NHS
Humber Teaching
NHS Foundation Trust

Humber Teaching NHS Foundation Trust

Annual Report and Accounts 2021/22

Caring, Learning
& Growing Together

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Annual Report and Accounts 2021/22

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Contents

Welcome from Chair and Chief Executive

Chair and Chief Executive's foreword

As we look back over 2021/22, we reflect on a year where we continued to operate against the backdrop of a pandemic but also a year when we were able to find reasons to celebrate.

Our Humbelievable team continued to put our patients and their safety at the heart of all we do and, despite the challenges of changing infection rates in our local communities, they worked hard to ensure our services remained open and accessible. We continue to be impressed by the way our staff have embraced new technology and created innovative ways to connect with patients and families and capitalised on the opportunities the subsequent digital revolution has offered us.

Despite the challenges of working with Covid-19, we remained true to our ambition to be a Trust with a reputation for delivering outstanding services searching for constant improvement - putting patient and staff safety at the heart of all the decisions made and continued to innovate and transform services for the benefit of our patients.

Through all the difficult times, it has been important that we find moments of joy and celebration. Whether it was raising a smile with a small gift to commemorate a special occasion, celebrating as a team supported by our Staff Celebration Fund, or sharing inspirational stories as part of our Thank You and Celebration Week. These moments help us take the time to acknowledge the efforts of groups and individuals and ensure that we take a moment to say 'thank you' and 'well done' when it's most needed.

Our staff survey remains an important way for staff to give us feedback and we were pleased that the highest number of staff ever completed it this year and that we saw 18 areas of significant improvement.

We know that one of the key concerns of our teams is ensuring that we have the staff required in our services to provide the best patient care and reduce waiting times. This year, we have again worked hard to address this in both the short and long term. Our Humbelievable recruitment campaign continues to reach out to the local and national workforce to showcase our Trust as a great place to live, work and develop. We were delighted to welcome our first cohort of international nurses and have established an innovative training and support platform to ensure their induction is a welcoming and positive experience. In the longer term, we were proud to partner with Wyke Sixth Form College to provide the new T Level qualification in Health, which will allow students to access work experience in healthcare settings as part of their further education course.

Another moment of celebration for us was delivering our 50,000th Covid-19 jab at our vaccination centre. It was a true team effort with our fantastic vaccinators, pharmacy team, volunteers and management staff coming together to deliver an outstanding programme. We were also proud to support our local community as it transformed into a Hospital Hub, to help protect healthcare workers across the region and our local population.

As the year end approached, we were delighted to receive the positive results of an independent review of our governance and leadership. More on this later, but we were delighted that the report recognised the impressive journey and the vast improvements made in the Trust since the 2017 review with many positives identified.

In our Chief Executive's role as Senior Responsible Officer for the Mental Health, Learning Disabilities and Autism Collaborative for our Integrated Care System we are pleased to share success from across the Humber, Coast and Vale (HCV) that contributes to the health and wellbeing of services and there is much to celebrate.

After a period in shadow form it was fantastic to see our Humber, Coast and Vale Specialised Mental Health, Learning Disability and Autism Provider Collaborative go live and to see other new services including;

- The opening of the new Whitby Hospital renovation
- Fisherman's project in Scarborough
- New 'front door' for mental health support in Hull and the East Riding
- Our free online mental health and emotional wellbeing service re-launched to support the physical and mental health of people across the Humber, Coast and Vale region.

We were delighted to welcome two new members to our Board this year. Hanif Malik as an Associate Non-Executive Director in July 2021 and later, Stuart McKinnon-Evans joining us as Non-Executive Director in February 2022. We thank Board members new and old for their contributions this year.

The year had its challenges too as demand for our services and waiting lists grew due to the ongoing impact of Covid-19. We have worked hard to prepare and deliver recovery plans to ensure the impact of covid is addressed and this is an area that continues to be closely monitored.

"Through all the difficult times, it has been important that we find moments of joy and celebration. Whether it was raising a smile with a small gift to commemorate a special occasion, celebrating as a team supported by our Staff Celebration Fund, or sharing inspirational stories as part of our Thank You and Celebration Week. These moments help us take the time to acknowledge the efforts of groups and individuals and ensure that we take a moment to say 'thank you' and 'well done' when it's most needed.

Maintaining contact and links with our services and teams over the past year had to be delivered remotely to adhere to the ongoing restrictions of the pandemic. However, we were delighted that in March we were able to re-commence face to face visits for members of the Board to visit services and meet with service users and staff. Ongoing engagement will be increased ensuring all infection prevention and control measures are followed.

Over the past year we continued to operate in a very dynamic environment, continuing to adapt to the ongoing effects of the pandemic, technological challenges and a change in working habits. In addition, the NHS landscape changed with Integrated Care Systems moving to a statutory footing to which we are well aligned.

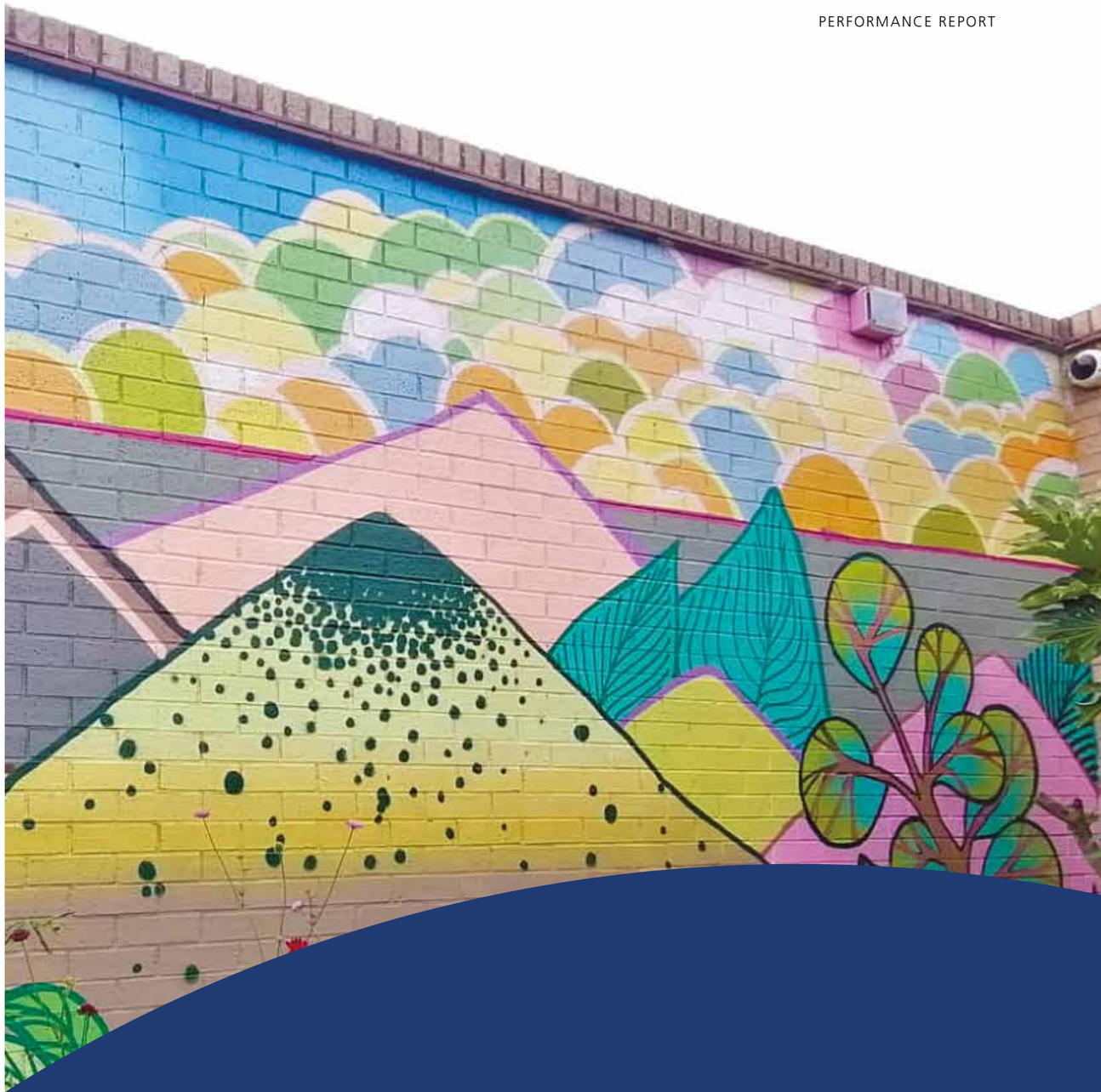
Our focus over the next 12 months will be to continue to deliver our post pandemic recovery plan and to launch and deliver the priorities of our renewed five-year strategy. This ambitious strategy reflects the priorities of the NHS long-term plan whilst being aligned to the unique challenges of the communities we operate in. Who you are and where you live can affect your chances of good health and we will play our part in reducing inequalities.

It has been another year that we are extremely proud to have had the privilege of leading this organisation through. We would like to thank the Executive Management Team and the Board for their support and all our staff colleagues for their outstanding efforts and for remaining an inspiration to us all.

We will continue to work together as one 'Humbelievable' team across our all our services building on the innovation and service transformation that has already taken place to deliver the best possible care for the communities we serve. We look forward to another year of celebrations next year as we move forward into 2022/23 in an excellent position.

Rt Hon Caroline Flint
Chair

Michele Moran
Chief Executive



Performance Report

Overview of Performance

A statement from the Chief Executive

It's my pleasure to introduce the highlights of the last twelve months at our Trust.

As the Covid-19 pandemic became a part of our working lives there continued to be challenges throughout the year. The response from our team was again outstanding and you can see from the number of highlights that follow what a year of success and celebration that it has been despite the ongoing difficulties. We are proud as an organisation that we kept all our services open throughout the pandemic, adapting our ways of working to ensure our patients and staff were kept safe.

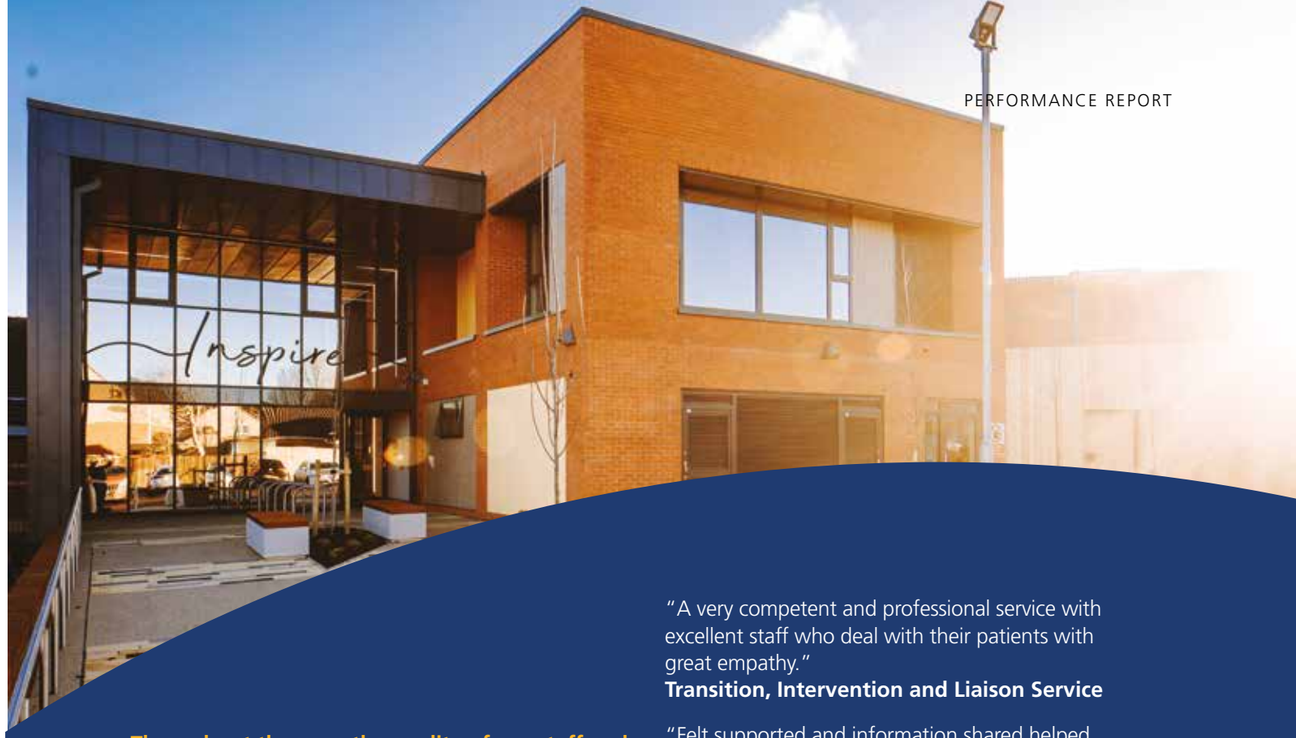
I am pleased to report that the Trust's performance has again improved over the period covered by the report. We have seen exciting service transformation, innovative project delivery and improvements to our environments that all help us deliver excellent care to our service users and their loved ones.

As I read this report myself each year, I am struck by the number of achievements that have been made by our teams, who never stop trying to make things better. Whether this is going that extra mile in the care that they provide, improving the working lives of their colleagues or delivering exceptional service. It's been a 'Humbelievable' effort from all involved and I am extremely proud of all that they have achieved. I want to say a huge thank you to our staff, Governors, volunteers, Board members and students for all that they do.

We have again produced a Quality Accounts to showcase examples of achievements with stories direct from staff, service users, their families, and carers. It outlines progress against our quality priorities which were agreed together with our patients, carers, staff and stakeholders. A summary of our quality priorities for the year ahead are summarised on page 115.

One of the key ways that we can support our people is by listening to what they say and acting on their feedback. The results of the 2021 national NHS Staff Survey were published in March 2022 and we were delighted to see a significant improvement against 18 of the questions answered and 11 without any change compared to 2020 – further details can be found later in this report and include:

Our Friends and Family Test results show that 88% of respondents find our staff friendly and helpful, 93.6% believe they receive sufficient information, and almost 87.8% feel they are involved as much as they want to be in their care.



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

"Doctor listened to me and was very helpful in sorting out some pain relief. The receptionist was very helpful." **Market Weighton GP Practice**

"Best surgery in Hull. Polite and understanding staff, keep up the good work."
Northpoint Medical Practice

"The Advisor was kind, patient and very knowledgeable. They gave lots of helpful advice and tips, as well as helping to completely overhaul an outdated CV." **IAPT Employment Advisor Service**

"Honestly I don't think I would be here without the service. [Named staff member] was outstanding- everybody has been outstanding. The CBT work has been so helpful. The service has been so understanding and there for me at my worst."
Hull PSYPHER

"Valuable service that supports my addiction and other medical problems."
Hull Primary Care Addictions Service

"The service offered good advice and helped us understand the difficulties with speech, we worked together and were given exercises to try ourselves to help with communication."
Speech and Language Therapy Service

"Made me feel that I am not alone and I have people to help me with no judgement."
Family Intervention Service

"A very competent and professional service with excellent staff who deal with their patients with great empathy."
Transition, Intervention and Liaison Service

"Felt supported and information shared helped me to see a future path."
B**everley Community Mental Health Team**

"I felt included in decisions, lots of advice and different techniques given." **Sensory Processing Service**

At the end of the year we received a report following a well led review of governance, as required in NHSI guidance 'development reviews of leadership and governance using the well-led framework'. We were delighted with the outcome which provided external validation on our work to progress governance within the organisation.

The Well-Led framework for governance reviews focuses on 8 key lines of enquiry (KLOEs) aligned to the Care Quality Commission (CQC) KLOEs. Of the 8 KLOEs, 5 were rated as Green and 3 rated as Amber/Green. The findings of the review led to a number of low level recommendations to enhance further our governance – 18 were low priority and 5 medium priority– a review of 2 of the KLOEs did not result in any recommendations.

An action plan to address the recommendations has been developed and monthly updates are being provided to the Board through to completion.

I hope you enjoy reading our highlights and finding out how we care, learn and grow together, every day.

Our Highlights

Enhancing our environments

- The £13.1m renovation of Whitby Community Hospital has continued to progress over the last 12 months. The hospital, which is owned by NHS Property Services with the Trust as lead tenant, re-opened the Tower Block part of the building to patients in October 2021. Working with system partners, we are delivering a range of services from this newly refurbished area of the hospital, including our new Urgent Treatment Centre, Podiatry Services, Physiotherapy, Audiology and much more. The hospital project is set to complete in Summer 2022. As part of our fundraising campaign for the Whitby Hospital Appeal, our Trust Charity, Health Stars, have launched an opportunity for people to sponsor their very own brick. The bricks will be personalised and will form part of the landscaping wall on site.

- Local artist "Skeg" has worked with teams at our Avondale Assessment Unit and Psychiatric Intensive Care Unit to create a series of feature wall murals, to soften the appearance of harsh borders. This has made the space brighter, more welcoming and has been well received by both staff and patients who have commented on the improved atmosphere and the positive impact of the artwork on their wellbeing.

- We have invested in various improvements to staff health and wellbeing areas across our estate with 46 areas now complete.

Effective and empowered workforce

- This year we were pleased that the most staff ever completed the annual staff survey. Over 1,304 staff (44.1%) completed the survey which will directly influence our actions and the improvements we make to our staff experience and wellbeing, as well as steering the direction of the NHS People Plan. We were pleased to make a significant improvement against 18 of the questions answered and 11 without any change compared to 2020.

- The impact of the pandemic has caused us all to look at the way we work. We were assured that our efforts to help staff stay in work and provide greater flexibility has put us at 2% above our benchmark, with 67.4% of staff saying they are satisfied with the opportunities for flexible working patterns. Following initiatives such as our new Humber High Development Programme and Apprenticeship Programme, 61.2% said that they were able to access the right learning and development opportunities when they needed to.

- Monthly conversations with our teams at 'Ask the Exec' and the Chief Executive 'Meet Michele' sessions provide open forums for our staff to ask questions, hearing directly from leadership and given an opportunity to make suggestions for improvements. We are committed to continuing to listen to our staff through our wide range of channels, including the Staff Survey and building on these improvements to become a lead employer and an aspirational place to work.

- Our annual programme of awareness days provides an opportunity to raise the profile of our services and the work they do, support public health messages, and to thank and celebrate staff. We worked with teams across our workforce to showcase the work of our diverse range of professions Mental Health Awareness week, NHS 73rd Birthday, World Mental Health Day, Apprenticeship Week and Safer Sleep Week. Over the year, our work on these dates has reached high audiences on social media helping us to connect with our communities across Hull, East Yorkshire and beyond.

- The national campaign for the NHS 73rd Birthday was the 'Big Tea', with the tagline 'it's time to brew a national thank you'. Our tea and rainbow themed communications, activities and gifts were used to show our appreciation to our #Humbelievable team for their resilience, resolve and dedication over the last 18 months.

- In September 2021 we welcomed the Rt Hon Caroline Flint as Chair of the Board. Caroline is in post for an initial term of office of three years, taking the mantle from previous Chair, Sharon Mays. Caroline has a wealth of experience from her 22 year-long career in politics as a Labour MP. She is already proving to be an asset to the organisation with her leadership skills and commitment to patient care.

> "During the current period of significant challenge for the NHS it is a critical time to take on the post and I feel privileged to be able to play my part to support the health and wellbeing of our workforce alongside the communities we serve.

Rt Hon Caroline Flint, Chair

- In October, our Workforce team were awarded with a HPMA Excellence in People Award for HR Analytics. The awards recognise and celebrates the work of HR, Organisational Development and Workforce professionals across the UK. Judges recognised the hard work of the team in producing the Workforce Scorecard and Insights Report; a vital tool helping us analyse trends across our workforce, to ensure we can plan our resources in advance and minimise any impact on patient care.

> Congratulations to the team behind this award win. It's a testament to all your hard work in supporting our people through the pandemic.

Steve McGowan,
Director of Workforce and OD

- Our award winning YOURhealth Health Trainer service launched a new initiative to support the wellbeing of staff and volunteers of the Trust. The service both supports and enables staff to lead healthy lives and look after their mental and physical wellbeing, both at home and in the workplace. The service encourages colleagues to set achievable goals, develop personalised plans, and identify and overcome barriers. Support is provided for up to eight sessions over a 12-week period and is accessible face-to-face, virtually or over the telephone.

