1. Each ICB will be expected to build a range of engagement approaches into its activities at every level, and to prioritise engaging with groups affected by health inequalities in access, experience and outcomes, in a culturally competent way. This will be supported by a legal duty for each ICB to make arrangements to involve patients, unpaid carers and the public in planning and commissioning arrangements, and by a continuation of existing foundation trust duties relating to patient and public involvement, including the role of foundation trust governors.
2. Councils of governors are not restricted to representing the interests of a narrow section of the public served by the NHS foundation trust – that is, patients and the

¹⁰ [Your statutory duties – a reference guide for governors](#), p31.

public within the vicinity of the trust or those who form governors' own electorates. To discharge this statutory duty, councils of governors are required to take account of the interests of the 'public at large'. This includes the population of the local system of which the trust is part.

3. **There is no expectation that the way governors undertake this duty should materially change.** However, councils of governors should be assured that their trust is engaging widely, and when engaging with the public themselves, councils of governors need not limit their engagement to the public and patients in their electorate or personal networks. They may also work with their board to consider how best to engage with other bodies and organisations in their system that represent the interests of the public at large (such as voluntary sector organisations and Healthwatch). Governors must also adhere to their trust's communications or media policies when engaging and communicating with the public.
4. In some cases, councils of governors will need to consider the interests of patients and the public in other parts of their system and beyond their own ICS. This can be because the trust:
 - a. is located within a large ICS or is geographically distant from other system partners
 - b. has a specialist service footprint
 - c. is near a geographical boundary and may provide services to members and patients from other ICSs

Governors should work with their board to consider how to represent the interests of the public across a wide geographical footprint or in other ICSs.

Illustrative scenario 2: An NHS foundation trust and its council of governors work together to strengthen mechanisms by which the council of governors can consider the views of the wider public

The council of governors may already have various ways through which it engages with members and the public. These may include governor drop-in events where members and the public can meet governors, a dedicated page on the foundation trust's website to share information and surveys to gather members' and the public's views. The council of governors may also have agreed routes for feeding views back to the board, such as regular reports or presentations at council meetings.

To strengthen mechanisms to consider the views of the wider public, the council of governors should take additional steps:

1. Working with the trust to use technology to engage with members and the public. This could include adding to face-to-face interactions with virtual engagement via online events, which could improve accessibility for some patient cohorts and the public.
2. Considering how it can engage with other stakeholders that have a role in promoting the interests of patients and the public, eg local branches of Healthwatch and voluntary sector organisations. Governors may also work with their trust to build relationships with organisations that can help gather the views of seldom heard groups.
3. Asking for information on how the trust intends to address health inequalities in both its own plan and contributing to that for the wider system. This could be supplemented as appropriate with the population health data (eg demographics and deprivation data) that underpins the ICB's planning, including the identification of unmet need. This helps the council of governors understand the impact of action taken by the trust to address health inequalities.
4. If the trust's footprint is wide, or even extends beyond its ICS (because it sits in a large ICS, provides specialist services or sits on a geographical boundary), the council of governors might work with its board to consider how best to represent the interests of members and the public; for example, by:

- a. being aware of how the trust's services are used and accessed
- b. being assured that the trust has considered the impact of any changes or decisions on the public using its services, irrespective of what system they are in
- c. being assured that the trust has assessed the impact of its decisions on the care being provided to patients across the ICS.

2.2 Taking decisions on significant transactions, mergers, acquisitions, separations and dissolutions (Chapter 10 of the guide for governors)

c. Approving significant transactions, mergers, acquisitions, separations or dissolutions

Chapter 10 of the guide for governors explains what a 'significant transaction' is.

It may also be helpful to refer to Appendix 10: Legal and regulatory requirements for transactions of the [Transactions guidance](#)¹¹ for a more detailed and operational definition.

What are the legal requirements?

Under the 2012 Act:

- **More than half the members of the full council of governors of the trust voting** need to approve the foundation trust entering into any significant transaction, as specified in the trust's constitution. This means more than half the governors who are in attendance at the meeting and who vote at that meeting.
- **More than half the members of the full council of governors** must approve any application by the foundation trust to merge with or acquire another trust, to separate the trust into two or more new NHS foundation trusts or to dissolve the trust. This means more than half the total number of governors, not just half the number who attend the meeting at which the decision is taken. If the other party

¹¹ Assuring and supporting complex change: Statutory transactions, including mergers and acquisitions

to the proposed transaction is also an NHS foundation trust, more than half the governors of that foundation trust must also approve the transaction.¹²

What are councils of governors asked to take a decision on?

The 2006 Act states that the foundation trust's constitution "must provide for all the powers of the organisation to be exercisable by the board of directors on its behalf".¹³ As such it is the board of directors that must decide whether a transaction should proceed.

Councils of governors are responsible for assuring themselves that the board of directors has been thorough and comprehensive in reaching its decision to undertake a transaction (that is, has undertaken due diligence), and that it has appropriately considered the interests of members and the public as part of the decision-making process.¹⁴ As long as they are appropriately assured of this, governors should not unreasonably withhold their consent for a proposal to go ahead.¹⁵ They should consider the implications of withholding consent in terms of the key risks the transaction was designed to address.

Given councils of governors have no power of delegation, they can only make decisions in full council. Hence, they should attempt to reach a consensus based on the broad views of the council members. In common with boards of directors, they should not allow themselves to be unduly influenced by the views of individuals, but instead should attempt to ensure that all voices are heard and considered.

The council of governors must obtain sufficient information from the board of directors on the proposed significant transaction, merger, acquisition, separation or dissolution to make an informed decision.¹⁶

Chapter 10 of the guide for governors gives a more complete description of this duty.

¹² [Your statutory duties – a reference guide for governors](#), p60.

¹³ Paragraph 15(2) of Schedule 7 to the [NHS Act 2006](#).

¹⁴ [Your statutory duties – a reference guide for governors](#), p63–4.

¹⁵ Ibid.

¹⁶ Ibid.

Updated considerations for governors to discuss with their trust's board regarding system working

1. Governors need to be assured that the process undertaken by the board in reaching its decision was appropriate, and that the interests of the 'public at large' were considered. A council can disagree with the merits of a particular decision of the board on a transaction, but still give its consent because due diligence has been followed and assurance received. To withhold its consent, the council of governors would need to establish that appropriate due diligence was either not undertaken or properly factored into decision-making.
2. All transaction proposals need to demonstrate a clear case for change to meet NHS England's assurance requirements, including how they will result in material improvements to the quality of services. Benefits arising from the transaction could be for the patients served by the trust or the wider public, eg by impacting patients of other providers or reducing health inequalities across the population. In the context of the NHS' new way of working, this means that councils of governors may well be expected to consent to decisions that benefit the broader public interest while not being of immediate advantage to or creating some level of risk for their NHS foundation trust. Consent should not be given for decisions that benefit the NHS foundation trust without regard to the effect on other NHS organisations, or the overall position of a wider footprint such as an ICS.

Illustrative scenario 3: A council of governors approves a significant transaction that may not immediately benefit the individual trust but overall does benefit the population of the wider ICS

The council of governors provides consent because the board has adequately assured it that the appropriate process has been followed.

This significant transaction may not immediately benefit the individual NHS foundation trust but overall is expected to benefit the population of the wider ICS. Some governors disagreed with the merits of the board's proposed transaction, but the full

council gave consent because all processes have been followed, the interests of the public at large have been considered and assurance has been received.

To reach this decision:

1. The board provided the council of governors with appropriate information on the proposed transaction, including the benefits for patients and the public in the wider ICS, and the impact on quality of services, system performance and the system's financial position.
2. The board was open about any risks and opportunities for the NHS foundation trust and how these would be addressed.
3. The board provided evidence that the interests of the public were appropriately considered, and effective engagement processes were followed. The council of governors was given the opportunity to challenge the processes and to ask the non-executive directors questions around any key areas of concern.

3. Working with the board

This section contains suggested approaches to support better working between the council of governors and the board, along with examples of developmental activities already underway across trusts.

3.1 Building relationships and understanding roles

Key relationships

- Trust secretary/membership manager and governor liaison role
- Trust chair
- Trust non-executive directors
- Trust chief executive officer
- Trust board and/executive directors
- Foundation trust members

Practical tips

Governors will receive an induction from their organisation. They should familiarise themselves with the following documents, along with any others their trust secretary, membership manager or anyone in a governor liaison role signposts them to:

- trust's constitution
- Code of Conduct
- confidentiality and data protection policies
- conflict of interest policies
- communications policy
- Nolan principles.

These documents help governors understand the principles and processes by which their trust is governed, outline the composition and general duties of the board, and set out expectations of governor conduct.

It is important that trust boards and their governors act in line with the Nolan principles and are open and transparent with one another. Doing so creates a better environment for challenging conversations.

For more information please refer to Chapter 2 of [Your statutory duties: A reference guide for NHS foundation trust governors](#) which outlines the governance structure of NHS foundation trusts. Please also see your trust's own constitution for information that is specific to your own organisation.

3.2 Supporting governors to fulfil the duties of a council of governors

Key relationships

- Trust secretaries/membership manager and governor liaison role
- Trust chair
- Trust non-executive directors
- Trust chief executive officer
- Trust board/executive directors

Expectations: communications and engagement

Governors can expect to attend a variety of meetings organised by the trust, which intend to help inform their decision-making, and to support governors in fulfilling their duties. Formally, this will include council of governor meetings and annual members meetings. Governors should also be encouraged to attend public trust board meetings. The trust may also organise other meetings or forms of engagement such as:

- informal meetings such as Q&As with the chief executive or chair, and workshops with the non-executive directors or board
- regular briefings to members and governors from the chief executive or chair
- ad-hoc briefings or dissemination of information as an issue arises
- non-executive director updates at council of governor meetings.

The board should engage early with the governors about transaction plans. From the outset directors and governors should agree a process for engagement on the transaction, to include:

- the content and timing of information to be provided to governors and any training needs
- how the views of members will be sought and stakeholders kept informed
- how governors can get involved with developing the future governance model, eg by working on the constitution for the post-transaction foundation trust.¹⁷

3.3 Supporting governors to understand their duties in the context of ICSs and system working

Key relationships

- Trust chair
- Trust chief executive officer
- Trust board secretary/membership manager and governor liaison role

Expectations: communications and engagement

- The trust's chair should facilitate engagement between the ICB, the ICP and the trust's council of governors.

¹⁷ Assuring and supporting complex change: Statutory transactions, including mergers and acquisitions

- The trust should also ensure governors are updated in a timely way on system plans, decisions and delivery.
- The trust should ensure governors receive information on the ICP's integrated care strategy and the ICB' five-year forward plan, as decisions and aspects of delivery that directly affect the trust and its patients.
- The council of governors should consider how it can support its board to engage with patients and the community across the geography of the ICS.

There is no agreed way that a trust should do this. Suggestions based on existing examples are:

- Attending public trust board meetings to listen to the discussion on ICS arrangements. This should also indicate whether the board is acting in the wider public interest and provides an opportunity to hear the types of questions non-executive directors are asking in this respect.
- Board members providing ICS updates at council meetings to ensure that governors are well informed and have an opportunity to ask questions.
- Governor engagement sessions arranged by the ICB or ICP to update on progress in the delivery of system plans.
- The chair cascading key messages after an ICP or ICB meeting.

Practical tips

Your trust should work with governors to understand the following:

- What is the foundation trust's ICS footprint?
- Who are the key partners in the system?
- What is the membership of the ICP?
- What is the membership of the board and committees of the ICB?
- How is the trust contributing to the ICS, and what is the impact of the ICS on existing trust plans?
- How is the trust's decision-making complying with the triple aim duty of better health and wellbeing for everyone, better quality of health services for all individuals and sustainable use of NHS resources?
- How can the council of governors support the trust in leading in or contributing to its ICS?

- How can the council of governors best communicate the ICS plans to the trust members and public?

4. Further information

For national context:

- [NHS Long Term Plan](#)
- [Integration and innovation: working together to improve health and social care for all](#)
- [Integrated care systems: design framework](#)

Relevant NHS England guidance:

- [Statutory transactions guidance](#)
- [Guidance on pay for very senior managers in NHS trusts and foundation trusts](#)
- [NHS Oversight Framework 2022/23](#)
- [Guidance on good governance and collaboration](#)

Other resources for governors:

- Govern Well – [NHS providers' national training programme for governors](#)

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Code of governance for NHS provider trusts

27 October 2022

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Equality and health inequalities statement

Promoting equality and addressing health inequalities are at the heart of NHS England's values. Throughout the development of the policies and processes cited in this document, we have:

- Given due regard to the need to eliminate discrimination, harassment and victimisation, to advance equality of opportunity, and to foster good relations between people who share a relevant protected characteristic (as cited under the Equality Act 2010) and those who do not share it; and
- Given regard to the need to reduce inequalities between patients in access to, and outcomes from healthcare services and to ensure services are provided in an integrated way where this might reduce health inequalities.

About this document

This code sets out a common overarching framework for the corporate governance of trusts, reflecting developments in UK corporate governance and the development of integrated care systems.

Key points

- Corporate governance is the means by which boards lead and direct their organisations so that decision-making is effective, risk is managed and the right outcomes are delivered.
- In the NHS this means delivering high quality services in a caring and compassionate environment while collaborating through system and place-based partnerships and provider collaboratives to integrate care.
- Best practice is detailed in the following sections: board leadership and purpose, division of responsibilities, composition, succession and evaluation, audit, risk, internal control and remuneration.

Action required

- Trusts must comply with each of the provisions of the code or, where appropriate, explain in each case why the trust has departed from the code.

Other guidance and resources

- [Integrated care systems: design framework](#)
- [Working together at scale: guidance on provider collaboratives](#)
- The wider suite of [Integrated care systems: guidance](#)

Introduction

1. Why is there a Code of Governance?

- 1.1. NHS England has issued this Code of Governance (the code) to help NHS providers deliver effective corporate governance, contribute to better organisational and system performance and improvement, and ultimately discharge their duties in the best interests of patients, service users and the public.
- 1.2. The board of directors is a unitary board. This means that within the board of directors, the non-executive directors and executive directors make decisions as a single group and share the same responsibility and liability. All directors, executive and non-executive, have responsibility to constructively challenge during board discussions and help develop proposals on priorities, risk mitigation, values, standards and strategy.
- 1.3. In this code, we bring together the best practices of the NHS and private sector. We set out a common overarching framework for the corporate governance of trusts that complements the statutory and regulatory obligations they have (these are referenced throughout this document).
- 1.4. As with the UK Corporate Governance Code, each section of this code is built around a set of principles emphasising the value of good corporate governance to long-term sustainable success. Each section also incorporates a set of more detailed provisions to implement these, which can help trusts demonstrate the effectiveness of governance practices and their contribution to the long-term success of the organisation and its wider system.

2. What is new about this version of the code?

- 2.1 This version of the code applies from April 2023. A great deal has changed since we last updated the code in 2014. NHS England, Monitor and the NHS Trust Development Authority (TDA) started formally working together on 1 April 2019 to provide better support to delivery of the [NHS Long Term Plan](#) (January 2019), which set the direction for greater integration of care with providers collaborating with partners in health and care systems. All systems had achieved integrated care system (ICS) status by April 2021. The Health and Care Act 2022 has merged Monitor and the TDA into NHS England and removed legal barriers to

collaboration and integrated care, making it easier for providers to take on greater responsibility for service planning and putting ICSs on a statutory footing through establishing for each ICS:

- An integrated care partnership (ICP), a statutory joint committee of the integrated care board (ICB) and the upper tier local authorities in the ICS, that brings together organisations and representatives concerned with improving the care, health and wellbeing of the population. Each partnership has been established by the NHS and local government as equal partners and has a duty to develop an integrated care strategy proposing how the NHS and local government should exercise their functions to integrate health and care and address the needs of the population identified in the local joint strategic needs assessment(s).
- An ICB, which brings the NHS together locally, to improve population health and care; its unitary board allocates NHS budget and commissions services, and – having regard to the ICP’s integrated care strategy – produces a five-year joint plan for health services and annual capital plan agreed with its partner NHS trusts and NHS foundation trusts.

2.2 The ICP and ICB, together with other key elements of the new arrangements including place-based partnerships and provider collaboratives, are tasked with bringing together all partners within an ICS.

2.3 At the heart of effective collaboration is the expectation that providers will work effectively on all issues, including those that may be contentious for the organisation and system partners, rather than focusing only on those issues for which there is already a clear way forward or which are perceived to benefit their organisation. The success of individual NHS trusts and foundation trusts will increasingly be judged against their contribution to the objectives of the ICS, in addition to their existing duties to deliver high quality care and effective use of resources.¹

2.4 To support this shift, we have put in place a new single framework for overseeing NHS systems and organisations, the NHS Oversight Framework, which will evolve particularly for 2023/24. Under this new framework we intend to continue to treat

¹ [Integrated Care Systems: design framework](#), p30

providers in comparable circumstances similarly unless there is sound reason not to.

2.5 This updated code therefore applies to both NHS foundation trusts and, for the first time, NHS trusts. NHS foundation trusts and NHS trusts are constituted differently.

- NHS foundation trusts are public benefit corporations and their boards of directors have a framework of local accountability through members and a council of governors. The NHS foundation trust council of governors is responsible for holding the non-executive directors individually and collectively to account. In turn, NHS foundation trust governors are accountable to the members who elect them and must represent their interests and the interests of the public.
- NHS trusts were established by orders of the Secretary of State for Health and Social Care. Their chairs and non-executive directors are appointed by NHS England² and they do not have a council of governors or members. Instead, we have a duty to hold the chair and non-executive directors of NHS trusts individually and collectively to account for the performance of the board.

2.6 Despite their different constitutions, there are overarching principles of corporate governance that apply to both NHS trusts and NHS foundation trusts. Where particular provisions of the code apply only to NHS foundation trusts or NHS trusts, we explicitly indicate this. Where we refer to ‘trusts’ in this code, we mean both NHS trusts and NHS foundation trusts. We use the term ‘chief executive’ to apply to the chief executives of NHS foundation trusts and the chief officers of NHS trusts, except in sections that are specific to NHS trusts, where we use ‘chief officer’. References to ‘directors’ include the chair, executive and non-executive directors.

2.7 The UK Corporate Governance Code, on which the code has always been based, has also been updated a number of times since 2014. This code is modelled on the 2018 version of the [UK Corporate Governance Code](#).

² Chairs and non-executive directors hold a statutory office under the National Health Service Act 2006. The appointment and tenure of office are governed by the NHS Trusts (Membership and Procedure) Regulations 1990. NHS England makes NHS trust chair and non-executive director appointments using powers delegated by the Secretary of State for Health and Social Care. Board appointments are regulated by the Commissioner for Public Appointments to provide independent assurance that they are made in accordance with government’s Principles of Public Appointments and Governance Code for public bodies.

3. What is corporate governance?

- 3.1 A trust board needs to be able to deliver entrepreneurial and effective leadership and prudent and effective oversight of the trust's operations, to ensure it is operating in the best interests of patients, service users and the public.
- 3.2 Corporate governance is the means by which boards lead and direct their organisations so that decision-making is effective, risk is managed and the right outcomes are delivered. In the NHS this means delivering high quality services in a caring and compassionate environment, while collaborating within ICSs to integrate care and complying with the triple aim duty of better health and wellbeing for everyone, better quality of health services for all individuals and sustainable use of NHS resources. Robust governance structures that support collaborative leadership and relationships with system partners and other stakeholders, and strong local accountability will help trusts maintain the trust and confidence of the people and communities they service. Good corporate governance is dynamic. Boards should be committed to improving governance on a continuing basis through evaluation and review.
- 3.3 Robust corporate and quality governance arrangements complement and reinforce one another. Quality governance is the combination of structures and processes at and below board level to lead on trust-wide quality performance, including (i) ensuring required standards are achieved and (ii) investigating and acting on sub-standard performance. Clinicians are at the frontline of ensuring patients receive quality care. However, the board of directors takes final and definitive responsibility for improvements, successful delivery and, equally, failures in the quality of care. Effective governance therefore requires boards to pay as much attention to quality of care and quality governance as they do to the financial health of their organisation. Boards also set the tone of their organisation by demonstrating shared values and behaviours, and recognising their organisation's role in an ICS and the wider NHS, and the risks and opportunities this may present for quality of care. Further guidance can be found in the [Well-led framework for leadership and governance developmental reviews](#).

4. What should trusts do to fulfil the code's requirements of good governance?

- 4.1 We seek to support good governance by offering sound guidance. We are keen that trusts have the flexibility to ensure their structures and processes work well now and in the future, while making sure they meet the code's overall requirements for good governance, which are designed with the interests of patients, service users and the public in mind.
- 4.2 Ultimately only directors can demonstrate and promote the board behaviour needed to guarantee good corporate governance in practice. Good governance requires continuing and determined effort and boards have opportunities within the framework of the code to decide themselves how they should act.

Comply or explain

- 4.3 The provisions of the code, as best practice advice, do not represent mandatory guidance and accordingly non-compliance is not in itself a breach of Condition FT4 of the NHS provider licence (also known as the governance condition; NHS England has deemed it appropriate that Condition FT4 applies to NHS trusts as well as NHS foundation trusts under its "shadow" licence regime). However, non-compliance may form part of a wider regulatory assessment on adherence to the provider licence.
- 4.4 Satisfactory engagement between the board of directors, the council of governors and members of foundation trusts, and patients, service users and the public is crucial to the effectiveness of trusts' corporate governance approach. Directors and, for foundation trusts, governors both have a responsibility for ensuring that 'comply or explain' remains an effective basis for this code.

Disclosure requirements

- 4.5 To meet the requirements of 'comply or explain' each trust must comply with each of the provisions of the code (which in some cases will require a statement or information in the annual report, or provision of information to the public or, for foundation trusts, governors or members) or, where appropriate, explain in each case why the trust has departed from the code.

- 4.6 We recognise that departure from the specific provisions of the code may be justified in particular circumstances. Reasons for non-compliance with the code should be explained, with the trust illustrating how its actual practices are consistent with the principle to which the particular provision relates. It should set out the background, provide a clear rationale and describe any mitigating actions it is taking to address any risks and maintain conformity with the relevant principle. Where deviation from a particular provision is intended to be limited in time, the trust should indicate when it expects to conform to the provision.
- 4.7 The form and content of this part of the statement are not prescribed, the intention being that trusts should have a free hand to explain their governance policies in the light of the principles, including any special circumstances applying to them which have led to a particular approach.
- 4.8 It is important to note that:
- Some provisions require a statement or information in the annual report. Where information would otherwise be duplicated, trusts need only provide a clear reference to the location of the information within their annual report.
 - Other provisions require a trust to make information publicly available or, for foundation trusts, to provide information to their governors or members.
 - The remaining provisions are those for which ‘comply or explain’ applies.
 - Schedule A of the code sets out which provisions fall into which category.

5. How does the code fit with other NHS England requirements?

- 5.1 Although compliance with the provisions in this code is on a ‘comply or explain’ basis, we have included and clearly identified in the code any relevant statutory requirements. In the first instance, boards, directors and, for foundation trusts, governors should ensure they are meeting the specific governance requirements set out in the [NHS provider licence](#).
- 5.2 The code sits alongside other NHS England reporting requirements which relate to governance but do not conflict or connect with the code. The code also includes references to other NHS England publications that focus on audit and internal control:

- NHS foundation trust annual reporting manual.³

5.3 For clarity, we have provided a detailed explanation of how the different requirements sit together and the purpose of each in Appendix C.

6. Further information

6.1 Trusts may also find it useful to consult other guidance and sources of best practice about governance of public bodies and the NHS. In particular, the following publications are likely to be useful when considered alongside the code:

- [Developmental reviews of leadership and governance using the well-led framework: guidance for NHS trusts and NHS foundation trusts](#)
- [Guidance on good governance and collaboration under the NHS provider licence](#)
- [Your statutory duties: A reference guide for NHS foundation trust governors](#)
- [Foundation trust councils of governors and system working and collaboration: An addendum to your statutory duties – A reference guide for NHS foundation trust governors](#)
- [Director-governor interaction in NHS foundation trusts: A best practice guide for boards of directors](#)
- [The Healthy NHS Board 2013 – Principles for good governance](#)
- [The seven principles of public life: covers the standards of behaviour in and principles of public](#)
- [Board governance essentials: a guide for chairs and boards of public bodies:](#) developed by CIPFA (the Chartered Institute of Public Finance Accountants), this guide gives advice on the roles of chairs and board members.

³ This is updated on a yearly basis and published on [our website](#).

Section A: Board leadership and purpose

1. Principles

- 1.1 Every trust should be led by an effective and diverse board that is innovative and flexible, and whose role it is to promote the long-term sustainability of the trust as part of the ICS and wider healthcare system in England, generating value for members in the case of foundation trusts, and for all trusts, patients, service users and the public.
- 1.2 The board of directors should establish the trust's vision, values and strategy, ensuring alignment with the ICP's integrated care strategy and ensuring decision-making complies with the triple aim duty of better health and wellbeing for everyone, better quality of health services for all individuals and sustainable use of NHS resources. The board of directors must satisfy itself that the trust's vision, values and culture are aligned. All directors must act with integrity, lead by example and promote the desired culture.
- 1.3 The board of directors should give particular attention to the trust's role in reducing health inequalities in access, experience and outcomes.
- 1.4 The board of directors should ensure that the necessary resources are in place for the trust to meet its objectives, including the trust's contribution to the objectives set out in the five-year joint plan and annual capital plan agreed by the ICB and its partners, and measure performance against them. The board of directors should also establish a framework of prudent and effective controls that enable risk to be assessed and managed. For their part, all board members – and in particular non-executives whose time may be constrained – should ensure they collectively have sufficient time and resource to carry out their functions.
- 1.5 For the trust to meet its responsibilities to stakeholders, including patients, staff, the community and system partners, the board of directors should ensure effective engagement with them, and encourage collaborative working at all levels with system partners.
- 1.6 The board of directors should ensure that workforce policies and practices are consistent with the trust's values and support its long-term sustainability. The workforce should be able to raise any matters of concern. The board is

responsible for ensuring effective workforce planning aimed at delivering high quality of care.

2. Provisions

- 2.1 The board of directors should assess the basis on which the trust ensures its effectiveness, efficiency and economy, as well as the quality of its healthcare delivery over the long term, and contribution to the objectives of the ICP and ICB, and place-based partnerships. The board of directors should ensure the trust actively addresses opportunities to work with other providers to tackle shared challenges through entering into partnership arrangements such as provider collaboratives. The trust should describe in its annual report how opportunities and risks to future sustainability have been considered and addressed, and how its governance is contributing to the delivery of its strategy.
- 2.2 The board of directors should develop, embody and articulate a clear vision and values for the trust, with reference to the ICP's integrated care strategy and the trust's role within system and place-based partnerships, and provider collaboratives. This should be a formally agreed statement of the organisation's purpose and intended outcomes, and the behaviours used to achieve them. It can be used as a basis for the organisation's overall strategy, planning, collaboration with system partners and other decisions.
- 2.3 The board of directors should assess and monitor culture. Where it is not satisfied that policy, practices or behaviour throughout the business are aligned with the trust's vision, values and strategy, it should seek assurance that management has taken corrective action. The annual report should explain the board's activities and any action taken, and the trust's approach to investing in, rewarding and promoting the wellbeing of its workforce.
- 2.4 The board of directors should ensure that adequate systems and processes are maintained to measure and monitor the trust's effectiveness, efficiency and economy, the quality of its healthcare delivery, the success of its contribution to the delivery of the five-year joint plan for health services and annual capital plan agreed by the ICB and its partners,⁴ and that risk is managed effectively. The board should regularly review the trust's performance in these areas against

⁴ This may also include working to deliver the financial duties and objectives the trust is collectively responsible for with ICB partners, and improving quality and outcomes and reducing unwarranted variation and inequalities across the system.

regulatory and contractual obligations, and approved plans and objectives, including those agreed through place-based partnerships and provider collaboratives.

- 2.5 In line with principle 1.3 above, the board of directors should ensure that relevant metrics, measures, milestones and accountabilities are developed and agreed so as to understand and assess progress and performance, ensuring performance reports are disaggregated by ethnicity and deprivation where relevant. Where appropriate and particularly in high risk or complex areas, the board of directors should commission independent advice, eg from the internal audit function, to provide an adequate and reliable level of assurance.
- 2.6 The board of directors should report on its approach to clinical governance and its plan for the improvement of clinical quality in the context of guidance set out by the Department of Health and Social Care (DHSC), NHS England and the Care Quality Commission (CQC). The board should record where in the structure of the organisation clinical governance matters are considered.
- 2.7 The chair and board should regularly engage with stakeholders, including patients, staff, the community and system partners, in a culturally competent way, to understand their views on governance and performance against the trust's vision. Committee chairs should engage with stakeholders on significant matters related to their areas of responsibility. The chair should ensure that the board of directors as a whole has a clear understanding of the views of all stakeholders including system partners. NHS foundation trusts must hold a members' meeting at least annually. Provisions regarding the role of the council of governors in stakeholder engagement are contained in Appendix B.
- 2.8 The board of directors should describe in the annual report how the interests of stakeholders, including system and place-based partners, have been considered in their discussions and decision-making, and set out the key partnerships for collaboration with other providers into which the trust has entered. The board of directors should keep engagement mechanisms under review so that they remain effective.
- 2.9 The workforce should have a means to raise concerns in confidence and – if they wish – anonymously. The board of directors should routinely review this and the reports arising from its operation. It should ensure that arrangements are in place

for the proportionate and independent investigation of such matters and for follow-up action.

- 2.10 The board of directors should take action to identify and manage conflicts of interest and ensure that the influence of third parties does not compromise or override independent judgement.⁵
- 2.11 Where directors have concerns about the operation of the board or the management of the trust that cannot be resolved, these should be recorded in the board minutes. If on resignation a non-executive director has any such concerns, they should provide a written statement to the chair, for circulation to the board.

⁵ Directors are required to declare any business interests, position of authority in a charity or voluntary body in the field of health and social care, and any connection with bodies contracting for NHS services. The trust must enter these into a register available to the public in line with [Managing conflicts of interest in the NHS: Guidance for staff and organisations](#). In addition, NHS foundation trust directors have a statutory duty to manage conflicts of interest. In the case of NHS trusts, certain individuals are disqualified from being directors on the basis of conflicting interests.

Section B: Division of responsibilities

1. Principles

- 1.1 The chair leads the board of directors and, for foundation trusts, the council of governors, and is responsible for its overall effectiveness in leading and directing the trust. They should demonstrate objective judgement throughout their tenure and promote a culture of honesty, openness, trust and debate. In addition, the chair facilitates constructive board relations and the effective contribution of all non-executive directors, and ensures that directors and, for foundation trusts, governors receive accurate, timely and clear information.
- 1.2 Responsibilities should be clearly divided between the leadership of the board and the executive leadership of the trust's operations. No individual should have unfettered powers of decision.
- 1.3 Non-executive directors should have sufficient time to meet their board responsibilities. They should provide constructive challenge and strategic guidance, offer specialist advice and lead in holding the executive to account.
- 1.4 The board of directors should ensure that it has the policies, processes, information, time and resources it needs to function effectively, efficiently and economically.
- 1.5 The board is collectively responsible for the performance of the trust.
- 1.6 The board of directors as a whole is responsible for ensuring the quality and safety of the healthcare services, education, training and research delivered by the trust, and applying the principles and standards of clinical governance set out by DHSC, NHS England, the CQC and other relevant NHS bodies.
- 1.7 All members of the board of directors have joint responsibility for every board decision regardless of their individual skills or status. This does not impact on the particular responsibilities of the chief executive as the accounting officer.

2. Provisions

- 2.1 The chair is responsible for leading on setting the agenda for the board of directors and, for foundation trusts, the council of governors, and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues.
- 2.2 The chair is also responsible for ensuring that directors and, for foundation trusts, governors receive accurate, timely and clear information that enables them to perform their duties effectively. A foundation trust chair should take steps to ensure that governors have the necessary skills and knowledge to undertake their role.
- 2.3 The chair should promote a culture of honesty, openness, trust and debate by facilitating the effective contribution of non-executive directors in particular, and ensuring a constructive relationship between executive and non-executive directors.
- 2.4 A foundation trust chair is responsible for ensuring that the board and council work together effectively.
- 2.5 The chair should be independent on appointment when assessed against the criteria set out in provision 2.6 below. The roles of chair and chief executive must not be exercised by the same individual. A chief executive should not become chair of the same trust. The board should identify a deputy or vice chair who could be the senior independent director. The chair should not sit on the audit committee. The chair of the audit committee, ideally, should not be the deputy or vice chair or senior independent director.
- 2.6 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
- 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 appointment⁶
- 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.

- 2.7 At least half the board of directors, excluding the chair, should be non-executive directors whom the board considers to be independent.
- 2.8 No individual should hold the positions of director and governor of any NHS foundation trust at the same time.
- 2.9 The value of ensuring that committee membership is refreshed and that no undue reliance is placed on particular individuals should be taken into account in deciding chairship and membership of committees. For foundation trusts, the council of governors should take into account the value of appointing a non-executive director with a clinical background to the board of directors, as well as the importance of appointing diverse non-executive directors with a range of skill sets, backgrounds and lived experience.
- 2.10 Only the committee chair and committee members are entitled to be present at nominations, audit or remuneration committee meetings, but others may attend by invitation of the particular committee.
- 2.11 In consultation with the council of governors, NHS foundation trust boards should appoint one of the independent non-executive directors to be the senior

⁶ But note 4.3 in Section C below, where chairs and NEDs can serve beyond six years subject to rigorous review and NHS England approval.

independent director: to provide a sounding board for the chair and serve as an intermediary for the other directors when necessary. Led by the senior independent director, the foundation trust non-executive directors should meet without the chair present at least annually to appraise the chair's performance, and on other occasions as necessary, and seek input from other key stakeholders. For NHS trusts the process is the same but the appraisal is overseen by NHS England as set out in the [Chair appraisal framework](#).

- 2.12 Non-executive directors have a prime role in appointing and removing executive directors. They should scrutinise and hold to account the performance of management and individual executive directors against agreed performance objectives. The chair should hold meetings with the non-executive directors without the executive directors present.
- 2.13 The responsibilities of the chair, chief executive, senior independent director if applicable, board and committees should be clear, set out in writing, agreed by the board of directors and publicly available. The annual report should give the number of times the board and its committees met, and individual director attendance.
- 2.14 When appointing a director, the board of directors should take into account other demands on their time. Prior to appointment, the individual should disclose their significant commitments with an indication of the time involved. They should not take on material additional external appointments without prior approval of the board of directors, with the reasons for permitting significant appointments explained in the annual report. Full-time executive directors should not take on more than one non-executive directorship of another trust or organisation of comparable size and complexity, and not the chairship of such an organisation.
- 2.15 All directors should have access to the advice of the company secretary, who is responsible for advising the board of directors on all governance matters. Both the appointment and removal of the company secretary should be a matter for the whole board.
- 2.16 All directors, executive and non-executive, have a responsibility to constructively challenge during board discussions and help develop proposals on priorities, risk mitigation, values, standards and strategy. In particular, non-executive directors should scrutinise the performance of the executive management in meeting

agreed goals and objectives, request further information if necessary, and monitor the reporting of performance. They should satisfy themselves as to the integrity of financial, clinical and other information, and make sure that financial and clinical quality controls, and systems of risk management and governance, are robust and implemented.

2.17 The board of directors should meet sufficiently regularly to discharge its duties effectively. A schedule of matters should be reserved specifically for its decisions. For foundation trusts, this schedule should include a clear statement detailing the roles and responsibilities of the council of governors. This statement should also describe how any disagreements between the council of governors and the board of directors will be resolved. The annual report should include this schedule of matters or a summary statement of how the board of directors and the council of governors operate, including a summary of the types of decisions to be taken by the board, the council of governors, board committees and the types of decisions that are delegated to the executive management of the board of directors.

Section C: Composition, succession and evaluation

1. Principles

- 1.1 Appointments to the board of directors should follow a formal, rigorous and transparent procedure, and an effective succession plan should be maintained for board and senior management. Appointments should be made solely in the public interest, with decisions based on integrity, merit, openness and fairness. Both appointments and succession plans should be based on merit and objective criteria and, within this context, should promote diversity of gender, social and ethnic backgrounds, disability, and cognitive and personal strengths.⁷ In particular, the board should have published plans for how it and senior managers will in percentage terms at least match the overall black and minority composition of its overall workforce, or its local community, whichever is the higher.
- 1.2 The board of directors and its committees should have a diversity of skills, experience and knowledge. The board should be of sufficient size for the requirements of its duties, but should not be so large as to be unwieldy. Consideration should be given to the length of service of the board of directors as a whole and membership regularly refreshed.
- 1.3. Annual evaluation of the board of directors should consider its composition, diversity and how effectively members work together to achieve objectives. Individual evaluation should demonstrate whether each director continues to contribute effectively.

2. Provisions for NHS foundation trusts board appointments

- 2.1 The nominations committee or committees of foundation trusts, with external advice as appropriate, are responsible for the identification and nomination of executive and non-executive directors. The nominations committee should give full consideration to succession planning, taking into account the future challenges,

⁷ For more information refer to the Equality Act 2010, The NHS' successive Equality Delivery Systems (EDS) and the NHS Workforce Race Equality Standard (WRES).

risks and opportunities facing the trust, and the skills and expertise required within the board of directors to meet them. Best practice is that the selection panel for a post should include at least one external assessor from NHS England and/or a representative from a relevant ICB, and the foundation trust should engage with NHS England to agree the approach.

- 2.2 There may be one or two nominations committees. If there are two, one will be responsible for considering nominations for executive directors and the other for non-executive directors (including the chair). The nominations committee(s) should regularly review the structure, size and composition of the board of directors and recommend changes where appropriate. In particular, the nominations committee(s) should evaluate, at least annually, the balance of skills, knowledge, experience and diversity on the board of directors and, in the light of this evaluation, describe the role and capabilities required for appointment of both executive and non-executive directors, including the chair.
- 2.3 The chair or an independent non-executive director should chair the nominations committee(s). At the discretion of the committee, a governor can chair the committee in the case of appointments of non-executive directors or the chair.
- 2.4 The governors should agree with the nominations committee a clear process for the nomination of a new chair and non-executive directors. Once suitable candidates have been identified, the nominations committee should make recommendations to the council of governors.
- 2.5 Open advertising and advice from NHS England's Non-Executive Talent and Appointments team is available for use by nominations committees to support the council of governors in the appointment of the chair and non-executive directors. If an external consultancy is engaged, it should be identified in the annual report alongside a statement about any other connection it has with the trust or individual directors.
- 2.6 Where an NHS foundation trust has two nominations committees, the nominations committee responsible for the appointment of non-executive directors should have governors and/or independent members in the majority. If only one nominations committee exists, when nominations for non-executives, including the appointment of a chair or a deputy chair, are being discussed, governors and/or independent

members should be in the majority on the committee and also on the interview panel.

- 2.7 When considering the appointment of non-executive directors, the council of governors should take into account the views of the board of directors and the nominations committee on the qualifications, skills and experience required for each position.
- 2.8 The annual report should describe the process followed by the council of governors to appoint the chair and non-executive directors. The main role and responsibilities of the nominations committee should be set out in publicly available written terms of reference.
- 2.9 Elected governors must be subject to re-election by the members of their constituency at regular intervals not exceeding three years. The names of governors submitted for election or re-election should be accompanied by sufficient biographical details and any other relevant information to enable members to make an informed decision on their election. This should include prior performance information.

