NHS
Humber Teaching
NHS Foundation Trust

Humber Teaching NHS Foundation Trust

Annual Report & Accounts 2019/20

Caring, Learning, Growing


HSJ AWARDS 2019
Mental Health Provider of the Year
Partnered by
Hempsons
Winner

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Presented to Parliament pursuant to schedule 7, paragraph 25 (4) (a) of the National Health Service Act 2006.

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Chair and Chief Executive's foreword

It is our pleasure to introduce our Annual Report and Accounts for 2019-2020. This report looks back over the year and shares our achievements, challenges and successes.

It has been a successful 12 months for the Trust which saw us retain our CQC 'Good' Rating and be named Mental Health Provider of the Year by the Health Services Journal. Both of these are testament to the hard work and commitment of our teams who strive for excellence every day as they deliver care to the communities we serve.

In January we opened 'Inspire' our new multi-million pound Children's and Adolescent Mental Health (CAMHS) inpatient unit which marks a national step-change in CAMHS delivery as a service that has been shaped with young people at its heart.

We were pleased to retain our CQC rating of good following the well led inspection in 2019. The latest assessment saw the safety of acute wards for adults of working age and psychiatric intensive care units improve from "Requires improvement" to "Good", along with mental health crisis services and health-based places of safety improving to "Good" for being safe and well-led and also highlighted examples of "outstanding practice" in the areas of patient feedback and engagement, self-harm and suicide prevention work and the redesigning of acute pathways to reduce out of area transfers for acute admissions.

One area the CQC inspection identified as 'requires improvement' was the domain of 'Safe', and we are working hard to address the issues raised to ensure our performance in this area improves.

We recognise that there is still work to do and are committed to continuing to learn and share good practice across our Trust community to improve the health and wellbeing of those that engage with our services. However, our mental health inpatient units and the Mental Health Response Service (MHRS) both improved their ratings in the safe domain from requires improvement to good, which is testament to the hard work of our staff since our last inspection.

We will continue to work together with our staff, services users, carers, governors and stakeholders to build on our achievements. A Caring, Learning, Growing organisation committed to our service users, carers and working with and investing in our staff.

This year we expanded our Scarborough and Ryedale community service provision to include the second phase of our commissioned service delivery. In addition we had many other provider successes including becoming lead provider for Improving Access to Psychological Therapies (IAPT) in East Riding, becoming lead provider for the mental health collaborative and of course the opening of a brand new CAMHS inpatient unit.

Our Chief Executive leads the Mental Health Programme and Partnership and whilst we have seen great success and have much to celebrate, including delivering a national children's collaborative pilot, successful funding for perinatal and suicide work and being named lead provider for the mental health collaborative there continues to be challenges for both our Trust and the wider NHS. The release of the NHS Long Term Plan and progression of Integrated Care Systems across the country led to us recognising the need to review our strategic objectives so that we are prepared for the changing horizon of health and social care. This work, which was completed in November, gives us renewed focus on the steps we need to take to realise our vision for the future.

Our Medical Director was appointed as the new Senior Responsible Owner for the Yorkshire & Humber Care Record – one of five exemplars within NHS England's Local Health and Care Record programme.

We continue to innovate and develop as a Trust and were delighted to be one of 12 sites across the country to receive funding to test new and integrated models of primary and community mental health care. The decision to locate one of the pilot sites here is recognition of the strength of our collaborative working with partners to transform and improve mental health services in our area.

It's always a highlight to introduce this report with a look back over some of the most memorable moments of the last twelve months and reflect on a busy and successful year and are delighted that further detail on many other of our highlights are detailed within the report.

It is also important to acknowledge that this document was largely completed prior to the 2020 COVID-19 outbreak. The developments that we have made in the last twelve months put us in a strong position to respond to this unprecedented challenge. We have put in place Command arrangements, strong social distancing measures and responsive communication channels to link the system, our Board and senior team to front line activities. Through the outstanding efforts of our corporate and clinical services we have made ourselves as resilient as possible to the impact of the pandemic. We continue to work in a challenging environment but through the surge plans we have in place we have been able to respond proactively to the initial surge and make arrangements to support our services for the predicted second surge in demand for mental health services. We would like to again send out thanks to our fantastic team, national colleagues and partners across the system who have supported us over the last few months to ensure that we continue to deliver the care and services our communities need.

Sharon Mays
Chair

Signed: Sharon Mays

Michele Moran
Chief Executive

Signed:

Performance Report

Overview of Performance

A statement from the Chief Executive

It is a pleasure to write this introduction and to reflect on what has been a successful and rewarding year for our Trust. Looking back allows us take a moment to appreciate and reflect on our successes whilst acknowledging the areas that we must focus on if we are to achieve our vision.

I am pleased to report that the Trust's performance has improved during the period covered by this report. We continue to see improvements in the quality of the care and in the facilities and services we provide to our communities.

We have much to celebrate, none of which would be possible without the hard work of our staff whose dedication and commitment I am inspired by each day. Each member of our staff brings something different and unique to our Trust and it is by working together that we are able to achieve our goals and deliver the best possible care. I want to take a moment to thank them as well as our committed volunteers, governors, students and board for their support.

Our staff survey results build on last year's improvements and show that 88% of staff feel that their role makes a difference to patients and service users and more staff would recommend the Trust as a place to work (49%) than last year . It is particularly pleasing that more questions had a positive increase in 2019 compared to 2018. However, we recognise when we benchmark the Trust against others we still have work to do. Our overall training compliance rate was, at more than 88.1% well above the target of 85%.

We will continue our work with staff, governors and staff-side colleagues to create an organisation that people are proud to work for and which continues to put our patients and their families and carers at the heart of what we do.

The Trust's PROUD organisational development programme has commenced and is an exciting investment in our staff. Over the next three years, we will provide opportunities that will help nurture and develop our current and future leaders, identify and support talent in the Trust and support teams and individuals to be the best they can be. This, together with a focussed push to fill the vacancies across the Trust, is what our staff are telling us they want to see happen.

In September we were delighted to welcome a new Non-Executive Director, Dean Royles. Dean has worked at board level in large organisations for almost 20 years and brings with him a vast amount of knowledge and experience from both the private sector and within the NHS.

In the latest inspection, undertaken by our regulator, the Care Quality Commission (CQC) we retained our rating of Good following an announced scheduled 'well-led' inspection carried out by the CQC in January and February 2019 in their published report in May. This was preceded by a number of unannounced inspections. Inspectors awarded a rating of "Good" to the Trust for being well-led, effective, caring and responsive.

Acute wards for adults of working age and psychiatric intensive care units improved from "Requires improvement" to "Good", along with mental health crisis services and health-based places of safety improving to "Good" for being safe and well-led. The report also highlighted examples of "outstanding practice" in the areas of patient feedback and engagement, self-harm and suicide prevention work and the redesigning of acute pathways to reduce out of area transfers for acute admissions.

We were disappointed to be assessed as 'requires improvement' for safety in community services, which continued to be an area of focus as we further integrated our community services. We are committed to listening to and learning from our staff, patients and service users to continuously improve and develop our services to enhance the health outcomes and experiences of our communities.

In November we shared our refreshed strategic objectives for 2019-2022. Our Trust strategy was developed in 2017. Since then our staff have become familiar with and developed and understanding of our mission, vision and values and goals and how achievement of them applies to the work of their team. This refresh allowed us to update our strategic objectives in response to changes in the wider NHS whilst keeping that connection to those that deliver our services ensuring that everyone is united in pursuit of our goals.

Central to the delivery of high quality, safe, and effective care is our Patient and Carer Experience (PACE) work and the team's commitment to patient, service user and carer involvement. Our approach has been recognised nationally and in September 2019 a series of five films showcasing the work of Trust in engaging patient and carers titled 'Patient Experience for Quality Improvement' were launched by NHS England/Improvement over five events across the country.

The films highlight the positive impact of involvement in Trust activities for our patients, service users and carers and demonstrate how the development of the co-produced Patient and Carer Experience Strategy has provided the direction and focus for the work achieved by the Trust and champions.

Our PACE team have a number of forums that meet on a regular basis to give our patients, service users, carers, staff and partners a voice and the chance to be involved in Trust business. These include PaCE forums and Staff Champions of Patient Experience (SCoPE) that provide a public voice by bringing lived experiences and individual perspectives. In addition, our Humber Coproduction Network which consists of 56 organisations that have signed up to the network, works to build stronger relationships and partnerships with third sector, public sector, commissioners and hard to reach groups by ensuring they all have the opportunity to provide a voice on behalf of the communities and groups they serve.

Further information on our patient and carer experience work that our staff, patients and carers have undertaken together throughout 2019/20 can be found in our Quality Accounts later in this report.

Research remains a key step in achieving our mission and our third annual conference held in May saw national and international experts deliver presentations on various research topics demonstrating the importance we place on our community having the chance to contribute to high quality research that will shape future innovation and delivery of services.

We now have almost double the number of studies and participants than six years ago and based on the size of the population the Trust covers it recruits a significantly larger proportion of people into National Institute for Health Research (NIHR) Portfolio studies than many other trusts across the country which provide similar services.

Our Friends and Family Test results show that 98.8% of respondents find our staff friendly and helpful

Despite our success, there have been challenges too. Our Adult Autistic Spectrum Disorder service, commissioned by both Hull and East Riding CCGs has faced challenges following the inclusion of historic referrals. This highlighted the need for a more focussed piece of work by the service. Our commissioners acknowledge this historical position and are supportive of an approach to address the waiting times. The proposal is for a trajectory for the service to be 18 week compliant within 12 months from the point at which the additional staff are available.

One of our biggest challenges, which is felt across the whole of the NHS, is nursing recruitment in the context of a national shortage of nurses. We have taken a number of steps to address this and are working hard to deliver initiatives introduced to recruit and retain staff to ensure our services continue to be safely staffed.

We have, however, maintained a sustainable business capable of meeting all of these challenges and more besides.

We have delivered recurrent cost savings of approximately £3.1m and have met our NHS Improvement Target. Our NHS Improvement (NHSI) Use of Resources Assessment is 2. Our cash position has also improved.

Our Friends and Family Test results show that 98.8% of respondents find our staff friendly and helpful, 98.2% believe they receive sufficient information, and almost 97.6% feel they are involved as much as they want to be in their care. The targets for all three categories are 90% and we have significantly overachieved in these areas.

Throughout the year, the quality of our staff and services has been supported by letters of praise and real patient experience feedback and a selection of these comments are included below.

Staff, admin, nurses and doctors alike are engaged with clients/patients. You feel listed to and are always there to support the best they can.

Secure Services

Staff care about how we feel and care about what happens to us.

Secure Services

The amount of support and help over the past two weeks has been excellent. Being able to talk about the problems I have been experiencing to so many people has been so helpful.

Mental Health Response Service – Home Treatment

I found it reassuring knowing all I had to be was ring up and help and advice was always there.

HICTOP

All staff extremely helpful and could not wish for better treatment.

Mill View Lodge

Amazing service. Good work plan, friendly, understanding therapist.

East Riding Emotional Wellbeing Service

The staff were friendly and made me feel calm.

Immunisation Team (School Nursing)

The class was just the right number of people, all with similar medical problems. The physio was instructive as well as having a very pleasant attitude which made the class enjoyable whilst also doing exercise.

YourHealth Services

Every problem or concern that I have ever had has never been an issue for them to try and resolve, plus there is always someone on hand.

Addictions Service

Very caring and understanding. Excellent manner and time taken to explain everything.

Children's Physiotherapy Service

Our Highlights

Performance Highlights

- In May we shared that we had maintained "Good" rating with "Outstanding" features, after being inspected by the Care Quality Commission (CQC). Inspectors awarded a rating of "Good" to the Trust for being well-led, effective, caring and responsive; and "Outstanding" for their services to support young people who are at risk at developing mental health problems.
- In October we were delighted to be awarded the prestigious Mental Health provider of the Year award at the Health Service Journal Awards. The award recognises the dedication and commitment of our teams to ensure that we are delivering the best possible care to the communities that we serve.

"The journey for this organisation is exemplary.. they don't know quite how impressive they are. They retain an understated wow factor in their progress to change, patient safety and embedded positive culture. A unique presentation from a unique Trust".

HSJ Judging Panel 2019

- The Finance department was named 'Finance Team of the Year' at the Yorkshire & Humber Branch Awards 2020 and our Deputy Director of Finance, Iain Omand, was awarded 'Finance Professional of the Year'.
- In a Care Quality Commission (CQC) led survey of our mental health inpatient services we ranked in the top 20% for patients being involved in decisions about their care and treatment (39.7%), the quality of our hospital food (72.5%), explaining the purpose of medications given to patients (55.9%), and not delaying discharge for any reason (86.3%).

Enhancing our environments

- In January we opened the doors of Inspire, our new children's and adolescent mental health inpatient unit serving the young people of Hull, East Riding of Yorkshire, North Lincolnshire and North East Lincolnshire was opened. Inspire marks a national step-change in CAMHS delivery as a service that has been shaped with young people at its heart. Young people and their families were involved in each stage of the building from identifying a suitable location, designing interiors and developing the best practice and services that will be used during treatment.

- In March work commenced on the £14m redevelopment of Whitby Hospital. We will be lead tenant in the redeveloped hospital, providing a range of in-patient and community services for the local population.

Artist's impression of the Whitby Hospital following the transformation

- We reopened Greentrees Lodge a 16-bed low secure inpatient unit which was decommissioned in 2018 reopened as Pine View following refurbishment and a renaming by patients. The work included refurbishments to the seclusion suite and the general environment throughout the building.

An effective and empowered workforce

- Our staff survey results this year have maintained and embedded the improvements seen in 2018-2019 and these are detailed later in the staff section of this report.
- In April 2019, we launched Proud, an organisational development programme that aims to recognise and enhance the skills of staff, celebrate our strengths as individuals and teams and promote solution focused and collaborative working.
- Our first Professional Strategy for Health and Social Care Staff was launched. Developed by professional for our professional it aims to create the right climate for professionals to be empowered to deliver great care and have fulfilling and lifelong career.
- Our Senior Leadership Forum was relaunched and we worked with staff to develop a new Leadership for managers in bands 3-7 which had over 50 staff attend the first session. Forums like this provide an opportunity for managers at all levels to come together collaborate, network, learn and develop.

Safety at the heart of care

- Launching our Patient Safety Strategy on the first World Patient Safety day at patient safety educational event 'Speak Up for Safety'. The strategy demonstrates that safety is at the heart of all we do and supports a leadership culture that supports staff to feel safe to report patient safety issues without fear of retribution and be empowered to act swiftly to address risk.
- Our commitment to embed patient safety into our organisational safety culture was recognised with a shortlisting for a HSJ Safety Award. The Trust's approach to undertaking an organisation wide daily safety huddle facilitated by the Corporate Patient Safety Team was shortlisted for the Clinical Governance & Risk Management Patient Safety Award.

A leader in research and innovation

- Our commitment to research continued this year when in May we hosted our third research conference which saw national and international experts deliver presentations on various research topics to over 170 guests from 26 organisations.
- Following receiving the funding last year we became one of the first 13 trusts to implement electronic prescribing. This new approach enhances patient safety, supports increased access to patient medication records and improves pharmacy workflow.

New contracts and services

- In March we took on our eighth GP practice, Practice 2 in Bridlington. This is our third practice in the seaside town.
- The Trust became the Lead Provider for Improving Access to Psychological Therapies (IAPT) service across the East Riding of Yorkshire CCG geographic Boundary.
- We were delighted to be announced as one of 12 pilot sites to test new integrated mental health care services for adults.
- We were named leader provider for the mental health collaborative giving us responsibility for secure care, CAMHS Tier 4 and Adult Eating Disorder services.
- We extended the services we provide to Scarborough and Malton residents.
- Our perinatal and suicide prevention work received additional funding

Fundraising Successes

Our Trust charity, Health Stars continued to 'add sparkle' to our services from their £300,000 contribution to Inspire to granting over 200 individual wishes to services which include everything from craft equipment to team away days.

Michele Moran
Chief Executive

Signed: Michele Moran **Date: 24 June 2020**

About Our Trust

Humber Teaching NHS Foundation Trust is a multispecialty health and social care provider who aims to improve the physical, mental and social health and wellbeing of our patients and service users.

We are a leading provider of integrated health services with the care of our patients at the heart of what we do. We provide a broad range of community and therapy services, primary care, community and inpatient mental health services, learning disability services, healthy lifestyle support and addictions services.

We also provide specialist services for children including physiotherapy, speech and language therapy and support for children and their families who are experiencing emotional or mental health difficulties.

Our specialist services, such as forensic support and offender health, support patients from the wider Yorkshire and Humber area and further afield. Inspire, our Children and Adolescent Mental Health in-patient unit serves the young people of Hull, East Yorkshire and North-East Lincolnshire.

We hold a total of eight GP practice contracts registered to provide care with the Care Quality Commission (CQC). These are a mixture of General Medical Services (GMS), Personal Medical Services (PMS) and Alternative Provider Medical Services (APMS) contracts across Hull, Hessle, Cottingham, Market Weighton and Bridlington.

We employ approximately 2800 staff working across over 79 sites covering five geographical areas; Hull, the East Riding of Yorkshire, Whitby, Scarborough and Ryedale.

We have approximately 13,000 public members and over 2,700 staff members who we encourage to get involved, have their say, elect governors and make a difference to how local healthcare services are provided.

The views of Trust members are represented by our Council of Governors. We have 25 governors made up of public governors, service user and carer governors, nominated governors and staff governors. More than half of the Council of Governors is elected by local people. Nominated governors include representatives of local partnership organisations.

We also have more than 135 volunteers who are passionate about working in our services and are available to help patients, staff and visitors. Our volunteers are dedicated and caring members of the community who give their time and skills freely to support us.

Their work can make a huge difference to our patients' experience while improving their own health and wellbeing. Our volunteers complement the work of our staff and provide practical support to our patients, their families and carers.

Through our high quality services, excellent employee experience and outstanding and innovative practice and research we are able to meet our strategic objectives and the expectations of those in our care.

Our Services

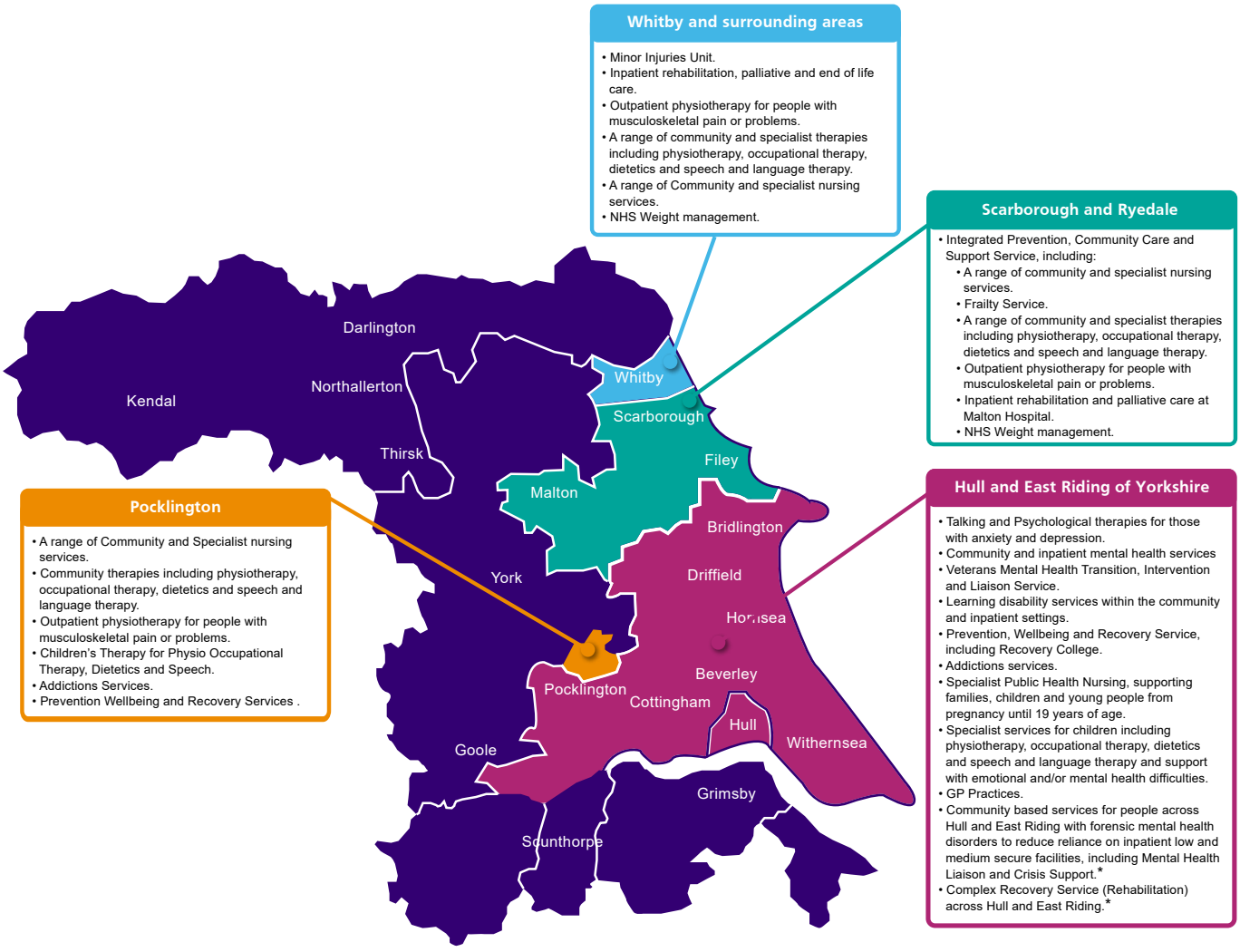
Our services cover a wide-range geographic area across Hull, the East Riding of Yorkshire, Scarborough and Ryedale, Pocklington and Whitby as well as nationally commissioned services.

Our services grouped into four divisions.

- Community and Primary Care
- Children's and Learning Disabilities
- Secure Services
- Mental health

Our care is delivered in a variety of settings including in patients own homes, GP practices and health centres, outpatient clinics, hospitals, local authority premises and our inpatient units. More specialised care is provided by the psychiatric intensive care unit and forensic services.

In addition to health and care services, we also provide medical teaching to undergraduates of the Hull York Medical School.



Services marked with an asterix * are new services for 2020/2021

Further information about our services and referral pathways can be found on our website www.humber.nhs.uk

Our Vision, Values and Strategic Aims

Our Vision

We aim to be the leading provider of integrated health services, recognised for the care compassion and commitment of our staff and known as a great employer.

Our Values

Caring for people while ensuring that they are always at the heart of everything we do.

Learning and using proven research as a basis for delivering safe, effective, integrated care.

Growing our reputation for being a provider of high quality services and a great place to work.

Our Strategic Objectives

Goal one:
Innovating quality and patient safety

Goal Two:
Enhancing prevention, wellbeing and recovery

Goal Three:
Fostering integrate, partnership and alliances

Goal Four:
developing and effective and empowered workforce

Goal Five:
Maximising an efficient and sustainable organisation

Goal Six:
Promoting people, communities and social values

Development and Performance

Our performance management framework tracks progress against key performance indicators. This is based on our strategic goals and is reviewed by our Board of Directors on a monthly basis. Added to this is a risk register which reports key risks identified on an ongoing basis and which therefore ensures any major concerns are dealt with. A larger set of indicators is reviewed by our Board of Directors each quarter. To support this, our service areas account to the executive team via quarterly performance accountability reviews and likewise the senior operational managers review their teams on a structured basis.

Any issues identified with performance are formally reported up through these channels. The purpose of this is to ensure involvement of staff at all levels in understanding and influencing performance in their areas of responsibility.

A Workforce and Organisational Development Committee was established in March 2019 to provide strategic overview and provide assurance to the Trust Board that there is an effective system of governance and internal control

Celebrating success

Annual Staff Awards

The inspiring and innovative work our staff do across the Trust every day to improve the lives of our patients and service users was celebrated at our annual Staff Awards on 17 October 2019 at the Mercure Grange Park Hotel, Willerby.

This year, we received 120 nominations across 14 categories in which staff could nominate themselves or a colleague.

Our staff awards winners were (pictures to be added at a later date):

Team of the Year Mental Health Services

Goole Adult Community Mental Health Team

This compassionate team work together to deliver holistic care with the patient at the centre of everything they do. Their innovative carers pack to support carers who feel isolated is being held as a good example and shared with teams throughout the Trust.

They consistently meet the Trust targets for seven day follow ups, CPA, PADR compliance, clinical supervision compliance and mandatory trainings.

The team also have 15 minutes of protected time dedicated to meditation every week. They see this as essential to ensuring they can deliver the best possible care for their service users supported by the vast amount of research out there.

They are a team leading by example!

Team of the Year – Children's and Learning Disability Services

Granville Court Chefs

Chefs Annette McGrath and Dan Tonks work at Granville Court, a nursing home for adults who have profound and multiple learning disabilities alongside complex physical health needs. Over 90% of the meals cooked at the home are from fresh and they cater for diverse mealtime prescriptions, birthdays, special events and end of life celebrations when Granville Court mark the passing of a person who has enjoyed a life well lived and loved. Annette and Dan's passion, creativity and innovation are inspirational which was recognised by the CQC during the home's last inspection.

Team of the Year – Community and Primary Care

YourHealth – Prevention and Lifestyle Service

YourHealth provide a range of services to help improve the health and wellbeing of people in the East Riding and North Yorkshire.

Over the last year they have helped over 2800 people in their Social Prescribing Service, rolled out a new health service for fishermen, helped 800 people in North Yorkshire collectively loose over 1000 stone in weight, reduced smoking rates in the East Riding by over 6% in less than five years and smoking in pregnancy rates by 3% in less than a year.

The Service is now working towards being the first smoke free generation in Yorkshire and Humber by aiming to achieve less than 6% prevalence by 2022.

Team of the Year - Secure Services

Swale Ward, Humber Centre

The Swale Ward provides personality disorder services in our Trust's Medium Secure Unit. The staff on this ward provide excellent patient centred care to people with extremely complex needs.

Staff on the ward have put in a lot of hard work to set up a strategy which focuses on more effective Multi-disciplinary Team working, staff wellbeing and staff training and development.

They have devised and shaped existing processes, implemented Safewards initiatives such as positive words and are devising more practical process such as CPA clinics for the nurses and self-soothing/mindfulness for the staff.

All of this has enabled the staff to develop a culture of positivity and caring, not just for the patients but for each other. There is clear drive and passion to make Swale a better ward and the overall vision is to provide our patients with outstanding care – which they all strive to do.

Team of the Year – Corporate Services

Business Intelligence Department

The Business Intelligence Department have developed some key reporting systems to support both clinical and corporate services. These include the Friends and Family Test and waiting list dashboards and the implementation of statistical process control charts which provides a greater understanding of performance and improves the way we use resources and understand services that need additional support.

The team have also been creating new KPI reports for all our new services which have received excellent feedback from the Scarborough & Ryedale CCG.

Team of the Year – Corporate Services

Legal and Information Governance Team

This team works tirelessly and quietly behind the scenes actively supporting staff to ensure information governance requirements are not only met but exceeded for the Trust.

They are the first port of call for all information governance matters for existing and new services and in relation to any new products.

The legal experts in the team support staff and at times families through the coronial process, attending inquests subjecting themselves to emotionally distressing information whilst at all times remaining professional and being a tower of strength and support for the staff involved.

Outstanding Care Awards

Gail Hanson

Gail transcends kindness and compassion for residents of Granville Court, its staff and visitors.

Her genuine warmth and gentleness in her approach, coupled with her natural ability to support people, is both inspiring and inspirational to both new and existing staff.

Gail has supported staff at Granville Court through some challenging but exciting times, always going that extra mile to enable staff to gain confidence in new systems or ways of working.

The Trust's vision of Caring, Learning and Growing is wrapped in Gail's personality and she is a marvellous ambassador for both the home and the Trust.

Innovation Award

Dr Soraya Mayet

Soraya is passionate about making a difference through innovation for those struggling with addictions.

As well as being Trust local Principal Investigator for a number of national research studies, sitting on various national research steering committees and an active member of the Trust Research and Development Group, she also successfully competed for research funds from our local commissioner and was granted further funds from the Yorkshire and Humber Academic Health Science Network to develop an innovative and ambitious local project utilising telemedicine.

Soraya is devoted to improving the future of healthcare through innovation, whilst still maintaining safety and potentially finding new ways of working more efficiently.

Chair's Award

Joanne Bone

Joanne is dedicated, committed, passionate, hardworking and demonstrates great empathy which she shows not just to her patients and the learning disability service, but to the Trust as a whole.

Following the recent Panorama investigation into Whorlton Hall in County Durham, where serious abuse had taken place for people with Learning Disabilities, Joanne arranged a one day workshop to address the issues raised in the investigation and to highlight any areas for our own Trust we wanted to change and improve for the better.

The workshop saw involvement from the Trust's Safeguarding and Positive Engagement teams, Learning Disability staff, local CCGs and Hull University.

Joanne is passionate about making these changes locally as well as nationally and is talks with the CCGs about the possibility of delivering the workshop to other organisations that provide learning disability services.

Patient and Carer Experience Award

Tom Nicklin

Tom is a very active Patient and Carer Experience Champion who has told his Patient Story at our Trust Board. Tom did a fabulous piece of research on Gaming and Mental Health and gave an excellent presentation at a Staff Champion of Patient Experience forum. Tom is a member of our Staff Champion of Patient Experience forum. He attends all of the Patient and Carer Experience Team workshops and supports the Trust by giving his lived experiences to help services to make improvements.

Tom has come on from strength to strength in his confidence and deserves to be recognised for his continued support to the Trust. He has an incredible 'can do' attitude and is a real credit to us all.

Patient and Carer Experience Award

Gavin Hamilton

Gavin has used his past professional knowledge, lived experience, time and talents, to make a big contribution to Patient and Carer experience. He takes part in interview panels; PACE Forums, working groups and workshops; represents Veterans as their 'Champion'; and presentations alongside Patient and Carer Experience Manager Mandy Dawley.

Gavin is also a Founder member and active participant in the Journey's group and a Trust volunteer and peer supporter.

Gavin gives of his time to benefit people in Recovery, and those who are trying to make a difference. He does it with good grace, a friendly manner and a big heart.

Proud Award

Anne Gorman

Anne has given great commitment to the Programme of Organisational Development; she shows her belief in it in her conversations, contributed significantly to the content and development of the staff charter and leadership framework. Anne always shares the views of the wider staff group through her role as governor to ensure it is taken into consideration.

Volunteer Award

Leonard Evington

Lenny is a Patient Experience Champion. He began volunteering whilst in Townend Court and, with support, he set up a Meet and Greet service where he would make drinks for visitors, people using the out-patient service and their carers – always with a big smile on this face.

Lenny has also been part of the Learning Disability Service interview process for several posts and recently contributed to NHS England's film our Patient and Carer Experience Team.

Health Stars Sparkle Award

Speech and Language Therapists

The SALT team have worked closely with Health Stars to proactively fundraise for service enhancements. Allanah Smith-Thomas and Gemma Jones ran the Hull 10K and Gill Emerson has coordinated community involvement from the local Lions Associations to help raise funds for specialist equipment.

Apprentice of the Year

Yvonne Hepworth

Yvonne Hepworth has shown hard work, dedication and commitment whilst undertaking a level 3 NVQ qualification.

Yvonne uses the knowledge which she gains through her own individual development to support other members of the staff team with their own development and learning as well.

Throughout all of her learning, Yvonne has demonstrate a lifelong commitment to developing herself on both a personal and professional level, not only support and enhance her work at Townend Court but to also demonstrate to herself that she can achieve things in life, if she wants to.

Chief Executive's Rising Star Award

Sam Jackson

Sam is a passionate, inspiring nurse who gives so much to patients and staff. Sam qualified as a nurse in 2017 and is now a senior nurse in the Trust's Frailty and Unplanned Care team.

Sam has worked hard to achieve her aspiration of becoming a senior nurse by developing a portfolio of achievements, testimonies from staff and patients and joining the NHS Leadership Academy's Edward Jenner Programme.

Sam's passion and dedication for her job is tangible. We are sure that Sam has an exciting and inspiring career ahead of her.

National and regional success

HSJ Provider of the Year Award

The Trust celebrated after being named Mental Health Provider of the Year at the prestigious Health Service Journal (HSJ) Awards 2019.

The awards, now in their 39th year, are among the world's most fiercely contested health service awards, attracting hundreds of entries from the NHS and its partners.

The ceremony held in London celebrates the outstanding contributions of staff and organisations across the healthcare sector.

The award for Provider of the Year is awarded to an organisation who implements integrated care with a focus on outcomes, sustainable finances and delivery of value for money. The award recognises the Trust's excellent, patient-centric care, built on strong engagement between clinicians within and beyond the organisation. It also acknowledges their efforts in putting patients at the centre of everything that they do, through real patient and carer engagement, as well as their focus on providing "Right Care, in the Right Place, First Time, Every Time".

Frequent Attenders Services HSJ Shortlists

Our Frequent Attenders Services were shortlisted in three HSJ award categories: 'Acute Sector Innovation of the Year', 'Connecting Services and Information Award', and the 'Patient Safety Award'.

HSJ Patient Safety Award

The Trust was shortlisted for an HSJ Patient Safety Award in April 2019.

The Trust's approach to undertaking an organisation wide daily safety huddle facilitated by the Corporate Patient Safety Team was recognised and shortlisted for the Clinical Governance & Risk Management Patient Safety Award.

Focusing on healthcare risk assessment and management, the award acknowledges Trusts which have embedded patient safety into their organisational safety culture and adopted speak up initiatives to improve communication.

East Riding Baby Friendly Initiative Award for families across the region

East Riding of Yorkshire Council's children's centres, working in partnership with our Trust's Integrated Specialist Public Health Nursing Service, was awarded the prestigious UNICEF Baby Friendly, Achieving Sustainability Gold Award in May 2019. It is the first integrated service in the UK to achieve the gold award, and the East Riding is also the first children's centre service to achieve the gold accreditation.

The UNICEF Baby Friendly Initiative is a worldwide programme of the World Health Organisation.

It is a nationally-recognised mark of quality care for babies and mothers, based on standards designed to provide parents with the best possible care to build close and loving relationships with their baby, and to feed their baby in ways which will support optimum health and development.

Finance Team of the Year Yorkshire and Humber Branch Awards 2020

The Trust's Finance department won 'Finance Team of the Year' at the Yorkshire and Humber Branch Awards 2020.

Engaging Patients and Carers showcased at national NHS events

A series of five films showcasing the work of the Trust in engaging patient and carers titled 'Patient Experience for Quality Improvement' were launched by NHS England/Improvement at St George's Centre in Leeds on 13 September 2019.

The launch was first of five events across the country where the Trust's work was shared to inspire other provider Trusts and event attendees to consider how they can embed patient experience at the heart of leadership and quality improvement.

The videos, which were commissioned by NHS Improvement (now NHS England and NHS Improvement), were filmed last spring based on the patient experience improvement framework using the themes of 'Culture', 'Leadership' and 'Learning' as a way to share the our journey with other provider Trusts across the country. The films highlight the positive impact of involvement in Trust activities for our patients, service users and carers and how the development of the co-produced Patient and Carer Experience Strategy has provided the direction and focus for the work achieved by the team and champions.

Occupational Health team awarded SEQHS accreditation

Our Occupational Health team were awarded the SEQHS accreditation in October 2019. SEQOHS (Safe Effective Quality Occupational Health) is a professionally-led accreditation managed by the Faculty of Occupational Medicine, the professional and educational body for occupational medicine in the UK. It is based on a set of standards for occupational health services in the UK and beyond.

National Centre for Diversity Grand Awards

Our Workforce team were nominated in three categories for the National Centre for Diversity Grand Awards 2020. The nominations were for Most Improved Organisation of the Year, Most Innovative EDI Initiative of the Year and EDI Lead of the Year.