- In October, we welcomed our first cohort of internationally recruited Nurses to receive training locally within Hornsea Cottage Hospital. The vacant ground floor space at the hospital has been transformed into a dedicated and fit for purpose Nursing and Medical Council (NMC) Objective Structured Clinical Examination (OSCE) training facility. As part of the project, we have also developed a unique educational programme and pastoral support hub. This is a website that was designed specifically to support international recruits when joining our Trust to train as a Nurse in the UK. The website has been recognised and celebrated at both regional and national level.

> The Nurses are a fantastic addition to our Trust, with many years of nursing experience which will greatly enhance our services. I look forward to watching them grow and develop their careers with us and welcome the diversity they bring to our workforce.

Hilary Gledhill,
Executive Director of Nursing

Safety at the heart of care

- In Spring 2021, we launched GP Connect, a platform designed to enhance the information clinical and care staff can access about people in their care using connectivity generated by Yorkshire & Humber Care Record. The technology used to make the connection is developed and managed by the Yorkshire & Humber Care Record to ensure it is safe and secure. The benefits include safer and more effective care because relevant information is available to clinical and care staff in a timely manner.

- We were delighted to be shortlisted for four HSJ Patient Safety Awards - Pharmacy, Learning Disabilities, Addictions services and Sensory Processing and were delighted that Sensory Processing went on to win and HSJ award.

- We marked World Patient Safety Day in September across our internal communications and on social media. Our campaign received over 1,700 engagements, spreading understanding of patient safety and increasing public engagement in the safety of health care.

Patient and Carer Experience

- To support patients who use English as their second language, our Patient and Carer Experience (PACE) team have created an online Friends and Family Test (FFT) form that can be translated into any language using the Reachdeck tool on our Trust's website. Working with local GP Practices, we identified the top seven foreign languages spoken within our geographical area. These were identified as Arabic, Kurdish Sorani, Latvian, Polish, Romanian, Slovak, and Spanish. FFT leaflets have also been translated and are available to share with service users, making our services more accessible.
- The Panel Volunteer Initiative launched in March 2022. This online database holds contact information for all patients, carers and service users who have opted in, to be contacted by the Trust for interviews. This will help inform service improvements as the database can be accessed by all internal teams via our Intranet and is a useful tool for services seeking valuable feedback to aid changes and improvements.
- We continue to work with the University of Hull as we move into phase 2 of the development of a new digital platform of patient information. The platform will bring together all patient information in one place creating an accessible repository that can be used by patients, their families and Trust staff.
- The Humber Youth Action Group (HYAG) was launched in 2021 with the aim of bringing those aged 11-25 together, with the goal of helping our organisation improve its services for children and young people. The group meets online every 4-6 weeks for approximately 1.5 hours. The virtual sessions are a fun and friendly forum where young people have the opportunity to share their thoughts, ideas and experiences of health and services in our area.

A leader in research and Innovation

- We have partnered Wyke Sixth Form College to provide the new T Level qualification in Health, which will allow students to access work experience in healthcare settings as part of their further education course. The T Level in Healthcare involves 15 students joining our Trust for 1 day per week, where they are mentored by professional healthcare workers in a number of different departments. Students have the opportunity to develop their skills and acquire a true to life insight into the demands of the sector they aspire to work in.
- In November we were selected as one of only seven Trusts across the UK to participate in the NHSX Digital Aspirant Plus (DA+) programme. We were one of just three in the mental health and community services sector specifically. The goal of the DA+ programme is to encourage innovation in Electronic Patient Record (EPR) systems across acute, mental health and community sectors.

> Our initial focus will be improving the user experience, meaning that the system will be designed around the person using it and adhere to staff needs. We will also be recruiting our operational Digital Champions to help us develop the EPR alongside these needs. Working with NHSX will bring new ideas, solutions and challenges to the exciting programme of work.

Lee Rickles,
Chief Information Officer at Humber Teaching NHS Foundation Trust

- Our Research Conference, "Developing a City of Research V", took place on 17 and 18 November 2021. We had a blended approach for our 5th annual conference, with a live audience in attendance alongside those watching online. Over 300 people registered, including international delegates, from 77 organisations and many professional groups. Feedback was positive with 96% of delegates completing the evaluation form rating it as excellent/good.

"I love these events. I have been to them for the last 4 years! They endorse what this particular Trust is all about - learning and continuous improvement."

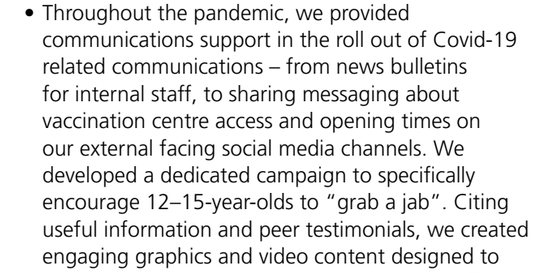
Outstanding Communications

- We continue to use Poppulo for our targeted internal communications with staff. We publish a twice weekly Global newsletter which is sent to 'All Staff' along with more targeted blue light alerts which can be tailored to reach individual teams as and when required. We also publish weekly EMT headlines.
- Our Brand Centre continues to be a useful resource for staff to access logos, templates and guidance documents which reflect the Trust's new visual identity (launched the previous year). We consistently update the online platform to ensure content is kept fresh and up to date. In addition, we have developed a new visual identity for the Humber Youth Action Group (HYAG) for use of any marketing and communications collateral they need going forward.
- As part of our digital development plan, we re-launched our Intranet platform in August 2021. Feedback from staff has been positive with useability and clarity of layout much improved. In addition, we have relaunched all 8 of our GP surgery websites so they now follow a consistent design and are instantly recognisable as belonging to our Trust.
- In September 2021, we hosted our second virtual Annual Members Meeting (AMM). This was an opportunity to share with the public everything we achieved as a Trust in the previous 12 months. An online market stall event was also hosted, giving members of the public the chance to find out more about the services we offer.

HUMBER YOUTH ACTION GROUP

- Throughout the pandemic, we provided communications support in the roll out of Covid-19 related communications – from news bulletins for internal staff, to sharing messaging about vaccination centre access and opening times on our external facing social media channels. We developed a dedicated campaign to specifically encourage 12–15-year-olds to "grab a jab". Citing useful information and peer testimonials, we created engaging graphics and video content designed to reach younger audiences and their guardians. The 12-15 vaccination clinics were well attended.

- We launched our first ever virtual 'Staff Thank You & Celebration Week' in September to thank our #Humbelievable team for everything they've done throughout the pandemic, to support our patients, their families, carers and each other. Throughout the week we shone a spotlight on a different location every day to celebrate our staff, their successes and the amazing work that has taken place over the last 18 months. From Extraordinary East Riding, to Super Scarborough, Heroic Hull and Wonderful Whitby – the good news stories and achievements were collated and shared across the patch. The week culminated with an EMT Virtual Lunch and a general knowledge quiz, which was well received and well attended. We also used the communications to reflect on the 'You're a Star' celebration events that staff organised throughout summer. In addition, each member of staff was gifted £10 which was received as part of their October pay.



- As part of our recruitment drive, we launched the "New Year, New Job" #Humbelievable campaign in late December 2021.The overall aim of the campaign was to capture the attention of those looking for new job opportunities in the New Year. As part of this focused campaign, we created a new recruitment message that complemented our existing Humbelievable branding, which asked people if they're ready for a fresh start. We designed a series of graphics to be used alongside this messaging, which were shared on social media, our website, in the local media and through our existing recruitment channels, such as Trac. We embarked on media partnerships to share our messaging via the press and radio and ran a paid social media campaign to target new audiences and grow our 'Join Humber' Facebook page - which is the central point where we share job vacancies. We have received a combination of positive anecdotal and stats-based feedback indicating that the campaign was a success.

New Contracts and Services

- A survey by the Royal Pharmaceutical Society (RPS) and Pharmacy Support highlighted the mental health and wellbeing difficulties experienced every day by those working in Community Pharmacy. Stress Awareness Month in April 2021 presented an opportunity for us to look at the mental health and wellbeing policies that we have in place and see what improvements could be made. Our Pharmacy Wellbeing Service, delivered by our Your Health team in partnership with NHS England, Humber Local Pharmaceutical Committee and North Yorkshire Local Pharmaceutical Committee, stepped up to tackle the issues presented by Community Pharmacists. They introduced a dedicated service that has benefited both staff and their families, who live or work in Pharmacy in the East Riding of Yorkshire, Hull, North Lincolnshire, North East Lincolnshire and North Yorkshire regions.

- Our Health Trainers' 'Working with Fishermen' service launched in Scarborough in 2021, allowing the team to work with local fishermen and their dependents, following a successful two-year pilot on the Holderness Coast, from Bridlington to Withernsea. The introduction of this programme is designed to improve the physical and mental health and wellbeing of fishermen in Scarborough.

- The new Mental Health Advice and Support Line was launched in July 2021, available 24 hours a day, 7 days a week and free to access for anyone over the age of 18, who lives in Hull and the East Riding of Yorkshire. The new service has been made possible due to the Trust's ongoing partnership with local charity, Hull and East Yorkshire Mind, whose support will help to increase the number of phone calls being taken per day.

"It's great to be continuing our well-established partnership with Humber Teaching NHS Foundation Trust to improve access to local mental health services. We continue to work together to ensure that people can get support with their mental health services in a timely and supportive manner.

Emma Dallimore,
Chief Executive at Hull and East Yorkshire Mind

- The Minor Injury Unit (MIU) at Whitby Community Hospital was transformed into an Urgent Treatment Centre (UTC) in August 2021. The UTC treats patients with minor injuries and illnesses and also has x-ray facilities. This change of service has ensured that local patients have improved access to urgent care, regardless of where they live.

"We're very proud to announce the change to an Urgent Treatment Centre here at Whitby Community Hospital. We believe that this will reduce the need to travel to James Cook Hospital when the condition is less serious. As a result, this ensures that patients in our community have more options for care available to them in their local area.

Sonia Rafferty,
Service Manager at Whitby Hospital

- The Humber, Coast and Vale (HCV) Specialised Mental Health, Learning Disability and Autism Provider Collaborative went live in October 2021 after a period in shadow form.

  The Provider Collaborative, is a partnership between a range of NHS, Independent Sector and Social Enterprise care providers, with our Trust taking the role as Lead Provider for commissioning services to support effective pathway treatment for patients within the specialised mental health and disability partnership. The Collaborative, which is clinically led and co-produced, puts patient care at the centre of the work. It is also financially and clinically responsible for the care received by service users, which spans the Humber Coast and Vale geography. The Collaborative will further progress transformation across the geographical area, working closely with all health, social care, community, and voluntary sector partners.

Celebrating Success

- Jo Kent (Suicide Prevention Programme Lead at our Trust and Humber, Coast and Vale Health and Care Partnership, ICS) received a High Sheriff Award for work in Suicide Prevention. Some of the work that Jo has been doing is to reduce the stigma of suicide whilst raising awareness around suicide prevention within our communities.

- The Trust has been placed in the Top 5 of Mental Health and Community Trusts for the theme of Equality, Diversity and Inclusion (EDI). This placement has been decided based on our National Staff Survey results and is a significant achievement for us, as the Trust has risen from 19th position and to just 0.1 points away from the top spot in our category. The outcome demonstrates clear development and implementation of our strategic EDI plans for our patient services and our workforce, which are aligned to current legislation, Trust objectives, NHS standards and best practices.

- We won two Health and Care Awards in June 2021. One of which was the 'Health Improvement Award', which our YOURhealth team won for their Smoking in Pregnancy project. The second award was for 'Volunteer of the Year', which was won by Soraya Hutchinson. In addition, Barbara Failey was nominated for the Unsung Health Hero Award, the YOURhealth team were nominated for the 'Mental Health and Wellbeing' award and the 'Team of the Year' award and our Research and Development team also received a nomination for the 'Team of the Year' category.

- We were delighted to win a HSJ Patient Safety Award for the 'Improving Care for Children and Young People Initiative of the Year' category for our work with the Humber Sensory Processing Hub's website. We were also nominated for three additional awards: 'Maternity and Midwifery Initiative of the Year', 'Learning Disabilities Initiative of the Year' and 'Improving Safety in Medicines Management.'

- Lee Rickles, Chief Information Officer at our Trust and Programme Director at Yorkshire & Humber Care Record recently became a Fellow of BCS, The Chartered Institute for IT, in recognition of his leadership within digital health.

- Our CAMHS Inspire Inpatient Service won two awards at the Design in Mental Health Awards (2021). Inspire was named 'Project of the Year: New Build 2021' and 'Clinical Team 2021'. This is an amazing achievement and a testament to the hard work and planning that was undertaken in the development of the new service. The Unit also won a Building Better Healthcare Award in the 'Best Healthcare Development' category.

- Our Practice Education team were shortlisted for the Student Nursing Times Award in the 'Student Placement of the Year: Community' category. The project submitted was the Virtual Placement programme, and this shortlist comes in as fantastic recognition of the hard work our Practice Education team have done over the past years.

Celebrating and Rewarding our Staff

- In June 2021, we launched our 'You're a Star Fund' - a direct response to staff feedback that highlighted the importance of recognising individual contributions. Each team across the Trust was allocated funds to plan and host an event at a time and place that was right for them. We then celebrated the different activities in our 'Staff Thank You and Celebration Week' in September and later published an e-book sharing the celebrations.

- Staff health initiatives launched last year included a nine-week challenge, Virgin Pulse GO, to help staff get more active. In August, our Occupational Health team launched their first menopause awareness session and support group for staff. In November, as part of Men's Health Awareness Month, our Staff and Volunteer Health Trainer Service held wellbeing clinics for our male colleagues.

- Alongside staff events, there was activity each month as part of our ongoing reward and support programme. This included: all staff being given their birthday off as an additional day of annual leave; for 'Random Act of Kindness Week', staff being encouraged to nominate a colleague to receive a gift, with winners to receive a letterbox gift containing brownies, and to mark the NHS's 73rd birthday, every member of staff received a branded tote bag containing a thank you card and cake bar.

Membership of the Trust Board changed in year and we said goodbye to Sharon Mays as Chair in September 2021. We were delighted to welcome our new Chair, Rt Hon Caroline Flint, to the Trust Board and Caroline's' experience and expertise will be valuable to help guide us as we move forward on our journey. In addition we were delighted to welcome two new non-executive directors - Hanif Malik as an Associate Non-Executive Director in July 2021 and later, Stuart McKinnon-Evans joining us as Non-Executive Director in February 2022. We thank Board members new and old for their contributions this year.

Finally, I would like to thank our Trust Charity, Health Stars, for continuing to add their sparkle to projects, including the Whitby renovation and supporting staff with their wishes programme. Thanks also go to our Trust Governors and Members. There is no doubt that their outstanding support helped us improve the quality of services we provide.

Signed:

Date: 22 June 2022

Michele Moran
Chief Executive

About our Trust

We are an award-winning provider of health and social care services in Hull and East and North Yorkshire. Offering multispecialty services and care, we improve the physical and mental health and wellbeing of patients and service users.

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. This includes specialist services for children incorporating 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 in Hull, Hessle, Cottingham, Market Weighton and Bridlington.

Humber Teaching NHS Foundation Trust employs approximately 3,500 staff across more than 80 sites at locations throughout five geographical areas; Hull, the East Riding of Yorkshire, Whitby, Scarborough and Ryedale.

We have approximately 13,000 public members and 3,500 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 125 dedicated volunteers who are passionate about working in our services and are available to help patients, staff and visitors. Their work makes a huge difference to our patients' experience whilst improving their own health and wellbeing.

As a teaching Trust, we work closely with our major academic partners, Hull York Medical School and The University of Hull, nurturing a workforce of tomorrow's doctors, nurses and health professionals. The research that we do helps to improve the health and wellbeing of the people we serve, our services and helps improve the care and treatment of people worldwide.

We have a dedicated Research and Development team involved in both national and global medical research and our fourth annual research conference was held virtually in November with international delegates and with over fifty organisations represented.

Our work as the organisational host for the Yorkshire and Humber Care record continued this year on behalf of the Yorkshire and Humber ICS system. This partnership aims to provide health and care staff with better and faster access to vital information about the person in their care and aims to provide citizens with access to their information and encourage them to be more involved in looking after their health.

The programme's ambitious objective is to integrate health and care records across the region with the aim of improving care by providing timely and relevant information to care professionals and citizens securely and safely.

Our Services

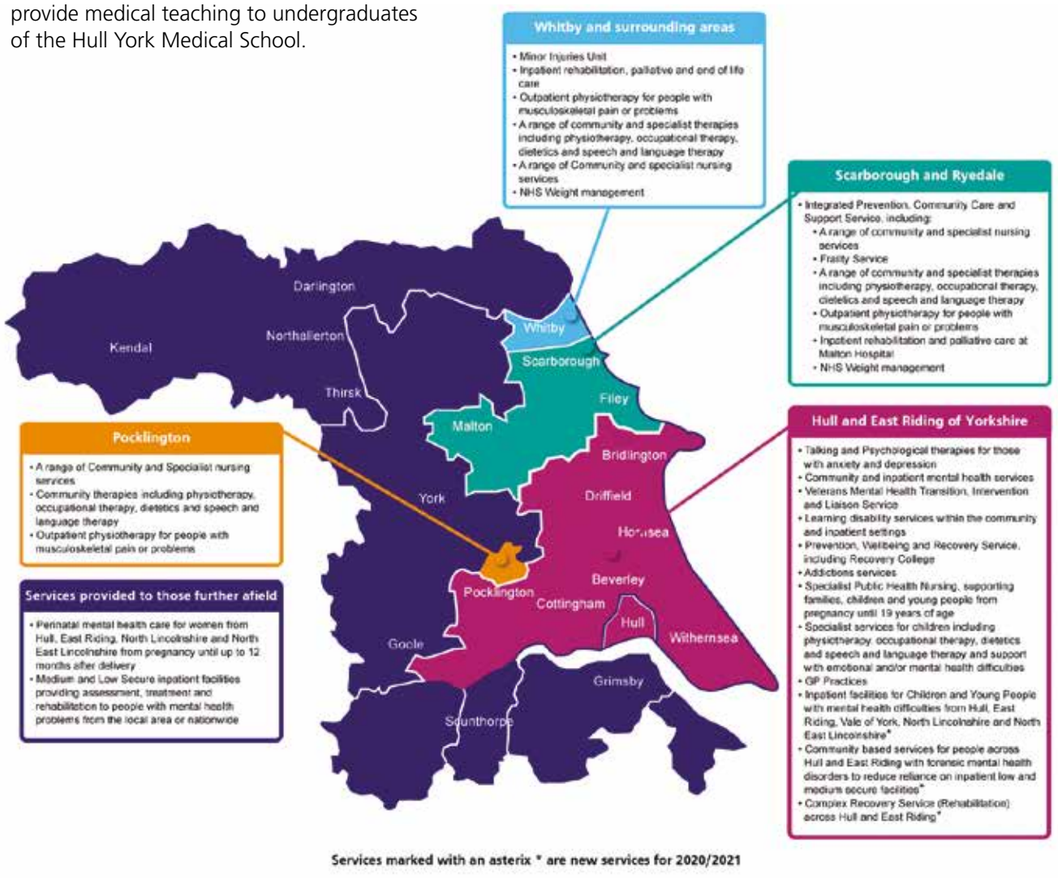
Our services cover a wide-range geographic area comprising Hull, the East Riding of Yorkshire, Scarborough and Ryedale, Pocklington and Whitby including nationally commissioned services.

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.



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 integration, partnership and alliances

Goal Four:
Developing an effective and empowered workforce

Goal Five:
Maximising an efficient and sustainable organisation

Goal Six:
Promoting people, communities and social values

Development and Performance

For each of our six strategic goals, a hierarchy of key performance indicators is tracked at team, divisional and Trust level. Risk management is undertaken in parallel, to ensure any threats to performance are understood and managed. The Board reviews performance on a monthly basis, each quarter considering a larger set of indicators. To support this, our divisional and corporate areas account to the executive management team via regular 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.

Principal Risks and Uncertainties

The risks identified as the principal risks to the delivery of the Trust's strategic goals and underlying objectives are detailed in full within the Annual Governance Statement on page 100 of this report.