Relevant statutory requirements

- 2.10 A requirement of the National Health Service Act 2006 as amended (the 2006 Act) is that the chair, the other non-executive directors and – except in the case of the appointment of a chief executive – the chief executive are responsible for deciding the appointment of executive directors. The nominations committee with responsibility for executive director nominations should identify suitable candidates to fill executive director vacancies as they arise and make recommendations to the chair, the other non-executives directors and, except in the case of the appointment of a chief executive, the chief executive.
- 2.11 It is for the non-executive directors to appoint and remove the chief executive. The appointment of a chief executive requires the approval of the council of governors.
- 2.12 The governors are responsible at a general meeting for the appointment, re-appointment and removal of the chair and other non-executive directors.

- 2.13 Non-executive directors, including the chair, should be appointed by the council of governors for the specified terms subject to re-appointment thereafter at intervals of no more than three years and subject to the 2006 Act provisions relating to removal of a director.
- 2.14 The terms and conditions of appointment of non-executive directors should be made available to the council of governors. The letter of appointment should set out the expected time commitment. Non-executive directors should undertake that they will have sufficient time to do what is expected of them. Their other significant commitments should be disclosed to the council of governors before appointment, with a broad indication of the time involved, and the council of governors should be informed of subsequent changes.

3. Provisions for NHS trust board appointments

- 3.1 NHS England is responsible for appointing chairs and other non-executive directors of NHS trusts. A committee consisting of the chair and non-executive directors is responsible for appointing the chief officer of the trust. A committee consisting of the chair, non-executive directors and the chief officer is responsible for appointing the other executive directors. NHS England has a key advisory role in ensuring the integrity, rigour and fairness of executive appointments at NHS trusts. The selection panel for the posts should include at least one external assessor from NHS England.

4. Board appointments: provisions applicable to both NHS foundation trusts and NHS trusts

- 4.1 Directors on the board of directors and, for foundation trusts, governors on the council of governors should meet the 'fit and proper' persons test described in the provider licence. For the purpose of the licence and application criteria, 'fit and proper' persons are defined as those having the qualifications, competence, skills, experience and ability to properly perform the functions of a director. They must also have no issues of serious misconduct or mismanagement, no disbarment in relation to safeguarding vulnerable groups and disqualification from office, be without certain recent criminal convictions and director disqualifications, and not bankrupt (undischarged). Trusts should also have a policy for ensuring compliance with the CQC's guidance [Regulation 5: Fit and proper persons: directors](#).

- 4.2 The board of directors should include in the annual report a description of each director's skills, expertise and experience. Alongside this, the board should make a clear statement about its own balance, completeness and appropriateness to the requirements of the trust. Both statements should also be available on the trust's website.
- 4.3 Chairs or NEDs should not remain in post beyond nine years from the date of their first appointment to the board of directors and any decision to extend a term beyond six years should be subject to rigorous review. To facilitate effective succession planning and the development of a diverse board, this period of nine years can be extended for a limited time, particularly where on appointment a chair was an existing non-executive director. The need for all extensions should be clearly explained and should have been agreed with NHS England. A NED becoming chair after a three-year term as a non-executive director would not trigger a review after three years in post as chair.
- 4.4 Elected foundation trust governors must be subject to re-election by the members of their constituency at regular intervals not exceeding three years. The governor names submitted for election or re-election should be accompanied by sufficient biographical details and any other relevant information to enable members to make an informed decision on their election. This should include prior performance information. Best practice is that governors do not serve more than three consecutive terms to ensure that they retain the objectivity and independence required to fulfil their roles.
- 4.5 There should be a formal and rigorous annual evaluation of the performance of the board of directors, its committees, the chair and individual directors. For NHS foundation trusts, the council of governors should take the lead on agreeing a process for the evaluation of the chair and non-executive directors. The governors should bear in mind that it may be desirable to use the senior independent director to lead the evaluation of the chair. NHS England leads the evaluation of the chair and non-executive directors of NHS trusts.
- 4.6 The chair should act on the results of the evaluation by recognising the strengths and addressing any weaknesses of the board of directors. Each director should engage with the process and take appropriate action where development needs are identified.

- 4.7 All trusts are strongly encouraged to carry out externally facilitated developmental reviews of their leadership and governance using the [Well-led framework](#) every three to 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 or governors.
- 4.8 Led by the chair, foundation trust councils of governors should periodically assess their collective performance and regularly communicate to members and the public how they have discharged their responsibilities, including their impact and effectiveness on:
- holding the non-executive directors individually and collectively to account for the performance of the board of directors
 - communicating with their member constituencies and the public and transmitting their views to the board of directors
 - contributing to the development of the foundation trust's forward plans.

The council of governors should use this process to review its roles, structure, composition and procedures, taking into account emerging best practice. Further information can be found in [Your statutory duties: a reference guide for NHS foundation trust governors](#) and an [Addendum to Your statutory duties – A reference guide for NHS foundation trust governors](#).

- 4.9 The council of governors should agree and adopt a clear policy and a fair process for the removal of any governor who consistently and unjustifiably fails to attend its meetings or has an actual or potential conflict of interest that prevents the proper exercise of their duties. This should be shared with governors.
- 4.10 In addition, it may be appropriate for the process to provide for removal from the council of governors if a governor or group of governors behaves or acts in a way that may be incompatible with the values and behaviours of the NHS foundation trust. NHS England's model core constitution suggests that a governor can be removed by a 75% voting majority; however, trusts are free to stipulate a lower threshold if considered appropriate. Where there is any disagreement as to whether the proposal for removal is justified, an independent assessor agreeable to both parties should be asked to consider the evidence and determine whether or not the proposed removal is reasonable. NHS England can only use its enforcement powers to require a trust to remove a governor in very limited

circumstances: where it has imposed an additional condition relating to governance in the trust's licence because the governance of the trust is such that the trust would otherwise fail to comply with its licence and the trust has breached or is breaching that additional condition. It is more likely that NHS England would have cause to require a trust to remove a director under its enforcement powers than a governor.

- 4.11 The board of directors should ensure it retains the necessary skills across its directors and works with the council of governors to ensure there is appropriate succession planning.
- 4.12 The remuneration committee should not agree to an executive member of the board leaving the employment of the trust except in accordance with the terms of their contract of employment, including but not limited to serving their full notice period and/or material reductions in their time commitment to the role, without the board first completing and approving a full risk assessment.
- 4.13 The annual report should describe the work of the nominations committee(s), including:
- the process used in relation to appointments, its approach to succession planning and how both support the development of a diverse pipeline
 - how the board has been evaluated, the nature and extent of an external evaluator's contact with the board of directors, governors and individual directors, the outcomes and actions taken, and how these have or will influence board composition
 - the policy on diversity and inclusion, including in relation to disability, its objectives and linkage to trust strategy, how it has been implemented and progress on achieving the objectives
 - the ethnic diversity of the board and senior managers, with reference to indicator nine of the NHS Workforce Race Equality Standard and how far the board reflects the ethnic diversity of the trust's workforce and communities served
 - the gender balance of senior management and their direct reports.

5. Development, information and support

- 5.1 All directors and, for foundation trusts, governors should receive appropriate induction on joining the board of directors or the council of governors, and should regularly update and refresh their skills and knowledge. Both directors and, for foundation trusts, governors should make every effort to participate in training that is offered.
- 5.2 The chair should ensure that directors and, for foundation trusts, governors continually update their skills, knowledge and familiarity with the trust and its obligations for them to fulfil their role on the board, the council of governors and committees. Directors should also be familiar with the integrated care system(s) that commission material levels of services from the trust. The trust should provide the necessary resources for its directors and, for foundation trusts, governors to develop and update their skills, knowledge and capabilities. Where directors or, for foundation trusts, governors are involved in recruitment, they should receive appropriate training, including on equality, diversity and inclusion, and unconscious bias.
- 5.3 To function effectively, all directors need appropriate knowledge of the trust and access to its operations and staff. Directors and governors also need to be appropriately briefed on values and all policies and procedures adopted by the trust.
- 5.4 The chair should ensure that new directors and, for foundation trusts, governors receive a full and tailored induction on joining the board or the council of governors. As part of this, directors should seek opportunities to engage with stakeholders, including patients, clinicians and other staff, and system partners. Directors should also have access at the trust's expense to training courses and/or materials that are consistent with their individual and collective development programme.
- 5.5 The chair should regularly review and agree with each director their training and development needs as they relate to their role on the board.
- 5.6 A foundation trust board has a duty to take steps to ensure that governors are equipped with the skills and knowledge they need to discharge their duties appropriately.

- 5.7 The board of directors and, for foundation trusts, the council of governors should be given relevant information in a timely manner, form and quality that enables them to discharge their respective duties. Foundation trust governors should be provided with information on ICS plans, decisions and delivery that directly affect the organisation and its patients. Statutory requirements on the provision of information from the foundation trust board of directors to the council of governors are provided in [Your statutory duties: a reference guide for NHS foundation trust governors](#).
- 5.8 The chair is responsible for ensuring that directors and governors receive accurate, timely and clear information. Management has an obligation to provide such information but directors and, for foundation trusts, governors should seek clarification or detail where necessary.
- 5.9 The chair's responsibilities include ensuring good information flows across the board and, for foundation trusts, across the council of governors and their committees; between directors and governors; and for all trusts, between senior management and non-executive directors; as well as facilitating appropriate induction and assisting with professional development as required.
- 5.10 The board of directors and, for foundation trusts, the council of governors should be provided with high-quality information appropriate to their respective functions and relevant to the decisions they have to make. The board of directors and, for foundation trusts, the council of governors should agree their respective information needs with the executive directors through the chair. The information for boards should be concise, objective, accurate and timely, and complex issues should be clearly explained. The board of directors should have complete access to any information about the trust that it deems necessary to discharge its duties, as well as access to senior management and other employees.
- 5.11 The board of directors and in particular non-executive directors may reasonably wish to challenge assurances received from the executive management. They do not need to appoint a relevant adviser for each and every subject area that comes before the board of directors, but should ensure that they have sufficient information and understanding to enable challenge and to take decisions on an informed basis. When complex or high-risk issues arise, the first course of action should normally be to encourage further and deeper analysis within the trust in a

timely manner. On occasion, non-executives may reasonably decide that external assurance is appropriate.

- 5.12 The board should ensure that directors, especially non-executive directors, have access to the independent professional advice, at the trust's expense, where they judge it necessary to discharge their responsibilities as directors. The decision to appoint an external adviser should be the collective decision of the majority of non-executive directors. The availability of independent external sources of advice should be made clear at the time of appointment.
- 5.13 Committees should be provided with sufficient resources to undertake their duties. The board of directors of foundation trusts should also ensure that the council of governors is provided with sufficient resources to undertake its duties with such arrangements agreed in advance.
- 5.14 Non-executive directors should consider whether they are receiving the necessary information in a timely manner and feel able to appropriately challenge board recommendations, in particular by making full use of their skills and experience gained both as a director of the trust and in other leadership roles. They should expect and apply similar standards of care and quality in their role as a non-executive director of a trust as they would in other similar roles.
- 5.15 Foundation trust governors should canvass the opinion of the trust's members and the public, and for appointed governors the body they represent, on the NHS foundation trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the board of directors. The annual report should contain a statement as to how this requirement has been undertaken and satisfied.
- 5.16 Where appropriate, the board of directors should in a timely manner take account of the views of the council of governors on the forward plan, and then inform the council of governors which of their views have been incorporated in the NHS foundation trust's plans, and explain the reasons for any not being included.

Relevant statutory requirements

- 5.16 The board of directors must have regard to the council of governors' views on the NHS foundation trust's forward plan.

Insurance cover

5.17 NHS Resolution's [Liabilities to Third Parties Scheme](#) includes liability cover for trusts' directors and officers. Assuming foundation trust governors have acted in good faith and in accordance with their duties, and proper process has been followed, the potential for liability for the council should be negligible. While there is no legal requirement for trusts to provide an indemnity or insurance for governors to cover their service on the council of governors, where an indemnity or insurance policy is given, this can be detailed in the trust's constitution.

Section D: Audit, risk and internal control

1. Principles

- 1.1 The board of directors should establish formal and transparent policies and procedures to ensure the independence and effectiveness of internal and external audit functions, and satisfy itself on the integrity of financial and narrative statements.
- 1.2 The board of directors should present a fair, balanced and understandable assessment of the trust's position and prospects.
- 1.3 The board of directors should establish procedures to manage risk, oversee the internal control framework, and determine the nature and extent of the principal risks the trust is willing to take to achieve its long-term strategic objectives.
- 1.4 Organisations should also refer to [Audit and assurance: a guide to governance for providers and commissioners](#).

2. Provisions

- 2.1 The board of directors should establish an audit committee of independent non-executive directors, with a minimum membership of three or two in the case of smaller trusts. The chair of the board of directors should not be a member and the vice chair or senior independent director should not chair the audit committee. The board of directors should satisfy itself that at least one member has recent and relevant financial experience. The committee as a whole should have competence relevant to the sector in which the trust operates.
- 2.2 The main roles and responsibilities of the audit committee should include:
 - monitoring the integrity of the financial statements of the trust and any formal announcements relating to the trust's financial performance, and reviewing significant financial reporting judgements contained in them
 - providing advice (where requested by the board of directors) on whether the annual report and accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for stakeholders to assess the trust's position and performance, business model and strategy

- reviewing the trust's internal financial controls and internal control and risk management systems, unless expressly addressed by a separate board risk committee composed of independent non-executive directors or by the board itself
- monitoring and reviewing the effectiveness of the trust's internal audit function or, where there is not one, considering annually whether there is a need for one and making a recommendation to the board of directors
- reviewing and monitoring the external auditor's independence and objectivity
- reviewing the effectiveness of the external audit process, taking into consideration relevant UK professional and regulatory requirements
- reporting to the board of directors on how it has discharged its responsibilities.

2.3 A trust should change its external audit firm at least every 20 years. Legislation requires an NHS trust to newly appoint its external auditor at least every five years. An NHS foundation trust should re-tender its external audit at least every 10 years and in most cases more frequently than this. These timeframes are not affected by an NHS trust becoming a foundation trust.

2.4 The annual report should include:

- the significant issues relating to the financial statements that the audit committee considered, and how these issues were addressed
- an explanation of how the audit committee (and/or auditor panel for an NHS trust) has assessed the independence and effectiveness of the external audit process and its approach to the appointment or reappointment of the external auditor; length of tenure of the current audit firm, when a tender was last conducted and advance notice of any retendering plans
- an explanation of how auditor independence and objectivity are safeguarded if the external auditor provides non-audit services.

2.5 Legislation requires an NHS trust to have a policy on its purchase of non-audit services from its external auditor. An NHS foundation trust's audit committee should develop and implement a policy on the engagement of the external auditor to supply non-audit services. The council of governors is responsible for appointing external governors.

- 2.6 The directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for stakeholders to assess the trust's performance, business model and strategy.
- 2.7 The board of directors should carry out a robust assessment of the trust's emerging and principal risks. The relevant reporting manuals will prescribe associated disclosure requirements for the annual report.
- 2.8 The board of directors should monitor the trust's risk management and internal control systems and, at least annually, review their effectiveness and report on that review in the annual report. The monitoring and review should cover all material controls, including financial, operational and compliance controls. The board should report on internal control through the annual governance statement in the annual report.
- 2.9 In the annual accounts, the board of directors should state whether it considered it appropriate to adopt the going concern basis of accounting when preparing them and identify any material uncertainties regarding going concern. Trusts should refer to the DHSC group accounting manual and [NHS foundation trust annual reporting manual](#), which explain that this assessment should be based on whether a trust anticipates it will continue to provide its services in the public sector. As a result, material uncertainties over a going concern are expected to be rare.

Section E: Remuneration

1. Principles

- 1.1 Levels of remuneration should be sufficient to attract, retain and motivate directors of quality, with the skills and experience required to lead the trust successfully, and collaborate effectively with system partners. Trusts should avoid paying more than is necessary for this purpose and should consider all relevant and current directions relating to contractual benefits such as pay and redundancy entitlements. Trusts should follow NHS England's [Guidance on pay for very senior managers in NHS trusts and foundation trusts](#) and NHS trusts should also follow [Guidance on senior appointments in NHS trusts](#).
- 1.2 Any performance-related elements of executive directors' remuneration should be transparent, stretching and designed to promote the long-term sustainability of the NHS foundation trust. They should also take as a baseline for performance any required competencies specified in the job description for the post.
- 1.3 The remuneration committee should decide if a proportion of executive directors' remuneration should be linked to corporate and individual performance. The remuneration committee should judge where to position its NHS foundation trust relative to other NHS foundation trusts and comparable organisations. Such comparisons should be used with caution to avoid any risk of an increase in remuneration despite no corresponding improvement in performance.
- 1.4 The remuneration committee should also be sensitive to pay and employment conditions elsewhere in the NHS, especially when determining annual salary increases.
- 1.5 There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding their own remuneration.

- 1.6 The remuneration committee should take care to recognise and manage conflicts of interest when receiving views from executive directors or senior management, or consulting the chief executive about its proposals.⁸
- 1.7 The remuneration committee should also be responsible for appointing any independent consultants in respect of executive director remuneration.
- 1.8 Where executive directors or senior management are involved in advising or supporting the remuneration committee, care should be taken to recognise and avoid conflicts of interest.
- 1.9 NHS trusts should wait for notification and instruction from NHS England before implementing any cost of living increases.

2. Provisions

- 2.1 Any performance-related elements of executive directors' remuneration should be designed to align their interests with those of patients, service users and taxpayers and to give these directors keen incentives to perform at the highest levels. In designing schemes of performance-related remuneration, the remuneration committee should consider the following provisions.
 - Whether the directors should be eligible for annual bonuses in line with local procedures. If so, performance conditions should be relevant, stretching and designed to match the long-term interests of the public and patients.
 - Payouts or grants under all incentive schemes should be subject to challenging performance criteria reflecting the objectives of the trust. Consideration should be given to criteria that reflect the performance of the trust against some key indicators and relative to a group of comparator trusts, and the taking of independent and expert advice where appropriate.
 - Performance criteria and any upper limits for annual bonuses and incentive schemes should be set and disclosed, and must be limited to the lower of £17,500 or 10% of basic salary.
 - For NHS foundation trusts, non-executive terms and conditions are set by the trust's council of governors.

⁸ For further information on conflicts of interest see [Managing conflicts of interest in the NHS: Guidance for staff and organisations](#).

- The remuneration committee should consider the pension consequences and associated costs to the trust of basic salary increases and any other changes in pensionable remuneration, especially for directors close to retirement.
- 2.2 Levels of remuneration for the chair and other non-executive directors should reflect the [Chair and non-executive director remuneration structure](#).
- 2.3 Where a trust releases an executive director, eg 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.
- 2.4 The remuneration committee should carefully consider what compensation commitments (including pension contributions and all other elements) their directors' terms of appointments would give rise to in the event of early termination. The aim should be to avoid rewarding poor performance. Contracts should allow for compensation to be reduced to reflect a departing director's obligation to mitigate loss. Appropriate claw-back provisions should be considered where a director returns to the NHS within the period of any putative notice.
- 2.5 Trusts should discuss any director-level severance payment, whether contractual or non-contractual, with their NHS England regional director at the earliest opportunity.⁹
- 2.6 The board of directors should establish a remuneration committee of independent non-executive directors, with a minimum membership of three. The remuneration committee should make its terms of reference available, explaining its role and the authority delegated to it by the board of directors. The board member with responsibility for HR should sit as an advisor on the remuneration committee. Where remuneration consultants are appointed, a statement should be made available as to whether they have any other connection with the trust.
- 2.7 The remuneration committee should have delegated responsibility for setting remuneration for all executive directors, including pension rights and any compensation payments. The committee should also recommend and monitor the level and structure of remuneration for senior management. The board

⁹ Severance payment includes any payment whether included in a settlement agreement or not, redundancy payment, a secondment arrangement, pay in lieu of notice, garden leave and pension enhancements.

should define senior management for this purpose and this should normally include the first layer of management below board level.

Relevant statutory requirements

- 2.8 The council of governors is responsible for setting the remuneration of a foundation trust's non-executive directors and the chair.

Schedule A: Disclosure of corporate governance arrangements

Trusts are required to provide a specific set of disclosures to meet the requirement of the Code of Governance. These should be submitted as part of the annual report (as set out for foundation trusts in the [NHS foundation trust annual reporting manual](#) and for NHS trusts in DHSC group accounting manual).

The provisions listed below require a supporting explanation in a trust's annual report, even in the case that the trust is compliant with the provision. Where the information is already in the annual report, a reference to its location is sufficient to avoid unnecessary duplication.

Provision	Requirement
Section A, 2.1	The board of directors should assess the basis on which the trust ensures its effectiveness, efficiency and economy, as well as the quality of its healthcare delivery over the long term, and contribution to the objectives of the ICP and ICB, and place-based partnerships. The board of directors should ensure the trust actively addresses opportunities to work with other providers to tackle shared challenges through entering into partnership arrangements such as provider collaboratives. The trust should describe in its annual report how opportunities and risks to future sustainability have been considered and addressed, and how its governance is contributing to the delivery of its strategy.
Section A, 2.3	The board of directors should assess and monitor culture. Where it is not satisfied that policy, practices or behaviour throughout the business are aligned with the trust's vision, values and strategy, it should seek assurance that management has taken corrective action. The annual report should explain the board's activities and any action taken, and the trust's approach to investing in, rewarding and promoting the wellbeing of its workforce.
Section A, 2.8	The board of directors should describe in the annual report how the interests of stakeholders, including system and place-based

Provision	Requirement
	<p>partners, have been considered in their discussions and decision-making, and set out the key partnerships for collaboration with other providers into which the trust has entered. The board of directors should keep engagement mechanisms under review so that they remain effective. The board should set out how the organisation's governance processes oversee its collaboration with other organisations and any associated risk management arrangements.</p>
Section B, 2.6	<p>The board of directors should identify in the annual report each non-executive director it considers to be independent. Circumstances which are likely to impair, or could appear to impair, a non-executive director's independence include, but are not limited to, whether a director:</p> <ul style="list-style-type: none"> • 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, 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 • 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.

Provision	Requirement
	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.
Section B, 2.13	The annual report should give the number of times the board and its committees met, and individual director attendance.
Section B, 2.19 (NHS foundation trusts only)	For foundation trusts, this schedule should include a clear statement detailing the roles and responsibilities of the council of governors. This statement should also describe how any disagreements between the council of governors and the board of directors will be resolved. The annual report should include this schedule of matters or a summary statement of how the board of directors and the council of governors operate, including a summary of the types of decisions to be taken by the board, the council of governors, board committees and the types of decisions which are delegated to the executive management of the board of directors.
Section C, 2.5 (NHS foundation trusts only)	If an external consultancy is engaged, it should be identified in the annual report alongside a statement about any other connection it has with the trust or individual directors.
Section C, 2.8 (NHS foundation trusts only)	The annual report should describe the process followed by the council of governors to appoint the chair and non-executive directors. The main role and responsibilities of the nominations committee should be set out in publicly available written terms of reference.
Section C, 4.2	The board of directors should include in the annual report a description of each director's skills, expertise and experience.
Section C, 4.7	All trusts are strongly encouraged to carry out externally facilitated developmental reviews of their leadership and governance using the Well-led framework every three to five years, according to their circumstances. The external reviewer should be identified in the

Provision	Requirement
	annual report and a statement made about any connection it has with the trust or individual directors.
Section C, 4.13	<p>The annual report should describe the work of the nominations committee(s), including:</p> <ul style="list-style-type: none"> • the process used in relation to appointments, its approach to succession planning and how both support the development of a diverse pipeline • how the board has been evaluated, the nature and extent of an external evaluator’s contact with the board of directors and individual directors, the outcomes and actions taken, and how these have or will influence board composition • the policy on diversity and inclusion including in relation to disability, its objectives and linkage to trust vision, how it has been implemented and progress on achieving the objectives • the ethnic diversity of the board and senior managers, with reference to indicator nine of the NHS Workforce Race Equality Standard and how far the board reflects the ethnic diversity of the trust’s workforce and communities served • the gender balance of senior management and their direct reports.
Section C, 5.15 (NHS foundation trusts only)	Foundation trust governors should canvass the opinion of the trust’s members and the public, and for appointed governors the body they represent, on the NHS foundation trust’s forward plan, including its objectives, priorities and strategy, and their views should be communicated to the board of directors. The annual report should contain a statement as to how this requirement has been undertaken and satisfied.
Section D, 2.4	<p>The annual report should include:</p> <ul style="list-style-type: none"> • the significant issues relating to the financial statements that the audit committee considered, and how these issues were addressed

Provision	Requirement
	<ul style="list-style-type: none"> • an explanation of how the audit committee (and/or auditor panel for an NHS trust) has assessed the independence and effectiveness of the external audit process and its approach to the appointment or reappointment of the external auditor; length of tenure of the current audit firm, when a tender was last conducted and advance notice of any retendering plans • where there is no internal audit function, an explanation for the absence, how internal assurance is achieved and how this affects the external audit • an explanation of how auditor independence and objectivity are safeguarded if the external auditor provides non-audit services.
Section D, 2.6	The directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for stakeholders to assess the trust's performance, business model and strategy.
Section D, 2.7	The board of directors should carry out a robust assessment of the trust's emerging and principal risks. The relevant reporting manuals will prescribe associated disclosure requirements for the annual report.
Section D, 2.8	The board of directors should monitor the trust's risk management and internal control systems and, at least annually, review their effectiveness and report on that review in the annual report. The monitoring and review should cover all material controls, including financial, operational and compliance controls. The board should report on internal control through the annual governance statement in the annual report.
Section D, 2.9	In the annual accounts, the board of directors should state whether it considered it appropriate to adopt the going concern basis of accounting when preparing them and identify any material

Provision	Requirement
	uncertainties regarding going concern. Trusts should refer to the <i>DHSC group accounting manual</i> and <i>NHS foundation trust annual reporting manual</i> which explain that this assessment should be based on whether a trust anticipates it will continue to provide its services in the public sector. As a result, material uncertainties over going concern are expected to be rare.
Section E, 2.3	Where a trust releases an executive director, eg 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.

For the provisions listed below, **the basic ‘comply or explain’ requirement applies**. The disclosure in the annual report should therefore contain an explanation in each case where the trust has departed from the code, explaining the reasons for the departure and how the alternative arrangements continue to reflect the principles of the code. Trusts are welcome but not required to provide a simple statement of compliance with each individual provision. This may be useful in ensuring the disclosure is comprehensive and may help to ensure that each provision has been considered in turn. In providing an explanation for any variation from the code, the trust should aim to illustrate how its actual practices are consistent with the principles to which the particular provision relates. It should set out the background, provide a clear rationale, and describe any mitigating actions it is taking to address any risks and maintain conformity with the relevant principle. Where deviation from a particular provision is intended to be limited in time, the explanation should indicate when the trust expects to conform to the provision.

Provision	Requirement
Section A, 2.2	The board of directors should develop, embody and articulate a clear vision and values for the trust, with reference to the ICP’s integrated care strategy and the trust’s role within system and place-based partnerships, and provider collaboratives. This should be a formally agreed statement of the organisation’s purpose and

Provision	Requirement
	intended outcomes and the behaviours used to achieve them. It can be used as a basis for the organisation's overall strategy, planning, collaboration with system partners, and other decisions.
Section A, 2.4	The board of directors should ensure that adequate systems and processes are maintained to measure and monitor the trust's effectiveness, efficiency and economy, the quality of its healthcare delivery, the success of its contribution to the delivery of the five-year joint plan for health services and annual capital plan agreed by the ICB and its partners, and to ensure that risk is managed effectively. The board should regularly review the trust's performance in these areas against regulatory and contractual obligations, and approved plans and objectives, including those agreed through place-based partnerships and provider collaboratives.
Section A, 2.5	The board of directors should ensure that relevant metrics, measures, milestones and accountabilities are developed and agreed so as to understand and assess progress and performance. Where appropriate and particularly in high risk or complex areas, the board of directors should commission independent advice, eg from the internal audit function, to provide an adequate and reliable level of assurance.
Section A, 2.6	The board of directors should report on its approach to clinical governance and its plan for the improvement of clinical quality in the context of guidance set out by the Department of Health and Social Care (DHSC), NHS England and the Care Quality Commission (CQC). The board should record where in the structure of the organisation clinical governance matters are considered.
Section A, 2.7	The chair should regularly engage with stakeholders including patients, staff, the community and system partners, in a culturally competent way, to understand their views on governance and performance against the trust's vision. Committee chairs should engage with stakeholders on significant matters related to their

Provision	Requirement
	<p>areas of responsibility. The chair should ensure that the board of directors as a whole has a clear understanding of the views of the stakeholders including system partners. NHS foundation trusts must hold a members' meeting at least annually. Provisions regarding the role of the council of governors in stakeholder engagement are contained in Appendix B.</p>
Section A, 2.9	<p>The workforce should have a means to raise concerns in confidence and – if they wish – anonymously. The board of directors should routinely review this and the reports arising from its operation. It should ensure that arrangements are in place for the proportionate and independent investigation of such matters and for follow-up action.</p>
Section A, 2.10	<p>The board of directors should take action to identify and manage conflicts of interest and ensure that the influence of third parties does not compromise or override independent judgement.</p>
Section A, 2.11	<p>Where directors have concerns about the operation of the board or the management of the trust that cannot be resolved, these should be recorded in the board minutes. If on resignation a non-executive director has any such concerns, they should provide a written statement to the chair, for circulation to the board.</p>
Section B, 2.1	<p>The chair is responsible for leading on setting the agenda for the board of directors and, for foundation trusts, the council of governors, and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues.</p>
Section B, 2.2	<p>The chair is also responsible for ensuring that directors and, for foundation trusts, governors receive accurate, timely and clear information that enables them to perform their duties effectively. A foundation trust chair should take steps to ensure that governors have the necessary skills and knowledge to undertake their role.</p>
Section B, 2.3	<p>The chair should promote a culture of honesty, openness, trust and debate by facilitating the effective contribution of non-executive</p>

Provision	Requirement
	directors in particular, and ensuring a constructive relationship between executive and non-executive directors.
Section B, 2.4 (NHS foundation trusts only)	A foundation trust chair is responsible for ensuring that the board and council work together effectively.
Section B, 2.5	The chair should be independent on appointment when assessed against the criteria set out in Section B, provision 2.6. The roles of chair and chief executive must not be exercised by the same individual. A chief executive should not become chair of the same trust. The board should identify a deputy or vice chair who could be the senior independent director. The chair should not sit on the audit committee. The chair of the audit committee, ideally, should not be the deputy or vice chair or senior independent director.
Section B, 2.7	At least half the board of directors, excluding the chair, should be non-executive directors whom the board considers to be independent.
Section B, 2.8	No individual should hold the positions of director and governor of any NHS foundation trust at the same time.
Section B, 2.9	The value of ensuring that committee membership is refreshed and that no undue reliance is placed on particular individuals should be taken into account in deciding chairship and membership of committees. For foundation trusts, the council of governors should take into account the value of appointing a non-executive director with a clinical background to the board of directors, as well as the importance of appointing diverse non-executive directors with a range of skill sets, backgrounds and lived experience.

Provision	Requirement
Section B, 2.10	Only the committee chair and members are entitled to be present at nominations, audit or remuneration committee meetings, but others may attend by invitation of the particular committee.
Section B, 2.11	In consultation with the council of governors, NHS foundation trust boards should appoint one of the independent non-executive directors to be the senior independent director: to provide a sounding board for the chair and serve as an intermediary for the other directors when necessary. Led by the senior independent director, the foundation trust non-executive directors should meet without the chair present at least annually to appraise the chair's performance, and on other occasions as necessary, and seek input from other key stakeholders. For NHS trusts the process is the same but the appraisal is overseen by NHS England as set out in the chair appraisal framework.
Section B, 2.12	Non-executive directors have a prime role in appointing and removing executive directors. They should scrutinise and hold to account the performance of management and individual executive directors against agreed performance objectives. The chair should hold meetings with the non-executive directors without the executive directors present.
Section B, 2.14	When appointing a director, the board of directors should take into account other demands on their time. Prior to appointment, the individual should disclose their significant commitments with an indication of the time involved. They should not take on additional external appointments without prior approval of the board of directors, with the reasons for permitting significant appointments explained in the annual report. Full-time executive directors should not take on more than one non-executive directorship of another trust or organisation of comparable size and complexity, and not the chairship of such an organisation.

Provision	Requirement
Section B, 2.15	All directors should have access to the advice of the company secretary, who is responsible for advising the board of directors on all governance matters. Both the appointment and removal of the company secretary should be a matter for the whole board.
Section B, 2.16	The board of directors as a whole is responsible for ensuring the quality and safety of the healthcare services, education, training and research delivered by the trust and applying the principles and standards of clinical governance set out by DHSC, NHS England, the CQC and other relevant NHS bodies.
Section B, 2.17	All members of the board of directors have joint responsibility for every board decision regardless of their individual skills or status. This does not impact on the particular responsibilities of the chief executive as the accounting officer.
Section B, 2.18	All directors, executive and non-executive, have a responsibility to constructively challenge during board discussions and help develop proposals on priorities, risk mitigation, values, standards and strategy. In particular, non-executive directors should scrutinise the performance of the executive management in meeting agreed goals and objectives, receive adequate information and monitor the reporting of performance. They should satisfy themselves as to the integrity of financial, clinical and other information, and make sure that financial and clinical quality controls, and systems of risk management and governance, are robust and implemented.
Section B, 2.19	The board of directors should meet sufficiently regularly to discharge its duties effectively. A schedule of matters should be reserved specifically for its decisions.
Section C, 2.1 (NHS foundation trusts only)	The nominations committee or committees of foundation trusts, with external advice as appropriate, are responsible for the identification and nomination of executive and non-executive directors. The nominations committee should give full consideration to succession planning, taking into account the future challenges, risks and

Provision	Requirement
	opportunities facing the trust and the skills and expertise required within the board of directors to meet them. Best practice is that the selection panel for a post should include at least one external assessor from NHS England and/or a representative from the ICB, and the foundation trust should engage with NHS England to agree the approach.
Section C, 2.2 (NHS foundation trusts only)	There may be one or two nominations committees. If there are two committees, one will be responsible for considering nominations for executive directors and the other for non-executive directors (including the chair). The nominations committee(s) should regularly review the structure, size and composition of the board of directors and recommend changes where appropriate. In particular, the nominations committee(s) should evaluate, at least annually, the balance of skills, knowledge, experience and diversity on the board of directors and, in the light of this evaluation, describe the role and capabilities required for appointment of both executive and non-executive directors, including the chair.
Section C, 2.3 (NHS foundation trusts only)	The chair or an independent non-executive director should chair the nominations committee(s). At the discretion of the committee, a governor can chair the committee in the case of appointments of non-executive directors or the chair.
Section C, 2.4 (NHS foundation trusts only)	The governors should agree with the nominations committee a clear process for the nomination of a new chair and non-executive directors. Once suitable candidates have been identified, the nominations committee should make recommendations to the council of governors.
Section C, 2.5 (NHS foundation trusts only)	Open advertising and advice from NHS England's Non-Executive Talent and Appointments team should generally be used for the appointment of the chair and non-executive directors.

Provision	Requirement
Section C, 2.6 (NHS foundation trusts only)	Where an NHS foundation trust has two nominations committees, the nominations committee responsible for the appointment of non-executive directors should have governors and/or independent members in the majority. If only one nominations committee exists, when nominations for non-executives, including the appointment of a chair or a deputy chair, are being discussed, governors and/or independent members should be in the majority on the committee and also on the interview panel.
Section C, 2.7 (NHS foundation trusts only)	When considering the appointment of non-executive directors, the council of governors should take into account the views of the board of directors and the nominations committee on the qualifications, skills and experience required for each position.
Section C, 3.1 (NHS trusts only)	NHS England is responsible for appointing chairs and other non-executive directors of NHS trusts. A committee consisting of the chair and non-executive directors is responsible for appointing the chief officer of the trust. A committee consisting of the chair, non-executive directors and the chief officer is responsible for appointing the other executive directors. NHS England has a key advisory role in ensuring the integrity, rigour and fairness of executive appointments at NHS trusts. The selection panel for the posts should include at least one external assessor from NHS England.
Section C, 4.1	Directors on the board of directors and, for foundation trusts, governors on the council of governors should meet the 'fit and proper' persons test described in the provider licence. For the purpose of the licence and application criteria, 'fit and proper' persons are defined as those having the qualifications, competence, skills, experience and ability to properly perform the functions of a director. They must also have no issues of serious misconduct or mismanagement, no disbarment in relation to safeguarding vulnerable groups and disqualification from office, be without certain recent criminal convictions and director disqualifications, and not bankrupt (undischarged). Trusts should also have a policy for

Provision	Requirement
	ensuring compliance with the CQC's guidance Regulation 5: Fit and proper persons: directors.
Section C, 4.3	The chair should not remain in post beyond nine years from the date of their first appointment to the board of directors and any decision to extend a term beyond six years should be subject to rigorous review. To facilitate effective succession planning and the development of a diverse board, this period of nine years can be extended for a limited time, particularly where on appointment the chair was an existing non-executive director. The need for extension should be clearly explained and should have been agreed with NHS England.
Section C, 4.4 (NHS foundation trusts only)	Elected foundation trust governors must be subject to re-election by the members of their constituency at regular intervals not exceeding three years. The governor names submitted for election or re-election should be accompanied by sufficient biographical details and any other relevant information to enable members to make an informed decision on their election. This should include prior performance information. Best practice is that governors do not serve more than three consecutive terms to ensure that they retain the objectivity and independence required to fulfil their roles.
Section C, 4.5	There should be a formal and rigorous annual evaluation of the performance of the board of directors, its committees, the chair and individual directors. For NHS foundation trusts, the council of governors should take the lead on agreeing a process for the evaluation of the chair and non-executive directors. The governors should bear in mind that it may be desirable to use the senior independent director to lead the evaluation of the chair. NHS England leads the evaluation of the chair and non-executive directors of NHS trusts. NHS foundation trusts and NHS trusts should make use of NHS Leadership Competency Framework for board level leaders.