Accreditation by the Royal College of Psychiatrists

Our mental health response and assessment unit at Miranda House received accreditation for our ECT outstanding electro convulsive therapy (ECT) clinic.

Finance Professional of the Year - Yorkshire and Humber Branch Awards 2020

Our Deputy Director of Finance, Iain Omand, also took the top award for 'Finance Professional of the Year' - an incredible personal and professional success.

The Trust celebrated after being named Mental Health Provider of the Year at the prestigious Health Service Journal (HSJ) Awards 2019

Allied Health Professional and Social Care Awards

Local organisations gathered to celebrate the amazing work and achievements of Allied Health Professionals and Social Care workers across the Hull and East Yorkshire regions on 11 March 2020.

Hosted by Hull Clinical Commissioning Group (CCG) and East Riding CCG a fantastic celebration event brought together various healthcare and other organisations where attendees were delighted to greet special guest and keynote speaker, Suzanne Rastrick, Chief Allied Health Professions Officer of NHS England.

Congratulations went to Emma Gillyon who took home the award for the AHP Health Professions and Social Care Support Worker of the Year.

The Creativity and Innovation award saw a nomination for our Speech and Language Dysfluency Team and

Lizzie Plumber was nominated for the Rising Star Award.

Chief Nursing Officer Silver Award

The first Chief Midwifery Officer for England, Professor Jacqueline Dunkley-Bent, who has supported hundreds of women giving birth including royalty, visited the University of Hull and Hull's Women and Children's Hospital to celebrate the achievements of University staff and the region's maternity service.

During the visit Claire Marshall, Specialist Perinatal Mental Health Nurse and Clinical Lead within the Trust's Specialist Perinatal Team,

was awarded a Chief Nursing Officers Silver award for the work undertaken with the Perinatal Mental Health Liaison Team

in developing pathways of support and care for women with Tokophobia, which is a severe and debilitating fear of childbirth.

The silver award is intended to recognise nurses and midwives who go above and beyond the expectations of the role to support patients and their profession.

Principal Risks and Uncertainties

The risks outlined below have been identified as the principal risks to the delivery of the Trust's strategic goals and underlying objectives.

More detail regarding the risks to which the Trust has been exposed in 2019/20 is included in full within the table in the Annual Governance Statement on page 118.

Innovating Quality and Patient Safety

- Inability to meet Regulation 18 HSCA (RA) Regulations 2014 regarding Safer Staffing.
- Inability to achieve a future rating of 'good' in the safe domain at CQC inspection.
- Staff are not maintaining an auditable trail of clinical supervision compliance is some clinical teams to support assurance that teams are delivering high quality care.
- Inability to develop robust processes that demonstrate thorough investigations undertaken in line with significant event analysis (SEA) methodology and can evidence organisational learning from SEAs.

Enhancing Prevention, Wellbeing and Recovery

- Failure to equip patients and carers with skills and knowledge need via the wider recovery model.
- Inability to meet early intervention targets (national – IAPT,EIP, Dementia)
- Inability to meet early intervention targets (local – CAHMS , ASD, CYP)
- Patients don't have the right level of physical healthcare support and there is not a cohesive alignment of mental health and physical health services to get parity of esteem.
- Vacancies within the CAMHS Crisis team may lead to gaps in service delivery preventing response to urgent referrals and inability to provide the crisis service overnight which may lead to other Trust services being impacted such as MHRS as well as reputational harm to the organisation.
- As a result of increased demand for ADHD assessment and limited capacity within the service, there is a significant waiting list which may lead to increased safety risk for patients and others, impacting on the wellbeing of staff as well as reputational harm to the Trust.
- Demand for access to Speech and Language Therapy services for children and young people in Hull exceeds capacity and funding, which may result in patients being unable to access timely diagnostic specific intervention and support services as well as potential reputational harm to the Trust.

Fostering Integration, Partnerships and Alliances

- Lack of Trust involvement or influence in work-stream activity associated with Sustainability and Transformation Programmes (STPs), will in turn impact on our ability to influence and shape local commissioning plans. This may result in a failure to deliver strategic priorities, with an associated risk of developing a poor reputation and reduced business/income opportunities that may challenge future sustainability.

- There is a risk to future sustainability and reputation, arising from a failure to compete effectively because we have not maintained and developed strategic alliances and partnerships and not increased our commercial/market understanding.

- Failure to utilise evidence based practice to inform and influence business decisions, resulting in the delivery of outdated service models, an inability to effectively compete with other providers and a subsequent loss of business/ income and reputation.

Developing an Effective and Empowered Workforce

- The quality of leaders and managers across the Trust is not at the required level which may impact on ability to deliver safe and effective services.

- Current qualified nursing vacancies may impact on the Trust's ability to deliver safe services and have an effective and engaged workforce.

- With current national shortages, the inability to retain qualified Nurses impacts on the ability to deliver services and/or puts financial pressure through the use of agency staff.

- Current Consultant and GP vacancies may impact on the Trust's ability to deliver safe services resulting in increased use of costly temporary staffing solutions and potential impact on the credibility/reputation of the organisation.

- With current national shortages, the inability to retain Medical staff impacts on the ability to deliver services and/or puts financial pressure through the use of agency staff.

- Staff Survey scores for staff with protected characteristics are worse than for staff not declaring a protected characteristics (particularly staff declaring themselves as not heterosexual and/or disabled).

"The Trust has a comprehensive, integrated framework in place to ensure that a structured control environment is in place where risks are identified, assessed and properly managed, where high standards are safeguarded and excellence can flourish."

Maximising an Efficient and Sustainable Organisation

- There is a risk to future sustainability and reputation, arising from a failure to compete effectively because we have not maintained and develop strategic alliances and partnerships and not increased our commercial/market understanding.
- Adverse impact of inadequate IT systems, failing to effectively support management decisions, performance management or contract compliance.
- Trust IT systems are compromised due to a Cyber Security attack/incident - this could be a malicious attack from an external third party or an accidental attack from inside the trust network due to inappropriate actions taken by staff, patients or visitors that comprise the IT systems security.
- Risk to longer-term financial sustainability if we are unable to deliver Trust savings targets and income declines through implementation of tariff or commissioner targets.
- The Trust's cash position deteriorates adversely where day to day functioning and financial independence is impacted.
- If the Trust cannot achieve its Budget Reduction Strategy for 2019/20, it may affect the Trust's ability to achieve its control total which could lead to a significant impact on finances resulting in loss of funding and reputational harm.
- Failure to achieve the NHS Improvement Use of Resources Score for 2019/20 may result in reputational harm for the Trust and significant reduction in financial independence.
- Inability to address all risks identified as part of the capital application process due to lack of capital resource.
- Inability to improve the overall condition and efficiency of our estate.

Promoting People, Communities and Social Values

- Failure to equip patients and carers with skills and knowledge needed via the wider recovery model.
- Inability to implement the Trust's Equality and Diversity strategy may impact on the Trust's ability to have a workforce trained and engaged with the equality and diversity agenda, limit accessibility to services and prevent achievement of the Trust's E&D aims.
- Reduction in patients likely to recommend Trust services to friends and family may impact on Trust's reputation and stakeholder confidence in services provided.

The principal risks to the achievement of the Trust's strategic goals and underlying objectives are managed through the Board Assurance Framework which is reviewed on a monthly basis by the Executive Management Team and as a standing agenda item on the relevant assurance committee. The framework is presented to the Trust Board on a quarterly basis for oversight and assurance around those risks that may affect the foundation trust in delivering its objectives and/or its future success and sustainability

Going Concern

Based on a significant assessment of evidence the Trust Board have concluded that there are no material uncertainties that may cast doubt on the Trust ability to continue as a going concern, therefore the Trusts accounts will continue to be prepared on a going concern basis.

Performance Analysis

Summary of the Financial Year

We are reporting an operating deficit of £2.584m for the year on a turnover of £145.533m. The deficit includes an Impairment adjustment of £2.093m which has been made to reflect the revaluation of Buildings and Land owned by the Trust. Before the impairment loss, we have recorded a deficit of £0.491m.

We reported a surplus of £0.050m against our control total target deficit of £0.350m, which was after the receipt of £1.343m Sustainability Funding (Financial Recovery Funding) and £0.333m of additional sustainability funding.

Operationally, we have continued to work very hard to achieve this result. We have developed a Budget Reduction Strategy which had an initial target of £4.7m against which recurrent savings of £3.1m were achieved against this target with the remaining savings being funded from in year non recurrent actions.

Operating Income received to deliver services increased by £15.130m compared to 2018/19. The majority of the increase in income is from clinical commissioners for new services such as the CAMHS Tier 4 unit and successful bids for Mental Health Transformation funding.

The closing cash balance increased to £15.1m, and the balance is forecast to remain at a similar underlying position throughout 2020/21.

Our total capital spend in the year was £12.4m.

We have an expected year-end risk rating of 2 which is consistent with our NHSI plan. The scale is from 1 to 4, with 1 being the lowest risk. We are expecting our governance risk rating to remain at green at the end of the year. At the time of publication this has not been confirmed by our regulator, NHS Improvement.

Financial results 2019/20 – Headlines

Income of £145.533m, an increase of £15.130m	Operational Deficit of £0.491m Deficit of £2.584m after Impairment	The cash balance was £15.110m compared to £14.935m at March 2019	Net current assets of £7.012m compared to £10.930m at March 2019	Total net assets of £93.795 compared to £83.390m at March 2019

Income and expenditure

Income in the period was £145.533m compared to £130.403m in the previous year. This increase relates primarily to additional income for newly commissioned services and successful invest for Mental Health Transformation monies. Expenditure has increased to service the additional income.

Section 43 (2a) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) requires that the income from the provision of goods and services for the purposes of the Health Service in England must be greater than its income from the provision of goods and services for any other purposes. The Trust met this requirement during 2019/20.

Capital Expenditure Conclusion

Capital expenditure totaled £12.467m during the year which was below the capital plan, mainly in relation to the Child and Adolescent Mental Health Services (CAMHS) Tier Four build and the LHCRE IT project. Other schemes we supported included IT infrastructure projects, including the ongoing replacement of IT equipment and network upgrade, and estate projects to improve our clinical and non-clinical environments.

Our total assets employed increased to £93.795m compared to £83.390m a year ago.

The other most notable expenditure covered a range of projects and facilities including addressing backlog maintenance issues.

Better payment practice code - Conclusion

In accordance with the Confederation of British Industry's (CBI) Better Payment Practice Code, our policy is to pay non-NHS trade creditors within 30 days of receipt of goods or services, or of a valid invoice (whichever is later), unless other payment terms have been agreed with the supplier.

The figures for non-NHS creditors by value paid within 30 days increased from84.8% to 96.4%. The number of invoices paid has also increase from 76.3% to 97.0%.

NHS Trade Creditors by value increased from 70.6% to 84.5% and the number of invoices rose from 57.4% to 81.4%.

We will continue to focus on this important performance measure although this is often dependent on our customers paying invoices raised by ourselves.

In 2019/20, the Trust had no liability to pay interest on invoices paid outside the 30 day payment period relating to NHS healthcare contracts or any other invoices.

	2019 / 2020		2018 / 2019	
	Number	£000	Number	£000
Total non-NHS trade invoices paid in the year	27,624	55,385	30,871	44,913
Total non-NHS trade invoices paid within target	26,810	53,373	23,541	38,073
Percentage of non-NHS trade invoices paid within target	97.0%	96.4%	76.3%	84.8%
Total NHS trade invoices paid in the year	1,372	6,406	2,543	2,323
Total NHS trade invoices paid within target	1,117	5,410	1,460	1,641
Percentage of NHS trade invoices paid within target	81.4%	84.5%	57.4%	70.6%

Financial Outlook

We have responded well to the financial challenges we and the wider NHS have faced over the last two years in particular and we have successfully met our financial targets and improved our underlying financial position.

The current covid pandemic has changed the way funding flows within the NHS, initially for the period April to July but potentially longer. Assurance has been given the NHS will receive the resources it needs to respond to the pandemic, however we will need to ensure we continue to maintain robust systems of financial governance and control during the current unprecedented times.

When planning for post covid our existing medium-term plans demonstrate the need to continue to deliver efficiency improvements over the next three years. Given the amount already saved it is naturally more difficult to identify further savings.

We will continue to operate a very robust process for identifying and implementing cost savings projects. All projects must be approved by the Medical Director and Director of Nursing, Allied Health and Social Care Professionals to ensure there is no negative impact on patient safety or quality of care.

The programme of work for identifying savings initiatives for 2020/21 is largely complete and will continue to be reviewed on an ongoing basis in light of the current situation.

We remain committed to delivering the best possible care and service within the financial resources we have at our disposal. The focus of the cost-saving projects has therefore been very much on maintaining service provision and re-structuring the organisation to meet that service provision.

We have maintained a solid financial base but we will need to continue to improve financial management to remain in a healthy financial position. All staff are encouraged to identify where any savings can be made and to highlight these savings through management teams to allow for formal budget savings to be made.

We delivered our expected financial performance last year which was a positive achievement given that it is becoming increasingly difficult to identify cost efficiency improvements.

> **As ever, it was very much a team effort across the whole organisation to deliver this financial performance.**

As ever, it was very much a team effort across the whole organisation to deliver this financial performance. Even more importantly, the delivery of the financial results did not compromise patient care. We achieved the majority of our performance targets for the year.

We are in unprecedented times and it is inevitable that we will continue to face financial challenges both this coming year and beyond. We remain positive that these challenges will be met, although we should not be under any illusion that it will not require a great deal of effort and involve making difficult decisions.

Our directors consider the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for stakeholders to assess our Trust's performance, business model and strategy.

How performance is measured

How we measure performance - Meeting Framework targets

Humber Teaching NHS Foundation Trust reports via various platforms for NHS England via NHS Improvement (NHSI), NHS Digital (NHSD), Mental Health Services Data Set (MHSDS) and Calculating Quality Reporting Services (CQRS). Key Performance Indicators (KPIs) are mapped via the Integrated Board Report (IBR) and Integrated Quality and Performance Report (IQPT) to the NHSI Single Oversight Framework (SOF).

Our Trust uses a 'traffic Light' or 'RAG Rating' system to report on performance and quality against our selected priorities and KPIs, e.g. Red = Weak, Amber = Fair and Green = Good. This is translated to reflect the performance of the Trust on these initiatives.

Our internal reporting is split into three levels:

Level 1:

Monthly Statistical Process Control charts (SPCs) via the IBR to the Trust Board and monthly IQPT dashboards to the Operational Delivery Group (ODG) and Executive Management Team (EMT).

Level 2:

Monthly Divisional and Service Line Reports via a Dashboard to the Divisional Group Leads and their Directors.

Level 3:

Monthly performance reports at team level to Directors, Service Managers, Team Leaders and staff members with an interest in performance and enhancement.

We also report externally to our Commissioners via:

Contract Activity Report (CAR)

This is completed on a monthly basis by the Business Intelligence Department (BI Hub). The BI Hub was formed during 2017/18 to provide a more joined-up working approach which improves fluidity and enhances cohesiveness.

This system ensures that we can:

- Monitor critical clinical processes and activities using measures of clinical and corporate performance that trigger alerts when potential problems arise.
- Analyse the root cause of problems by exploring relevant and timely information from different sources and at various levels of detail.
- Steer the organisation by supporting the management of people and processes to improve decisions, be more effective and subsequently enhance performance

Meetings are held regularly with Commissioners, Board Members, Divisional Directors, Service Managers and with Team Leaders and their teams.

Internal and external audits are undertaken to ensure our methods of calculation and delivery meet the national and local guidelines.

Data Quality Improvement Plans

Data Quality Improvement Plans (DQUIP) are designed to highlight where services may not be meeting required performance measures. Action plans are developed to encourage improvement and progression to meet measures within set timescales.

Benchmarking

Each year the Trust participates in national benchmarking data collections projects. This consists of Adult & Older Adult Mental Health Service, Community Services (Physical Health), CAMHS (Children & Adolescent Mental Health Services), Corporate Services, Learning Disabilities and Perinatal as an example.

The benchmarking projects allow for comprehensive benchmarking of activity, finance, workforce and quality metrics. Service quality, safety and outcomes against the rest of the NHS can be explored within the toolkit. This is the largest set of physical and mental health intelligence available in the NHS, including a dataset of over 5,000 indicators provided by each statutory provider in England and Wales and a number of large independent sector providers.

The Trust utilises a number of outputs from the data collection, such as:

- Access to the benchmarking toolkit, allowing you to compare your service nationally across several thousand metrics
- A high level bespoke report tailored to our organisation, outlining key messages and metrics
- The opportunity to attend the various conference to hear from national speakers and member good practice sites

The findings are shared with the respective Divisions for their consideration and action. Any identical indicators in the Trusts IBR and IQPT will also include national benchmarking results for a direct comparison where possible.

Finance

The use of resources score reported earlier in this report is split by the five components, with an overall score, and is reported at a granular level.

Financial information is linked and presented to the Board of Directors who are provided with a breakdown of the Use of Resources score in the monthly finance report. This information is also linked to the Integrated Quality and Performance Tracker (IQPT) report that is also provided to the Board every month and includes a number of the performance measurements that are covered to some extent in the Use of Resources rating and also includes reporting on bank, agency and overtime whereas the Use of Resources specifies agency.

Financial information is linked and presented to the Board of Directors who are provided with a breakdown of the Use of Resources score in the monthly finance report.

Risk Register

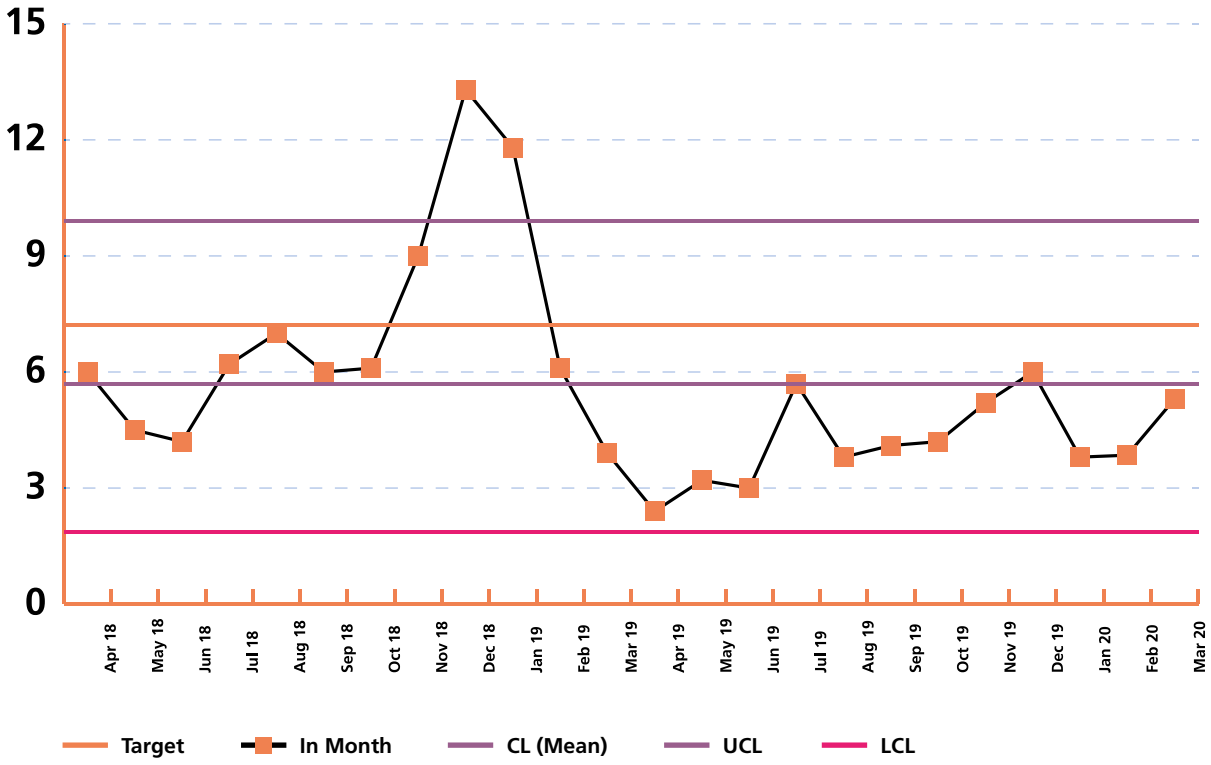
Where performance is not where it is expected and there is significant risk (e.g. clinical, financial), this is logged as a risk for the Trust which if sufficiently scored appears on the risk register and the Board Assurance Framework (BAF). In addition, Finance and Use of Resources is one of the five themes feeding into the Single Oversight Framework.

Performance during the year

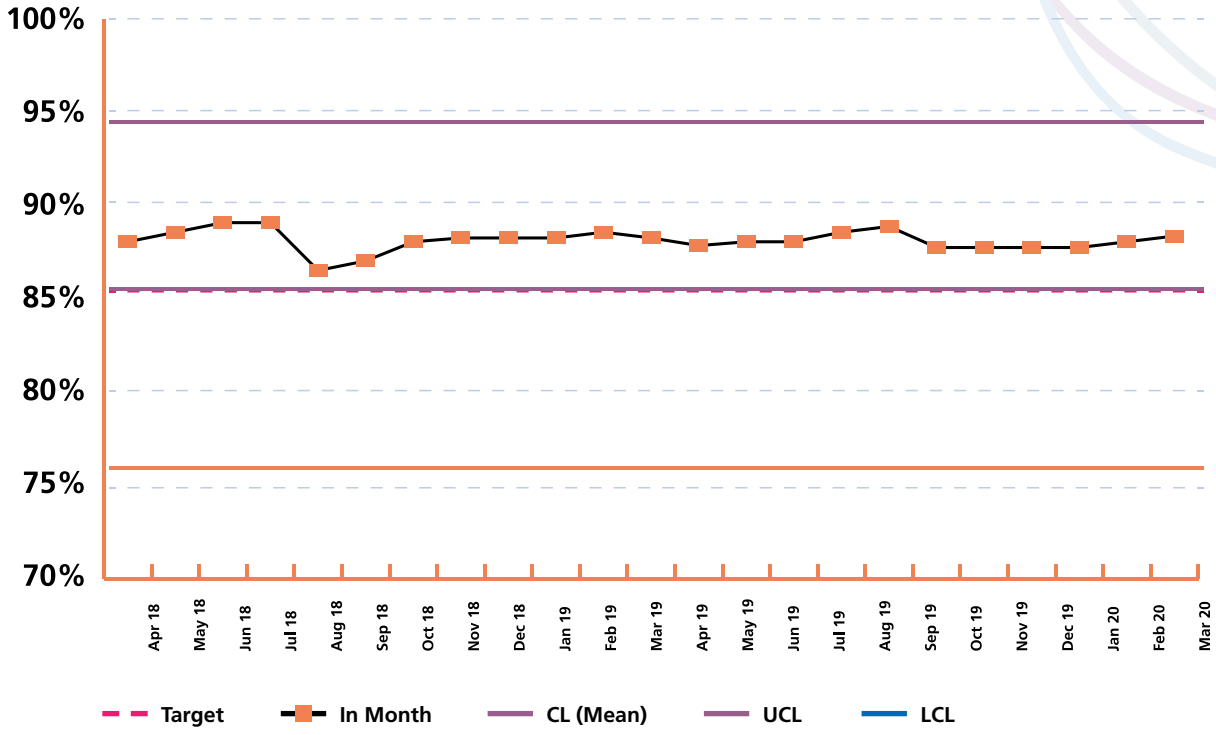
Information continues to be presented using Statistical Process Charts for a number of key indicators, mapped against each of the Trusts Strategic Goals. The use of Statistical Process Charts allows key performance data to be analysed over a period of time to establish trends in performance, Upper and Lower statistical thresholds are utilised to analyse performance and identify where movements in performance are within normal ranges (Common cause variation) or require further investigation/understanding (Special cause variation). Our performance is reported monthly to the Trust Board and the comprehensive report is provided within our Board papers and available on our website.

Statistical Process Charts (SPCs): Delayed Transfer of Care

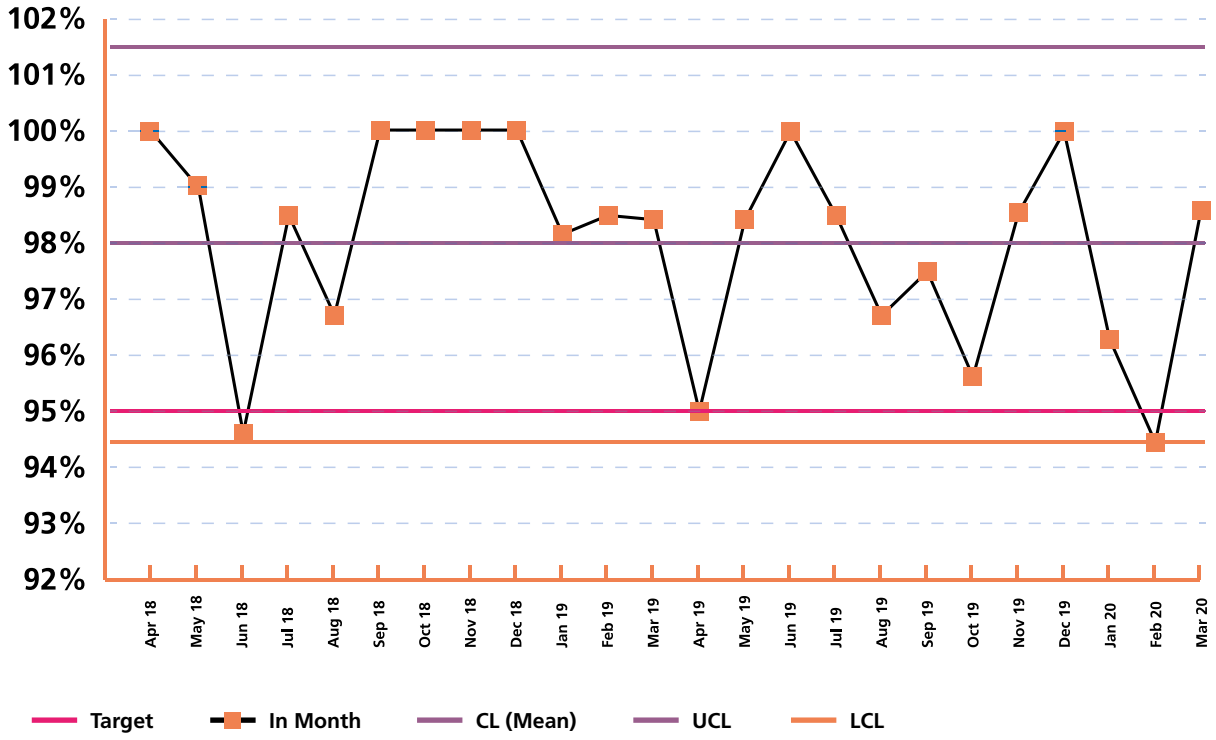
Mental Health



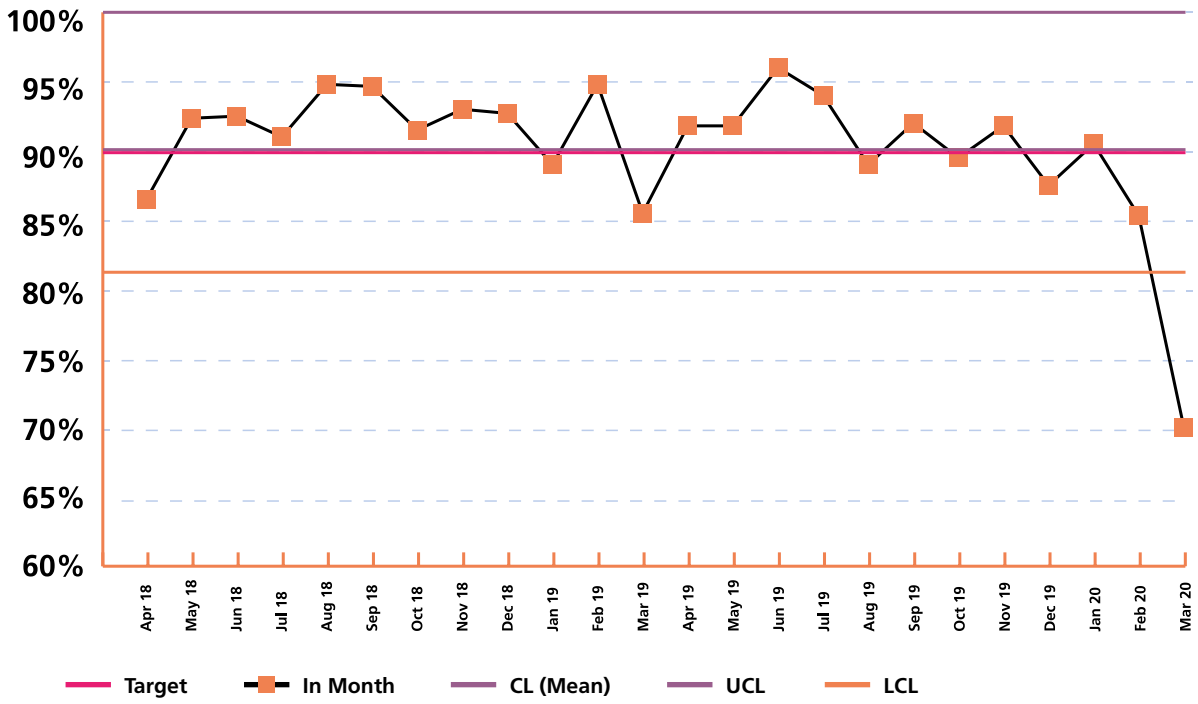
Mandatory Training - Overall Compliance



CPA 7 Day Follow Ups



Friends & Family - Recommendation



The Friends and Family Test in March 2020 reduced to 70%, this is influenced due to the fact that a higher percentage of responses are from a primary care setting, where responses are historically low.

Environmental Issues

Have House Allotment

Sustainable Development

As an NHS organisation, and as a spender of public funds, the Trust must work in a way that has a positive effect on the communities it serves. Sustainability means spending public money well, and the smart and efficient use of natural resources, and building healthy, resilient communities. By making the most of social, environmental, and economic assets we can improve health both in the immediate and long term even in the context of the rising cost of natural resources.

To fulfill our responsibilities, the Trust has created the Sustainable Development Steering Group (SDSG). The key responsibilities of this group are to monitor manage and act upon the Trust's Sustainable Development Management Plan (SDMP), and the Trust's Sustainable Development Action Plan. Working in line with government directives from the Sustainable Development Unit (SDU) and benchmarking performance through the Sustainable Development Assessment Tool (SDAT).

Implementing the objectives within this plan will not only further reduce our carbon footprint but will also facilitate working together with stakeholders to initiate health improvement initiatives and reductions in inequalities. Our commitment is to ensure that we encourage and enable our staff to provide healthcare services in the most sustainable way possible and involve patients, visitors, and the wider public in helping us to meet the challenge.

As a part of the NHS, public health, and social care system, it is our duty to contribute towards the level of ambition set in the climate change act 2008. The climate change act has been reviewed this year after the announcement from the current government to reduce the United Kingdom's carbon emissions to net-zero by 2050. To contribute to this the Trust has been renewing its SDMP which will be known as The Humber NHS Foundation Trust Green Plan using guidance for this from NHS Improvements (NHSI) and the Sustainable Development Unit (SDU).

The reviewed SDMP (Green Plan) will be evaluated this year 2020/21 to comply with the new Green guide from NHSI using the results from the SDAT tool to guide the Trust with its sustainable development. The Trust will also be using SDSG to assist in monitoring the environmental agenda across the Trust, these include:

- SDMP (Green Plan & action plan with clear targets)
- Sustainable Development Steering Group (SDSG)
- Sustainable Development Assessment Tool – SDAT

This strategy will give the organisation the ability to measure its current level of sustainable development, act and monitor its progress through the group to the board.

In the coming year, the Trust will produce its Green plan replacing its SDMP continuing to use the SDSG as a conduit for all sustainable development across the Trust.

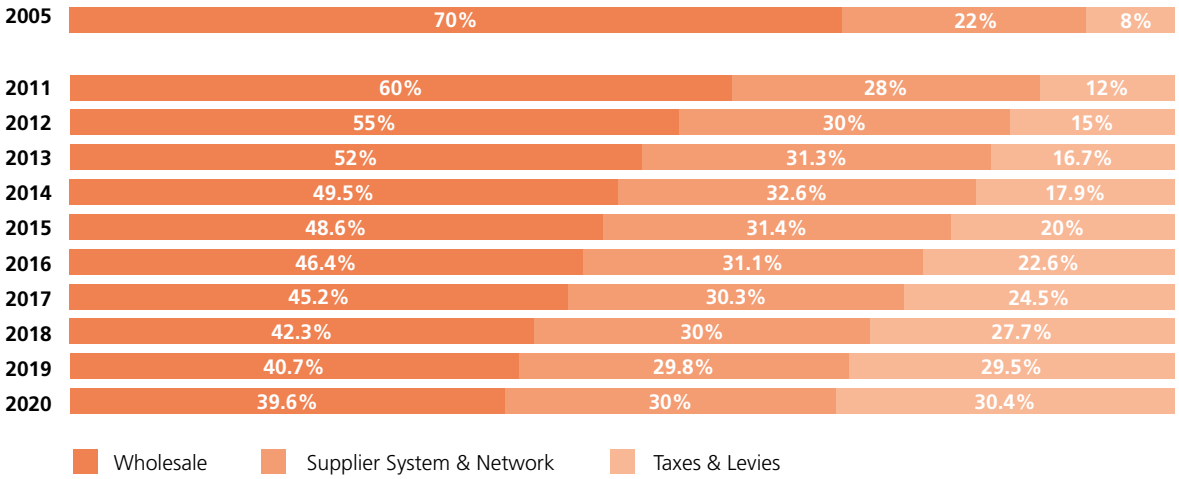
Energy

Energy costs in 2019-20, have increased from last year. There are many factors involved with the increase in energy cost; one of the main concerns for the energy market is the increase in non-commodity charges. Non-commodity charges which have increased annually by 7-14% have affected the Trust energy costs, you can see this in Table 1 - non-commodity increase, that in 2005 the wholesale (pence per kilowatt-hour – p/pkWh) cost was 70% of the total bill, the other 30% was the non-commodity costs, 22% Supplier network charges, and 8% taxes and government levies. Table 1 shows the increase in costs rising steadily from 2005 to 2020. The break down in costs for 2020 for the wholesale (p/pkWh) cost makes up only 39.6% of the total unit charge while the supplier network charges, taxes, and levies now equate to 60.4%.

These charges will increase and will continue to have an effect on the Trust's energy cost increasing each year.

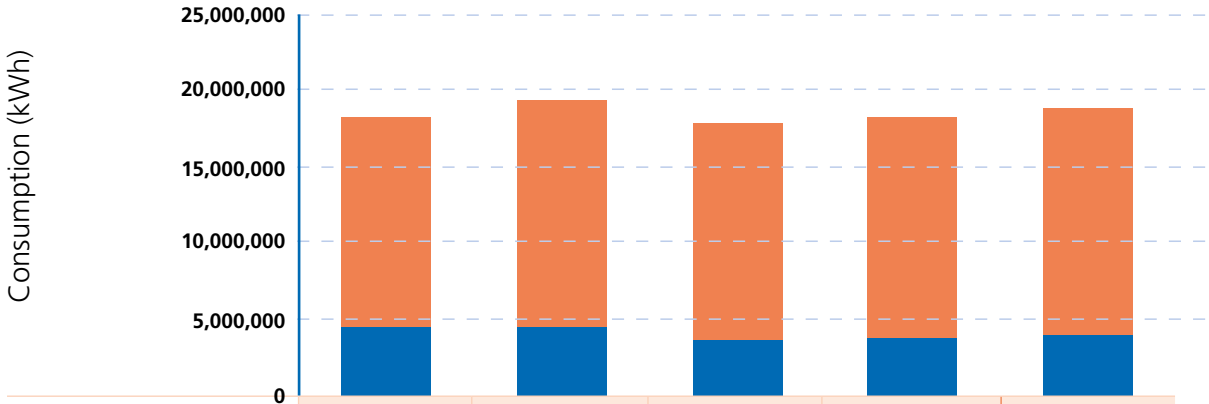
Due to the coronavirus and the underuse of natural resources across the world, there has been a downturn in energy costs, Gas, and Electricity. To counteract the above mentioned non-commodity cost increases the Trust, working with their Broker Inenco, has purchased their energy for the remainder of its contract with Inenco. The Trust should see these benefits of this action in 2021/22 and will assist in combating against the rise in non-commodity charges.