The principal risks to the achievement of the Trust's strategic goals and underlying objectives are managed through the Board Assurance Framework which is updated each quarter and is reviewed by the Executive Management Team. The BAF is a key document used to record and report our key strategic objectives, risks, controls and assurances to the Board. Each section of the Board Assurance Framework is aligned to a relevant assuring committee of the Board which reviews the document on a quarterly basis throughout the year. Following review at the relevant board committees, 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 a deficit for the year of £5.478m on a turnover of £208.974m. The deficit includes an impairment adjustment of £5.166mm to reflect the reduction in value of some of our land and buildings, and costs associated with the Local Government Pension Scheme of £0.398m. Before adjusting for the impairment, the Local Government Pension Scheme, and other minor adjustments we achieved a breakeven position which was in line with the target set for us by the Integrated Care Sector within which we operate.

The table below demonstrates how the final position reconciles to the accounts.

Adjusted financial performance	2021/22	2020/21
	£000	£000
Deficit for the period/year	**(5,478)**	(220)
Add back all I&E impairments	**5,166**	578
Surplus / (deficit) before impairments and transfers	**(312)**	358
Remove capital donations / grants I&E impact	**(18)**	(547)
IAS19 - Removal of Non-cash Pensions on SOFP	**394**	216
Adjusted financial performance surplus	**64**	27

Adjusted financial performance for the purposes of the system achievement	2021/22	2020/21
	£000	£000
Adjusted financial performance surplus	**64**	27
Less gains on disposals of assets	**(64)**	0
Adjusted financial performance surplus for the purpose of system achievement	**0**	27

The staff that manage our services have worked very hard during the year, and in difficult circumstances to deliver such a positive set of financial results. During the year we were also supported by the receipt of additional funding to help us to manage the pressures of additional expenditure caused by the COVID pandemic. Despite the difficult financial conditions, we still managed to achieve recurrent financial efficiency savings of £1.815m through our budget reduction strategy.

Similar to 2021/22 the usual pre Covid procedures for negotiating income contracts were abandoned across the NHS and all organisations were allocated a block of funding based on expenditure in 2020/21 and topped up with reimbursements for additional expenditure incurred in relation to COVID. Additional income received from NHSE for the Trust to begin operating as the Lead Provider in the Mental Health Provider Collaborative is the main reason for the £31m increase in income since 2020/21.

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 2021/22.

The closing cash balance of £29.5m was a reduction of £10.550m on the level of cash held by the Trust in March 2021. This was due to the Trust repaying its existing £4m of loans in full, raising a relatively high level of invoices at the end of the year, and our policy of paying regular suppliers as soon as possible. We are forecasting that cash will remain around this level for 2022/23. This level of cash provides the opportunity for us to invest in making improvements to our estate in 2022/23.

Capital Expenditure

Our total expenditure on capital in the year was £9.6m. A total of £5.5m was spent on maintaining and improving clinical and patient environments. A total of £2.4m was spent on digital projects including infrastructure and hardware replacement programmes and £1.7m was spent on further development of the Yorkshire and Humber Shared Care Record.

The total of assets in the Trust used to support the delivery of healthcare decreased marginally from £97.647m to £97.224m.

Financial results 2021/22 – Headlines

Income of **£208.974m,** an increase of **£30.917m**

A deficit for the year of **£5.478m**, excluding impairment charges of **£5.166m** and other minor adjustments resulted in a break-even position

The cash balance was **£29.386m** compared to **£39.936m** at March 2021

Net current assets of **£8.070m** compared to **£8.0322m** at March 2021

Total net assets of **£100.483m** compared to **£98.088m** at March 2021

Better payment practice code

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 percentage of non-NHS creditors by value paid within 30 days decreased to 91% from 94% in 2020/21, and the percentage based on invoice numbers was 82% in 2021/22 representing a decrease on the 91% achieved in 2020/21. The reduction in performance has been caused by COVID 19 and delays in processing of invoices by the Trusts third party contractor. Plans are in place to improve this position for 2022/23.

In 2021/22, 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.

	2021/22		2020/21	
	Number	**£000**	**Number**	**£000**
Total non-NHS trade invoices paid in the year	34,058	107,493	37,480	67,498
Total non-NHS trade invoices paid within target	27,805	97,662	33,794	63,471
Percentage of non-NHS trade invoices paid within target	81.6%	90.9%	90.2%	94.0%
Total NHS trade invoices paid in the year	1,137	15,320	1,648	6,835
Total NHS trade invoices paid within target	852	14,036	1,249	5,167
Percentage of NHS trade invoices paid within target	74.9%	91.6%	75.8%	75.6%

Financial Outlook

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

The COVID pandemic continued to change the way funding flowed within the NHS for 2021/22 but this will return back to the contracting regime on 2022/23. Nationally the amount of COVID funding will reduce in 2022/23 from the previous two years and there is an expectation that the NHS returns to business as usual in 2022/23 and is planning to address the backlog of work that has built up over the last year. We will need to ensure we continue to maintain robust systems of financial governance and control during the next year.

There is still a requirement to make efficiency savings and to that effect we continue with our budget reduction strategy and are planning savings of £2.2m, which is ambitious in such uncertain times. We will continue to operate a very robust process for identifying and implementing these 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. We remain committed to delivering the best possible care and service within the financial resources we have at our disposal.

We are still operating in different ways because of COVID and are also operating in times of economic instability including a sharp rise in inflation and the economic impact of the war in Ukraine that will impact on our energy costs. The long term fix we have for energy prices is covered in further detail in the environmental section later in this report and it is inevitable that we will continue to face financial challenges in both this coming year and beyond. We remain positive that these challenges will be met but recognise that this will require careful management and making some difficult decisions.

We are committed to supporting our staff in the post COVID recovery phase and have put aside a financial provision to support their wellbeing and recovery from operating in highly stressful and challenging environments.

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

Conclusion

Despite very difficult operating conditions the Trust managed to deliver the financial targets set by the Integrated Care Sector and delivered a good level of financial efficiencies.

In 2022/23, and in line with the rest of the NHS, we will continue to face a level of uncertainty over income levels and expectations around performance targets. However, with 2 years of working with uncertainty we are now much better placed to deal with some of those challenges and understand the decisions we may need to make in the next few years.

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**

“We are committed to supporting our staff in the post COVID recovery phase and have put aside a financial provision to support their wellbeing and recovery from operating in highly stressful and challenging environments.”

How performance is measured

How we measure performance – meeting framework targets

Humber Teaching NHS Foundation Trust reports via various platforms for NHS England (NHSE) via NHS Improvement (NHSI), NHS Digital (NHSD) and Mental Health Services Data Set (MHSDS). 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 Statistical Process Control (SPC) charts to monitor and track its performance data at Trust Board Level. Any data point which sits outside of the control limits will require further investigation by the Executive Director responsible for that particular indicator.

Our internal reporting is split into three levels:

Level 1 (Board Level):

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 (Divisional Level):

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

Level 3 (Team Level):

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

Level 2 & 3 uses a 'traffic list' 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.

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 metrics/KPI's which are included in schedule 4 and 6 of the respect contracts.

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

These reports are reviewed as part of the Trusts ODG (Organisation Delivery Group) governance arrangements before being circulated to the respective commissioners.

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 (DQIP) is designed to highlight where gaps in reporting and any identified/ known data issues that require attention within clinical services. These are reviewed as part of the Data Quality Group which meets quarterly.

Indicators we are not able to provide data against for differing reasons will also be included in the DQIP. 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

Financial information is linked and presented to the Board of Directors who are provided with a breakdown of income and expenditure in the monthly finance report. This information is also linked to the monthly board performance report that is also provided to the Board every month and includes a number of the performance measurements.

Risk Register

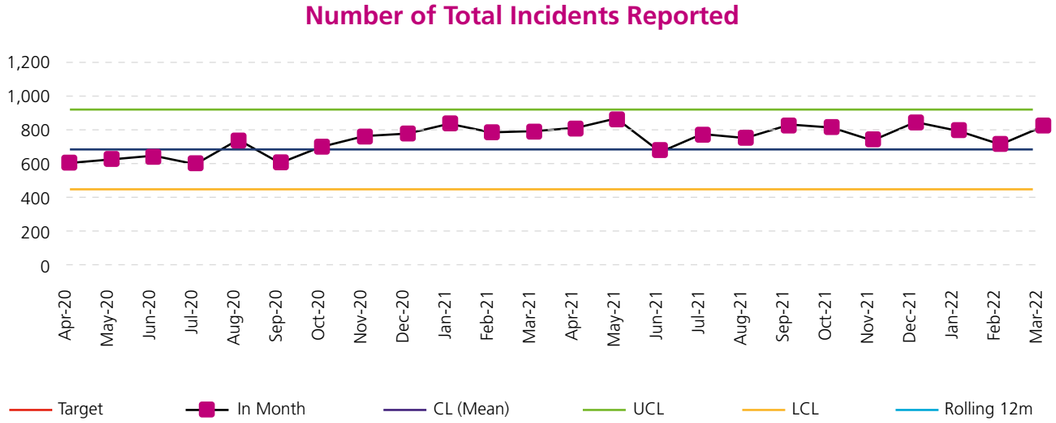
Where performance is not where it is expected and/or there is significant risk (e.g. clinical, financial), this is logged as a risk for the Trust which if sufficiently scored appears on the divisional and dependent upon assessed risk on the Corporate Risk Register and the Board Assurance Framework (BAF) that is used to record, report and assure the Board. In addition, Finance and Use of Resources is one of the five themes feeding into the Single Oversight Framework.

Performance during the year

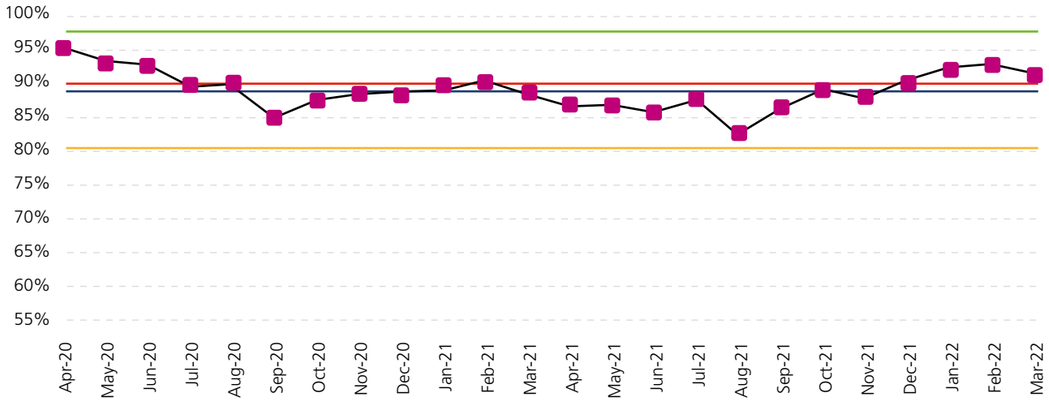
Information continues to be presented using Statistical Process Charts for a number of key indicators, mapped against each of the Trusts Strategic Goals. The use of Statistical Process Charts allows key performance data to be analysed over a period of time to establish trends in performance, Upper and 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.

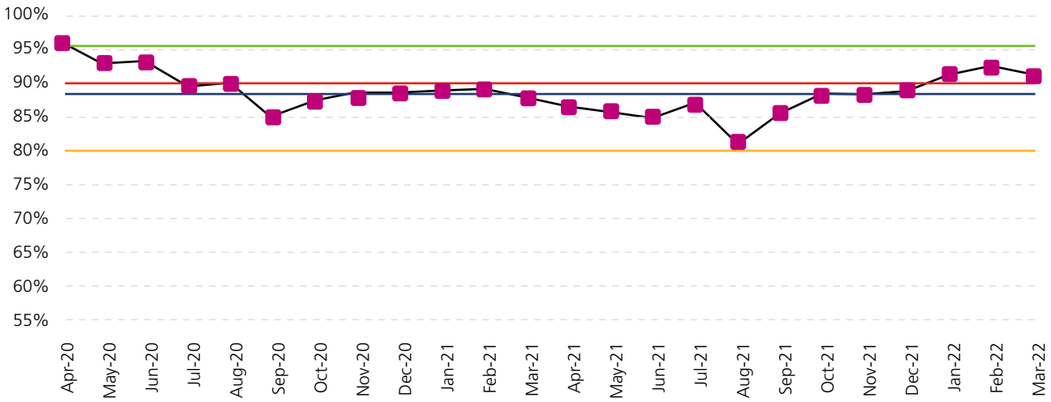
Statistical Process Charts (SPCs)



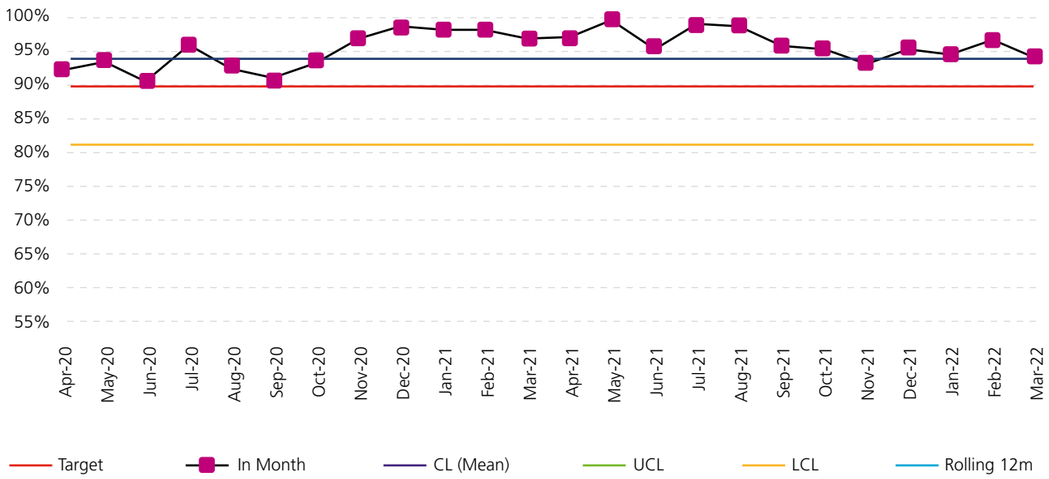
Friends and Family – Recommendation – Trustwide



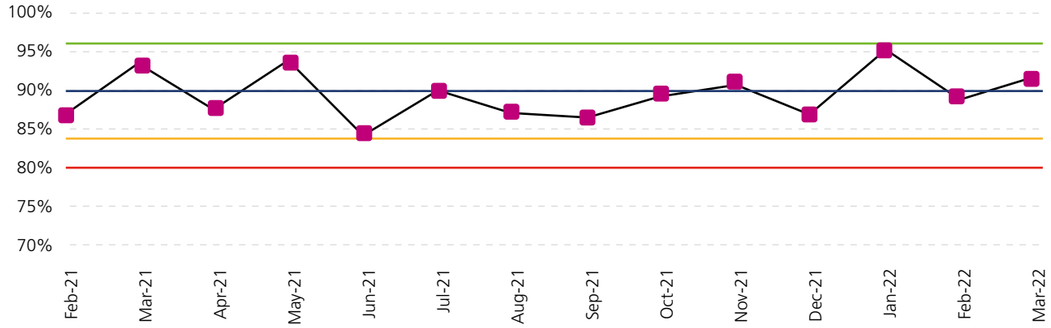
Friends and Family – Recommendation – GP



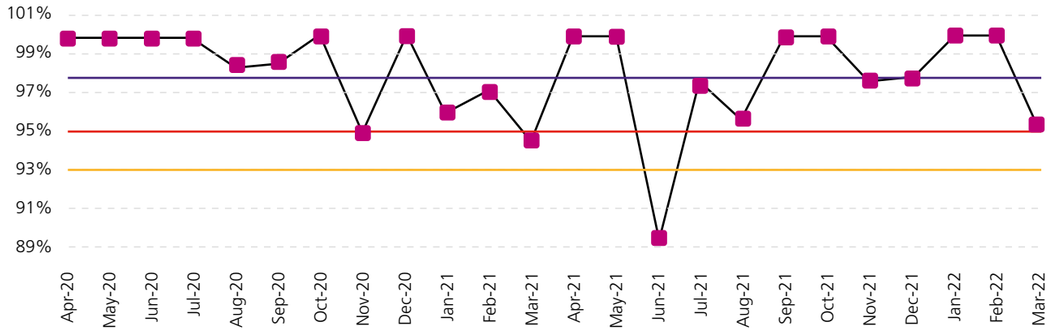
Friends and Family – Recommendation – Non GP



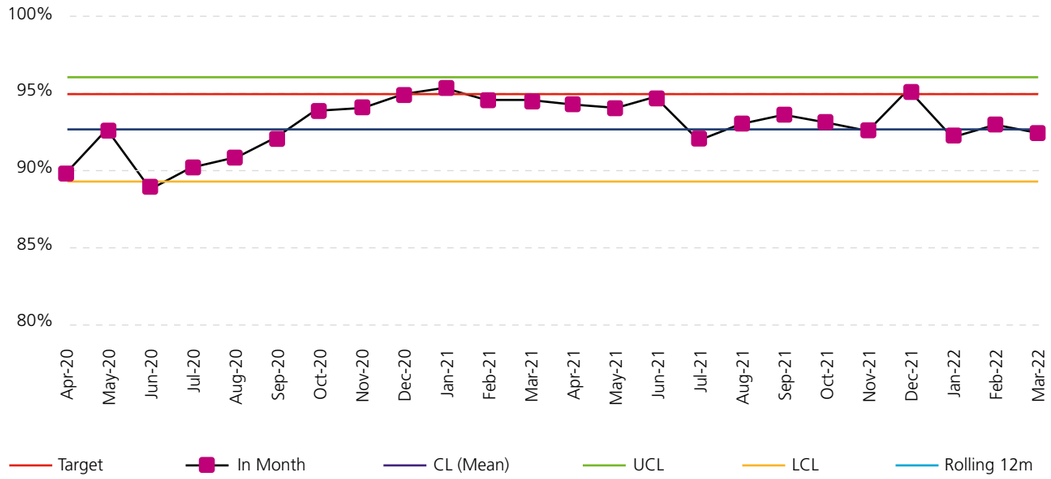
72 Hour Follow Ups



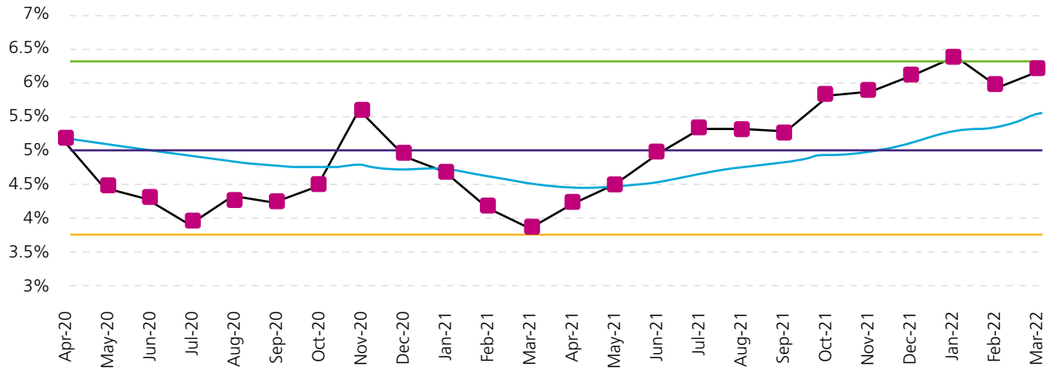
Care Programme Approach (CPA) 7 Day Follow Ups



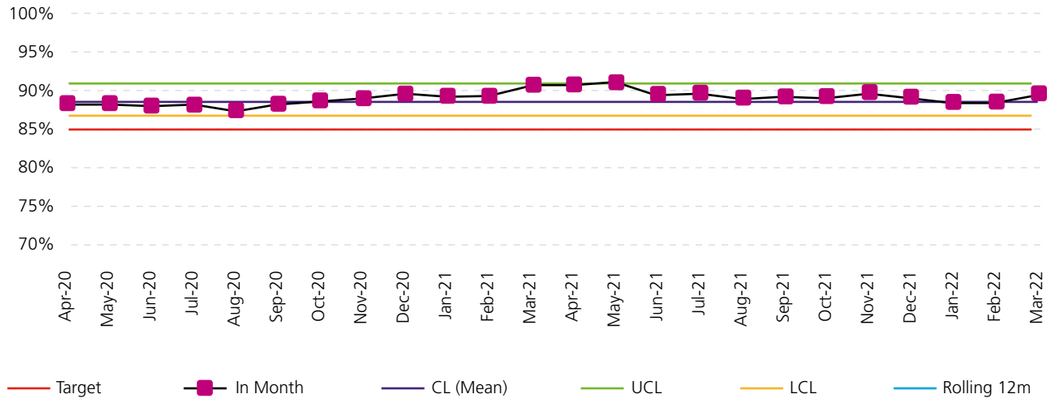
Referral to Treatment Waits – Complete



Sickness and Covid Absence



Mandatory Training – Overall Compliance



Environmental Issues

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.