Provision	Requirement
Section C, 4.6	The chair should act on the results of the evaluation by recognising the strengths and addressing any weaknesses of the board of directors. Each director should engage with the process and take appropriate action where development needs are identified.
Section C, 4.8 (NHS foundation trusts only)	<p>Led by the chair, foundation trust councils of governors should periodically assess their collective performance and regularly communicate to members and the public how they have discharged their responsibilities, including their impact and effectiveness on:</p> <ul style="list-style-type: none"> • holding the non-executive directors individually and collectively to account for the performance of the board of directors • communicating with their member constituencies and the public and transmitting their views to the board of directors • contributing to the development of the foundation trust's forward plans. <p>The council of governors should use this process to review its roles, structure, composition and procedures, taking into account emerging best practice. Further information can be found in Your statutory duties: a reference guide for NHS foundation trust governors and an Addendum to Your statutory duties – A reference guide for NHS foundation trust governors.</p>
Section C, 4.10 (NHS foundation trusts only)	In addition, it may be appropriate for the process to provide for removal from the council of governors if a governor or group of governors behaves or acts in a way that may be incompatible with the values and behaviours of the NHS foundation trust. NHS England's model core constitution suggests that a governor can be removed by a 75% voting majority; however, trusts are free to stipulate a lower threshold if considered appropriate. Where there is any disagreement as to whether the proposal for removal is justified, an independent assessor agreeable to both parties should be asked to consider the evidence and determine whether or not the proposed removal is reasonable. NHS England can only use its

Provision	Requirement
	<p>enforcement powers to require a trust to remove a governor in very limited circumstances: where they have imposed an additional condition relating to governance in the trust’s licence because the governance of the trust is such that the trust would otherwise fail to comply with its licence and the trust has breached or is breaching that additional condition. It is more likely that NHS England would have cause to require a trust to remove a director under its enforcement powers than a governor.</p>
<p>Section C, 4.11</p>	<p>The board of directors should ensure it retains the necessary skills across its directors and works with the council of governors to ensure there is appropriate succession planning.</p>
<p>Section C, 4.12</p>	<p>The remuneration committee should not agree to an executive member of the board leaving the employment of the trust except in accordance with the terms of their contract of employment, including but not limited to serving their full notice period and/or material reductions in their time commitment to the role, without the board first completing and approving a full risk assessment.</p>
<p>Section C, 5.1</p>	<p>All directors and, for foundation trusts, governors should receive appropriate induction on joining the board of directors or the council of governors and should regularly update and refresh their skills and knowledge. Both directors and, for foundation trusts, governors should make every effort to participate in training that is offered.</p>
<p>Section C, 5.2</p>	<p>The chair should ensure that directors and, for foundation trusts, governors continually update their skills, knowledge and familiarity with the trust and its obligations for them to fulfil their role on the board, the council of governors and committees. The trust should provide the necessary resources for its directors and, for foundation trusts, governors to develop and update their skills, knowledge and capabilities. Where directors or, for foundation trusts, governors are involved in recruitment, they should receive appropriate training</p>

Provision	Requirement
	including on equality diversity and inclusion, including unconscious bias.
Section C, 5.3	To function effectively, all directors need appropriate knowledge of the trust and access to its operations and staff. Directors and governors also need to be appropriately briefed on values and all policies and procedures adopted by the trust.
Section C, 5.4	The chair should ensure that new directors and, for foundation trusts, governors receive a full and tailored induction on joining the board or the council of governors. As part of this, directors should seek opportunities to engage with stakeholders, including patients, clinicians and other staff, and system partners. Directors should also have access at the trust's expense to training courses and/or materials that are consistent with their individual and collective development programme.
Section C, 5.5	The chair should regularly review and agree with each director their training and development needs as they relate to their role on the board.
Section C, 5.6 (NHS foundation trusts only)	A foundation trust board has a duty to take steps to ensure that governors are equipped with the skills and knowledge they need to discharge their duties appropriately.
Section C, 5.8	The chair is responsible for ensuring that directors and governors receive accurate, timely and clear information. Management has an obligation to provide such information but directors and, for foundation trusts, governors should seek clarification or detail where necessary.
Section C, 5.9	The chair's responsibilities include ensuring good information flows across the board and, for foundation trusts, across the council of governors and their committees; between directors and governors; and for all trusts, between senior management and non-executive

Provision	Requirement
	directors; as well as facilitating appropriate induction and assisting with professional development as required.
Section C, 5.10	The board of directors and, for foundation trusts, the council of governors should be provided with high-quality information appropriate to their respective functions and relevant to the decisions they have to make. The board of directors and, for foundation trusts, the council of governors should agree their respective information needs with the executive directors through the chair. The information for boards should be concise, objective, accurate and timely, and complex issues should be clearly explained. The board of directors should have complete access to any information about the trust that it deems necessary to discharge its duties, as well as access to senior management and other employees.
Section C, 5.11	The board of directors and in particular non-executive directors may reasonably wish to challenge assurances received from the executive management. They do not need to appoint a relevant adviser for each and every subject area that comes before the board of directors, but should ensure that they have sufficient information and understanding to enable challenge and to take decisions on an informed basis. When complex or high-risk issues arise, the first course of action should normally be to encourage further and deeper analysis within the trust in a timely manner. On occasion, non-executives may reasonably decide that external assurance is appropriate.
Section C, 5.12	The board should ensure that directors, especially non-executive directors, have access to the independent professional advice, at the trust's expense, where they judge it necessary to discharge their responsibilities as directors. The decision to appoint an external adviser should be the collective decision of the majority of non-executive directors. The availability of independent external sources of advice should be made clear at the time of appointment.

Provision	Requirement
Section C, 5.13	Committees should be provided with sufficient resources to undertake their duties. The board of directors of foundation trusts should also ensure that the council of governors is provided with sufficient resources to undertake its duties with such arrangements agreed in advance.
Section C, 5.14	Non-executive directors should consider whether they are receiving the necessary information in a timely manner and feel able to appropriately challenge board recommendations, in particular by making full use of their skills and experience gained both as a director of the trust and in other leadership roles. They should expect and apply similar standards of care and quality in their role as a non-executive director of a trust as they would in other similar roles.
Section C, 5.16 (NHS foundation trusts only)	Where appropriate, the board of directors should in a timely manner take account of the views of the council of governors on the forward plan, and then inform the council of governors which of their views have been incorporated in the NHS foundation trust's plans, and explain the reasons for any not being included.
Section C, 5.17	The trust should arrange appropriate insurance to cover the risk of legal action against its directors. Assuming foundation trust governors have acted in good faith and in accordance with their duties, and proper process has been followed, the potential for liability for the council should be negligible. Governors may have the benefit of an indemnity and/or insurance from the trust. While there is no legal requirement for trusts to provide an indemnity or insurance for governors to cover their service on the council of governors, where an indemnity or insurance policy is given, this can be detailed in the trust's constitution.
Section C, 2.1	The board of directors should establish an audit committee of independent non-executive directors, with a minimum membership of three or two in the case of smaller trusts. The chair of the board

Provision	Requirement
	<p>of directors should not be a member and the vice chair or senior independent director should not chair the audit committee. The board of directors should satisfy itself that at least one member has recent and relevant financial experience. The committee as a whole should have competence relevant to the sector in which the trust operates.</p>
Section C, 2.2	<p>The main roles and responsibilities of the audit committee should include:</p> <ul style="list-style-type: none"> • monitoring the integrity of the financial statements of the trust and any formal announcements relating to the trust’s financial performance, and reviewing significant financial reporting judgements contained in them • providing advice (where requested by the board of directors) on whether the annual report and accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for stakeholders to assess the trust’s position and performance, business model and strategy • reviewing the trust’s internal financial controls and internal control and risk management systems, unless expressly addressed by a separate board risk committee composed of independent non-executive directors or by the board itself • monitoring and reviewing the effectiveness of the trust’s internal audit function or, where there is not one, considering annually whether there is a need for one and making a recommendation to the board of directors • reviewing and monitoring the external auditor’s independence and objectivity • reviewing the effectiveness of the external audit process, taking into consideration relevant UK professional and regulatory requirements • reporting to the board of directors on how it has discharged its responsibilities.

Provision	Requirement
Section D, 2.3	<p>A trust should change its external audit firm at least every 20 years. Legislation requires an NHS trust to newly appoint its external auditor at least every five years. An NHS foundation trust should re-tender its external audit at least every 10 years and in most cases more frequently than this.</p>
Section D, 2.5	<p>Legislation requires an NHS trust to have a policy on its purchase of non-audit services from its external auditor. An NHS foundation trust's audit committee should develop and implement a policy on the engagement of the external auditor to supply non-audit services.</p>
Section E, 2.1	<p>Any performance-related elements of executive directors' remuneration should be designed to align their interests with those of patients, service users and taxpayers and to give these directors keen incentives to perform at the highest levels. In designing schemes of performance-related remuneration, the remuneration committee should consider the following provisions.</p> <ul style="list-style-type: none"> • Whether the directors should be eligible for annual bonuses in line with local procedures. If so, performance conditions should be relevant, stretching and designed to match the long-term interests of the public and patients. • Payouts or grants under all incentive schemes should be subject to challenging performance criteria reflecting the objectives of the trust. Consideration should be given to criteria which reflect the performance of the trust against some key indicators and relative to a group of comparator trusts, and the taking of independent and expert advice where appropriate. • Performance criteria and any upper limits for annual bonuses and incentive schemes should be set and disclosed and must be limited to the lower of £17,500 or 10% of basic salary. • The remuneration committee should consider the pension consequences and associated costs to the trust of basic

Provision	Requirement
	salary increases and any other changes in pensionable remuneration, especially for directors close to retirement.
Section E, 2.2	Levels of remuneration for the chair and other non-executive directors should reflect the Chair and non-executive director remuneration structure.
Section E, 2.4	The remuneration committee should carefully consider what compensation commitments (including pension contributions and all other elements) their directors' terms of appointments would give rise to in the event of early termination. The aim should be to avoid rewarding poor performance. Contracts should allow for compensation to be reduced to reflect a departing director's obligation to mitigate loss. Appropriate claw-back provisions should be considered in case of a director returning to the NHS within the period of any putative notice.
Section E, 2.5	Trusts should discuss any director-level severance payment, whether contractual or non-contractual, with their NHS England regional director at the earliest opportunity.
Section E, 2.7	The remuneration committee should have delegated responsibility for setting remuneration for all executive directors, including pension rights and any compensation payments. The committee should also recommend and monitor the level and structure of remuneration for senior management. The board should define senior management for this purpose and this should normally include the first layer of management below board level.

The provisions listed below require information to be made **available to governors**, even in the case that the trust is compliant with the provision.

Provision	Requirement
Section C, 4.9	The council of governors should agree and adopt a clear policy and a fair process for the removal of any governor who consistently and

Provision	Requirement
(NHS foundation trusts only)	unjustifiably fails to attend its meetings or has an actual or potential conflict of interest which prevents the proper exercise of their duties. This should be shared with governors.
Section C, 5.7 (NHS foundation trusts only)	The board of directors and, for foundation trusts, the council of governors should be given relevant information in a timely manner, form and quality that enables them to discharge their respective duties. Foundation trust governors should be provided with information on ICS plans, decisions and delivery that directly affect the organisation and its patients. Statutory requirements on the provision of information from the foundation trust board of directors to the council of governors are provided in Your statutory duties: a reference guide for NHS foundation trust governors.

The provisions listed below require supporting information to be made **available to members**, even in the case that the trust is compliant with the provision.

Provision	Requirement
Section C, 2.9 (NHS foundation trusts only)	Elected governors must be subject to re-election by the members of their constituency at regular intervals not exceeding three years. The names of governors submitted for election or re-election should be accompanied by sufficient biographical details and any other relevant information to enable members to make an informed decision on their election. This should include prior performance information.

The provisions listed below require information to be made **publicly available**, even in the case that the trust is compliant with the provision. This requirement can be met by making supporting information available on request

Provision	Requirement
Section B, 2.13	The responsibilities of the chair, chief executive, senior independent director if applicable, board and committees should be clear, set out in writing, agreed by the board of directors and publicly available.
Section C, 4.2	Alongside this, the board should make a clear statement about its own balance, completeness and appropriateness to the requirements of the trust. Both statements should also be available on the trust's website.
Section E, 2.6	The board of directors should establish a remuneration committee of independent non-executive directors, with a minimum membership of three. The remuneration committee should make its terms of reference available, explaining its role and the authority delegated to it by the board of directors. The board member with responsibility for HR should sit as an advisor on the remuneration committee. Where remuneration consultants are appointed, a statement should be made available as to whether they have any other connection with the trust.

Appendix A: Role of the trust secretary

The trust secretary has a significant role in the administration of corporate governance. In particular, the trust secretary would normally be expected to:

- ensure good information flows to the board of directors and its committees and between senior management, non-executive directors and the governors where relevant
- ensure that procedures of both the board of directors and the council of governors are complied with
- advise the board of directors and the council of governors (through the chair) on all governance matters
- be available to give advice and support to individual directors, particularly in relation to the induction of new directors and assistance with professional development.

Appendix B: Council of governors and role of the nominated lead governor

1. Principles

- 1.1 The powers and obligations of governors of NHS foundation trusts are set out in the 2006 Act, as amended by the 2012 Act. This appendix describes the relevant areas of the governors' role. In addition, [*Your statutory duties: A reference guide for NHS foundation trust governors*](#) (August 2013) examines how governors can deliver their duties and an addendum to this document, *System working and collaboration: The role of foundation trust councils of governors* (October 2022) clarifies how governors can continue to perform their duties within the context of system working.
- 1.2 The council of governors has a duty to hold the non-executive directors individually and collectively to account for the performance of the board of directors. This includes ensuring the board of directors acts so that the foundation trust does not breach the conditions of its licence. It remains the responsibility of the board of directors to design and then implement agreed priorities, objectives and the overall strategy of the NHS foundation trust.
- 1.3 The council of governors is responsible for representing the interests of NHS foundation trust members, the public at large, and staff in the governance of the NHS foundation trust. Governors must act in the best interests of the NHS foundation trust and should adhere to its values and code of conduct.
- 1.4 To discharge their duty to represent the public, councils of governors are required to take account of the interests of the public at large. This includes the population of the local system of which the trust is part and the whole population of England as served by the wider NHS.
- 1.5 Governors are responsible for regularly feeding back information about the trust, its vision and its performance to members, the public at large, and the stakeholder organisations that either elected or appointed them. The trust should ensure governors have appropriate support to help them discharge this duty.

- 1.6 Governors should discuss and agree with the board of directors how they will undertake these and any additional roles, giving due consideration to the circumstances of the NHS foundation trust and the needs of the system and wider NHS and emerging best practice.
- 1.7 Governors should work closely with the board of directors and must be presented with, for consideration, the annual report and accounts and the annual plan at a general meeting. The governors must be consulted on the development of forward plans for the trust and any significant changes to the delivery of the trust's business plan.
- 1.8 Governors should use their voting rights to hold the non-executive directors individually and collectively to account and act in the best interest of patients, members and the public at large. If the council of governors does withhold consent for a major decision, it must justify its reasons to the chair and the other non-executive directors, bearing in mind that its decision is likely to have a range of consequences for the NHS foundation trust, the system and the wider NHS. The council of governors should take care to ensure that reasons are considered, factual and within the spirit of the Nolan principles.

2. Provisions

- 2.1 The council of governors should meet sufficiently regularly to discharge its duties. Typically the council of governors would be expected to meet as a full council at least four times a year. Governors should make every effort to attend these meetings. The NHS foundation trust should take appropriate steps to facilitate attendance.
- 2.2 The council of governors should not be so large as to be unwieldy. The council of governors should be of sufficient size for the requirements of its duties. The roles, structure, composition and procedures of the council of governors should be reviewed regularly.
- 2.3 The annual report should identify the members of the council of governors, including a description of the constituency or organisation that they represent, whether they were elected or appointed, and the duration of their appointments. The annual report should also identify the nominated lead governor. A record

should be kept of the number of meetings of the council and the attendance of individual governors and it should be made available to members on request.

- 2.4 The roles and responsibilities of the council of governors should be set out in a written document. This statement should include a clear explanation of the responsibilities of the council of governors towards members and other stakeholders and how governors will seek their views and keep them informed.
- 2.5 The chair is responsible for leadership of both the board of directors and the council of governors but the governors also have a responsibility to make the arrangements work and should take the lead in inviting the chief executive and other executives and non-executives, as appropriate, to their meetings. In these meetings other members of the council of governors may ask the chair or their deputy, or any other relevant director present at the meeting, questions about the affairs of the NHS foundation trust.
- 2.6 The council of governors should establish a policy for engagement with the board of directors for those circumstances where they have concerns about the performance of the board of directors, compliance with the provider licence or other matters related to the overall wellbeing of the NHS foundation trust and its collaboration with system partners. The council of governors should input to the board's appointment of a senior independent director.
- 2.7 The council of governors should ensure its interaction and relationship with the board of directors is appropriate and effective, in particular, by agreeing the availability and timely communication of relevant information, discussion and the setting in advance of meeting agendas and, where possible, using clear, unambiguous language.
- 2.8 The council of governors should only exercise its power to remove the chair or any non-executive directors after exhausting all means of engagement with the board of directors. The council should raise any issues with the chair with the senior independent director in the first instance.
- 2.9 The council of governors should receive and consider other appropriate information required to enable it to discharge its duties, eg clinical statistical data and operational data.

- 2.10 The chair (and the senior independent director and other directors as appropriate) should maintain regular contact with the governors to understand their issues and concerns.
- 2.11 Governors should seek the views of members and the public on material issues or changes being discussed by the trust. Governors should provide information and feedback to members and the public at large regarding the trust, its vision, performance and material strategic proposals made by the trust board.
- 2.12 It is also incumbent on the board of directors to ensure governors have the mechanisms in place to secure and report on feedback that enables them to fulfil their duty to represent the interests of members and the public at large.
- 2.13 The chair should ensure that the views of governors and members are communicated to the board as a whole. The chair should discuss the affairs of the NHS foundation trust with governors. Non-executive directors should be offered the opportunity to attend meetings with governors and should expect to attend them if requested to do so by governors. The senior independent director should attend sufficient meetings with governors to hear their views and develop a balanced understanding of their issues and concerns.
- 2.14 The board of directors should ensure that the NHS foundation trust provides effective mechanisms for communication between governors and members from its constituencies. Contact procedures for members who wish to communicate with governors and/or directors should be clear and made available to members on the NHS foundation trust's website and in the annual report.
- 2.15 The board of directors should state in the annual report the steps it has 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, eg through attendance at meetings of the council of governors, direct face-to-face contact, surveys of members' opinions and consultations.

3. Additional statutory requirements

- 3.1 The council of governors has a statutory duty to hold the non-executive directors individually and collectively to account for the performance of the board of directors.

3.2 The 2006 Act, as amended, gives the council of governors a statutory requirement to receive the following documents. These documents should be provided in the annual report as per the NHS foundation trust annual reporting manual:

- (a) the annual accounts
- (b) any report of the auditor on them
- (c) the annual report.

3.3 The directors must provide governors with an agenda prior to any meeting of the board, and a copy of the approved minutes as soon as is practicable afterwards. There is no legal basis on which the minutes of private sessions of board meetings should be exempted from being shared with the governors. In practice, it may be necessary to redact some information, eg for data protection or commercial reasons. Governors should respect the confidentiality of these documents.

3.4 The council of governors may require one or more of the directors to attend a meeting to obtain information about the trust's performance of its functions or the directors' performance of their duties, and to help the council of governors decide whether to propose a vote on the trust's or directors' performance.

3.5 Governors should use their rights and voting powers from the 2012 Act to represent the interests of members and the public at large on major decisions taken by the board of directors. These voting powers require:

- More than half the members of the board of directors who vote and more than half the members of the council of governors who vote to approve a change to the constitution of the NHS foundation trust.
- More than half the governors who vote to approve a significant transaction.
- More than half the governors to approve an application by a trust for a merger, acquisition, separation or dissolution.
- More than half the governors who vote to approve any proposal to increase the proportion of the trust's income earned from non-NHS work by 5% a year or more. For example, governors will be required to vote where an NHS foundation trust plans to increase its non-NHS income from 2% to 7% or more of the trust's total income.
- Governors to determine together whether the trust's non-NHS work will significantly interfere with the trust's principal purpose, which is to provide

goods and services for the health service in England, or its ability to perform its other functions.

- 3.6 NHS foundation trusts are permitted to decide themselves what constitutes a 'significant transaction' and may choose to set out the definition(s) in the trust's constitution. Alternatively, with the agreement of the governors, trusts may choose not to give a definition, but this would need to be stated in the constitution.
- 3.7 In taking decisions on significant transactions, mergers, acquisitions, separations or dissolutions, governors need to be assured that the process undertaken by the board was appropriate, and that the interests of the public at large were considered. A council may disagree with the merits of a particular decision of the board on a transaction, but still give its consent because due diligence has been followed and assurance received. To withhold its consent, the council of governors would need to provide evidence that due diligence was not undertaken.
- 3.8 The external auditors of a foundation trust must be appointed or removed by the council of governors at a general meeting of the council.

4. Lead governor

- 4.1 The lead governor has a role in facilitating direct communication between NHS England and the NHS foundation trust's council of governors. This will be in a limited number of circumstances and, in particular, where it may not be appropriate to communicate through the normal channels, which in most cases will be via the chair or the trust secretary, if one is appointed.
- 4.2 It is not anticipated that there will be regular direct contact between NHS England and the council of governors in the ordinary course of business. Where this is necessary, it is important that it happens quickly and in an effective manner. To this end, a lead governor should be nominated and contact details provided to NHS England, and then updated as required. Any of the governors may be the lead governor.
- 4.3 The main circumstances where NHS England will contact a lead governor are where we have concerns about the board leadership provided to an NHS foundation trust, and those concerns may in time lead to our use of our formal powers to remove the chair or non-executive directors. The council of governors appoints the chair and non-executive directors, and it will usually be the case that

we will wish to understand the views of the governors as to the capacity and capability of these individuals to lead the trust, and to rectify successfully any issues, and also for the governors to understand our concerns.

- 4.4 NHS England does not, however, envisage direct communication with the governors until such time as there is a real risk that an NHS foundation trust may be in breach of its licence. Once there is a risk that this may be the case, and the likely issue is one of board leadership, we will often wish to have direct contact with the NHS foundation trust's governors, but quickly and through one established point of contact, the trust's nominated lead governor. The lead governor should take steps to understand our role, the available guidance and the basis on which we may take regulatory action. The lead governor will then be able to communicate more widely with other governors. Similarly, where individual governors wish to contact us, this would be expected to be through the lead governor.
- 4.5 The other circumstance where NHS England may wish to contact a lead governor is where, as the regulator, we have been made aware that the process for the appointment of the chair or other members of the board, or elections for governors or other material decisions, may not have complied with the NHS foundation trust's constitution, or alternatively, while complying with the trust's constitution, may be inappropriate. In such circumstances, where the chair, other members of the board of directors or the trust secretary may have been involved in the process by which these appointments or other decisions were made, a lead governor may provide us with a point of contact.

Appendix C: The code and other regulatory requirements

Although compliance with the provisions in this guide is not necessarily mandatory, some of the provisions in this document are statutory requirements because they are enshrined elsewhere in legislation.

In the first instance, boards, directors and, for NHS foundation trusts, governors, should ensure that they are meeting the governance requirements for NHS foundation trusts as set out in the 2006 Act (as amended by the 2012 Act) and reflected in the NHS provider licence. This code sits alongside a number of other NHS England reporting requirements that relate to governance.

NHS England uses reasonable evidence, from disclosures made to us by NHS foundation trusts and NHS trusts, to determine if there is a risk of a breach of the licence condition 'Foundation Trust Condition 4: Governance in the NHS foundation trust' and to make a decision regarding intervention.

The information we receive includes: a **forward looking** disclosure on corporate governance (the corporate governance statement); a **backward looking** disclosure on corporate governance (the code of governance for NHS provider trusts); and a **backward looking statement on internal control, risk and quality governance** (the annual governance statement).

For clarity, here we have provided a brief explanation of how the different requirements sit together and the purpose of each.

- **Corporate governance statement – in the annual plan**

To comply with the provider licence, the Annual Plan also includes a requirement for a corporate governance statement. This is a mandatory requirement. This is a forward looking statement of expectations regarding corporate governance arrangements over the next 12 months and trusts should be aware that “**issues not identified and subsequently arising can be used as evidence of self-certification failure**”. The requirement for the completion of the corporate governance statement is separate to the disclosure requirements of this code.

- **The code disclosure requirements – listed in this document and the NHS foundation trust annual reporting manual and Department of Health and Social Care Group accounting manual**

This document is designed to set out **standards of best practice for corporate governance**. It is not mandatory to comply with this guidance, however, the NHS foundation trust annual reporting manual and Department of Health and Social Care group accounting manual do require trusts to make some specific disclosures on a 'comply or explain' basis regarding the provisions listed in this document. (A detailed list of the disclosures required is provided in Schedule A of this.) This is a backward looking statement which should be submitted with the annual report.

- **Annual governance statement – in the NHS foundation trust annual reporting manual and Department of Health and Social Care Group accounting manual**

In addition to listing the code disclosure requirements, the NHS Foundation trust annual reporting manual and Department of Health and Social Care Group accounting manual also require an annual governance statement. The annual governance statement is a backward looking statement which captures information on risk management and internal control, and includes some specific requirements on quality governance.

Completion of the Annual governance statement is a **mandatory requirement**. The annual governance statement does not relate to this code.

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This publication can be made available in a number of alternative formats on request.

Agenda Item: 11

Title & Date of Meeting:	Council of Governors Public Meeting – 19 January 2023																		
Title of Report:	Code of Governance for NHS Provider Trusts																		
Author/s:	Name: Stella Jackson Title: Head of Corporate Affairs																		
Recommendation:	<table border="1"> <tr> <td>To approve</td> <td></td> <td>To receive & discuss</td> <td></td> </tr> <tr> <td>For information/To note</td> <td>✓</td> <td>To ratify</td> <td></td> </tr> </table>			To approve		To receive & discuss		For information/To note	✓	To ratify									
To approve		To receive & discuss																	
For information/To note	✓	To ratify																	
Purpose of Paper:	The Council of Governors is asked to note the Code of Governance for NHS Providers Trusts which will take effect from April 2023.																		
Key Issues within the report:																			
Matters of Concern or Key Risks to Escalate: <ul style="list-style-type: none"> n/a 	Key Actions Commissioned/Work Underway: <ul style="list-style-type: none"> n/a 																		
Positive Assurances to Provide: <ul style="list-style-type: none"> The Trust continues to communicate how it has abided by the principles within the Code of Governance through its Annual Report. 	Decisions Made: <ul style="list-style-type: none"> n/a 																		
Governance:	<table border="1"> <thead> <tr> <th></th> <th>Date</th> <th></th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>Appointments, Terms & Conditions Committee</td> <td></td> <td>Engaging with Members Group</td> <td></td> </tr> <tr> <td>Finance, Audit, Strategy and Quality Governor Group</td> <td></td> <td>Other (please detail) Report to Council</td> <td>✓</td> </tr> <tr> <td>Trust Board</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>				Date		Date	Appointments, Terms & Conditions Committee		Engaging with Members Group		Finance, Audit, Strategy and Quality Governor Group		Other (please detail) Report to Council	✓	Trust Board			
	Date		Date																
Appointments, Terms & Conditions Committee		Engaging with Members Group																	
Finance, Audit, Strategy and Quality Governor Group		Other (please detail) Report to Council	✓																
Trust Board																			

Links to Strategic Goals <i>(please indicate which strategic goal/s this paper relates to)</i>	
√ Tick those that apply	
√	Innovating Quality and Patient Safety

√	Enhancing prevention, wellbeing and recovery			
√	Fostering integration, partnership and alliances			
√	Developing an effective and empowered workforce			
√	Maximising an efficient and sustainable organisation			
√	Promoting people, communities and social values			
Have all implications below been considered prior to presenting this paper to Trust Board?	Yes	If any action required is this detailed in the report?	N/A	Comment
Patient Safety	√			To be advised of any future implications as and when required by the author
Quality Impact	√			
Risk	√			
Legal	√			
Compliance	√			
Communication	√			
Financial	√			
Human Resources	√			
IM&T	√			
Users and Carers	√			
Equality and Diversity	√			
Report Exempt from Public Disclosure?			No	

Code of Governance for NHS Provider Trusts

Introduction

NHS England has published a revised Code of Governance (the Code) and all NHS Providers (including NHS trusts that don't have a council of governors) will be required to abide by this from April 2023. Previously, only foundation trusts were required to abide by the Code of Governance.

The Code has been refreshed following a requirement for providers to work collaboratively in the best interests of patients, service users and the public. It sets out a common overarching framework for the corporate governance of trusts that complements the statutory and regulatory obligations they have (these are referenced throughout the document).

The Code contains a number of principles and provisions relating to corporate governance. All NHS Providers are required to abide by the principles. The provisions are best practice ways in which to achieve the principles and whilst providers do not need to abide with these, the reasons for any non-abidance need to be communicated via the Annual Report.

NHS England has issued the Code to help NHS providers deliver effective corporate governance, contribute to better organisational and system performance and improvement, and ultimately discharge their duties in the best interests of patients, service users and the public.

The revised Code is attached at Appendix 1.

Changes to the Code

The following changes have been made:

- Incorporation of the requirement for boards of directors to assess the trust's "contribution to the objectives of the Integrated Care Partnership (ICP) and Integrated Care Board (ICB), and place based partnerships" as part of its assessment of its performance, and "system and place-based partners" are highlighted as key stakeholders throughout.
- The inclusion of the board's role in assessing and monitoring the culture of the organisation and taking corrective action as required, alongside "investing in, rewarding and promoting the wellbeing of its workforce". The previous code only mentioned wellbeing in the context of the finances of the organisation.
- A new focus on equality, diversity and inclusion, among board members but also training in EDI should be provided for those undertaking director-level recruitment. The board should have a plan in place for the board and senior management of the organisation to reflect the diversity of the local community or workforce, whichever is higher.
- Involvement for NHSE in recruitment and appointment processes. When setting remuneration for NEDs, including the chair, foundation trusts should use the Chair and non-executive director remuneration structure.

Responsibility for Corporate Governance

The Code states that 'corporate governance is the means by which boards lead and direct their organisations so that decision-making is effective, risk is managed and the right outcomes are delivered'. Consequently, corporate governance is a key responsibility of the Board and the Trust communicates how it has abided with the Code (and therefore delivered its corporate governance responsibilities) through its Annual Report.

The Impact of the Code on the Council of Governors

The Code contains a small number of provisions which impact on the work of the Council of Governors (for instance the recruitment and remuneration of Non-Executive Directors) and the Trust ensures the Code provisions are taken into consideration when advising Governors about their duties.

Governors may find it useful to read Annex B of the document which outlines the role and responsibilities of the Council of Governors and Lead Governor. This incorporates reference to the requirement for governors to represent the 'public at large' (to reflect a move to working collaboratively at system level).

Agenda Item 12

Title & Date of Meeting:	Council of Governors Public Meeting – 19 January 2023										
Title of Report:	Council of Governor Sub-Groups Feedback & Membership Activity										
Author/s:	Doff Pollard, Chair of Engaging with Members Governor Group and Governors										
Recommendation:	<table border="1"> <tr> <td>To approve</td> <td></td> <td>To receive & discuss</td> <td></td> </tr> <tr> <td>For information/To note</td> <td>✓</td> <td>To ratify</td> <td></td> </tr> </table>			To approve		To receive & discuss		For information/To note	✓	To ratify	
To approve		To receive & discuss									
For information/To note	✓	To ratify									
Purpose of Paper:	<p>To provide the Council of Governors with an update on meetings held.</p> <p>The Appointments, Terms and Conditions Committee meeting arranged for November 2022 was cancelled. The next meeting is on 9 March 2023.</p> <p>A verbal update will be provided on the Engaging with Members meeting.</p> <p>Details of Membership activity by Governors is also included in the report</p>										
Key Issues within the report:											
Matters of Concern or Key Risks to Escalate: <ul style="list-style-type: none"> No matters to escalate 		Key Actions Commissioned/Work Underway: <ul style="list-style-type: none"> N/A 									
Positive Assurances to Provide:		Decisions Made: <ul style="list-style-type: none"> N/A 									
Governance:		Date	Date								
	Appointments, Terms & Conditions Committee		Engaging with Members Group								
	Finance, Audit, Strategy and Quality Governor Group		Other (please detail) Quarterly report to Council ✓								
	Trust Board										

Monitoring and assurance framework summary:

Links to Strategic Goals (please indicate which strategic goal/s this paper relates to)				
√ Tick those that apply				
	Innovating Quality and Patient Safety			
	Enhancing prevention, wellbeing and recovery			
	Fostering integration, partnership and alliances			
	Developing an effective and empowered workforce			
	Maximising an efficient and sustainable organisation			
	Promoting people, communities and social values			
Have all implications below been considered prior to presenting this paper to Council of Governors?	Yes	If any action required is this detailed in the report?	N/A	Comment
Patient Safety	√			To be advised of any future implications as and when required by the author
Quality Impact	√			
Risk	√			
Legal	√			
Compliance	√			
Communication	√			
Financial	√			
Human Resources	√			
IM&T	√			
Users and Carers	√			
Equality and Diversity	√			
Report Exempt from Public Disclosure?			No	

Governor's Activity Report

Please can you complete a summary of any Governor activity? This will assist us in providing evidence on how our Governors are fulfilling their responsibilities.

NameDoff Pollard..... From...July 22..... To.....Dec 22.....

<p>Governor In-patient Visits</p> <p>Visited Pine View Willerby for a Place Visit</p>
<p>Service Area Interests Activity</p> <p>Volunteering – Talked with Stuart McKinnon-Evans (NED) and Dean Royles (NED) about my concerns Charity Talked with Stuart McKinnon-Evans about my concerns Recruitment Talked with Dean Royles about my concerns Whitby Talked with Lyn Parkinson (Deputy Chief Executive and Chief Operating Officer) briefly about booking Xray's concerns in the area</p>
<p>Regional Governor Meetings</p>
<p>Governor meetings – i.e Appointment & Terms and Conditions Committee, Finance and Audit, PEAT inspections, membership recruitment events etc</p> <p>Attended and spoke at Annual Members meeting in October where 40+ attended the event 32 people watch the stream live at the time of the AMM Chaired meeting of Engaging members Group in October and December In July joined interview panel for Trust's Corporate manager Attended Board of Governor meetings and Public Governor meetings with Caroline Flint (Chair) Observed Trust Board meetings online or as a recording</p>
<p>Other</p> <p>Have chaired monthly meetings of the Whitby Hospital Artworks Groups Progressed getting the artwork up on the walls (newly framed and mounted – not there yet), on the screen and supported the obscuring of the windows activity Attended Nov Whitby Project Group and fed back from community Attended Whitby Patient and Carers Group and will be doing a "Story" of Whitby in July</p>

Governor's Activity Report

Please can you complete a summary of any Governor activity? This will assist us in providing evidence on how our Governors are fulfilling their responsibilities.

Name**Brian Swallow**..... **From**.....**1st Oct 22**.....
To.....**31st Dec 22**.....

Governor In-patient Visits 23 rd Nov Pine View 13 th Dec Newbridges
Service Area Interests Activity
Regional Governor Meetings
Governor meetings – i.e Appointment & Terms and Conditions Committee, Finance and Audit, PEAT inspections, membership recruitment events etc 6 th Oct Ann. Members Mtg. 13 Oct Gov. Mtg. 3 rd Nov. Trust Annual Research day 22 nd Nov Gov. Devel. Day 7 th Dec Engaging with members mtg.
Other

Governor's Activity Report

Please can you complete a summary of any Governor activity? This will assist us in providing evidence on how our Governors are fulfilling their responsibilities.

Name **Tim Durkin**..... From **12/10/22**.....
To **6/1/22**.....

Governor In-patient Visits

Still waiting for offer of visits to Scarborough and Ryedale services

Service Area Interests Activity

Correspondence with NED Francis Patton re Finance Presentation at Development Meeting
Meeting with NED Dean Royles re Staff Vacancies and policy re recruitment
Meeting with Corporate Affairs Director, Stella Jackson re Community Service visits by Governors
Correspondence with NED Mike Smith re CAMHS and HRI re potential policy issues

Regional Governor Meetings

Governor meetings – i.e Appointment & Terms and Conditions Committee, Finance and Audit, PEAT inspections, membership recruitment events etc

12/10/22 PACE meeting- Scarborough and Ryedale
13/10/22 Council of Governors
20/10/22 Engaging with members sub-committee
16/11/22 Public Governors meeting with the Chair
22/11/22 Governors Development meeting

Other

Agenda Item 13

Title & Date of Meeting:	Council of Governors Public Meeting – 19 January 2023										
Title of Report:	Governor Support Proposals Action Plan										
Author/s:	Caroline Flint Chair										
Recommendation:	<table border="1"> <tr> <td>To approve</td> <td></td> <td>To receive & discuss</td> <td></td> </tr> <tr> <td>For information/To note</td> <td>✓</td> <td>To ratify</td> <td></td> </tr> </table>			To approve		To receive & discuss		For information/To note	✓	To ratify	
To approve		To receive & discuss									
For information/To note	✓	To ratify									
Purpose of Paper:	To provide an update on progress with the Governor Support proposals action plan. The action plan is now completed										
Key Issues within the report:											
Matters of Concern or Key Risks to Escalate:		Key Actions Commissioned/Work Underway:									
<ul style="list-style-type: none"> No matters to escalate 		<ul style="list-style-type: none"> N/A 									
Positive Assurances to Provide:		Decisions Made:									
<ul style="list-style-type: none"> All actions are on track 		<ul style="list-style-type: none"> N/A 									
Governance:		Date	Date								
	Appointments, Terms & Conditions Committee		Engaging with Members Group								
	Finance, Audit, Strategy and Quality Governor Group		Other (please detail) Report to Council								
	Trust Board										

Monitoring and assurance framework summary:

Links to Strategic Goals <i>(please indicate which strategic goal/s this paper relates to)</i>	
√ Tick those that apply	
	Innovating Quality and Patient Safety
	Enhancing prevention, wellbeing and recovery
	Fostering integration, partnership and alliances

	Developing an effective and empowered workforce			
✓	Maximising an efficient and sustainable organisation			
✓	Promoting people, communities and social values			
Have all implications below been considered prior to presenting this paper to Trust Board?	Yes	If any action required is this detailed in the report?	N/A	Comment
Patient Safety	√			To be advised of any future implications as and when required by the author
Quality Impact	√			
Risk	√			
Legal	√			
Compliance	√			
Communication	√			
Financial	√			
Human Resources	√			
IM&T	√			
Users and Carers	√			
Equality and Diversity	√			
Report Exempt from Public Disclosure?			No	

Action Plan to address Recommendations from Governor Support Proposals

This section summarises the recommendations that we have identified as a result of this review we have allocated a risk rating to each of these recommendations as per the following table.

No	Rating	Recommendation	Overall lead	Action/s to address recommendation	By When	Any Additional Comment
1	Green	New and existing Governors complete an IT proforma to provide for digital requirements.	PBec	Waiting for a response from another organisation regarding the proforma	Nov 22	Form drafted and with PBec for comments
2	Green	A new Governor Induction Pack to include how to use Humber's IT systems, where to get help and a list of individual NEDS' Trust roles/responsibilities.	JJ/KC	Pack Completed	Sept 22	
3	Green	Public/PACE Governors should be loaned a tablet only for Humber Trust work and/or be able to access support from Humber's IT team as do NEDs	PBec	4 IPADs have been ordered for Governor use	Sept 22	Ipads issues to Governors who asked for them.