Table 1 - Non Commodity Increase



Energy Used

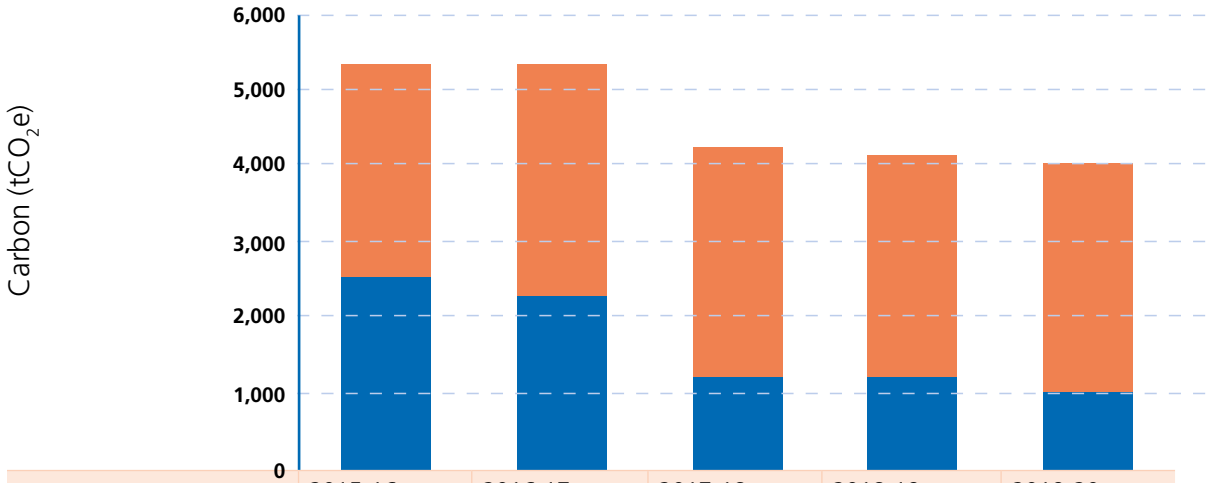
(Energy consumption in kWh)	2015-16	2016-17	2017-18	2018-19	2019-20
Electricity Consumed	4,408,633	4,394,177	3,636,701	3,712,674	3,883,339
Gas Consumed	13,781,713	14,888,836	14,200,693	13,323,679	14,922,458
Total	18,190,346	19,283,013	17,837,394	17,036,353	18,805,797



	2015-16	2016-17	2017-18	2018-19	2019-20
Gas Consumed	13,781,713	14,888,836	14,200,693	13,323,679	14,922,458
Electricity Consumed	4,408,633	4,394,177	3,636,701	3,712,674	3,883,339

Carbon Emissions

CO_2 Emissions (tCO_2e)	2015-16	2016-17	2017-18	2018-19	2019-20
Electricity	2,535	2,271	1,278	1,310	993
Gas	2,884	3,112	2,901	2,787	3,048



	2015-16	2016-17	2017-18	2018-19	2019-20
Gas	2,884	3,122	2,901	2,787	3,048.36
Electricity	2,535	2,271	1,278	1,310	993

Energy - Electricity

The Trust has seen a slight increase in the electricity use which equates to 3% in 2019/20 This is in line with what was expected this year 2019/20 due to the increase in Trust estate, predominantly the GP practices and the Inspire unit.

Energy accuracy is improving with the rollout of P272 (Government mandatory regulation which affects the way all electricity suppliers settle electricity consumption for businesses within a specified energy use) which has seen the removal of NON-HH (Half-Hour) meters and a move to more accurate billing.

The cost of electricity has increased by 10%. This is due to the increase in the non-commodity charges, government levy, and the increase in the estate.

These are being counteracted by adopting an early purchasing strategy with our broker Inenco and fixing our non-commodity for the remainder of our Inenco agreement (agreement completion date 01st April 2024).

To reduce costs and energy usage further the Trust plans the installation of green technology with the continued roll-out of LED lighting. This year 2020/21 is a year of action for the Trust planning and adding to the installation of green technology. To assist the Trust and to speed up the works it is planned to access SALIX finance and other funding options that are open to the Trust.

Energy - Gas

Gas has been assessed and the usage has increased across the year which has affected the gas cost. Gas costs increased on average by 10% with a similar increase in the cost of 11%. This increase is down to several factors, the increase in the non-commodity cost also the seasonal shut down of the gas services.

Actions to counteract these increases for 2020/21 are in place with an SOP for the shutdown of the heating systems working in line with the heating seasons this has been produced and will be in effect before the summer shutdown 2020/21. The Trust is to assess the boiler systems settings adjusting the systems where they can be conducive to the ambient internal and external air temperatures. There are also plans to replace any old (10+ year) heating system/boilers with high-efficiency boiler systems and subsequent equipment and increase insulation across the Trust estate.

To reduce costs and energy usage further the Trust plans the installation of green technology with the continued roll-out of LED lighting.

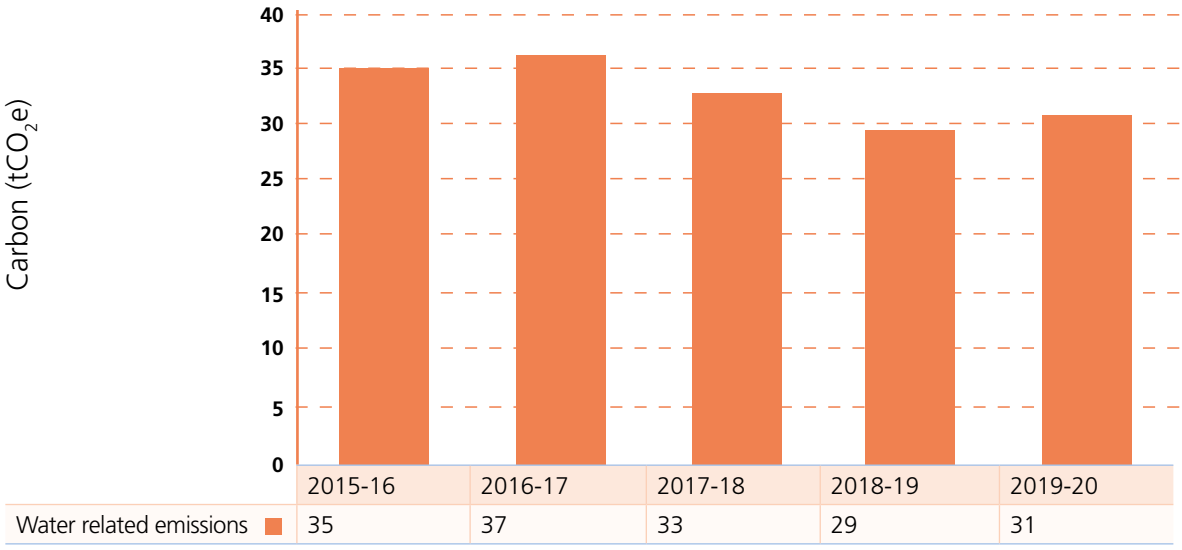
Finite Resources - Water

After the deregulation of the water in April 2018/19, the Trust has been reviewing the water market and its progression with the foresight of retendering its water services. While the savings are minimal the additional services which organisations are providing for free are increasing. The Trust is currently going through this process and will be developed in 2020/21.

Performance has been in line with what was expected with the increase in estate and increase in flushing regimes across the Trust. Water has seen a slight increase in usage which has been reflected in the costs.

Finite resource use - Water	2015-16	2016-17	2017-18	2018-19	2019-20
Water volume (m³)	38,797	40,433	36,494	28,359	30,919
Waste water volume (m³)	31,038	32,346	29,195	26,752	29,171
Water and sewage cost (£)	112,727	112,742	101,865	90,961	94,805
CO2 Emissions (tCO2e)	**2015-16**	**2016-17**	**2017-18**	**2018-19**	**2019-20**
Water related emissions	35	37	33	29	31

Water related emissions



Waste produced

We are committed to using and following The Waste Hierarchy throughout the organisation to minimise our impact on the environment and reduce organisational costs.

The waste hierarchy ranks waste management options according to what is best for the environment.

It gives top priority to preventing waste in the first place. When waste is created, it gives priority to preparing it for re-use, then recycling, then recovery, and last of all disposal (e.g. landfill).

Stages

Prevention - Include using less material in design and manufacture. Keeping products for longer; reuse, using less hazardous materials

Re-use - Checking, cleaning, repairing, refurbishing, whole items or spare parts

Recycling - Turning waste into a new substance or product. Includes composting if it meets quality protocols

Other recovery - Includes anaerobic digestion, incineration with energy recovery, gasification, and pyrolysis which produce energy (fuels, heat, and power) and materials from waste; some backfilling

Disposal - Landfill and incineration without energy recovery

Our everyday business generates numerous waste streams of which the key ones are:-

- General/Domestic Waste
- Dry, mixed recyclable Waste
- Clinical Waste
- Pharmaceutical Waste

The management and disposal of clinical waste continue to be a national challenge with reduced incinerator capacity across the market which impacts the disposal methods currently available. This has had an impact on our organisation and we are no longer able to claim that we are "zero waste to landfill" in terms of our clinical/ pharmaceutical waste. Our general waste and recycling contract has been unaffected and is still "zero waste to landfill".

"Our commitment is to ensure that we encourage and enable our staff to provide healthcare services in the most sustainable way possible and involve patients, visitors, and the wider public in helping us to meet the challenge."

Social Values Report

Last year we took the opportunity to publish and launch our first social values report for 2018/19. It enabled us to demonstrate as well as celebrate that are delivering on our commitment to embed social accounting within the Trust to enable us to demonstrate and measure the impact we make socially on the communities we serve. This development is particularly opportune as success in delivering the Long Term Plan for the NHS and the emerging Primary Care networks is in part predicated on developing an approach to social values.

This year, we will produce a follow up Social Values Annual Report that will also be available on our website. We aim to capture our ongoing work in this sector. The principles of social value allows the Trust to take into account the wider aspects of increasing equality, improving wellbeing and increased environmental sustainability to be considered when making decisions. Accounts of social value estimate the value of changes experienced by people. Calculations include qualitative, quantitative and comparative information in relation to how services/changes affect people's lives.

Social Community and Human Rights

The Trust serves a richly diverse population and works hard to ensure all our services are fair and equally accessible to everyone.

We aim to employ a workforce who is as representative as possible of this population; so we are open to the value of differences in age, disability, gender, marital status, pregnancy and maternity, race, gender reassignment, gender identity, gender expression, sexual orientation and religion or belief.

Our vision, which applies to staff, patients, and patients' families and carers, is to be 'effortlessly inclusive'. To achieve that vision, we aim to:

- Treat everyone with respect and dignity at all times
- Challenge discriminatory behaviour and practice
- Recognise and embrace diversity
- ensure equal and easy access to services
- ensure equal access to employment and development opportunities
- Consult and engage with staff, patients and their families to ensure the services and facilities of the Trust meet their needs.

The Patient and Carer Experience Strategy which runs from 2018 to 2023 includes equality, diversity and inclusion as a golden thread and is woven throughout the document. The strategy delivers our commitment to the Public Sector Equality Duty (PSED) with regard to the Equality Act 2010 and the national NHS Equality Delivery System 2 (EDS2).

A new Equality, Diversity and Inclusion Plan for staff was developed for the year 2019/20 to further outline and progress our commitment to equality, diversity and inclusion in the workplace. The aim of the strategy is to drive our equality agenda by ensuring we are employing and retaining a diverse workforce and developing robust employment practices that are free from discrimination and create equality of opportunity for everyone. In addition, this strategy aims to embrace opportunities to make further improvements to the inclusion of underrepresented groups, such as our work with Stonewall – the leading LGBT+ rights organisation.

Through a process of co-production with staff networks the Trust has refreshed its Equality, Diversity and Inclusion Policy in respect of our employment. In addition, through our work with Stonewall the Trust has introduced a Transitioning at Work policy to support staff that are transitioning. The effectiveness of all of these policies is routinely monitored through incidents and other events to ensure that none of our services adversely affect any one section of the communities we serve, or any one of the protected characteristics. In addition, all our policies, transformations and associated documents are equality impact-assessed.

Anti-fraud, bribery and corruption

The Trust has a local counter-fraud specialist and there are policies in place to support counter-fraud and corruption. It is the Trust's policy that all allegations of fraud must be referred to the Trust's Director of Finance.

The Trust has a publicly available Anti-Bribery statement and leaflet on the Trust's public website. In addition, the Trust has an intranet fraud page for staff which refers to bribery. The Audit Committee receives regular updates from the Local Counter Fraud Specialist.

Bribery is also referenced in various policies including the Bribery Prevention Policy, Standing Orders, Scheme of Delegation and Standing Financial Instructions, Local Anti-Fraud, Bribery and Corruption Policy, and Standards of Business Conduct and Managing Conflict of Interest Policy, which includes the requirements around gifts and hospitality that was updated in-year to take account of revised NHS England guidance. In addition, the Bribery Act will continue to be incorporated into all staff fraud awareness literature and presentations.

Emergency Preparedness, Resilience and Response (EPRR) Assurance

All NHS Trusts have a duty to plan for and respond to major, critical and business continuity incidents whilst maintaining services to patients.

In order to provide assurance that it has addressed this duty, the Trust has reviewed itself against NHS England's core standards for Emergency Preparedness, Resilience and Response and for the sixth year running has rated itself as 'substantially' compliant in 2019.

The Trust continues to improve care and service safety, resilience and response through a programme of training, testing and learning from incidents internally, through networks and partners.

The Trusts overall assurance rating has been signed off by the Executive Management Team, the Trust Board and shared with the Local Health Resilience Partnership.

Conclusion

We delivered our expected financial performance last year despite national efficiency requirements being applied. This was a positive achievement given the difficulties in identifying further cost improvements. As ever, it was very much a team effort across the whole organisation to deliver this financial performance without compromising patient care. We achieved the majority of our performance targets for the year.

In conclusion, we will continue to face significant financial challenges in 2019/20 and beyond; however, we remain positive that these challenges will be met despite the effort required to do so and the likelihood of having to face some difficult decisions in future.

The Financial Statements included in this report (and also available on our website) are a summary of the information in the full accounts which are available on our website and on demand by emailing our Communications Team at hnf-tr.communications@nhs.net

Our directors consider the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for stakeholders to assess our Trust's performance, business model and strategy.

Michele Moran
Chief Executive

Signed:  **Date: 24 June 2020**

"As ever, it was very much a team effort across the whole organisation to deliver this financial performance without compromising patient care. We achieved the majority of our performance targets for the year."

Accountability Report

Directors' Report

The Board of Directors sets the strategic goals and objectives of the Trust and monitors the Trust's performance against these objectives; ensuring appropriate action is taken when necessary. It is responsible for managing the business of the Trust and is legally responsible for delivering high-quality, effective services and for the financial control and performance of the Trust.

The Board is made up of Executive and Non-Executive Directors who develop and monitor the Trust's Strategy and performance against key objectives and other indicators.

The table below provides details of the composition of the Board of Directors throughout the year. During the year there was a change at Board level that is summarised below:

Dean Royles was appointed as a Non-Executive Director from 1 September 2019 replacing Paula Bee who left in August 2019

The Chair of the Board of Directors is Sharon Mays and the Board of Directors is comprised of six Non-Executive Directors (including the Chair) and six Executive Directors (including the Chief Executive). Peter Baren, Non-Executive Director, is the Senior Independent Director. Steve McGowan, Director of Workforce and Organisational Development, is a non-voting member of the Board of Directors.

Arrangements are in place to ensure that services are well-led and further details are contained in our Annual Governance Statement later in this report.

The Board of Directors reviews and evaluates its performance on an ongoing basis. This review covers areas such as constructive challenge, appropriateness of the agenda, quality of papers, quality and inclusiveness of debate, and effectiveness of the Chair. A review of the strategic priorities is reported on a quarterly basis.

The Care Quality Commission undertook a well led inspection in February 2019 and their findings are detailed within the Annual Governance Statement on page 85. Where scope for improvement was found, recommendations were made and appropriate action plans were agreed and implemented

Each Board of Directors sub-committee produces an annual effectiveness review report on its activities, achievements and plans for the year ahead which is presented to the Board of Directors by the committee chair.

The arrangements for evaluation of the Chair and Non-Executive Directors were agreed by the Council of Governors' Appointments, Terms and Conditions Committee. The Senior Independent Director led the appraisal of the Chair, with appropriate consultation with Non-Executive Directors, Governors and other relevant parties. The Chair led the evaluation of the Non-Executive Directors supported by the Council of Governors' Appointments, Terms and Conditions Committee.

The Council of Governors approved an extension to Sharon Mays the Chair's term of office for an additional year which will now end 15 September 2021 and also approved an extension to Peter Baren, the Senior Independent Director's term of office for an additional two years which will now end 31 January 2022.

The Chief Executive and Executive Directors are subject to formal appraisal by the Chair and Chief Executive respectively.

This is based on the agreement of objectives linked to the key components of the Trust's annual plan and progress is monitored throughout the year. The Chair is consulted concerning the corporate, as opposed to professional, performance of the Executive Directors. Regular meetings with the Non-Executive Directors and the Chair are held without the Executive Directors being present. The Board of Directors' composition is in accordance with the Trust's constitution and details of attendance at meetings are provided in the attendance table.

Composition of the Board of Directors

Non-Executive Directors:

Name	Position	Appointed to Humber Teaching NHS Foundation Trust	Term of office ends
Sharon Mays	Trust Chair • Chair of Council of Governors • Chair of Remuneration and Nomination Committee	16 September 2014	15 September 2021
Peter Baren	Independent Non-Executive Director • Chair of Audit Committee • Senior Independent Director	1 December 2013	31 January 2022
Paula Bee	Independent Non-Executive Director • Chair of Charitable Funds Committee up to August 2019	1 March 2016	31 August 2019
Mike Cooke	Independent Non-Executive Director • Chair of Quality Committee • Chair of Charitable Funds Committee from September 2019	1 September 2016	31 August 2022
Mike Smith	Independent Non-Executive Director • Chair of Mental Health Legislation Committee	1 October 2016	30 September 2021
Francis Patton	Independent Non-Executive Director, • Chair of Finance & Investment Committee • Chair of Workforce & Organisational Development Committee from March 2019 to January 2020	1 January 2018	31 December 2020
Dean Royles	Independent Non-Executive Director • Chair of Workforce & Organisational Development Committee from February 2020	1 September 2019	31 August 2022

Executive Directors			
Name	**Position**	**Appointed to Humber Teaching NHS Foundation Trust**	**Term of office ends**
Michele Moran	Chief Executive	29 January 2017	N/A
Peter Beckwith	Director of Finance	10 March 2017	N/A
John Byrne	Medical Director	1 October 2017	N/A
Hilary Gledhill	Director of Nursing, Allied Health and Social Care Professionals	1 June 2015	N/A
Lynn Parkinson	Chief Operating Officer (COO)	1 October 2018	N/A
Steve McGowan (non-voting)	Director of Workforce & Organisational Development	18 June 2018	N/A

The composition of the Board of Directors allows it to fulfil its statutory and constitutional functions and to comply with its provider licence. The balance of the Board of Directors meets the provisions of the NHS Foundation Trust Code of Governance requirements for at least half of the directors (excluding the Chair) being independent Non-Executive Directors. The Non-Executive Board members possess a wide range of skills and experience essential for an effective Board of Directors. These skills enable them to provide independent judgement and advice on issues of strategy, vision, performance, resources and standards of conduct, and constructively challenge, influence and help the executive team develop proposals on such strategies.

The Council of Governors' is chaired by the Chair who is responsible for providing leadership to both the Board of Directors and the Council of Governors. The Chair ensures there is effective communication between the Board of Directors and the Council of Governors, gaining the views of the Governors as necessary for consideration by the Board of Directors.

Executive and Non-Executive Directors have an open invitation to attend the Council of Governors' meetings, the Governor groups and Governor development days that are held. They also receive copies of the Council of Governors' meeting papers, including the minutes.

The Chair, supported by the Senior Independent Director, promotes an engaging relationship between the Board of Directors and Council of Governors. Sessions with Board members and Governors take place within the development day meetings which give an opportunity for Governors to engage with Executive and Non-Executive Directors. There has also been regular attendance by Governors at the Board of Directors' public meetings. A Governor, Non-Executive and Executive Knowledge and Engagement visit programme to inpatient units, services and teams is also in place.

The Board of Directors delegates the day-to-day management of the Trust's operational services to the Executive Directors, with the Non-Executive Directors sharing corporate responsibility for ensuring the Trust is run in an economical, effective and efficient way.

The Chair and Chief Executive continually review the balance, appropriateness and effectiveness of the Board of Directors, ensuring there is continuity when new directors are appointed.

Trust performance was closely monitored during the year by the Board of Directors through the presentation of reports and discussion of key performance information at each of its meetings. The Board of Directors acknowledges its responsibility for preparing the Annual Report and Accounts and considers that, taken as a whole, they are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the Trust's performance, business model and strategy.

The Trust is committed to embedding an integrated approach to managing risk, and recognises that the proactive and continuous management of risk is essential to the efficient and effective delivery of services. The Trust Board has in place a Risk Management Strategy which sets out the Trust's commitment to embedding an integrated approach to managing risk.

The Trust's risk management strategy was reviewed and updated in November 2019. The development of the new three-year Risk Management Strategy has commenced and will be finalised in 2020. It is recognised that a proactive approach to risk management can enable a reduction in harm to patients and staff, assist in creating safer care environments and is essential for the achievement of the organisation's strategic goals as well as the Trust's corporate and clinical The Trust continues to undertake annual self-assessments to identify further areas for improvement within risk management and has developed a risk management action plan as part of its annual risk management report for 2019-2020.

A review was undertaken in 2019/20 as part of the Trust Board strategy sessions to review the definition of the Trust's risk appetite or the level of risk that it is prepared to accept, tolerate, or be exposed to. A revised risk appetite statement was developed following agreement by the Trust Board which defines the level of risk that can be accepted against the Trust's strategic goals.

This updated appetite statement has been included in the Trust Risk Management Strategy as part of the review undertaken in November 2019.

The Trust Board maintains overarching responsibility for risk management throughout the organisation and considers the content of the Trust-wide Risk Register and Board Assurance Framework four times a year at quarterly intervals. Content of the Trust-wide risk register is reviewed on a monthly basis by the Executive Management Team and is also discussed at Board committee meetings alongside relevant sections of the Board Assurance Framework.

Regular updates from the Executive Management Team and the Trust's Audit, Quality, Workforce & Organisational Development and Finance and Investment Committees are received by the Trust Board to provide further assurance around the application of risk management within the Trust.

Audit Committee is the Board committee with overarching responsibility for the management of risk within the Trust. The role for the committee is to scrutinise and review the Trust's systems of governance, risks management and internal control. Regular assurance is sought in terms of the Trust's risk management arrangements to enable oversight of the approach to risk, as well as the Trust-wide risk register and Board Assurance Framework, to focus on individual risks and suitability of identified controls.

The Quality Committee, Workforce and Organisational Development Committee and the Finance and Investment Committee are also responsible for risk management within the organisation and have assigned sections of the Board Assurance Framework that are reviewed on a cyclical basis for oversight of risks to achievement of the Trust's strategic objectives.

The Quality Committee also receives a register of all of the Trust risks in relation to quality for regular review, and to strengthen the confirm and challenge arrangements around risk management within the organisation. The Workforce and Organisational Development Committee undertakes a similar function as the Quality Committee, but with regards to workforce related risks facing the Trust.

Leadership for risk management across the Trust is provided by the Executive Management Team and is chaired by the Chief Executive. The Executive Management Team gives consideration to the development of systems and processes, with individual directors championing risk management within their own areas of responsibility. The group fulfils the lead function for managing the Trust-wide risk register, reviewing all proposed new risks for inclusion, monitoring existing risk entries on a regular basis and considering requests for risk de-escalations. Further responsibility extends to the regular review of project risks that pose potential to significantly impact on the delivery of key Trust projects or affect delivery of Trust strategic objectives.

The Operational Delivery Group is chaired by the Chief Operating Officer and considers the risks register at a divisional and directorate level. The group is responsible for ensuring that risk assessments are consistent, timely and that appropriate actions have been taken to manage and mitigate the level of risk. Divisions and Directorate risk registers are cross-referenced to identify any emerging themes or trends in terms of risk, and items can be escalated for the consideration of the Executive Management Team where required.

These arrangements are in place to ensure that the Trust has effective processes for managing all types of risk and that it is making appropriate risk management decisions to enable the organisation to deliver on its objectives.

Enhanced quality reporting

Humber Teaching NHS Foundation Trust uses a 'traffic light' or 'RAG-rating' system to report on performance and quality against selected priorities and key performance indicators (KPIs). This is translated to reflect the organisation's performance on the selected priorities and initiatives and is reported internally at three levels:

Level 1:
Monthly and quarterly performance and quality reports to the Board of Directors via the Integrated Board Performance Report.

Level 2:
Monthly care group reports via a dashboard to the operational care groups and their directors.

Level 3:
Monthly performance reports at team level to service managers and team leaders.

The Trust reports externally to our commissioners via contract activity reporting on a monthly basis which highlights service performance and quality within the organisation.

Reporting processes within the Trust ensure that it can effectively monitor its clinical processes and activity through performance and quality reporting that trigger alerts when issues are identified. It also allows for the analysis of root causes of problems by considering timely information gathered from different sources at various levels of the Trust. As such, the Trust is able to effectively manage people and processes to improve decisions, be more effective in service delivery and deliver better quality services.

The Trust continues to focus its performance reporting to Board on key performance indicators aligned to the organisation's strategic goals. Information is presented using Statistical Process Charts (SPC) for a number of key indicators, mapped against each of the Trusts Strategic Goals. The use of Statistical Process Charts allows for key performance data to be analysed over a period of time to establish trends in performance. Upper and lower statistical thresholds are utilised to analyse performance and identify where movements in performance are within normal ranges (common cause variation) or require further investigation/understanding (special cause variation). Exceptions are highlighted alongside the Statistical Process Charts and operational commentary is provided for further assurance around performance metrics.

A new accountability framework has been launched and accountability reviews have been developed and implemented during 2019-20 to further review performance information with divisional leads on a regular basis.

Meetings are held regularly with commissioners, board members, divisional general managers/ divisional clinical leads, service managers and with team leaders and their teams. Internal and external audits are undertaken to ensure our methods of calculation and delivery meet national and local guidelines.

All key NHS Improvement and CQC indicators are reported in the Trusts Integrated Board Performance Report and in divisional dashboards. KPIs that are failing to either meet target or are showing continued downward trajectory (subsequently at risk of breaching a target) are reported by exception on performance indicator returns (PIs).

PIs are discussed with operational staff to understand the issues and problems and current action plans are agreed that support the development of services and make improvements that will enable the Trust to meet its contractual obligations.

A new accountability framework has been launched and accountability reviews have been developed and implemented during 2019-20 to further review performance information with divisional leads on a regular basis. The framework mirrors the NHS Single Oversight Framework and monitors key performance indicators (KPIs) and identifies areas for improvement.

More information on the governance arrangements within the organisation can be found in the Annual Governance Statement and the Annual Quality Accounts.

The improvement journey of the Trust was progressed further this year. Our Quality Account, which is provided as part of this report, provides a detailed summary of quality priorities we said we would achieve this year and evidences our delivery against each. In addition, our Quality Account includes statements received direct from our service users.

Quality remains at the heart of everything we do and we will continue on our improvement journey.

The Care Quality Commission

The Care Quality Commission (CQC) carried out its announced scheduled Well-Led inspection of the Trust from 12–14 February 2019.

Following the inspection, the Trust received a full report into the quality of care provided. The overall rating of the Trust was 'Good', the same as our prevision rating. The CQC rated the domains of effective, caring, responsive and well-led as 'good'.

The safe domain was rated as 'requires improvement' and work will continue to drive improvement in this area.

The CQC identified a number of actions that the Trust was required to take in order to comply with legal obligations. Further information regarding the CQC inspection can be found in the Annual Governance Statement and the Annual Quality Accounts later in this report.

Financial Requirements

The Trust remains compliant with cost allocations and charging requirements laid down by HM Treasury and did not receive any income from fees and charges in 2019/20 and 2018/19.

In accordance with Section 43(2A) of the NHS Act 2006 the Trust confirms that the income from the provision of goods and services for the purposes of the health service in England is greater than its income from the provision of goods and services for any other purposes. The Trust has therefore met this requirement.

Also, in accordance with section 43(3A) of the NHS Act 2006, the Trust can confirm that the other income it has received has had no impact on its provision of goods and services for the purposes of the health service in England.

Statement as to disclosure to auditors: Each director at the time of approving this report has confirmed that, as far as the director is aware, there is no relevant audit information of which the NHS Foundation Trust's Auditor is unaware. The Director has taken all the necessary steps in order to be aware of the relevant audit information and to establish that the Trust's Auditor is aware of that information.

"The overall rating of the Trust was 'Good'... The CQC rated the domains of effective, caring, responsive and well-led as 'good'."

Remuneration Report

Annual Statement on Remuneration

The Remuneration and Nomination Committee determines the salaries of the Chief Executive and the other Executive Directors by considering market rates. All directors are on permanent contracts with the Chief Executive and other directors having a six-month notice period. There is no performance-related pay and no compensation for early termination for directors. The Chief Executive has the potential to earn a discretional annual non-consolidated performance-related bonus.

The Council of Governors determines the pay for the Chair and Non-Executive Directors and in so doing takes into account comparative remuneration of other foundation trusts, whilst acknowledging the recent guidance on Chair and Non-Executive pay and the need to 'comply or explain'. They are on fixed term, renewable contracts. There is no performance-related pay and no compensation for early termination. The Chair and Non-Executive Directors did not receive an increase in 2019/20.

The Remuneration and Nomination Committee agreed a cost of living award for the Chief Executive and Executive Directors with effect from 1st April 2019, in line with the pay award of Band 9 of Agenda for Change. The committee reviewed senior pay during the year which resulted in an uplift for the Director of Finance in April 2019, followed by a further benchmarked review in November 2019 where the committee agreed a pay increase of 5% for the Medical Director, Director of Nursing, Allied Health & Social Care Professionals and Chief Operating Officer and an increase of 2% for the Director of Finance and Director of Workforce and OD. This was paid with effect from 1 April 2019.

Policy on Board of Directors Remuneration

Non-Executive Director Remuneration Policy

The Chair and Non-Executive Directors of the Trust are appointed by the Council of Governors and are remunerated in accordance with terms and conditions approved by the Council of Governors.

Details of salaries and allowances paid to the Chair and Non-Executive Directors during 2018/19 and 2019/20 are provided in Table 3. The information included in this table is subject to audit. These allowances are not pensionable remuneration.

The Chair and Non-Executive Directors of the Trust are appointed by the Council of Governors and are remunerated in accordance with terms and conditions approved by the Council of Governors.

Table 1 - Non-Executive Director Renumeration Policy

Element	Policy
Fee payable	A 'spot fee' which is reviewed annually. The setting of that fee and the subsequent review are undertaken with reference to national benchmarking data and national pay awards (Agenda for Change).
Percentage uplift (cost of living increase)	Reviewed annually by the Remuneration and Nominations Committee taking into consideration national pay awards and financial implications.
Travel	Travel and subsistence expenses are reimbursed and paid with remuneration via payroll.
Pension contributions scheme	Independent Non-Executive Director • Chair of Quality Committee • Chair of Charitable Funds Committee from September 2019
	Non-Executive Directors do not have access to the NHS Pension.
Other remuneration	None.

Executive Director Remuneration Policy

The Chief Executive and Executive Directors hold permanent Trust contracts with six-month notice periods and standard NHS terms and conditions. The Remuneration and Nomination Committee aims to ensure the executive Board members are fairly rewarded having proper regard to the Trust's circumstances and linked to national advice such as uplift for directors.

When setting the remuneration policy for senior managers the pay and conditions of employees were taken into by comparing relevant director salaries of all equivalent trusts and we set ours at the lower median. After consultation with the successful applicant the relevant salary award was agreed and in line with comparative benchmark.

We did not require NHSI approval as we did not meet the threshold to seek an opinion. All posts with the relevant benchmarks were presented to the Remuneration and Nominations Committee for ratification. The Trust pay and conditions are in keeping with comparative Trusts.

Directors do not receive any bonus-related payments. The Chief Executive has the potential to earn a discretional annual non-consolidated performance-related bonus.

Details of the salaries and allowances of the Chief Executive and other Executive Directors during 2018/19 and 2019/20 are shown in Table 3. Details of the pension benefits of the Chief Executive and other Executive Directors are also shown in Table 5. The information in these tables is subject to audit.

The Remuneration and Nomination Committee is not involved in setting the remuneration and terms of service of other managers currently employed within the Trust, with the exception of one senior manager who is on a Very Senior Manager contract. All current senior managers are on permanent contracts with three-month notice periods and standard NHS terms and conditions. The remuneration of these senior managers is based on the NHS-wide job evaluation scheme (known as Agenda for Change) which is uplifted annually by the Executive Management Group in line with the national uplift advised by the Department of Health.

The Trust has no outstanding equal pay claims to date and generic job descriptions have been developed, ensuring current and future compliance with equal pay requirements. Past and present employees are covered by the provisions of the NHS Pension Scheme. A description of the scheme and its accountancy treatment is described in Note 9 to the Annual Accounts.