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.

The Trust continues to work in line with NHS carbon reduction targets and is committed to surpass these targets and reduce its emissions to Net-Zero by 2035.

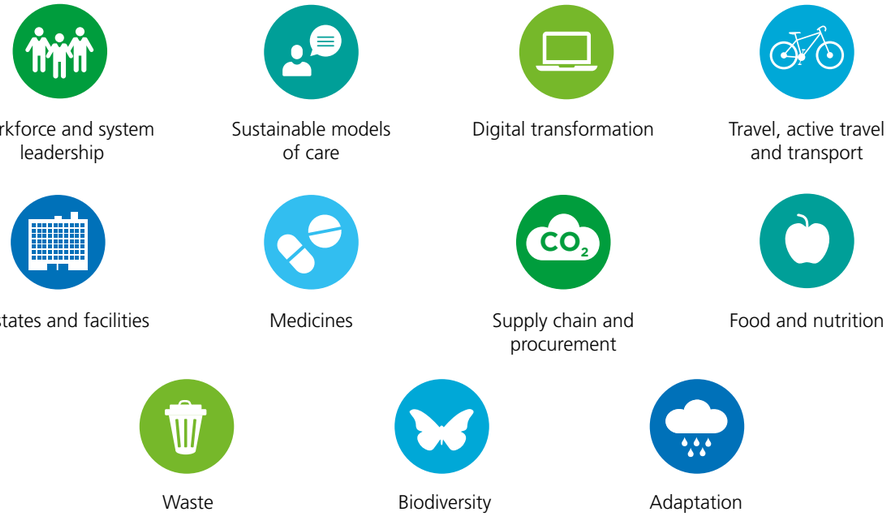
The Green Plan sets out the Trust's environmental objectives for our sustainable development activities for the next three years. Its aim is to guide us, outlining the recommended actions to reach net-zero and hit the targets set by the Climate Change Act, Greener NHS and those within the local ICS.

Our Trust target to be net-zero will work in line with the local ICS. We aim to be net-zero by 2035 for all areas, scope 1, 2 and 3 and we will only use offsetting when all other actions are complete.

- **GHGP scope 1**: Direct emissions from owned or directly controlled sources, on site
- **GHGP scope 2**: Indirect emissions from the generation of purchased energy, mostly electricity
- **GHGP scope 3**: All other indirect emissions that occur in producing and transporting goods and services, including the full supply chain.

The Trust's approach to Sustainable Development is through increased data gathering and project development. We aim to assess 11 key areas to gather data on the current carbon impact which will produce our benchmarks for each section.

The Trust is using guidance from the net-zero plan and the Green Plan guide which has recommended areas of focus. The Trust is using the areas which it can have the most control and in turn effect on, these are:



Going forward and to develop the goals linked to the above areas the Green Plan's key objectives and actions in year 1 (2022/23) are:

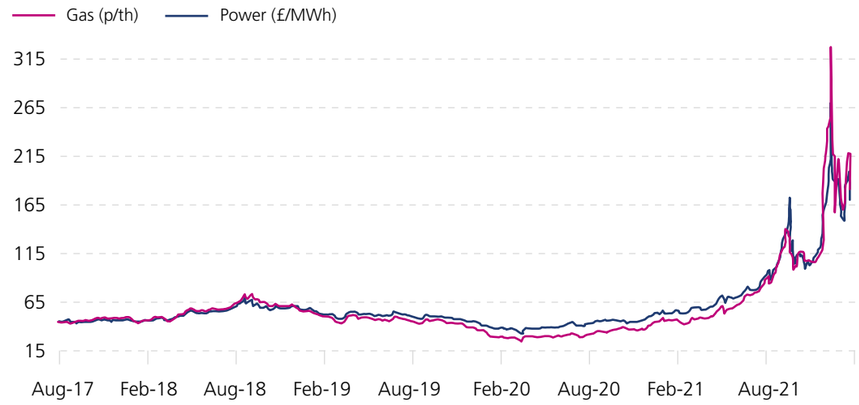
1. Agree targets and assess total carbon impact / effect of all key areas in Green Plan
2. Centralise data gathering for key modules of the Green Plan
3. Create a standard and measured approach to monitoring and reporting carbon emissions
4. Initiate plans to decarbonise heating systems in line with estate strategy
5. Review reporting processes internally to communicate carbon impact
6. Create structured communications plan for internal and external communications
7. Raise staff awareness of Net-Zero and carbon literacy

Our Green Plan 2022-2025 is available in full on our website **www.humber.nhs.uk**.

Energy

Energy has seen unfavourable conditions throughout 2021/22 with the UK's energy crisis deepening. The cost for gas surpassed record highs set in October 2021 of £4.50 per therm, nine times higher than this time last year (see graph 1 below). The issues have been a blend of the bounce back from the 5-year lows seen on the market during the COVID-19 pandemic, the Russia Ukraine conflict and pipeline maintenance from Norway and lack of UK gas storage.

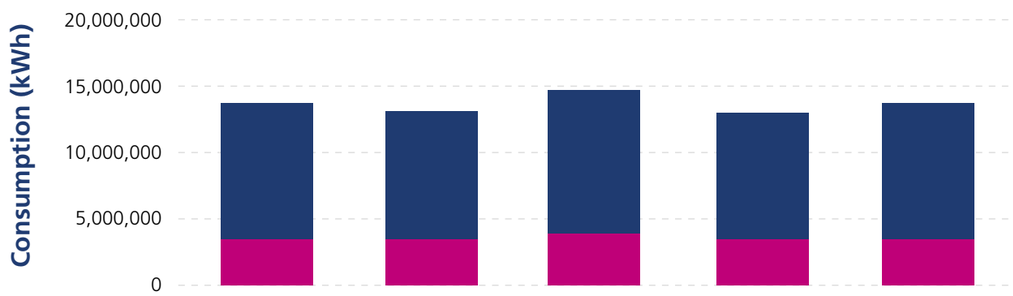
Graph 1 – shows unprecedented market highs



The Trust has been protected from these unprecedented market highs which have been affecting the market by the purchasing agreement the Trust committed to in 2020/21 with its broker. The Trust traded its energy and locked into an agreement which protects us until 2024 and after discussions with our broker we would hope to see a fall in prices leading to this date. We will be ready and able to trade at this point working with our broker to gain access to best market prices available when the market stabilise and costs return to some sort of normality.

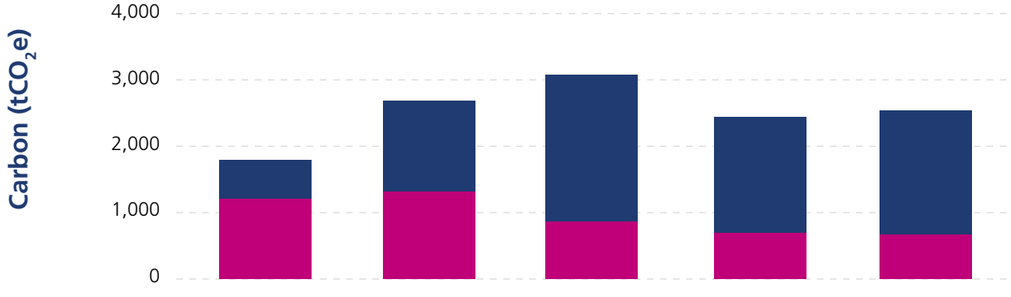
With energy prices set to rise this will influence the Trust and move us away from gas systems and fossil fuels to more environmentally friendly alternatives for heating systems in line with the estates strategy and the Trust's Green Plan. To improve systems further the Trust is to increase the amount of energy reduction measures on site to mitigate increased cost from using electronic systems for heat and increase the amount of renewable energy technologies placed on sites across the organisation.

Energy used



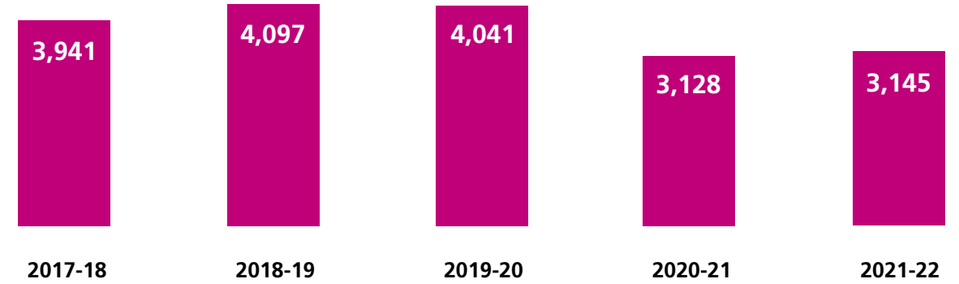
	2017-18	2018-19	2019-20	2020-21	2021-22
Gas Consumed	14,200,693	13,323,679	14,922,458	12,804,138	13,233,346
Electricity Consumed	3,636,701	3,712,674	3,883,339	3,373,135	3,456,390
Total	**17,837,394**	**17,036,353**	**18,805,797**	**16,177,273**	**16,689,736**

Carbon emissions



	2017-18	2018-19	2019-20	2020-21	2021-22
Gas	2,901	2,787	3,048	2,349	2,419
Electricity	1,278	1,310	993	779	726

Total (t/CO_2e) emission by year



Energy – Electricity & Gas

The Trust focus for the last year has been the development of the board approved Green Plan and action plan which was approved in January 2022 and focuses the Trust net zero ambitions over the next three years.

The Trust continues to use 100% green energy through its green procurement, we have used these services for its first full year ending April-2022 which has offset the Trust's electricity use by 726 t/C02e. The Trust has also installed increased levels of insulation and LED lighting at several properties with LED lighting standardised on refurbishments and new developments. New builds are now set to BREAM Excellent with builds being built to net zero principles.

The Trust is improving continuously and working in line with our Trust Green Plan action plan, developing projects to reduce its carbon footprint and emissions and move to more sustainable systems for heat and renewable generation on site including energy reduction measures.

Finite Resources – Water

Water has been seen as the lesser to the issues surrounding the gas and electric market in 2021/2022 but the Trust still recognises that fresh water is a precious resource and we as an organisation need to do all we can to reduce our usage across our estate. The effect of under used staff sites through COVID has influenced the organisation's water use.

Working in line with our Green Plan we will aim to keep the water use to this level as staff are brought back into our sites.

Finite resource use – water	2017-18	2018-19	2019-20	2020-21	2021-22
Water volume (m^3)	36,494	28,359	30,919	21,124	19,678
Waste water volume (m^3)	29,195	26,752	29,171	20,067	18,694
Water and sewage cost (£)	101,865	90,961	94,805	72,774	69,713

CO2 Emissions (tCO_2e)	2017-18	2018-19	2019-20	2020-21	2021-22
Water related emissions	33	29	31	14	13

Waste produced

The Trust and the waste team have been working towards zero waste to landfill as a requirement of the Trust's Green Plan. This has come to fruition over the past year with the signing of a new contract. The contract provides a zero waste to landfill for most of the general and dry mix recycling collections and is supported by an energy from waste process producing the overall target of zero waste to landfill. The Trust continues to work hard to meet the waste hierarchy requirements and the Trust's Green Plan ambitions of net zero carbon by 2035 by collaboratively working with contractors and staff. We will only offset our carbon production when all other options have been exhausted.

WARP-IT continues to be used to reuse, recycle and repurpose furniture across the Trust. The system is also being utilised to share furniture, not just internally, but to support staff with office furniture for use at home. Over the last year due to COVID and loss of the main storage for WARP-IT the team has had to change their approach to the system

The organisation also joined the 250k club which is an internal club on the WARP-IT system which shows that Humber Teaching NHS Foundation Trust has off set equivalent cost of over £250,000.

This year 2021/22 has cost avoided £20,000 in furniture reuse and continues to reuse reduce and repurpose its furniture.

WARP-IT in numbers

CO_2 saved (kg)	Cars off the road equivalent	Waste avoided (kg)	Total current savings
126,452	**54**	**47,616**	**£315,606**

Social Values Report

As a multi-specialty healthcare provider, we have been successfully delivering NHS services not just across a wide geography, but to patients with diverse health challenges. Our social values report highlights how our teams and patients have embraced complexities and have worked collaboratively to think and act differently and as a result, we are developing our capacity to support people to 'live well' in a community setting.

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.

Following positive feedback on our 2021 Social Values Report, which appeared in a digital only format for the first time, we decided to develop this with the creation of a bespoke animation for the 2022 report which is available on our Trust website **www.humber.nhs.uk** This approach allowed us to capture a broader range of content. In 2022 we highlighted the key work of our Trust as an Anchor Institution for our local citizens. This is reflected in new employment opportunities for apprentices and the expansion of our Peer Support worker model. In addition, we captured the phenomenal support from our volunteers for our groundbreaking vaccine program. Finally, we also captured the development of a forum for children and young people to participate in Trust activities through the Humber Youth Action Group.

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

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.

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 include equality, diversity and inclusion that are 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).

Furthering the aims of community inclusion and collaboration with hard to reach staff groups the Trust has continued its staff networks – BAME, LGBT+ network and Disability network. The BAME staff network is instrumental in the Trusts work with the Workforce Race Equality Standard (WRES).

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.

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 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. Each year Trusts are asked to assess overall whether they are 'full', 'substantial', 'partial' or 'non-compliant' with the EPRR core standards and the additional deep dive element which underpins this duty.

As a result of the events in 2020 the assurance process cycle did not receive its tri-annual review and as a consequence, not all the standards were felt by the national team to reflect current best practice and are under review. Therefore, the number of standards for the 2021-22 year was reduced from 54 down to 36 and the deep dive standards reduced from 8 to 7.

Our overall position for this year has therefore been determined as **substantially compliant** with us meeting the criteria of between 89-99% compliance with the core standards. Our total compliance figure is, out of 36 core standards we have complied with 33 and are partially compliant with the remaining 3, therefore we stand at 91.7%.

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 Trust Board.

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 'Significant' 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 2022 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.

Signed:

Date: 22 June 2022

Michele Moran
Chief Executive

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 overleaf provides details of the composition of the Board of Directors throughout the year.

The Chair of the Board of Directors is Caroline Flint. The Board of Directors is comprised of six Non-Executive Directors including the Chair and one Associate (non-voting) Non-Executive Director and five Executive Directors including the Chief Executive and one non-voting director. Hanif Malik, Associate Non-Executive Director and Steve McGowan, Director of Workforce and Organisational Development, are non-voting member of the Board of Directors.

Peter Baren, Non-Executive Director, was the Senior Independent Director until 28 February 2022 and Francis Patton was appointed from 1 March 2022.

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 (CQC) last undertook a well led inspection in February 2019 and the Trust was rated as 'Good'. Due to the Covid-19 pandemic the CQC adapted and developed a risk-based approach to inspection. No issues have been identified at the Trust that has required the CQC to inspect further. However, the CQCs ongoing monitoring of services continue and our regular relationship meetings continue to foster good working relations and the opportunity to provide assurance to the CQC.

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, Mr Baren led the appraisal of the Chair, with appropriate consultation with Non-Executive Directors, Governors and other relevant parties. The previous Chair, Sharon Mays led the evaluation of the Non-Executive Directors supported by the Council of Governors' Appointments, Terms and Conditions Committee.

The Council of Governors approved a two-month extension to Mr Peter Baren's term of office until 31 March 2022. Professor Mike Cooke left his role at the end of August 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
Rt Hon Caroline Flint	Trust Chair • Chair of Council of Governors • Chair of Remuneration and Nomination Committee	16 September 2022	15 September 2025
Peter Baren	Independent Non-Executive Director • Chair of Audit Committee • Chair of Collaborative Committee • Senior Independent Director	1 December 2013	31 March 2022
Mike Cooke	Independent Non-Executive Director • Chair of Quality Committee • Chair of Charitable Funds Committee	1 September 2016	Left 31 August 2021
Mike Smith	Independent Non-Executive Director • Chair of Mental Health Legislation Committee • Interim chair of Quality Committee since September 2021	1 October 2016	31 August 2022
Francis Patton	Independent Non-Executive Director • Chair of Finance & Investment Committee	1 January 2018	31 December 2023
Dean Royles	Independent Non-Executive Director • Chair of Workforce & Organisational Development Committee	1 January 2019	31 August 2022

Composition of the Board of Directors			
Non-Executive Directors:			
Name	Position	Appointed to Humber Teaching NHS Foundation Trust	Term of office ends
Hanif Malik	Independent Associate Non-Executive Director	1 July 2021	30 June 2023
Stuart McKinnon-Evans	Independent Non-Executive Director • Chair of Audit Committee • Chair of Charitable Funds Committee	1 February 2022	31 January 2025

Composition of the Board of Directors			
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 of the Trust 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 was paused due to Covid 19 but in March 2022 the visit programme started to be re-introduced.

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 updated and reviewed in March 2022.The three-year Risk Management Strategy for 2021-2024 continues the proactive approach to risk management that 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 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 has undertaken a self-assessment to identify further areas for improvement within risk management and have developed four Risk Management Priorities as part of the new Risk Management Strategy for 2021-2024. These priorities identify the key areas for further development to increase the risk maturity of the Trust, its supporting processes and the overall risk management culture of the organisation.

A review was undertaken in 2021/22 by the Trust Board 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.

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 and agreed by the Executive Management Team and is also discussed at Board committees meetings alongside relevant sections of the Board Assurance Framework.

Full details on our committees are provided within our Annual Governance Statement on page 100.

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.

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 Divisional 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.

The Trust has a Data Quality Group which provides a forum to consider performance against data quality standards, audits and ad hoc requirements across a range of Trust activities. The Data Quality Group co-ordinates action plans and reports on progress to the Information Governance Group and Audit Committee in respect of audits and a range of Data Quality reports are available for services to review and make amendments in systems where required.

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 was launched in 2019-20 and Trust accountability reviews are regularly undertaken to further review performance and governance indicators with divisional leads. 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.

Our Quality Account, which is provided as part of this report and available on our website **www.humber.nhs.uk** provides a detailed summary of quality priorities we said we would achieve this year, evidences our delivery against each and also provides data about our patients and service users. 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 last full inspection in 2019 and rated the Trust 'Good'. Due to the pandemic the CQC adapted, replacing their inspection regime with a Transitional Monitoring Approach (TMA) and in January 2021 positive verbal feedback was received from the CQC.

This year, due to the ongoing Covid-19 pandemic the CQC adapted and developed a risk-based approach to inspection. No issues have been identified at the Trust that has required the CQC to inspect further. However, the CQCs ongoing monitoring of services continue and our regular relationship meetings continue to foster good working relationships and the opportunity to provide assurance to the CQC.

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 2021/22 and 2020/21.

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.

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 which is assessed via performance targets agreed at the start of each year.

The Council of Governors determines the pay for the Chair and Non-Executive Directors and in so doing considers national guidance. The Chair and Non-executive Directors are on fixed term, renewable contracts. There is no performance-related pay and no compensation for early termination.

The Remuneration Committee awarded a non-consolidated 2% pay uplift for the period 1st April 2021 to 31st March 2022 to the Chief Executive and Executive Directors.

Rt Hon Caroline Flint
Chair

Michele Moran
Chief Executive

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 2021/22 are provided in Table 1. The information included in this table is subject to audit. These allowances are not pensionable remuneration.

A summary of Non-Executive Director Remuneration Policies is tabled below:

Element	Policy
Fee payable	In line with NHSI/E pay guidance for Non-Executive Directors.
Percentage uplift (cost of living increase)	Reviewed annually by the Remuneration and Nominations Committee taking into consideration NHSI/E pay guidance
Travel	Travel and subsistence expenses are reimbursed and paid with remuneration via payroll.
Pension contributions scheme	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 on the size of the Trust.

Further information on staff policies is included on page 62.

When setting the remuneration policy for senior managers the pay and conditions of employees were considered by comparing relevant director salaries of all equivalent trusts. After consultation with any successful applicant the relevant salary award is agreed and in line with comparative benchmark.

The opinion of NHSI was sought in relation to Executive Director pay awards for those earning over £150,000. 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 2021/22 are shown in Table 1. Details of the pension benefits of the Chief Executive and other Executive Directors are also shown in Table 1. 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, except for 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) with nationally applied pay uplifts.

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.