4	Green	Provide training on using Microsoft Teams for virtual meetings, tablet and Humber IT systems. Governor Soraya Hutchinson has agreed to support IT training by the Trust.	IT/SH	Office 365 post out to advert in the Trust and will be able to provide some advice on use of Teams etc, once in post	ongoing	Post recruited to. Access for assistance would be via the Membership Officer
5	Green	Printed copies of CoG and other papers to be provided on request.	KC	CoG papers provided as standard. Other papers will be provided on request	Ongoing	
6	Green	Membership Officer Katie Colrein available for in person Governor support on Mondays by arrangement.	KC	Already in place	Ongoing	Alternative days can be arranged
7	Green	Email to Governors introducing NEDs profile and the areas/committees they cover after elections and when new NED starts.	KC	E mail sent to Governors with information. To be undertaken from next elections or when new NEDs are in post Added to Governor starter pack	Dec 22	Ongoing action due to elections and new starters
8	Green	Create a forward Governor Calendar for 2022/23	KC	Calendar produced – some dates still to be finalised	Sept 22	Completed and sent out
9	Green	Governors to be asked to provide periods in the year when they are not available eg: holidays to help plan events.	KC	Governors have been asked to provide any holiday dates	ongoing	Quarterly reminders will be sent
10	Green	Agenda items for discussion at Council of Governors' meetings to	CF	Agenda amended to reflect discussions	ongoing	

		reflect more what information Governors need alongside governance and assurance items.				
11	Green	NED Chair/ Champion to lead on agenda items supported by the EMT or appropriate lead.	CF	Item added to Council of Governors agenda and commenced at the July 22 meeting	July 22	
12	Green	CoG agenda to provide for feedback or focus on a particular issue from Chairs of Board committees.	CF	Item added to agenda and commenced from July CoG meeting	July 2022	
13	Green	The Finance, Audit, Strategy, Quality, Workforce and Mental Health Legislation Governor Group should stop. Instead through the CoG, and Governor Development Day NED Chairs should report on the work of their committees or a specific issue of interest.	CF	No further meetings arranged. Issues to be taken forward through Development Day agendas	July 2022	
14	Green	As appropriate, online/in person meetings, written Governor briefings and short task and finish groups on a specific Trust issue to be provided by NED Chairs or EMT Leads.	CF	Subject will be identified by Governors and appropriate arrangements put in place	December 2022	This is ongoing and happening as and when needed. We provide online and in person briefings; access to public Board papers which are also a form of written briefings as well as other email written briefings, the workplan arose from a task and finish

						group and Governors sit on Mental Health Inpatient Redesign Stakeholder Group. We have 2 functioning Governor led groups, the Appointments, Terms and Conditions and Engaging Members Group
15	Green	Governor Development Days to take place in person quarterly with tea/coffee before the start and a sandwich lunch after.	KC	Dates agreed for face to face meetings	October 2022	
16	Green	Agendas should be forward planned, and NED Chairs Feedback/Q&A should be a standing item.	KC	Added to the Development day agenda from June 2022	June 22	
17	Green	Update Visit Guidance Policy including numbers on visits.	MM/CF	Document sent to Chair	Aug 22	
18	Green	Establish a NED/Governor Visits Programme for 2022/23 with a dedicated member of the BSU to organise and liaise with NEDs and Governors.	KC/KN	Work is in progress to arrange a programme of visits. Katie Colrein and Kerrie Neilson are supporting this work	Aug/ Sept 22	Dates have been arranged. Programme sent out to Directors, NEDs and Governors 3.10.22
19	Green	Action Log to be reported to Council of Governor Meetings until completed.	JJ	Added to CoG agendas until all actions are complete	ongoing	Action plan completed

Agenda Item 15

Title & Date of Meeting:	Council of Governors Public Meeting– 19 th January 2023			
Title of Report:	Trust Performance Report – November 2022			
Author/s:	Name: Peter Beckwith/Richard Voakes Title: Director of Finance/Business Intelligence Lead			
Recommendation:	To approve		To receive & discuss	
	For information/To note	<input checked="" type="checkbox"/>	To ratify	
Purpose of Paper: <i>Please make any decisions required of Board clear in this section:</i>	<p>This purpose of this report is to inform the Council of Governors on the current levels of performance as at the end of November 2022.</p> <p>The report is presented using statistical process charts (SPC) for a select number of indicators with upper and lower control limits presented in graphical format.</p> <p>Detailed narrative on waiting times is included as an appendix to the report.</p>			
Key Issues within the report:				
Matters of Concern or Key Risks to Escalate: <ul style="list-style-type: none"> Delayed Transfers of Care (no criteria to reside) - DToC's remain high, and the issue continues to lie with patients predominantly waiting for specialised hospital placements with other NHS providers or local authority provided residential placements. 	Key Actions Commissioned/Work Underway: <ul style="list-style-type: none"> CPA 72 hour follow up and 7 day follow up - Each breach of the 72 hour follow up is examined to ensure that follow was attempted and if it was not achieved that any improvements are made and follow up is still achieved as soon as possible after the initial 7 days. Delayed Transfers of Care (no criteria to reside) - System escalation mechanisms are in place to address this overseen by the Chief Operating Officer. Focus will be maintained on improving this position further in order to achieve the best outcomes for our patients and to ensure it does not adversely impact on the improved position we have achieved in reducing out of area placements. The ICB and Provider Collaborative are escalating DTOC/NCTR as an issue requiring focussed system action and proposals have been made for the new national Discharge Funding to support patient flow in order to improve the level of DTOC. Incidents - . All areas identified with a reduced reporting rate have been considered and undergo regular review via the Trust's corporate huddle and supporting governance 			

	processes.
<p>Positive Assurances to Provide:</p> <ul style="list-style-type: none"> • Mandatory Training – compliance overall remains high, performance exceed the upper control limit in November at 92.1% • Incidents – There was a decrease in incident reporting rate for the Mental Health Division in November 2022 when considered in relation to patient contacts / bed days, with the total number of incidents per 10,000 contacts / bed days decreasing from 437 incidents in October to 370 incidents November. Although we saw a reduction in reporting rate for incidents against Trust activity, in terms of actual incident reporting rate, the Mental Health Services Division saw a smaller reduction with incidents reported in October to November 2022 going from 322 to 311. • Clinical Supervision – compliance has remained above target since October 2021, with November performance exceeding the upper control limit with performance at 95.3%. • CPA follow ups - November shows continued good performance against the 72 hour standard (<i>achieving 93.3% performance against an 80% target</i>). 7 day follow up has also improved against the previous month's performance and is above target in November. • IAPT – the service was compliant against both the 6 week and 18 week wait standards in November, this position can be maintained so long as sickness and staff retention remain at the current level. 	<p>Decisions Made:</p> <ul style="list-style-type: none"> • None (report is to note)

<p>Governance: Please indicate which committee or group this paper has previously been presented to:</p>		Date		Date
	Audit Committee		Remuneration & Nominations Committee	
	Quality Committee		Workforce & Organisational Development Committee	
	Finance & Investment Committee		Executive Management Team	
	Mental Health Legislation Committee		Operational Delivery Group	
	Charitable Funds Committee		Collaborative Committee	
			Other (please detail)	

Monitoring and assurance framework summary:

Links to Strategic Goals (please indicate which strategic goal/s this paper relates to)	
√ Tick those that apply	
<input type="checkbox"/>	Innovating Quality and Patient Safety
<input type="checkbox"/>	Enhancing prevention, wellbeing and recovery
<input type="checkbox"/>	Fostering integration, partnership and alliances

	Developing an effective and empowered workforce			
	Maximising an efficient and sustainable organisation			
	Promoting people, communities and social values			
Have all implications below been considered prior to presenting this paper to Trust Board?	Yes	If any action required is this detailed in the report?	N/A	Comment
Patient Safety	√			
Quality Impact	√			
Risk	√			To be advised of any future implications as and when required by the author
Legal	√			
Compliance	√			
Communication	√			
Financial	√			
Human Resources	√			
IM&T	√			
Users and Carers	√			
Equality and Diversity	√			
Report Exempt from Public Disclosure?			No	

TPR Waiting Times Narrative

Indicator/Service	Narrative
Memory Diagnosis - >18wks	<p>The service continues to make good progress in recovering the waiting list position, firstly focusing on those waiting over 52 weeks for completion of their diagnostic journey.</p> <p>The Service have focussed on reducing the length of wait for the initial assessment, which is now within 18 weeks and work continues to improve the performance in the subsequent stages of the diagnostic pathway.</p> <p>The capacity and demand work is in the process of being refreshed to take into account the future state operating model as well as the transitional phase which the service is currently in. Use of Independent providers is being considered in line with this work and a recovery trajectory will be determined once the capacity options are fully analysed.</p> <p>Diagnostic scanning and scan reporting waiting times remain a challenge. Options are to be explored further regarding ICB level options to procure additional scanning and reporting capacity.</p> <p>The service continues to phase in their new operating model, applying skill mix opportunities where possible and appropriate.</p>
RTT Waits – Complete	<p>The November position has deteriorated in in line with expectation. This remains as a result of recovery work to reduce the longest waits.</p>
RTT Waits - Incomplete	<p>The Incomplete position has remained static across the last 3 months, this is mainly as a result of overall increase in Trust referrals. Recovery focus continues to be placed on eradicating the over 52ww position in the first instance, apart from those areas with nationally mandated standards.</p>
52 Week Waits	<p>November has seen a slight improvement from October, with the over 52ww reducing to 481 (excluding ASD for paediatric and adults), ADHD making up the majority of these.</p> <p><u>Adult ADHD</u></p> <p>Validation of the waiting list is now complete, and patients have started to be contacted to gain consent to progress with assessment with an independent provider. Progress is being monitored via the dedicated Recovery Board and plans continue to be worked up for safe transfer of the service to Children’s and LD. The recovery trajectory will be refreshed in line with commencement of this work. Recruitment of a senior administrator to co-ordinate and oversee this work is essential and is underway.</p> <p><u>Children’s ADHD</u></p> <p>Recovery of the position has commenced with 10 cases transferred to an Independent provider in December as part of an initial pilot. A further 50 assessments are due to take place in January, February and March through the independent provision as well as the internal team continuing to undertake assessments. A recovery trajectory has been developed and a Business Case set out that demonstrates the gap in available capacity versus the demand placed on the service. This case will be progressed with the commissioners in Q4.</p>
Adult ASD	<p>The position continues to improve, and the recovery trajectory continues to be closely monitored.</p>
Paediatric ASD	<p>The waiting list position in November was achieved in line with the recovery plan. A Business Case is due to be presented this month which will demonstrate the full extent of the capacity gap to support continued recovery in light of the increased levels of referral against the original plan. Without further intervention the trajectory will be adversely impacted due to the considerable increase in demand.</p>
EIP	<p>The performance standard was achieved in November. The service</p>

	continues to closely monitor the position via weekly performance reviews to ensure a proactive approach is taken with referral and waiting list management. Improvement is expected to be maintained.
IAPT	Compliant against both the 6ww and 18ww standard, the Service is confident that this will be maintained if sickness levels and staff retention remain in the current state.

Financial Year
2022-23

TRUST PERFORMANCE REPORT

This document provides a high level summary of the performance measures stemming from the Integrated Quality and Performance Tracker.

The purpose of this report is to present to the Board a thematic review of the performance for a select number of indicators for the last 24 months including Statistical Process Control charts (SPC) with upper and lower control limits.

Reporting Month:
Nov-22

Chief Executive: Michele Moran

Prepared by: Business Intelligence Team

Caring, Learning and Growing



Humber Teaching NHS Foundation Trust Trust Performance Report

For the period ending:

Nov 2022

Purpose	This paper provides a summary on the progress being made against a basket of NHS performance indicators together with executive summary and underpin the Trust's Strategy 2017-2022. A sample of the strategic goals are represented in this report. Particular attention is drawn to the new format and the use of Statistical Process Control (SPC) in the following charts. SPC charts contain upper and lower control limits which are based on 2 standard deviation points above and below the 2 yearly average.
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What are SPCs?	<p>Statistical process control (SPC) charts can help us understand the scale of any problem, gather information and identify possible causes when used in conjunction with other investigative tools such as process mapping.</p> <p>SPC tells us about the variation that exists in the systems that we are looking to improve:</p> <p>S – statistical, because we use some statistical concepts to help us understand processes. P – process, because we deliver our work through processes ie how we do things. C – control, by this we mean predictable.</p> <p>SPC should be used to help to get a baseline and evaluate how we are currently operating. SPC will also help us to assess whether service changes have made a sustainable difference. They give an indication as to whether there is relatively stable variation over time or whether there are special causes creating exceptional variance. This is done by analysing the chart looking at how the values fall around the average and between or outside the control limits. The average and control limits do not indicate whether the indicator is achieving the target that has been set, but they allow us to better understand how stable the performance is and whether or not it is changing.</p>
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Strategic Goal 1	Innovating Quality and Patient Safety	Strategic Goal 4	Developing an effective and empowered workforce
Strategic Goal 2	Enhancing prevention, wellbeing and recovery	Strategic Goal 5	Maximising an efficient and sustainable organisation
Strategic Goal 3	Fostering integration, partnership and alliances	Strategic Goal 6	Promoting people, communities and social values
Key Indicators	The following is a list of indicators highlighted within this report and the Goal to which they are set against. Other than the Safer Staffing dashboard, each indicator uses SPC charts		

Dashboard	Safer Staffing	A dashboard to provide overview on a number of clinical indicators for the Trust's inpatient units across all services
Dashboard	Mortality	Learning from Mortality Reviews
Goal 1	Mandatory Training	A percentage compliance for all mandatory and statutory courses
Goal 1	Vacancies	Proportion of posts vacant when compared to the budgeted establishment. This information is taken from the Trust financial ledger.
Goal 1	Number of Incidents per 10,000 Contacts	Number of Incidents per 10,000 Contacts (based on contacts and occupied bed days)
Goal 1	Clinical Supervision	Percentage of staff with appropriate clinical supervision taken place within the last 4-6 weeks
Goal 1	FFT - Patient Recommendation	Results where patients would recommend the Trust 's services to their family and friends
Goal 2	FFT - Patient Involvement	Results where patients felt they were involved in their care
Goal 2	72 hour follow ups	Percentage of patients who had a follow up within 72 hours (3 days) of discharge from hospital
Goal 2	CPA - Reviews	Percentage of patients who are on CPA and have had a review in the last 12 months
Goal 2	Memory Diagnosis	Number of patients waiting 18 weeks or more since referral to the service

Humber Teaching NHS Foundation Trust

Trust Performance Report

For the period ending:

Nov 2022

Goal 2	RTT - Completed Pathways	Based on patients who have commenced treatment during the reporting period and seen within 18 weeks of their referral
Goal 2	RTT - Incomplete Pathways	Based on patients who are waiting for assessment and/or treatment and are waiting less than 18 weeks since referral.
Goal 2	RTT - 52 Week Waits	Number of patients who have yet to be seen for treatment and have been waiting more than 52 weeks
Goal 2	RTT - 52 Week Waits - Adult ASD	Number of patients who have yet to be seen for assessment and diagnosis in Autism Spectrum Disorder (ASD) Service for Adult and have been waiting more than 52 weeks
Goal 2	RTT - 52 Week Waits - Paediatric ASD	Number of patients who have yet to be seen for assessment and diagnosis in Autism Spectrum Disorder (ASD) Service for Children and have been waiting more than 52 weeks
Goal 2	RTT - 52 Week Waits - CAMHS	Number of patients who have yet to receive treatment in CAMHS and have been waiting more than 52 weeks
Goal 2	RTT - Early Interventions	Percentage of patients who were seen within two weeks of referral
Goal 2	RTT - IAPT 6 Weeks and 18 weeks	Percentage of patients who were seen within 6 weeks and 18 weeks of referral
Goal 3	Recovery Rates - IAPT (East Riding)	Recovery Rates for patients who were at caseness at start of therapeutic intervention
Goal 3	Out of Area Placements	Number of days that Trust patients were placed in out of area wards
Goal 4	Delayed Transfers of Care	Results for the percentage of Mental Health delayed transfers of care
Goal 4	Staff Sickness	Percentage of staff sickness across the Trust (not including bank staff). Including and Excluding Covid Sickness
Goal 4	Staff Turnover	Percentage of leavers against staff in post (excluding employee transfers wef April 2021)
Goal 6	Complaints	The number of Complaints Responded to and Upheld
Goal 6	Compliments	Chart showing the number of Compliments received by the Trust by month

PI RETURN FORM 2022-23

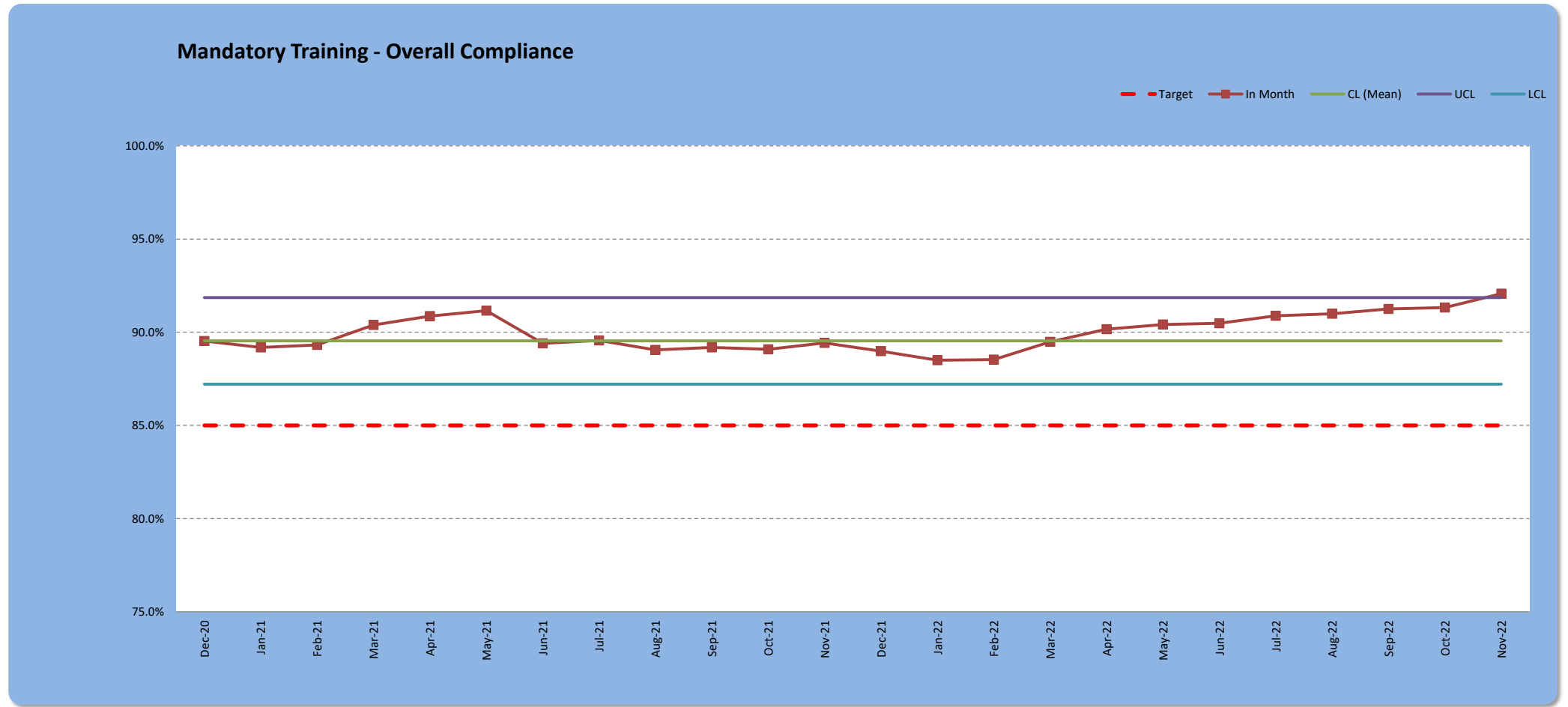
Goal 1 : Innovating Quality and Patient Safety

For the period ending:

Nov 2022

Target:	Amber:	Current month stands at:
85%	80%	92.1%

Indicator Title	Description/Rationale	Executive Lead	KPI Type
Mandatory Training	A percentage compliance based on an overall target of 85% for all mandatory and statutory courses	Steve McGowan	WL 5



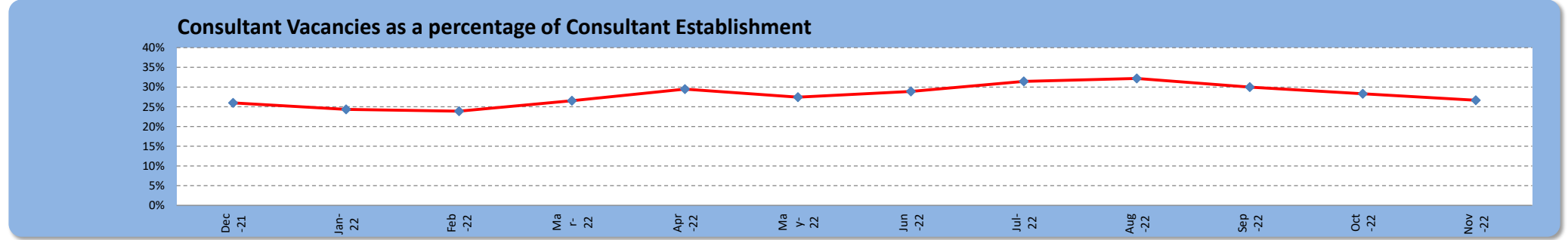
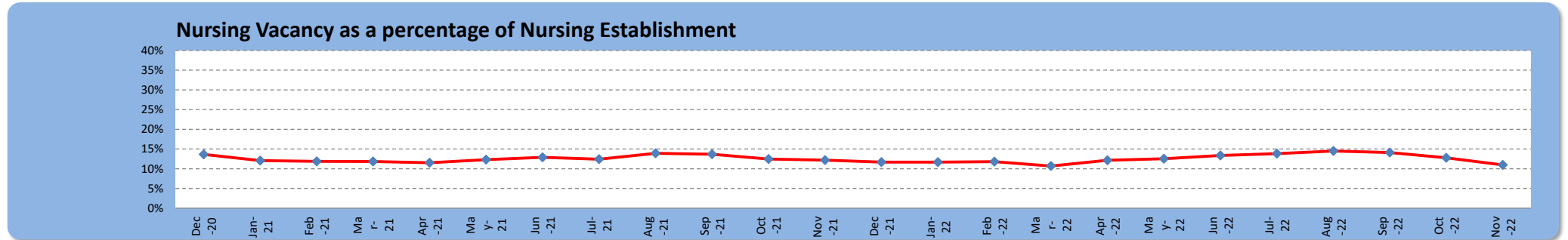
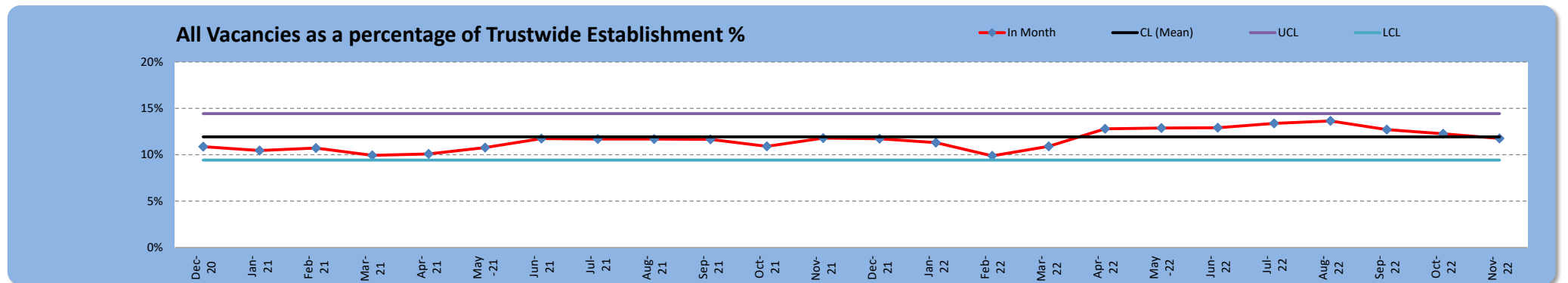
PI RETURN FORM 2022-23

Goal 1 : Innovating Quality and Patient Safety

For the period ending: **Nov 2022**

Target:	Amber:	Current month stands at:
N/A	N/A	11.8%

Indicator Title	Description/Rationale	Executive Lead	KPI Type
Vacancies (WTE)	Proportion of posts vacant when compared to the budgeted establishment. This information is taken from the Trust financial ledger.	Steve McGowan	WL 2 VAC



PI RETURN FORM 2022-23

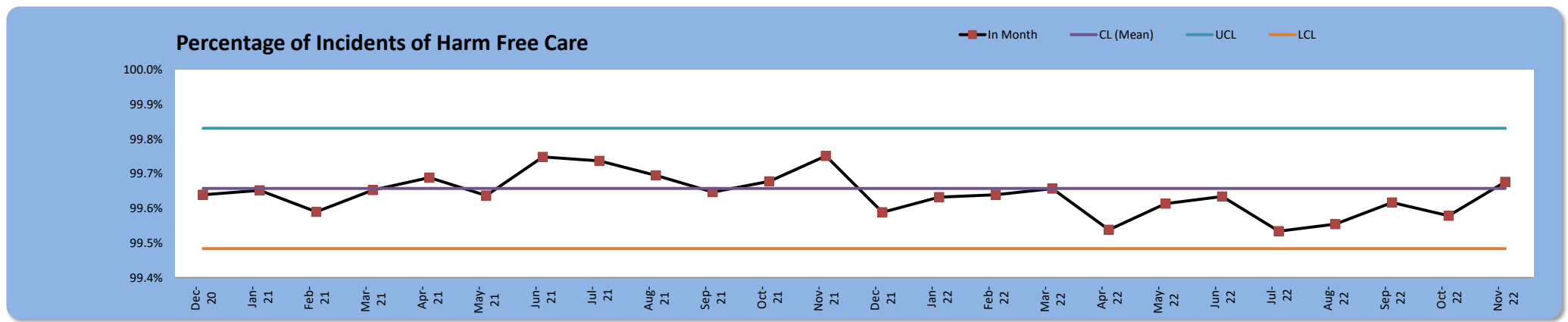
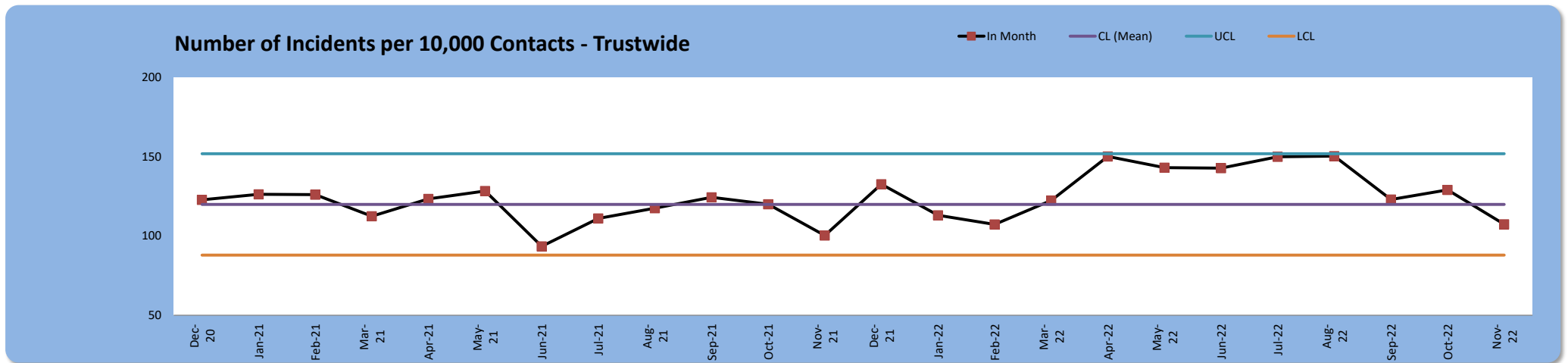
Goal 1 : Innovating Quality and Patient Safety

For the period ending:

Nov 2022

		Trustwide current month stands at:
Target:	Amber:	107
0	0	

Indicator Title	Description/Rationale	Executive Lead	KPI Type
Incidents	Number of Incidents per 10,000 Contacts (based on contacts and occupied bed days)	Hilary Gledhill	IA_TW



PI RETURN FORM 2022-23

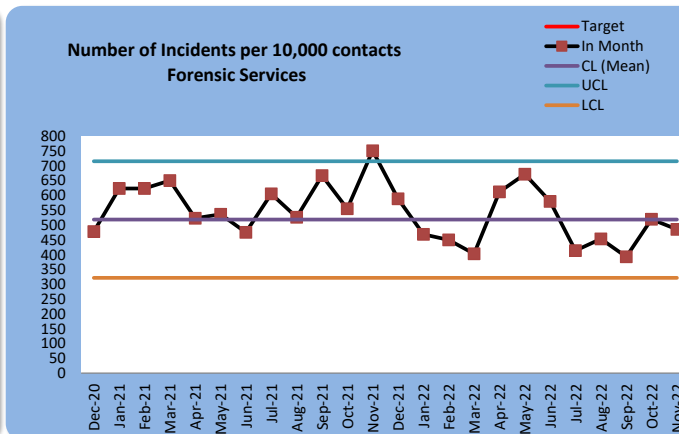
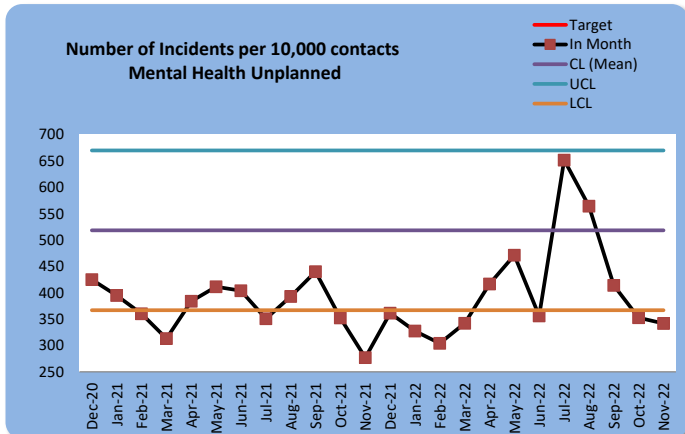
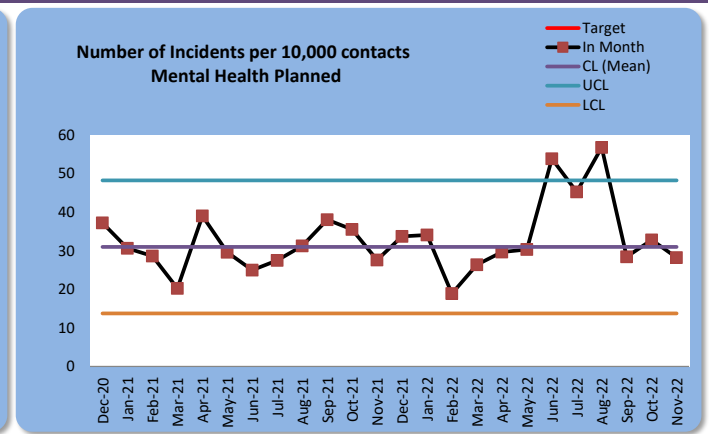
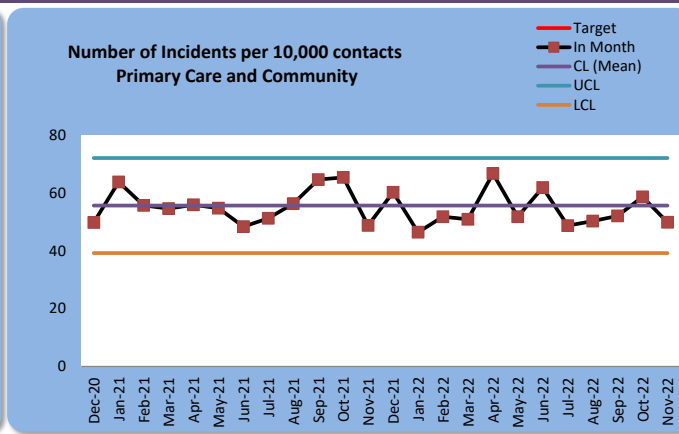
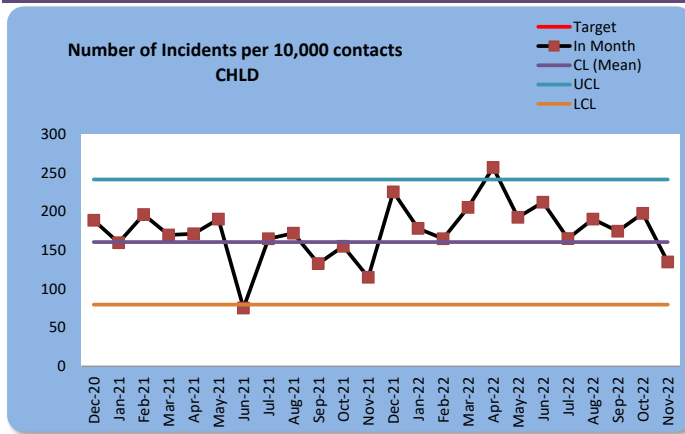
Goal 1 : Innovating Quality and Patient Safety

For the period ending:

Nov 2022

Target:	Amber:	Trustwide current month stands at:
0	0	107

Indicator Title	Description/Rationale	Executive Lead	KPI Type
Incidents	Number of Incidents per 10,000 Contacts (based on contacts and occupied bed days)	Hilary Gledhill	IA_TW



Current Month per Division

Children and Learning Disability	135
Primary Care and Community	50
Mental Health Planned	28
Mental Health Unplanned	342
Forensic Services	485

Incident Analysis

	Oct-22	Nov-22
Never Events	0	0
% of Harm Free Care	99.6%	99.7%
% of Incidents reported in Severe Harm or Death	0.6%	0.1%

PI RETURN FORM 2022-23

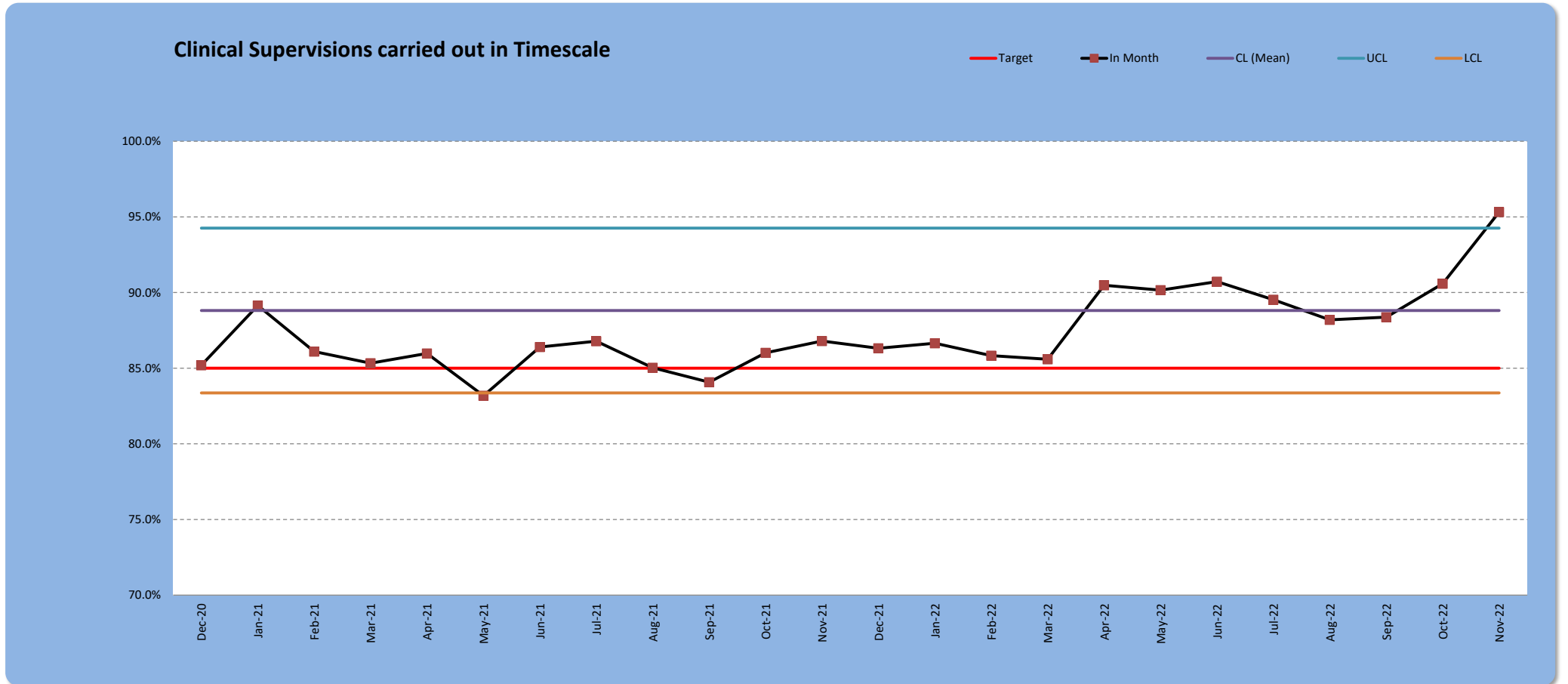
Goal 1 : Innovating Quality and Patient Safety

For the period ending:

Nov 2022

Target:	Amber:	Current month stands at:
85%	80%	95.3%

Indicator Title	Description/Rationale	Executive Lead	KPI Type
Clinical Supervision	Percentage of staff with appropriate clinical supervision taken place within the last 4-6 weeks	Hilary Gledhill	WL 9a



HUMBER TEACHING NHS FOUNDATION TRUST SAFER STAFFING INPATIENT DASHBOARD

Contract Period:	2022-23
Reporting Month:	Oct-22



Shown one month in arrears

Speciality	Units					Bank/Agency Hours				Average Safer Staffing Fill Rates				High Level Indicators										Indicator Totals	
	Ward	Speciality	WTE	OBDs (inc leave)	CHPPD Hours (Nurse)	Bank % Filled	Improvement	Agency % Filled	Improvement	Day		Night		QUALITY INDICATORS (Year to Date)										Sep-22	Oct-22
										Registered	Un Registered	Registered	Un Registered	Staffing Incidents (Poor Staffing Levels)	Incidents of Physical Violence / Aggression	Complaints (Upheld/party upheld)	Failed S17 Leave	Clinical Supervision	Mandatory Training (ALL)	Mandatory Training (ILS)	Mandatory Training (BLS)	Sickness Levels (clinical)	WTE Vacancies (RNs only)		
Adult MH	Avondale	Adult MH Assessment	27.8	74%	11.9	25.8%	↑	3.2%	↑	91%	83%	93%	112%	2	17	10	0	58.3%	89.0%	81.8%	75.0%	2.6%	5.0	1	1
	New Bridges	Adult MH Treatment (M)	40.2	93%	7.92	12.3%	↑	8.5%	↑	80%	81%	91%	100%	1	29	2	0	80.6%	92.6%	75.0%	84.0%	5.3%	1.3	3	2
	Westlands	Adult MH Treatment (F)	35.0	93%	8.58	26.3%	↓	13.3%	↑	86%	80%	92%	112%	2	48	3	0	No Ret	91.9%	93.3%	57.1%	2.8%	2.4	2	3
	Mill View Court	Adult MH Treatment	27.3	84%	9.90	18.0%	↓	27.5%	↓	101%	84%	100%	112%	4	8	0	0	No Ret	90.8%	90.0%	66.7%	3.5%	4.6	3	1
	STARS	Adult MH Rehabilitation	37.6	100%	22.61	19.1%	↑	0.9%	↓	62%	173%	101%	99%	0	1	0	0	84.2%	94.6%	83.3%	73.1%	6.4%	0.5	3	3
	PICU	Adult MH Acute Intensive Older People	32.9	66%	25.38	27.9%	↑	22.2%	↑	71%	127%	94%	149%	2	70	0	0	100.0%	83.5%	78.6%	88.2%	13.2%	4.0	1	2
OP MH	Maister Lodge	Dementia Treatment	34.3	69%	17.20	12.9%	↑	9.1%	↑	79%	106%	123%	105%	0	47	0	0	100.0%	91.6%	100.0%	88.5%	9.9%	1.0	1	1
	Mill View Lodge	Older People Treatment	26.1	73%	22.37	16.5%	↑	23.8%	↑	74%	109%	104%	162%	0	42	0	0	68.0%	93.1%	100.0%	78.6%	10.9%	0.8	3	3
	Maister Court	Older People Treatment	18.4	98%	17.43	19.7%	↑	13.2%	↑	155%	78%	100%	102%	0	2	0	0	100.0%	91.1%	57.1%	66.7%	2.6%	1.8	0	2
	Pine View	Forensic Low Secure	30.8	80%	9.66	11.7%	↑	0.0%	→	101%	88%	59%	95%	4	7	0	20	100.0%	96.1%	76.9%	85.0%	0.0%	1.6	2	1
	Derwent	Forensic Medium Secure	25.4	98%	12.53	26.8%	↓	0.0%	→	104%	90%	80%	126%	1	8	2	2	96.3%	94.4%	85.7%	78.9%	4.1%	2.0	1	1
	Ouse	Forensic Medium Secure	24.6	79%	11.99	27.7%	↓	0.0%	→	104%	113%	103%	198%	3	4	1	5	100.0%	94.0%	100.0%	68.4%	3.1%	2.6	0	0
Child & LD	Swale	Personality Disorder Medium Secure	25.6	93%	8.89	29.2%	↑	0.0%	→	85%	99%	97%	83%	1	5	8	11	96.0%	95.2%	90.9%	81.3%	6.3%	1.2	1	3
	Ullswater	Learning Disability Medium Secure	27.8	58%	18.12	25.8%	↓	0.0%	→	105%	129%	87%	133%	1	10	0	10	100.0%	92.4%	100.0%	85.7%	10.7%	2.5	2	1
	Townend Court	Learning Disability	37.6	86%	26.91	29.6%	↓	0.2%	↑	66%	76%	50%	121%	3	79	2	2	90.3%	91.6%	90.9%	56.5%	7.1%	3.0	5	4
	Inspire	CAMHS	41.8	54%	34.23	14.4%	↑	9.9%	↓	81%	96%	105%	156%	5	0	0	0	82.9%	81.9%	75.0%	57.7%	11.8%	8.0	4	2
	Granville Court	Learning Disability Nursing Care	47.5	85%	17.18	27.0%	↑	16.9%	↓	101%	86%	113%	90%	0	5	0	0	92.7%	92.9%	72.7%	93.9%	8.4%	1.0	0	1
	CH	Whitby Hospital	Physical Health Community Hospital	40.8	80%	8.98	0.7%	↑	5.2%	↓	87%	75%	103%	94%	0	0	0	0	94.3%	94.2%	88.2%	73.7%	10.7%	-1.6	1
Malton Hospital		Physical Health Community Hospital	35.1	93%	6.79	Not on eRoster	↓	Not on eRoster	↓	98%	70%	115%	94%	2	1	0	0	100.0%	83.8%	94.4%	80.0%	4.5%	-1.6	3	3

HUMBER TEACHING NHS FOUNDATION TRUST SAFER STAFFING INPATIENT DASHBOARD

Exception Reporting and Operational Commentary

Safer Staffing Dashboard Narrative : Oct

The thresholds for Care Hours Per Patient Days (CHPPD) have been revised upwards based on the latest model health system data and this accounts for the increased number of units flagging at red. As part of the current rounds of safer staffing reviews each unit has collated daily 'dependency data'. Mental Health Optimal Staffing Tool: Learning Disability Optimal Staffing Tool (LDOST) and modified Safer Nursing Care Tools (mSNCT) have then been used along with Model System data to calculate recommended CHPPD at a team level. These recommendations have been included and approved by EMT in the safer staffing report for Apr-Sep 2022 and based on these revised targets only Malton ward would still be flagging as red due to high occupied bed days. The revised CHPPD thresholds will be included in the January report.