Table 2 - Executive Director Renumeration Policy

Element	Policy
Salary	A 'spot' salary which is reviewed annually. The setting of the salary and the subsequent review are undertaken with reference to national benchmarking data and national pay awards (Agenda for Change).
Taxable benefits	Travel and subsistence expenses are reimbursed and paid with salary via payroll.
Annual performance related bonuses	No performance related bonuses are paid for directors. The Chief Executive has the potential to earn a discretional annual non-consolidated performance related bonus.
Long-term performance related bonuses	No long-term performance related bonuses are paid.
Pension-related benefits	Executive directors and service directors can access the NHS Pension scheme.
Percentage uplift (cost-of-living increase)	Reviewed annually by the Remuneration and Nomination Committee taking into consideration national pay awards and financial implications

Table 1- Salaries And Allowances Of Trust Board And Other Senior Managers (1st April 2019 – 31st March 2020) (Subject To Audit)

Name & Title	2019/20					
	Salary (Bands of £5000)	Taxable Benefits (Nearest £100)	Annual Performance Related Bonus (Bands of £5000)	Long Term Performance Related Bonus (Bands of £5000)	Pension Related Benefits (Bands of £2,500)	Total (Bands of £5000)
S Mays Chairman	45-50					45-50
F Patton Non-Executive Director	10-15					10-15
P Baren Non-Executive Director	10-15					10-15
P Bee Non-Executive Director (left in September 2019)	5-10					5-10
M Cooke Non-Executive Director	10-15					10-15
M Smith Non-Executive Director	10-15					10-15
D Royles Non-Executive Director (Started in September 2019)	5-10					5-10
D Crick Non-Executive Director (Left in 2018/19 Financial Year)						

Name & Title	2018/19					
	Salary (Bands of £5000)	Taxable Benefits (Nearest £100)	Annual Performance Related Bonus (Bands of £5000)	Long Term Performance Related Bonus (Bands of £5000)	Pension Related Benefits (Bands of £2,500)	Total (Bands of £5000)
S Mays Chairman	45-50					45-50
F Patton Non-Executive Director	10-15					10-15
P Baren Non-Executive Director	10-15					10-15
P Bee Non-Executive Director (left in September 2019)	10-15					10-15
M Cooke Non-Executive Director	10-15					10-15
M Smith Non-Executive Director	10-15					10-15
D Royles Non-Executive Director (Started in September 2019)						
D Crick Non-Executive Director (Left in 2018/19 Financial Year)	0-5					0-5

Executive Directors (subject to audit)

Name & Title	2019/20				
	Salary (Bands of £5000)	Taxable Benefits (Nearest £100)	Annual Performance Related Bonus (Bands of £5000)	Pension Related Benefits (Bands of £2,500)	Total (Bands of £5000)
M Moran Chief Executive	145-150	300	30-35	15-17.5	195-200
J Byrne Medical Director	150-155	5,500		47.5-50	205-210
S McGowan Director of Workforce & Organisational Development (from 18th June 2018)	100-105	5,700		7.5-10	115-120
L Parkinson Chief Operating Officer	105-110	9,800		0	115-120*
H Gledhill Director of Nursing, Allied Health & Social Care Professionals	110-115			45-47.5	155-160
P Beckwith Director of Finance	115-120	7,000		207.5-210	330-335
E Thomas Director of Human Resources & Diversity (Left 30th April 2018)					

Name & Title	2018/19				
	Salary (Bands of £5000)	Taxable Benefits (Nearest £100)	Annual Performance Related Bonus (Bands of £5000)	Pension Related Benefits (Bands of £2,500)	Total (Bands of £5000)
M Moran Chief Executive	145-150		30–35	7.5-10	180-185
J Byrne Medical Director	140-145	5,000		10-12.5	155-160
S McGowan Director of Workforce & Organisational Development (from 18th June 2018)	75-80	3,800		62.5-65	140-145
L Parkinson Chief Operating Officer	110-115	5,400		0	115–120
H Gledhill Director of Nursing, Allied Health & Social Care Professionals	100-105			10-12.5	110-115
P Beckwith Director of Finance	95-100	5,400		15-17.5	115-120
E Thomas Director of Human Resources & Diversity (Left 30th April 2018)	5-10				5-10

*The 2018/19 values for the Chief Operating Officer includes costs charged to the trust during a secondment period, the amount in total does not represent the actual salary received by the individual.

The Benefits in Kind represent the monetary value of the provision of cars. The 2019-20 pension related benefits have been adjusted for employee pension contributions. There were no long term performance related bonuses in either 2019/20 or 2018/19.

Reporting bodies are required to disclose relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce. The banded remuneration of the highest-paid director in Humber Teaching NHS Foundation Trust in the financial year 2019/20 was £175,000 – £180,000. This was 7.1 times the median remuneration of the workforce, which was £24,907, (in 2018/19 it was 7.3 times and the median salary was £24,214).

Only one employee earned an amount in excess of the highest paid Board member, with remuneration in the banding £185,000-190,000 (In 2018/19 there was no one exceeding the salary of the highest paid Board member)

The range of salary paid to employees was £15,839 - £187,714 (2018/19 £15,311 - £176,389)

Total remuneration includes salary, non-consolidated performance-related pay, benefits in kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

Table 2Pension Benefits Of Trust Board And Other Senior Managers\ (1st April 2019 – 31st March 2020) (Subject To Audit)

Executive Directors

Name & Title	Real increase in pension at age (bands of £2500) £000	Real increase in pension lump sum at pension age (bands of £2500) £000	Total Accrued pension at pension age at 31 March 2020 (bands of £5000) £000	Lump sum at pension age related to accrued pension at 31 March 2020 (bands of £5000) £000	Cash Equivalent Transfer Value at 1 April 2019 £000	Real Increase in Cash Equivalent Transfer Value £000	Cash Equivalent Transfer Value at 31 March 2020 £000
M Moran Chief Executive	0-2.5	5.0 – 7.5	65 – 70	200 – 205	1437	56	1549
J Byrne Medical Director	2.5-5	0- 2.5	15 – 20	15 – 20	207	29	263
S McGowan Director of Workforce & Organisational Development (from 18th June 2018)	0-2.5	0	5 – 10	0	53	1	69
L Parkinson Chief Operating Officer	0	0	50 – 55	160-165	1535	0	1152
H Gledhill Director of Nursing, Allied Health & Social Care Professionals	2.5-5	7.5 – 10	25 – 30	85 - 90	604	61	696
P Beckwith Director of Finance	10-12.5	0	60-65	0	659	143	835

Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the members' accrued benefits and any contingent spouse or civil partner's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves the scheme and chooses to transfer the benefits accrued in their former scheme.

The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures include the value of any pension benefits in another scheme or arrangement, which the individual has transferred to the NHS pension scheme and any additional benefits accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real increase in CETV reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period. The Current CPI applied to Pensions is 2.4%.

The pension benefits and CETV's do not take account of any potential future adjustments that may arise as a result of the Court of Appeals judgement in the McCloud legal challenge.

The CETV values shown for 31 March 2019 and at 31 March 2020 may have been calculated on different methodologies due to the introduction of GMP equalisation. Where this is the case there may be an impact on the value of the real increase in CETV.

Remuneration and Nomination Committee

The Remuneration and Nomination Committee is a sub-committee of the Board of Directors. This committee makes recommendations to the Board of Directors about appointments, remuneration and terms of service of the Chief Executive and the Executive Directors and gives consideration to succession planning for directors and reviews the structure, size and composition of the Board of Directors. The committee is chaired by the Trust Chair and membership includes all the Non-Executive Directors and, where appropriate, the Chief Executive.

The role of the committee is to keep under review the size, structure and composition of the Board of Directors and to make recommendations for any changes. It is responsible for the recruitment and selection process of the Chief Executive and Executive Directors and for determining salary, terms and conditions and appraisal arrangements. Any proposed suspension or termination of an Executive Director would also come under its remit, in conjunction with the Trust's disciplinary procedures. The committee also works with the Council of Governors Appointment, Terms and Conditions Committee in terms of the equivalent processes in relation to the Chair and Non-Executive Directors.

The Committee considers the approval of any new or replacement Board-level appointments, taking into account job descriptions/person specifications and proposed remuneration packages using NHS benchmarks and relevant Very Senior Managers guidance. Appointments are made using robust recruitment and selection processes which include stakeholder sessions and a formal panel interview. Appointments are then ratified by the committee.

The Director of Workforce and Organisational Development attends the committee but is not a voting member.

Policy on Board Remuneration

The Chair and Non-Executive Directors of the Trust are appointed by the Council of Governors and are remunerated in accordance with terms and conditions approved by the Council of Governors.

Four meetings of the Remuneration and Nomination committee were held during the period of this report and details of attendance are presented in the Board of Directors' attendance table on page 65. The terms of reference for the committee are available on the Trust's website or from the Trust Secretary.

Michele Moran
Chief Executive

Signed:  **Date: 24 June 2020**

Staff Report

Staff Costs

					2019/20		2018/19
	Permanent		**Other**		**Total**		**Total**
	£000		**£000**		**£000**		**£000**
Salaries and wages	79,726		6,414		**86,140**		78,849
Social security costs	7,778		-		**7,778**		7,347
Apprenticeship levy	393		-		**393**		367
Employer's contributions to NHS pension scheme	14,351		-		**14,351**		9,550
Pension cost - other	262		-		**262**		238
Other post-employment benefits	-		-		**-**		-
Other employment benefits	-		-		**-**		-
Termination benefits	-		-		**-**		-
Temporary staff	-		4,145		**4,145**		2,190
Total gross staff costs	**102,510**		**10,559**		**113,069**		**98,541**
Recoveries in respect of seconded staff	**-**		**-**		**-**		**-**
Total staff costs	**102,510**		**10,559**		**113,069**		**98,541**
Of Which							
Costs capitalised as part of assets*	-		-		-		451

*For 2019/20 all staff costs where charged to revenue with recharges were made to the capital programme based on the proportion of time staff spent supporting capital projects.

Average number of employees (WTE basis) (subject to audit)

					2019/20		2018/19
	Permanent		**Other**		**Total**		**Total**
	Number		**Number**		**Number**		**Number**
Medical and dental	60		15		**75**		50
Ambulance staff	-		-		**-**		-
Administration and estates	701		16		**717**		488
Healthcare assistants and other support staff	214		8		**222**		619
Nursing, midwifery and health visiting staff	1,136		164		**1,300**		881
Nursing, midwifery and health visiting learners	-		-		**-**		1
Scientific, therapeutic and technical staff	166		7		**173**		248
Healthcare science staff	-		-		**-**		-
Social care staff	78		-		**78**		82
Other	**-**		**-**		**-**		**-**
Total average numbers	**2,355**		**210**		**2,565**		**2,369**
Of Which							
Number of employees (WTE) engaged on capital projects	-		-		-		3

Breakdown of Staff	Male	Female
Directors	3	3
Senior managers	117	70
Employees	495	2175

Information on the remuneration of the directors and on the expenses of the governors and the directors

	2019/20			2018/19		
	Governors	**Directors**	**Total**	**Governors**	**Directors**	**Total**
The total number of [governors / directors] in office	25	14	39	25	13	38
The number of [governors / directors] receiving expenses in the reporting period and	12	12	24	12	12	24
The aggregate sum of expenses paid to [governors / directors] in the reporting period.	£1,773	£15,728	£17,501	£2,196	£17,991	£20,187

Staff Sickness Absence

The DHSC are not providing staff sickness absence figures in the Cabinet Office format for this calendar year. However, we have provided a summary of financial year data for 1 April 2019 to 31 March 2020 and 2018/19 in our report this year along with the previous year's DHSC information.

	2019/20 (1/4/19-31/3/20)	**2018/19 (1/4/18-31/3/19)**	**2018/19** *DHSC information from 2018/19 report Calculated on a calendar year basis
Total FTE Days Lost	45,250.15	43,486.46	26,077
Total FTE Days Available (Years)	2,389.73	2,303.74	2,265
Average Sick Days per FTE	18.94	18.88	12
DHSC Staff Sickness Absence figures rates calculated on a calendar year basis for 2018/19			
Trust Staff Sickness Absence figures provided for financial years 1April-31March 2019-20 and 2018-19			

Further information may be available via this link throughout the year:
https://digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates/october-2019-to-december-2019-provisional-statistics

Workforce

Social Community and Human Rights

The principles of the NHS Constitution recognise that the NHS is dependent upon its staff and that only when staff feel valued and supported that patients receive excellent care.

Research clearly demonstrates a relationship between staff engagement, patients and organisational outcome measures, such as staff absenteeism and turnover, patient satisfaction and mortality. The more engaged staff members are, the better the outcomes for patients.

Our Values of Caring, Learning and Growing help to ensure delivery of these principles and focus on staff behaviours and expectations and this is supported by the introduction of a Behaviour Standards Framework for all staff.

The framework sets out behavioural expectations that our staff and patients feel are important to them. These behaviours are not those you would necessarily find in a job description but more about the way we approach our work.

These include:

- Putting patients at the centre of what staff do
- Listening
- Considering impact on others
- Learning from mistakes and successes
- Recognising diversity and celebrate this
- Taking ownership of decisions and choices
- Seeking clarity when needed
- Be understanding of other's views and ideas
- Be friendly and welcoming
- Apologising when a mistake is made
- Sharing intentions with other

Proud
Investing in you, valuing you

As a Trust we have invested in the **PROUD** programme 'investing in you, valuing you' our programme of organisational development with staff at the heart of it. We have:

Refresh of Senior Leadership Forum	Executive Team Development	OD Specific Support to Teams
Equality and Diversity Working Group	Appraisals Process and Support	Behavioural Standards
Manager's Forum	Leadership Development Programme	Staff Health and Wellbeing

Staff Policies and actions applied during the Financial Year

Policies applied during the financial year for giving full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities

The Trust's Recruitment & Selection policy gives full and fair consideration to applications for employment received from disabled persons, having regard to their particular aptitudes and abilities and recognising the Disability Confident Employer accreditation and NHS Employment Standards. Along with a policy for Recruitment and Selection, the Trust provides training and guidance to recruiting managers. There are future plans to enhance recruitment and selection for the Trust with the introduction of TRAC Recruitment System to support managers and the candidate experience and to support a reduction in the time to recruit.

Policies applied during the financial year for training, career development and promotion of disabled employees.

The Trust has an Equality, Diversity & Inclusion policy with a requirement for all Managers and employees to adhere to and as part of the mandatory training package all staff are required to undertake training on equality and diversity.

All policies that affect staff are subject to an Equality Impact Assessment and trade unions are involved in the development of both new and revised policies through the Trust Consultation & Negotiating Committee.

The Trust has a refreshed Appraisal Policy which sets out clear expectations to support Talent Management and succession planning for the Trust.

Policies applied during the financial year for continuing the employment of, and for arranging appropriate training for, employees who have become disabled persons during the period.

The Trust has a Sickness Absence Policy and Toolkits and this reinforces support available to staff. To support staff to remain at work the policy enables managers to engage with staff with long term conditions, giving consideration to reasonable adjustments and redeployment where required. The Trust has a SEQOHS accredited in-house Occupational Health Service providing support and advice to employees and Managers and there are policies in place to support the services. These include Occupational Health Nurse specialists, a back care specialist as well as access to counselling provision. There are further developments underway to support staff to remain in work including the provision of MSK physiotherapist services and intensive counselling support.

The Trust has a Flexible Working Policy and Special Leave Policy to support employees in continuing in employment and managing work life balance.

Actions taken in the financial year to provide employees systematically with information on matters of concern to them as employees.

The Trust communicates with staff on a regular basis through email bulletins which include weekly EMT News Headlines, Midweek Global and Midday Mail and Humber Proud staff newsletter. There is also a monthly 'Board Talk' newsletter and regular face-to-face meetings with staff. The Trust also publishes a Blue Light Alerts and Practice Notices to raise awareness on clinical matters.

Monthly trade union meetings take place through the Trust Consultation and Negotiation Committee (TCNC).

Management and clinical supervision is encouraged and there are policies in place to support the sharing of information with staff on a 1:1 basis.

The Trust has a 'Freedom to Speak up Guardian'. Their roles and the procedures for raising concerns are promoted across the Trust.

"As a Trust we have invested in the PROUD programme 'investing in you, valuing you' our programme of organisational development with staff at the heart of it."

Actions taken in the financial year to consult employees or their representatives on a regular basis so that the views of employees can be taken into account in making decisions which are likely to affect their interests.

The following details the approach taken to ensuring consultation and information sharing takes place with staff and/or the representatives:

- Participation in the quarterly Staff Friends and Family Survey and the production of local surveys to establish the views of employees and formulates action plans based upon the findings from the National Survey.
- Learning the lessons events that take place for staff to attend to update their knowledge.
- Opportunities to meet with the Chief Executive with regular 'meet Michele' sessions with staff across the Trust in a number of geographical locations. This is an opportunity for staff to raise questions with the Chief Executive in a forum style approach.
- A Senior Leadership Forum and a newly developed Leadership Forum and together these support mangers with updates and information in relation to developments in the Trust.
- Staff Governors on the Council of Governors who meet with the Chair every 6 weeks and have the opportunity to discuss staff engagement and health and wellbeing. Staff governors also meet with a number of executive directors and are involved in organisational development work.

Actions taken in the financial year to encourage the involvement of employees in the NHS Foundation Trust's performance.

There are:

- Bi-monthly Trade Union meetings to share information on Trust's performance
- Bi-monthly Senior Leadership and Leadership Forums where information on Trust performance is shared.
- Staff Engagement & Health & Wellbeing Group made up of staff representatives across the Trust to inform and identify opportunities to support the health and wellbeing of staff to aid improvement in performance.
- Equality, Diversity and Inclusion Group to share development and performance on equality and diversity such as the Workforce Race Equality Scheme and the Workforce Disability Equality Scheme as well as results from the national staff survey.

There is also an established Workforce and Organisational Development Committee which is a sub-committee of the Trust Board providing strategic overview and assurance to the Trust Board and there is an effective system of governance and internal control across workforce and organisational development that supports the Trust to deliver its strategic objectives and provide high quality care to patients.

As part of the recruitment process for staff within the Trust all staff are encouraged to be active members of the Trust and an Annual Members Meeting is held for all members of the Trust to attend.

Information on the findings and feedback of the Staff Friends and Family Survey and the National Survey is shared with staff.

Information relating to the Trust's performance and Board information is shared with staff on the Trust's intranet site and through various communications.

Actions taken in the financial year to encourage health and wellbeing for employees.

The Trust has an internal Occupational Health Service providing accessible support and advice on wellbeing matters for all trust staff. The Service provides opportunities for staff to attend appointments across key geographical areas. Employees have the opportunity to make a direct self-referral to the Service for further support and signposting.

Through the Trust's Staff Engagement and Health and Wellbeing Group a plan developed with the aim of supporting staff engagement, health and wellbeing and this is linked with the outcomes of the National Staff Surveys

- The Trust has a well-established Leadership Forum and this has been refreshed to make sessions more interactive and focused on key priorities and challenges.

- The Trust is in its second year of a Reward Scheme designed to give staff an additional day of annual leave (pro rata) if they undertake all of their statutory and mandatory training, completion of their appraisal and have received their flu vaccination if they are working within a clinical area.

- The Trust has a well-developed Staff Employee of the Month scheme and Annual Staff Awards event in addition to quarterly awards for long service and retirement.

Actions taken to provide information on policies and procedures with respect to counter fraud and corruption

The Trust's counter fraud activity plays a key part in deterring risks to the organisation's financial viability and probity. An annual counter fraud plan is agreed by the audit committee which focuses on the deterrence, prevention, detection and investigation of fraud. Staff are actively encouraged actively promote the mechanism for staff to report any concerns about potential fraud, bribery or corruption. All concerns of fraud, bribery and corruption are investigated by the counter fraud team and the outcome of all investigations are reported to the audit committee.

- The Counter Fraud Plan was reviewed and approved by the audit committee and the local counter fraud specialist (LCFS) presented regular reports throughout the year detailing progress towards achievement of the plan, as well as summaries of investigations undertaken.
- Local anti-fraud and corruption policy reviewed and refreshed during the year and relaunched to staff for information and to encourage reporting.
- Presentations have been given to staff groups to raise awareness and a suite of fraud awareness videos and other material distributed to all staff via global email.
- The trust intranet and website have been updated throughout the year with fraud awareness information, posters and newsletters.
- Counter fraud alerts have been distributed to relevant staff for information and action.

Occupational Health

There is an Occupational Health service which and provides a service internally and externally to other organisations.

The service offers confidential and independent support on pre-employment health screening, health referrals, vaccinations, back care support and counselling.

The Occupational Health Service drives forward the national flu campaign for the Trust and in 2019/20 was successful in improving the take up of the flu vaccines to 78.3% of Trust's front line Health Care Workers had opted to have the flu vaccination by the end of the campaign compared to 71.6% in 2018/19 and 61.2%% in 2017/18.

Health and Safety

The Trust's Health and Safety department supports the Health and Wellbeing agenda with regular stress audits across the Trust.

"The Occupational Health Service drives forward the national flu campaign for the Trust and in 2019/20 was successful in improving the take up of the flu vaccines to 78.3% of Trust's front line health care workers."

Staff Survey

The NHS Staff Survey is predominantly aimed at NHS organisations, to inform local improvements in staff experience and well-being. Nationally, the NHS Staff Survey results provide an important measure of performance against the pledges set out in the NHS Constitution. The Constitution outlines the principles and values of the NHS in England, setting out a number of pledges that define what staff should expect from NHS employers.

The Trust's Workforce and Organisational Development Strategy, along with the Communication Strategy, supports continued improvement to staff engagement, which is measured in the national annual Staff Survey and the Staff Friends and Family Test (FFT).

The Strategy is underpinned by a plan of work that supports development in the following areas:

Summary of Performance of the Trust NHS Staff Survey

Statement of approach to Staff engagement

In alignment with of the Trust's six Strategic Goals there has been the introduction of a Workforce and OD Committee which is a sub-committee of the Trust Board. The Committee has the overall purpose to provide strategic overview assurance to the Trust Board that there is an effective system of governance and internal control across workforce and organisational development.

The Trust has taken the following actions to support staff engagement particularly as part of the staff survey response with clear visual communications of the staff survey outcomes to enable staff across the Trust to respond to the outcomes in their care divisions and corporate areas by encouraging discussion and focus groups that will see changes that are owned and embedded.

These include:

- Clear communications to staff on the outcomes of the staff survey through information including emails and other methods of sharing information with staff such as briefings and the staff newsletter. This approach which will enable areas to own their results by encouraging discussion and focus groups that will see changes owned and embedded
- Clear communications and engagement with staff on the proposed actions following the response to the staff survey
- Provision of information to staff representatives through our Trade Union Consultation and Negotiation Committee
- Provision of information to our Senior Leadership Forum and Leadership Forums
- Detailed information and support provided to the Care Divisions and Corporate areas including the 10 engagement scores for their directorate areas
- Provision of information engagement with the Health, Wellbeing and Engagement Group and aligning with the plan of work for the group
- Provision of information to the Equality, Diversity and Inclusion Group and aligning with a plan of work for the group.

The NHS staff survey is conducted annually. From 2018 onwards the results from questions have been grouped to give scores in ten indicators. The indicator scores are based on a score of 10 for certain questions with the indicator score being the average of those.

"

The Trust continues to work with senior leaders, its employees, trade unions, governors and feedback from our patients to make improvements on our future survey outcomes.

The 2019 National Staff Survey was conducted between October and November 2019. The response rate to the 2019 survey among Trust staff was 40% (2018 45%). Scores for each indicator together with that of the survey benchmarking group (Combined Mental Health, Learning Disability and Community Trusts) are presented below:

	2019/20		2018/19		2017/18	
	Trust	**Benchmarking Group**	**Trust**	**Benchmarking Group**	**Trust**	**Benchmarking Group**
Equality, Diversity and inclusion	9.2	9.1	9.3	9.2	9.2	9.2
Health and Wellbeing	5.9	6.1	5.8	6.1	6.0	6.1
Immediate Managers	6.9	7.2	7.0	7.2	6.5	7.1
Morale	6.1	6.3	6.0	6.2	n/a	n/a
Quality of Appraisals	5.0	5.7	4.8	5.5	4.5	5.4
Quality of Care	7.2	7.4	7.2	7.4	6.9	7.4
Safe Environment – Bullying and Harassment	8.2	8.2	8.1	8.2	7.9	8.3
Safe Environment – violence	9.5	9.5	9.4	9.5	9.3	9.5
Safety Culture	6.6	6.8	6.5	6.8	6.1	6.7
Staff Engagement	6.7	7.1	6.7	7.0	6.4	7.0
Team Working	6.7	6.9	6.6	6.9	6.3	6.9

Future Priorities

The Leadership team is committed to ensuring there are improvements against the priority areas and to monitor this there will be regular updates from senior managers and professional leads and the priorities will be aligned to individual appraisal objectives to support improvement.

The approach to this will be through a number of forums including the Senior Leadership Forum, Leadership Forum, Health, Wellbeing and Engagement Group, Equality, Diversity and Inclusion Group, Trade Union Consultation and Negotiation Committee and the Workforce and OD Committee as well as information provided to operational areas and staff groups.

The Trust launched a revised Appraisal Policy in 2019, supported by development sessions on delivering quality appraisals and the Trust's PROUD Programme will support the improvements to the appraisal process.

The Trust continues to work with senior leaders, its employees, trade unions, governors and feedback from our patients to make improvements on our future survey outcomes.

Learning and Development

The Trust has a Learning and Development Service, providing opportunities for training and development for all our staff. There is access to a wide range of mandatory and statutory training through both face to face and e-learning packages.

Within the service there is a Clinical Skills Team, who continues to work across the Trust delivering and developing clinical skills training to support the diverse range of services.

Learning programmes are designed by subject specialists and developed in line with clear aims, objectives and suitable audience information. This allows additional learning needs to be identified. Programmes are developed to include: NICE guidelines; Professional standards (NMC, HCPC, GMC); and National standards from HEE. Other specialist courses are developed in line with requirements from regularity bodies as well as legislative requirements. Reviews of Datix reports and SUI's investigations are carried out involving Learning & Development which helps to inform updates to training.

Training is delivered to accommodate a range of learning styles and previous learning experience; trainers are happy to flex programmes where required so that those who require additional support are not left behind the group and those who are more experienced or able to progress more quickly are stretched to meet their capabilities. Many training courses are dual facilitated which allows for this approach.

Trainers work with teams and service managers to allow regular communication regarding staff learning need. All Trust staff receive an annual Appraisal which includes identification of training needs. In addition teams are requested to compile an annual training plan which considers the specific needs of the team, the staff and particular client group. The plan is submitted to the Learning Centre to help plan course development.

Gender Pay Gap Report

Equal pay deals with the pay differences between male and females who carry out the same jobs, similar jobs or work of equal value. It is unlawful to pay people unequally because of their gender. Humber Teaching NHS Foundation Trust supports the fair treatment and reward of all staff irrespective of gender or any other protected characteristic. In producing this report we recognise that we have more to do to reduce the gender pay gap and we remain committed to a workplace that respects and harnesses equality and diversity. We will work to improve the gender pay gap by undertaking the actions set out at the end of this report.

Information on the Trusts 2019 Gender Pay Gap report can be found on the Trust website at https://www.humber.nhs.uk/Documents/Trust%20Gender%20Pay%20Gap%20Report%202019.pdf

Details of the Trusts Gender Pay Gap reporting to the Cabinet office can be found at https://gender-pay-gap.service.gov.uk/Employer/MR7rAEq0/2019

The Trust has a Learning and Development Service, providing opportunities for training and development for all our staff. There is access to a wide range of mandatory and statutory training through both face to face and e-learning packages.

Exit packages

During 2019/20 Humber Teaching NHS Foundation Trust undertook a Mutually Agreed Resignation Scheme (MARS). (NB initial payment offset by recurrent savings within the financial year)

	Number of compulsory redundancies Number	Number of other departures agreed Number	Total number of exit packages Number
Exit package cost band (including any special payment element)			
<£10,000	-	9	**9**
£10,000 - £25,000	-	4	**4**
£25,001 - 50,000	1	2	**3**
£50,001 - £100,000	-	-	**-**
£100,001 - £150,000	-	-	**-**
£150,001 - £200,000	1	-	**1**
>£200,000	-	-	**-**
Total number of exit packages by type	2	15	**17**
Total cost (£)	£227,000	£205,000	£432,000

Reporting of compensation schemes - exit packages 2018/19

	Number of compulsory redundancies Number	Number of other departures agreed Number	Total number of exit packages Number
Exit package cost band (including any special payment element)			
<£10,000	-	-	**-**
£10,000 - £25,000	-	-	**-**
£25,001 - 50,000	-	-	**-**
£50,001 - £100,000	-	-	**-**
£100,001 - £150,000	-	-	**-**
£150,001 - £200,000	-	-	**-**
>£200,000	-	-	**-**
Total number of exit packages by type	-	-	**-**
Total resource cost (£)	£0	£0	£0

Exit packages

During 2019/20 Humber Teaching NHS Foundation Trust undertook a Mutually Agreed Resignation Scheme (MARS). (NB initial payment offset by recurrent savings within the financial year)

	2019/20		2018/19	
	Payments agreed Number	Total value of agreements £000	Payments agreed Number	Total value of agreements £000
Voluntary redundancies including early retirement contractual costs	-	-	-	-
Mutually agreed resignations (MARS) contractual costs	15	205	-	-
Early retirements in the efficiency of the service contractual costs	-	-	-	-
Contractual payments in lieu of notice	-	-	-	-
Exit payments following Employment Tribunals or court orders	-	-	-	-
Non-contractual payments requiring HMT approval	-	-	-	-
Total	**15**	**205**	**-**	**-**
Of Which	-	-	-	-
Non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months' of their annual salary	-	-	-	-

Off-payroll arrangements

To ensure adherence to HM Treasury requirements in respect of tax and national insurance for public sector appointees, we have arrangements in place for the appropriate use of external contractors where engagements last for six months or more and the daily rate exceeds £245.

These arrangements apply when we contract with an individual through an intermediary company, and also where the contract is direct with an individual, and provides the appropriate assurances that the independent contractor is complying with their income tax and national insurance obligations. The Trust's current position is presented below:

For all off-payroll engagements as of 31 Mar 2020, for more than £245 per day and that last for longer than six months

	Number of engagements
Number of existing engagements as of 31 Mar 2020	11
Of which:	
Number that have existed for less than one year at the time of reporting	9
Number that have existed for between one and two years at the time of reporting	2
Number that have existed for between two and three years at the time of reporting	-
Number that have existed for between three and four years at the time of reporting	-
Number that have existed for four or more years at the time of reporting	-

For all new off-payroll engagements, or those that reached six months in duration, between 01 Apr 2019 and 31 Mar 2020, for more than £245 per day and that last for longer than six months

	Number of engagements
Number of new engagements, or those that reached six months in duration between 01 Apr 2019 and 31 Mar 2020	11
Of which:	
Number assessed as within the scope of IR35	-
Number assessed as not within the scope of IR35	11
Number engaged directly (via PSC contracted to trust) and are on the trusts payroll	-
Number of engagements reassessed for consistency/ assurance purposes during the year	-
Number of engagements that saw a change to IR35 status following the consistency review	-

For any off-payroll engagements of board members, and/or senior officials with significant financial responsibility, between 1 Apr 2019 and 31 Mar 2020

	Number of engagements
Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	-
Number of individuals that have been deemed "board members and/or senior officials with significant financial responsibility". This figure should include both off-payroll and on-payroll engagements.	6

Disclosures on trade union facility time is reported on the tables below

Table 1: Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
26 Trade Union Representatives	24.49 FTE

Table 2: Percentage of time spent on facility time

Percentage of time	Number of employees
0%	7
1-50%	19
51%-99%	0
100%	0

Table 3: Percentage of pay bill spent on facility time

First Column	Figures
Provide the total cost of facility time	£15,872
Provide the total pay bill	£108,942,000
Provide the percentage of the total pay bill spent on facility time, calculated as:	0
(total cost of facility time ÷ total pay bill) x 100	0.014%

Table 4: Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100 NB Staff side have not declared any trade union activities for this period	0%

Code of Governance

Humber Teaching NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a comply or explain basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code revised in 2018. Schedule A to the Code of Governance sets out the requirements in six categories and the Trust's response and declarations for each area are below. All statutory requirements as per category 1 of Schedule A of the Code of Governance have been complied with, if appropriate in the year.

The Board of Directors will reserve certain matters to itself and will delegate others to specific committees and Executive Directors. Details of this are set out in a document called Standing Orders, Scheme of Delegation and Standing Financial Instructions.

The document includes the roles and responsibilities of the Council of Governors. Copies of this document are available from the Trust Secretary or available on the Trust's website.

During the financial year 2019/20 the principles of the code were applied and requirements met. Schedule A of the Code of Governance sets out the requirements in six areas and the response and declaration from the Trust for each area is included in the table below.

As per section 1 of Schedule A of the Code of Governance, all statutory requirements have been complied with, if appropriate.

Schedule A, section 2 of the Code of Governance requires a declaration and supporting explanation for the provisions set out below and an explanation is included or a reference is made to the relevant section in the Annual Report.

Code of Governance Reference	Requirement
A.1.1	The schedule of matters reserved for the board of directors 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 each of the boards and which are delegated to the executive management of the board of directors. Comply – SFIs - Board of Directors – P91-95 & P104-108
A.1.2	The annual report should identify the chairperson, the deputy chairperson (where there is one), the chief executive, the senior independent director (see A.4.1) and the chairperson and members of the nominations, audit and remuneration committees. It should also set out the number of meetings of the board and those committees and individual attendance by directors. Comply – Board of Directors – p94 and P95 - 103
A.5.3	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. Comply – Council of Governors – p110
B.1.1	The board of directors should identify in the annual report each non-executive director it considers to be independent, with reasons where necessary. Comply - Board of Directors – p95-99
B.1.4	The board of directors should include in its annual report a description of each director's skills, expertise and experience. Alongside this, in the annual report, the board should make a clear statement about its own balance, completeness and appropriateness to the requirements of the NHS foundation trust. Comply - Board of Directors – p95
B.2.10	A separate section of the annual report should describe the work of the nominations committee(s), including the process it has used in relation to board appointments. Comply – Board of Directors – p62
B.3.1	A chairperson's other significant commitments should be disclosed to the council of governors before appointment and included in the annual report. Changes to such commitments should be reported to the council of governors as they arise and included in the next annual report. P104 Comply – register of interest is publicly available for the Chair and all those on the Board of Directors. It is presented at each meeting of the Board of Directors. P103
B.5.6	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. Comply – Council of Governors – p108-109
B.6.1	The board of directors should state in the annual report how performance evaluation of the board, its committees, and its directors, including the chairperson, has been conducted. Comply – Board of Directors – p91

Code of Governance Reference	Requirement
B.6.2	Where there has been external evaluation of the board and/or governance of the trust, the external facilitator should be identified in the annual report and a statement made as to whether they have any other connection to the trust. Comply as required – Board of Directors – None undertaken
C.1.1	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, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS foundation trust's performance, business model and strategy. Directors should also explain their approach to quality governance in the Annual Governance Statement (within the annual report). Comply – Board of Directors – p58 External Auditors responsibilities – p96 Annual Governance Statement – p118
C.2.1	The annual report should contain a statement that the board has conducted a review of the effectiveness of its system of internal controls. Comply – Annual Governance Statement –p118
C.2.2	A trust should disclose in the annual report: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes. Comply –Audit Committee –p127
C.3.5	If the council of governors does not accept the audit committee's recommendation on the appointment, reappointment or removal of an external auditor, the board of directors should include in the annual report a statement from the audit committee explaining the recommendation and should set out reasons why the council of governors has taken a different position. Comply - not applicable
C.3.9	A separate section of the annual report should describe the work of the audit committee in discharging its responsibilities. The report should include: • the significant issues that the committee considered in relation to financial statements, operations and compliance, and how these issues were addressed; • an explanation of how it has assessed the effectiveness of the external audit process and the approach taken to the appointment or re-appointment of the external auditor, the value of external audit services and information on the length of tenure of the current audit firm and when a tender was last conducted; and • if the external auditor provides non-audit services, the value of the non-audit services provided and an explanation of how auditor objectivity and independence are safeguarded. Comply –Audit Committee – p127
D.1.3	Where an NHS foundation trust releases an executive director, for example to serve as a non-executive director elsewhere, the remuneration disclosures of the annual report should include a statement of whether or not the director will retain such earnings. Comply –not applicable

Code of Governance Reference	Requirement
E.1.5	The board of directors should state in the annual report the steps they have taken to ensure that the members of the board, and in particular the non-executive directors, develop an understanding of the views of governors and members about the NHS foundation trust, for example through attendance at meetings of the council of governors, direct face-to-face contact, surveys of members' opinions and consultations. Comply – Board of Directors – p105
E.1.6	The board of directors should monitor how representative the NHS foundation trust's membership is and the level and effectiveness of member engagement and report on this in the annual report. Comply- foundation trust membership – p111

The information listed in Schedule A, section three is publicly available via the Annual Report, the Trust's website or the Trust Secretary.

To comply with section four, re-appointment of the Non-Executive Directors, the Chair will confirm to governors that following formal performance evaluation, the performance of the individual proposed for re-appointment continues to be effective and demonstrates commitment to the role. This action was required during the year when Peter Baren Non-Executive Director was reappointed to the Board of Directors.