A summary of Executive Director Remuneration Policies is tabled below:

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 2021 – 31st March 2022) – Subject to Audit

Chair and Non-Executive Directors						
	2021/2022					
Name & Title	Salary and Fees (Bands of £5k)	Taxable Benefits (Nearest £100)	Annual Performance-related bonuses (Bands of £5k)	Long-term Performance Benefits (Bands of £5k)	Pension-related Benefits (Bands of 2.5k)	Total (Bands of £5k)
Sharon Mays – Chair (Left Sept 2021)	20-25					20-25
Dean Royles – Non Executive Director	10-15					10-15
Mike Cooke – Non Executive Director (Left Aug 2021)	5-10					5-10
Mike Smith – Non Executive Director	10-15					10-15
Peter Baren – Non Executive Director (Left Mar 2022)	10-15					10-15
Francis Patton – Non Executive Director	10-15					10-15
Caroline Flint – Chair (Started Sept 2021)	20-25					20-25
Hanif Malik – Associate Non Executive Director (Started July 2021)	5-10					5-10
Stuart Mckinnon-Evans – Non Executive Director (Started Feb 2022)	0-5					0-5

Chair and Non-Executive Directors						
	2020/2021					
Name & Title	Salary and Fees (Bands of £5k)	Taxable Benefits (Nearest £100)	Annual Performance-related bonuses (Bands of £5k)	Long-term Performance Benefits (Bands of £5k)	Pension-related Benefits (Bands of 2.5k)	Total (Bands of £5k)
Sharon Mays – Chair (Left Sept 2021)	45-50					45-50
Dean Royles – Non Executive Director	10-15					10-15
Mike Cooke – Non Executive Director (Left Aug 2021)	10-15					10-15
Mike Smith – Non Executive Director	10-15					10-15
Peter Baren – Non Executive Director (Left Mar 2022)	10-15					10-15
Francis Patton – Non Executive Director	10-15					10-15
Caroline Flint – Chair (Started Sept 2021)						
Hanif Malik – Associate Non Executive Director (Started July 2021)						
Stuart Mckinnon-Evans – Non Executive Director (Started Feb 2022)						

Executive Directors – Subject to Audit

2021/2022

Name & Title	Salary and Fees (Bands of £5k)	Taxable Benefits (Nearest £100)	Annual Performance-related bonuses (Bands of £5k)	Long-term Performance Benefits (Bands of £5k)	**Pension-related Benefits (Bands of 2.5k)	Total (Bands of £5k)
Michele Moran (Chief Executive)	180-185		15-20		97.5-100	295-300*
John Byrne (Medical Director)	155-160	700			-	160-165
Steven McGowan (Director of Workforce & Organisational Development)	105-110	2,900			27.5-30	135-140
Lynn Parkinson (Chief Operating Officer)	110-115	10,200			135-137.5	255-260
Hilary Gledhill (Director of Nursing, Allied Health and Social Care Professionals)	115-120	9,700			67.5-70	195-200
Peter Beckwith (Executive Director of Finance)	125-130	3,000			105-107.5	235-240

2020/2021

Name & Title	Salary and Fees (Bands of £5k)	Taxable Benefits (Nearest £100)	Annual Performance-related bonuses (Bands of £5k)	Long-term Performance Benefits (Bands of £5k)	Pension-related Benefits (Bands of 2.5k)	Total (Bands of £5k)
Michele Moran (Chief Executive)	155-160	-	30-35			185-190
John Byrne (Medical Director)	155-160	4,800			22.5-25	185-190
Steven McGowan (Director of Workforce & Organisational Development)	105-110	5,700			25-27.5	135-140
Lynn Parkinson (Chief Operating Officer)	110-115	10,200				120-125
Hilary Gledhill (Director of Nursing, Allied Health and Social Care Professionals)	115-120	4,100			2.5-5	120-125
Peter Beckwith (Executive Director of Finance)	125-130	6,400				130-135

*Actual salary is £157,235 any other payments optional

** Pension Related benefits are calculated based on a central calculation of the Real Increase in the total value of accrued pension related benefits. This is not the expenditure that has been incurred in the Trusts expenditure accounts for employer related pension contributions.

The Benefits in Kind covers the monetary value of the provision of a car and travel costs. The 2021-22 pension related benefits figures have been adjusted for employee pension contributions.

Reporting bodies are required to disclose relationship between the remuneration of the highest-paid director (including hosted posts) 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 2021/22 was £200,000 – £205,000. This was 7.55 times the median remuneration of the workforce, which was £25,090. The highest-paid hosted role in 2021/22 was £240,000-£245,000.

In accordance with the Government Accounting Manual the salaries of hosted posts are included and these have inflated the range of values together with the Trust recruiting to Apprentices reducing the lower end of the reported range.

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.

The Chief Executive's Salary includes payment for additional responsibilities in relation to both 2020/21 and 2021/22 related to leadership work across the Humber and North Yorkshire Integrated Care Board. The performance bonus was in relation to performance in 2020/21 and was awarded upon achievement of criteria, performance against the criteria is monitored by the Remuneration Committee.

Fair Pay Disclosures - Subject to Audit

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

The banded remuneration of the highest-paid director in the organisation in the financial year 2021-22 was £201,000-205,000 (2020-21, £185,000-,190,000). This is a change between years of 8%.

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

For employees of the Trust as a whole, the range of remuneration in 2021-22 was from £9,405 to £244,897 (2020-21 £16,823 - £242,400).

The remuneration of the employee at the 25th percentile, median and 75th percentile is set out below. The pay ratio shows the relationship between the total pay and benefits of the highest paid director (excluding pension benefits) and each point in the remuneration range for the organisation's workforce.

Table 2

2021/22	25th Percentile	Median	75th Percentile
Salary Component of Pay	£19,711	£25,090	£38,905
Total Pay and Benefits Excluding Pension Benefits	£21,808	£26,804	£39,582
Pay and Benefits excluding Pension: Pay Ratio for Highest Paid Director	9.3	7.6	5.1

2020/21 Median	£24,907
2020/21 Ratio	7.5

Any significant change in the fair pay ratio requires explanation – the change this year is from 7.5 to 7.6 which does not represent significant change but is highlighted for transparency.

Table 3 – Pension Benefits of Trust Board and other Senior Managers (1st April 2021 – 31st March 2022) – Subject to Audit

Executive Directors							
Name & Title	Real increase in pension at pension age (bands of £2500)	Real increase in pension lump sum at pension age (bands of £2500)	Total Accrued pension at pension age at 31 March 2022 (bands of £5000)	Lump sum at pension age related to accrued pension at 31 March 2022 (bands of £5000)	Cash Equivalent Transfer Value at 1 April 2021 £000	Real Increase in Cash Equivalent Transfer Value £000	Cash Equivalent Transfer Value at 31 March 2022 £000
M Moran Chief Executive	5-7.5	15-17.5	75-80	225-230	1,628	166	1,802
J Byrne* Medical Director	0	0	0	0	296	0	0
S McGowan Director of Workforce & Organisational Development	0-2.5	0	10-15	0	95	28	124
L Parkinson Chief Operating Officer	5-7.5	17.5-20	60-65	185-190	1,208	177	1,390
H Gledhill Director of Nursing, Allied Health and Social Care Professionals	2.5-5	5-7.5	35-40	100-105	746	99	849
P Beckwith Executive Director of Finance	5-7.5	0	70-75	0	860	92	955

*J Byrne - chose not to be covered by the pension arrangements during the reporting year.
P Beckwith - only in the pension scheme for 3 months during 2021/22

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's (or other allowable beneficiary's) pension payable from the scheme. CETVs are calculated in accordance with SI 2008 No.1050 Occupational Pension Schemes (Transfer Values) Regulations 2008.

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 that is funded by the employer. It does not include the increase in accrued pension due to inflation or contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement).

Current CPI applied to Pensions is 0.5%.

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 Board.

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.

Six 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 80. The terms of reference for the committee are available on the Trust's website or from the Trust Secretary.

Signed: 

Date: 22 June 2022

Michele Moran
Chief Executive

Staff Report

Humber Teaching NHS Foundation Trust provides a range of services across the Humber, East Riding of Yorkshire, North Yorkshire and surrounding areas.

This report provides an overview of the makeup of the workforce which had a head count of 3140 at the end of 2021/22.

	Female		Male		Total	
Pay Grade	**FTE**	**Headcount**	**FTE**	**Headcount**	**FTE**	**Headcount**
Director	3	3	3	3	6	6
Band 8A	107.39	117	43.74	45	151.13	162
Band 8B	24.50	26	7	7	31.50	33
Band 8C	19.45	20	4	4	23.45	24
Band 8D	4.8	5	4	4	8.8	9
Band 9	0.8	1	1	1	1.8	2
Other Staff	2003.78	2307	558.81	597	2562.59	2904
Total	**2163.73**	**2479**	**621.55**	**661**	**2785.28**	**3140**

	Female		Male		Total	
Staff Group	**FTE**	**Headcount**	**FTE**	**Headcount**	**FTE**	**Headcount**
Add Prof Scientific and Technic	204.59	223	55.52	58	260.11	281
Additional Clinical Services	612.69	677	199.11	207	811.79	884
Administrative and Clerical	433.94	509	103.98	107	537.92	616
Allied Health Professionals	163.16	189	25.00	28	188.16	217
Estates and Ancillary	73.03	123	62.63	73	135.66	196
Medical and Dental	32.95	39	43.89	50	76.85	89
Nursing and Midwifery Registered	639.37	715	128.42	135	767.80	850
Students	4.00	4	3.00	3	7.00	7
Total	**2163.73**	**2479**	**621.55**	**661**	**2785.28**	**3140**

The overall establishment increased by 217.2 FTE over the 12-month period. In particular, there was more growth of Trust's establishment of Scientific, therapeutic and technical (+76.7FTE) and Support to Nursing (+42.4FTE) roles. Some examples of growth were –

- Creation of Maister Court team (21 FTE)
- Creation of Commissioning division (18FTE)
- Transfer of Practice 2 into HTFT (18 FTE)
- Increased investment in CAHMS Crisis (10 FTE)
- Increased investment in IAPT (5 FTE)

Area	March 2021 Establishment	March 2022 Actual Establishment
338 Children's and Learning Disability (Division)	649	670.5
338 Community and Primary Care (Division)	566.6	524.3
338 Chief Exec (Directorate)	15.7	23.9
338 Chief Operating Officer (Directorate)	194.8	94.9
338 Finance (Directorate)	125.4	268.4
338 Workforce and OD (Directorate)	61.1	65.4
338 Medical (Directorate)	42.1	46.4
338 Nursing and Quality (Directorate)	49.2	59.7
338 Mental Health (Division)	990.9	1136.5
338 Forensic (Division)	249.6	253.6
338 Commissioning (Division)	n/a	18
Total	**2944.4**	**3161.6**

Area	March 2021 Establishment	March 2022 Actual Establishment
Scientific, therapeutic and technical staff	323.4	416.1
Administrative and estates	789.6	819.8
Allied Health Professionals	218.2	238.7
Support to allied health professionals	79.5	86.4
Medical and Dental – career	17	18.2
Medical and Dental – consultant	62.7	67.1
Medical and Dental – trainee	14	14.6
Registered nursing	849.1	849.7
Support to nursing staff	590.9	643
Other	0	8
Total	**2944.4**	**3161.6**

Average number of employees (WTE basis) – Subject to Audit

	Permanent	Other	Total	Total
	2021/22 Number	2021/22 Number	2021/22 Number	2020/21 Number
Medical and dental	72	17	89	82
Ambulance staff	0	0	0	0
Administration and estates	721	24	745	742
Healthcare assistants and other support staff	266	8	274	255
Nursing, midwifery and health visiting staff	1,283	173	1,456	1,378
Nursing, midwifery and health visiting learners	0	0	0	0
Scientific, therapeutic and technical staff	225	1	226	181
Healthcare science staff	0	0	0	0
Social care staff	114	2	116	101
Other	0	0	0	6
Total average numbers	**2,681**	**225**	2,906	2,745
Of which:				
Number of employees (WTE) engaged on capital projects	10	0	10	0

Employee Benefits – Subject to Audit

	2021/22	2020/21
	Total £000	Total £000
Salaries and wages	103,906	96,534
Social security costs	9,727	8,790
Apprenticeship levy	480	439
Employer's contributions to NHS pensions*	17,397	15,915
Pensions cost – other	559	432
Temporary staff (including agency)	8,406	6,711
Total gross staff costs	**140,475**	128,821
Recoveries in respect of seconded staff	-280	0
Total staff costs	**140,195**	128,821
Of which:		
Costs capitalised as part of assets	642	0

*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 2020, the value is £5,274k for 2021/22.

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

	2021/2022			2020/2021		
	Governors	Directors	Total	Governors	Directors	Total
The total number in office	13	15	**28**	25	12	37
The number receiving expenses in the reporting period	0	13	**28**	0	12	12
The aggregate sum of expenses paid in the reporting period	£0	£2,237	**£2,237**	-	£757	£757

Staff Sickness Absence including Covid-19

Division	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Rolling 12 Month
	%	%	%	%	%	%	%	%	%	%	%	%	%
Children's and Learning Disability	4.13	3.66	4.03	4.89	5.05	5.41	5.88	6.75	6.76	5.42	5.23	4.93	**5.18**
Commissioning	0.00	0.00	0.00	0.00	0.00	0.00	1.89	2.81	5.04	0.00	0.49	2.02	**1.49**
Community and Primary Care	3.88	3.54	4.46	4.64	5.40	5.86	6.22	5.50	5.51	6.48	5.88	6.37	**5.32**
Corporate Services	2.68	3.18	3.59	4.18	4.00	3.94	4.84	4.31	4.14	4.50	4.09	5.23	**4.06**
Mental Health Planned Care	4.67	5.24	5.79	6.39	6.54	5.11	6.18	6.31	6.67	7.26	6.30	7.18	**6.14**
Mental Health Services Central	0.87	3.93	2.07	3.21	8.20	12.10	10.18	8.58	6.46	1.55	0.17	2.01	**4.98**
Mental Health Unplanned Care	6.17	6.52	6.72	6.43	5.32	5.56	6.46	5.74	6.73	6.11	6.40	6.17	**6.20**
Secure Services	3.56	6.17	7.59	6.83	6.73	6.06	6.06	8.16	8.22	12.07	11.28	10.40	**7.76**
Total	**4.18**	**4.50**	**5.05**	**5.36**	**5.35**	**5.30**	**5.94**	**5.96**	**6.17**	**6.32**	**5.92**	**6.19**	**5.53**

Further information relating to NHS sickness absence figures may be available via this Department of Health and Social Care link throughout the year:

https://digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates

A summary of our staff sickness absence figures can be found on page116 of our April Board papers which can be accessed here **https://www.humber.nhs.uk/about/board-papers-2022.htm**

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

The Trust's Recruitment & Selection policy and procedure was reviewed and relaunched in 2021/22. Along with a policy for Recruitment and Selection, the Trust provides Recruitment and Selection training for all recruiting managers and has developed a toolkit for recruiting managers to support them with fair and equitable selection. A recruitment and selection system, TRAC, has also been introduced to support managers in the management of recruitment as well as to improve the candidate experience which has enabled a reduction in the time to recruit and more accurate and timely management information for analysis.

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 Managing Sickness Absence Policy and Toolkit, and this reinforces the support available to staff and the approach the Trust expects from managers. To support staff to remain at work, the policy provides the tools which enable managers to engage with staff with long term conditions and supports the exploration of reasonable adjustments and redeployment where required, to support longer term attendance at work. The redeployment of employees due to a medical condition is supported by the same policy, ensuring adequate information and advice is sought before redeployment options are considered.

The Trust has a SEQOHS accredited in-house Occupational Health Service providing support and advice to employees and managers. The Occupational Health and Wellbeing service include a diverse range of specialists from Occupational Health Nurse specialists, a back care specialist, Health Trainer and OT as well as access to counselling provision and psychological support to further support the workforce in the management of positive health outcomes.

The Trust has a Flexible Working Policy and Special Leave Policy to support employees in continuing in employment and managing work life balance. A flexible working Toolkit has been launched to help reinforce support for managers and employees when pursuing flexible working.

The Trust continues to maintain a positive score around reasonable adjustments, where 82.4% of staff with a long-lasting health condition or illness say the Trust has made adequate adjustment(s) to enable them to carry out their work, this compares favourably with the national comparator figure of 78.8%. This also represents a 1.9% increase on the 2020 figure of 80.5%. Furthermore, it contributes to a four-year upward trend.

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

The Trust has Equality, Diversity & Inclusion policy which applies to all employees at the Trust. Similarly, the Trust offers an EDI e-learning course as a statutory/ mandatory requirement which at year end shows compliance at 95.6%, an improvement of +0.8% on 20/21. The Trust target is upwards of 85%.

All policies that affect the workforce 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 also uses the Equality, Diversity and Inclusion working group as a mechanism for participation in workforce policy development, which has representation from the Humber Ability staff network.

The Trust has an Appraisal Policy with an appraisal 'window' of April to June. The appraisal documentation (along with the supplementary resources and training) places emphasis on the importance of carrying out a health and wellbeing conversation at the very minimum annually as part of the appraisal review.

The Trust has seen the evolution of several leadership development programmes since 2019, which serve to enhance the leadership capabilities of those in people management roles. The programmes are offered to all those band 4 and above who meet the criteria for participation. The PROUD Leadership Development Programme has been accessed by 204 people leaders across the Trust in the past year, of those 6.86% declared to have a disability.

Further to the Leadership Programmes 2020/21 saw our first cohort participating in the Humber High Potential Scheme. Of the 11 delegates on the programme 18.18% declared to have a disability.

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, The Global, specific messages from the Chief Executive and Vlogs, 'Ask EMT' sessions, Senior Leadership Forum, Leadership Forum and staff newsletters.

Monthly trade union meetings take place through the Trust Consultation and Negotiation Committee (TCNC) and Staff Networks, namely BAME, Humber Ability and LGBTQ+ are in place to support the cascade of information.

Regular management and clinical supervision are expected and there are policies in place to support the sharing of information with staff on a 1:1 basis as well as via team meetings.

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

Participation in the quarterly Pulse Survey and the production of local surveys to establish the views of employees are well established. These support and feed into plans following the annual National Staff Survey.

Monthly trade union meetings take place through the Trust Consultation and Negotiation Committee (TCNC), as well as the facilitation of a fortnightly staff side meeting to enable to flow of information via representatives, this has formed a well-established mechanism to consult more meaningfully upon organisational change particularly. In addition, the Trust has established a joint management and staff side policy group that meets monthly to discuss reviews and implementation of workforce policies, enabling an open, transparent and collaborative partnership to develop. Staff Networks are in place to support the sharing of information and an escalation route into the EDI steering group to support the two-way dissemination of Trust wide information.

A Senior Leadership Forum and a Leadership Forum are also well established which provide managers with updates and information in relation to developments at the Trust.

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

Trust performance is shared with staff side colleagues at the Trust Consultation and Negotiation Committee (TCNC), Leadership Forums and Accountability Reviews.

The Staff Health & Wellbeing Group was established in 2020 and is made up of a diverse group of staff representatives from across the Trust, which aims to inform and identify opportunities to support the health and wellbeing of staff to aid improvement in performance.

The Equality, Diversity and Inclusion Steering Group provides a platform to share performance on equality and diversity, with emphasis upon national reporting such as the WRES, WDES and Gender Pay Gap report as well as reporting outcomes and progress regarding the National Staff Survey.

BAME, LGBT & Humber Ability Staff Networks engage in regular dialogue with the EDI group and have a standing invite to the Trust Workforce and OD Committee.

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

Furthermore, the Trust was successful in winning the HPMA award for HR Analytics in 2021, based on the development and implementation of the Workforce Scorecard and People Insight report that serves to enhance the quality of data that is delivered into the organisation, shaping appropriate HR solutions where there are areas for improvement identified. This is a key tool used within accountability reviews to understand progress against workforce metrics specifically.