4 wards have below target levels of fill rates on days in most instances this is due to having only 1 RN on duty instead of 2. The registered fill rates on nights are all above the threshold with the exception of Pine view and Townend Court (TEC). Both Pine view and TEC frequently only having 1 registered nurse on nights.

TEC is showing 4 red flags, but this is an improved position from September and their low fill rates are balanced with high levels of CHPPD. Immediate Life Support (ILS) compliance has been maintained at 86% overall in November and Maister Court is now at 75%. Basic Life Support (BLS) has improved overall to 78% in November Westlands, TEC and Inspire are now at 63%; 91% and 74.5% respectively.

Supervision is above target for all units except for Avondale and Mill View Lodge and Westlands and MVC who have not submitted a return; Avondale have improved to 84% in November and MVC and Westlands are at 93% and 74% respectively. MVL have not submitted a return in November and this has been addressed with the modern matrons and will be picked up in the accountability reviews.

Sickness remains a significant concern and has deteriorated since September. This is monitored locally with HR support and is also picked up in the accountability reviews.

The CHPPD RAG ratings are based on the Organisational National Average Benchmark as at March 2022

For all MH units other than Pine View/Ouse the RAGs are set at: >10.3 = Green, 9.3 to 10.3 = Amber, < 9.3 = Red.

Pine View/Ouse ratings are set as: >6.3 = Green, 5.8 to 6.3 = Amber, < 5.8 = Red

Community Hospitals are RAG rated based on Model Hospital national average: > 9.07 = Green, 9.07 to 8.07 = Amber, < 8.07 = Red

We are now collecting Occupied Bed Days for Granville Court. However as this is a nursing home and not MH unit. As such the fill rate and CHPPD is not RAG rated

OBD RAG ratings for Safer Staffing (exc Forensics) are: < 87% = Green, 87% to 92% = Amber, > 92% = Red

OBD RAG ratings for Safer Staffing for Forensics are: < 50% = Red and > 50% = Green

Staffing and Quality Indicators	
Contract Period:	2022-23
Reporting Month:	Oct-22



Humber Teaching
NHS Foundation Trust

Registered Nurse Vacancy Rates (Rolling 12 months)

Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22
10.90%	10.30%	10.50%	8.80%	7.20%	13.90%	13.80%	14.90%	15.27%	15.00%	14.70%	14.30%

Slips/Trips and Falls (Rolling 3 months)

	Aug-22	Sep-22	Oct-22
Maister Lodge	7	6	4
Millview Lodge	5	9	3
Malton IPU	7	6	3
Whitby IPU	1	1	0

Malton Sickness % is provided from ESR as they are not on Health Roster

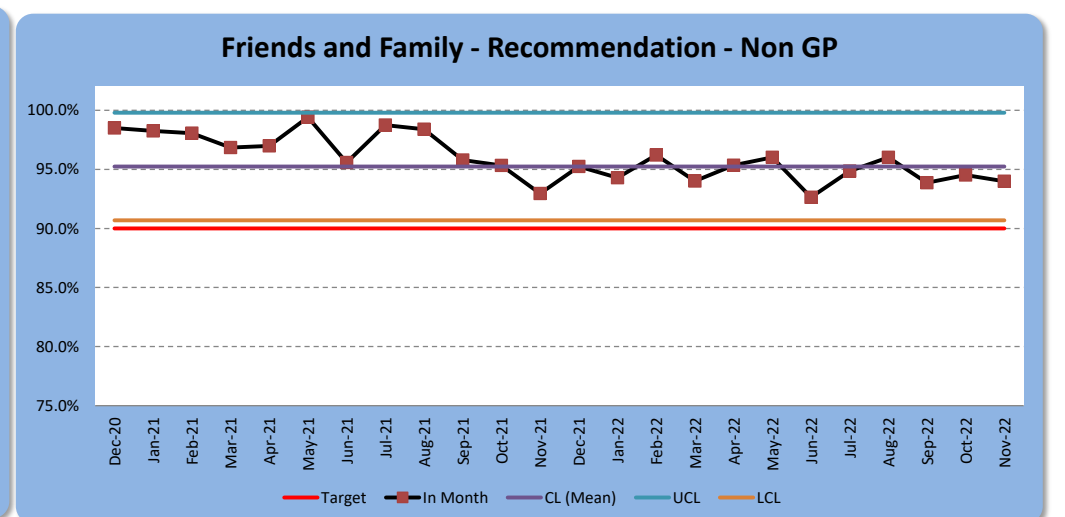
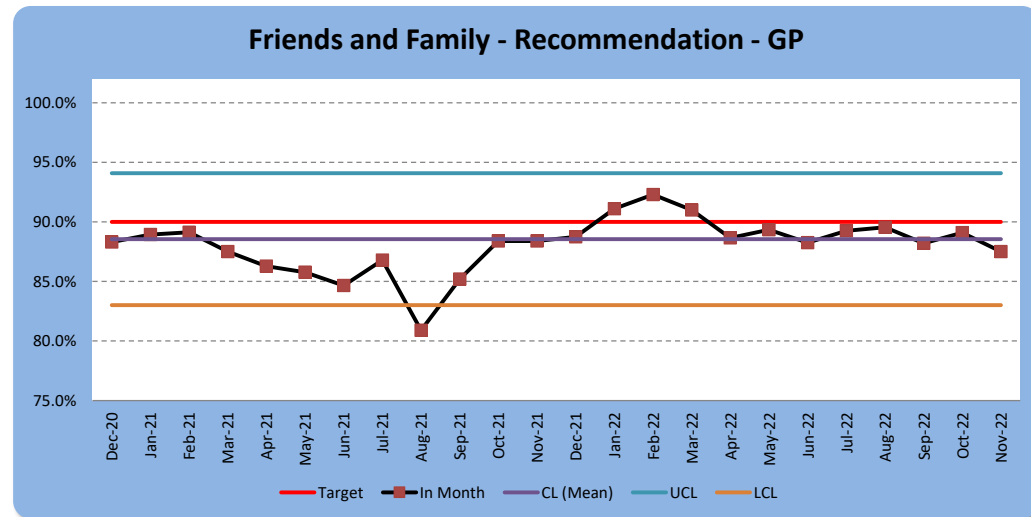
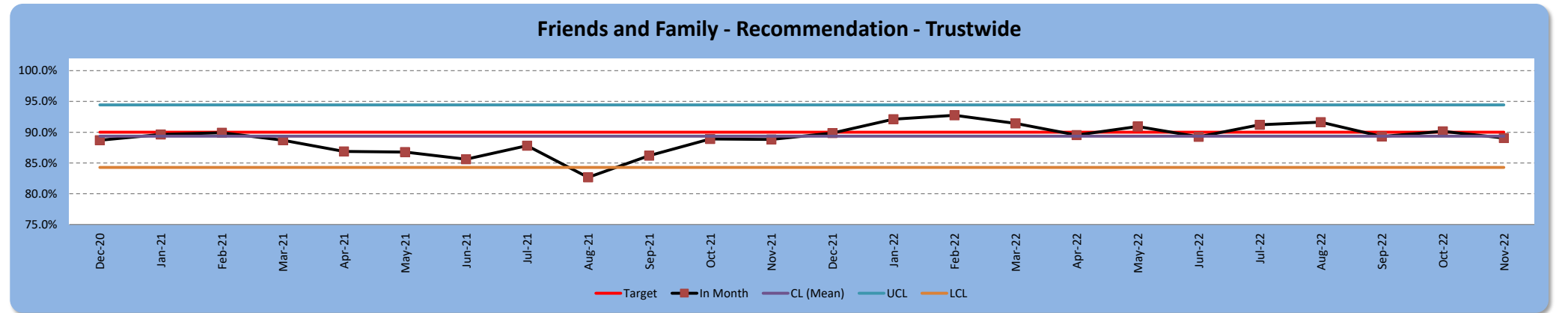
PI RETURN FORM 2022-23

Goal 1 : Innovating Quality and Patient Safety

Target:	Amber:	Current month stands at:
90%	80%	89.0%

For the period ending: **Nov 2022**

Indicator Title	Description/Rationale	Executive Lead	KPI Type
Friends and Family Test	Results of the overall surveys completed where patients would recommend the Trust 's services to their family and friends	Kwame Fofie	FFT %



PI RETURN FORM 2022-23

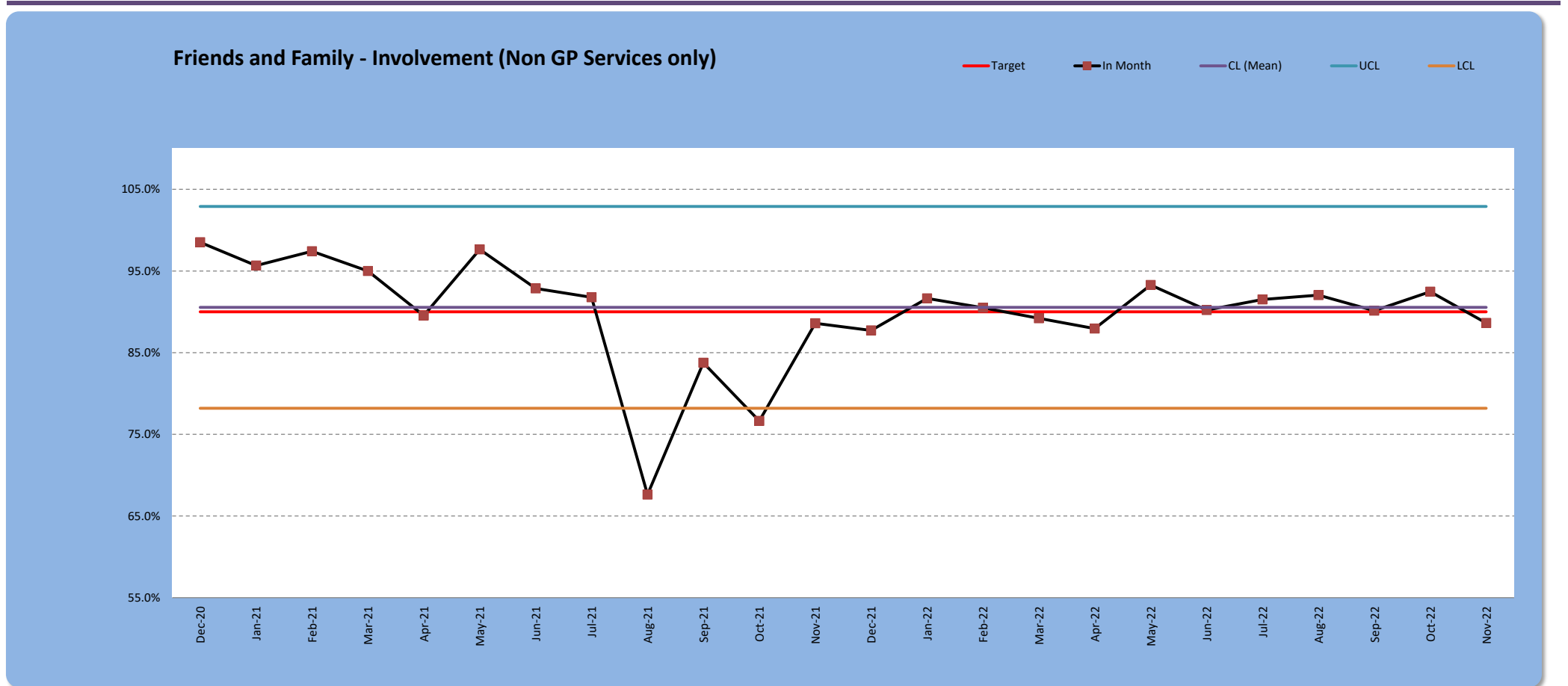
Goal 2 : Enhancing Prevention, Wellbeing and Recovery

For the period ending:

Nov 2022

Target:	Amber:	Current month stands at:
90%	80%	88.6%

Indicator Title	Description/Rationale	Executive Lead	KPI Type
Friends and Family Test	Results of the overall surveys completed where patients felt they were involved in their care	Kwame Fofie	CA 3c %



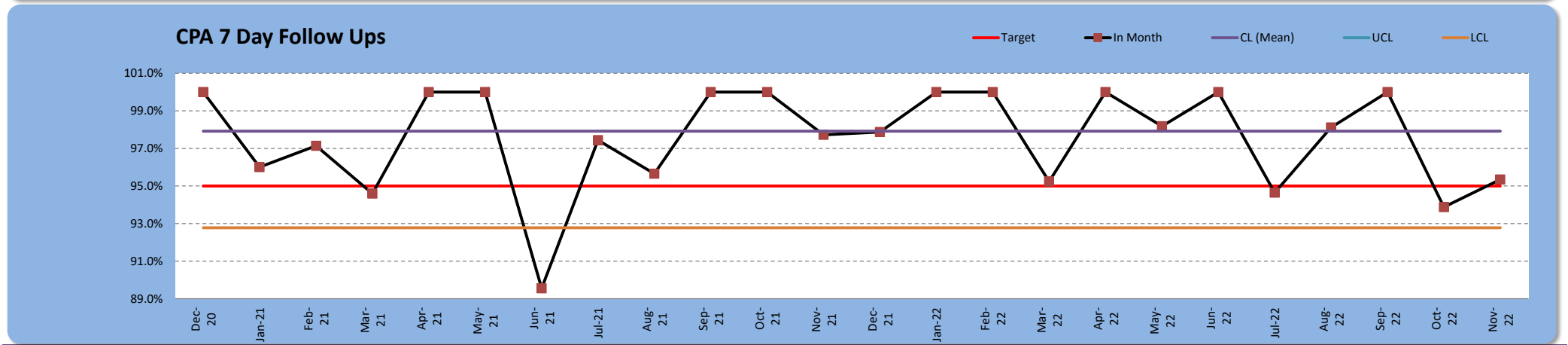
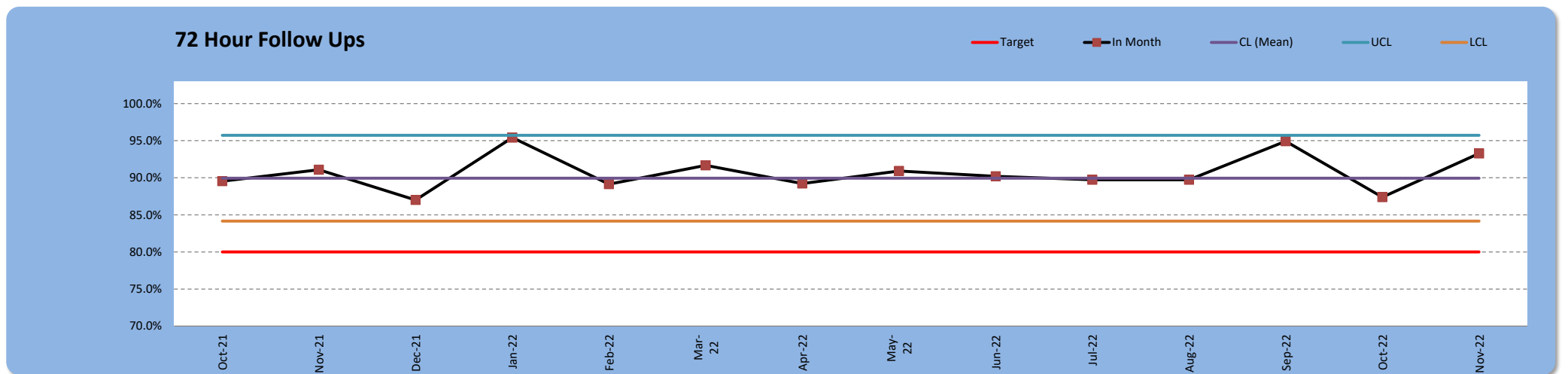
PI RETURN FORM 2022-23

Goal 2 : Enhancing Prevention, Wellbeing and Recovery

For the period ending: **Nov 2022**

Current month for 72 hour stands at:		
Target: 80%	Amber: 60%	93.3%

Indicator Title	Description/Rationale	Executive Lead	KPI Type
72 Hour Follow Ups	This indicator measures the percentage of patients who were in the CQUIN scope and had a follow up within 72 hours of discharge	Lynn Parkinson	OP 12



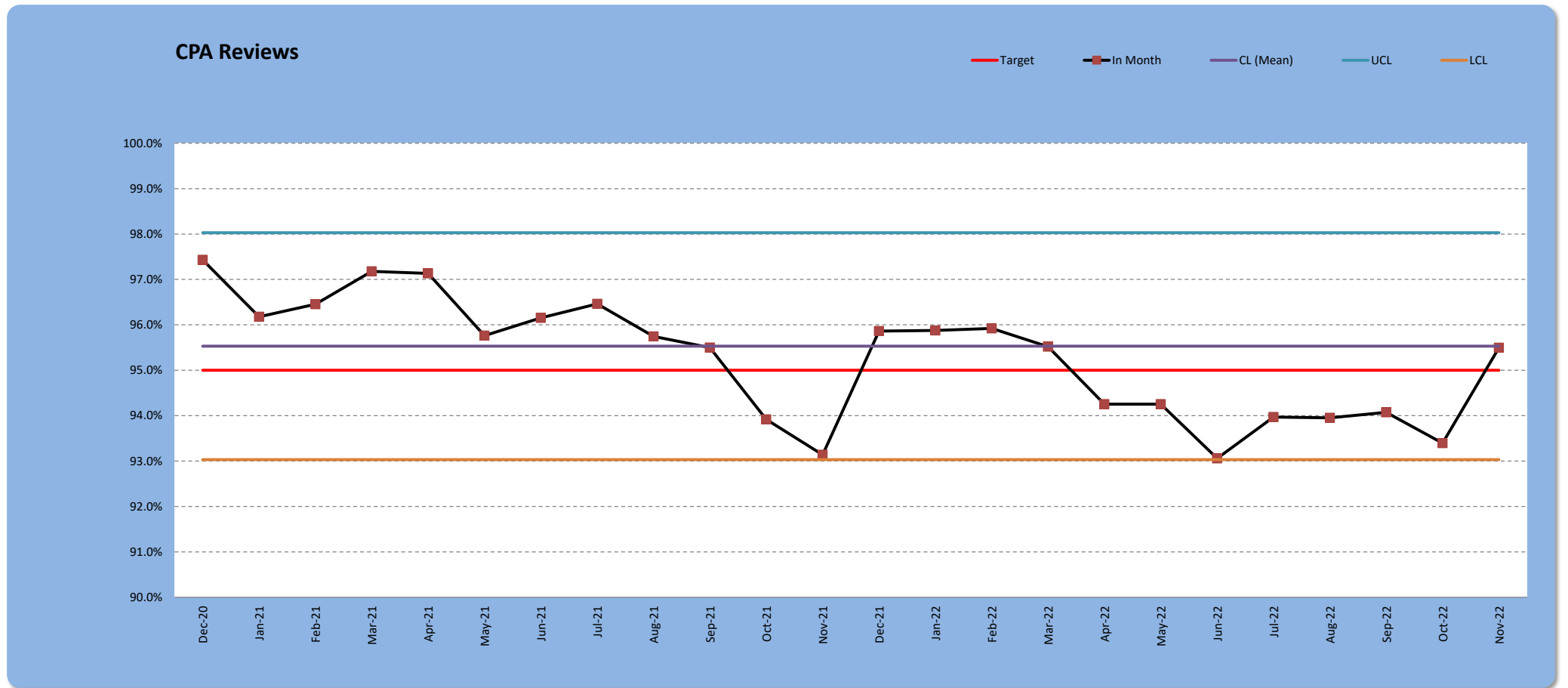
PI RETURN FORM 2022-23

Goal 2 : Enhancing Prevention, Wellbeing and Recovery

For the period ending: **Nov 2022**

Target:	Amber:	Current month stands at:
95%	85%	95.5%

Indicator Title	Description/Rationale	Executive Lead	KPI Type
Care Programme Reviews	This indicator measures the percentage of patients who are on CPA and have had a review in the last 12 months	Lynn Parkinson	OP 7



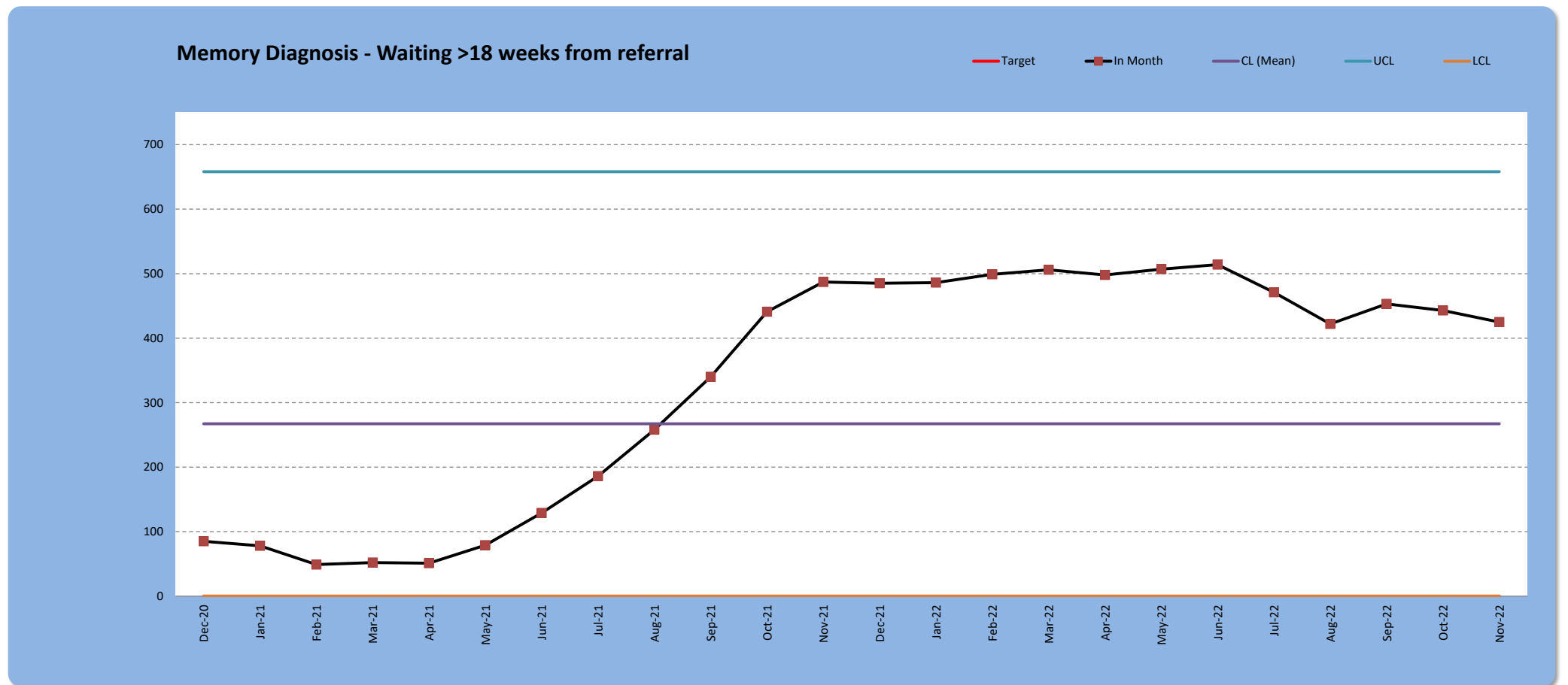
PI RETURN FORM 2022-23

Goal 2 : Enhancing Prevention, Wellbeing and Recovery

For the period ending: **Nov 2022**

Target:	Amber:	Current month stands at:
n/a	n/a	425

Indicator Title	Description/Rationale	Executive Lead	KPI Type
Memory Service - Assessment/Diagnosis Waiting List	Referral to Assessment/Diagnosis Waiting Times (Incomplete Pathways) : The number of patients referred to the Memory Service are awaiting greater than 18 weeks for assessment and/or feedback of diagnosis.	Lynn Parkinson	MemAssWL



PI RETURN FORM 2022-23

Goal 2 : Enhancing Prevention, Wellbeing and Recovery

For the period ending:

Nov 2022

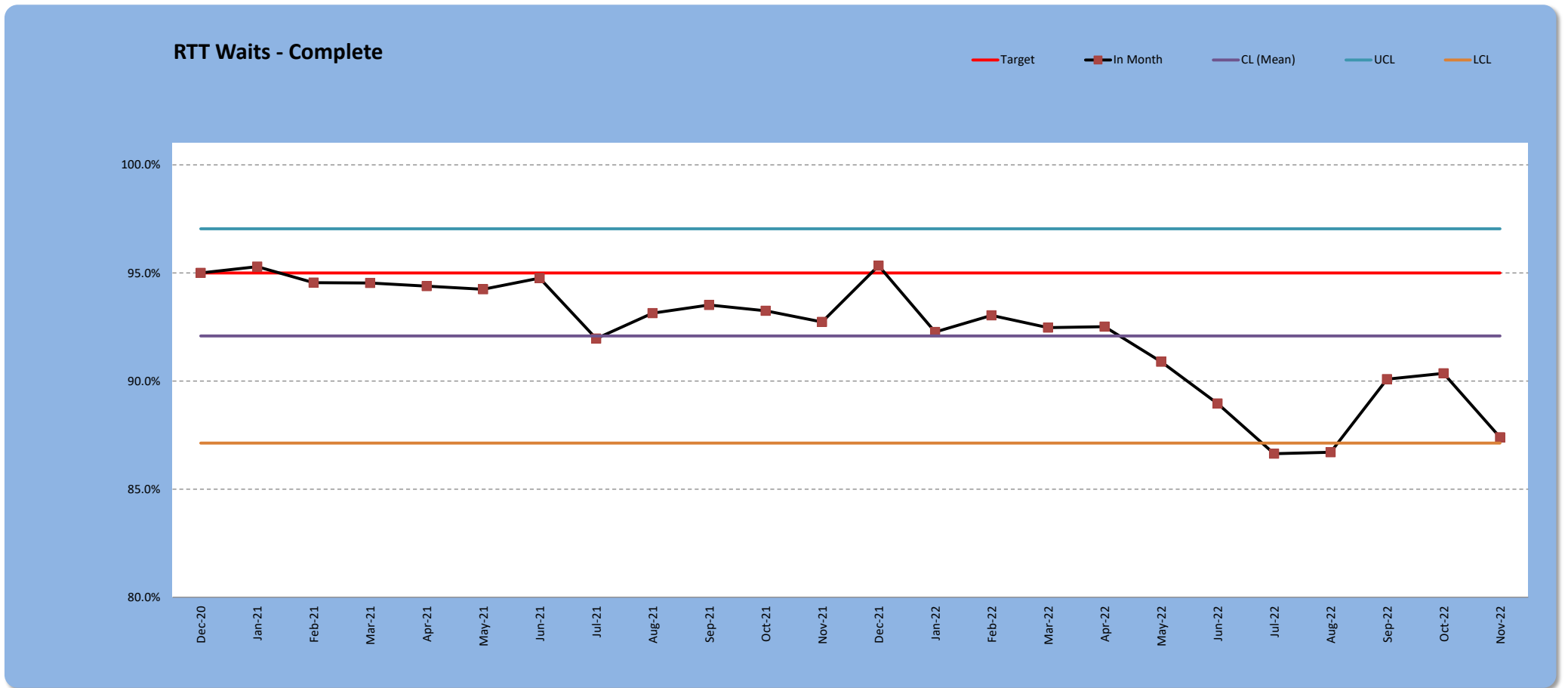
Target:	Amber:	Current month stands at:
95%	85%	87.4%

Indicator Title	Description/Rationale
RTT Experienced Waiting Times (Completed Pathways)	Referral to Treatment Experienced Waiting Times (Completed Pathways) : Based on patients who have commenced treatment during the reporting period and seen within 18 weeks

Executive Lead
Lynn Parkinson

KPI Type

OP 20



PI RETURN FORM 2022-23

Goal 2 : Enhancing Prevention, Wellbeing and Recovery

For the period ending:

Nov 2022

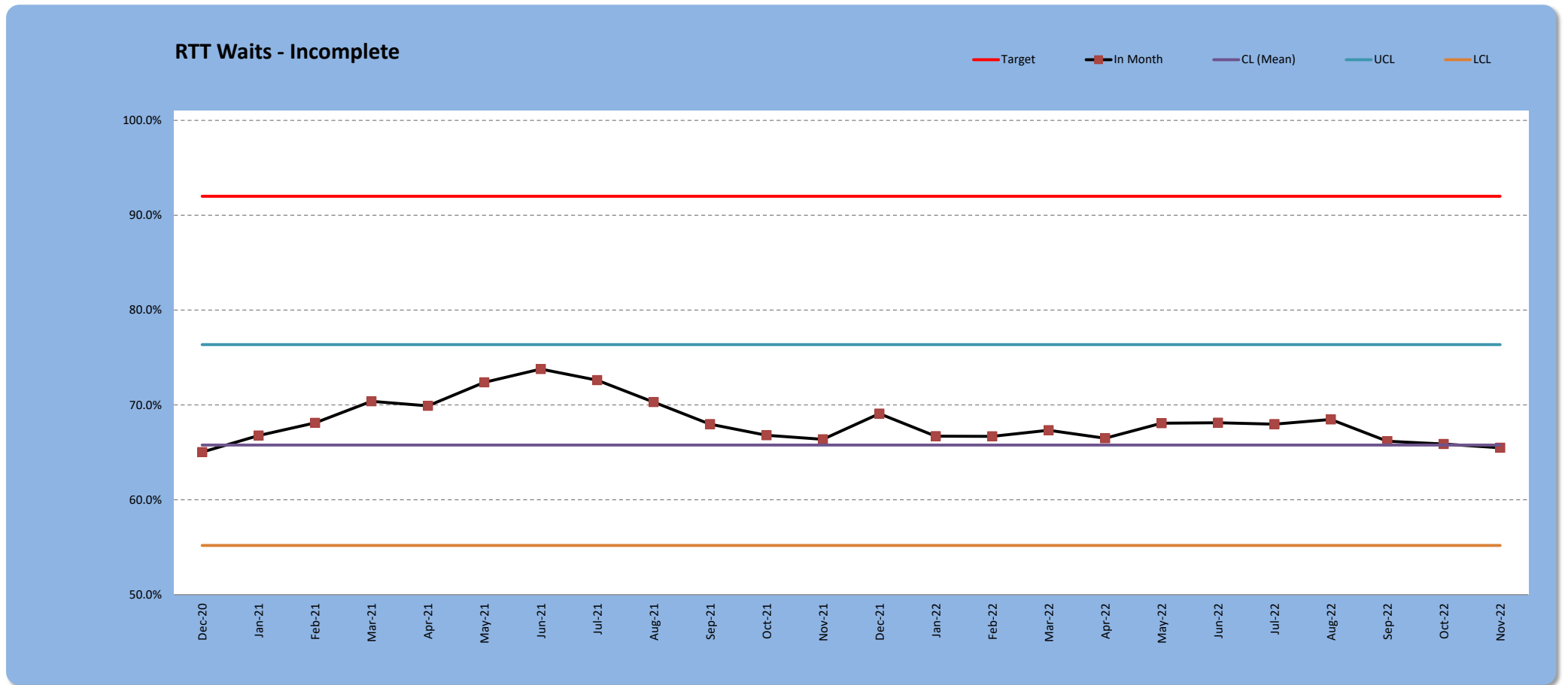
Target:	Amber:	Current month stands at:
92%	85%	65.5%

Indicator Title	Description/Rationale
RTT Waiting Times (Incomplete Pathways)	Referral to Treatment Waiting Times (Incomplete Pathways) : Proportion of patients who have had to wait less than 18 weeks for either assessment and or treatment.