In respect of section five, the names of governors submitted for election or re-election are accompanied by sufficient biographical details and any other relevant information to enable members to take an informed decision on their election. This includes prior performance information. This requirement is met through the individual's election statement.

The Trust complies with all provisions of section six.

External Reviews
A full inspection review of the Trust was undertaken by the CQC as reported earlier. No costs were attached to this review.

Board of Directors Sub-Committees

The Board of Directors has seven sub-committees. Assurance reports from each committee are presented to the Board. During the year it was clarified that the Chief Executive had a standing invitation to attend any committee but would not be a member of all of the Sub Committees.

Remuneration and Nomination Committee - details can be found on page 69 of this report.

Audit Committee

The Audit Committee provides a means of independent and objective review and seeks assurance about the adequate and effective operation of the Trust's internal control systems.

The committee comprises three Non-Executives Directors and is chaired by Non-Executive Director Peter Baren. The Chief Executive has a standing invitation to attend. In accordance with NHS Improvement guidance, Mr Baren has relevant and recent financial experience. The committee met five times last year and included attendance from the Director of Finance, the external and internal auditors and the Local Counter Fraud Specialist.

The committee reviewed the Annual Report and Accounts, including the opinion of our External Auditors prior to their submission to Trust Board. The committee approved the annual audit and counter-fraud plans and reviewed all internal and external audit reports.

The chair of the committee reports on its proceedings to the Board of Directors as soon as practicable after the meeting, raising any significant issues of concern.

The Audit Committee approved the Annual Audit Plan which includes significant risks to be tested.

Charitable Funds Committee

The Charitable Funds Committee oversees the administration of the charitable funds on behalf of the Trust (charity number 1052727). The committee meets bi-monthly and provides advice to the Board of Directors. The committee is chaired by Mike Cooke, Non-Executive Director following the resignation of Paula Bee during the year.

The committee comprises another Non-Executive Director, the Director of Finance, acting as financial trustee, the Charitable Funds Manager and the Financial Services Manager. The method of appointment of trustees is governed by the Trust's standing orders, with the Charitable Funds Committee structure established within its terms of reference.

Attendance of directors at the committee meetings is presented in the Board of Directors' attendance table.

Finance and Investment Committee

The Finance and Investment Committee provides strategic overview and provide assurance to the Trust Board that there is an effective system of governance and internal control across all financial areas and any potential investment decisions. The primary role of the Committee is to monitor, review and support the Finance Directorate of the Trust, making recommendations to the Board as appropriate and taking actions as required.

The Committee is chaired by Francis Patton, Non-Executive Director. Other core members of the Committee are another Non-Executive Director, Chief Operating Officer, Director of Finance, the Deputy Director of Finance/Financial Controller and a Clinical Director.

Attendance of directors at the Finance and Investment Committee meetings is presented in the Board of Directors' attendance table.

During the year a decision was taken to change the frequency of meetings to bi-monthly in line with other sub committees and this came into effect after the December 2019 meeting.

Mental Health Legislation Committee

The Mental Health Legislation Committee is established as a sub-committee of the Board of Directors accountable to the Board of Directors. The principal aims of the committee are to:

- provide strategic leadership pertaining to the Mental Health Act, the Mental Capacity Act and their respective codes of practice and other related mental health legislation;
- monitor, provide challenge and seek assurance of compliance with external standards relating to mental health legislation;
- approve and review mental health legislation policies and protocols.

The Committee is chaired by Mike Smith, Non-Executive Director and comprises of another Non-Executive Director (who are also designated Associate Hospital Managers), Medical Director, Chief Operating Officer, Deputy Director of Nursing and Quality, Mental Health Act Clinical Manager, Mental Health Legislation Manager, one Consultant Psychiatrist who has recognised particular experience in Mental Health and related legislation, a Local Authority representation

Attendance of directors at the Mental Health Legislation Committee meetings is presented in the Board of Directors' attendance table.

Quality Committee

The Quality Committee provides assurance to the Board of Directors that appropriate processes are in place to give confidence that quality, patient safety performance and associated risks are monitored effectively and that appropriate actions are taken to address any deviation from accepted standards and to manage identified risks. It also reviews performance in relation to information governance and research and development requirements are monitored effectively with appropriate actions being taken to address any performance issues and risks.

The Committee also provides the strategic overview of and assurance against clinical and quality governance, clinical risk and patient and carer experience and engagement issues in the Trust as well as:

- providing a strategic overview of Clinical Governance, Risk and Patient Experience to the Board of Directors.
- providing oversight and assurance to the Board of Directors in relation to all activities relating to Quality, Patient Safety and Patient Experience on behalf of the Board.
- providing an assurance to the Trust Board that risks and governance issues of all types are identified, monitored and controlled to an acceptable level.

For assurance, reports were received from the Quality and Patient Safety Group (QPaS) demonstrating the work that is being done to improve patient care, patient safety and patient experience.

The Committee is chaired by a Non-Executive Director, Mike Cooke, and has a core membership of two other Non-Executive Directors, Director of Nursing, Allied Health and Social Care Professionals, Management support to the Committee, the Medical Director and Chief Operating Officer.

Attendance of directors at Quality Committee meetings is presented in the Board of Directors' attendance table.

Workforce and Organisational Development Committee

This committee provides strategic overview and provides assurance to the Trust Board that there is an effective system of governance and internal control across workforce and organisational development that supports the Trust to deliver its strategic objectives and provide high quality care.

It also provides assurance to the Trust Board in relation to the health and wellbeing of staff and assurance on the delivery of the relevant strategic objective assigned to the Workforce and Organisational Development Committee - Goal 4 – Developing an effective and empowered workforce.

The chair of the committee until March 2020 was Francis Patton, Non-Executive Director when Non-Executive Director Dean Royles took over as Chair.

The committee has a core membership of another Non-Executive Director, Director of Workforce & Organisational Development, Chief Operating Officer, Medical Director, Deputy Director of Nursing.
Attendance of directors at the Workforce and Organisational Development Committee meeting is presented in the Board of Directors' attendance table.

Board of Directors, Sub-Committee and Council of Governors Meeting Attendance

There were a number of Board of Directors and sub-committee meetings held during the period of this report. The table below shows the attendance by members of the Board of Directors. Some members of the Board of Directors are not members of some of the committees but will attend by request if there is a specific item to be discussed.

On some occasions, Non-Executive Directors have attended a committee meeting that they do not normally attend and these are indicated on the table below*. The Chair attends each committee during the year to observe.

The Chief Executive has a standing invitation to attend all sub committees and there is a requirement to attend one Audit Committee per year.

In addition to our Board and Committee meetings we have an active and regular Board Development Programme with high participation from all members.

Name & Position	Board	Remuneration and Nomination Committee	Mental Health Legislation Committee	Charitable Funds Committee	Audit Committee	Quality Committee	Finance and Investment Committee	Workforce & Organisational Development Committee	Council of Governors*
Sharon Mays Chair	10/10	5/5	1*	1*	1*	1*	5*	1*	4/4
Michele Moran Chief Executive	10/10	2*	n/a	3*	4*	1*	8*	3*	4/4
Peter Baren Non-Executive Director (Senior Independent Director)	10/10	5/5	2/2	4/4	5/5	1*	10/10	3*	4/4
Paula Bee Non-Executive Director (up to 31 Aug 2019)	4/5	2/2	2/2	2/2	n/a	2/3	n/a	n/a	1/2
Mike Cooke Non-Executive Director	10/10	4/5	n/a	2/2	1*	6/6	n/a	5/5	3/4
Mike Smith Non-Executive Director	10/10	5/5	4/4	1*	2/5	5/6	n/a	n/a	4/4
Francis Patton Non-Executive Director	10/10	4/5	n/a	n/a	5/5	n/a	10/10	5/5	3/4
Dean Royles Non-Executive Director (from September 2019)	7/7	2/3	2/2	n/a	n/a	2/2	n/a	1/3	1/2
Peter Beckwith Director of Finance	10/10	n/a	n/a	4/4	5/5	n/a	10/10	n/a	4/4*
John Byrne Medical Director	9/10	n/a	4/4	n/a	n/a	5/6	3*	4/5	1/4*
Hilary Gledhill Director of Nursing, Allied Health and Social Care Professionals	9/10	n/a	n/a	n/a	n/a	6/6	n/a	n/a	1/4*
Steve McGowan, Director of Workforce & Organisational Development	10/10	1	n/a	n/a	1*	n/a	n/a	5/5	2/4*
Lynn Parkinson Chief Operating Officer	10/10	n/a	3/4	n/a	1*	4/6	8/10	4/5	3/4*

*denotes optional attendance at committee

Internal Audit

In public sector organisations internal audit work is regulated by the Public Sector Internal Audit Standards, which became effective on 1 April 2013 and govern the way in which all internal audit services operating within the public sector (including the NHS) should undertake their functions with regard to assurance audits and consultancy activity. The standards also support the professional practice of internal audit across the NHS.

AuditOne provides the internal audit service for the Trust. The Director of AuditOne takes a strategic role for overseeing the effective delivery of the audit service at the Trust and the operational element of the service is undertaken by a team led by an audit manager who maintains regular contact with Trust staff. Executive responsibility for the internal audit function lies with the Director of Finance.

The role of internal audit, as defined by the Institute of Internal Auditors, is to provide an independent assurance function that the Trust's risk management, governance and internal control processes are operating effectively. Internal audit oversight forms part of the core remit of the Audit Committee within the Trust – the committee's terms of reference require it to regularly review the effectiveness of internal audit and to oversee the overall delivery of the internal audit service to the Trust.

Audit work is planned in advance as part of a strategic approach which ensures that fundamentally important and high-risk areas are audited more frequently and less critical (but nonetheless significant) systems are reviewed cyclically (perhaps only once every three years).

Attendance of directors at all committee meetings is presented in the Board of Directors' attendance table. The Terms of Reference of the Audit Committee are published on the Trust website.

External Audit

For 2019/20, the Trust's external auditor was Mazars. No non-audit work was undertaken by Mazars in year.

Mazars have undertaken appropriate tests on the Trust's accounts to ensure they have been completed in accordance with the appropriate accounting and reporting standards.

Mazars have undertaken appropriate tests on the Trust's accounts to ensure they have been completed in accordance with the appropriate accounting and reporting standards.

Board of Directors: Expertise and Experience

Sharon Mays, Chair (term of office expires 15 September 2021)

Prior to taking up the position of Chair, Sharon served as a governor, Non-Executive Director, Deputy Chair and Senior Independent Director of the Trust. She joined the Board of the Trust in July 2011 and was appointed as Chair of the Trust with effect from September 2014.
Before joining the Board of the Trust, Sharon was a non-executive director of East Riding of Yorkshire Primary Care Trust. Sharon was a member of the Joint Independent Audit Committee of the Police and Crime Commissioner for Humberside and Humberside Police force. She was also the Principal Independent Person for standards investigations undertaken by the East Riding of Yorkshire Council in connection with alleged breaches of the Council's Code of Conduct.

Sharon is a qualified lawyer and prior to her involvement with the NHS was a partner at a locally based commercial law firm where she specialised in property regeneration and other commercial property transactions.

Peter Baren, Non-Executive Director (term of office expires 31 January 2022)

A chartered accountant with a degree in Business Finance, Peter has many years' experience working in organisational finance at the most senior level.

Peter has held group finance controller positions in engineering and manufacturing companies for almost 30 years, with his most recent post being Group Finance Director of Cheshire-based national housebuilder and commercial property developer the Emerson Group from 2001 to 2012.

He serves as a Non-Executive Director with social landlord Beyond Housing Limited and has been a member of the Finance and Capital Development Committee at York St John University.

Paula Bee, Non-Executive Director (left 31 August 2019)

Having originally trained as a physiotherapist, Paula has been involved in the wellbeing of older people throughout her career, which went on to encompass various community roles both in a voluntary and professional capacity. Throughout this time, she developed a passion for enabling people to fulfil their potential. As Chief Executive of Age UK Wakefield District and Vice -Chair of the Age England Association, Paula has been fortunate to be at the forefront of local and national changes that have the potential to alter the experience of ageing for us all.

Paula is also currently active in the development of locally led Voluntary Sector responses within the Health and Social Care economy, working with Commissioner and Provider Boards to effect change.

Mike Cooke, Non-Executive Director (term of office expires 31 August 2022)

Mike Cooke joined Humber Teaching NHS Foundation Trust on 1 September 2016 and is delighted to bring his NHS and wider leadership experience and to help in any way he can to benefit patients, service users and staff. He Chairs the Trust Quality Committee, Charitable Funds Committee and is the Non-executive Director lead for safety and mortality and Board Champion for Research, and has joined the Workforce and Organisational Development Committee.

Mike had a 32-year career in NHS provider leadership roles - half of this time spent as Chief Executive, most recently at Nottinghamshire Healthcare.

Mike was founder and first Chair of the Mental Health Foundation Trust Network and helped set up and then chaired the East Midlands Leadership Academy. He has a long-held interest in health services research and was Special Professor in Healthcare Innovation and Leadership at the University of Nottingham, chaired several research collaborations and networks in the East Midlands and served two terms on The National Advisory Board of the National Institute of Health Research. He was heavily involved in the success of The Institute of Mental Health and is affiliated with the University of York since his move to the East Riding. Mike is a long-term service user and was lead chief executive for ImROC, an important recovery movement across sectors in mental health. He was in 2010 awarded a Commander of The Order of the British Empire for services to mental health.

Mike is Chair of Yorkshire Wildlife Trust, chairs several Advisory Groups to key Applied Research Programmes, works with The University of York, Executive mentor and coach and lives in Storwood on Pocklington Canal.

Mike Smith, Non-Executive Director (term of office expires 30 September 2021)

Mike was appointed in October 2016 having previously served as a Non-Executive Director for Rotherham Doncaster and South Humber Teaching NHS Foundation Trust. He is also a Non-Executive Director at The Rotherham NHS Foundation Trust

He has an honours degree in law, a Master's in business administration and in 2016 received his third degree - a Master's in mental health law for which he was given a commendation.

Mike has extensive experience in the public and private sectors, has been the president of his local chamber of commerce, serves as a director of the Magna Science Adventure Centre and as an enterprise adviser to a special school in Rotherham where he lives. He is an Associate Hospital Manager for another NHS Foundation Trust and for a private hospital. When not working in the NHS, Mike enjoys travel and horse riding.

Francis Patton, Non-Executive Director (term of office expires 31 December 2021)

Francis has worked in the hospitality sector for over 30 years. He started as a graduate trainee with Joshua Tetley, part of Allied Breweries, in 1985 and worked his way up through the various incarnations of the company as an area manager, general manager and finally commercial director for Vanguard Pubs and Restaurants, part of Allied Domecq Inns. In 1999 the pub business of Allied Domecq was bought by Punch Taverns and Francis became the Commercial Director of Punch Taverns as a Board member. He held that role until 2004 when the role was split into Commercial Director and Customer Services Director (both Board roles) and Francis took the Customer Services role.

Francis retired from Punch at the end of 2007 but moved into a series of non-executive roles as well as starting his own PR business with some colleagues and becoming a part-time lecturer at Leeds Beckett University. At present Francis teaches part-time at Leeds Beckett University, is Non-Executive Chair of the commercial arm of SIBA, is Chair of Cask Marque, an accreditation company for quality beer, is a trade advisor for the BII, is Vice Chair and SID for Barnsley Hospital NHSFT, is Chair of Barnsley Facility Services, a wholly-owned subsidiary company of Barnsley Hospital FT, and is part-owner in and director of Fleet Street Communications, one of the top PR agencies in the hospitality and leisure sector.

Francis has extensive experience in corporate strategy, finance, customer services, public relations and corporate lobbying.

Dean Royles, Non-Executive Director (term of office expires 31 August 2022)

Dean Royles has been a highly regarded, leading figure in Human Resources (HR) within the NHS for nearly two decades. He now works independently and provides strategic advice and leadership development to organisations and boards. He is President of the HPMA. Former Chief Executive of NHS Employers, Dean joined Leeds Teaching Hospitals in 2014 as Executive Director of HR and OD. Other notable positions have included Director of Workforce and Education at NHS North West and Deputy Director of Workforce for the NHS in England at the Department of Health. He started his career working in a local authority.

Dean has an MSc in Human Resources and is a member of Sheffield Business School's Advisory Board. He is former national Chair of the Board of the Chartered Institute of Personnel and Development (CIPD) and was awarded Companionship of the CIPD in 2015. He has an Honorary Doctorate from the University of Bradford for his contribution to health services management. Dean is a regular conference speaker, published in a number of journals, on the editorial board of HRMJ and the International Journal of Human Resources Development, a social media advocate and provides expert opinion in the national media. His easy style, expertise and high energy approach to HR ensured he was voted UK's Most Influential HR Practitioner three years running. His book, with Oxford University Press on Human Resource Management was published in February 2018.

Michele Moran, Chief Executive appointed January 2017

Michele is a nurse, midwife and health visitor by background and has more than 30 years' experience of front-line roles in NHS management and care.

Michele was appointed to the role of Chief Executive at Humber on a permanent basis in February 2017. Prior to her four years as Chief Executive at Manchester Mental Health and Social Care NHS Trust, Michele served as Deputy Chief Executive/Chief Operating Officer/Chief Nurse at Leeds and York Partnership NHS Foundation Trust for seven years.

An ex-chair of the Foundation Trust Network Clinical Leads Network and a member and current Non-Executive Director of the National Skills Academy for Health. Michele has extensive experience in the primary care and acute sectors.

A qualified nurse, mental health nurse and midwife, Michele also has a Master's degree in health services management from the University of Manchester.

Peter Beckwith, Director of Finance appointed 10 March 2017

Peter joined the Trust in December 2015 as Deputy Director of Finance and Contracting and was promoted to the role of Director of Finance in April 2017. Peter has accumulated 10 years senior NHS Finance experience holding senior roles with local NHS organisations including NHS England and NHS Hull. Prior to joining the NHS, Peter accumulated 19 years' finance experience in local government across several different local authorities.

Peter is a Fellow of the Association of Chartered Certified Accountants (ACCA).

Dr John Byrne, Medical Director, appointed 1 October 2017

Born in Dublin, Dr Byrne graduated in medicine from University College Dublin in 1994 before serving for six years as a doctor in the Royal Army Medical Corps, where he completed his training in general practice.

In 2002 he became a partner at a GP surgery in Hampshire and in 2008 was appointed locality medical director for Hampshire Community Healthcare. Three years later Dr Byrne became Clinical Director for Integrated Care at Southern Health NHS Foundation Trust and then Clinical Director and Accountable Officer for the Southampton and West Hampshire Division in 2012.

In 2014, he became General Practice Regional Adviser for the Care Quality Commission's (CQC) Birmingham-based Primary Medical Services team, also working part-time with NHS Elect advising NHS trusts on clinical strategy.

Dr Byrne completed a Master's degree in Quality Improvement at Ashridge Business School in 2014 and is a Health Foundation GenQ leadership fellow.

Hilary Gledhill, Director of Nursing, Allied Health and Social Care Professionals, appointed 1 June 2015

Hilary joined the Trust in June 2015 and has over 30 years' experience in the NHS. She qualified as a registered nurse in 1983 and worked as a nurse in acute hospital services and the community before moving into senior quality improvement and nurse leadership roles, gaining experience in community care and commissioning organisations.

Hilary has a working experience of many healthcare sectors and services including prison health, mental health services, ambulance services, hospital and community services.

Prior to joining the Trust, she spent two years as the Director of Quality and Integrated Governance and the Executive Nurse for East Riding of Yorkshire Clinical Commissioning Group, which included commissioning mental health and community services for residents of the East Riding of Yorkshire.

Lynn Parkinson, Chief Operating Officer appointed 1 October 2018

Lynn has spent her whole career working in mental health in Leeds and York. Lynn started as a student nurse and worked her way up management positions working as Deputy and then Interim Chief Operating Officer in Leeds and York NHS Foundation Trust before joining our Trust in February 2018. Since qualifying as a registered mental health nurse in 1989 Lynn has a wealth of experience in a wide variety of clinical services including acute inpatients, community and for a number of years with the Eating Disorder Service. Lynn has a background in Service Improvement and expertise in applying improvement methodology such as lean six sigma in clinical settings.

Steve McGowan, Director of Workforce and Organisational Development appointed 18 June 2018

Born in Bedford, Steve began his career in 1992 at Lincolnshire County Council, working in an HR administrative support role while studying to become a member of the Chartered Institute of Personnel and Development and gain a Master's degree in HR Management.

He then worked as an HR Officer and HR Manager at Cannock Chase District Council before becoming Head of HR at Bromsgrove District Council and then Head of HR Operations and later Head of HR for Regional Collaboration at Lincolnshire Police. Steve returned to the West Midlands in 2013 to become Head of HR at Walsall Metropolitan Borough Council, where he remained until moving to United Lincolnshire Hospitals NHS Trust as Deputy Director of Human Resources and Organisational Development in 2016.

Register of Directors' Interests

The Register of Directors' Interests is held by the Trust Secretary. It is a public document which can be accessed by contacting the Trust Secretary on 01482 389107 or through the website in the Board papers section. Directors' interests have been fully considered and it has been concluded that there are no such interests which may conflict with their management responsibilities as per the requirements of Monitor's code of governance.

It is reported that the Chair had no other significant commitments that affected her ability to carry out her duties to the full and was able to allow sufficient time to undertake those duties.

The Board of Directors works as a unitary board and members have been selected to ensure the success of the organisation as a foundation trust, with an appropriate balance of clinical, financial, business and management backgrounds and skills. Should it be necessary to remove either the Chair or any non-executive director, this shall be undertaken by the Council of Governors in accordance with the Trust's constitution.

The Chair and Non-Executive Directors of the Trust are appointed by the Council of Governors and are remunerated in accordance with terms and conditions approved by the Council of Governors.

Council of Governors

An annual report is an appropriate time to reflect on the past year; Message from the Lead Governor, Huw Llewelyn Jones.

This is my first opportunity to write a message in the Annual Report as Lead Governor having taken up the position this year. I'd like to start by thanking my predecessor, Julie Hastings for embodying the purpose of a Governor, to help improve services for local people.

Governors have an important role in making an NHS foundation trust publicly accountable for the services it provides. We bring valuable perspectives and contributions to the Trust's activities and reflect the interests of our members and the public. This is a really important task and provides a link between key partner organisations and the Trust as well as with the wider public and staff.

As Governors we have the opportunity to appreciate services through a series of visits as well as attending a range of meetings and development sessions. This year we have had the privilege to see up close the skills and abilities of our teams as they deliver the wide range of services across the many locations we cover.

I have been involved in the health service in one way or another since 1987 and over thirty years on I am still amazed and thankful for the professionalism and dedication of the staff working in the NHS and in our partner organisations. I would like to take this opportunity to share my thanks on behalf of the Governors and the communities we represent for their commitment to our patients and service users. It is good to see increased funding now through the mental health programme however there are still pressures in the system in relation to mental health and community services.

During the past 12 months, Governors have continued to contribute in a number of ways such as championing carers and patients as part of the Trust's patient and carer experience work, supported the staff awards and apprenticeship awards, been involved in the development of the Quality Report, contributed to the development of the Trust's operational plan, appointed a new Non-Executive to the Board of Directors and much more.

I would like to shine a light on just some of the developments that we have been involved in as Governors to show how we have reflected the views of constituencies.

One area of focus was to extend the range of autism diagnostic and support services available. These services are now delivered through a formal partnership between the Trust with Matthew's Hub.

We have also tried to shine and increase focus on services to young people and how we can include young people more in our work as a Council of Governors. We have also started to look at how we can improve engagement with our members and this work will continue into next year.

Our Annual Members Meeting is a key opportunity for members of the Trust to see what is being done to improve health and health services. This year it was great to see students from St Mary's College attending the meeting. The meeting is an opportunity to learn more about our services, ask questions about how the Trust is performing, meet members of staff and find out about our plans for the future. It is also an opportunity to meet Governors.

Involvement in the Trust can be at many levels – as a member of the public, as a member of the Trust or standing to become a Governor. Attending our Annual Members Meeting is a great way for anyone to start or continue their involvement. The meeting is also streamed live on youtube. I encourage you to attend or tune in and share your views and suggestions with our Board of Directors and Governors so that we can continue to develop and improve services.

Council of Governors

The Council of Governors is made up of individuals who have been elected by local people and staff who represent our constituencies. The Council includes representatives who are nominated from a range of partner organisations. The Council of Governors meeting is chaired by the Trust Chair who ensures that there is effective communication between the Board of Directors and the Council of Governors, and that, where necessary, the views of the governors are obtained and considered by the Board of Directors. Executive and Non-Executive Directors attend the Council of Governors' meetings and the Governor Development meetings throughout the year. The Chair, supported by the Senior Independent Director, also seeks to foster a strong, engaging relationship between the Board of Directors and the Council of Governors. There is regular attendance at the Board of Directors' meetings by governors and further details of governors' involvement at the Trust are provided at page 95.

NHS Improvement (NHSI), the organisation that incorporates Monitor, the sector regulator for health services in England, requires foundation trusts to appoint a Lead Governor. Huw Jones was elected for a second term from 1 February 2020

The specific statutory powers and duties of the Council of Governors are to:

- Appoint and, if appropriate, remove the Chair.
- Appoint and, if appropriate, remove the other Non-Executive Directors.
- Decide the remuneration and allowances and the other terms and conditions of office of the Chair and the other non-executive directors.
- Approve (or not) any new appointment of a Chief Executive.
- Appoint and, if appropriate, remove the Trust's auditor.
- Receive the Trust's annual accounts, any report of the auditor on them and the annual report.
- Hold the Non-Executive Directors, individually and collectively, to account for the performance of the Board of Directors.
- Represent the interests of the members of the Trust as a whole and the interests of the public.
- Approve "significant transactions".
- Approve an application by the Trust to enter into a merger, acquisition, separation or dissolution.
- Decide whether the Trust's non-NHS work would significantly interfere with its principal purpose, which is to provide goods and services for the health service in England, or performing its other functions.
- Approve amendments to the Trust's constitution.

Non-Executive Directors are appointed for a term of three years up to the maximum specified in the Trust's constitution. Non-Executive Director appointments may be terminated in line with the requirements of the constitution.

The Council of Governors holds the Non-Executive Directors on the Board of Directors to account for the performance of the Trust, including ensuring the Board of Directors acts so that the Trust does not breach the terms of its licence.

The Council of Governors comprises 25 Governors who are members of the public and staff constituencies and representatives from partner organisations.

The table below sets out the composition of the Council of Governors.

Composition of the Council of Governors Requirement	
Public - 14 Governors	6 East Riding of Yorkshire
	4 Hull
	1 Wider Yorkshire and Humber
	2 Service User and Carer
	1 Whitby
Staff - 5 Governors	3 non clinical 2 clinical
Partner Organisations - 6 Governors	University of Hull
	Humberside Police
	Voluntary Partner
	Hull Local Authority
	East Riding Of Yorkshire Local Authority
	Humberside Fire and Rescue

Council of Governors' Meetings

The Council of Governors met on a quarterly basis, of which the April, July, October and January meetings fell within the 2019/20 reporting period, and also held an Annual Members' Meeting in September. Council of Governors' public meetings are open for members of the public to attend and the meeting dates and papers are published on our website. Governor attendance at these meetings is provided in the table later in this section. Governors are involved in setting the agenda for the Council's meetings. Each meeting, when possible, begins with a patient story which is a presentation by a patient/service area team which allows them to give their views on services and the challenges they may have had to face during their journey.

The Council of Governors did not use its powers to require one of more of the Directors to attend a Council of Governors meeting for the purpose of obtaining information about the Trust's performance of its functions or the Directors' performance of their duties. Directors chose to attend the Council of Governors meetings, often to present their reports. A summary of their attendance is included in the table detailing attendance at Board and sub committee meetings.

Further information about the work of the Board of Directors can be found in the Directors' Report.

Council of Governors' Sub Committee/ Groups

The Council of Governors may not delegate its responsibilities but can choose to carry out its duties through groups, committees or individuals. A subcommittee (statutory requirement) and three governor groups hold meetings which are detailed below:

- Appointments, Terms and Conditions Committee
- Finance, Audit & Strategy, Workforce and Quality Governor Group
- Engaging with Members Governor Group

Appointments, Terms and Conditions Committee

The Appointments, Terms and Conditions Committee met three times during 2019/2020. This committee is chaired by Sam Muzaffar elected governor for East Riding. The group consists of a team of governors and valued support and guidance from Senior Independent Director, Peter Baren. The Director of Workforce and Organisational Development attends, and, when required, invited guests who share their expertise and specialist knowledge. Any decisions made by this group are presented to the full Council of Governors for its approval.

During this year the committee has been involved in the process for re-appointing a Non-Executive Director and extending the term of office for the Chair before their terms of office ended as part of the Trust's forward planning. In addition the committee has been involved in the process for appointing a new Non-Executive Director. In considering these appointments the committee took into account the views of the Board of Directors regarding the skills, experience and qualifications required for these roles. A recommendation for re-appointment was made to the Council of Governors for approval to re-appoint both the Chair and the Non-Executive Directors on varying terms of office. Further work is being undertaken by the committee around succession planning for the Non-Executive Directors.

Governors have given consideration to future approaches to recruitment to ensure that the talent pool for future Non-Executive Directors is as wide as possible with a particular emphasis on reaching underrepresented groups.

Engaging with Members Governor Group

The group meets to ensure we make the most of our membership. This includes reviewing where we are, how representative our membership is, ways to engage members and make membership more meaningful, enabling members to support and influence the work of the Trust. The group works to identify and deliver actions required to ensure we are able to target any areas for enhancement or improvemen.

Finance, Audit, Strategy and Workforce and Quality Governor Group

This group has specific focus on the areas of finance, audit and strategy and workforce and quality. The group meets four times a year as a minimum with meetings split to concentrate on finance, audit and strategy of the Trust, paying particular attention to its financial performance against its own targets and those of the Government. During the year the group was also involved in the appointment of the external auditors.

The other area which this group concentrates on is workforce and quality.

These meetings are chaired by a Governor and attended by the relevant Non-Executive Director Chair of the Board Sub Committee and the relevant Executive Director.

Governors other activities

During the year governors were involved with the Patient-Led Assessment of the Care Environment (PLACE) inspections and were part of the inspection panels. The visits involved talking to patients about the environment they are in and asking what they think of the food and service they receive. Visits for 2020 will take place later in the year and governors will be again involved.

Some Governors have taken part in the Recovery College Board. Governor champions have been identified to be part of the Patient Experience Group which will take forward the Patient and Carer Experience pledges outlined in the Patient and Carer Experience Strategy.

Governors have taken part in the recruitment process for a new Non-Executive Director during the year either as part of the panel or on the stakeholder groups. Dean Royles was appointed following this process. Governors have also been involved in the Non-Executive Directors' appraisal process both via the review panels and by submitting their views on their performances.

Governors have been involved in the development of the Quality Report and representatives attended an event to decide what the priorities would be for the coming year. Governors were asked to make comments on the report and those received were published in the Quality Report.

In contributing to the development of the Operational Plan Governors draw on their personal experiences, expertise and liaison with the members that they represent. Governors have continued to participate in a programme of development opportunities over the last 12 months.

They have also engaged with members of their constituencies and attended events such as:

- Annual Members' Meeting
- Public Governor meetings with the Chair
- Patient-Led Assessments of the Care Environment (PLACE) assessment visits
- Governor Knowledge and Engagement visits to services
- Public Board of Directors' meetings
- Non-Executive Director recruitment/ reappointment
- Involved in Non-executive Director appraisals
- Executive and Non-Executive Director recruitment/reappointment
- Corporate Events at the Trust – Apprenticeship Award ceremony, Staff Awards event which includes judging applications
- Involved in the Patient and Carer Experience forums.
- Involved in the appointment of External Auditors

Staff Governors have attended or been involved with the following:

- Staff Governor meetings with the Chair
- Governor Development Session meetings
- Governor Knowledge and Engagement Opportunities - includes visits to units and observing team meetings in corporate services and community teams
- Involvement in patient and carer experience forums
- Judging panel for staff awards
- Involvement in organisational development work to discuss priorities for the organisational development plans
- Improving / extending relationships with other Governors – understanding the strategic priorities / activities for the Trust better, opportunities for networking in role
- Meeting prospective / new Governors to explain role purpose
- Informally at meetings / training etc. representing role as Staff Governor - explain role & trust strategies, e.g. Health and Wellbeing
- Attendance at staff awards

Bi-monthly Governor development days were held with various topics being discussed including membership and engagement, research & development, organisational development, staff health and wellbeing, Local Health and Care Record Exemplar, behavioural framework and quality indicators. Public, staff and partner Governor meetings also take place with the Chair.

The Board of Directors recognises the importance of ensuring that the Governors have sufficient knowledge and understanding in order to fulfil their roles and therefore supported several Governors to attend a number of external events including Governwell training and regional events. This engagement ensures that all parties maintain an understanding of the views and aspirations of the Trust and its members, and contribute to the future development of the Trust.

To help improve communication between the Board of Directors and Council of Governors, Directors attend the Development sessions as required and the Director of Finance and Chief Operating Officer attend the Council of Governors meetings. Additional sessions with the Board of Directors are built into the Governor Development day programme as required. Governors set the agenda for the Development days by identifying areas they wish to receive more information on including presentations from specific teams/services. Members of the Board of Directors engage with governors in various ways including:

- attendance and membership of Governor groups/committee
- attendance at development days
- involvement in visits by Governors to patient areas

The Board of Directors is responsible for the day-to-day running of the Trust although the Board of Directors takes account of the views of Governors when developing its strategy and forward plans.

Governors are invited to attend the Trust's public Board of Directors meetings. The Board of Directors meets on a monthly basis (with the exception of August and December) with every meeting held in public. The agenda and supporting papers for the public meetings are published on our website. Details of attendance at these meetings for the period of this report are detailed in another section of this report.

Confidential and commercially sensitive matters are discussed in part II (private) meetings and matters which are not confidential or commercially sensitive are discussed at meetings held in public. Governors are sent a link to the website for the public papers, the agenda for the part II meeting and also have access to the part II minutes.

The detailed breakdown of current governors is below. Public and staff governors were publicly elected.

Governors have been involved in the development of the Quality Report and representatives attended an event to decide what the priorities would be for the coming year.

Council of Governors Members and their Attendance in 2019/20

Name	Constituency	No of Council Meetings attended / possible total	Term of Office ended/s
Current Governors			
Robert Hunt (elected)	Hull Public	2/4	Jan 2020
Eric Bennett (elected uncontested)	Hull Public	4/4	Jan 2022
Suzanne Milan (elected uncontested) resigned Oct 2019	Hull Public		Jan 2022
Sam Muzaffar (elected)	East Riding Public	4/4	Jan 2022
Ros Jump (elected)	East Riding Public	4/4	Jan 2021
John Cunnington	East Riding Public	4/4	Jan 2021
Huw Jones (Lead Governor)	East Riding Public	3/4	Jan 2021
Christopher Duggleby (elected)	East Riding Public	4/4	Jan 2022
Fiona Sanders (elected)	East Riding Public	4/4	Jan 2022
Mike Oxtoby (elected) resigned Jan 2020	Service User and Carer	1/4	Jan 2021
Stephen Christian (elected)	Service User and Carer	0/4	Jan 2021
Doff Pollard (elected uncontested)	Whitby Public	4/4	Jan 2021
Anne Gorman (elected)	Staff non clinical	4/4	Jan 2022
Mandy Dawley (elected)	Staff non clinical	4/4	Jan 2022
Craig Enderby	Staff clinical	3/4	Jan 2023
Sam Grey (elected uncontested)	Staff non clinical	2/4	Jan 2021
Jack Hudson (elected uncontested)	Staff clinical	3/4	Jan 2021
Gwen Lunn (appointed)	Kingston upon Hull City Council	3/4	May 2022
Andy Barber (appointed)	HEY Smile Foundation	2/4	Feb 2021
Governors who left during 2019/20			
Rob Hunt	Hull Public	Term of office ended	
Suzanne Milan	Hull Public	Resigned	
Mike Oxtoby	Service User and Carer	Resigned	

There is a procedure for dealing with disputes between the Council of Governors and the Board of Directors and this is set out in Annex 9 of the Trust's constitution, but it was not necessary to use this during the year.