Occupational Health

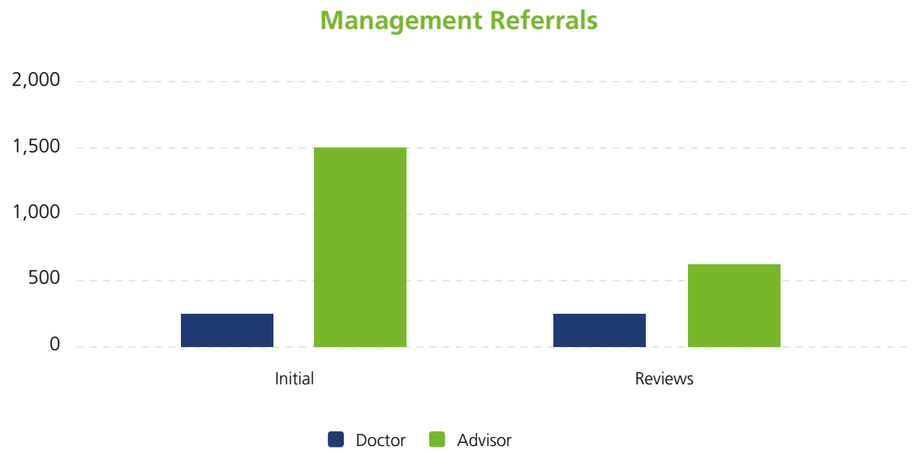
The health and wellbeing of our staff has always been a priority, however, the COVID-19 pandemic has brought this even more into focus. A non-executive director has been identified to act as a wellbeing guardian supporting the Trust to prioritise the wellbeing of staff.

Through the Trust's Staff Engagement and Health and Wellbeing Group a plan has been developed with the aim of supporting staff engagement and health and wellbeing which has been linked the outcomes of the National Staff Surveys.

Occupational health at the Trust is concerned with the protection and promotion of the physical and mental health and wellbeing of people at work. The Occupational Health & Wellbeing Service (OHWS) continued to deliver services to protect and promote the health and wellbeing of the Humber Teaching NHS Foundation Trust workforce, to ensure compliance with relevant health and safety legislation, report health and safety breaches and support Human Resource (HR) function.

Management referrals (including self-referrals)

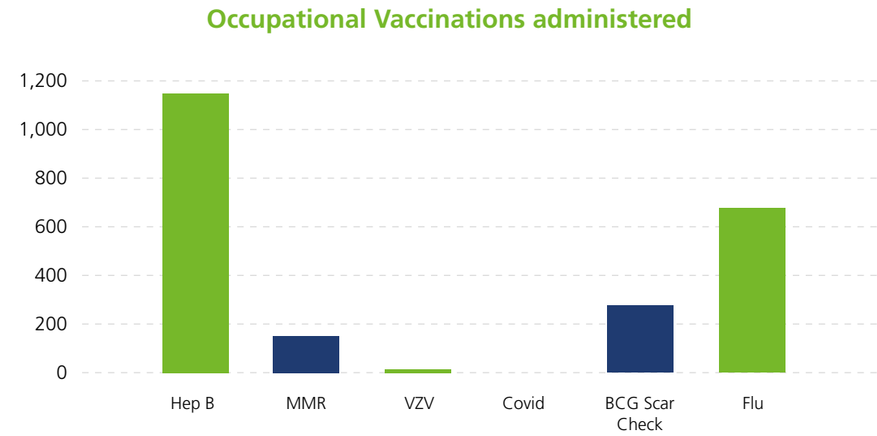
Occupational Health play a key role in working with Humber Teaching NHS Foundation Trust to contribute to supporting staff who are absent from work or who are at work but struggling to remain. This role includes the provision of specialist occupational health advice in relation to functional capability for work and adjustments that may be required. Evidence demonstrates that work is good for us and therefore supporting employees to remain in employment is critical in promoting public health and well-being. In 2021/22 OHWS received 1768 initial referrals and undertook 949 reviews.

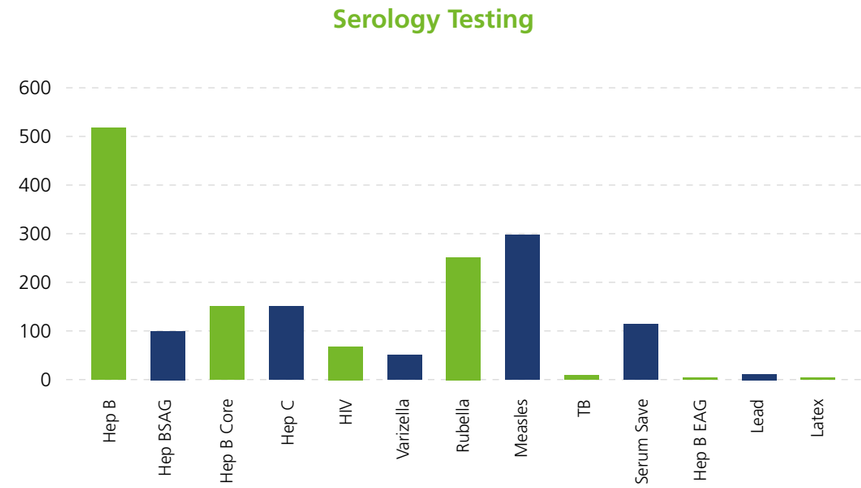


Occupational Health activities to prevent work-related ill health in employees:

1. Immunisation of staff against work related infectious disease

The current immunisations offered to staff on a risk assessment basis include Hepatitis B, BCG (high risk staff), MMR, VZIG. During the 2021/22 reporting period over 4,000 immunisation/serological interventions were undertaken by OHWS staff.





2. Acute assessment and management of musculoskeletal symptoms in relation to work with rapid access physiotherapy for injuries caused / exacerbated by work

Rapid access to physiotherapy and case management is noted to reduce employer liability costs and improve return to work times in work-related musculoskeletal disease.

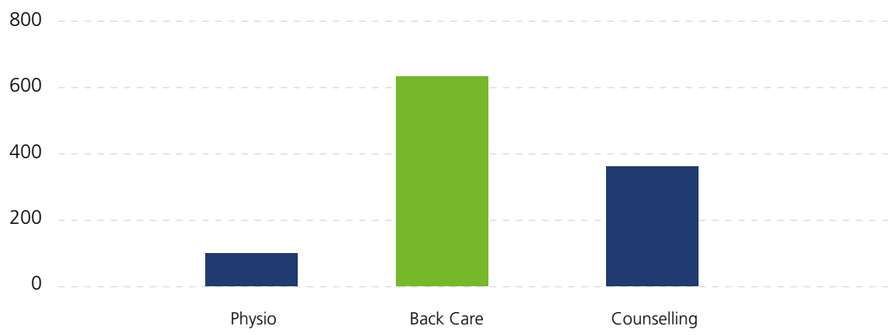
112 individual appointments were undertaken by outsourced physiotherapy company Physiomed, (this includes treatment sessions, triage/advice).

The back care advisor assessed and treated 636 staff. This included DSE Workstation assessments, referral advice which took place on site at home or via MS Teams.

3. Employee Assistance Programme (EAP) (VIV UP) usage continued to remain at low levels.

Occupational Health discontinued the use of in-house counsellors and implemented the services of independent counsellors with good utilisation. The counselling service provided 356 treatment sessions. The overall contacts to the service have seen a slight decline however since January 2022 preparation in modelling has been considered and planned for, in need for the period following Covid-19 peak when the need for psychological support due to likely emotional fatigue in some staff is expected.

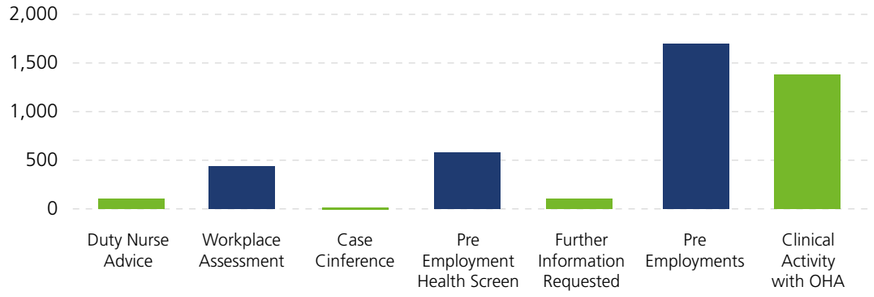
Third Party OH Intervention



4. Other Occupational Health duties

During the 2021/22 reporting period Occupational health carried out several duties to ensure the health and wellbeing of the employee in the workplace.

Other



5. SEQOHS Accreditation

The Occupational Health Service again successfully renewed its SEQOHS (Safe Effective Quality Occupational Health Services) via the Royal College of Physicians' accreditation. During the coming year the Trust's five-year renewal process for reaccreditation will begin.

Staff Turnover

Rolling 12 Month Turnover	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22
	%	%	%	%	%	%	%	%	%	%	%	%
Target	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Actual	10.6	12.3	12.5	12.6	13.2	12.9	13.0	13.4	13.5	14.0	13.9	14.8

Information on staff turnover: Please follow the link to the NHS workforce statistics published by NHS Digital
NHS workforce statistics - NHS Digital

Staff Survey

Statement of approach to Staff engagement

Throughout 2021/22, the Trust has continued to focus on staff engagement with engagement scores remaining consistently good in the staff survey ratings improving year on year between 2017 - 2020.

Mechanisms in place at the Trust include the annual staff survey and quarterly pulse surveys as well as exit questionnaires for staff leaving the organisation which evolved throughout 2021.

The Trust has further developed several additional communication channels with staff, such as the 'Ask the Exec', several global communications including senior leader VLOGS, Leadership and Senior Leadership forums and Workforce Manager's newsletters. In addition, the staff networks are encouraged to share information and the Trust has expanded the way it communicates and consults with staff side colleagues through the monthly TCNC, monthly staff and management side policy meeting and an open invite to fortnightly staff side meetings to enable more flexibility when consulting or sharing information outside of formal structures.

Expansion of the Health and Wellbeing and EDI steering groups encourage representation from across the organisation to shape actions with meaningful engagement from all divisions.

In addition, the Trust has enhanced the appraisal process, moving to an appraisal window to drive up compliance and developing paperwork, resources and support to improve the quality of appraisal conversations and to ensure a meaningful health and wellbeing conversation.

Summary of performance

The Trust achieved a response rate of 44.1% overall which represented 1,304 responses from a sample of 2,958. The median response rate for all Mental Health and Learning Disabilities Trusts, of which there are 51 within the benchmark group was 51%.

The above represents a 1% increase in response rate in comparison to the 2020 survey (1051 responses submitted) and the breakdown of responses by area is provided below (2020 vs 2021).

The NHS Staff Survey 2021 In line with the commitment in the 2020/21 People Plan, was redeveloped to align with the People Promise. On that basis the results of the NHS Staff Survey are now measured against the seven People Promise elements and against two of the themes reported in previous years (Staff Engagement and Morale).

The table opposite details the range of scores between 2018 – 2020 against the previous key theme areas.

	2020		2019		2018	
	Trust	Benchmarking Group	Trust	Benchmarking Group	Trust	Benchmarking Group
Equality, Diversity and inclusion	9.4	9.1	9.2	9.1	9.3	9.2
Health and Wellbeing	6.3	6.4	5.9	6.1	5.8	6.1
Immediate Managers	7.2	7.3	6.9	7.2	7.0	7.2
Morale	6.4	6.4	6.1	6.3	6.0	6.2
Quality of Appraisals	N/A	N/A	5.0	5.7	4.8	5.5
Quality of Care	7.3	7.5	7.2	7.4	7.2	7.4
Safe Environment – Bullying and Harassment	8.5	8.3	8.2	8.2	8.1	8.2
Safe Environment – violence	9.6	9.5	9.5	9.5	9.4	9.5
Safety Culture	6.8	6.9	6.6	6.8	6.5	6.8
Staff Engagement	7.1	7.2	6.7	7.1	6.7	7.0
Team Working	6.9	7.0	6.7	6.9	6.6	6.9

2021 National Staff Survey scores against the People Promise theme areas

	2021	
	Trust	Benchmarking Group
We are compassionate and Inclusive	7.5	7.5
We are recognised and rewarded	6.4	6.3
We have a voice that counts	7.0	7.0
We are safe and healthy	6.2	6.2
We are always learning	5.8	5.6
We work flexibly	6.8	6.7
We are a team	7.0	7.1
Staff engagement	7.0	7.0
Morale	6.1	6.0

In the 2021 survey the Trust identifies as equal to or above the benchmark group in all but one of the People Promise theme areas. The theme 'we are a team' shows the trust scoring 7.0 compared to a benchmark group score of 7.1.

There were 99 questions in the 2021 National Staff Survey that can be determined to have a positive/negative response, of these 99 questions, 36 questions were new and were not asked in the 2020 Survey, so the data is not available for comparison. Of the 63 questions asked previously; 34 show opportunities for improvement, 18 questions showed no change and 18 questions identified as strengths.

Compared to our benchmark group the Trust scores better than the benchmark group on 38 questions, 4 questions are equal to the benchmark group and 57 areas are scored lower than the benchmark average.

Diversity and inclusion policies, initiatives and longer term ambitions:

- The Trust identified the need to improve the accuracy of its workforce equality data, where for example there were 1600 unspecified entries in ESR for ethnicity, disability or sexual orientation. The Workforce & OD team worked to reduce this number through a combination of direct action, such as speaking to applicable staff as well as introducing a procedure to ensure the capture of equality data for bank and agency staff. This resulted in significantly improved accuracy of workforce equality data held in ESR such as 5.11% Ethnicity, 6.74% disability and 3.42 LGBTQ+. This is reported in the quarterly EDI Insight report.
- In relation to diversity and inclusiveness of the workforce, the Trust has met its internal equality targets, specifically for its work developing local actions for the individual directorates, collaborating and co-producing the Workforce Race Equality Standard (WRES) and the Workforce disability Equality Standard (WDES) action plans with staff networks and representation from lived experience, as well as taking the quarterly EDI insight deep dive report to the Trusts EDI Steering Group. These are reported in the Workforce Race Equality Standard (WRES) and the Workforce disability Equality Standard (WDES), Gender Pay Gap Report and EDI Annual Report, and to the EDI Steering group every quarter.
- Through the National Staff Survey, the Trust identified the need to work with recruiting managers and line managers on widening participation in recruitment and continued its delivery of Bullying and Harassment and Recruitment and Selection training.
- Over the past 12 months, 24 staff members attended the B&H training and 38 staff attended the R&S training.
- Improving diversity and inclusiveness in the workforce has been addressed through revising polices such as flexible working, disciplinary, bullying and harassment, recruitment and selection and managing sickness absence as well as improved reasonable adjustment guidance which will contribute and positively address issues identified in the Workforce Race Equality Standard (WRES), Workforce disability Equality Standard (WDES) and Gender Pay Gap Report and the National Staff Survey.

> “Improving diversity and inclusiveness in the workforce has been addressed through revising polices such as flexible working, disciplinary, bullying and harassment, recruitment and selection and managing sickness absence as well as improved reasonable adjustment guidance.

Reporting of compensation schemes - exit packages agreed in 2021/22 – Subject to Audit

	Number of other departures agreed	Cost of other departures agreed
Exit package cost band (including any special payment element)	**Number**	**£000**
<£10,000	1	**8**
£10,000 - £25,000		
£25,001 - 50,000		
£50,001 - £100,000		
£100,001 - £150,000		
£150,001 - £200,000		
>£200,000		
Total	**1**	**8**

There were no compulsory redundancies within the financial year 2021/22.

An analysis of non-compulsory exit packages is shown below – Subject to audit

	2021/22		2020/21	
Exit packages: other (non-compulsory) departure payment (Subject to Audit)	**Payments agreed**	**Total value of agreements**	**Payments agreed**	**Total value of agreements**
	Number	£000	Number	£000
Voluntary redundancies including early retirement contractual costs	1	8	2	87
Mutually agreed resignations (MARS) contractual costs				
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 (special severance payments)				
Total	**1**	**8**	2	87

Off-payroll arrangements

As part of its commitment to tackling tax avoidance and ensuring everyone pays their fair share, HM Treasury reviewed the tax arrangements of senior public sector employees and published its report in May 2012. The review recommended that, in central government departments and their arm's length bodies, for all new engagements and contract renewals that board members and senior officials with significant financial responsibility should be on the organisation's payroll, unless there are exceptional circumstances – in which case the Accounting Officer should approve the arrangements – and such exceptions should exist for no longer than six months. 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

	2021/22 Number of engagements
Number of existing engagements as of 31 Mar 2022	**22**
Of which:	
Number that have existed for less than one year at the time of reporting	8
Number that have existed for between one and two years at the time of reporting	5
Number that have existed for between two and three years at the time of reporting	7
Number that have existed for between three and four years at the time of reporting	1
Number that have existed for four or more years at the time of reporting	1

For all new off-payroll engagements, or those that reached six months in duration, between 01 Apr 2021 and 31 Mar 2022, for more than £245 per day and that last for longer than six months

	2021/22 Number of engagements
Number of new engagements, or those that reached six months in duration between 01 Apr 2021 and 31 Mar 2022	**9**
Of which:	
Number assessed as within the scope of IR35	-
Number assessed as not within the scope of IR35	9
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 2021 and 31 Mar 2022

	2021/22 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
27 Trade Union Representatives	23.03 FTE

Table 2: Percentage of time spent on facility time

Percentage of time	Number of employees
0%	9
1-50%	17
51%-99%	1
100%	0

Table 3: Percentage of pay bill spent on facility time

First Column	Union Staff Only	Trust Wide
Provide the total cost of facility time	£43,093	£43,093
Provide the total pay bill	£833,801	£122,178,501
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	5.17%	0.04%

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	6.51%

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 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 – page 72
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 – 66
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 – 76-77
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 – 68-71
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 – 68-71
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 – 51
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 – 71 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 – 71
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 – 68, 77-79
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 – 62-63
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 – ref external review page 77
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 – 69 External Auditors responsibilities – 66 Annual Governance Statement – 101-117
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 – 101-117
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 – 66

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 – 63
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
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 – 65
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 – 77-78

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.

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

During the course of the year a well led review of Governance was undertaken as required in NHSI guidance 'development reviews of leadership and governance using the well-led framework'. This review was commissioned from Grant Thornton following a competitive procurement process.

Board of Directors Sub-Committees

The Board of Directors has eight 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 51 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 until the end of January was chaired by Non-Executive Director Peter Baren when Stuart McKinnon-Evans was appointed on 1 February, The Chief Executive has a standing invitation to attend. In accordance with NHS Improvement guidance, both Mr Baren and Mr McKinnon-Evans have 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 frequency changed from bi-monthly to quarterly and provides advice to the Board of Directors as Corporate Trustees. The committee was chaired by Mike Cooke, Non-Executive Director until August 2021 when Peter Baren, Non-Executive Director took over as the chair. The committee comprises another Non-Executive Director, the Director of Finance, acting as financial trustee, the Director of Workforce and Organisational Development, 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 provides 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.

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 (one also being designated Associate Hospital Manager), 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 and 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 Smith who took over on an interim basis from September when Mike Cooke left. The committee 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 is Dean Royles, Non-Executive Director.

The committee has a core membership another of 2 Non-Executive Directors, 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.

Collaborative Committee

The Collaborative Committee is the Board Committee established by the Trust as the Lead Provider within the Humber Coast and Vale (HCV) Provider Collaborative. The Committee holds delegated responsibility to provide commissioning leadership and monitoring functions. On behalf of the Provider Collaborative and Lead Provider the Commissioning Committee reviews any significant service proposals to ensure developments are in line with the assessed population needs and can be met from within the resources available within the Provider Collaborative. The committee reports to the Trust Board after each meeting.

The chair of the committee in year was Peter Baren, Non-Executive Director, however Stuart McKinnon-Evans will take over the chair 2022/2023.

The committee has a core membership of the Chief Executive, Director of Finance, Director of Nursing, Allied Health and Social Care Professionals and Programme Lead for HCV Provider Collaborative Commissioning.

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 attended 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.