Executive Lead
Lynn Parkinson

KPI Type

OP 21



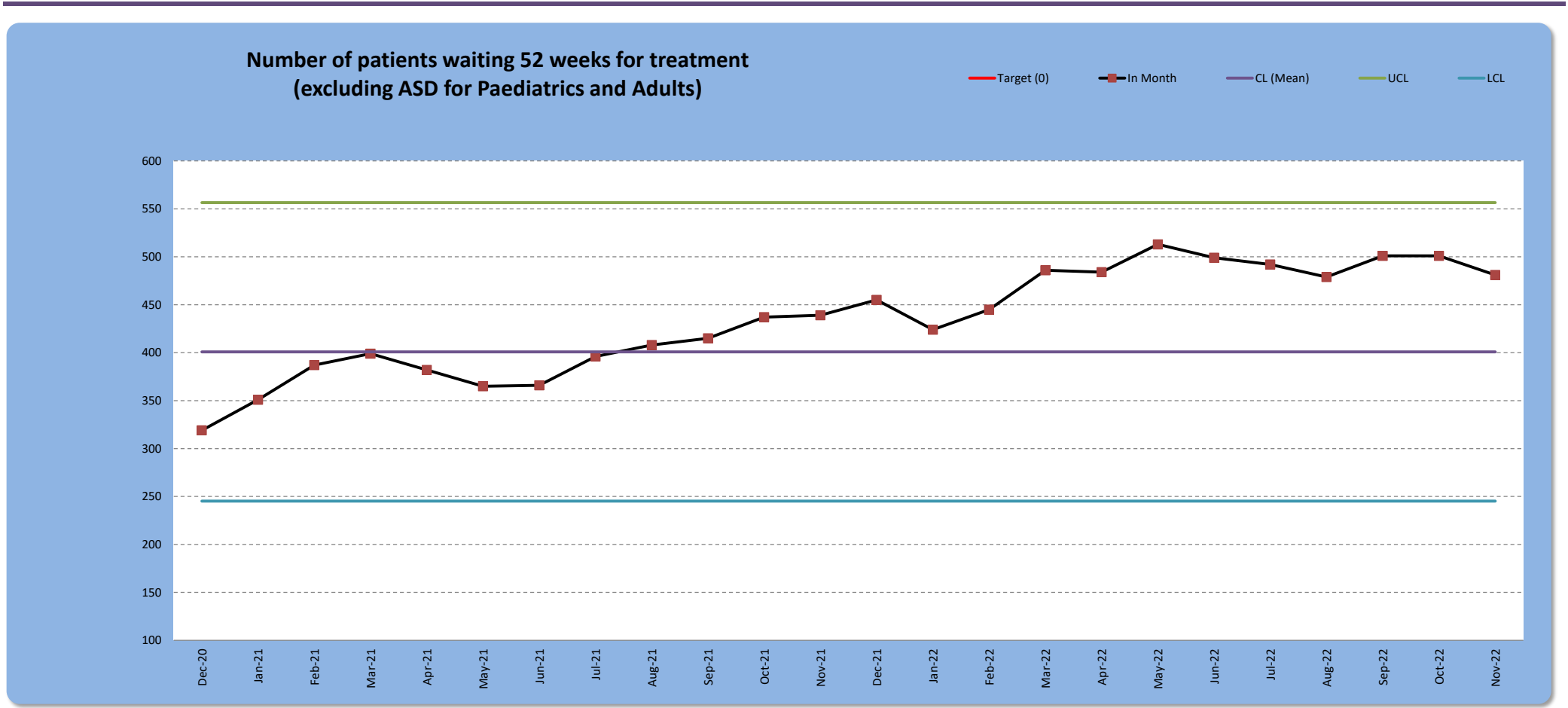
PI RETURN FORM 2022-23

Goal 2 : Enhancing Prevention, Wellbeing and Recovery

For the period ending: **Nov 2022**

Target:	Amber:	Current month stands at:
0	0	481

Indicator Title	Description/Rationale	Executive Lead	KPI Type
52 Week Waits	Number of patients who have yet to be seen for treatment and have been waiting more than 52 weeks	Lynn Parkinson	OP 22x



PI RETURN FORM 2022-23

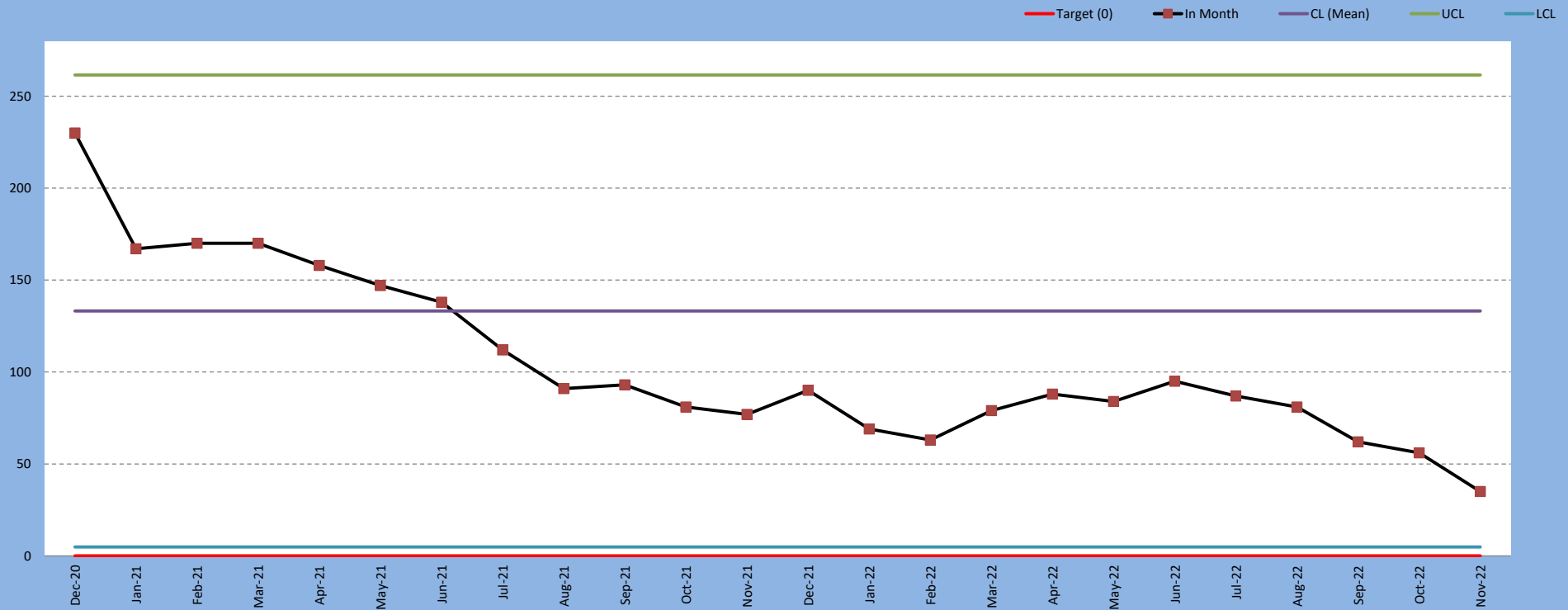
Goal 2 : Enhancing Prevention, Wellbeing and Recovery

For the period ending: **Nov 2022**

Target:	Amber:	Current month stands at:
0	0	35

Indicator Title	Description/Rationale	Executive Lead	KPI Type
52 Week Waits - Adult ASD	Number of patients who have yet to be seen for assessment and diagnosis in Autism Spectrum Disorder (ASD) Service for Adult and have been waiting more than 52 weeks	Lynn Parkinson	OP 22u

Number of patients waiting 52 weeks for assessment and Diagnosis for Adult ASD



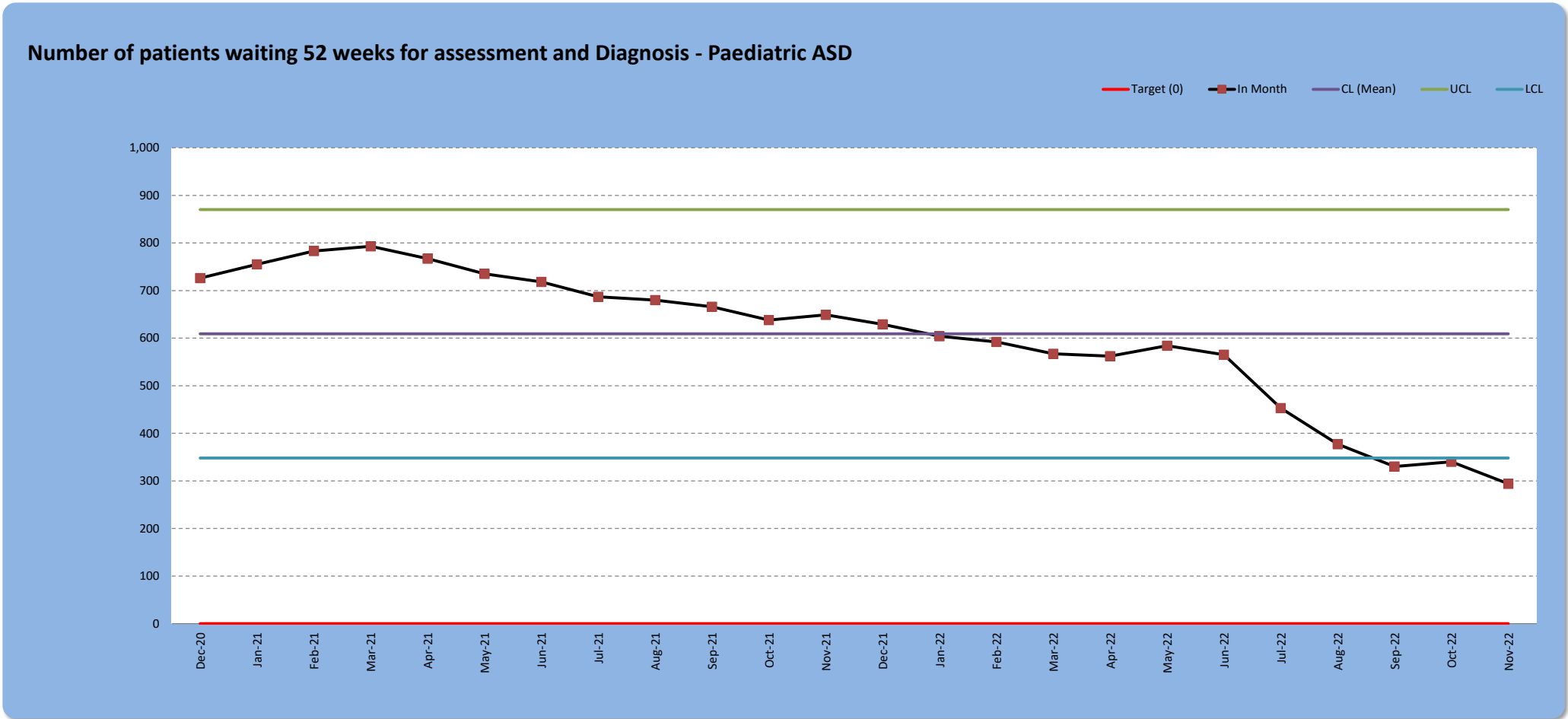
PI RETURN FORM 2022-23

Goal 2 : Enhancing Prevention, Wellbeing and Recovery

For the period ending: **Nov 2022**

Target:	Amber:	Current month stands at:
0	0	294

Indicator Title	Description/Rationale	Executive Lead	KPI Type
52 Week Waits - Paediatric ASD	Number of patients who have yet to be seen for assessment and diagnosis in Autism Spectrum Disorder (ASD) Service for Children and have been waiting more than 52 weeks	Lynn Parkinson	OP 22s



PI RETURN FORM 2022-23

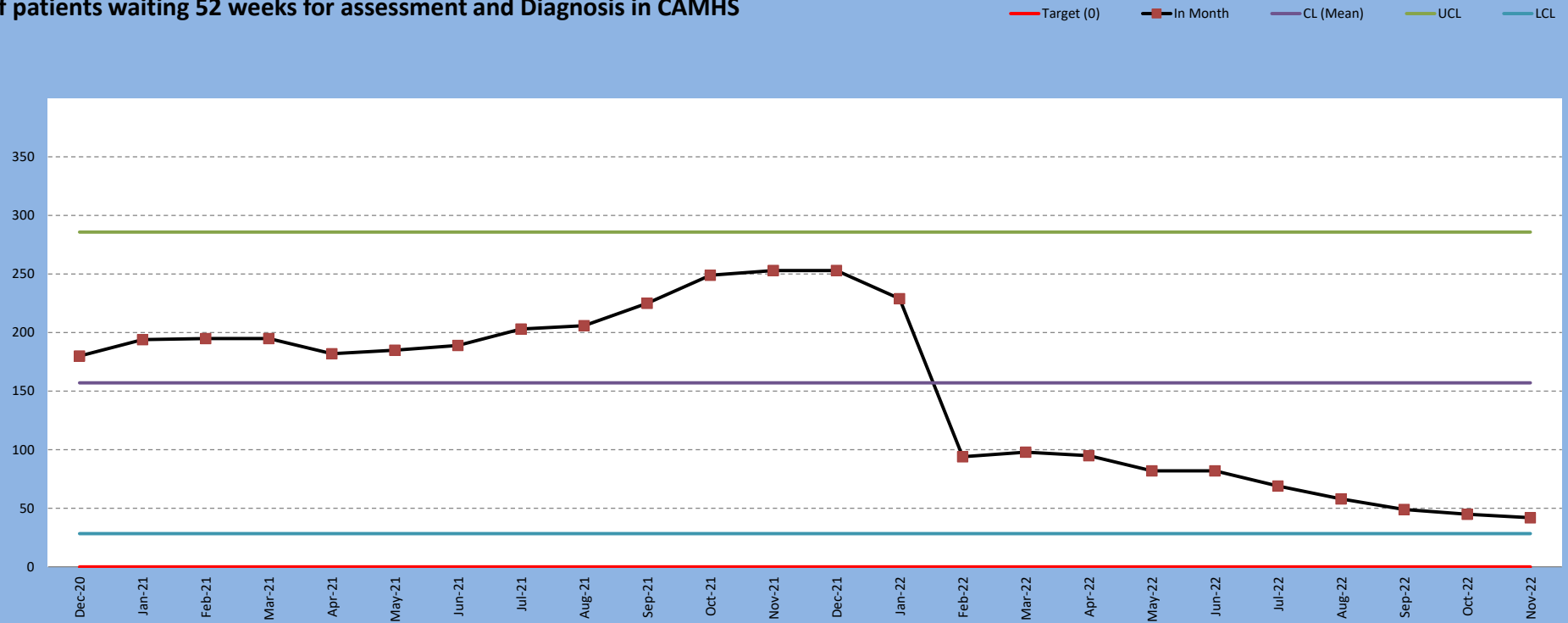
Goal 2 : Enhancing Prevention, Wellbeing and Recovery

For the period ending: **Nov 2022**

Target:	Amber:	Current month stands at:
0	0	42

Indicator Title	Description/Rationale	Executive Lead	KPI Type
52 Week Waits - CAMHS	Number of patients who have yet to receive treatment in CAMHS and have been waiting more than 52 weeks (excluding paediatric ASD)	Lynn Parkinson	OP 22j

Number of patients waiting 52 weeks for assessment and Diagnosis in CAMHS



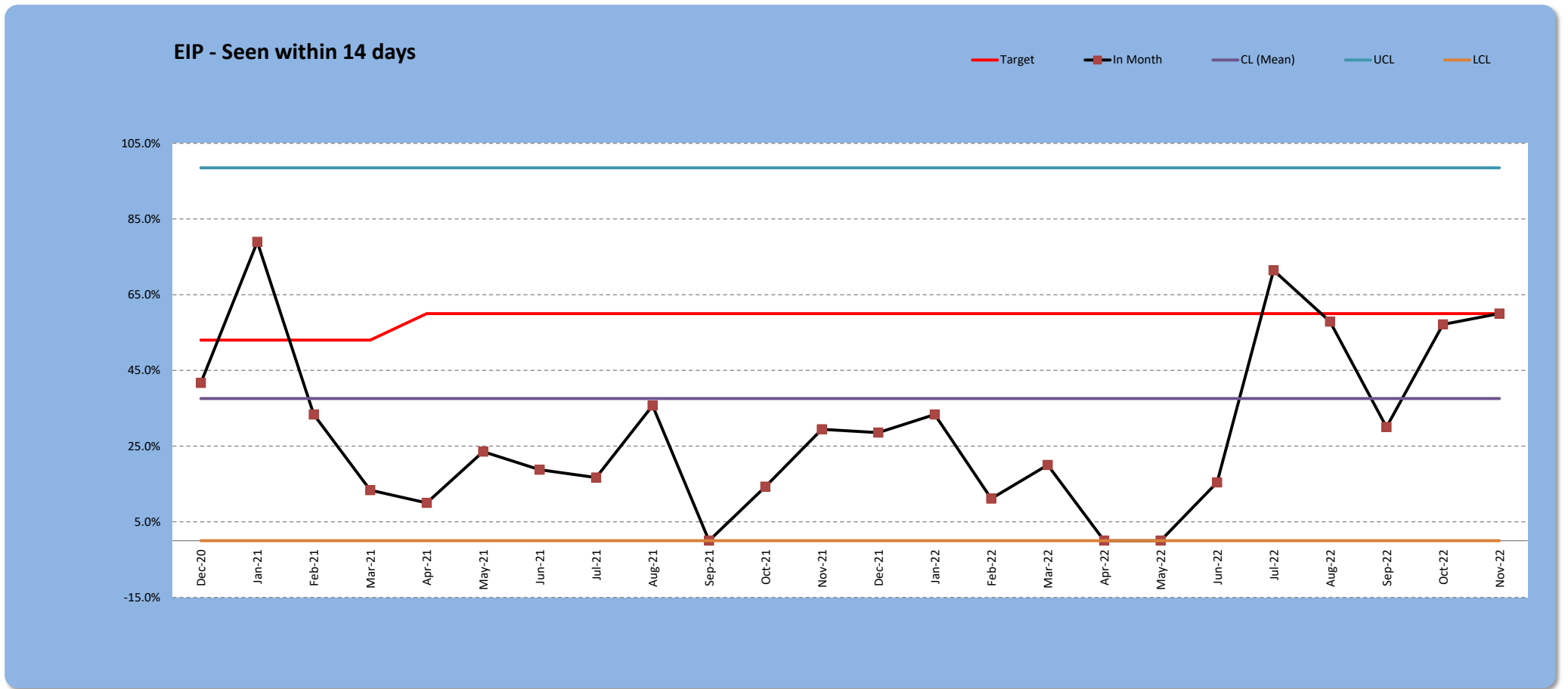
PI RETURN FORM 2022-23

Goal 2 : Enhancing Prevention, Wellbeing and Recovery

For the period ending: **Nov 2022**

Target:	Amber:	Current month stands at:
60%	55%	60.0%

Indicator Title	Description/Rationale	Executive Lead	KPI Type
Early Intervention in Psychosis	Percentage of patients who were seen within two weeks of referral	Lynn Parkinson	OP 9



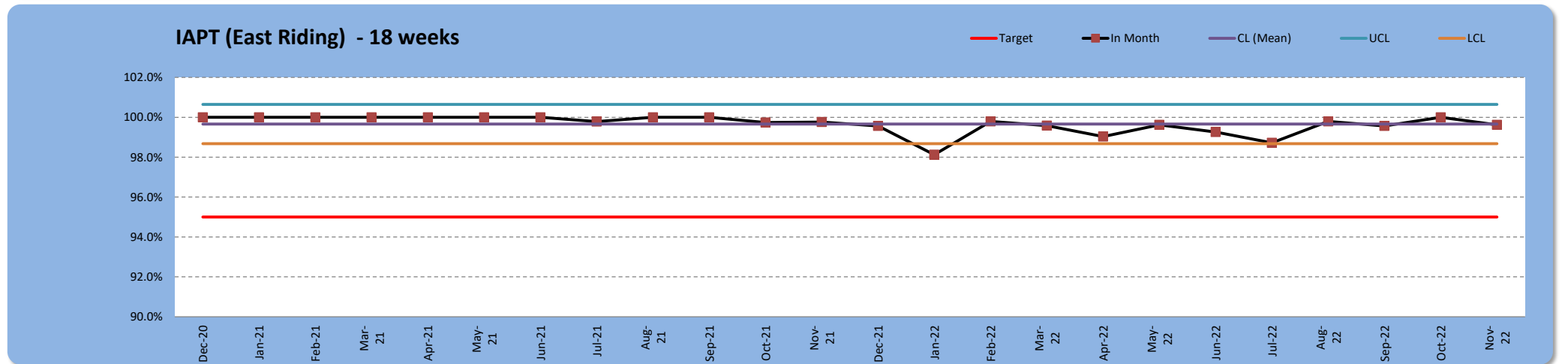
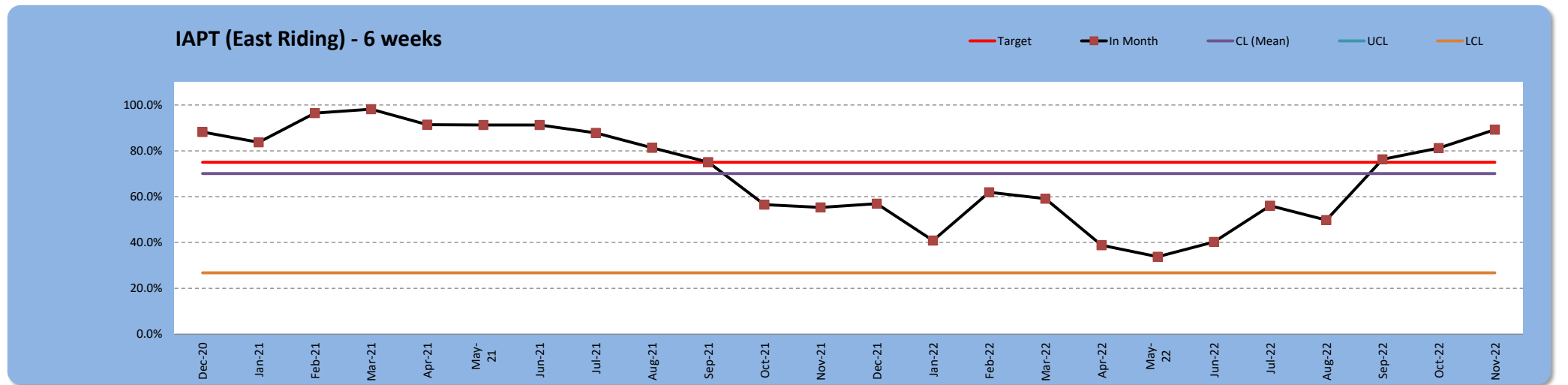
PI RETURN FORM 2022-23

Goal 2 : Enhancing Prevention, Wellbeing and Recovery

For the period ending: **Nov 2022**

		Current month			Current month
		6 weeks stands			18 weeks
Target:	Amber:	at:	Target:	Amber:	stands at:
75%	70%	89.3%	95%	85%	99.6%

Indicator Title	Description/Rationale	Executive Lead	KPI Type
Improved Access to Psychological Therapies (East Riding)	Two graphs to show percentage of patients who were seen within 6 weeks and 18 weeks of referral (East Riding)	Lynn Parkinson	OP 10a



PI RETURN FORM 2022-23

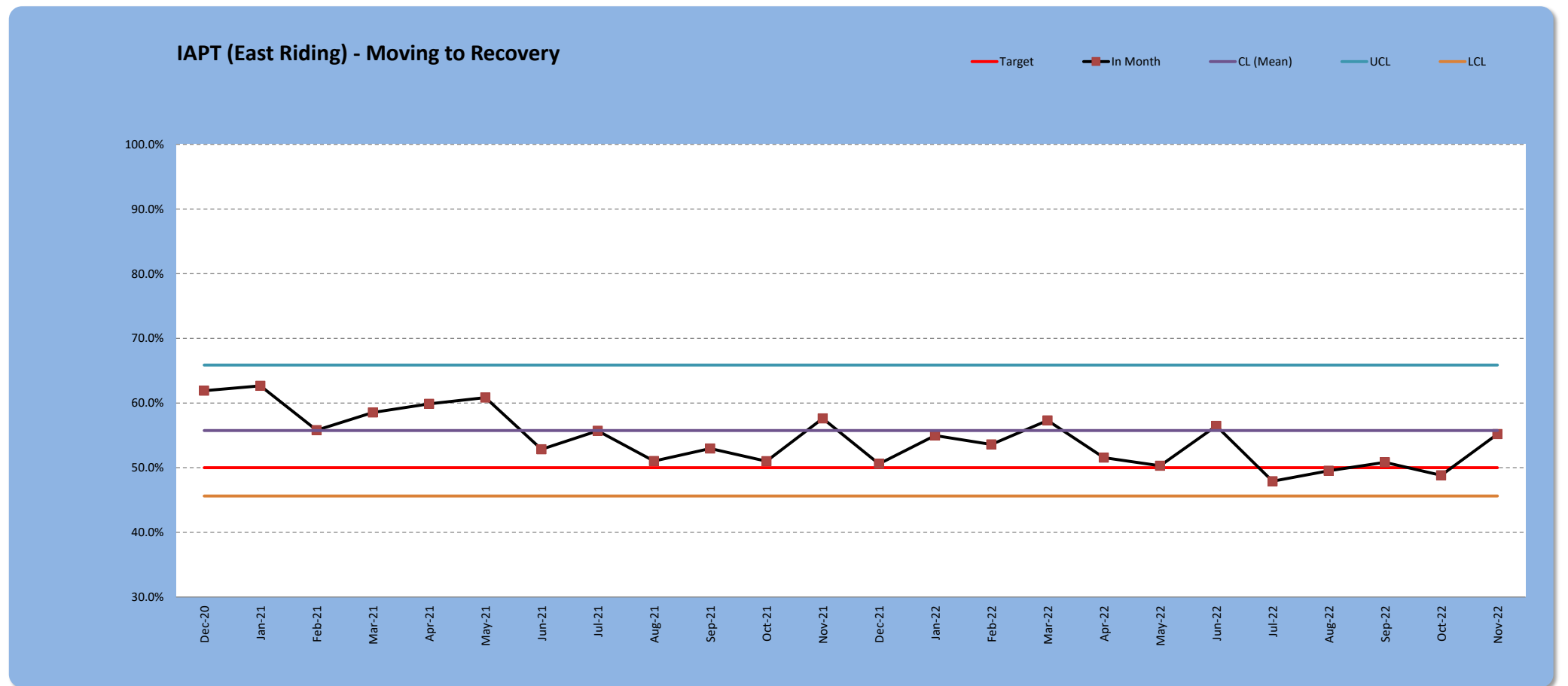
Goal 2 : Enhancing Prevention, Wellbeing and Recovery

For the period ending:

Nov 2022

Target:	Amber:	Current month stands at:
50%	45%	55.2%

Indicator Title	Description/Rationale	Executive Lead	KPI Type
Improved Access to Psychological Therapies	This indicator measures the Recovery Rates for patients who were at caseness at start of therapeutic intervention (East Riding)	Lynn Parkinson	OP 11



PI RETURN FORM 2022-23

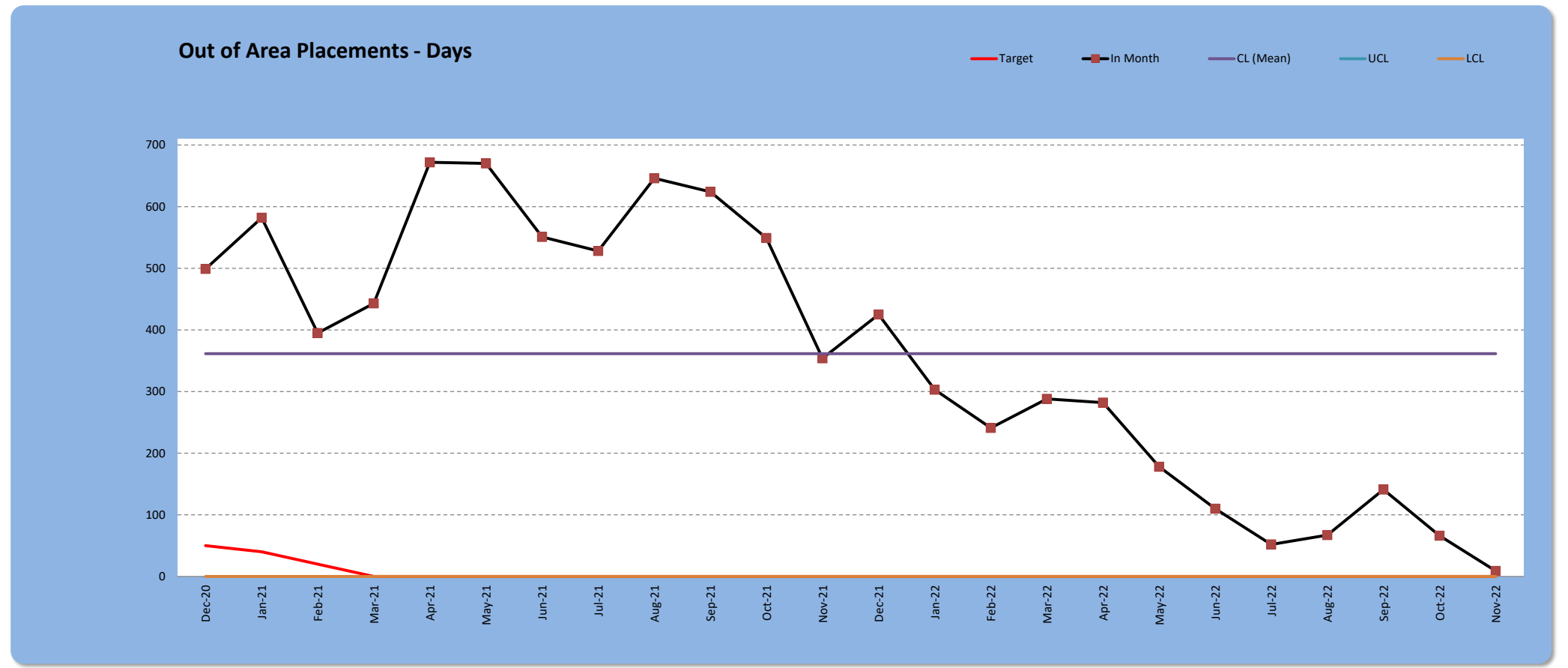
Goal 3 : Fostering Integration, Partnership and Alliances

For the period ending: **Nov 2022**

Target:	Amber:	Patients OoA within month:
0	0	2

Split:	# days	# patients
Adult	3	1
OP	0	0
PICU	6	1

Indicator Title	Description/Rationale	Executive Lead	KPI Type
Out of Area Placements	Number of days that Trust patients were placed in out of area wards	Lynn Parkinson	ST 4b



PI RETURN FORM 2022-23

Goal 3 : Fostering Integration, Partnership and Alliances

For the period ending: **Nov 2022**

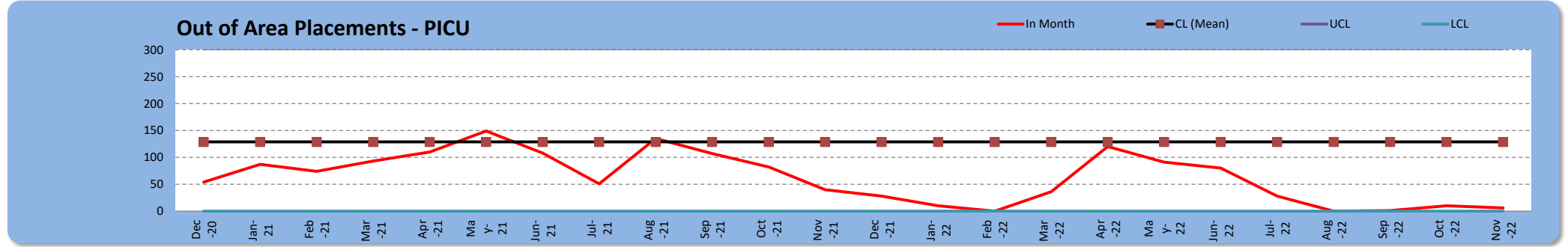
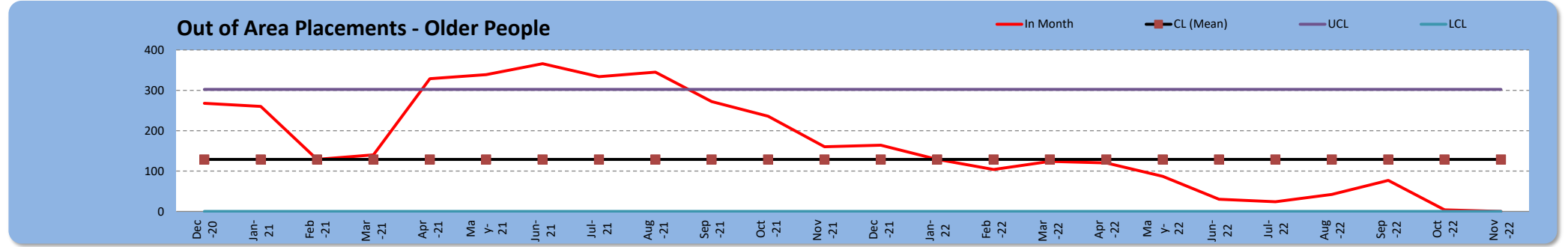
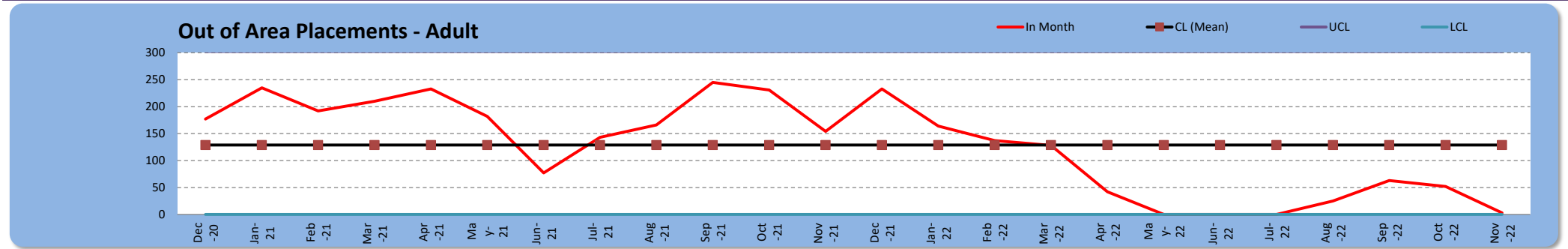
Split for Current month:

Nov-22	
3	Adult
0	OP
6	PICU
9	Total

Indicator Title	Description/Rationale
Out of Area Placements	Number of days that Trust patients were placed in out of area wards - split by service

KPI Type
ST 4 split

Executive Lead
Lynn Parkinson



PI RETURN FORM 2022-23

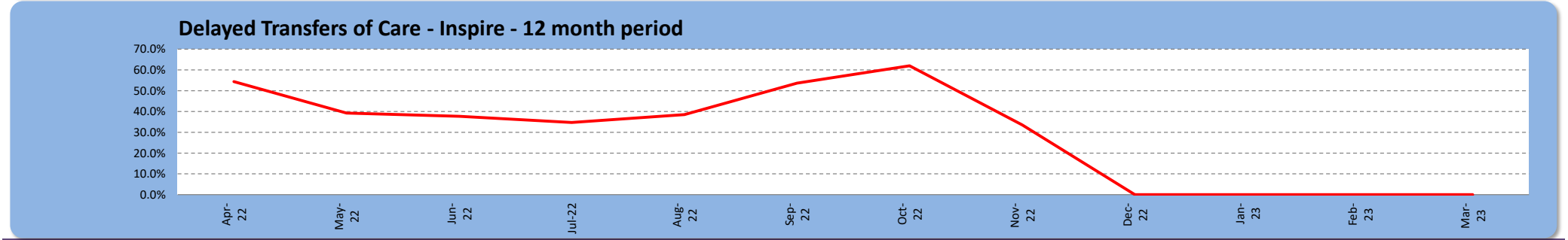
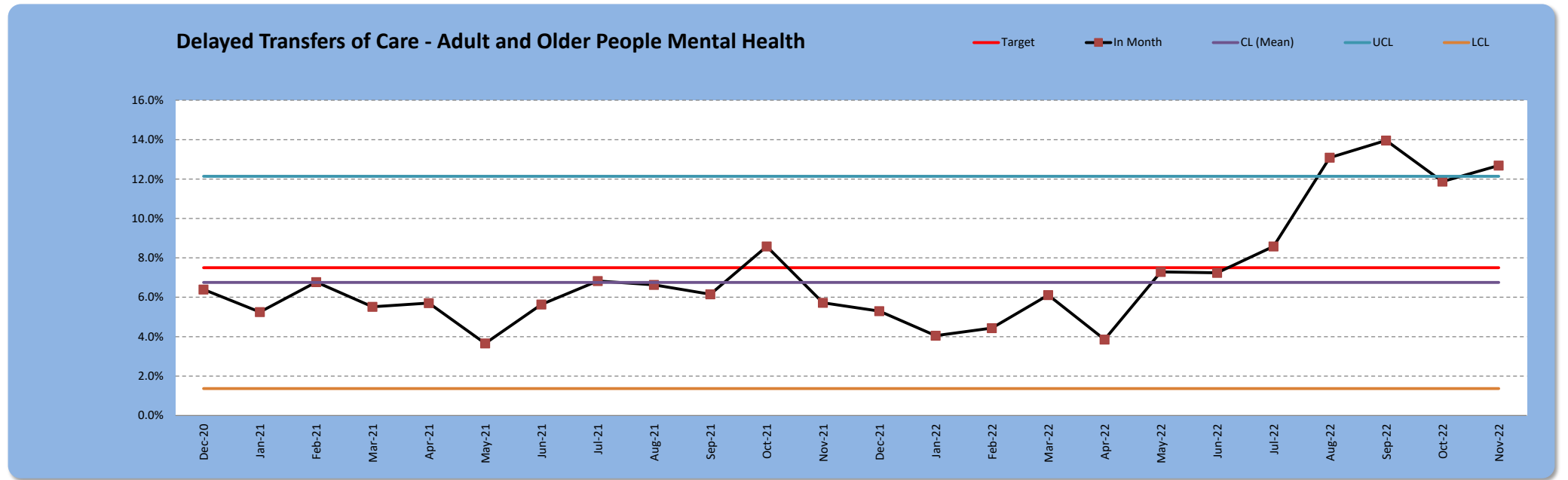
Goal 3 : Fostering Integration, Partnership and Alliances

For the period ending:

Nov 2022

Target:	Amber:	Current month stands at:
7.5%	7.0%	12.7%

Indicator Title	Description/Rationale	Executive Lead	KPI Type
Delayed Transfers of Care	Results for the percentage of Mental Health delayed transfers of care	Lynn Parkinson	OP 14



PI RETURN FORM 2022-23

Goal 4 : Developing an Effective and Empowered Workforce

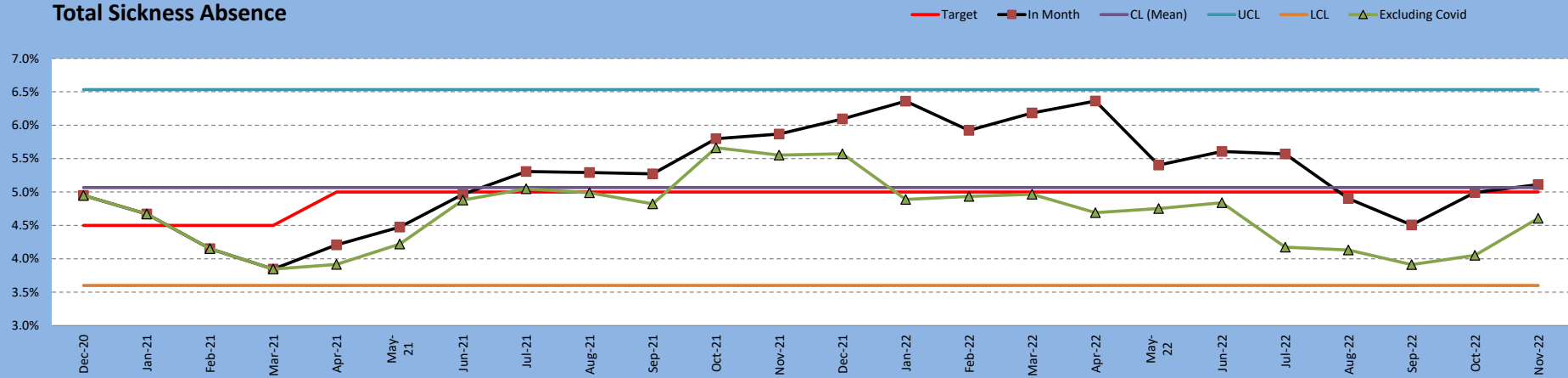
For the period ending:

Nov 2022

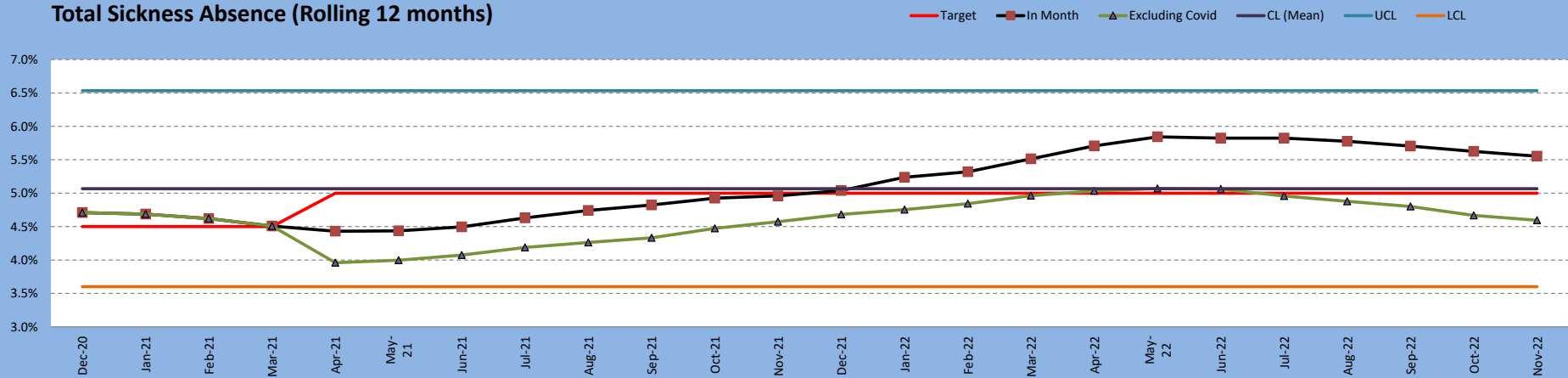
Target:	Amber:	Current month stands at:
5.0%	5.2%	5.1%

Indicator Title	Description/Rationale	Executive Lead	KPI Type
Sickness Absence	Percentage of staff sickness across the Trust (not including bank staff). Includes current month's unvalidated data	Steve McGowan	

Total Sickness Absence



Total Sickness Absence (Rolling 12 months)