Expenses

Governors receive no remuneration for their role. However, the Trust provides appropriate reimbursement, for example to cover travel expenses for governors who participate in events or activities arranged by the Trust. During the period 1 April 2019 to 31 March 2020, a total of 10 Governors claimed reimbursement for expenses. This included those Governors who are no longer in post or who have left during the year. The total cost reimbursed to Governors for this period was £2,198.25 compared to £2,182.34 paid to 11 governors in 2018/19.

A total of 344 new public members joined our Trust during 2019/20, taking our membership total (excluding staff members) to 13,110.

Register of Interests

Governors are required to declare any interests as per the constitution. The register of interests for the Council of Governors is available from the Membership Office on 01482 389132 or by emailing HNF-TR.governors@nhs.net.

Membership
Governor Elections

Elections were held during October/December 2019 for four Governor seats covering three constituencies. The details are below:

- Public – Hull: Two seats were available with two people elected in an uncontested election
- Public – Wider Yorkshire and Humber: one seat was available which was filled in an uncontested election
- Staff: One clinical seat was available which was filled in an uncontested election

A total of 344 new public members joined our Trust during 2019/20, taking our membership total (excluding staff members) to 13,110. The Trust aims to develop its membership to reflect the diversity of services provided and to ensure it is representative of the people it serves. One of the greatest benefits of being a foundation trust is having a vibrant membership that is passionate about the people we care for and the services we provide.

As of 31 March 2020, the Trust had 6,205 in the East Riding, 5,582 in Hull, 786 in the wider Yorkshire and Humber area, 48 in the Whitby area, 59 patient and service users, 2625 staff members and 489 members living outside our catchment area. Our Trust membership is fairly static; however, there are plans to hold more recruitment events within the constituencies to ensure our membership is as representative as possible of the communities we serve. Our staff are broadly representative of the Trust's public membership in numerical terms.

During 2019/20 membership recruitment opportunities were included as part of other events that took place throughout the year including when the Board of Directors meetings were held in different locations and attending patient and carer groups.

The charts below show how membership is made up and the ethnicity profile up to 31 March 2020. While wanting to maintain membership levels in the year, a greater focus has been given to engagement and better understanding the composition of the membership. Every effort will be made to increase our membership.

Membership Size and Movement		
Public Constituency (at 31.3.20)	**2019/20**	**2020/21 (est)**
At year start 1 April	13,297	13,110
New Members	344	300
Members Leaving	531	700
At year end 31 March 2020	13,110	12,710

Staff Constituency (at 31.3.20)	**2019/20**	**2020/21 (est)**
At year start 1 April	2,547	2,625
New Members	358	400
Members Leaving	280	300
At year end 31 March 2020	2,625	2,725

Patient/Carer Constituency (at 31.3.20)	**2019/20**	**2020/21 (est)**
At year start 1 April	69	59
New Members	3	100
Members Leaving	13	15
At year end 31 March 2020	59	144

One of the greatest benefits of being a foundation trust is having a vibrant membership that is passionate about the people we care for and the services we provide.

Analysis of Current Membership*		
Public Constituency	**Number of Members**	**Eligible Membership**
Age (years)		
0 – 16	0	1,056,844
17 – 21	40	324,859
22+	12,145	3,812,884
Ethnicity		
White	11,790	4,428,220
Mixed	58	82,451
Asian or Asian British	189	379,633
Black or Black British	129	79,498
Other	32	40,101
Gender Analysis		
Male	4,375	2,577,852
Female	8,712	2,639,482

Patient/Carer Constituency	**Number of Members**	**Eligible Membership**
Age (years)		
0 – 16	0	0
17 – 21		0
22+	32	0

Trust members must be over 14 years old. Our membership constituencies are Hull, East Riding of Yorkshire, Service User and Carer, Whitby and the Wider Yorkshire and Humber area and staff. We also have a few public out-of-area catchment members, but these members only receive information on the services we provide and are not eligible to vote in governor elections.

The Trust's members play an important part in our future development and can become involved in services by working with our governors if they wish. Membership is about community engagement and developing our organisation in partnership with the community.

Through our membership we want our members to be truly interested in making a difference and getting involved.

One of the greatest benefits of being a foundation trust (FT) is having a membership that can influence the services we provide. We produce a membership magazine, Humber People, which gives information on what is happening within the Trust, patient activities, puzzles and competitions.

Our Membership Plan identifies what members can do including:-

- Support the Trust – by taking part in meetings, giving their feedback on services, suggesting ways the Trust can improve or save money;
- Be informed and kept up to date – by taking part in meetings, via the Trust's members' magazine, Humber People;
- Inform the Trust and help shape service development – by sending their views to the Membership Officer, Non-Executive and Executive Directors, and Governors;
- Get involved in voluntary activities – by supporting the Trust's charity, Health Stars, and volunteering to assist the work of services, for example the Recovery College;
- Recruit other members – by talking to people in their own communities, taking part in Trust member recruitment drives in the community;

At its strongest and most powerful the real benefits of membership will come from the links they make with key Trust objectives. We want the membership to have a loud voice in our community

Contact details

The Membership Office is the initial contact point for new and existing members. Details of how to contact the Membership Office and our Governors are as follows:

Membership Office
Freepost RLZB-RKZB-AJSJ
Trust Headquarters
Willerby Hill
Beverley Road
Willerby
HU10 6ED

Tel. 01482 389132
Email. HNF-TR.governors@nhs.net

To contact members of the Board of Directors, please telephone our Trust Headquarters reception on 01482 301700 or write to us using the freepost address provided.

NHS England and NHS Improvement's Single Oversight Framework

The Trust has an Integrated Quality Performance Tracker which reports performance against identified key performance indicators to the Board of Directors on a monthly basis. Indicators reported are based around both the NHS England and NHS Improvement's Oversight Framework and the Care Quality Commission's Intelligent Monitoring Framework (Caring, Effective, Safe, Responsive and Well Led).

Segmentation

Humber Teaching NHS Foundation Trust is recorded as being in Segment 2 by NHS England and NHS Improvement at the time of preparing this annual report.

Finance and Use of Resources

The Finance and Use of Resources theme is based on the scoring of five measures from '1' to '4', where '1' reflects the strongest performance. These scores are then weighted to give an overall score. Given that Finance and Use of Resources is but one of the five themes feeding into the Single Oversight Framework, the segmentation of the Trust disclosed above might not be the same as the overall finance score here.

Area	Metric	2019/20 Q1 Score	2019/20 Q2 Score	2019/20 Q3 Score	2019/20 Q4 Score Forecast
Financial sustainability	Capital service capacity	4	4	4	3
	Liquidity	1	1	1	1
Financial efficiency	I&E margin	4	4	4	2
Financial controls	Distance from financial plan	1	1	1	1
	Agency spend	1	1	2	3
Overall Scoring		3	3	3	2

Statement of the Chief Executive's responsibilities as the Accounting Officer of Humber Teaching NHS Foundation Trust

The NHS Act 2006 states that the chief executive is the accounting officer of the NHS foundation trust. The relevant responsibilities of the accounting officer, including their responsibility for the propriety and regularity of public finances for which they are answerable, and for the keeping of proper accounts, are set out in the NHS Foundation Trust Accounting Officer Memorandum issued by NHS Improvement.

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require [name] NHS foundation trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of [name] NHS foundation trust and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Department of Health and Social Care Group Accounting Manual and in particular to:

- observe the Accounts Direction issued by NHS Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the NHS Foundation Trust Annual Reporting Manual (and the Department of Health and Social Care Group Accounting Manual) have been followed, and disclose and explain any material departures in the financial statements
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance
- confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS foundation trust's performance, business model and strategy and
- prepare the financial statements on a going concern basis.

The accounting officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS foundation trust and to enable him/her to ensure that the accounts comply with requirements outlined in the above mentioned Act. The Accounting Officer is also responsible for safeguarding the assets of the NHS foundation trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As far as I am aware, there is no relevant audit information of which the foundation trust's auditors are unaware, and I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in the NHS Foundation Trust Accounting Officer Memorandum.

Michele Moran
Chief Executive

Signed:  **Date: 24 June 2020**

Annual Governance Statement

Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of Humber Teaching NHS Foundation Trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that Humber Teaching NHS Foundation Trust is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the NHS Foundation Trust Accounting Officer Memorandum.

The Board of Directors through its Audit Committee agreed the Trust's 2019/20 Internal Audit Plan with its internal auditors which consisted of 26 audits that have all been undertaken. The results of these audits culminated in the Head of Internal Audit's opinion on the system of internal control which has been incorporated as part of this statement.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Humber Teaching NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Humber Teaching NHS Foundation Trust for the year ended 31 March 2020 and up to the date of approval of the annual report and account.

Capacity to Handle Risk

The Trust has a comprehensive, integrated framework in place to ensure that a structured control environment is in place where risks are identified, assessed and properly managed, where high standards are safeguarded and excellence can flourish. To support this, we have a Corporate Risk Manager responsible for the development and implementation of the Trust Risk Management Strategy and framework across the organisation. This role provides dedicated leadership and coordination to development and delivery of the Risk Management Strategy Implementation Plan and leads in the development of information technology solutions to support the intelligent risk management environment.

Ultimate responsibility for the management of the risks facing the organisation sits with the Board of Directors. The Board considers the strategic and high level Trust-wide operational risks facing the organisation as part of its routine business in order to satisfy itself collectively that risks are being effectively managed.

The Trust Board continuously strives to strengthen the culture of risk management throughout the organisation. Each Board Committee and its sub-groups has a collective responsibility to ensure effective risk management and good governance as they discharge their duties, and this is reflected in their respective Terms of Reference.

Through their work plans they will contribute towards reducing the organisation's exposure to risk. Risks identified by Committees and reporting groups will be communicated and recorded on the appropriate directorate risk registers and subject to overview, monitoring and intervention by the Corporate Risk Manager, internal governance arrangements, as well as providing assurance to the Audit Committee, Trust Board and relevant board committees.

As the Chief Executive, I am accountable for having effective risk management systems and internal controls in place and for achieving statutory requirements. I have delegated overall duty to ensure risk management is discharged appropriately, to the Director of Nursing, who is responsible for the implementation of the Risk Management Strategy. Financial risk management has been delegated to the Director of Finance.

All Executive Directors, Divisional General Manager, Divisional Clinical Leads and Managers are responsible for identifying, communicating and managing the risks associated with their portfolios in accordance with the Trust's risk management framework. They are responsible for understanding the approach towards risk management of all key clients, contractors, suppliers and partners and mitigate where necessary, where gaps are found. They are responsible for identifying risks that should be escalated to and from the Trust-wide Risk Register.

Guidance on populating risk registers and managing risk is available to all staff electronically via the Trust intranet. Roles and responsibilities in terms of risk management are incorporated into the Trust Risk Management Policy and Strategy and are also displayed via the intranet on the dedicated Risk Management pages. All staff employed by the Trust are required to attend the mandatory and statutory training that is relevant to their role and to ensure they meet their own continuous professional development requirements. Training covers mandatory requirements and elements that are dependent on the job role.

The Trust publishes its Register of Interests on the Trust website in accordance with our policy Standards of Business Conduct and Managing Conflicts of Interest Policy.

The Risk and Control Framework

Humber Teaching NHS Foundation Trust is committed to embedding an integrated approach to managing risk, and recognises that the proactive and continuous management of risk is essential to the efficient and effective delivery of services. The Trust Board has in place a Risk Management Strategy which sets out the Trust's commitment to embedding an integrated approach to managing risk. The Trust's risk management strategy was reviewed and updated in November 2019. The development of the new three-year Risk Management Strategy has commenced and will be finalised in2020. It is recognised that a proactive approach to risk management can enable a reduction in harm to patients and staff, assist in creating safer care environments and is essential for the achievement of the organisation's strategic goals as well as the Trust's corporate and clinical objectives.

The Trust has undertaken a self-assessment to identify further areas for improvement within risk management and have developed a risk management action plan as part of its annual risk management report for 2019-2020, in an effort to further develop the risk management culture of the organisation.

A review was undertaken in 2019/20 as part of the Trust Board strategy sessions to review the definition of the Trust's risk appetite or the level of risk that it is prepared to accept, tolerate, or be exposed to. A revised risk appetite statement was developed following agreement by the Trust Board which defines the level of risk that can be accepted against the Trust's strategic goals. This updated appetite statement has been included in the Trust Risk Management Strategy as part of the review undertaken in November 2019.

The management of risks is a key factor in achieving the provision of the highest quality care, requiring the identification, management and minimising of activities or events which could result in unnecessary risks to service users, staff and visitors/ members of the public. All of our staff are expected to identify, manage and reduce risk as one of their fundamental duties in an environment of honesty and openness, where mistakes and untoward incidents are identified quickly and dealt with in a positive and responsive way.

Current risks confronting the organisation are identified as part of a 'top down' assessment process and a 'bottom up' risk identification process involving analysis of incidents, claims and complaints and other tools such as unit risk assessments. Any risks identified by stakeholders either on an individual basis or as a group are taken account of in the risk assessment process.

To ensure risk management is robust, we have used the 'Alarm National Model for Risk Management' to undertake a self-assessment of our 'risk maturity'. We will continue to use this resource as a development tool, identifying areas for improvement, as well as setting and implementing clear plans. A review has commenced in 2020 as part of the development of a refreshed Risk Management Strategy to re-assess the Trust level of 'risk maturity' and to inform any additional actions required to further develop risk managements arrangements within the Trust.

Trust-wide Risks

The Trust-wide risk register is compiled of identified risks that should they be realised, would have implications at Trust-level and would have a significant impact upon the organisation and achievement of its strategic goals. The current risks captured on the Trust-wide risk register are referenced below. The current controls in place as well as the further areas for action have also been detailed to indicate the level of mitigation currently in place and additional actions planned to reduce the impact of the risk or the likelihood of its occurrence.

Risk Description	Mitigating Controls	Further Mitigating Actions
Current qualified nursing vacancies may impact on the Trust's ability to deliver safe services and have an effective and engaged workforce	• Recruitment strategy • Issues discussed at STP level around place-based recruitment strategies for hard-to-fill roles across the health sector • Streamlining proposal at STP level reducing time to recruit • Recruitment and retention initiatives. • Skill-mix reviews within Trust services. • Paper to EMT in relation to utilising funds around healthcare, clinical posts, nursing and nursing associate with proposal to take forwards posts and to utilise levy to develop foundations to 'grow our own' staff • Recruitment and Retention Summit • Leadership and management programme dates for 2020 • Workforce planning and alternative ways of working • Hard to recruit task and finish group (Nursing, GPs and Consultant - vacancies down to 10%) • Glide path to recruit 122.66 registered nurses by March 2021 headed up by Deputy Director of Nursing (standard recruitment / international recruitments / advancing staff through apprentice schemes and nursing degree)	• Development of new roles for Associate Practitioners • Expansion of the number of Advanced Clinical Practitioner roles • Review and refresh of Preceptorship programme taking account of previous feedback from newly qualified nurse who have previously undertaken the course • Development of Nurse Preceptorship programme for Nurse Associates • Implementation of programme to support Trainee Nurse Associates through courses with aim to reduce likelihood of attrition

Risk Description	Mitigating Controls	Further Mitigating Actions
With current national shortages, the inability to retain qualified Nurses impacts on the ability to deliver services and/or puts financial pressure through the use of agency staff	• Organisational Development (OD) and Workforce Strategy Implementation Plan • Appraisal process • Leadership and management development programmes • Staff engagement though TCNC (Trust Consultation and Negotiation Committee) • Staff Health & Wellbeing Group and action plan • Trust retention plan as agreed with NHSI. • PROUD programme launched • Recruitment and Retention Summit • Trust-wide workforce plan • Divisional Accountability Reviews • Health and Social Care Professional Strategy	• HR Business Partners to review exit questionnaire results and identify any hot spot • To identify opportunities for career pathways/ development opportunities • Working Group to be established to develop recruitment and retention packages linked to qualified nurse development • New starter survey to help understand when new members of staff commence in post
With current national shortages, the inability to retain qualified Nurses impacts on the ability to deliver services and/or puts financial pressure through the use of agency staff	• Consultant roles advertised at NHS jobs • Medical Workforce attendance at recruitment fairs. • Arrangement in place with recruitment head-hunter partner to identify consultant resource • Attendance at recruitment fairs • Recruitment and retention initiative • Recruitment Plan • Contract in place for consultant roles to be advertised through the BMJ • Primary Care Divisional plan around GP recruitment • Recruitment and Retention Summit • Primary Care Recovery Plan • Reviewing where we recruit (wider than NHS jobs) • Looking at skill-mix proactively ECP / Flexible working for GPs • Hard to recruit to task and finish group (Nursing, GPs and Consultant - vacancies down to 10%) • Glide path developed as part of the recruitment task and finish group - looking at offer available / alternative recruitment tools for GP vacancy advertisement / 'growing our own' consultants	• Primary Care and Community Services Division to review current GP recruitment opportunities and way that Trust recruits with Workforce and Organisational Development Directorate • Review of GP practice skill mix and different ways of working

Risk Description	Mitigating Controls	Further Mitigating Actions
With current national shortages, the inability to retain Medical staff impacts on the ability to deliver services and/or puts financial pressure through the use of agency staff	• Organisational Development (OD) and Workforce Strategy Implementation Plan • Appraisals process • Leadership and management development programmes • Staff engagement though TCNC (Trust Consultation and Negotiation Committee), • Staff Health & Wellbeing Group and action plan • Trust retention plan as agreed with NHSE/NHSI • PROUD programme • Recruitment and retention incentives • Local Medical Council - Positive staff engagement with medical workforce	• HR Business Partners to review exit questionnaire results and identify any hot spots • Completion of PROUD programme implementation plan
Risk to longer-term financial sustainability if tariff increases for non-acute Trusts are insufficient to cover agenda-for-change pay award and if sustainability funding is not built into tariff uplift for providers who are not using PBR tariff	• Budgets agreed • Monthly reporting, monitoring and discussion with budget holders • Small contingency / risk cover provided in plan • Medium Term Financial Plan developed to inform plans • Service plans • Regular reviews with NHSE/I and relevant Commissioners • Budget Reduction Strategy established with Medium Term Financial Plan • Non-recurrent savings • Budget Reduction Strategy reporting to Finance and Investment Committee • Trust Control Total agreed • Financial plan agreed	• Budget Reduction Strategy implementation 2020-21

On signing the Annual Governance Statement for the period of this report which includes the Trust wide risks above, in line with the Trust's business continuity arrangements which were implemented during the COVID-19 pandemic, a risk register was developed to support the Trust's command structure and to capture all COVID-19 related risks. The highest rated risks captured on the COVID-19 risk register have been incorporated into the Trust-wide risk register for ongoing management and are also referenced below.

Increased levels of anxiety, fatigue and potential mental health impact to staff working across Trust staff as a result of the COVID-19 national emergency and the implemented changes / different ways of working adopted by the organisation which could impact on the quality and sustainability of services	• Trust occupational health support arrangements in place • Trust Clinical Group established • Health and Wellbeing Group • Fast track access to Trust Psychologists (self-referral) • 'Shiny Minds' self-help app procured and available for all staff	• Trust Divisions to determine what additional support can be offered the staff
As a result of the COVID-19 national emergency and isolation measures implemented, there a risk of a post-COVID Mental Health surge and increased demand on Trust services	• Trust tactical surge plan developed • Surge Plan in place and approved by Gold command	• Trust plans will be reviewed continuously through the command arrangements and operational sitreps
As a result of the COVID-19 national emergency there is increased demand on the Infection Prevention and Control team. Demand on their service is currently exceeding capacity. If this is sustained this may impact upon the safety of patients and members of staff as this specialist knowledge may not be available when needed	• Monitoring of team capacity vs demand through Nursing and Qualitiy Directorate command meetings three times a week • Matrons and infection control link nurses supporting the team and undertaking audits • Infection control guidance produced and disseminated to guide practice • Trust completion of national Healthcare Acquired Infection board assurance document	• Continue to provide healthcare acquired infection guidance in line with any changes • Recruit additional capacity to the Infection Control team • Infection Control team to audit practice against latest COVID infection control guidance
Potential impact on staffing as a result of the introduction of the 'track and trace' application and associated arrangements	• Guidance issued around the management of the track and trace application for health and care staff • Isolation of staff members exposed to colleagues with positive test results not required is appropriate personal protective equipment has been worn during interaction and social distancing measure observed	• Ongoing monitoring of staffing levels and COVID-19 related absences
As a result of social distancing requirements and national guidance around safe working there is a risk that we do not have suitable accommodation to deliver Trust services safely	• Reverted to essential maintenance work only • Reactive maintenance calls are being maintained • Requests for estates work via Estates help desk being reviewed to prioritise essential work • Workplace risk assessment programme	• Schedule being developed to undertake all required Estates works in line with national safety requirements

The Trust Board maintains overarching responsibility for risk management throughout the organisation and considers the content of the Trust-wide Risk Register and Board Assurance Framework four times a year at quarterly intervals. Content of the Trust-wide risk register is reviewed on a monthly basis by the Executive Management Team and is also discussed at Board committees meetings alongside relevant sections of the Board Assurance Framework.

CQC Compliance

An announced scheduled 'well-led' inspection was carried out by the CQC in 2019, from 12 to 14 February 2019. This was preceded by a number of unannounced inspections across eight core services and substance misuse services. We retained our rating of 'Good' overall, however, despite improvements across a number of services we remained rated 'requires improvement' for the Safe domain. Further quality improvements have been implemented to further build on the progress we have made and address the areas which continue to impact on our rating within the Safe domain.

Overall, the Trust was rated as Good. The CQC rated the effective, caring and well-led domains as good. The safe domain was rated as requires improvement, which was unchanged from the previous 2017 inspection. However, our mental health inpatient units and the Mental Health Response Service both improved their ratings in the safe domain from requires improvement to good, which is testament to the hard work of our staff since the previous inspection.

Areas of outstanding practice were identified within the Trust's acute wards for adults of working age and psychiatric intensive care services, child and adolescent mental health services and Trust-wide.

A comprehensive improvement plan was developed and delivered to address the concerns raised via 'must' and 'should' do actions that were detailed in the final inspection reports. The Quality and Regulations Governance (QRG) Group monitored and drove the delivery of the must and should do actions and continues to monitor internal arrangements working towards future CQC inspections.

The QRG group regularly reports through the Executive Management Team (EMT), the Quality and Patient Safety (QPaS) group and the Quality Committee which received quarterly assurance in relation to action plan delivery which is presented to the Board through the Quality Committee assurance report.

Humber Teaching NHS Foundation Trust has in place a robust process for 'Fit and Proper Persons' testing in line with current guidance to ensure compliance with NHS provider license, general condition 4 : Fit and proper persons. Self-declaration forms are used for both Board members and Council of Governors members and testing arrangements are in place to review the disqualified director, insolvency and removed charities trustee registers to ensure fit and proper eligibility. Self-declarations are completed on an annual basis for both governors and directors to ensure continuity of up-to-date information and assurance that testing requirements are met.

Humber Teaching NHS Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission (CQC) as at the 31 March 2020.

Governance Structure

Each of the Trust's Board Committees and aligned sub-groups have a collective responsibility to ensure that effective risk management is embedded within the organisation and to ensure that governance arrangements are in place to monitor its application as they discharge their duties, and this is reflected in their respective Terms of Reference. Through their work plans they will contribute towards reducing the organisation's exposure to risk. Risks identified by Committees and reporting groups will be communicated and recorded on the appropriate risk register and will be subject to overview, monitoring and intervention by the Corporate Risk Manager, providing assurance to the relevant Committee and the Board of Directors.

Audit Committee - is the Board Committee with overarching responsibility for risk management. The role of the Committee is to scrutinise and review the Trust's systems of governance, risk management, and internal control. It seeks regular assurance on the Trust's risk management arrangements to enable it to review the organisation's approach to risk, as well as reviewing the Trust-wide risk register and Board Assurance Framework regularly.

The Committee reviews the adequacy of all risk and control related disclosure statements together with any accompanying Head of Internal Audit statement, External Auditor opinion or other appropriate independent assurances. On occasion it will commission internal or external auditors to review and report on aspects of risk management or on the management of significant risks. The committee has also commissioned a rolling review of Care Group and Directorate risk register undertaken through deep-dives to review the quality and appropriateness of risk register entries across the organisation on a recurring basis.

Finance and Investment Committee – is the Board Committee with overarching responsibility for oversight of the Trust's Finances and investments. The role of the Committee is to scrutinise and review the Trust's financial position and activity. It seeks regular assurance on the Trust's risk management arrangements specifically related to finance risks and is responsible for one section of the Board Assurance Framework, which it also reviews as a standing agenda item at each meeting. The committee also has the remit to conduct independent and objective review and oversight of the Trust's trading and commercial investment activities on behalf of the Board of Directors, and to ensure compliance with Investment Policy and Strategic Objectives.

Quality Committee – is the Board Committee with overarching responsibility for oversight of the Trust's quality and improvement agenda. The role of the Committee is to scrutinise the Trust's quality and improvement work programmes seeking assurance on all related areas covering the Trust's clinical risk management arrangements, CQC compliance, service improvements and redesign linked to quality improvement, research and clinical governance and the relevant sections of the Board Assurance Framework related to these areas. The Quality Committee also receives a register of all of the Trust risks in relation to quality for regular review, and to strengthen to the confirmand challenge arrangements around risk management within the organisation.

Mental Health Legislation Committee – is the Board Committee whose remit it is to provide strategic leadership pertaining to the Mental Health Act, the Mental Capacity Act and their respective Codes of Practice and other mental health related legislation, as well as to monitor, provide challenge and seek assurance of compliance with external standards relating to Mental Health Legislation and approve and review Mental Health Legislation polices and protocols. The committee also regularly reviews the Trust's Board Assurance Framework as well key risks linked to mental health related legislation.

Workforce and Organisational Development Committee - is the Board Committee, established to provide strategic overview and provide assurance to the Trust Board that there is an effective system of governance and internal control across workforce and organisational development that supports the Trust to deliver its strategic objectives and provide high quality care. The committee has overarching responsibility for oversight of the Trusts' workforce and organisational development agenda. The committee scrutinises the Trust's workforce-related metrics and seeks regular assurance regarding the Trust's risk management arrangements specifically related to workforce. The committee is also responsible for the relevant section of the Board Assurance Framework.

Remuneration and Nominations Committee – is the Board Committee established to ensure the executive Board members are fairly rewarded having proper regard to the Trust's circumstances and linked to national advice such as uplift for directors.

Executive Management Team (EMT) – involves all Executive Directors and is chaired by the Chief Executive. The Executive Management Team provides the leadership for risk management across the Trust, considering and approving the development of systems and processes, as well as championing risk management within their areas of responsibility. This group is the lead for managing the Trust-wide Risk Register, monitoring the management of risk. They consider and accept new items on to the Trust-wide Risk Register and reviewing and revising risk entries on a regular basis, as well as the approval/removal of any risks from the Register at the request of the Corporate Risk Manager. The Trust-wide risk register and Board Assurance Framework are reviewed by the Executive Management Team on a monthly basis.

Operational Delivery Group – is chaired by the Chief Operating Officer and considers the Divisional and Directorate risk registers. This group is responsible for ensuring that risk assessments are consistent, timely and that appropriate actions to mitigate risks are being taken. Similar risks identified across the Trust are also highlighted, cross-referenced and considered as a whole. The group is also responsible for reviewing escalated or newly identified significant risks for inclusion on the Trust-wide risk register and referring them to the Executive Management Team for review and ongoing monitoring. This group is responsible for the effective implementation of plans and actions arising from EMT and to escalate any significant matters arising when an EMT decision is required. Operational Delivery Group also supports the delivery of the Workforce and Organisational Development Strategy and the effective implementation of the Health and Wellbeing Strategy, the development and implementation of the Trust's Estate Strategy and gives support to the delivery of the Trust Communication Plan.

Divisional Operational Delivery Groups – are held within each Care Group, and are responsible for ensuring that appropriate risk registers are in place, risks are being effectively captured and appropriate mitigating actions are being taken. They are also responsible for highlighting risks for escalation/ de-escalation, based on the current risk score and perceived business impact for the Trust, to/from the Trust-wide risk register via the Executive Management Team.

Quality and Patient Safety Group (QPAS) – is accountable to the Executive Management Team (EMT). It oversees and coordinates all aspects of quality improvement (patient experience/patient safety & clinical effectiveness), assurance and clinical governance activity and delivery. The Committee has responsibility to escalate any issues which may have a potential impact on the delivery of the organisational objectives to the Executive Management Team.

Clinical Risk Management Group (CRMG) – reports to QPAS and has responsibility for ensuring clinical risk management systems, processes and related clinical risk management strategies and policies are regularly reviewed and implemented Trust-wide. The group ensures that systems and processes are developed and maintained to enable Trust-wide monitoring and review of all clinical risks to ensure appropriate investigation, and maximisation of learning from incidents.

Capital Programme Board – reports to EMT following the assessment and prioritising of capital applications based on underlying risk. Regular reviews are undertaken on capital bids to ensure that any residual risk is monitored and managed by the relevant Trust area should a bid be declined.

The key to effective governance within the Trust is a robust integrated committee structure and management process, which gives the Board of Directors confidence that all risks are being effectively controlled and managed and that attention is focused on the core business of the organisation, which is to care for and treat patients. The governance structure in place within the Trust and referenced in this section of this statement is subject to ongoing review to ensure that it is effective and provides appropriate scrutiny and oversight.

The key to effective governance within the Trust is a robust integrated committee structure and management process.

Annual Governance Statement/ Board Assurance

The requirement to produce an Annual Governance Statement as part of the Annual report and accounts, enable the Board of Directors to demonstrate that risks with the potential to impact upon the delivery of the Trust's principal strategic objectives are being appropriately managed. The validity of the information detailed within the statement can be evidenced in practice through the use of the Board Assurance Framework within the Trust. The framework is used to monitor the principal risks to the corporate objectives which underpin the Trust strategic goals, as well as monitoring mitigating controls and actions, sources of assurance and positive /negative assurances contributing to the overall rating assigned to the strategic objective. Through the established assurance processes implemented within the Trust, the Board of Directors maintain oversight of systems and standards regarded as appropriate for a supplier of healthcare services in the NHS.

Development of the Board Assurance Framework has continued throughout 2019-20, and the content of the framework has been further developed with input from the Board of Directors and its assuring committees. Information is presented with a focus on actual assurances received, as well as the risks to the key objectives that underpin each of the strategic goals. The Board Assurance Framework (BAF) aims to allow the Board of Directors to monitor progress against the Trust's six strategic goals, as well as progress against individual identified risks, with the framework highlighting the movement of current risk ratings from the previous quarter's position. This format allows for clear consideration to be given to the risks, controls and assurances, which will enable a focused review and discussion of the challenges to delivery of the organisational objectives.

The strategic objectives for the Trust have been refreshed in 2019-20 and proposed a portfolio of potential measures have been developed in conjunction with the relevant Executive Leads. The portfolio of potential measures has now been refined jointly with Executive and Delivery Leads, and progress has been made on specifying baselines and targets for achievement in 2020/2021 and 2021/2022.

A reporting procedure has also been developed for consideration by the Chief Executive. The proposed procedure enables the Executive and Non-Executive Leads for each strategic goal to take ownership of delivery against the refreshed strategic objectives via the formal Committee meetings. The Strategy Manager, on behalf of the Committees, would then provide assurance reports to the Board highlighting successes, key risks and the Committees' mitigation plans for managing those risks. This would provide the Board with overview assurance in the knowledge that they can request further detail of performance against each of the individual measures if required.

The next steps are for a project group to be established to complete the development of measures and to finalise a reporting template to implement the monitoring framework.

The Trust has a number of processes in place to ensure that workforce strategies and staffing systems are in place to assure the Board that staffing processes are safe, sustainable and effective. These include a governance structure that provides assurance to the Board.

In 2019 the Trust established a Workforce and Organisational Development Committee to provide strategic overview and provide assurance to the Trust Board that there is an effective system of governance and internal control across workforce and organisational development that supports the Trust to deliver its strategic objectives and provide high quality care. In addition, the Quality Committee receives regular reports on safer staffing performance and data which in turn is reported to Board.

In addition, each year the Trust participates in the national benchmarking data collections projects that allow for comprehensive benchmarking of activity, finance, workforce and quality metrics.

The framework also provides a comprehensive evidence base for compliance against internal and external standards, as well as targets and requirements including CQC registration. The Framework is monitored closely by the Executive Management Team on a monthly basis. Individual meetings also take place with each of the Trust Executives on a monthly basis to undertake a review of their allocated strategic goal(s) and their aligned risks. This process ensures that there is robust confirm and challenge prior to submission to the Board of Directors and assigned committees.

Risk management activities undertaken within the Trust operate at a number of levels: for example, a health or social care professional creating a risk management plan for a service user; health and safety assessments of local facilities, incident reporting and organisational learning, corporate planning around the organisational response to a major incident; or risk assessment and mitigation for business expansion and development.

The Trust risk management strategy and its related procedures serve to set these various risk management activities within a broader corporate framework and to identify a consistent approach to risk management across the Trust. Risk management is also embedded throughout the committee and organisational structure of the Trust with clear escalation routes of risks between units and the Board of Directors ranging from operational sub-groups up to the Board of Directors.

Public stake-holders involvement is sought where appropriate by the Trust and is managed through the Patient and Carer Experience Strategy (Humber Way). Governors are actively involved with service areas and their activity with patients and carers. There is clear focus on improving information, involvement in training, culture issues related to service delivery and involvement in development and review of services. Skills support packages are offered to members of the groups as required. Active development of working relationships with HealthWatch and Overview and Scrutiny Committees is being pursued. The Patient Advice and Liaison Service (PALS) is well established within the Trust and there is effective reporting quarterly to the Trust's Quality Committee and Board of Directors meetings. The Board of Directors hold a meeting in public on a monthly basis and stakeholder attendance is encouraged.

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments into the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with.

The foundation trust has undertaken risk assessments and has a sustainable development management plan in place which takes account of UK Climate Projections 2018 (UKCP18). The trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

Review of economy, efficiency and effectiveness of the use of resources

The Board of Directors and its sub-committee structure have a clear role in providing assurance and governance leadership within the Trust, particularly around the achievement of efficiency and effectiveness, which is a key area of focus under the Trust's governance arrangements supported by internal and external audit reviews.

The Audit Committee is the senior sub-committee with a remit including independently scrutinising other Board committees. It also reviews the establishment and maintenance of an effective system of integrated governance, risk management and internal control across the whole of the Trust's activities.

This committee also gains assurance that confirms effective systems of internal control are in place. The Finance and Investment Committee ensures that processes governing strategic investments are being followed and makes recommendations to the Board of Directors on major capital expenditure, joint ventures, acquisitions and mergers, purchase, sale or alteration of property (above and agreed threshold) and service expansion or major service change

Findings and recommendations from audits are monitored and reported through the Audit Committee. The Trust's external auditors are required as part of their annual audit to satisfy themselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources and report by exception if in their opinion the Trust has not.

The Remuneration and Nomination Committee make recommendations regarding the remuneration allowances and terms of service for Executive Board members.

The Charitable Funds Committee oversees the use of charitable funds on behalf of the Trust.