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	Collaborative Committee	Council of Governors* (inc EO part II meeting)
Sharon Mays Chair (up to 15 September 2021)	4/4	3/3	n/a	n/a	n/a	1*	n/a	n/a	n/a	2/2
Caroline Flint Chair (from 16 September 2021)	6/6	3/3	n/a	n/a	1*	n/a	n/a	1*	n/a	3/3
Michele Moran Chief Executive	10/10	n/a	n/a	n/a	n/a	n/a	n/a	n/a	9/11	5/5
Peter Baren Non-Executive Director (Senior Independent Director)	9/10	6/6	n/a	5/5	5/5	n/a	6/6	1*	11/11	3/4
Mike Cooke Non-Executive Director (up to 31 August 2021)	4/4	2/2	n/a	2/2	1*	3/3	n/a	1*	n/a	1/2
Mike Smith Non-Executive Director	9/10	5/6	4/4	n/a	4/5	5/5	n/a	n/a	n/a	3/4
Francis Patton Non-Executive Director	10/10	5/6	n/a	n/a	5/5	3/3	6/6	4/5	n/a	3/4
Dean Royles Non-Executive Director	9/10	6/6	4/4	2*	n/a	5/5	n/a	5/5	n/a	4/4
Hanif Malik Associate Non-Executive Director (from 1 July 2021)	7/7	3/4	n/a	3/4	n/a	1*	n/a	1*	7/9	1/3
Stuart McKinnon-Evans Non-Executive Director (from 1 February 2022)	2/2	2/2	n/a	1/1	1/1	n/a	n/a	n/a	n/a	n/a
Peter Beckwith Director of Finance	10/10	n/a	n/a	5/5	5/5	n/a	6/6	1*	9/11	4/4
John Byrne Medical Director	10/10	n/a	4/4	n/a	n/a	3/5	1*	5/5	n/a	n/a*
Hilary Gledhill Director of Nursing, Allied Health and Social Care Professionals	10/10	n/a	n/a	n/a	n/a	5/5	n/a	5/5	9/11	n/a*
Lynn Parkinson Chief Operating Officer	10/10	n/a	4/4	n/a	n/a	4/5	6/6	4/5	n/a	4/4
Steve McGowan Director of Workforce & Organisational Development	10/10	5*	n/a	4/5	n/a	n/a	1*	4/5	n/a	1*

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

*denotes optional attendance at committee

External Audit

For 2021/22, 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.

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.

Audit Yorkshire provided internal audit services to the Trust. The Managing Director of Audit Yorkshire takes a strategic role for overseeing the effective delivery of the audit, and the operational element of the service is undertaken by teams 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.

Board of Directors:

Expertise and Experience

Rt Hon Caroline Flint, Chair

(term of office expires 15 September 2024)

Caroline took up post in September 2021, for an initial term of office of three years, succeeding the former Chair Sharon Mays.

Caroline has a wealth of experience from her 22 years career in politics as a Labour MP, from 1997 until 2019. She was the first woman MP for Don Valley and a Minister in five government departments before serving in Her Majesty's Opposition Shadow Cabinet from 2010 to 2015. She was the Public Health Minister who oversaw the legislation and delivery of Smoke Free England.

Caroline is Chair of the Government's Advisory Committee on Fuel Poverty and is also involved in projects supporting manufacturing, getting to net zero and is on the Advisory Board for the think tank Reform. A regular media commentator, Caroline is a consultant adviser on politics and government.

Sharon Mays, Chair

(term of office expired 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 expired 31 March 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.

Mike Cooke, Non-Executive Director

(term of office expires 31 August 2022, resigned August 2021)

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 is on 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, Professor of Practice at Warwick Business School, 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 at Nottingham and is affiliated with the University of York since his move to Yorkshire. 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 a Trustee of Yorkshire Wildlife Trust and previous Chair, chaired several Advisory Groups to key Applied Research Programmes, Executive mentor and coach and lives in Hillam

Mike Smith, Non-Executive Director

(term of office expired 30 August 2022)

Mike was appointed in October 2016 having previously served as a Non-Executive Director for Rotherham Doncaster and South Humber 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 2024)

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 including being the Vice Chair and SID for Barnsley Hospital NHSFT, the Chair of Barnsley Facility Services, a wholly owned subsidiary of Barnsley Hospital NHS FT as well as starting his own PR business with some colleagues and becoming a part-time lecturer at Leeds Beckett University.

Francis 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 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 expired 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.

Hanif Malik OBE, Associate Non-Executive Director

(term of office expires 30 June 2023)

Hanif has over 20 years' experience operating at a senior level in the not for profit and public sectors. He is currently Director of a Charitable Foundation having held previous roles as Chief Executive of a leading Community organisation in Leeds and Chief Operating Officer of an International Humanitarian Charity.

His support for communities at a local, regional and national level was recognised in 2014 with an Honorary Doctorate from Leeds Beckett University for 'services to the public' and an OBE for 'Services to the Community' in 2016.

Stuart McKinnon-Evans, Non-Executive Director

(term of office expires 31 January 2025)

Stuart is currently the Chief Finance Officer at the University of Bradford, where he has worked since February 2018. There, Stuart is responsible for finance, planning, procurement, project management, property, and commercial services. He is also the sponsor for the University's work on sustainability.

Stuart has over 30 years' experience in financial management, 15 of which at Board level. He has experience in local and central government, further and higher education, health, charities, capital markets, and management consulting. Stuart was Finance Director for the Pension, Disability and Carers Service, and for six years, he was Director of Corporate Services for Bradford Council. He was Treasurer at ADD International for 8 years, a charity specialising in supporting people with disabilities.

In addition, Stuart is fully qualified with the Chartered Institute of Public Finance and Accountancy and his core specialism is not-for-profit financial strategy and management. Over the course of his career, he has prided himself on helping organisations reshape to remain effective and sustainable, and developing strategies for growth and development.

Stuart's motivation is a commitment to public service, ensuring organisations use resources wisely, and serve well those in the local community who rely on them. This, paired with his experience working with health and social care organisations, particularly in his role at Bradford Council, equips him with a unique skillset and makes him a beneficial appointment to our Trust Board

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).

Michele Moran, Chief Executive

Appointed January 2017

As Chief Executive, Michele is the Accounting Officer for the organisation.

Michele is a Nurse, Midwife and Health Visitor by background and has more than 35 years' experience of front-line roles in NHS management and care covering Acute, Mental Health, Learning Disabilities and Community Services.

Michele has been a Chief Executive in the NHS since 2012.

Michele also has a Master's degree in Health Services Management from the University of Manchester.

Michele currently chairs the Yorkshire and Humber Clinical Research Network alongside playing a key role in the Humber Coast and Vale Integrated Care System leading the Mental Health and Learning Disabilities Collaborative Programme.

Michele is passionate about integrated patient centred care and staff health and wellbeing. As a nurse by background she is defined by her values of making a positive difference to patients and staff.

Michele is passionate about working with and supporting people to be the best they can be. Central to Michele's values are caring, improving the quality and safety for patients whilst supporting and developing staff.

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 40 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 and Primary Care and commissioning organisations.

Hilary completed an MSc in Health Professional Studies (Leadership) at Hull University in 2011.

Prior to joining the Trust, Hilary 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 acute ambulance and mental health and community services for residents of the East Riding of Yorkshire.

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 Masters degree in Quality Improvement at Ashridge Business School in 2014 and is a Health Foundation GenQ leadership fellow.

In 2019 John Became the SRO for the Yorkshire and Humber Care record which is one of the leading exemplars for a national program to role out a shared care record across health and social care as well as developing a population health management tool. Humber Teaching NHS FT is the organisational host on behalf of the Yorkshire and Humber ICS system

John leads the teams providing support Patient and Carer experience, Quality improvement, Research, Medical education, Mental Health Legislation and Pharmacy. He is the Trust's responsible Officer.

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 grew up in Lincoln and holds a Masters degree in Human Resource Management. Beginning his career in 1992 in local government, Steve worked first for Lincolnshire County Council, then Cannock Chase District Council and Bromsgrove District Council in senior HR roles.

In 2006 Steve moved back to Lincolnshire, when he took up the role of Head of HR Operations at Lincolnshire Police before becoming Head of HR - Regional Collaboration across the five East Midlands Police forces in 2011.

A return to local government and the West Midlands in 2013 saw Steve take up the role of Head of HR at Walsall Metropolitan Borough Council, where he remained until moving back to Lincolnshire and into the NHS at 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

A message from the Lead Governor Doff Pollard

I was delighted to be elected as the lead governor from 1st February 2022. It is a privilege to be given the opportunity to support other Governors and the Humber Teaching NHS Foundation Trust in this way. I would like to thank those who have gone before me who have set a high standard and a great example.

As the elected Governor for Whitby, I am now in my second term having served for an initial 3 year period. I have been able to take a special interest in the refurbishment of Whitby Hospital which has been a significant capital project and the Trust are managing most of the operational elements. This year will see the culmination of that project which has been in the making for at least the last 8 years that I am aware of. There has been a great deal of voluntary engagement by the local Whitby community who have contributed to ensuring Whitby Hospital is still at the heart of the local community.

The role of the Council of Governors is to seek assurance that the high-quality standards we all expect are being met. In this year we are experiencing a high turnover of Governors and will be looking to ensure we are able to equip and support new governors to be able to play a full part in their role within the Trust. The governors have a number of responsibilities including to appoint the Non-Executive Directors. We seek to help to improve the services that the local population, patients, service users and their friends and family benefit from. Governor working groups have contributed to the assurance role through the appointments committee, the finance, audit quality and workforce group and the engagement with members group.

I have been taking a special interest in the ways we ensure and enable the patients voice to be heard through a variety of means through communications with those people:

- who have signed up to the membership of the Trust, receive publications and emails about the trust activities,
- who take up the opportunity to attend the Patient and Carer Experience Forums (PACE) which are organised largely on an area basis,
- who have engaged with the activities to support young people in becoming involved, and
- who volunteer with the Trust and are active in supporting the Trust's work which includes a research arm.

The pandemic has changed the way we work, largely to electronic and remote meetings. The need to ensure we continue to protect the activities of the Trust from risk of infection means that while we want to be able to meet in person this needs to be done with caution.

Over the last year the Governors have seen the departure of the longstanding Chair Sharon Mays and we wish her well in her new work. We welcome Caroline Flint who joined in September and has approached this role with positive energy and enthusiasm.

We live in a time of change for the NHS and will be working to support the new operational systems in the form of the Integrated Care System with the Humber and North Yorkshire Health and Care Partnership when they receive the Government legislation to formalise the work that has taken place to date. This will bring together NHS providers more closely with local authority care activities to form collaborations to better serve the public of our area.

As a Council of Governors, we are keen to be open to the views of the people our constituency serves and we are keen to hear from anyone who has a view they would like to share and explore with us.

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 74.

NHS Improvement (NHSI), the organisation that incorporates Monitor, the sector regulator for health services in England, requires foundation trusts to appoint a Lead Governor. Doff Pollard was elected from 1 February 2022 taking over from Sam Muzaffar.

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 overleaf sets out the composition of the Council of Governors.

Composition of the Council of Governors	
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	2 non clinical
	2 clinical
	1 clinical or non 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, and also held an extraordinary meeting in December to ratify a Non-Executive Director appointment. The meetings in April, July, October and January were held remotely via Microsoft Teams and fell within the 2021/22 reporting period. A remote Annual Members' Meeting was also held 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. For the April, July, October and January meetings, a livestream of the meeting was provided. 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.

Directors chose to attend the Council of Governors meetings, often to present their reports. 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. 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, Quality and Mental Health Legislation Governor Group
- Engaging with Members Governor Group

Appointments, Terms and Conditions Committee

The Appointments, Terms and Conditions Committee met four times during 2021/22. This committee was chaired by Sam Muzaffar elected governor for East Riding until 31 January 2022. Sue Cooper, elected governor for East Riding is the current chair. The group is attended by the Trust Chair and consists of a team of governors and valued support and guidance from Senior Independent Director, Peter Baren until the end of February when Francis Patton was appointed to this role. 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 appointing an Associate Non-Executive Director, a Non-Executive Director for Audit and extending the term of office for two months for an existing Non-Executive Director before their term of office ended as part of the Trust's forward planning. A further general Non-Executive Director vacancy was progressed and having decided not to appoint at that time further discussion took place and it was agreed to reopen recruitment for a Non-Executive Director with clinical experience. In addition, last year the committee was involved in the process for appointing the new Chair. 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. Recommendations for appointments and extension of term of office for the Non-Executive Directors were made to the Council of Governors for approval. Further work is being undertaken by the committee around succession planning for the Non-Executive Directors.

Chair Recruitment

A process to recruit a new Chair began in late 2020. During January and February 2021 wide ranging advertising of the role took place and Gatenby Sanderson carried out a headhunting exercise. A selection process took place consisting of:

- two stakeholder groups, one made up of governors, patients and service users and one made up of Executive's and Non-Executives Directors;
- a Microsoft Teams interview with Governors, Non-Executive Directors, and the Director of Workforce and OD with independent assessors in a representative from NHSI/E and a recently retired Chair from another Trust.

The Council of Governors approved Caroline Flint as the Chair from 16 September 2021.

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 improvement.

Finance, Audit, Strategy and Workforce, Quality and Mental Health Legislation Governor Group

This group has specific focus on the areas of finance, audit and strategy and workforce and quality and mental health legislation. 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.

The other areas which this group concentrates on is workforce and quality and mental health legislation.

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

Due to Covid 19 restrictions the Patient-Led Assessment of the Care Environment (PLACE) inspections for 2021/22 did not take place. These will be resumed as soon as we are able and governors will again be involved.

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. However during the pandemic these events/meetings have been held remotely. They have also engaged with members of their constituencies and attended events such as:

- Annual Members' Meeting
- Public Governor meetings with the Chair
- Public Board of Directors' meetings
- Involved in Non-executive Director appraisals
- Non-executive Director recruitment/reappointment
- Involved in the Patient and Carer Experience forums.
- Meeting prospective/new Governors to explain the role

Staff Governors have attended or been involved with the following:

- Staff Governor meetings with the Chair
- Governor Development Session meetings
- 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

Bi-monthly Governor development days were held with various topics being discussed including:

- Finance
- Operational Planning Guidance
- Staff Health & Wellbeing
- Social Values
- Accounts/Training
- Strategy Refresh
- Staff Training
- Waiting Times for Autism/Attention Deficit Hyperactivity Disorder (ADHD)
- Well Led Review
- Governor Development and Support

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 support Governors throughout the year in this respect. Ongoing 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 and Council of Governor meetings
- involvement in visits by Governors to patient areas - these did not take place due to Covid 19 restrictions

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 as a public member. The Board of Directors meets on a monthly basis (with the exception of August and December) with every meeting held in public. Meetings for 2021/22 were held remotely and livestreamed due to Covid 19. 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.

Council of Governors Members and their Attendance in 2021/22

Name	Constituency	No of Council Meetings attended / possible total	Term of Office ended/s
Current Governors			
Eric Bennett (elected uncontested)	Hull Public	4/5	Jan 2022
Helena Spencer (elected uncontested)	Hull Public	5/5	Jan 2023
Patrick Hargreaves (elected uncontested 1 February 2022)	Hull Public	n/a	Jan 2025
Sam Muzaffar (elected) (Lead Governor until 31.1.22)	East Riding Public	5/5	Jan 2022
John Cunnington (elected)	East Riding Public	2/5	Jan 2024
Huw Jones (elected)	East Riding Public	3/5	Jan 2024
Fiona Sanders (elected)	East Riding Public	3/5	Jan 2022
Sue Cooper (elected uncontested)	East Riding Public	5/5	Jan 2024
Antony Douglas (elected 1 February 2022)	East Riding Public	n/a	Jan 2025
Soraya Hutchinson (elected 1 February 2022)	East Riding Public	n/a	Jan 2025
Ruth Marsden (elected 1 February 2022)	East Riding Public	n/a	Jan 2025
Jean Hart (elected uncontested)	Service User and Carer	3/5	Jan 2024
Doff Pollard (elected uncontested)	Whitby Public	5/5	Jan 2024
Anne Gorman (elected)	Staff non-clinical	5/5	Jan 2022
Mandy Dawley (elected)	Staff non-clinical	3/5	Jan 2022
Craig Enderby	Staff clinical	1/5	Jan 2023
Jack Hudson (elected uncontested)	Staff clinical	3/5	Jan 2024
Tom Nicklin (elected)	Staff non-clinical	4/5	Jan 2024
Sharon Nobbs (elected uncontested)	Staff non-clinical	n/a	Jan 2025
Gwen Lunn (appointed)	Kingston upon Hull City Council	3/5	N/A
Andy Barber (appointed)	HEY Smile Foundation	1/5	N/A
Paul McCourt (appointed)	Humberside Fire and Rescue	3/3	N/A
Jenny Bristow (appointed)	Humberside Police	2/5	N/A
Cllr Nigel Wilkinson (appointed)	East Riding Council	4/5	N/A
Governors who left during 2021/22			
Sam Muzaffar	East Riding Public	Term of Office ended	
Huw Jones	East Riding Public	Resigned	
Fiona Sanders	East Riding Public	Term of Office ended	
Anne Gorman	Staff non-clinical	Term of Office ended	
Mandy Dawley	Staff non-clinical	Term of Office ended	
Eric Bennett	Hull Public	Term of Office ended	
Paul McCourt	Appointed	Left organisation he represented	

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.

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 2021 to 31 March 2022, no expenses were received due to Covid-19 restrictions and no Governors claimed reimbursement for expenses. This was the same position as the previous year.

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 2021 for nine Governor seats covering four constituencies. The details are below:

- Public – Hull: Three seats were available – two seats filled
- Public – East Riding of Yorkshire: Three seats were available and all these seats were filled in an election
- Staff: Two seats one non-clinical and one clinical – non-clinical seat was filled
- Service User & Carer – One seat was available, however no nominations were received

A further election campaign is taking place in Spring 2022.

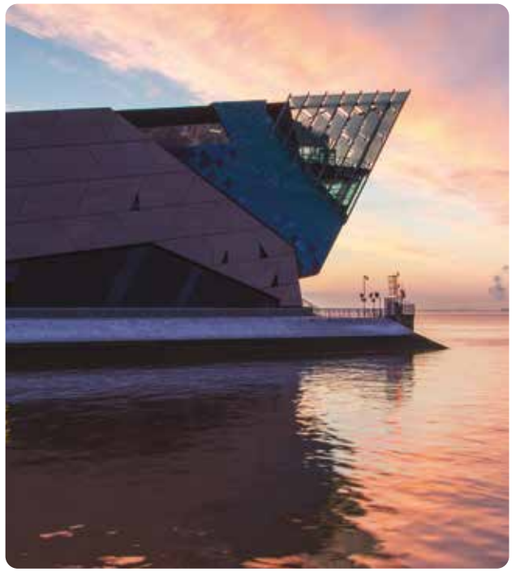
A total of 127 new public members joined our Trust during 2021/22, and 715 members left our Trust during 2021/22 taking our membership total (excluding staff members) to 12,260. The Trust aims to develop its membership to reflect the diversity of services provided and to ensure it is representative of 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.

During 2021/22 face to face membership recruitment opportunities were not undertaken due to Covid-19 restrictions.

As of 31 March 2022, the Trust had 5,937 members in the East Riding, 5,233 in Hull, 753 in the wider Yorkshire and Humber area, 54 in the Whitby area, 76 patient and service users, 2,759 staff members and 198 members living outside our catchment area. Our Trust membership is fairly static and there are plans to hold more membership recruitment events within the constituencies to ensure our membership remains as representative as possible of the communities we serve as soon as Covid-19 restrictions allow. Our staff are broadly representative of the Trust's public membership in numerical terms.

The charts opposite show how membership is made up and the ethnicity profile up to 31 March 2022. While wanting to maintain membership levels in the year, the pandemic has not made this possible. As restrictions allow, a greater focus will be given to engagement and better understanding the composition of the membership. Every effort will be made to ensure our membership is reflective of the population we serve.



Membership Size and Movement		
Public Constituency (at 31.3.22)	**2021/22**	**2022/23 (est)**
At year start 1 April	12,848	12,260
New Members	127	150
Members Leaving	715	500
At year end 31 March 2022	12,260	11,910
Staff Constituency (at 31.3.22)	**2021/22**	**2022/23 (est)**
At year start 1 April	2779	2844
New Members	410	300
Members Leaving	345	300
At year end 31 March 2022	2,844	2,844
Patient/Carer Constituency (at 31.3.22)	**2021/22**	**2022/23 (est)**
At year start 1 April	75	76
New Members	2	20
Members Leaving	1	5
At year end 31 March 2022	76	91

Analysis of Current Membership		
Public Constituency	**Number of Members**	**Eligible Membership**
Age (years)		
0 – 16	2	1,118,044
17 – 21	37	337,310
22+	11,345	4,088,498
Ethnicity		
White	11,032	4,691,956
Mixed	59	84,558
Asian or Asian British	177	385,964
Black or Black British	121	80,345
Other	33	40,910
Gender Analysis		
Male	4006	2,737,911
Female	8,225	2,805,941
Patient/Carer Constituency	**Number of Members**	**Eligible Membership**
Age (years)		
0 – 16	0	0
17 – 21		0
22+	48	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. In addition a regular members e-newsletter is produced by governors.

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;
- Help shape the future of health and social care by taking part in research;
- Come along to our Patient and Carer Experience forums to learn from others and help shape our services:

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.