PI RETURN FORM 2022-23

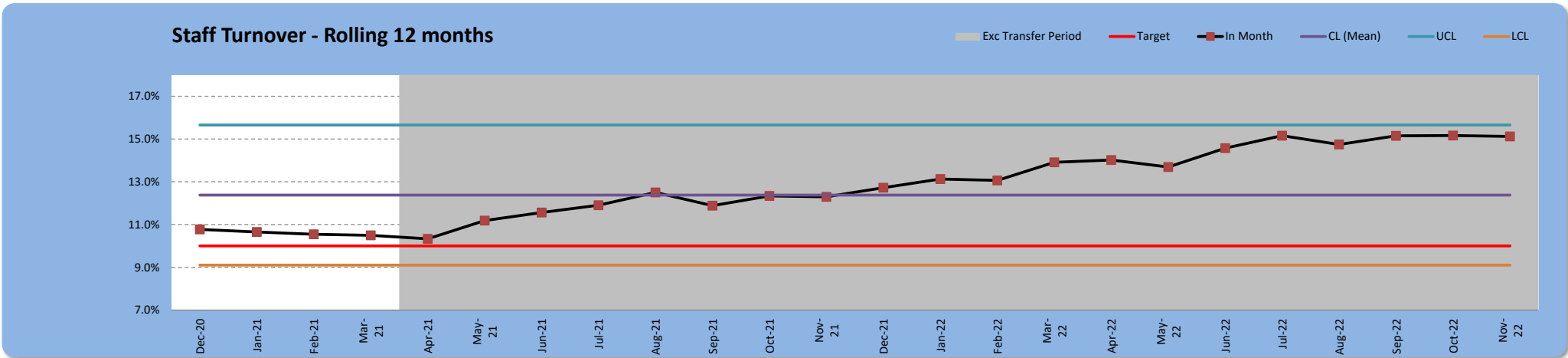
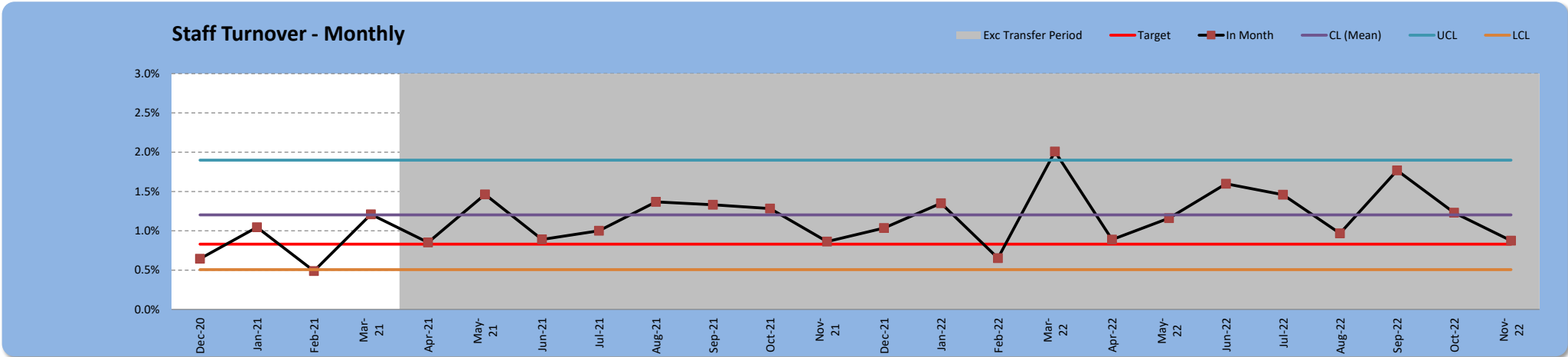
Goal 4 : Developing an Effective and Empowered Workforce

For the period ending:

Nov 2022

Target: Amber:		Current month stands at:	Target: Amber:		Rolling figure stands at:
0.8%	0.7%	0.9%	10%	9%	15%

Indicator Title	Description/Rationale	Executive Lead	KPI Type
Staff Turnover	The number of full time equivalent staff leaving the Trust expressed as a percentage of the overall full time equivalent workforce employed. Leavers include resignations, dismissals, transfers (up to Mar21), retirements and staff coming to the end of temporary contracts. It doesn't include junior doctors on rotation. From April 2021 Employee Transfers Out have also been excluded	Steve McGowan	WL 3 TOM Exc TUPE



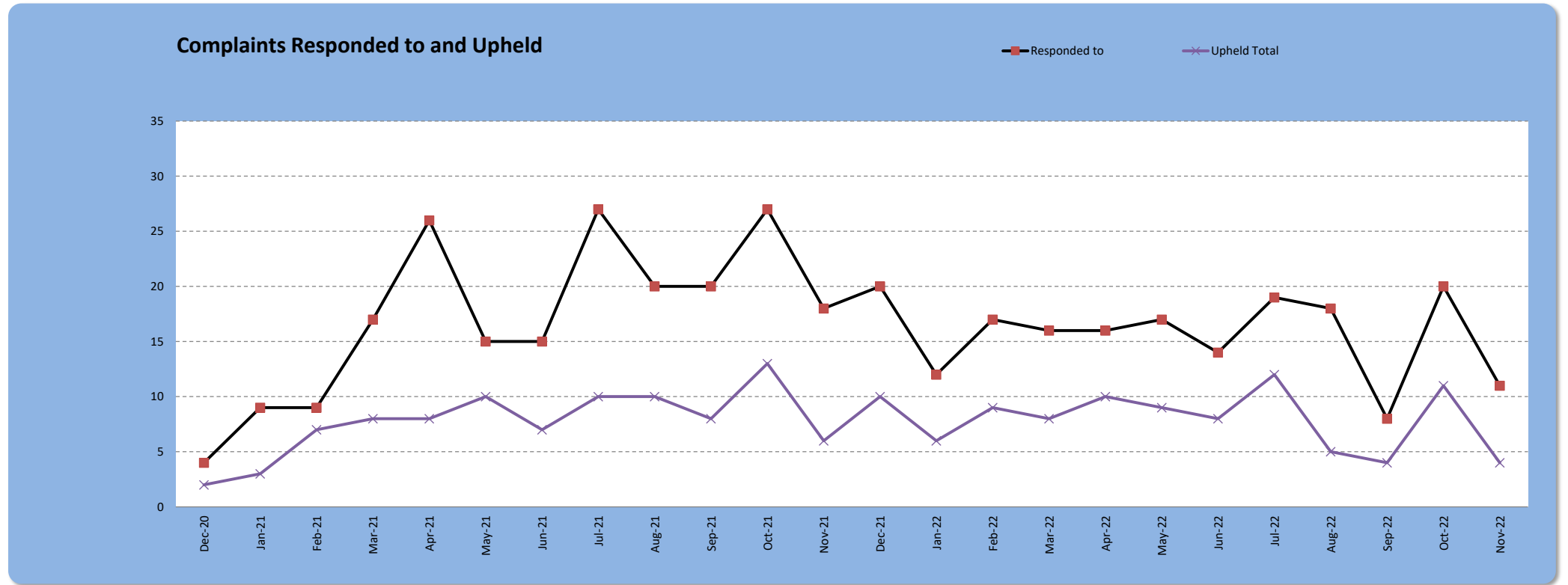
PI RETURN FORM 2022-23

Goal 6 : Promoting People, Communities and Social Values

For the period ending: **Nov 2022**

YTD Upheld	No. of Complaints upheld in month	Current month upheld stands at:
50.0%	n/a	0

Indicator Title	Description/Rationale	Executive Lead	KPI Type
Complaints	The number of Complaints Responded to and Upheld.	Kwame Fofie	IQ 1



PI RETURN FORM 2022-23

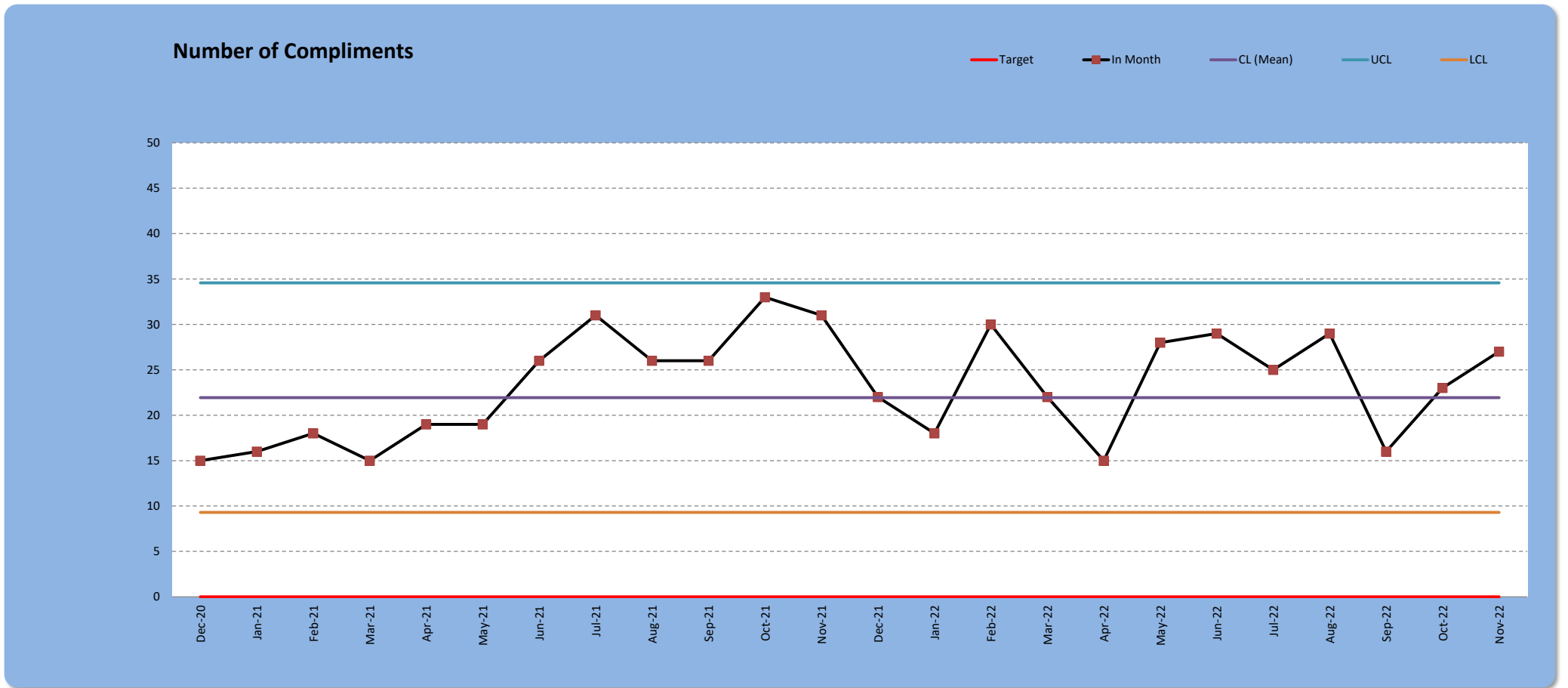
Goal 6 : Promoting People, Communities and Social Values

For the period ending:

Nov 2022

Target:	Amber:	Current month stands at:
n/a	n/a	27

Indicator Title	Description/Rationale	Executive Lead	KPI Type
Compliments	Chart showing the number of compliments received into the Trust	Kwame Fofie	IQ 7





Executive Team:

Chief Executive: Michele Moran

Chair: Caroline Flint

Chief Operating Officer: Lynn Parkinson

Director of Finance: Peter Beckwith

Director of Workforce and Organisational Development: Steve McGowan

Medical Director: Kwame Fofie

Director of Nursing: Hilary Gledhill

Issue Date: 20/12/2022

Appendix B TPR Waiting Times Narrative

Indicator/Service	Narrative
Memory Diagnosis - >18wks	<p>The service continues to make good progress in recovering the waiting list position, firstly focusing on those waiting over 52 weeks for completion of their diagnostic journey.</p> <p>The Service have focussed on reducing the length of wait for the initial assessment, which is now within 18 weeks and work continues to improve the performance in the subsequent stages of the diagnostic pathway.</p> <p>The capacity and demand work is in the process of being refreshed to take into account the future state operating model as well as the transitional phase which the service is currently in. Use of Independent providers is being considered in line with this work and a recovery trajectory will be determined once the capacity options are fully analysed.</p> <p>Diagnostic scanning and scan reporting waiting times remain a challenge. Options are to be explored further regarding ICB level options to procure additional scanning and reporting capacity.</p> <p>The service continues to phase in their new operating model, applying skill mix opportunities where possible and appropriate.</p>
RTT Waits – Complete	The November position has deteriorated in in line with expectation. This remains as a result of recovery work to reduce the longest waits.
RTT Waits - Incomplete	The Incomplete position has remained static across the last 3 months, this is mainly as a result of overall increase in Trust referrals. Recovery focus continues to be placed on eradicating the over 52ww position in the first instance, apart from those areas with nationally mandated standards.
52 Week Waits	<p>November has seen a slight improvement from October, with the over 52ww reducing to 481 (excluding ASD for paediatric and adults), ADHD making up the majority of these.</p> <p><u>Adult ADHD</u></p> <p>Validation of the waiting list is now complete, and patients have started to be contacted to gain consent to progress with assessment with an independent provider. Progress is being monitored via the dedicated Recovery Board and plans continue to be worked up for safe transfer of the service to Children’s and LD. The recovery trajectory will be refreshed in line with commencement of this work. Recruitment of a senior administrator to co-ordinate and oversee this work is essential and is underway.</p> <p><u>Children’s ADHD</u></p> <p>Recovery of the position has commenced with 10 cases transferred to an Independent provider in December as part of an initial pilot. A further 50 assessments are due to take place in January, February and March through the independent provision as well as the internal team continuing to undertake assessments. A recovery trajectory has been developed and a Business Case set out that demonstrates the gap in available capacity versus the demand placed on the service. This case will be progressed with the commissioners in Q4.</p>
Adult ASD	The position continues to improve, and the recovery trajectory continues to be closely monitored.

Indicator/Service	Narrative
Paediatric ASD	The waiting list position in November was achieved in line with the recovery plan. A Business Case is due to be presented this month which will demonstrate the full extent of the capacity gap to support continued recovery in light of the increased levels of referral against the original plan. Without further intervention the trajectory will be adversely impacted due to the considerable increase in demand.
EIP	The performance standard was achieved in November. The service continues to closely monitor the position via weekly performance reviews to ensure a proactive approach is taken with referral and waiting list management. Improvement is expected to be maintained.

Agenda Item 16

Title & Date of Meeting:	Council of Governors Public Meeting – 19 th January 2023										
Title of Report:	Finance Report November 2022										
Author/s:	Name: Peter Beckwith Title: Director of Finance										
Recommendation:	<table border="1"> <tr> <td>To approve</td> <td></td> <td>To receive & discuss</td> <td></td> </tr> <tr> <td>For information/To note</td> <td>✓</td> <td>To ratify</td> <td></td> </tr> </table>			To approve		To receive & discuss		For information/To note	✓	To ratify	
To approve		To receive & discuss									
For information/To note	✓	To ratify									
Purpose of Paper: <i>Please make any decisions required of Board clear in this section:</i>	<p>This purpose of this report is to provide the Council of Governors with a summary of financial performance for the Trust for the 3 month period September 2022 to November 2022.</p> <p>This is to allow the Governors to be informed of the Trusts Financial Position and to enable any areas of clarification to be sought.</p>										
Key Issues within the report:											
Matters of Concern or Key Risks to Escalate: <ul style="list-style-type: none"> • None 	Key Actions Commissioned/Work Underway: <ul style="list-style-type: none"> • None 										
Positive Assurances to Provide: <ul style="list-style-type: none"> • The Trust recorded an overall operating deficit of £0.169m for Month 8 consistent with the Trust’s planning target • Cash balance at the end of Month 8 was £30.526m of which £4.682m relates to the Provider Collaborative 	Decisions Made: <ul style="list-style-type: none"> • The Council of Governors are asked to note the Finance report and comment accordingly. 										

Governance:		Date		Date
	Audit Committee		Remuneration & Nominations Committee	
	Quality Committee		Workforce & Organisational Development Committee	
	Finance & Investment Committee		Executive Management Team	
	Mental Health Legislation Committee		Operational Delivery Group	
	Charitable Funds Committee		Collaborative Committee	
			Other (please detail)	✓

Monitoring and assurance framework summary:

Links to Strategic Goals (please indicate which strategic goal/s this paper relates to)				
√ Tick those that apply				
	Innovating Quality and Patient Safety			
	Enhancing prevention, wellbeing and recovery			
	Fostering integration, partnership and alliances			
	Developing an effective and empowered workforce			
✓	Maximising an efficient and sustainable organisation			
	Promoting people, communities and social values			
Have all implications below been considered prior to presenting this paper to Trust Board?	Yes	If any action required is this detailed in the report?	N/A	Comment
Patient Safety	√			To be advised of any future implications as and when required by the author
Quality Impact	√			
Risk	√			
Legal	√			
Compliance	√			
Communication	√			
Financial	√			
Human Resources	√			
IM&T	√			
Users and Carers	√			
Equality and Diversity	√			
Report Exempt from Public Disclosure?			No	

**Council of Governors
Finance Update Report (November 2022)**

1. Introduction

This purpose of this report is to provide the Council of Governors with a summary of financial performance for the Trust for the 3 month period September 2022 to November 2022.

2. Performance 2022/23

The Trust is required to achieve a break even position for the year.

Table 1 shows for the period ended to 30th November 2022 the Trust recorded an operating deficit of £0.169m, details of which are summarised in table 1 below.

This position is consistent with the Trusts planning target.

There is one item which doesn't count against the Trust's financial control targets, which is the Donated asset Depreciation of £0.050m year to date, this takes the ledger position to a deficit of £0.219m.

Table 1: Reported I&E Position 2022/23

	September 2022 £003	October 2022 £003	November 2022 £003
Income	87,994	102,617	117,712
<i>Less: Expenditure</i>	84,255	98,216	112,643
EBITDA	3,739	4,401	5,069
Finance Items	4,016	4,648	5,288
Ledger Position:	(277)	(247)	(219)
Exclude: Donated Asset Depn	(33)	(44)	(50)
Net Position Surplus/(Deficit)	(244)	(203)	(169)
EBITDA	4.2%	4.3%	4.3%
Deficit (-%)/Surplus %	-0.3%	-0.2%	-0.1%

A more detailed summary of the income and expenditure position as at the end of August 2022 is shown at appendix A. Key variances are explained in the following paragraphs:

3.1 Children's and Learning Disability

Children's and LD is reporting a £0.001m underspend. There are some pressures relating to the CAMHS Inpatient Unit from the use of Agency Nurses and Healthcare Assistants to cover the rota pattern and the use of Agency Medics in Community CAHMS, this is offset by underspends elsewhere in the service.

3.2 Community and Primary Care

Community and Primary Care is reporting an overspend of £0.694m.

Primary Care is showing a Gross Expenditure overspend against budget of £0.942m which is primarily due to pressures caused by the required increase of Locum Doctors which are significantly more expensive than substantive staff, offset by underspends in Community of £0.248m.

Primary Care have produced a recovery trajectory which has oversight at Executive Management Team. The main aim of this plan is to reduce the reliance on Locum Doctors.

3.3 Mental Health

The Division is showing an underspend of £0.183m. There are pressures within the Unplanned service division which relates to the acuity of patients within Adult and the Older Adult Units which requires increased safer staffing numbers. This is currently offset by underspends within the Planned division.

3.4 Forensic Services

The underspend primarily relates to a staffing underspend due to the new prison contract. This will be rectified as soon as practical.

3.5 Corporate Services Expenditure

Corporate Services are showing an underspend of £1.266m, the main factor being the central contingency budget

3.6 Depreciation

The actual Depreciation position at Month 8 is currently showing an overspend of £0.769m. A review of Depreciation in line with the Revaluation of Assets is currently being undertaken and will be reported through the Finance and Investment Committee.

3.9 Forecast

Based on the Month 8 position and previous months performance

4. Cash

As at the end of November 2022 the Trusts Cash Balance was £30.526m, cash balances across the reporting period are summarised below:

Table 3: Cash Balance

	September 2022 £000	October 2022 £000	November 2022 £000
Government Banking Service	31,049	29,029	30,367
Nat West	339	233	114
Petty Cash	52	52	46
Net Position	31,440	29,314	30,527

6. Recommendations

The Council of Governors is asked to note the Finance report and comment accordingly

Appendix 1 Income and Expenditure Position Month 8

	22/23 Net Annual Budget £000s	In Month			Year to Date		
		Budget £000s	Actual £000s	Variance £000s	Budget £000s	Actual £000s	Variance £000s
Income							
Trust Income	162,582	13,607	13,284	(323)	107,262	105,662	(1,600)
Clinical Income	17,023	1,596	1,811	215	11,055	12,050	995
Total Income	179,605	15,203	15,095	(108)	118,317	117,712	(605)
Expenditure							
<u>Clinical Services</u>							
Children's & Learning Disability	36,784	3,075	3,090	(15)	24,411	24,410	1
Community & Primary Care	31,219	2,582	2,733	(151)	20,920	21,613	(694)
Mental Health	56,003	4,814	4,756	58	37,450	37,267	183
Forensic Services	12,885	1,209	1,084	126	8,575	8,439	136
	136,870	11,679	11,662	17	91,356	91,730	(375)
<u>Corporate Services</u>							
	37,769	3,023	2,765	258	22,179	20,913	1,266
Total Expenditure	174,639	14,703	14,427	276	113,535	112,643	891
EBITDA	4,966	500	668	168	4,783	5,069	286
Depreciation	3,976	350	446	(96)	2,799	3,568	(769)
Interest	148	12	(49)	62	98	(163)	261
IFRS 16	-	-	29	(29)	-	105	(105)
PDC Dividends Payable	2,341	195	195	-	1,561	1,561	-
ICS Contribution	-	-	13	(13)	-	167	(167)
Operating Total	(1,498)	(57)	34	92	324	(169)	(493)
BRS	(1,500)	(93)	-	(93)	491	-	491
Operating Total	2	36	34	(2)	(167)	(169)	(2)
Excluded from Control Total							
Donated Depreciation	70	6	6	(0)	47	50	(3)
	(68)	30	28	(2)	(213)	(219)	(6)
Excluded							
Commissioning	2	0	0	0	2	(0)	2
Ledger Position	(71)	30	28	(2)	(215)	(219)	(4)
EBITDA %	2.8%	3.3%	4.4%		4.0%	4.3%	
Surplus %	-0.8%	-0.4%	0.2%		0.3%	-0.1%	

Agenda Item 17

Title & Date of Meeting:	Council of Governors Public Meeting – 19 January 2023		
Title of Report:	Public Trust Board Minutes – September & October 2022		
Author/s:	Caroline Flint Trust Chair		
Recommendation:	To approve		To receive & discuss
	For information/To note	✓	To ratify
Purpose of Paper:	The minutes from the public Board meetings for September and October 2022 are presented for information.		
Key Issues within the report:			
Matters of Concern or Key Risks to Escalate:	Key Actions Commissioned/Work Underway:		
<ul style="list-style-type: none"> No matters to escalate 	<ul style="list-style-type: none"> N/A 		
Positive Assurances to Provide:	Decisions Made:		
<ul style="list-style-type: none"> Contained in the minutes 	<ul style="list-style-type: none"> N/A 		
Governance:		Date	Date
	Appointments, Terms & Conditions Committee		Engaging with Members Group
	Finance, Audit, Strategy and Quality Governor Group		Other (please detail) Quarterly report to Council
	Trust Board		✓

Monitoring and assurance framework summary:

Links to Strategic Goals <i>(please indicate which strategic goal/s this paper relates to)</i>	
√ Tick those that apply	
	Innovating Quality and Patient Safety
	Enhancing prevention, wellbeing and recovery
	Fostering integration, partnership and alliances

	Developing an effective and empowered workforce			
	Maximising an efficient and sustainable organisation			
	Promoting people, communities and social values			
Have all implications below been considered prior to presenting this paper to Trust Board?	Yes	If any action required is this detailed in the report?	N/A	Comment
Patient Safety	√			To be advised of any future implications as and when required by the author
Quality Impact	√			
Risk	√			
Legal	√			
Compliance	√			
Communication	√			
Financial	√			
Human Resources	√			
IM&T	√			
Users and Carers	√			
Equality and Diversity	√			
Report Exempt from Public Disclosure?			No	

Trust Board Meeting
Minutes of the Public Trust Board Meeting held on Wednesday 28 September 2022 via
Microsoft Teams

Present:

- Rt Hon Caroline Flint, Chair
- Mrs Michele Moran, Chief Executive
- Dr Phillip Earnshaw, Non-Executive Director
- Mr Hanif Malik OBE, Associate Non-Executive Director
- Mr Stuart McKinnon-Evans, Non-Executive Director
- Mr Francis Patton, Non-Executive Director
- Mr Dean Royles, Non-Executive Director
- Mr Mike Smith, Non-Executive Director
- Professionals
- Mr Peter Beckwith, Director of Finance
- Mr Steve McGowan, Director of Workforce and Organisational Development
- Dr Dasari Michael, Interim Medical Director
- Mrs Lynn Parkinson, Chief Operating Officer

In Attendance:

- Mrs Tracy Flanagan, Deputy Director of Nursing
- Ms Donna Groke, International Nurse Recruitment & Education Lead and Mr Thomas Tinashe-Tom, Practice Nurse (for item 165/22)
- Mrs Mandy Dawley, Assistant Director of Patient and Carer Experience and Engagement and Mrs Lorna Barrett Patient and Carer Experience Manager (for item 173/22)
- Oliver Sims, Corporate Risk & Compliance Manager (for items 178/22 & 179/22)
- Ms Kiza Ishemo, Workforce Equality, Diversity and Inclusion Lead (for item 180/22)
- Dr Mo Quadri Guardian of Safeworking (for item 181/22)
- Rosie O'Connell Head of Safeguarding (for item 182/22)
- Mrs Jenny Jones, Trust Secretary (minutes)

Apologies:

- Mrs Hilary Gledhill, Director of Nursing, Allied Health and Social Care
- Mrs Michelle Hughes, Head of Corporate Affairs

Board papers are available on the website and an opportunity provided for members of the public to ask questions via e mail. Members of the public were also able to access the meeting through a live stream on YouTube.

162/22	<p>Declarations of Interest</p> <p>The declarations were noted. Any further changes to declarations should be notified to the Trust Secretary. The Chair requested that if any items on the agenda presented anyone with a potential conflict of interest, they declare their interest and remove</p>
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	<p>themselves from the meeting for that item.</p> <p>The Chief Executive and the Director of Finance have a standing declaration of interest in items relation to the Collaborative Committee.</p>
163/22	<p>Minutes of the Meeting held 27 July 2022</p> <p>The minutes of the meeting held on 27 July were agreed as a correct record</p>
164/22	<p>Matters Arising and Actions Log</p> <p>The action log and work plan were noted.</p>
165/22	<p>Staff Story – Overseas Nurses</p> <p>The Chair welcomed Donna Groke and Thomas Tinashe-Tom to the Board meeting to share their experiences.</p> <p>Thomas was one of the Trust’s first international nurse recruits who came to the Trust from Namibia in September 2021. Donna supports the recruitment of international nurses working collaboratively with the divisions to establish a process for successful, sustainable international nurse recruitment, in line with the national landscape</p> <p>Thomas told Board members about his experiences working in the organisation and sharing his reflections of the Humber recruitment and re-settlement process. Thomas was selected by the NHS International Recruitment Team to share his story in London which also involved a photoshoot. Since coming to the Trust he has been able to use his working knowledge and experience from Namibia to become a Practice Nurse at the King Street Medical Centre. He was grateful for the opportunity to work in the UK and that he had a team to work with. It was difficult coming to a new country, however the Trust assisted with accommodation and for him to get the right qualifications for working here.</p> <p>Board members asked Thomas questions about his general experience and if he had any suggestions on how improvements could be made based on his previous experience. Thomas’ responses were in relation to evidence of qualifications and how GP appointments were arranged with a focus on urgent appointments slots.</p> <p>The enthusiasm and ambition of Thomas was welcomed by the Board. It was recognised that by tailoring his skills and knowledge to a particular role had been beneficial to the organisation and Thomas. The Deputy Director of Nursing, Mrs Flanagan explained that with the diverseness of the Trust there are a range of opportunities to offer to international recruits. The importance of pastoral care support was recognised and Thomas feeling that he had a family in his work colleagues was great to hear.</p> <p>The Chief Executive commented that Continuous Professional Development (CPD) is important and encouraged Thomas to continue to be ambitious in his career path.</p> <p>The Chair asked if there are any national issues with regards to international recruiting that the Board should be aware of. Mrs Flanagan said that NHS England has done work around visas and the use of agencies for recruiting and having a process in place to ensure that this was not creating anxieties or delays for recruiting. As recruitment comes from different areas different considerations have come from each area. Mr McGowan reported that the recruitment process has become better in recent years with the help of NHS England. There is an ethical caveat about where nurses are taken</p>

	<p>from so as not to create issues elsewhere. The Trust works with partners to ensure this is taken into account when recruiting.</p> <p>Thomas and Donna were thanked for attending the meeting.</p>
166/22	<p>Chair's Report</p> <p>The Chair provided a verbal update on activity she has been involved with since the last meeting that included: -</p> <ul style="list-style-type: none"> • A visit to Newbridges inpatient unit where it was a chance to meet staff and patients • The long service awards took place at Whitby Hospital where the Chair and Chief Executive were delighted to present certificates to members of staff • A Governor Development Day was held recently. The Chair thanked Board members who supported the event which included a focus on how the Trust audits itself and the Collaborative Committee. A question and answer session on the issues around waiting times for children and young people for autism and ADHD was also held. • A series of events are taking place for National Inclusion Week which is this week. These are accessible by clicking on links. The Chief Executive and the Chair have been involved creating a video and blog for sharing. <p>Mr Smith recently attended a visit to Maister Court with the Deputy Director of Nursing. He suggested that when visits have been undertaken by Non-Executive Directors that these are highlighted as part of the chair's update. The Chair confirmed that she would be happy to include these in her updates.</p> <p>A report was also presented on proposed changes to Committee membership for Non-Executive Directors which has been discussed with the Chief Executive and the Non-Executive Directors. The new membership will be effective from October subject to any conflicts of dates with new members to Committees. The changes will be fully in place by January 2023.</p> <p>Mr Smith referred to the Mental Health Legislation Committee and asked for the number of Non-Executive Directors to be reviewed. This will be discussed outside the meeting</p> <p><u>Resolved:</u> The update and the proposed changes to the Committee membership were noted.</p>
167/22	<p>Chief Executive's Report</p> <p>The report provided updates from each of the Directors along with a summary of activities undertaken by the Chief Executive. Of particular note were: -</p> <ul style="list-style-type: none"> • In person and virtual visits continue to be held. • The Chief Executive has been asked to present at the HSJ integrated Care Summit and NHS Providers over the next few weeks. • An update on winter pressures and Covid was included in the report. • The Director of Nursing update included the new framework for safety responses and highlighting a number of significant changes to the reporting of serious incident in the future. This outcome of the work will go to the Quality Committee with the final detail coming to the Board. • Governors are involved in the Patient Led Assessments of the Care Environment

inspections with the work concluding around November.

- The Annual Members Meeting is taking place on 6 October
- The Communications update provided detail on the Whitby Hospital opening event on 3 October.
- Whitby Bricks are still available to purchase, details were included in the Health Stars update.

In relation to the Operational and Covid update, Mrs Parkinson reported an upturn in Covid infection rates. Currently there are nine positive patients in inpatient beds and staff positive numbers are also rising. A further rise in infection rates is expected at the end of October/early November. The situation is being monitored to minimise any impact on services.

An update was included in the report on the Humber Youth Action Group work on the Child and Adolescent Mental Health Services (CAMHS) transition and passport which has been co-produced with the group.

Mr Patton asked about the uptake for the Shiny Minds app. This information was not available at the meeting and Mr McGowan will provide a post meeting note with the detail.

In response to a question around the increase in pension contributions due to the recent pay award, Mr Beckwith explained that staff affected have been written to make them aware of the impact and have been offered an advance of pay to mitigate the impact in September, which is repayable over the remainder of the year. Responses received are in mostly positive.

CAMHS demand for referrals has plateaued however there is an increase in acuity and complexity of the groups that are being seen. The introduction of home based treatment service into CAMHS, the crisis service and the imminent opening of Children Safe Space should help to manage the complexity and avoid hospital admission where appropriate. The demand and complexity is a direct consequential impact of Covid. There is still a lot of work that needs to be done and it is being prioritised in the system. The provider market in this area is difficult and there is more work to do with other colleagues to improve this element of care to support children and young people before they reach a crisis position.

Mr Smith asked if CPD funding was given to the individual and whether it was successfully spent. Mrs Flanagan reported that there are a number of caveats around the Health Education England (HEE) funding and returns have to be provided on an individual level. Creative use of the funding has been made to give opportunity for it to be used collaboratively. Mel Barnard in the team works with HEE to ensure that the appropriate evidence is provided and demonstrates that best use of the funding is being made. Mr Smith was pleased that it was a positive position as in his experience some organisations find it difficult.

Dr Earnshaw queried if the approach for having separate Senior Responsible Owners (SRO) for Flu and Covid programmes was appropriate. Dr Michael provided assurance that there is close working between the SROs to ensure they are appropriately covered. Dr Earnshaw also commented that it was difficult to see on the website any recruitment of GP jobs and that information was not easily found and suggested the use of visuals or it being in a more prominent position. The Chief Executive explained that this was a valid point and there are separate sections under the Humberleivable campaign. The

	<p>Chief Executive will ask the Clinical Lead for primary care and the Communications Team to review and the HR team will look at the recruitment section.</p> <p>The Safeguarding Children Policy was ratified by the Board ratification and approval given for the proposed change to the Sub Committee Terms of Reference in line with internal audit recommendations.</p> <p><u>Resolved:</u> The report and updates were noted. <u>Mr McGowan will provide a post meeting note on the uptake for the Shiny Minds app</u> <u>Action SMcG</u></p>
168/22	<p>Publications and Highlights Report</p> <p>The report provided an update on recent publications and policy with updates provided by the Lead Executives.</p> <p><u>Resolved:</u> The report was noted.</p>
169/22	<p>Performance Report</p> <p>Mr Beckwith presented the report relating to the current levels of performance as at the end of August 2022. Areas brought to the Board's attention included:-</p> <ul style="list-style-type: none"> • An appendix to the report provided an update on waiting times. A more detailed report is due with the October report. • Safer Staffing Dashboard - The thresholds for CHPPDs have been revised upwards based on the latest model health system data and this accounts for the increased number of units flagging at red. <p>Mrs Flanagan commented that it was important to note that the organisation has been higher than the national and regional average. The Trust has some diverse services which was not necessarily reflected in the original thresholds. Work is underway to refresh the dashboard and some training with NHSE is planned around the optimisation tool. Mr Smith appreciated the update and he felt that the Board needed at some stage to see this in writing and for the benefit of the public.</p> <ul style="list-style-type: none"> • After reducing to zero for a short period in the summer, the number of out of area placements is beginning to increase as a direct result of the increasing number of patients whose discharge is delayed due to available social care packages or specialised hospital placements. • Statutory and mandatory training overall remains above the Trust target of 85%, currently at 91%. <p>Mr McKinnon-Evans asked how delayed transfers of care issues linked into risk assessments as he was not able to see this in the risk register. Mrs Parkinson explained that the increase in delayed transfers of care is affecting performance in service areas. She assured him that the risks have been drafted and should be coming through in the future. The risk is not only to patient flow but also patient quality of care. A composite Trustwide risk has also been scoped and drafted and is in development as we go into winter. A zero position was reached for out of area placements in July, but delayed transfers of care have a direct impact on the use of out of area beds. At the</p>

	<p>moment there are 21 patients delayed across Adult and Older People beds. There are also delays in children and secure mental health beds and the overall position is rising. Also contributing to this for Older People services is the service users with complex dementia requiring identified nursing care home support and access to these is being affected by the market. This is at a system level and an escalation mechanism is in place with weekly meetings held. Adult mental health delays are due to complex needs where community accommodation is required for specialised and bespoke placements. Out of the 99 operational beds the Trust has, 21 is a high number that is taken up with delayed transfers of care. Mr McKinnon-Evans appreciated the update. The Chair felt it was helpful to have this detail for other HNY ICS meetings.</p> <p>Mr Patton asked how the system is helping with delayed transfers of care as it is due to the lack of social care packages and out of area placements. Mrs Parkinson reported that the issue has been escalated and there are regular meetings with senior leaders, but an outcome is awaited. The lack of availability of community-based packages and workforce challenges is causing problems and the Trust is doing all it can in support of this for example, the Learning Disability Services are providing significant intensive input to support other partners staff to ensure service users are in a stable position. The focus over the coming months is to manage demand and flow which is a big task.</p> <p>Dr Earnshaw stated that a key tool to manage mild/moderate mental illness is Talking Therapies and only half of the patients have been seen in six weeks. He asked if there is an improvement trajectory plan for this area. Mrs Parkinson confirmed this is an area of focus and a recovery plan is in place. It is expected that this will come to fruition in the next 2-3 months. The Trust works with sub contractor providers and arrangements in place to monitor activity. As with the organisation some of the contractors have staffing issues. There are vacancies in the service and plans on how recruitment will be progressed.</p> <p><u>Resolved:</u> The report and verbal updates were noted</p>
170/22	<p>Finance Report</p> <p>The finance report as at the end of June 2022 was presented to the Board. The following areas were highlighted:</p> <p>The Trust recorded an overall financial position consistent with the Trust's planning target. Agency costs continue to rise and a recovery plan has been developed aimed at reducing the level of agency costs and of recruiting to permanent medical consultancy posts. A further discussion will take place at the October Board Time Out</p> <p>The cash balance at the end of Month 5 was £29.862m of which £3.734m relates to the Provider Collaborative. The Better Payment Practice Code figures show achievement of 90.6% for Non NHS invoices and 93.2% for NHS invoices, work continues to maintain/improve the position</p> <p><u>Resolved:</u> The Board noted the Finance report for August 2022</p>
171/22	<p>Use of Force Act – Update Report</p> <p>From 31 March 2022, new statutory obligations aimed at preventing inappropriate use of force applied to organisations providing inpatient mental health units, including NHS Trusts and independent sector organisations that provide NHS-funded care.</p> <p>The Act (known as 'Seni's law) placed new duties on hospitals in relation to the use of</p>

	<p>force (e.g. record keeping, training and investigations) and requires police officers visiting mental health units to wear body cameras.</p> <p>A different level of data is required and the first iteration of this will be in the next report to the Mental Health Legislation Committee. Progress is being made with these important areas of work and ensuring that staff are aware of the new requirements.</p> <p>Resolved: The report was noted.</p>
172/22	<p>Suicide and Self Harm Strategic Plan 2022-2025</p> <p>The Suicide and Self-harm strategic plan 2022-2025 represented a refreshed and updated approach by the Trust utilising the latest available evidence. The National Confidential Inquiry into Suicide and Safety in Mental Health (NCISH) toolkit has been adopted which is based on a 10 way approach to safer care.</p> <p>The plan outlined how the 5 strategic priorities have been developed and aligned to the Trust strategic goals. It also provided a position in relation to the work already completed and being delivered in relation to suicide and self harm prevention.</p> <p>A short presentation was shared with the Board and highlighted the key areas of the plan.</p> <p>Mr McKinnon-Evans referred to lower staff turnover and asked whether there is a proposed number identified. He was informed that there is no specific target set but it would be within the regional and national target. Initiatives around nursing turnover are being looked at as part of the implementation of the priority. This would likely be a reduction by 5%. The Chair asked for more detail to be provided to the Board outside the meeting.</p> <p>Mr Malik expected to see reference to stakeholders and external agencies given the organisation works with partners. He asked if this was a gap in the strategy. Mrs Flanagan said there is focus at a system level and multi-agency level to reduce suicide and self harm. The Trust works alongside partners including the Crisis Care Concordat. The strategy looks at a specific way to the organisation as an individual provider. To reduce the overall suicide rates required work as a system and the Trust's strategy will be knitted in at a system level. The Chair agreed with Mr Malik's point and felt there should be some mention. The strategy should stand on its own as well as being part of the system and the emphasis on family and friends is important to the strategy. Mr Malik said work with drug and substance misuse partners and additional agencies has been critical in some cases.</p> <p>Mr Royles suggested that 8.4 and 8.4.2 overlapped with the second part of year 1 and there was an opportunity to accelerate this with the ICB. In terms of turnover, deep dives of leavers are undertaken at the Workforce & Organisational Development Committee, and he suggested that this is an area of work the Committee could look at. The Chair supported this idea which will be taken away and an update reported back to the Board. Mr McGowan felt that turnover was nurse focussed and the plan and strategy is across all posts in the organisation. It was clear that some actions in the patient strategy etc read across and there is more that could be done with this priority. He suggested expanding this priority to impact across the organisation and pick up with the work that is done at the Committee on targets.</p> <p>This is the Trust's strategy and Dr Michael affirmed that as a provider it would dovetail</p>

into the wider ICS strategy. The individual providers strategies will compliment each other. There will be a model for others to use and the ICS has there will be mandatory suicide prevention training for all staff across the board. What the organisation set out to do has been achieved.