Trust performance is monitored by the Board of Directors on a monthly basis. Finance reporting is undertaken, which informs the Board of the Trust's current financial position and provides a comparison with the planned position for the reporting period. Regular reports are also provided in relation to the Trust's Budget Reduction Strategy (BRS) and its level of achievement. Finance and Investment Committee is responsible for oversight of the Trust's financial position and meets on a monthly basis to consider the financial reports and seeks assurance regarding the management of finance related risks.

Performance against key indicators is reported via the Integrated Board Performance Report which provides data in regards to finance, clinical and workforce key indicators alongside national or local targets and objectives. Any areas of concern or poor performance are highlighted and mitigating actions are determined as appropriate by the Board of Directors. Specific reporting of service waiting times and regular updates for the Trust's Divisions are also considered through the Trust Board to ensure that resources are being used effectively within the Trust and that any areas of concerns can be addressed quickly.

A new accountability framework has been launched in 2019-20 and accountability reviews have been developed and implemented during 2019-20 to further review performance information with divisional leads on a regular basis. The framework mirrors the NHS Single Oversight Framework and monitors key performance indicators (KPIs) and identifies areas for improvement.

Information Governance

'The Trust maintains a strict management and accountability framework for information governance and data security. Information Governance is assured by the annual information governance self-assessment using the NHS Data Security and Protection (DSP) Toolkit. The self-assessed scores have been independently audited for 2019/20 which identified that governance, risk management and control arrangements provide substantial assurance that the DSP Toolkit assertions are being managed effectively. Due to the Coronavirus, the DSP Toolkit submission deadline has been amended nationally to 30 September 2020. The DSP Toolkit assessment status for 2019/20 is expected to be **'Standards Met'**

In order to provide assurance that information governance practices are compliant with Trust policy, legal and regulatory requirements and are embedded in the Trust culture, a programme of random 'spot check' audits are conducted throughout the Trust. This ensures that information governance policies, process and operational activities are effective on the ground and compliant with Information Governance Toolkit requirements and CQC outcomes 2 and 21. If this is not the case, corrective action is recommended by the Information Governance Department. The results of these audits confirm that Information Governance practices are well established and are compliant with Trust policy, legal and regulatory requirements.

The Trust has encrypted laptops, encrypted data devices and desktop computers and has reviewed the security of all bulk data in transit and personal identifiable data flows identified and mitigated against any risks. The Trust has undertaken a refresh and review of its critical information assets. Its key information assets have been identified and approved by the IG Committee this year and each has an Information Asset Owner assigned.

Each asset has been updated in the Information Asset Register which has been approved by the Information Governance Committee. All data classified incidents were reviewed and none was deemed to be significant.

The Trust has a qualified Chief Information Officer who is up to date with the training required by the Information Authority. The Trust has also previously migrated to NHS Mail for additional security for data transfers.

Twelve serious incidents were declared during 2019/20 by the Trust in relation to confidentiality breaches. All twelve incidents have been closed by the Information Commissioner's Office with no further action. Any recommendations from the ICO are followed up to ensure they are implemented.

Cyber threats are constantly evolving, and increasingly digital health and care organisations must remain prepared. The Trust has accessed Cyber Operational Readiness Support (CORS) to ensure cyber specific security risks are identified and addressed. CORS provides a roadmap for the Trust to enhanced cyber resilience, embedding cyber security into the Trust culture with a view to achieving Cyber Essentials Plus by 2021. To support this work we have appointed one of our Non-Executive Directors as the non-executive lead for cyber security.

Annual Quality Report

Annual Quality Accounts are published as part of the Trust Annual Report and in their development for 2019/20, the Trust has worked with key stakeholders such as: Governors; HealthWatch; local authority members; representatives from local community groups; patients/ carers and their representatives as well as commissioners, to ensure that the priorities selected for review were appropriate and that the publication fairly represented the quality of our service delivery.

Stakeholders are sent a draft version of the accounts for comment prior to publication, and where these partners have commented on the quality accounts, feedback is printed verbatim within the final version.

In order to develop the quality priorities for 2020/21 an event with patients, carers, staff and representatives from local community groups was held and feedback from the event resulted in the following priorities being put forward for consideration by the Board of Directors prior to incorporation as Quality Priorities in the Quality Account.

The final agreed key qualities priorities described in the table below:
Humber Teaching NHS Foundation Trust Quality Priorities 2019/20:

Priority 1 Ensure we have meaningful conversations with patients/carers to develop therapeutic relationships and engagement in service delivery	**Strategic Goal 1** Innovating quality and patient safety **Strategic Goal 2** Enhancing prevention, wellbeing and recovery **Strategic Goal 5** Fostering integration, partnerships and alliances
Priority 2 Ensure that quality improvement is a part of every staff member's role to maximise patient safety across all of our services	**Strategic Goal 1** Innovating quality and patient safety **Strategic Goal 3** Developing an effective and empowered workforce
Priority 3 Embed best available evidence in practice utilising patient reported and clinical reported outcome measures (PROMS, CROMS) Enhancing prevention, wellbeing and recovery	**Strategic Goal 1** Innovating quality and patient safety **Strategic Goal 2** Maximising an efficient and sustainable organisation **Strategic Goal 6** Enhancing prevention, wellbeing and recovery
Priority 4 Ensure physical health screening is routinely undertaken across all secondary mental health services	**Strategic Goal 1** Innovating quality and patient safety **Strategic Goal 3** Developing an effective and empowered workforce **Strategic Goal 6** Enhancing prevention, wellbeing and recovery

Humber Teaching NHS Foundation Trust Quality Priorities 2020/21

The Trust is committed to continuous quality improvement and uses a range of initiatives to drive improvement in all of the services it provides. Throughout 2019-20 we worked to address the priorities identified in the Quality Account, and have made significant progress.

In January 2020, we held a 'Building our Priorities' workshop with patients, service users, carers, third sector organisations, commissioners and staff. During this workshop we presented our progress in relation to the 2019/20 priorities.

This was followed by three separate presentations in relation to Patient, Service User and Carer Experience, Clinical Effectiveness and Patient Safety. The attendees used the presentations as a basis to suggest our 2020/21 Quality Priorities; in groups they ranked the priorities in order of priority. These were then proposed to the Board and as a result four priorities were agreed.

Full details of our priorities and progress made against them are detailed within our Quality Account.

Data Quality

The Trust has continued to take necessary steps to assure itself of the robustness of its data quality. Processes are in place within the Trust for the monitoring of performance information, both centrally through the Trust's Performance team and at operational level within the Divisions, such as regular meetings to review waiting time data. During 2019/20, the Trust has further developed the Integrated Board Performance Report which serves as useful tool for bringing together all aspects of Trust performance and allows for effective identification of trends, as well as the escalation of key issues to the Trust Executive Management Team and Board of Directors as required.

The report format has undergone further review during 2019/20 and information is now presented using Statistical Process Charts for a number of key indicators, mapped against each of the Trusts Strategic Goals. The use of Statistical Process Charts allows for key performance data to be analysed over a period of time to establish trends in performance. Upper and lower statistical thresholds are utilised to analyse performance and identify where movements in performance are within normal ranges (common cause variation) or require further investigation/understanding (special cause variation). Exceptions are highlighted alongside the Statistical Process Charts and operational commentary is provided for further assurance around performance metrics.

A monthly Quality Report is presented to the Board of Directors outlining the Trust's performance against key quality objectives including comparative data, and a safer staffing dashboard is presented highlighting key staffing indicators. New weekly return forms have been introduced to allow for consistent entry submissions limiting the choices to the nationally set criteria. This process also allows for more accurate data quality in terms of clinical effectiveness at Divisional level.

Review of Effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within Humber Teaching NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the content of the quality report attached to this annual report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board of Directors, Audit Committee, Quality Committee and Finance Committee, and a plan to address weaknesses and ensure continuous improvement of the systems is in place.

Our internal auditors provide me with an opinion on the overall arrangements for gaining assurance through the assurance framework and on the controls reviewed as part of the internal audit work.

Executive managers within the organisation who have responsibility for the development and maintenance of the system of internal control provide me with assurance. The assurance framework itself provides me with evidence on the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed.

My review is also informed by assurances from other sources which include the Care Quality Commission, patient and staff surveys, Patient Led Assessment of the Care Environment (PLACE) inspections, NHS Resolution, a number of Foundation Trust driven external reviews and the registration requirements of the Care Quality Commission and Information Governance Toolkit self-assessments.

Of the planned audits for 2019/20 that have been completed, 8 provided substantial assurance, 13 provided good assurance, 5 provided reasonable assurance and none provided limited assurance. Work is ongoing within the organisation to address the recommendations made by internal audit and to strengthen the systems and processes in place, but no significant internal control issues have been identified.

The Audit Committee (AC) has provided the Board of Directors with an independent and objective review of controls in place within the organisation based on assurance it has received from Internal Audit and External Audit, and from management. Internal and external audit have reviewed and reported on control, governance and risk management processes, based on audit plans approved by the committee. Where scope for improvement was found, recommendations were made and appropriate action plans agreed with management. The Trust has a mechanism in place to track progress in implementing agreed recommendations and the results of re-audit are fed back to the Audit. The Trust's Finance and Investment, Workforce and Organisational Development and Quality Committees provide the board with assurance that effective controls are in place with regards to Trust finances, workforce and the quality of services the organisation delivers to its users.

The Trust continues to be committed to delivering safe, quality and compassionate care.

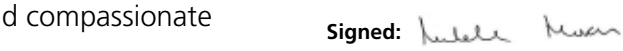
Conclusion

The Head of Internal Audit opinion statement has been received on the effectiveness of the system of internal control. The overall opinion is that there is 'good' assurance that the system of internal control has been effectively designed to meet the organisation's objectives, and that controls are being consistently applied.

The system of internal control has been in place in Humber Teaching NHS Foundation Trust for the year ended 31 March 2020 and up to the date of approval of the Annual Report and Accounts.

In summary, I am assured that the NHS Foundation Trust has an overall sound system of internal control in place, which is designed to manage the key organisational objectives and minimise the NHS Foundation Trust's exposure to risk. There are no significant control issues identified. Actions are in place to address recommendations for improvement to this system made within internal audit assurance reports. We also continue to review and update the governance assurance processes to further strengthen arrangements to ensure our services are well-led. The Board of Directors is committed to continuous improvement and enhancement of the system of internal control.

Michele Moran
Chief Executive

Signed:  **Date: 24 June 2020**

Equality & Diversity

The Trust as an employer is committed to recruit, develop and retain a workforce that reflects the local population and promote equality of opportunity for all employees.

Recognising the importance to further develop our performance on Equality, Diversity and Inclusion, the Trust appointed a dedicated Equality, Diversity and Inclusion Lead who commenced in the role in March 2019. The role will work closely with the Trusts Patient & Carers Experience Lead to drive forward improvements for the workforce and to support our patient and carers.

In support of our Public Sector Equality Duty (PSED), the Trust has produced its Equality, Diversity and Inclusion Annual Report, (due for renewal in May 2020) and set objectives for 2020/21.

In working towards the objectives set for 2019/20, the Trust has successfully recruited a dedicated Equality & Diversity Lead, updated the Equality, Diversity and Inclusion policy, partnered with Stonewalls Diversity Partners programme, developed new policy for Transitioning at Work, refreshed Equality & Diversity e-learning training package to incorporate unconscious bias awareness and continues to ensure Equality & Diversity training is mandatory with a completion rate of 88% above the Trust target rate.

Working with the Patient and Carer Experience Lead, links have been made with local groups who represent people with Protected Characteristics within our communities including the Disability Action Group and Hull and East Riding Lesbian, Gay, Bisexual and Trans (LGBT+).

A regional Equality, Diversity and Inclusion Partnership has been established with local care providers and the Trust is part of this partnership.

The Trust published its Gender Pay Gap report in 2019 and in summary the data is:

- The Trust's mean gender pay gap is 12.64%
- The Trust's median gender pay gap is 0.77%
- The Trust's mean bonus gender pay gap is -0.88%
- The Trust's median bonus gender pay gap is 50.00%
- The proportion of males receiving a bonus payment is 1.36%
- The proportion of females receiving a bonus payment is 0.29%

The proportion of males and females in each quartile pay band is:

- Quartile 1: 81.18% Female and 18.82% Male
- Quartile 2: 74.96% Female and 25.04% Male
- Quartile 3: 81.64% Female and 18.36% Male
- Quartile 4: 74.07% Female and 25.93% Male

The Trust has completed the Equality Delivery System 2 (EDS2), Workforce Race Equality Standard (WRES), Workforce Disability Equality Standard (WDES) reporting requirements, in line with NHS guidelines, which are accessible on the Trust's website.

Workforce Race Equality Standard (WRES)

In the Workforce Race Equality Standard (WRES) for 2019 key areas of improvement are as follows:

- 20% of BME staff experienced harassment, bullying or abuse from patients, relatives or the public in the last 12 months
- 81.8% of BME staff believe that the organisation provides equal opportunities for career progression or promotion
- 11.4% of BME staff have experienced discrimination at work from manager/ team leader or other colleagues in the last 12 months

The Trust will continue to review the experiences of our BME employees and establish objectives and action plans to support our staff.

Workforce Disability Equality Standard (WDES)

In the Workforce Disability Equality Standard (WDES) for 2019 key areas of improvement are as follows:

- 34% of disabled staff reported experiencing harassment, bullying or abuse from patients, relatives or the public in the last 12 months
- 79.5% of disabled staff believe that their organisation provides equal opportunity for career progression or promotion
- 79.4% of disabled staff say their employer has made adequate adjustments to enable them to carry out their work

The Trust will continue to review the experiences of our Disabled employees and establish objectives and action plans to support our staff.

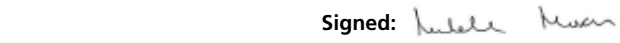
Equality Impact Assessments

The Trust undertakes Equality Impact Assessments (EIA's) when reviewing and establishing new services, policies, and strategies

Modern Slavery Act 2015

We are committed to ensuring there is no modern slavery or human trafficking in our supply chains or any part of our business activity. Our commitment is covered by our approach to modern slavery and human trafficking, which is part of our safeguarding strategy and arrangements, our policies including our recruitment policy and approach and our procurement and supply chains. Our Slavery and Human Trafficking Annual Policy Statement is publically available on our website.

Michele Moran
Chief Executive

Signed:  **Date: 24 June 2020**

Independent Auditor's Report to the Council of Governors of Humber Teaching NHS Foundation Trust

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

Report on 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 2020 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 Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by HM Treasury's Financial Reporting Manual 2019/20 as contained in the Department of Health and Social Care Group Accounting Manual 2019/20, 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 2020 and of its 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 2019/20; 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Accounting Officer has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	Our response and key observations
Revenue recognition The Trust recognised £145m of revenue from activities in the Statement of Comprehensive Income. The Trust's primary source of revenue is through contracts with commissioning bodies in respect of the provision of mental health, learning disability, community, children's, primary care and addictions services. Notes 3.1 and 3.2 provide further information on the nature and source of the Trust's revenue. Auditing standards include a rebuttable presumption that there is a significant risk in relation to the timing of income recognition, and in relation to judgements made by management as to when income has been earned. The pressure to manage income to deliver forecast performance in a challenging financial environment increases the risk of fraudulent financial reporting leading to material misstatement and means we are unable to rebut the presumption. We consider specific risks in relation to income recognition to be in the following areas: • recognition of income and receivables around the year end; • recognition of Provider Sustainability Fund (PSF) income during the year. Furthermore, the Trust claimed additional income of circa £0.4m from the Department of Health and Social Care (DHSC), to fund the Trust's expenditure incurred to respond to the Covid-19 pandemic in 2019/20. We consider there to be a further specific risk in relation to this funding because of the incentive and opportunity to claim for the reimbursement of expenditure that is not Covid-19-related.	Our audit procedures included, but were not limited to: • evaluating the Trust's accounting policy in respect of revenue recognition to ensure that it is in line with the requirements of the Group Accounting Manual (GAM); • evaluating the design and implementation of key controls in place to mitigate the risk of income being recognised in the incorrect year; • testing of material income and material year end receivables for accuracy, completeness and occurrence; • testing a sample of receipts in the pre and post year end period to ensure they have been recognised in the correct financial year; • reviewing intra-NHS reconciliations and data matches provided by the DHSC and challenging management and seeking direct confirmation from third parties as required; • testing of PSF income to year end confirmation from NHS Improvement; and • testing a sample of expenditure items for which the Trust has claimed additional funding from the DHSC to obtain assurance that these were correctly recorded as Covid-19-related expenditure items. **Key observations** There were no significant findings arising from our work on revenue recognition.
Valuation of property, plant and equipment Note 15.1 to the financial statements discloses information on the Trust's holding of property, plant and equipment (PPE) which includes £76.7m of land and buildings held at current value at 31 March 2020. Land and buildings are the Trust's highest value assets accounting for £76.7m of the Trust's £82.9m Property, Plant and Equipment balance. These assets are subject to periodic revaluation in line with the requirements of the Group Accounting Manual (GAM).	Our audit procedures included, but were not limited to: • assessing the scope and terms of engagement with the District Valuer; • assessing how management used the District Valuer's report to value land and buildings in the financial statements; • reviewing the valuation methodology used, including sample testing the completeness and accuracy of underlying data provided by the Trust and used by the valuer as part of their valuations;

Key audit matter	Our response and key observations
Valuation of property, plant and equipment (continued) Note 1.8 to the financial statements describes the Trust's accounting policy with respect to the valuation of land and buildings and Note 15 discloses further information on the balance. Management engages the District Valuer as an expert to provide the Trust with valuations in accordance with Royal Institution of Chartered Surveyors (RICS) requirements. We consider there to be a significant risk of material misstatement in relation to the valuation of the Trust's land and buildings as a result of : • the high degree of estimation uncertainty associated with the valuations; • the level of judgement applied by management and the valuer in estimating current values; and • the extent to which the valuations are reliant on complete and accurate source data on individual assets being provided to the valuer. The significant risk of material misstatement is further increased due to the additional estimation uncertainty arising from the Covid-19 pandemic and Note 16 of the Trust's financial statements discloses a 'material valuation uncertainty' in relation to this uncertainty.	• obtaining an understanding of the skills, experience and qualifications of the District Valuer, and considering the appropriateness of the instructions to the valuer from the Trust; • considering relevant market and cost data to assess the reasonableness of the valuation as at 31 March 2020; and • assessing the effect of the valuation uncertainty disclosed by the Trust's valuer and the adequacy of disclosure in Note 16 of the financial statements. **Key observations** Whilst drawing attention to Note 16 of the financial statements, where the Trust has highlighted the material valuation uncertainty raised by its valuation expert caused by the impact of Covid-19, we obtained sufficient appropriate evidence to conclude that the valuation of land and buildings included in the financial statements is reasonable.

Our application of materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures, and in evaluating the effect of misstatements, both individually and on the financial statements as a whole. Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall materiality	£2.5m
Basis for determining materiality	1.7% of operating expenses from continuing operations
Rationale for benchmark applied	Operating expenses from continuing operations was chosen as the appropriate benchmark for overall materiality as this is a key measure of financial performance for users of the financial statements.
Performance materiality	£1.625m
Reporting threshold	£0.075m

An overview of the scope of our audit

As part of designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements. In particular, we looked at where the Accounting Officer made subjective judgements such as making assumptions on significant accounting estimates.

We gained an understanding of the legal and regulatory framework applicable to the Trust and the sector in which it operates. We considered the risk of acts by the Trust which were contrary to the applicable laws and regulations including fraud. We designed our audit procedures to respond to those identified risks, including non-compliance with laws and regulations (irregularities) that are material to the financial statements.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the National Health Service Act 2006.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of our risk assessment, our understanding of the Trust's accounting processes and controls and its environment and considered qualitative factors in order to ensure that we obtained sufficient coverage across all financial statement line items.

Our tests included, but were not limited to:

- obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by irregularities including fraud or error;
- review of minutes of board meetings in the year; and
- enquiries of management.

As a result of our procedures, we did not identify any Key Audit Matters relating to irregularities, including fraud (other than the Key Audit Matter on revenue recognition outlined above).

The risks of material misstatement that had the greatest effect on our audit, including the allocation of our resources and effort, are discussed under 'Key audit matters' within 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 are also required to consider whether we have identified any inconsistencies between our knowledge acquired during the audit and the directors' statement that they consider the Annual Report is fair, balanced and understandable and whether the Annual Report appropriately discloses those matters that we communicated to the audit committee which we consider should have been disclosed.

We have nothing to report in these regards.

Responsibilities of the Accounting Officer for the financial statements
As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Accounting Officer is required to comply with the Department of Health and Social Care Group Accounting Manual 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 its accounts 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.

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.

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 2019/20; 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

Annual Governance Statement	
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 2019/20; 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.	We have nothing to report in respect of these matters.

Reports to the regulator and in the public interest	
We are required to report to you if: • we refer a matter to the regulator under Schedule 10(6) of the National Health Service Act 2006 because we have a reason to believe that the Trust, or a director or officer of the Trust, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency; 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.

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 2020.

We have nothing to report in this respect.

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 review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General in April 2020, as to whether the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined this criterion as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2020.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary.

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. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust as a body for our audit work, for this report, or for the opinions we have formed.

Certificate

We certify that we have completed the audit of Humber Teaching NHS Foundation Trust in accordance with the requirements of chapter 5 of part 2 of the National Health Service Act 2006 and the Code of Audit Practice.

Mark Dalton,
Key Audit Partner

For and on behalf of Mazars LLP

5th Floor
3 Wellington Place
Leeds
LS1 4AP

24 June 2020

Humber Teaching NHS Foundation Trust Financial Statements 2019/20

Annual Accounts for the year ended 31 March 2020

Foreword to the accounts

Humber Teaching NHS Foundation Trust

These accounts, for the year ended 31 March 2020, 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.

Michele Moran
Chief Executive

Signed:  **Date: 24 June 2020**

Statement of Comprehensive Income

		2019/20	2018/19
	Note	**£000**	**£000**
Operating income from patient care activities	3	134,924	117,907
Other operating income	4	10,609	12,496
Operating expenses	6, 8	(145,518)	(129,761)
Operating surplus/(deficit) from continuing operations		**15**	**642**
Finance income	11	131	91
Finance expenses	12	(231)	(165)
PDC dividends payable		(2,499)	(2,355)
Net finance costs		(2,599)	(2,429)
Other gains / (losses)	13	-	-
Share of profit / (losses) of associates / joint arrangements		-	-
Gains / (losses) arising from transfers by absorption	38	-	-
Corporation tax expense		-	-
Surplus / (deficit) for the year from continuing operations		**(2,584)**	**(1,787)**
Surplus / (deficit) on discontinued operations and the gain / (loss) on disposal of discontinued operations		-	-
Surplus / (deficit) for the year		**(2,584)**	**(1,787)**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	7	3,260	(3,425)
Revaluations	16	2,303	15
Share of comprehensive income from associates and joint ventures		-	-
Fair value gains / (losses) on equity instruments designated at fair value through OCI		-	-
Other recognised gains and losses		-	-
Remeasurements of the net defined benefit pension scheme liability / asset	33	292	(170)
Gain / (loss) arising from on transfers by modified absorption	38	-	-
Other reserve movements		-	-
May be reclassified to income and expenditure when certain conditions are met:			
Fair value gains/(losses) on financial assets mandated at fair value through OCI		-	-
Recycling gains/(losses) on disposal of financial assets mandated at fair value through OCI	13	-	-
Foreign exchange gains / (losses) recognised directly in OCI		-	-
Total comprehensive income / (expense) for the period		**3,271**	**(5,367)**

Statement of Financial Position

		31 March 2020	31 March 2019
	Note	**£000**	**£000**
Non-current assets			
Intangible assets	14	8,006	4,239
Property, plant and equipment	15	84,781	74,216
Total non-current assets		**92,787**	**78,455**
Current assets			
Inventories	20	150	138
Receivables	21	9,903	11,651
Non-current assets for sale and assets in disposal groups	23	990	2,145
Cash and cash equivalents	24	15,110	14,935
Total current assets		26,153	28,869
Current liabilities			
Trade and other payables	25	(16,650)	(16,793)
Borrowings	27	(366)	(282)
Other financial liabilities	**28**	**-**	**-**
Provisions	30	(156)	(147)
Other liabilities	**26**	**(1,969)**	**(717)**
Total current liabilities		(19,141)	(17,939)
Total assets less current liabilities		99,799	89,385
Non-current liabilities			
Borrowings	27	(3,838)	(4,110)
Provisions	30	(950)	(710)
Other liabilities	26	(1,216)	(1,175)
Total non-current liabilities		(6,004)	(5,995)
Total assets employed		93,795	83,390
Financed by			
Public dividend capital		61,179	54,045
Revaluation reserve		18,568	13,294
Other reserves		(8)	(300)
Income and expenditure reserve		14,056	16,351
Total taxpayers' equity		93,795	83,390

The notes on pages 9 to 60 form part of these accounts.

Michele Moran
Chief Executive

Signed:  **Date: 24 June 2020**

Statement of Changes in Taxpayers Equity for the year ended 31 March 2020

	Public dividend capital	Revaluation reserve	Financial assets reserve	Other reserves	Merger reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2019 - brought forward	**54,045**	**13,294**	**-**	**(300)**	**-**	**16,351**	**83,390**
Surplus/(deficit) for the year	-	-	-	-	-	(2,584)	(2,584)
Other transfers between reserves	-	(289)	-	-	-	289	-
Impairments	-	3,260	-	-	-	-	3,260
Revaluations	-	2,303	-	-	-	-	2,303
Remeasurements of the defined net benefit pension scheme liability/asset	-	-	-	292	-	-	292
Public dividend capital received	7,134	-	-	-	-	-	7,134
Public dividend capital written off	-	-	-	-	-	-	-
Taxpayers' and others' equity at 31 March 2020	61,179	18,568	-	(8)	-	14,056	93,795

Statement of Changes in Taxpayers Equity for the year ended 31 March 2019

	Public dividend capital	Revaluation reserve	Financial assets reserve	Other reserves	Merger reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2018 - brought forward	**44,320**	**17,164**	**-**	**(130)**	**-**	**17,819**	**79,173**
Impact of implementing IFRS 15 on 1 April 2018	-	-	-	-	-	-	-
Impact of implementing IFRS 9 on 1 April 2018	-	-	-	-	-	(141)	(141)
Surplus/(deficit) for the year	-	-	-	-	-	(1,787)	(1,787)
Other transfers between reserves	-	(460)	-	-	-	460	-
Impairments	-	(3,425)	-	-	-	-	(3,425)
Revaluations	-	15	-	-	-	-	15
Remeasurements of the defined net benefit pension scheme liability/asset	-	-	-	(170)	-	-	(170)
Public dividend capital received	9,725	-	-	-	-	-	9,725
Taxpayers' and others' equity at 31 March 2019	**54,045**	**13,294**	**-**	**(300)**	**-**	**16,351**	**83,390**

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

		2019/20	2018/19
	Note	**£000**	**£000**
Cash flows from operating activities			
Operating surplus / (deficit)		15	642
Non-cash income and expense:			
Depreciation and amortisation	6.1	2,760	2,956
Net impairments	7	2,093	3,957
Non-cash movements in on-SoFP pension liability		333	298
(Increase) / decrease in receivables and other assets		1,748	440
(Increase) / decrease in inventories		(12)	(11)
Increase / (decrease) in payables and other liabilities		5,488	(1,289)
Increase / (decrease) in provisions		234	(110)
Net cash flows from / (used in) operating activities		**12,659**	**6,883**
Cash flows from investing activities			
Interest received		101	66
Purchase of intangible assets		(4,081)	(3,648)
Sales of intangible assets		-	-
Purchase of PPE and investment property		(12,863)	(3,775)
Net cash flows from / (used in) investing activities		**(16,843)**	**(7,357)**
Cash flows from financing activities			
Public dividend capital received		7,134	9,725
Public dividend capital repaid		-	-
Movement on loans from DHSC		(219)	(273)
Other capital receipts		-	-
Capital element of finance lease rental payments		-	-
Interest on loans		(100)	(116)
PDC dividend (paid) / refunded		(2,456)	(2,540)
Net cash flows from / (used in) financing activities		**4,359**	**6,796**
Increase / (decrease) in cash and cash equivalents		**175**	**6,322**
Cash and cash equivalents at 1 April - brought forward		**14,935**	**8,613**
Prior period adjustments			-
Cash and cash equivalents at 1 April - restated		**14,935**	**8,613**
Cash and cash equivalents at 31 March	**24.1**	**15,110**	**14,935**

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 2019/20 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
These accounts have been prepared on a going concern basis. After making enquiries, the directors have a reasonable expectation that Humber Teaching NHS Foundation Trust has adequate resources to continue in opearional existence in the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

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

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. A performance obligation relating to delivery of a spell of health care is generally satisfied over time as healthcare is received and consumed simultaneously by the customer as the Trust performs it. The customer in such a contract is the commissioner, but the customer benefits as services are provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligns with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that are substantially the same and have a similar pattern of transfer. At the year end, the Trust accrues income relating to activity delivered in that year, where a patient care spell is incomplete. This accrual is disclosed as a contract receivable as entitlement to payment for work completed is usually only dependent on the passage of time. At the year end, the Trust accrues income relating to activity delivered in that year, where a patient care spell is incomplete.

The Trust receives income from commissioners under Commissioning for Quality and Innovation (CQUIN) schemes. The Trust agrees schemes with its commissioner but they affect how care is provided to patients. That is, the CQUIN payments are not considered distinct performance obligations in their own right; instead they form part of the transaction price for performance obligations under the contract.

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.

NHS injury cost recovery scheme
The Trust receives income under the NHS injury cost recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when performance obligations are satisfied. In practical terms this means that treatment has been given, it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

Provider sustainability fund (PSF) and Financial recovery fund (FRF)
The PSF and FRF enable providers to earn income linked to the achievement of financial controls and performance targets. Income earned from the funds is accounted for as variable consideration.

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.

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 has been undertaken on a modern equivalent asset basis and reflects the current service potential of the Trust. The last full revaluation of the Trust's estate was 31st March 2017, undertaken by the
District Valuer, which including inspecting all of the Trust buildings. An interim valuation was undertaken at the 31st March 2020.

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 2020 with a valuation date of 31 March 2020. In applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2020 ('Red Book'), the valuer has declared a 'material valuation uncertainty' in the valuation report. This is on the basis of uncertainties in markets caused by COVID-19. The values in the report have been used to inform the measurement of property assets at valuation in these financial statements. With the valuer having declared this material valuation uncertainty, the valuer has continued to exercise professional judgement in providing the valuation and this remains the best information available to the Trust.

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 all of the following criteria 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. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Donated and grant funded assets
Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met. The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

Useful lives of property, plant and equipment
Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	Min life Years	Max life Years
Land	-	-
Buildings, excluding dwellings	10	99
Plant & machinery	-	16
Transport equipment	7	7
Information technology	1	10
Furniture and 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

Useful lives of intangible assets
Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	Min life Years	Max life Years
Software licenses	-	5
Licenses and trademarks	-	5
Other (purchases)	-	5

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.

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 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.

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 for 31 March 2020:

		Nominal Rate
Short term	Up to 5 years	0.51%
Medium term	After 5 years up to 10 years	0.55%
Long term	Exceeding 10 years	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 31 March 2020:

	Inflation Rate
Year 1	1.90%
Year 2	2.00%
Into Perpetuity	2.00%

Early retirement provisions and injury benefit provisions both use the HM Treasury's pension discount rate of minus 0.5% in real terms.

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 31 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 31 where an inflow of economic benefits is probable. Contingent liabilities are not recognised, but are disclosed in note 31, 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, except for
(i) donated and grant funded assets,
(ii) average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and
(iii) any PDC dividend balance receivable or payable.

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 Early adoption of standards, amendments and interpretations
No new accounting standards or revisions to existing standards have been early adopted in 2019/20.

Note 1.22 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 2021. 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 2021, the trust will apply the standard retrospectively 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 a rate defined by HM Treasury. Currently this rate is 1.27% but this may change between now and adoption of the standard. 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 2021 for existing finance leases.

For leases commencing in 2021/22, 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.

HM Treasury revised the implementation date for IFRS 16 in the UK public sector to 1 April 2021 on 19 March 2020. Due to the need to reassess lease calculations, together with uncertainty on expected leasing activity in from April 2021 and beyond, a quantification of the expected impact of applying the standard in 2021/22 is currently impracticable. However, the trust does expect this standard to have a material impact on non-current assets, liabilities and depreciation.

Note 1.23 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 1.24 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.
The valuation exercise was carried out in February 2020 with a valuation date of 31 March 2020. The valuer has declared a 'material valuation uncertainty' in the valuation report, on the basis of uncertainties in markets caused by COVID-19. Having declared this material valuation uncertainty, the valuer has continued to exercise professional judgement in providing the valuation and this remains the best information available to the Trust.

Local Government Pension Scheme
Valuations are undertaken by an independent actuary. These values will therefore be subject to changes in market conditions and market values.

Accruals
Accruals are included in the accounts based on the best available information. This is applied in conjunction with historical experience and based on individual circumstances

Provisions
The estimates of outcome and financial effect of provisions are determined by the judgement of the management of the Trust, supplemented by experience of similar transactions and in some cases reports of independent experts.

Uncertainties surrounding the amount to be recognised as a provision are dealt with by various means according to circumstances. Where the provision being measured involves more than one outcome and each point in the range is as likely as the other, the mid point of the range is used. Where a single outcome is being measured, the most likely outcome may be the best estimate of the liability. However, even in such a case, the Trust considers other possible outcomes.

Note 2 Operating Segments
"Humber Teaching NHS Foundation Trust activities are purely healthcare related and therefore is treated as a single segment. The operating results of the Trust are reviewed monthly by the Trust's chief operating decision maker which is the overall Trust Board and which includes non-executive directors. For 2019/20, the Board of Directors reviewed the financial position of the Foundation Trust as a whole in their decision making process. The single segment of 'Healthcare' has therefore been identified consistent with the core principle of IFRS 8 Operating Segments which is to enable users of financial statements to evaluate the nature and financial effects of business activities and economic environments."

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)	2019/20	2018/19
	£000	£000
Mental health services		
Cost and volume contract income	1,194	-
Block contract income	83,227	71,475
Clinical partnerships providing mandatory services (including S75 agreements)	1,640	1,332
Clinical income for the secondary commissioning of mandatory services	-	-
Other clinical income from mandatory services	7,499	10,176
Community services		
Community services income from CCGs and NHS England	24,435	23,182
Income from other sources (e.g. local authorities)	4,259	4,817
All services		
Private patient income	11	26
Agenda for Change pay award central funding*		1,498
Additional pension contribution central funding**	4,359	
Other clinical income	8,300	5,401
Total income from activities	134,924	117,907

*Additional costs of the Agenda for Change pay reform in 2018/19 received central funding. From 2019/20 this funding is incorporated into tariff for individual services.
**The employer contribution rate for NHS pensions increased from 14.3% to 20.6% (excluding administration charge) from 1 April 2019. For 2019/20, NHS providers 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.

	2019/20	2018/19
Income from patient care activities received from:	**£000**	**£000**
NHS England*	20,296	14,051
Clinical commissioning groups	105,401	93,224
Department of Health and Social Care	-	1,498
Other NHS providers	1,011	768
NHS other	61	2
Local authorities	8,140	7,792
Injury cost recovery scheme	-	26
Non NHS: other	15	546
Total income from activities	**134,924**	**117,907**
Of which:		
Related to continuing operations	134,924	117,907
Related to discontinued operations	-	-

*The NHS England figure includes the additional pensions contribution amount being paid over on providers' behalf. The full cost and related funding have been recognised in these accounts.