The Chair acknowledged the comments which were well made and need to be taken away including reference to what we do and how we engage with other sectors for example, ICS, voluntary service groups and other services. Any work with the police should also be reflected in the strategy.

As a general point, the Chair recognised the differing font sizes in the document and also the way that coloured boxes have been used making it difficult for the reader to see. Some other points will be shared with the authors.

Summarising the discussions, the Chair recognised the huge amount of work that has gone into the Strategy. The was delighted to see the foreword from Anthony Houfe who is also a Service User and Carer Governor and appreciated his input into the strategy.

Resolved: The Trust Board noted the Suicide and Self harm strategic plan
More detail on the nursing turnover initiative to be provided to Board members **Action**
TF
The Workforce & Organisational Development Committee to look at turnover and
provide an update to the Board **Action** **SMcG**

173/22

Patient & Carer Experience Annual Report 21/22

The Patient and Carer Experience Annual Report) including Complaints and Feedback (2021/22) was presented. A short film that has been produced with highlights from the report was played at the meeting which Board members felt was easy to understand, with animations and was a fair and balanced representation.

Mrs Dawley highlighted primary care as an area of focus. A number of comments are received from members of the public in relation to access to GP services, including getting an appointment in the way they want and when they want. Mrs Dawley attended QPAS to share some of the findings of complaints, compliments and friends and family information. Away from the appointment's issues, comments were that staff were kind, friendly and caring. Primary care is the only area that does not have an Engagement Lead and information is collated by the PACE team. Outcomes are shared on the website and there is a "You said, we did" section on practice noticeboards.

Patient Participation Groups (PPGs) have been successful in some practices but not in others. These are now set up in every practice the Trust has and there is a framework to follow so all of the groups have the same approach across the organisation.

Mr McKinnon-Evans asked if there are any groups that are not being heard from that would be expected to have a voice. He was informed that primary care has had the biggest voice over the last couple of years. Groups have been set up across all Divisions and people do have the opportunity to voice their opinions. There is an Engagement Lead to drive the aspects of the Patient & Carer Experience agenda and an opportunity for people to come and have a voice across mental health, secure services, children and young people and primary care.

Mr Malik suggested that with the cost of living and NHS pressures that some impact may be seen going forward for complaints. He suggested forward planning a trajectory

to ensure there are adequate resources in place in to respond in this area. Mrs Dawley thanked him for the suggestion which will be considered. She assured the Board that although it is a small team it is perfectly formed and team members have vast experience. It is difficult to predict what complaints may come in the future. Recently the Mental Health Division has produced an animated film for staff to watch to help them respond to any complaints informally and this will be rolled out to other services. When Covid hit system changes and processes were changed to triage complaints and any that could be escalated to the team to contact the patient within 24/48 hours which can often pacify a complainant.

Dr Michael thanked Mrs Dawley and her team for producing the report and for being innovative with information and presentation of it. The Complaints/PALS team should be congratulated on their work and all they have done to keep people updated.

Mrs Parkinson endorsed the work done around the GP survey results. The work is led by the Clinical Lead and overseen by Operations and the action plan reports into the Operational Delivery Group (ODG) and the Executive Management Team (EMT).

The Chief Executive thanked the team for their work and for their work in primary care. It was recognised that there has been significant improvement in performance over the last few years under Mrs Dawley’s leadership. The Chief Executive felt it would have been helpful if the report and data had been via EMT to ensure that there is regular monitoring of the primary care information in particular. She suggested that EMT discuss the complaints information as there has been a slight increase since last year. The report has been to the Quality Committee to look at the operational aspects.

The Chair referred to the data on page 7 of the report that showed the improvements made, the number of people turning up to appointments, people being able to contact the practice 24/7 and Did Not Attend (DNAs) that are published on the website. She wondered whether as well as the number of DNAs whether the number of cancelled appointments or changed time appointments by the practices would be worthwhile including. EMT will consider this going forward.

Resolved: The report was noted.
Complaint’s data to be discussed at EMT Action DM

174/22 **Winter Planning**

The report provided a summary of the winter planning process undertaken, the key issues that are likely to impact on our operational response and the plans developed to mitigate the service pressures and risks anticipated for the Winter 2022/23.

Details of the range of work in place and underway to address the impact of winter 2022/3 on the operational delivery of services was also included.

Mrs Parkinson reported that the pressures since Covid have not abated over the year. It is important that a robust operational plan is in place for the winter. The plan is predicated on the ICB and what the organisation may need to respond to. Infection prevention control remains key not just in relation to Covid, but for flu and other infections associated with winter. Any risks such as industrial action, cost of living pressures, surge and escalation and adverse weather has been included.

The plan has been discussed at the Executive Management Team and operational mechanisms are in place and regularly monitored.

	<p>Mr Patton referred to the Emergency Planning, Risk and Resilience update asked how the desktop exercised went. He was informed this was around secure services and evacuation planning. It went well and any learning from the exercise will be progressed.</p> <p>Following a question from Mr Patton, Mrs Parkinson reported that the crisis line response times are closely managed in conjunction with Mind colleagues.</p> <p>The Board was informed that the support vehicle with the Ambulance service was predicated on pilot work which was already in place. All have mental health specialist on board the ambulance. However, given the pressures on the Ambulance service there is the potential for the vehicle to be diverted and used for category one cases. The situation is being monitored and the Chief Executive said that good results are being seen. The business continuity plans are being linked into the wider system to give a more joined up approach across the system. The system business continuity plans will come to the Board for mental health and community services</p> <p><u>Resolved:</u> The report was noted <u>The system business continuity plans will come to the Board for Mental Health and Community services</u> Action MM</p>
175/22	<p>Covid-19 Booster Vaccination Programme 2022</p> <p>The report provided an update on plans for the 2022 Autumn Covid-19 Booster Programme for Staff</p> <p>The plan is to deliver the Covid-19 vaccination autumn boosters in according with the NHSE standards and requirements. The plan has operational capacity to deliver Covid booster vaccines, in addition to co-administration of the Flu vaccine to all Humber Teaching NHS Foundation Trust staff.</p> <p>The Team is largely made up of members who delivered the successful first two Covid vaccinations and first booster dose programme</p> <p><u>Resolved:</u> The Board noted the report</p>
176/22	<p>Cost of Living and Support Report</p> <p>The Chief Executive presented the report which identified a number of national and international factors that have affected the cost of living and it is well recognised that many people and families are finding it difficult to afford day to day necessities which is placing a lot of pressure on households.</p> <p>As a local employer the Trust has worked with staff colleagues and patients to provide support where possible and to keep the range of support, we offer under review to ensure we are doing all we can to support people during this particularly difficult financial time. In addition, working with our partners in the system, we continue to review the impact and support available.</p> <p>Regular discussions take place at the Executive Management Team as to any other support that can be offered. Mrs Parkinson is the chair of the Staff Health and Wellbeing Group and is aware of issues raised.</p> <p>It was suggested that this report is taken to a development session when there is more time for in depth discussion</p>

	<p><u>Resolved:</u> The Board noted the report The report to be discussed at a future Board Time Out Action MM</p>
177/22	<p>Formal Board Meetings, Strategic Discussions and Board Development Sessions The Trust commissioned an external governance review in 2021 to comply with NHSI guidance ‘developmental reviews of leadership and governance using the well-led framework’ and the final report was received earlier this year, in April.</p> <p>The report provided external validation on work to progress governance within the organisation and it was noted that the organisation had been transformed since it’s 2017 assessment. Building from a position of strength, at the July Board time out session it was agreed further consideration would be given to the frequency of formal Board meetings alongside the need for strategic board discussions and board development.</p> <p>It is proposed that six formal Board meetings be held next year and six strategic Board sessions. Anything urgent for the Board that falls out with the Board meeting will be dealt with at the strategic Board session. A review will take place after six months to ensure that the process is working adequately. The dates for Board meetings will remain the same and Sub Committee chairs will ensure that reports feed into an appropriate Board meeting.</p> <p><u>Resolved:</u> The Board approved the proposals outlined in the report to commence in <u>January 2023.</u></p>
178/22	<p>Board Assurance Framework The report provided the Trust Board with the Q2 2022/23 version of the Board Assurance Framework (BAF). Following approval of the refreshed Trust Strategy in July, the Board Assurance Framework document has been updated to reflect the newly approved strategic goals and their underlying strategic objectives.</p> <p>The existing risks referenced in the Board Assurance Framework document for the previous quarter have been reviewed and aligned to the new strategic objectives where applicable and this work has been considered and agreed by the Executive Management Team.</p> <p>Mr Patton highlighted that strategic goal 5 says “maximising” and should be “optimising”. This will be rectified. Mr McKinnon-Evans reiterated his previous comment about delayed transfers of care and that consideration may be needed as to how it could affect this document.</p> <p><u>Resolved:</u> The Board noted the report.</p>
179/22	<p>Risk Register An update on the Trust-wide risk register (15+ risks) including the detail of any additional or closed risks since last reported to Trust Board in June 2022 was presented by Mr Sims.</p> <p>Work is underway to risk assess the objectives in the refreshed trust strategy. Once assessed the risks will be included on the respective risk register with any risks scoring 15 or higher included on the trust wide register. There are currently 6 risks held on the Trust-wide Risk Register. The current risks held on the Trust-wide risk register and an</p>

	<p>update on each of the risks was provided in the report. An error was contained in the report that there are three risks with a score of 15 and three with a 16 score.</p> <p>The Chair thanked Mr Sims for the update and thought the detail on the front sheet was helpful.</p> <p>Mr Patton commented that the actions taken for some risks did not address the gaps in control. His comment will be taken back to the relevant risk lead and an update provided in the next report.</p> <p><u>Resolved:</u> The risk register was noted.</p>
180/22	<p>Annual Equality, Diversity & Inclusion Report 2022- 2023</p> <p>The Trust has a duty to create a comprehensive annual report on equality, diversity and inclusion in line with the Equality Act 2010 and the Public Sector Equality Duty (Equality Act 2010 s.49). This report is drafted collaboratively and details progress against workforce and PACE equality objectives.</p> <p>The EDI Annual report has been discussed at both the Workforce & OD Committee (July) and Quality Committee (August)s, as well as being consulted upon with the EDI Working group and networks. It informed the Board of the work taking place across the Trust to support the EDI agenda and to provide insight into the progress against EDI objectives in line with the various national EDI reports.</p> <p>Ms Kiza Ishemo is the new Workforce Equality, Diversity and Inclusion Lead and joined the meeting for this item. She explained that her focus is on building the staff networks and for National Inclusion week which is this week. She sees this work being successful if there is collaboration and for the staff networks to provide the forums to contribute to the way forward. They are in a good position, but more work is needed to gain traction and momentum. Awareness is a good vehicle to start conversations and to weave together the organisation to have inclusion at the forefront of everyone’s mind.</p> <p>Mr Malik commented that it is good to see the metrics and milestones, but that the real change has to be in the culture. He asked as a Board member if there is anything else that can be done to move this forward. Kiza appreciated the support that she has received and felt that if the Board continued to promote the culture change that would be helpful.</p> <p>The report has been to the Quality Committee and Workforce & Organisational Development Committee, and it covered both the aspirations of staff represented and service delivery. Work is underway on a Respect report that the Chief Executive will bring to a future Board meeting.</p> <p>Mr McGowan thanked Kiza for the work she has done and for making an impact since she came to the organisation.</p> <p><u>Resolved:</u> The report was approved</p>
181/22	<p>Guardian of Safeworking Annual Report</p> <p>Dr Mo Qadri attended to present the report which showed any rota gaps and vacancies and issues relating to the safe working of junior doctors.</p> <p>A number of positive changes were referred to in the report including:-</p>

- Maintained lowered numbers of exceptions being raised by trainees for past three years
- No SIs pertaining to trainees
- Proactive and collaborative medical education department
- Good rest facilities available for trainees on call
- Effective communication links established with freedom to speak up guardian and recovery tutor

Weekly training sessions are held with on call scenarios around specific topics to provide more information and alleviate anxiety of the junior doctors. It also helps with any call outs as junior doctors have the training to deal with these issues

Dr Qadri commented on the delay in the rota being issued for junior doctors.

Mr Royles confirmed that the Workforce & Organisational Development Committee received regular updates on the work that is done and the approach that is taken. Positive discussions are held at the LNC meeting to resolve issues which are being highlighted at an early stage to prevent them escalating

Resolved: The report was noted

182/22

Safeguarding Annual Report

the Safeguarding Annual Report 2021/22 which presents the annual work of the Trust Safeguarding Team, including changes to team structure, key achievements, performance across the Trust and priorities for 2022/23. The report was approved by the Quality Committee at its meeting in August and has also been through the Executive Management Team. Areas highlighted from the report included:-

- Increasing demand on Safeguarding Team this (duty desk, increasing numbers being referred to multi-agency meetings such as MACE (Multi Agency Child Exploitation) and Prevent, commissioning of new services)
- Impact of Covid-19 on child and adult mental health can lead to increased risk of harm or abuse.
- Safeguarding Training compliance for Level 3 remains under 85% however following a review we have seen these rates increase month by month
- An increase in demand is being seen and the team has been attending safeguarding meetings which could contribute to the increased requests for support.
- Modern Slavery element – as a consequence of the Ukraine/Russian war the team has been more involved with Local Authority partners providing information and support.
- White Ribbon Accreditation – the Trust moved into its second year of White Ribbon accreditation status, and with that significant progress made with the safeguarding team’s domestic abuse workstream.
- Focus on child neglect – with the cost of living crisis a rise in this area is anticipated.

Mr Royles noted that the training compliance was above target. This is an area discussed at the Workforce & Organisational Development Committee and was pleased to see the update. He referred to the increased number of referrals coming through for safeguarding and the cost of living impact and wondered whether the Chair/Chief Executive should write to MPs as a responsible partner, to highlight this and to give an

	<p>opportunity for something to be done at source. The Chair and Chief Executive will discuss this suggestion.</p> <p>Mr McGowan highlighted that the increased training figures are going in the right direction which is positive. In regard to domestic abuse, he suggested contacting Gary Jennison to link into the staff Health & Wellbeing Group so that staff are aware of support available.</p> <p>The Chief Executive noted the increase in demand and conveyed her thanks to the team for the work they are doing and the difference they are making</p> <p><u>Resolved:</u> The Board ratified the annual report</p>
183/22	<p>A Framework of Quality Assurance for Responsible Officers and Revalidation, Annex D – Annual Board Report and Statement of Compliance</p> <p>This report summarised activity relating to appraisal and revalidation processes for 2021/22. The Annual Organisation Audit (AOA) data is also attached for information. It has also been approved by the Executive Management Team. Mr McGowan suggested that the Workforce & Organisational Development Committee see the report in the future for information.</p> <p><u>Resolved:</u> The report was noted and the Chief Executive will sign the statement of compliance.</p>
184/22	<p>Humber and North Yorkshire Integrated Care System – Mental Health and Learning Disabilities Collaborative Programme Update</p> <p>An update was presented on the work of the H&NY collaborative programme which is overseen by the H&NY ICB Board and the H&NY Mental Health, Learning Disabilities and Autism Strategic Executive Leadership Group.</p> <p>Workplans are delivered and monitored regularly by the MH LDA Operational Leadership Group.</p> <p><u>Resolved:</u> The update was noted.</p>
185/22	<p>Charitable Funds Committee Assurance Reports from 2 August & 6 September 2022*</p> <p>These reports were presented to the Board as Corporate Trustee and related to the meetings held in August and September 2022. The minutes from the 15 March and 2 August 2022 were provided for information.</p> <p>Constructive discussions were held with Fund Zone Managers around the use of funds raised. A working list of potential fund campaigns is being produced.</p> <p><u>Resolved:</u> The reports were noted.</p>
186/22	<p>Health Stars Key Performance Indicators (KPIs) 2022/23*</p> <p>The Charitable Fund Committee discusses and agrees KPIs for Smile Health Stars on an annual basis as part of the contract for managing the Trust's Charitable Funds. The Board requested a review of the KPIs be undertaken. The Committee felt that the time to do this was linked into the confidential discussions that are being progressed. A recommendation is made that the KPIs remain as they are and be reviewed early in the New Year. Any comments already received on KPIS will be fed into the review.</p>

	<p><u>Resolved:</u> The Board ratified the recommendation that the existing KPIs continue to be used for 2022/23, pending the options appraisal work.</p>
187/22	<p>Quality Committee Assurance Report & 4 May 2022 Minutes The report provided a summary of discussions held at the meeting on 3 August 2022 with a summary of key issues for the Board to note. The approved minutes of the meeting held on 4 May 2022 were presented for information.</p> <p>Discussions included the number of policies and procedures that have been through the Committee and the Quality Improvement work undertaken to look at these across the Divisions.</p> <p><u>Resolved:</u> The report was noted</p>
188/22	<p>Mental Health Legislation Committee Assurance Report The report provided assurance to the Board with regard to the agenda issues covered in the Committee meeting held on 4 August 2022.</p> <p>Mr Smith reported that the Task and Finish Group looking at the diversity of Associate Hospital Managers has met once, and a further meeting is planned in October.</p> <p><u>Resolved:</u> The assurance report was noted</p>
189/22	<p>Audit Committee Assurance Report The report following the meeting held on 8 August was presented to the Board. A deep dive into the Children's & Primary Care risk register was on the agenda and there is good evidence that risk management is embedded in the operations.</p> <p>Some national level work about the financial health of the NHS has been requested which may need some amendment to the audit plan.</p> <p><u>Resolved:</u> The report was noted</p>
190/22	<p>Collaborative Committee Assurance Report An executive summary of discussions held at the meeting on Friday 5 August 2022 was presented. Mr McKinnon-Evans reported that a decision has been taken to meet less frequently to give more streamlined reporting and to avoid duplication.</p> <p>A key issue discussed was delayed transfers of care. Each of the workstreams continues to mature and learning from the Shoen Clinic are being taken forward</p> <p><u>Resolved:</u> The Board noted the report.</p>
191/22	<p>Items for Escalation No items were raised.</p>
192/22	<p>Any Other Business</p> <p>Retirement Michelle Hughes, Head of Corporate Affairs retires from the Trust in October. The Board thanked her for her help, support and advice over the years and her work on the External Well Led Review which she led.</p>

	The Board wished her a Happy Retirement.
193/22	Exclusion of Members of the Public from the Part II Meeting It was resolved that members of the public would be excluded from the second part of the meeting having regard to the confidential nature of the business to be transacted, publicity of which would be prejudicial to the public interest.
194/22	Date and Time of Next Meeting Wednesday 26 October 2022, 9.30am via Microsoft Teams

Signed Date
Chair

**Trust Board Meeting
Minutes of the Public Trust Board Meeting held on Wednesday 26 October 2022 via
Microsoft Teams**

Present: Rt Hon Caroline Flint, Chair
 Mrs Michele Moran, Chief Executive
 Dr Phillip Earnshaw, Non-Executive Director
 Mr Hanif Malik OBE, Associate Non-Executive Director
 Mr Stuart McKinnon-Evans, Non-Executive Director
 Mr Francis Patton, Non-Executive Director
 Mr Dean Royles, Non-Executive Director
 Mr Mike Smith, Non-Executive Director
 Mr Peter Beckwith, Director of Finance
 Dr Kwame Fofie, Medical Director
 Mrs Hilary Gledhill, Director of Nursing, Allied Health and Social Care Professionals
 Mr Steve McGowan, Director of Workforce and Organisational Development
 Mrs Lynn Parkinson, Chief Operating Officer

In Attendance: Mrs Stella Jackson, Head of Corporate Affairs
 Mrs Jenny Jones, Trust Secretary (minutes)
 Dr Iqbal Hussain, Clinical Lead (for item 198/22)
 Mrs Debbie Davies, Lead Nurse, Infection Prevention & Control (for item 206/22)

Apologies: None

Board papers are available on the website and an opportunity provided for members of the public to ask questions via e mail. Members of the public were also able to access the meeting through a live stream on YouTube.

195/22	<p>Declarations of Interest</p> <p>The declarations were noted. Any further changes to declarations should be notified to the Trust Secretary. The Chair requested that if any items on the agenda presented anyone with a potential conflict of interest, they declare their interest and remove themselves from the meeting for that item.</p> <p>The Chief Executive and the Director of Finance have a standing declaration of interest regarding items relating to the Collaborative Committee.</p>
196/22	<p>Minutes of the Meeting held 28 September 2022</p> <p>The minutes of the meeting held on 28 September were agreed as a correct record.</p>

197/22	<p>Matters Arising and Actions Log The action log and work plan were noted.</p>
198/22	<p>Staff Story Dr Iqbal Hussain, Clinical Lead joined the meeting to share his experiences of working with the Trust. He started his career with the organisation as a salaried GP at two practices. He was then appointed as the clinical lead for the Trust's GP practices and community services in Whitby and Malton. He took up his current role in May this year to review the transformation element of the practices and the clinical model for Whitby wards and urgent treatment centre. Dr Hussain also holds GP sessions in a number of practices and on Whitby wards. He has completed the Proud and NHS Leadership Academy courses and is enjoying the senior leadership role.</p> <p>Mike Smith asked what the challenges were nationally and in the organisation. Dr Hussain explained the national challenge related to funding. The local focus was on turning our GP practices into formal teaching practices as this would help with the recruitment of staff.</p> <p>Dean Royles asked about the interface between primary and secondary care and how Dr Hussain saw the relationship with our GP practices and the broader services eg pharmacy, charitable services. Dr Hussain reported there was a focus on treatment within the community as a first stop. A triage tool had been designed to support this process, but patients still preferred to see a GP.</p> <p>Phillip Earnshaw asked how the practices in the Trust were interfacing with the Primary Care Networks (PCNs) as the majority of GP investment was through the PCNs and this could be as much as 15% of the budget. Dr Hussain explained that the organisation was involved with three different PCNs which had its own challenges with delivery as each was at a different stage of maturity. However, opportunities were identified and taken forward.</p> <p>Kwame Fofie asked if Dr Hussain had any suggestions as to how senior leaders would be developed. Dr Hussain believed time should be allocated for personal development, with backfill for the GP clinical work to allow this to happen.</p> <p>The Chair asked what reassurance could be given to members of the public about changes occurring in Bridlington. Dr Hussain explained that two practices had been merged together to create a larger practice as has been done in another area. Any future opportunities to do the same with other smaller practices would be considered. The advantage of having larger practices was that all staff worked out of the same building. It also helped with recruitment and made it more attractive for people to join these practices and in particular those that had a training or research aspect.</p> <p>Stuart McKinnon-Evans noted the expectation of patients for face to face appointments and asked whether online appointments appealed more to young people. Dr Hussain informed Board colleagues a hybrid model was offered for consultations and depending on the outcome, patients could choose whether they wanted to receive a telephone call, text, face to face or e mail follow up and this model appeared to be working well. Older people preferred face to face appointments whereas young people were happy to receive a text or have a video consultation.</p> <p>The Chief Executive thanked Dr Hussain for the work he had done in GP practices during and after Covid and looked forward to seeing future innovations.</p>

	<p>The Board thanked Dr Hussain for sharing his experiences.</p>
199/22	<p>Chair’s Report</p> <p>The Chair welcomed Kwame Fofie and Stella Jackson to their first meetings. The Board extended its thanks to Dr Michael Dasari for taking up the Interim Medical Director role whilst the post was recruited to.</p> <p>Since the last meeting a Board Time Out had been held and the Chair reported that as part of the changes to the format of public Board meetings, consideration was being given to the process for feeding back from these meetings. Discussions at the last meeting were held on:</p> <ul style="list-style-type: none"> • Capital and operational 22/23 planning • The Freedom to Speak Up strategy following new guidance published by the National Guardians Office • NHS initiative that started a few years ago around leadership and management in the Health & Social Care sector • Raising money for the Trust through Health Stars and the charitable funds • Agency recovery spend. NHS England had confirmed that from September 2022, expenditure levels would be established at the ICB level and agency staffing performance was to be reintroduced into the Oversight Framework • Update on the mental health redesign project for the Willerby site. <p>Other activity during the month included: -</p> <ul style="list-style-type: none"> • Attendance at the opening of Whitby Hospital • Joining the Patient and Carer Engagement forums • Involvement in Black History month • Attendance at the Yorkshire & Humber Chairs meeting with discussions on waiting times and ambulance pressures • Chaired the Annual Members’ Meeting where there had been an opportunity to meet staff who were showcasing their work • Chaired the Council of Governors meeting <p>It was noted that there had been a visit to Mill View Court by Non-Executive Directors during the month. Future visits were planned to other areas but would be subject to infection control rates.</p> <p><u>Resolved:</u> The update was noted.</p>
200/22	<p>Chief Executive’s Report</p> <p>The report provided updates from each of the Directors along with a summary of activities undertaken by the Chief Executive. Areas highlighted to the Board included: -</p> <ul style="list-style-type: none"> • A vacancies update • A Covid update • Information regarding the My Stammering Child launch at Hull Minster. It was suggested that Speech and Language Therapists, be invited to a future meeting to update Board members regarding the event • An update on the rapidly developing Integrated Care System (ICS) • Shortlist for the HSJ Awards in November

	<p>An update on system pressures was given by Lynn Parkinson. Sickness absence rates were rising and Covid measures had been put in place for November. The Trust was currently operating at Opel 3 level.</p> <p>Hanif Malik referred to the recruitment in India asking whether a reciprocal arrangement was in place. He was informed that recruitment was being undertaken in partnership with the Indian Government who had over recruited doctors and nurses and wanted to help other areas. During the visit there would be a reciprocal approach by providing them with information to help improve their systems, structures and development approaches.</p> <p>In responses to queries, updates were provided on Single Point of Contact and Right to Reside (delayed transfers of care). A Single Point of Access service across community services in Whitby, Scarborough, Ryedale and Pocklington was in place and had evolved over time. Pressures were being seen in community services and work was taking place to ensure there was capacity to meet the demand.</p> <p>For the Right to reside, it was noted that work with system partners and Local Authorities to progress the issues was taking place. Concerns were being raised in ICB forums and in the meetings the Chair attended. Should further escalation be required from the Board this would be taken forward appropriately.</p> <p>Hilary Gledhill informed the Board that in response to rising Covid infection rates that staff and visitors had requested to wearing masks. This will be reviewed at the end of November.</p> <p><u>Resolved:</u> The report and updates were noted. <u>Speech and Language Therapists to be invited to a future meeting Action LP</u></p>
201/22	<p>Publications and Highlights Report The report provided an update on recent publications and policy.</p> <p><u>Resolved:</u> The report was noted.</p>
202/22	<p>Performance Report Mr Beckwith presented the report relating to the current levels of performance as at the end of September 2022. He highlighted the following key points: -</p> <ul style="list-style-type: none"> • Waiting Times were detailed in Appendix B of the report. • Statutory and mandatory training overall remained above the Trust target of 85%, currently at 91.2%. <p>Dean Royles reported that statutory and mandatory training was monitored at the Workforce & Organisational Development Committee. Compliance was high and deep dives into area of lower compliance were undertaken.</p> <p>Phillip Earnshaw commented on the doubling of referrals over the last two years and wanted to understand this better. He also asked whether the recovery rates for the Care Programme Approach (CPA) and Improving Access to Psychological Therapies (IAPT) in the East Riding were being reviewed. The Chief Executive explained that demand had increased prior to, during and post Covid and it was not envisaged this would reduce anytime soon. There was a focus on service redesign and transformation.</p>

	<p>In relation to CPA reviews, Lynn Parkinson reported that there was no operational reason why the levels were not being achieved and she anticipated these would be back on track for the next report. In terms of IAPT, additional resource for GP practices had been provided. The pathway had been changed with primary care picking up low levels of complexity and the IAPT teams taking the higher levels of complexity cases. It was envisaged this would have a positive impact on the recovery rates.</p> <p>Stuart McKinnon-Evans queried whether the change to the Care Hours per Patient Day (CHPPD) thresholds was a national decision. Hilary Gledhill explained that the national benchmarking tool was used, however the current unit reviews taking place would utilise patient dependent data to identify the CHPPD for each ward.</p> <p>Comments were received on the graphs in the report and what they represented. It was agreed to have further a discussion regarding these at a Strategic Business meeting.</p> <p><u>Resolved:</u> <u>The report and verbal updates were noted</u> <u>Discussion to take place at a Strategic Business meeting on performance including waiting times. This will be added to the workplan for the meetings</u> Action LP & SJ</p>
203/22	<p>Finance Report</p> <p>The finance report as at the end of September 2022 was presented to the Board. A strong financial position was reported with a cash balance at the end of Month 6 of £31.440m. The Better Payment Practice Code figures showed achievement of 91.2%</p> <p><u>Resolved:</u> <u>The Board noted the Finance report</u></p>
204/22	<p>NHS England Operating Framework</p> <p>A summary of the new NHS England operating Framework was presented to the Board. It set out the roles that NHS England, ICS and providers will play in the new structure following the establishment of ICSs on a statutory basis under the Health and Care Act 2022. The Operating Framework also reflected how NHS England would operate.</p> <p>NHSE would formally merge with Health Education England (HEE) and NHS Digital on 1st April 2023 with work on organisational design continuing into 2023/24. An organisational change and transformation programme would be developed, recognising that changes to ways of working would take time.</p> <p><u>Resolved:</u> <u>The report was noted.</u></p>
205/22	<p>Quality and Safety of Mental Health, Learning Disability and Autism Inpatient services- Humber Teaching NHSFT response to Panorama Expose on Edenfield Secure Services</p> <p>The report provided assurance in relation to the Trust's position against key questions raised nationally following the expose of an NHS medium secure unit in the North West by an undercover reporter for Panorama.</p> <p>A cycle of Peer reviews continued and would be reviewed to reflect this report. The Director of Nursing & Chief Operating Officer would be meeting with each division to discuss their approaches to optimising the monitoring of care in their services and to identify any further actions to be taken to strengthen existing approaches and processes.</p>

The Trust already had a number of processes in place including: -

- Robust safeguarding processes
- Robust complaints, incident reporting and FTSU processes
- Peer reviews
- Matron audits
- Local and corporate safety huddles
- Auditing of seclusion use
- Trauma Informed and compassion focussed models of care
- Voice of service users and their family is captured through various means
- Independent and external reviews

Mike Smith queried whether the graph taken from the national benchmarking information was correct. This would be reviewed outside of the meeting.

Board members thought this was a good report that gave assurance on the work. It was noted:

- There was more work to do in children's services at Inspire as there has been significant turnover and acuity.
- A quality improvement plan is in place to address the increase in short term absences
- The use of Agency staff and vacancies were being recruited to. Five registered nurses were due to start in November.
- Visits were being undertaken by the Executives and also by matrons who undertook audits and spot checks/unannounced visits.

Steve McGowan suggested that corporate teams be included in the work being undertaken by Hilary Gledhill and Lynn Parkinson.

It was reported the Executive team constantly looked at the culture of the organisation and had encouraged all staff to watch the Panorama programme. Quality of services was constantly reviewed and triangulated with data from complaints, Freedom to Speak up and other processes were also in place. Unacceptable behaviour would be challenged, and the Behavioural Standards reinforced in the organisation. The health and wellbeing of staff was also monitored.

It was noted that monitoring would take place at the Mental Health Legislation and Quality Committee and updates provided to the Board through those routes. An update will be provided at a future Strategic Business meeting.

Resolved: The report was noted

An update will be provided at a future Strategic Business meeting. HG to inform SJ when this item should be timetabled for discussion. Action HG

206/22

Infection Prevention and Control (IPC) Annual Report 2021/22

Debbie Davies, Lead Nurse for Infection Control introduced the IPC Annual Report and highlighted the achievements and issues experienced as detailed in the report

Phillip Earnshaw confirmed the report had been well received by the Quality Committee and thanks had been extended to the team for their work. Any environmental related

	<p>challenges were discussed with the Estates team. The Chair reported she had seen some good examples of the use of outdoor space on her visits and suggested these could be extended into other areas.</p> <p>The Chief Executive acknowledged the work that the team had undertaken and the response to ever changing infection control guidance. The low number of outbreaks was a tribute to the work of the team.</p> <p><u>Resolved:</u> <u>The Board ratified the report</u></p>
207/22	<p>Trust Behavioural Standards Refresh</p> <p>Steve McGowan reported that the Trust’s refreshed Behavioural Standards were positively received at the Workforce and Organisational Development (OD) Committee.</p> <p>A communications plan was in place for roll out across the Trust and there would be a focus on “Being Humber”. It was important that everyone, including Board members and Governors raise their concerns regarding any behaviours which did not adhere to the standards. Hanif Malik asked how embedded these standards were in the workplace. Steve McGowan reported work was underway to assess this.</p> <p>The Chief Executive suggested that at the end of each meeting, there should be a discussion on how the meeting was and whether participants were “Being Humber”. It was agreed that this would be added to the agenda template for the organisation and Stella Jackson would take this forward.</p> <p><u>Resolved:</u> <u>The Behavioural Standards were noted</u> <u>Agenda template for all meetings to be updated to include reflection at the end of the meeting about behaviours and “Being Humber”</u> Action SJ</p>
207/22	<p>Emergency Preparedness Resilience and Response (EPRR) Assurance Process 2022-23</p> <p>A report was considered regarding the Emergency Preparedness Resilience and Response (EPRR) Assurance Process for 2022-23.</p> <p>Mike Smith, the Non-Executive Director for Emergency Planning, confirmed he had reviewed the report and agreed with the content. He suggested that a loss of power exercise be added to the programme. Lynn Parkinson confirmed an EPRR exercise plan was in place and all business continuity plans had been reviewed.</p> <p><u>Resolved:</u> <u>The Trust Board approved the signing of the compliance statement, and assessment by the Chief Operating Officer and it will be submitted to the Integrated Care Board by 28 October 2022</u></p>
208/22	<p>Workforce Disability Equality Scheme (WDES) Annual Report 2022</p> <p>The annual report was presented for consideration prior to publication on the Trust website</p> <p><u>Resolved:</u> <u>The Board noted the report</u></p>
209/22	<p>Workforce Race Equality Scheme (WRES) Annual Report 2022</p> <p>The Workforce Race Equality Scheme (WRES) Annual Report 2022 was presented to the Board.</p>

	<p>Stuart McKinnon-Evans asked how the figures for the last two years compared against the national picture. Steve McGowan believed this could be made more explicit within the report which would be amended before publication.</p> <p>Hanif Malik said that when compared against the national picture the Trust had fared better in most indicators. He commented that in section 6 figures were high for people experiencing discrimination through management practices or abuse. This was an area that required monitoring. Steve McGowan reported that harassment from patients was also too high, but there had, despite a 10% reduction in this score over the last three years. More work was being done in these areas. Harassment from managers was going in the wrong direction and an action plan was in place and would be monitored by the Workforce & Organisational Development Committee.</p> <p><u>Resolved:</u> The annual report was noted</p>
210/22	<p>Council of Governors Public Meeting Minutes 14 July 2022 The minutes from the July Council of Governors meeting were presented.’.</p> <p><u>Resolved:</u> The minutes were noted.</p>
211/22	<p>Humber, North Yorkshire, York Integrated Care Board (ICB) Update The Chief Executive presented the update.</p> <p><u>Resolved:</u> The update was noted</p>
212/22	<p>Finance & Investment Committee Assurance Report The report provided assurance to the Board on the financial performance and any business development opportunities identified. A recommendation was made that the Primary Care Strategy and a strategic review of future potential cost reduction asks be considered at the December Board development session.</p> <p>Steve McGowan informed the Board that the agency position had improved from a 50% fill rate to 75% for all shifts thanks to the work of the operational teams.</p> <p><u>Resolved:</u> The report was noted <u>Primary Care Strategy and a strategic review of future potential cost reduction to be considered at Board Development session Action SJ</u></p>
213/22	<p>Collaborative Committee Assurance Report A summary of the executive discussions held at the meeting on 14 October 2022 was provided and the areas below drawn to the Board’s attention: -</p> <ul style="list-style-type: none"> • Due to staffing pressures the Mill Lodge CAMHS day care model had been paused • Staffing pressures at both Mill Lodge and Inspire CAMHS units had resulted in increased out of area placements and increased financial spend on CAMHS • Innovative work was taking place regarding day care provision. Stuart McKinnon-Evans was pleased to note that innovation was being seen across the Collaborative. <p>Due to the time pressures at the meeting, the time for the meeting had been increased by 30 minutes. Mike Smith had also joined the Committee</p>

	<u>Resolved:</u> The report was noted.
214/22	<p>Workforce & Organisational Development Committee Assurance Reports & 13 July 2022 Minutes</p> <p>An executive summary of discussions held at the meeting held on 12th October 2022 and the minutes of the meeting held on 13 July 2022 were presented for information. Dean Royles, Chair of the Committee explained that rising vacancies, rising turn over and rising absence were being seen. He emphasised that this was not due to losing staff, but because the organisation was growing its workforce with more nurses and clinical staff. Vacancies were being recruited to.</p> <p>The Committee had asked the Executives to review the Risk Register and Board Assurance Framework scores.</p> <p>Statutory and mandatory training had improved and was in line with agreed targets. Deep dives into lower compliance areas were being undertaken at the Committee meetings.</p> <p>The Executive team was asked to look at the pay rates for Apprentices. These had been reviewed and agreement had been reached to pay the National Minimum Wage rate to apprentices undertaking Band 2 roles.</p> <p><u>Resolved:</u> The report was noted.</p>
215/22	<p>Quality Committee Assurance Report & 3 August 2022 Minutes</p> <p>An annual report meeting was held on 29th September 2022 and a summary presented. The minutes of the meeting held on 3 August 2022 were presented for information.</p> <p>Phillip Earnshaw extended his thanks to Mike Smith for temporarily chairing the Committee.</p> <p>NICE guidance was discussed and with the low number of baseline assurance the Committee asked for the risk register to be updated accordingly. The dissemination of NICE guidance appeared to be bureaucratic especially in relation to primary care. It was suggested by the Committee that for this area, the information be distilled in a more appropriate format for a GP practice.</p> <p><u>Resolved:</u> The report was noted</p>
216/22	<p>Items for Escalation</p> <p>No items were raised.</p>
217/22	<p>Any Other Business</p> <p>No other business was raised.</p>
218/22	<p>Exclusion of Members of the Public from the Part II Meeting</p> <p>It was resolved that members of the public would be excluded from the second part of the meeting having regard to the confidential nature of the business to be transacted, publicity of which would be prejudicial to the public interest.</p>
219/22	<p>Date and Time of Next Meeting</p> <p>Wednesday 30 November 2022, 9.30am via Microsoft Teams</p>

Signed Date

Chair