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 2019/20 (£NIL 2018/19)

Note 4 Other operating income	2019/20			2018/19		
	Contract income	**Non-contract income**	**Total**	**Contract income**	**Non-contract income**	**Total**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**
Research and development	503	-	503	386	-	386
Education and training	3,800	39	3,839	3,408	87	3,495
Non-patient care services to other bodies	1,453		1,453	2,218		2,218
Provider sustainability fund (PSF)	1,224		1,224	3,864		3,864
Financial recovery fund (FRF)	452		452			
Marginal rate emergency tariff funding (MRET)	-		-			
Income in respect of employee benefits accounted on a gross basis	562		562	592		592
Receipt of capital grants and donations		-	-		-	-
Rental revenue from operating leases		2,295	2,295		1,941	1,941
Other income	281	-	281	-	-	-
Total other operating income	8,275	2,334	10,609	10,468	2,028	12,496
Of which:						
Related to continuing operations			10,609			12,496
Related to discontinued operations			-			-

Note 5.1 Additional information on contract revenue (IFRS 15) recognised in the period Humber Teaching NHS Foundation Trust received no income from overseas visitors in 2019/20 (£NIL 2018/19)

	2019/20	2018/19
	£000	£000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	496	356
Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods	-	-

Note 5.2 Transaction price allocated to remaining performance obligations
Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:

	31 March 2020	31 March 2019
Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:	**£000**	**£000**
within one year	1,845	496
after one year, not later than five years	-	-
after five years	-	-
Total revenue allocated to remaining performance obligations	1,845	496

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:

	31 March 2020	31 March 2019
	£000	**£000**
Income from services designated as commissioner requested services	116,967	102,492
Income from services not designated as commissioner requested services	17,957	15,415
Total	134,924	117,907

Note 5.4 Profits and losses on disposal of property, plant and equipment
Humber Teaching NHS Foundation Trust has no disposal of assets in 2019/20 (2018/19 £NIL)

Note 6.1 Operating expenses

	2019/20	2018/19
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	850	1,433
Purchase of healthcare from non-NHS and non-DHSC bodies	5,234	4,382
Purchase of social care	-	-
Staff and executive directors costs*	111,687	96,945
Remuneration of non-executive directors	119	121
Supplies and services - clinical (excluding drugs costs)	1,950	1,622
Supplies and services - general	1,115	1,080
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	1,159	1,154
Inventories written down	-	-
Consultancy costs	113	101
Establishment	2,643	3,370
Premises	6,928	4,332
Transport (including patient travel)	846	1,544
Depreciation on property, plant and equipment	2,446	2,668
Amortisation on intangible assets	314	288
Net impairments	2,093	3,957
Movement in credit loss allowance: contract receivables / contract assets	863	754
Movement in credit loss allowance: all other receivables and investments	-	-
Increase/(decrease) in other provisions	-	(9)
Change in provisions discount rate(s)	-	-
Audit fees payable to the external auditor		
audit services- statutory audit	50	66
other auditor remuneration (external auditor only)	5	-
Internal audit costs	111	111
Clinical negligence	533	589
Legal fees	354	218
Insurance	-	49
Research and development	591	481
Education and training	1,034	1,226
Rentals under operating leases	4,040	3,259
Early retirements	-	-
Redundancy	432	-
Car parking & security	-	-
Hospitality	-	-
Losses, ex gratia & special payments	8	20
Other	-	-
Total	**145,518**	**129,761**
Of which:		
Related to continuing operations	145,518	129,761
Related to discontinued operations	-	-

Note 6.2 Other auditor remuneration

	2019/20	2018/19
	£000	**£000**
Other auditor remuneration paid to the external auditor:		
8. Other non-audit services not falling within items 2 to 7 above	5	-
Total	**8**	-

Note 6.3 Limitation on auditor's liability

There is no limitation on auditor's liability for external audit work carried out for 2019/20. In 2018/19 there was a limitation of £1m.

Note 7 Impairment of assets

	2019/20	2018/19
	£000	**£000**
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	2,093	3,583
Other	-	374
Total net impairments charged to operating surplus / deficit	**2,093**	**3,957**
Impairments charged to the revaluation reserve	(3,260)	3,425
Total net impairments	**(1,167)**	**7,382**

Humber Teaching NHS Foundation Trust revalued its Land and Buildings during the period, resulting in an impairment loss credited to revaluation reserve of £104k (2018/19: gain £3,425k), £3,502k as an operating expense (2018/19 £3,855k) and £1,410k reversal of impairments (2018/19 £318k). The net impairment charged to the I & E in 2019/20 was £2,093k (2018/19 £3.957k). The total net impairment to the Trust was £1,167k (2018/19 impairment reversal £7,382k)

Note 8 Employee benefits

	2019/20	2018/19
	Total	**Total**
	£000	**£000**
Salaries and wages	86,140	78,849
Social security costs	7,778	7,347
Apprenticeship levy	393	367
Employer's contributions to NHS pensions *	14,351	9,550
Pension cost - other	262	238
Termination benefits	-	-
Temporary staff (including agency)	4,145	2,190
Total gross staff costs	**113,069**	**98,541**
Recoveries in respect of seconded staff	-	-
Total staff costs	**113,069**	**98,541**
Of which		
Costs capitalised as part of assets	-	451

* 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.

Note 8.1 Retirements due to ill-health

During 2019/20 there were 7 early retirements from the trust agreed on the grounds of ill-health (1 in the year ended 31 March 2019). The estimated additional pension liabilities of these ill-health retirements is £398k (£175k in 2018/19). 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 2020, is based on valuation data as at 31 March 2019, updated to 31 March 2020 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%, and the Scheme Regulations were amended accordingly.

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgment from the Court of Appeal in December 2018 Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process.

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 33

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 2019/2020 were £44k (2018/19 £20k).

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.

	2019/20	2018/19
	£000	£000
Operating lease revenue		
Minimum lease receipts	2,295	1,941
Contingent rent	-	-
Other	**-**	**-**
Total	**2,295**	**1,941**

	31 March 2020	31 March 2019
	£000	£000
Future minimum lease receipts due:		
- not later than one year;	2,295	1,941
- later than one year and not later than five years;	9,136	1,423
- later than five years.	**-**	**-**
Total	**11,431**	**3,364**

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.

	2019/20	2018/19
	£000	£000
Operating lease expense		
Minimum lease payments	4,040	3,259
Contingent rents	-	-
Less sublease payments received	**-**	**-**
Total	**4,040**	**3,259**

	31 March 2020	31 March 2019
	£000	£000
Future minimum lease payments due:		
- not later than one year;	3,689	3,152
- later than one year and not later than five years;	10,452	4,244
- later than five years.	**12,519**	**12,110**
Total	**26,660**	**19,506**
Future minimum sublease payments to be received	**-**	**-**

Note 11 Finance income

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

	2019/20	2018/19
	£000	£000
Interest on bank accounts	101	66
Other finance income	30	25
Total finance income	**131**	**91**

Note 12.1 Finance expenditure

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

	2019/20	2018/19
	£000	£000
Interest expense:		
Loans from the Department of Health and Social Care	155	116
Total interest expense	**155**	**116**
Unwinding of discount on provisions	15	2
Other finance costs	61	47
Total finance costs	**231**	**165**

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

Humber Teaching NHS Foundation Trust had no liability as a result of late payment legislation in 2019/20 (2018/19 £Nil) and paid no compensation under this legislation (2018/19 £Nil)

Note 13 Other gains / (losses)

	2019/20	2018/19
	£000	£000
Gains on disposal of assets	-	-
Losses on disposal of assets	-	-
Total gains / (losses) on disposal of assets	**-**	**-**
Total other gains / (losses)	-	-

Note 14.1 Intangible assets - 2019/20

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

	Software licences	Licences & trademarks	Intangible assets under construction	Other (purchased)	Total
	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2019 - brought forward	**2,009**	**52**	**3,622**	**114**	**5,797**
Additions	33	-	4,048	-	4,081
Reclassifications	55	-	(55)	-	-
Valuation / gross cost at 31 March 2020	**2,097**	**52**	**7,615**	**114**	**9,878**
Amortisation at 1 April 2019 - brought forward	**1,558**	**-**	**-**	**-**	**1,558**
Provided during the year	314	-	-	-	314
Transfers to / from assets held for sale	-	-	-	-	-
Amortisation at 31 March 2020	**1,872**	**-**	**-**	**-**	**1,872**
Net book value at 31 March 2020	**225**	**52**	**7,615**	**114**	**8,006**
Net book value at 1 April 2019	**451**	**52**	**3,622**	**114**	**4,239**

Intangible assets under construction relate to the Yorkshire and Humber Care Record Programme.

Note 14.2 Intangible assets - 2018/19

	Software licences	Licences & trademarks	Intangible assets under construction	Other (purchased)	Total
	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2018 - as previously stated	**1,983**	**52**	**-**	**114**	**2,149**
Prior period adjustments	-	-	-	-	-
Valuation / gross cost at 1 April 2018 - restated	**1,983**	**52**	**-**	**114**	**2,149**
Additions	-	-	3,648	-	3,648
Reclassifications	26	-	(26)	-	-
Valuation / gross cost at 31 March 2019	**2,009**	**52**	**3,622**	**114**	**5,797**
Amortisation at 1 April 2018 - as previously stated	**1,270**	**-**	**-**	**-**	**1,270**
Prior period adjustments	-	-	-	-	-
Amortisation at 1 April 2018 - restated	**1,270**	**-**	**-**	**-**	**1,270**
Provided during the year	288	-	-	-	288
Amortisation at 31 March 2019	**1,558**	**-**	**-**	**-**	**1,558**
Net book value at 31 March 2019	**451**	**52**	**3,622**	**114**	**4,239**
Net book value at 1 April 2018	**713**	**52**	**-**	**114**	**879**

Note 15.1 Property, plant and equipment - 2019/20

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2019 - brought forward	**7,541**	**57,190**	**7,058**	**3,303**	**121**	**11,982**	**1,204**	**88,399**
Additions	-	4,147	2,539	10	-	1,669	21	**8,386**
Impairments	-	(104)	-	-	-	-	-	**(104)**
Reversals of impairments	150	3,214	-	-	-	-	-	**3,364**
Revaluations	302	(1,270)	-	-	-	-	-	**(968)**
Reclassifications	-	6,164	(7,639)	-	-	1,475	-	**-**
Transfers to / from assets held for sale	370	785	-	-	-	-	-	**1,155**
Valuation/ gross cost at 31 March 2020	**8,363**	**70,126**	**1,958**	**3,313**	**121**	**15,126**	**1,225**	**100,232**
Accumulated depreciation at 1 April 2019 - brought forward	**916**	**731**	**-**	**1,939**	**121**	**9,571**	**905**	**14,183**
Transfers by absorption	-	-	-	-	-	-	-	**-**
Provided during the year	-	1,226	-	385	-	727	108	**2,446**
Impairments	-	3,503	-	-	-	-	-	**3,503**
Reversals of impairments	(115)	(1,295)	-	-	-	-	-	**(1,410)**
Revaluations	115	(3,386)	-	-	-	-	-	**(3,271)**
Transfers to / from assets held for sale	-	-	-	-	-	-	-	**-**
Accumulated depreciation at 31 March 2020	**916**	**779**	**-**	**2,324**	**121**	**10,298**	**1,013**	**15,451**
Net book value at 31 March 2020	**7,447**	**69,347**	**1,958**	**989**	**-**	**4,828**	**212**	**84,781**
Net book value at 1 April 2019	**6,625**	**56,459**	**7,058**	**1,364**	**-**	**2,411**	**299**	**74,216**

Note 15.2 Property, plant and equipment - 2018/19

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2018 - as previously stated	**8,169**	**65,077**	**3,120**	**2,966**	**121**	**10,934**	**1,198**	**91,585**
Prior period adjustments	-	-	-	-	-	-	-	**-**
Valuation / gross cost at 1 April 2018 - restated	**8,169**	**65,077**	**3,120**	**2,966**	**121**	**10,934**	**1,198**	**91,585**
Additions	-	-	7,758	139	-	-	6	**7,903**
Impairments	-	(3,450)	(374)	-	-	-	-	**(3,824)**
Reversals of impairments	-	25	-	-	-	-	-	**25**
Revaluations	242	(5,377)	-	-	-	-	-	**(5,135)**
Reclassifications	-	2,200	(3,446)	198	-	1,048	-	**-**
Transfers to / from assets held for sale	(870)	(1,285)	-	-	-	-	-	**(2,155)**
Valuation/ gross cost at 31 March 2019	**7,541**	**57,190**	**7,058**	**3,303**	**121**	**11,982**	**1,204**	**88,399**
Accumulated depreciation at 1 April 2018 - as previously stated	**916**	**691**	**-**	**1,565**	**121**	**9,000**	**799**	**13,092**
Prior period adjustments	-	-	-	-	-	-	-	**-**
Accumulated depreciation at 1 April 2018 - restated	**916**	**691**	**-**	**1,565**	**121**	**9,000**	**799**	**13,092**
Provided during the year	-	1,617	-	374	-	571	106	**2,668**
Impairments	-	3,901	-	-	-	-	-	**3,901**
Reversals of impairments	(235)	(83)	-	-	-	-	-	**(318)**
Revaluations	235	(5,385)	-	-	-	-	-	**(5,150)**
Transfers to / from assets held for sale	-	(10)	-	-	-	-	-	**(10)**
Accumulated depreciation at 31 March 2019	**916**	**731**	**-**	**1,939**	**121**	**9,571**	**905**	**14,183**
Net book value at 31 March 2019	**6,625**	**56,459**	**7,058**	**1,364**	**-**	**2,411**	**299**	**74,216**
Net book value at 1 April 2018	**7,253**	**64,386**	**3,120**	**1,401**	**-**	**1,934**	**399**	**78,493**

Note 15.3 Property, plant and equipment financing - 2019/20

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2020									
Owned - purchased	7,346	68,941	-	1,958	847	-	4,828	212	84,132
Finance leased	-	-	-	-	-	-	-	-	-
Owned - government granted	-	-	-	-	-	-	-	-	-
Owned - donated	101	406	-	-	142	-	-	-	649
NBV total at 31 March 2020	**7,447**	**69,347**	-	**1,958**	**989**	**-**	**4,828**	**212**	**84,781**

Note 15.4 Property, plant and equipment financing - 2018/19

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2019									
Owned - purchased	6,527	56,061	-	7,058	1,164	-	2,411	299	73,520
Finance leased	-	-	-	-	-	-	-	-	-
Owned - government granted	-	-	-	-	-	-	-	-	-
Owned - donated	98	398	-	-	200	-	-	-	696
NBV total at 31 March 2019	**6,625**	**56,459**	-	**7,058**	**1,364**	**-**	**2,411**	**299**	**74,216**

Note 16 Revaluations of property, plant and equipment
"Humber Teaching NHS Foundation Trust's Land and Buildings revalued at 31 March 2020 by independent valuers The District Valuers Office, as part of an interim valuation. The last full valuation of the Trust's property , by the District Valuer, took place as at 31st March 2017."

"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 has been undertaken on a modern equivalent asset basis and reflects the current service potential of the Trust. A desktop revaluation of the Trusts estate was undertaken by the District Valuer, which included inspecting some of the Trust buildings. "

The valuation exercise was carried out in February 2020 with a valuation date of 31 March 2020. In applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2020 ('Red Book'), the valuer has declared a 'material valuation uncertainty' in the valuation report. This is on the basis of uncertainties in markets caused by COVID-19. The values in the report have been used to inform the measurement of property assets at valuation in these financial statements. With the valuer having declared this material valuation uncertainty, the valuer has continued to exercise professional judgement in providing the valuation and this remains the best information available to the Trust.

Note 17.1 Investment Property
"Humber Teaching NHS Foundation Trust held no investment property in 2019/20 (2018/19: £ Nil)"

Note 18.1 Investments in associates and joint ventures
"Humber Teaching NHS Foundation Trust held no investments in associates or joint ventures in 2019/20 (2018/19: £ 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 and in 2019/20 it aquired Manor House Surgery. It has not been consolidated in the accounts of Humber Teaching NHS Foundation Trust on the basis of materiality. In 2019/20 it had a loss of £125k. "

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 2020 is £682k. (2019/20 £566k).

Note 20 Inventories

	31 March 2020	31 March 2019
	£000	**£000**
Consumables	150	138
Total inventories	150	138
of which:		
Held at fair value less costs to sell	-	-

Inventories recognised in expenses for the year were £1,137k (2018/19: £647k). Write-down of inventories recognised as expenses for the year were £0k (2018/19: £0k).

Note 21.1 Receivables

	31 March 2020	31 March 2019
	£000	**£000**
Current		
Contract receivables	10,140	11,432
Contract assets	**-**	**-**
Capital receivables	-	-
Allowance for impaired contract receivables / assets	(1,197)	(969)
Deposits and advances	-	-
Prepayments (non-PFI)	758	743
Interest receivable	-	-
PDC dividend receivable	-	-
VAT receivable	202	445
Other receivables	-	-
Total current receivables	**9,903**	**11,651**
Non-current		
Deposits and advances	-	-
Total non-current receivables	**-**	**-**
Of which receivable from NHS and DHSC group bodies:		
Current	5,833	7,173
Non-current	-	-

Note 21.2 Allowances for credit losses

	2019/20		2018/19	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
Allowances as at 1 April - brought forward	969	-	-	74
Prior period adjustments			-	-
Allowances as at 1 April - restated	969	-	-	74
Impact of implementing IFRS 9 (and IFRS 15) on 1 April 2018			215	(74)
Transfers by absorption	-	-	-	-
New allowances arising	258	-	613	-
Changes in existing allowances	605	-	141	-
Reversals of allowances	-	-	-	-
Utilisation of allowances (write offs)	(635)	-	-	-
Allowances as at 31 Mar 2020	1,197	-	969	-

Note 21.3 Exposure to credit risk

	31 March 2020	31 March 2019
	£000	£000
Non NHS Invoices	2633	4,124
NHS Invoices	4294	4,181
	6927	**8,305**
Credit Risk	17.16%	22.14%
Loss Provision	(1,197)	(969)
Net Carrying Amount	**5,730**	**7,336**

Note 22 Other assets

	31 March 2020	31 March 2019
Current	£000	£000
EU emissions trading scheme allowance	-	-
Other assets	-	-
Total other current assets	**-**	**-**
Non-current		
Net defined benefit pension scheme asset	-	-
Other assets	**-**	**-**
Total other non-current assets	**-**	**-**

Note 23.1 Non-current assets held for sale and assets in disposal groups

	2019/20	2018/19
	£000	**£000**
NBV of non-current assets for sale and assets in disposal groups at 1 April	2,145	-
Prior period adjustment		-
NBV of non-current assets for sale and assets in disposal groups at 1 April - restated	**2,145**	**-**
Transfers by absorption	-	-
Assets classified as available for sale in the year	-	2,145
Assets sold in year	-	-
Impairment of assets held for sale	-	-
Reversal of impairment of assets held for sale	-	-
Assets no longer classified as held for sale, for reasons other than sale	(1,155)	-
NBV of non-current assets for sale and assets in disposal groups at 31 March	**990**	**2,145**

"Humber Teaching NHS Foundation Trust, currently has 2 assets held for sale, Victoria House and Hallgate. A contract for the sale of Victoria House has been agreed and disposal is expected to be completed in 2020/21. Hallgate is currently being marketed for sale and is also expected to be disposed of in 2020/21. Westend was previously catagorised as held for sale but this has been reviewed and the property has been reclassified back to Property Plant and Equipment."

Note 23.2 Liabilities in disposal groups

Humber Teaching NHS Foundation Trust has no liabilities in disposal groups in 2019/20 (2018/19 £Nil)

Note 24.1 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

	2019/20	2018/19
	£000	**£000**
At 1 April	**14,935**	**8,613**
Prior period adjustments		**-**
At 1 April (restated)	**14,935**	**8,613**
Transfers by absorption	-	-
Net change in year	175	6,322
At 31 March	**15,110**	**14,935**
Broken down into:		
Cash at commercial banks and in hand	292	212
Cash with the Government Banking Service	14,818	14,723
Deposits with the National Loan Fund	-	-
Other current investments	-	-
Total cash and cash equivalents as in SoFP	**15,110**	**14,935**
Bank overdrafts (GBS and commercial banks)	-	-
Drawdown in committed facility	-	-
Total cash and cash equivalents as in SoCF	**15,110**	**14,935**

Note 24.2 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 excluded from the cash and cash equivalents figure reported in the accounts.

	31 March 2020	31 March 2019
	£000	**£000**
Bank balances	370	412
Monies on deposit	-	-
Total third party assets	**370**	**412**

Note 25.1 Trade and other payables

	2019/20	2018/19
	£000	£000
Current		
Trade payables	5,621	6,491
Capital payables	1,551	6,028
Accruals	6,256	2,152
Receipts in advance and payments on account	-	-
Social security costs	1,188	1,101
VAT payables	-	-
Other taxes payable	781	729
PDC dividend payable	91	48
Other payables	1,162	244
Total current trade and other payables	**16,650**	**16,793**
Non-current		
"Humber Teaching NHS Foundation Trust held no non-current payables in the year 2019/20 (2018/19:£Nil)"		
Of which payables from NHS and DHSC group bodies:		
Current	932	3,110
Non-current	-	-
Other payables includes outstanding pensions payments, previously classified to Trade Payables in 2018/19		
Note 25.2 Early retirements in NHS payables above		
"Humber Teaching NHS Foundation Trust made no payments for early retirements in the year 2019/20 (2018/19:£Nil)"		

Note 26 Other liabilities

	31 March 2020	31 March 2019
	£000	£000
Current		
Deferred income: contract liabilities	1,969	717
Total other current liabilities	**1,969**	**717**
Non-current		
Net pension scheme liability	1,216	1,175
Total other non-current liabilities	**1,216**	**1,175**

Note 27.1 Borrowings

	31 March 2020	31 March 2019
	£000	£000
Current		
Loans from DHSC	366	282
Total current borrowings	**366**	**282**
Non-current		
Loans from DHSC	3,838	4,110
Total non-current borrowings	**3,838**	**4,110**

Note 27.2 Reconciliation of liabilities arising from financing activities - 2019/20

	Note Reconciliation of liabilities arising from financing activities - 2019/20	Total
	£000	£000
Carrying value at 1 April 2019	**4,392**	**4,392**
Cash movements:		
Financing cash flows - payments and receipts of principal	(219)	(219)
Financing cash flows - payments of interest	(100)	(100)
Non-cash movements:		
Transfers by absorption	-	-
Additions	-	-
Application of effective interest rate	131	131
Change in effective interest rate	-	-
Changes in fair value	-	-
Early terminations	-	-
Other changes	-	-
Carrying value at 31 March 2020	**4,204**	**4,204**

Note 27.3 Reconciliation of liabilities arising from financing activities - 2018/19

	Loans from DHSC	Total
	£000	£000
Carrying value at 1 April 2018	**4,656**	**4,656**
Cash movements:		
Financing cash flows - payments and receipts of principal	(273)	(273)
Financing cash flows - payments of interest	(116)	(116)
Non-cash movements:		
Impact of implementing IFRS 9 on 1 April 2018	10	10
Transfers by absorption	-	-
Additions	-	-
Application of effective interest rate	116	116
Change in effective interest rate	-	-
Changes in fair value	-	-
Early terminations	-	-
Other changes	**(1)**	**(1)**
Carrying value at 31 March 2019	**4,392**	**4,392**

Note 28 Other financial liabilities

	31 March 2019
	£000
Current	
Derivatives held at fair value through income and expenditure	-
Other financial liabilities	-
Total current other financial liabilities	-
Non-current	
Derivatives held at fair value through income and expenditure	-
Other financial liabilities	-
Total non-current other financial liabilities	-

Note 29 Finance leases

Humber Teaching NHS Foundation Trust had no finance leases in the year 2019/20 (2018/19:£Nil)

Note 30.1 Provisions for liabilities and charges analysis

	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Re-structuring	Equal Pay (including Agenda for Change)	Redundancy	Other	Total
	£000	£000	£000	£000	£000	£000	£000	£000
At 1 April 2019	327	496	34	-	-	-	-	857
Transfers by absorption	-	-	-	-	-	-	-	-
Change in the discount rate	-	-	-	-	-	-	-	-
Arising during the year	-	-	44	-	-	-	296	340
Utilised during the year	(74)	(32)	-	-	-	-	-	(106)
Reclassified to liabilities held in disposal groups	-	-	-	-	-	-	-	-
Reversed unused	-	-	-	-	-	-	-	-
Unwinding of discount	1	6	1	-	-	-	7	15
At 31 March 2020	254	470	79	-	-	-	303	1,106
Expected timing of cash flows:								
- not later than one year;	76	31	-	-	-	-	49	156
- later than one year and not later than five years;	178	126	-	-	-	-	198	502
- later than five years.	-	313	79	-	-	-	56	448
Total	254	470	79	-	-	-	303	1,106

"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 overtime claims arising from the Flowers and others v East of England Ambulance Trust employment appeal tribunal.

Note 30.2 Clinical negligence liabilities

At 31 March 2020, £49k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Humber Teaching NHS Foundation Trust (31 March 2019: £53k).

Note 31 Contingent assets and liabilities

	31 March 2020	31 March 2019
	£000	**£000**
Value of contingent liabilities		
NHS Resolution legal claims	(49)	(17)
Employment tribunal and other employee related litigation	-	-
Redundancy	-	-
Other	-	-
Gross value of contingent liabilities	**(49)**	**(17)**
Amounts recoverable against liabilities	-	-
Net value of contingent liabilities	**(49)**	**(17)**
Net value of contingent assets	-	-

"Contingent liabilities relate to NHS Resolution legal claims that have been identified as a contingent liability by NHS Resolution

Note 32 Contractual capital commitments

	31 March 2020	31 March 2019
	£000	**£000**
Property, plant and equipment	**-**	4,412
Intangible assets	-	-
Total	-	**4,412**

"In 2018/19 the contractual capital commitments related to the Inspire Camhs unit which was completed in 2019/20."

Note 33 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 2019/20 (2018/19 : £Nil)"

Note 33 Defined benefit pension schemes

"East Riding of Yorkshire Council Pension Scheme"

"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 2019/20 Humber Teaching NHS Foundation Trust contributed £582k to the fund (2018/19: £561k).

A pension deficit of £1,216k is included in the Statement of Financial Position as at 31 March 2019 (2018/19: £1,175k)

Note 33.1 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

	31 March 2020	31 March 2019
Pension Increase Rate	1.90%	2.50%
Salary Increase Rate	2.80%	2.70%
Discount Rate	2.30%	2.40%

Note 33.2 The estimated Fund asset allocation is as follows:

	31 March 2020	31 March 2019
	£000	**£000**
Equities Securities	886.4	95
Debt Securities	819.8	169
Private Equity	186.7	59
Real Estate	360.9	136
Investment Funds & Unit Trusts	4913.2	648
Cash & Cash Equivalents	278.7	46
	7,446	1,153

Note 33.3 Sensitivity Analysis

Change in assumptions at 31 March 2020	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount £000
0.5% decrease in Real Discount Rate	11%	1,166
0.5% increase in the Salary Increase Rate	1%	149
0.5% increase in the Pension Increase Rate	9%	1,004

Note 33.4 Projected defined benefit cost for the period to 31 March 2020

Period Ended 31 March 2020	Assets	Obligations	Net (liability)/asset	
	£000	£000	£000	% of pay
Projected Current Service cost		401	(401)	(34.4%)
Total Service Cost	**0**	**401**	**(401)**	**(34.4%)**
Interest income on plan assets	223		223	19.10%
Interest cost on defined benefit obligation		253	(253)	(21.7%)
Total Net Interest Cost	223	253	(30)	(2.6%)
Total included in SoCI	**223**	**654**	**(431)**	**(37.0%)**
Total included in SoCI	**605**	**-**	**141**	**-**

Note 33.5 Changes in the defined benefit obligation and fair value of plan assets during the year

	2019/20	2018/19
	£000	**£000**
Present value of the defined benefit obligation at 1 April	**(2,327)**	**(1,459)**
Prior period adjustment		-
Present value of the defined benefit obligation at 1 April - restated	(2,327)	(1,459)
Transfers by absorption	-	-
Current service cost	(521)	(514)
Interest cost	(61)	(47)
Contribution by plan participants	(74)	(83)
Remeasurement of the net defined benefit (liability) / asset:		
- Actuarial (gains) / losses	(8,007)	(224)
Benefits paid	134	-
Past service costs	-	-
Business combinations	-	-
Curtailments and settlements	-	-
Present value of the defined benefit obligation at 31 March	(10,856)	(2,327)
Plan assets at fair value at 1 April	**1,152**	**752**
Prior period adjustment		-
Plan assets at fair value at 1 April -restated	**1,152**	**752**
Transfers by normal absorption	-	-
Interest income	30	25
Remeasurement of the net defined benefit (liability) / asset:		
- Return on plan assets	-	54
- Actuarial gain / (losses)	8,299	-
- Changes in the effect of limiting a net defined benefit asset to the asset ceiling	-	-
Contributions by the employer	219	238
Contributions by the plan participants	74	83
Benefits paid	(134)	-
Business combinations	-	-
Settlements	-	-
Plan assets at fair value at 31 March	**9,640**	**1,152**
Plan surplus/(deficit) at 31 March	**(1,216)**	**(1,175)**

Note 33.6 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 2020	31 March 2019
	£000	£000
Present value of the defined benefit obligation	**(10,856)**	**(2,327)**
Plan assets at fair value	9,640	1,152
Net defined benefit (obligation) / asset recognised in the SoFP	(1,216)	(1,175)
Fair value of any reimbursement right	-	-
Net (liability) / asset after the impact of reimbursement rights	(1,216)	(1,175)

Note 33.7 Amounts recognised in the SoCI

	2019/20	2018/19
	£000	£000
Current service cost	(521)	(514)
Interest expense / income	(31)	(22)
Past service cost	-	-
Gains/(losses) on curtailment and settlement	-	-
Total net (charge) / gain recognised in SOCI	**(552)**	**(536)**

Note 34 On-SoFP PFI, LIFT or other service concession arrangements

Humber Teaching NHS Foundation Trust does not have any PFI or LIFT schemes.

Note 35 Financial instruments

Note 35.1 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
The majority of income derives from contracts with other public sector bodies, and therefore there is low exposure to credit risk. The maximum exposures as at 31 March 2020 are in receivables from customers, as disclosed in the Trade and other receivables note. (See Note 21.1)

Liquidity risk
Humber Teaching NHS Foundation Trust's operating costs were incurred under contracts with Clinical Commissioning Groups in 2019/20. These entities are financed from resources voted annually by Parliament. Humber Teaching NHS Foundation Trust funds its capital expenditure from internally raised funds or by borrowing and therefore is not exposed to significant liquidity risks.

Note 35.2 Carrying values of financial assets

Carrying values of financial assets as at 31 March 2020	Held at amortised cost	"Held at fair value through I&E"	"Held at fair value through OCI"	"Total book value"
	£000	**£000**	**£000**	**£000**
Trade and other receivables excluding non financial assets	8,943	-	-	**8,943**
Other investments / financial assets	-	-	-	**-**
Cash and cash equivalents	15,110	-	-	**15,110**
Total at 31 March 2020	**24,053**	-	-	**24,053**

Carrying values of financial assets as at 31 March 2019	Held at amortised cost	"Held at fair value through I&E"	"Held at fair value through OCI"	"Total book value"
	£000	**£000**	**£000**	**£000**
Trade and other receivables excluding non financial assets	10,185	-	-	**10,185**
Other investments / financial assets	-	-	-	**-**
Cash and cash equivalents	14,935	-	-	**14,935**
Total at 31 March 2020	**25,120**	-	-	**25,120**

Note 35.3 Carrying values of financial liabilities

Carrying values of financial liabilities as at 31 March 2020	Held at amortised cost	"Held at fair value through I&E"	"Total book value"
	£000	**£000**	**£000**
Loans from the Department of Health and Social Care	4,204	-	**4,204**
Other borrowings	-	-	**-**
Trade and other payables excluding non financial liabilities	14,590	-	**14,590**
Other financial liabilities	**-**	-	**-**
Provisions under contract	**-**	-	**-**
Total at 31 March 2020	**18,794**	-	**18,794**

Carrying values of financial liabilities as at 31 March 2019	Held at amortised cost	"Held at fair value through I&E"	"Total book value"
	£000	**£000**	**£000**
Loans from the Department of Health and Social Care	4,392	-	**4,392**
Other borrowings	-	-	**-**
Trade and other payables excluding non financial liabilities	14,915	-	**14,915**
Other financial liabilities	**-**	-	**-**
Provisions under contract	**-**	-	**-**
Total at 31 March 2020	**19,307**	-	**19,307**

Note 35.4 Maturity of financial liabilities

Carrying values of financial liabilities as at 31 March 2020	31 March 2020	31 March 2019
	£000	**£000**
In one year or less	14,956	15,197
In more than one year but not more than two years	3,838	4,110
In more than two years but not more than five years	-	-
In more than five years	**-**	**-**
Total	**18,794**	**19,307**

Note 35.5 Fair values of financial assets and liabilities

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

Note 36 Losses and special payments

	2019/20		2018/19	
	Total number of cases	**Total value of cases**	**Total number of cases**	**Total value of cases**
Losses				
Cash losses	-	-	-	**-**
Fruitless payments	-	-	-	**-**
Bad debts and claims abandoned	-	-	-	**-**
Stores losses and damage to property	-	-	-	**-**
Total losses	**-**	**-**	**-**	**-**
Special payments				
Compensation under court order or legally binding arbitration award	-	-	-	**-**
Extra-contractual payments	-	-	-	**-**
Ex-gratia payments	2	8	1	**20**
Special severance payments	-	-	-	**-**
Extra-statutory and extra-regulatory payments	-	-	-	**-**
Total special payments	**2**	**8**	**1**	**20**
Total losses and special payments	**2**	**8**	**1**	**20**
Compensation payments received		-		**-**

Note 37 Related parties

Humber Teaching NHS Foundation Trust is a body corporate established by order of the Secretary of State for Health.

During the year two Non Executive board members of Humber Teaching NHS Foundation Trust Board had a related party interest in entities which has undertaken transactions with Humber Teaching NHS Foundation Trust. Mike Smith provided services to The Rotherham NHS Foundation Trust as an Non Executive Director . Mike Cooke is Chair of the Yorkshire Wildlife Trust (£72k Income).

The Trust owns Humber Primary Care Ltd, a company registered in the United Kingdom. This has not been included in the accounts due to materiality. The company's main activity is Primary Care and owns 3 Primary Care practices.

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

These entities are listed below:

Health Education England
Hull University Teaching Hospitals NHS Trust
NHS East Riding Of Yorkshire CCG
NHS England
NHS Hull CCG
NHS Pensions Agency
NHS Property Services
NHS Scarborough and Ryedale CCG
NHS Vale of York CCG
The Rotherham NHS Foundation Trust
Tees, Esk and Wear Valleys NHS Foundation Trust
York Teaching Hospital NHS Foundation Trust

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 had no other related party transactions.

Note 38 Transfers by absorption
"Humber Teaching NHS Foundation Trust had no transfers by absorption in 2019/20 (2018/19 £Nil)"

Note 39 Prior period adjustments
Humber Teaching NHS Foundation Trust had no prior period adjustments in 2019/20 (2018/19 £Nil)

Note 40 Events after the reporting date
On 2 April 2020, the Department of Health and Social Care (DHSC) and NHS England and NHS Improvement announced reforms to the NHS cash regime for the 2020/21 financial year. During 2020/21 existing DHSC interim revenue and capital loans as at 31 March 2020 will be extinguished and replaced with the issue of Public Dividend Capital (PDC) to allow the repayment. Given this relates to liabilities that existed at 31 March 2020, DHSC has updated its Group Accounting Manual to advise this is considered an adjusting event after the reporting period for providers.

The cash regime reform will not affect Humber Teaching NHS Foundation Trust as no DHSC interim revenue and capital loans are held by the Trust

If you would like this document in an alternative format, please contact hnf-tr.communications@nhs.net

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