Finance and Use of Resources

The Finance and Use of Resources reporting for 2021/22 was stood down by NHSE/I due to the Covid pandemic.

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 Humber 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 Humber Teaching NHS Foundation Trust and of its income and expenditure, other items of comprehensive income and cash flows for the financial year.

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

- observe the Accounts Direction issued by NHS 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 and disclose any material uncertainties over going concern.

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

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

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

Signed: 

Date: 22 June 2022

Michele Moran
Chief Executive

Annual Governance Statement

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.

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.
- Currently the quality of staff supervision is unknown by the Trust which may impact on effective delivery of Trust services.
- Failure to address waiting times and meet early intervention targets which may result increased risk of patient harm and impact to the Trust's CQC rating in the 'Safe' domain.

Enhancing Prevention, Wellbeing and Recovery

- Failure to equip patients and carers with skills and knowledge need via the wider recovery model.
- 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.
- As a result of increased demand for Attention Deficit Hyperactivity Disorder (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.
- Failure to address waiting times and meet early intervention targets which may result increased risk of patient harm and impact to the Trust's CQC rating in the 'Safe' domain.
- Due to the increasing complexity of CAMHs inpatients nationally, an increasing demand for CAMHs inpatient beds far exceeding capacity and increased breakdown of residential care placements for looked after children, there is increased use of out of area and inappropriate hospital beds (e.g., adult mental health beds and acute hospital beds) for young people which may lead to delayed discharges, insufficient management of patients in line with complexity and clinical risk and less good outcomes.
- Ongoing pressures within Hull and East Riding of Yorkshire CAMHS with high acuity of patients and high volumes of referrals resulting in long waiting times.
- Increased number of referrals and high acuity of patients for the eating disorder team, as well as young people being referred to the team requiring immediate medical attention which may impact their ability to meet NHS England waiting time standards.
- Increased clinical activity - Scarborough Community core service provision, including increase in number, acuity, and complexity of referrals. The risk identified is that we do not have increased resource or capacity to deliver this increase in clinical activity. There is also a risk of negative impact on staff health and wellbeing related to the additional demand, which may also impact on staff recruitment and retention, and training compliance.

Fostering Integration, Partnerships and Alliances

- Lack of Trust involvement or influence in work-stream activity associated with the Integrated Care System (ICS), 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.
- 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.
- With current national shortages, the inability to recruit qualified nurses 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.
- With current national shortages, the inability to retain GPs may impact on the Trust's ability to deliver safe services.
- Lack of oversight, accountability, and responsibility on the activity of medics due to non-compliance with Job Planning process for Medic roles
- Current Consultant 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.

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 developed 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 tariff increases for non-acute Trusts are insufficient to cover Agenda for Change (AFC) pay award and if sustainability funding is not built into tariff uplift for providers who are not using Payment By Results (PBR) tariff.
- Risk of fraud, bribery, and corruption.
- If the Trust cannot achieve its Budget Reduction Strategy for 2021-22, it may affect the Trust's ability to achieve its control total which could impact on finances resulting in a loss of funding and reputational harm.
- The financial effect of COVID-19 and the risks that the full costs will not be recovered.
- 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 loss of key Trust staff and changes in leadership which may impact delivery of Health Stars charity.

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 regularly by the Executive Management Team. Each section of the Board Assurance Framework is aligned to a relevant assuring committee of the Board and review the document on a quarterly basis throughout the year. Following review at the relevant board committees, 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.

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 continues to drive improvement in this area.

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 2021/22 Internal Audit Plan with its internal auditors which consisted of 15 audits that have all been undertaken by Audit Yorkshire. 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 2021 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 and Compliance 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 and Compliance 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, Allied Health and Social Care Professionals, 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 Managers, 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 January 2022.

The development of the new three-year Risk Management Strategy continues the proactive approach to risk management to continue to 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 four Risk Management Priorities as part of the Risk Management Strategy for 2021-2024. These priorities identify the key areas for further development to increase the risk maturity of the Trust, its supporting processes, and the overall risk management culture of the organisation.

A review was undertaken in 2021/22 by the Trust Board 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.

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.

Trust-wide Risks 2021-2022

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
With current national shortages, the inability to recruit qualified nurses may impact on the Trust's ability to deliver safe services and have an effective and engaged workforce.	• Detailed Recruitment plan in place (progress against which reported to the Executive Management Team and Workforce and Organisational Development Committee - WFOD). • Recruitment task and finish group in place. • Launch of 'Humbelievable.' • International recruitment programme (20 new nurses per annum) • Availability of Nurse Degree Apprenticeship Programme. Workforce planning process and overarching plan to be discussed at WFOD Committee • Workforce planning process and overarching plan reviewed by WFOD Committee • Successful recruitment of 7 international nurses to the Trust and further international recruitment continues. • Plan in place for further attendance at overseas recruitment fairs further expanding the reach of recruitment activities.	• Ongoing review of recommendations implementation from establishment review as part of workforce plan review ('Hard to Recruit' Task and Finish Group) • Development and expansion of new roles such as Associate Practitioners and Advanced Clinical Practitioner roles
With current national shortages, the inability to deliver services and/or puts financial pressure through the use of agency staff.	• Appraisal process. • Leadership and management development programmes. • Staff Health & Wellbeing Group and action plan. • PROUD programme. • Health and Social Care Professional Strategy. • Trust Retention Plan. • Review completed for new year staff survey results and development of departmental / divisional action plans monitored through accountability reviews.	• Programme of 6 monthly deep dives into Leaver data to be undertaken and reported into WFOD Committee • Trust divisions to develop bespoke plans supported by deep dive analysis.
With current national shortages, the inability to retain GPs may impact on the Trust's ability to deliver safe services.	• 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. • Recruitment and retention incentives • Local Negotiation Committee (LNC) - Positive staff engagement with medical workforce. • HR Business Partners support divisions with workforce and organisational development scorecard. • Transfer of medical workforce team to HR and appointment of new Team Leader and Manager	• HR Business Partners ongoing review of exit questionnaire results to identify any hot spots. • Ongoing PROUD programme implementation plan - ongoing 3-year programme. • Programme of 6 monthly deep dives into Leaver data to be undertaken and reported into WFOD Committee. • Trust divisions to develop bespoke plans supported by deep dive analysis.
Risk to longer-term financial sustainability if tariff increases for non-acute Trusts are insufficient to cover AFC pay award and if sustainability funding is not built into tariff uplift for providers who are not using PBR (Payment By Results) tariff.	• Budgets agreed. • Monthly reporting, monitoring and discussion with budget holders. • Small contingency / risk cover provided in plan. • Medium Term Financial Plan (MTFP) developed to inform plans.	• Budget Reduction Strategy implementation 2021-22 • Detailed budget reduction strategy plans for 2022/23 to be developed

Risk Description	Mitigating Controls	Further Mitigating Actions
	• Service plans. • Regular reviews with NHSE/I and relevant Commissioners • Budget Reduction Strategy established with MTFP. • Non-recurrent savings. • Budget Reduction Strategy (BRS) reporting to Finance & Investment Committee • Trust Control Total agreed for 2021-22 • Financial plan agreed	
Failure to address waiting times and meet early intervention targets which may result increased risk of patient harm and impact to the Trust's CQC rating in the 'Safe' domain	• Work underway with Divisions to address three areas of challenges currently (Children's Attention Deficit Hyperactivity Disorder (ADHD/Autism Spectrum Disorder (ASD), Memory Assessment Service, Department of Psychological Medicine) • Local Targets and KPIs. • Close contact being maintained with individual service users affected by ongoing issues. • Waiting Times Procedure in place • Waiting times review is key element of Divisional performance and accountability reviews. • Review completed of all services with high levels of waiting times and service-level recovery plans developed.	• Increase governance arrangements to ensure that there is rigour and governance in place to ensure patients are treated in chronological order and according to level of risk based on use of risk stratification tool • Introduce waiting list performance dashboard for review as part of Trust accountability review processes • Implementation of method for robust oversight of waiting list and patient risks for all Trust service areas
Due to the increasing complexity of CAMHs inpatients nationally, an increasing demand for CAMHs inpatient beds far exceeding capacity and increased breakdown of residential care placements for looked after children, there is increased use of out of area and inappropriate hospital beds (e.g. adult mental health beds and acute hospital beds) for young people which may lead to delayed discharges, insufficient management of patients in line with complexity and clinical risk and less good outcomes.	• Staffing levels adjusted to take into account the acuity of patients. • Trust beds reduced as appropriate in response to acuity levels and the staffing levels required to support. • Recruitment/training plan in place to open PICU capacity in Inspire. • System work at ICS level to address the pressures with appropriate partners.	• Ongoing communication and escalation to Specialist Commissioning and CCGs.

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 regularly by the Executive Management Team and is also discussed at Board committee 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 and was rated as 'Good' overall. 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. However, in light of the Covid-19 pandemic, the Care Quality Commission postponed its 'well-led' inspection arrangements for 2020-21 but has undertaken Transitional Monitoring Meetings with NHS Providers. The Trust's Transitional Monitoring meeting was undertaken with the CQC in January 2021. The Trust received positive feedback in relation to its management of the Covid-19 pandemic such as the considerable work around the use of digital platforms and how we had supported our staff and patients and continued with our patient groups. The Trust was also commended on the evidence submitted against Key Lines of Enquiry and the Trust's established approaches to safeguarding, our telephone befriending service and the implementation of the Trust BAME Forum.

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 2022.

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 Divisional and Directorate risk registers 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 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.

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.

Collaborative Committee
Our newly formed Commissioning Committee has been established to hold delegated responsibility to provide commissioning leadership and monitoring functions. On behalf of the Provider Collaborative and Lead Provider the Commissioning Committee reviews any significant service proposals to ensure developments are in line with the assessed population needs and can be met from within the resources available within the Provider Collaborative.

The Committee provides assurance to the HTFT Board on matters of performance and will undertake contractual monitoring, financial and performance management of the Provider Collaborative to deliver the Humber Coast and Vale (HCV) Provider Collaborative aims to transform care for people in low and medium secure mental health services, CAMHS in-patient and Adult in-patient eating disorders.

Charitable Funds Committee – is the Board Committee with overarching responsibility for oversight of the Trusts' charity agenda and management of charitable funds. The committee maintains a risk register in relation to charitable funds and associated processes.

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 Division, 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) and reports to the Quality Committee. It oversees and coordinates all aspects of quality improvement (patient experience/patient safety & clinical effectiveness), assurance and clinical governance activity and delivery. The group 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 organization, 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.

Over the past year changes to the NHS landscape to Integrated Care Systems progressed further and throughout the year the Trust has been a key partner in developing our local Humber Coast and Vale (HCV) integrated care system. As a key partner we have been influential in the developing structures for our local Integrated Care Board, Integrated Care Partnership and PLACE based care systems and this work will continue managed through our existing systems of internal control.

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 2021-22, 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 were 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 was refined jointly with Executive and Delivery Leads, and progress has been made on specifying baselines and targets for achievement in 2021/2022.

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. The Trust's Workforce and Organisational Development Committee provides the strategic overview and 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-holder involvement is sought where appropriate by the Trust and is managed through the Patient and Carer Experience (PACE) 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.

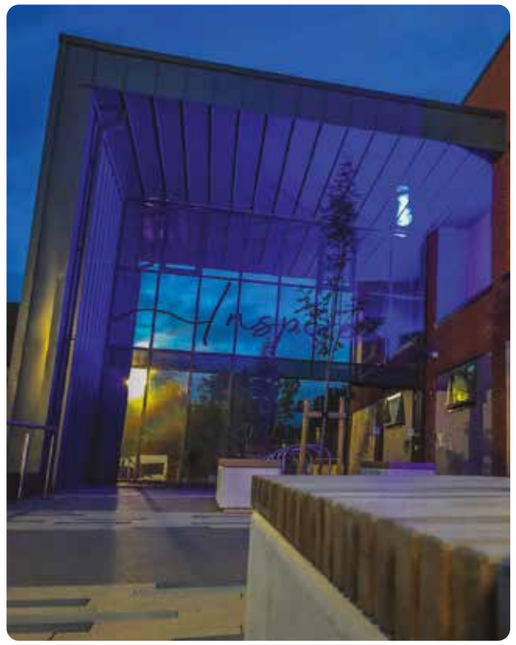
The Remuneration and Nomination Committee make recommendations regarding the remuneration allowances and terms of service for Executive Board members. The Charitable Funds Committee oversees the use of charitable funds on behalf of the Trust.

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 quarterly 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 was launched in 2019-20 and Trust accountability reviews are regularly undertaken to further review performance and governance indicators with divisional leads. 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 (IG) is assured by the annual information governance self-assessment using the NHS Data Security and Protection (DSP) Toolkit. The DSP Toolkit self-assessed scores for 2020/21 is being independently audited in May 2022 and the outcome will be available in June 2022. The DSP Toolkit assessment status for 2021/22 is expected to be 'Standards Met'.

The Trust demonstrates it 'accountability' by ensuring its policies and procedures are UK GDPR/DPA 18 compliant, Data Protection Impact Assessments are undertaken ensuring that privacy concerns are considered and addressed. Privacy Notices are reviewed and updated regularly; taking account of any changes of data use to ensure transparency. Trust processor contracts have been reviewed and mapped for UK GDPR/DPA 18 compliant clauses, and new contracts are checked to ensure appropriate data protection clauses are in place. IG due diligence is performed on service providers prior to entering a new contract. Records of Processing Activities have been undertaken and maintained providing a comprehensive overview of personal data processing activities within the Trust and Data Breaches are reported to the Information Commissioner's Office within 72 hours.

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 Group this year and each has an Information Asset Owner assigned.

> 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.

Each asset has been updated in the Information Asset Register which has been approved by the Information Governance Group. 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.

Twenty incidents were declared during 2021/22 by the Trust in relation to data protection breaches. Nineteen of the incidents have been closed by the Information Commissioner's Office (ICO) with no further action and one incident is still awaiting a response. 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, this is overseen by the Office of the SIRO. 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 the Trust has worked with key stakeholders such as: Governors; Health Watch; 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.

The refreshed priorities for 2022/23 have been presented at various forums including the Patient and Carer Experience Forum, an event with patients, carers, staff and representatives from local community groups and an interactive discussion was held. Feedback from the event resulted in the following refreshed priorities being put forward for consideration by the Executive Management Team prior to incorporation as Quality Priorities in the Quality Account.

Quality Priorities for 2022-2023

The final agreed key quality priorities for the year ahead are described in the table below:

Priority One:

In line with national directives, move away from a root cause analysis approach to investigating serious incidents which can inadvertently lead to individual/team blame and therefore a poor patient safety culture to one of reviewing the systems within which staff work which facilitates inquisitive examination of a wider range of patient safety incidents "in the spirit of reflection and learning" rather than as part of a "framework of accountability".

Priority Two:

To work towards ensuring that services are delivered and co-ordinated to ensure that people approaching the end of their life are identified in a timely manner and supported to make informed choices about their care.

Priority Three:

To increase service user involvement in our patient safety priorities and associated work incorporating a strengthened approach to involving families and carers strengthening our approaches to 'Think Family'.

Priority Four:

To ensure all our staff feel supported and confident in saying that caring for patients is our main priority as an organisation.

As part of the 2022/23 Quality Accounts, the Board agreed 4 quality priorities for delivery within the 2022/23 financial year. These priorities were developed in collaboration with a range of stakeholders. At the time they were agreed it was noted that they were very transformational in nature and may take more than 12 months to deliver.

The Trust is committed to continuous quality improvement and uses a range of initiatives to drive improvement in all of the services it provides. Full details of our priorities and progress made against them are detailed within our Quality Account. Our Quality Account provides patient and family stories and in part three of the report provides information on quality performance including key national indicators and performance in relation to other indicators monitored by the Board.

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. The Trust has 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 information is 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 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.

The Trust has a Data Quality Group which provides a forum to consider performance against data quality standards, audits and ad hoc requirements across a range of Trust activities. The Data Quality Group co-ordinates action plans and reports on progress to the Information Governance Group and Audit Committee (in respect of audits and a range of Data Quality reports are available for services to review and make amendments in systems where required.

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 and Investment 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 15 audits undertaken in 2022/23, undertaken by Audit Yorkshire. The outcome of the audits were:

Audit Yorkshire
2 provided high assurance
12 provided significant assurance
1 provided limited assurance
0 provided low assurance
0 review was without an assurance rating

The Audit Committee 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 significant 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 2022 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.

Signed:

Date: 22 June 2022

Michele Moran
Chief Executive

Equality and Diversity

The Trust is committed to recruit, develop and retain a workforce that reflects the local population and to promote equality of opportunity for all employees. Its work around policy updates with flexible working, disciplinary, bullying and harassment and recruitment and selection, managing sickness absence, as well as improved reasonable adjustment guidance support this commitment.

As a public sector body, the Trust has a duty towards the Public Sector Equality Duty (PSED). To that end, the Trust published its Equality, Diversity and Inclusion Annual Report which was ratified at the Trust Board in July 2021 and set EDI objectives for the forthcoming year. In addition to this, the Trust publishes annual reports for the Workforce Race Equality Standard (WRES), Workforce Disability Equality Standard (WDES) and the Gender Pay Gap Report. All reporting is made available on the Trust's public facing website.

Collaboration and coproduction between the Head of Patient & Carers Experience and Engagement and the Equality, Diversity and Inclusion Workforce Lead continues to drive forward work to ensure the Trust has a motivated, included, and valued workforce to help deliver high quality patient care, increased patient satisfaction and better patient safety. This can be seen through key engagement with events such as Equality, Diversity and Inclusion celebratory workshop and the BAME Staff Network Annual General Meeting.

In working towards EDI objectives set for 2021/22, the Trust successfully developed local actions for the individual directorates, specifically MH unplanned, MH Planned, Children's and LD, Community and PC, Secure Services as well as corporate functions. Inclusivity has evolved by collaborating and co-producing the Workforce Race Equality Standard (WRES) and the Workforce disability Equality Standard (WDES) action plans with staff networks and representation from those with lived experience. Taking the quarterly EDI insight deep dive report to the Trusts EDI Steering Group has allowed improved challenge and support for operational areas to address local equality issues. Improved attendance at both the Bullying and Harassment and Recruitment and Selection training has supported both retention and recruitment of staff. Elections were held for the BAME Staff network Chair and Vice Chair to drive forward the BAME and race improvement agenda at the Trust. This led to the first BAME Staff Network AGM enabling the group to out their objectives for the coming year. Mandatory training through the Trusts e-learning training package continues to ensure Equality, Diversity and Human Rights training is mandatory with a completion rate of 94%, above the Trust target rate of 85%.

The Trust maintains membership of local and regional equality, diversity and inclusion committees or working groups such as the Yorkshire and Humber Equality and Diversity Practitioners Network, East Riding Equalities Group and the Humber Equality and Diversity Network, a group for EDI practitioners form all public sector organizations in the Humber region.

The Trust continues to build links with Equality, Diversity and Inclusion teams in the region and continues to work with local groups who represent people with Protected Characteristics within communities such as the MESMAC, the Disability Action Group and Hull and East Riding Lesbian, Gay, Bisexual and Trans (LGBT+) and the Humber All Nations Alliance (HANA).

Barriers

In line with healthcare in general, the restrictions imposed to combat Covid-19 have restricted some opportunities for face-to-face training and whilst the move to online and virtual training has provided some continuity the experience has not necessarily the same. This can be seen, for example, in the uptake on Bullying and Harassment training as well as Recruitment and selection training owing to time pressures

Sporadic attendance from operational areas at the Trust EDI Steering group has led to limited joined up work when tacking both strategic and local equality issues.

Changes in staff composition

Over the past 12 months we have seen several changes across the composition of the Trusts workforce. Whilst the Trust maintains - at nearly 80% - a predominately female workforce some underrepresented groups has seen an increase in representation. For example, the percentage of staff with a disability has increased to 6.74% (4% in 2019) whereas staff from the LGBTQ+ community increased to 3.42%. However, over the past 12 months there has been considerable work undertaken to improve the quality of workforce ESR records to remove unspecified equality data and convert them to positive values such as yes, no or prefer not to say. In doing so the Trust has seen a greater accuracy around staff ethnicity (5.11%), staff disability (6.74%) and LGBTQ+ (3.42%).

Performance against targets

EDI Annual Report Objective	12 Month Progress Review
Produce quarterly EDI insight deep dive report April, July, Oct, Jan	EDI Insight Report has been produced through April, July, Oct 2021 and Jan, Apr 2022. The report is presented at the quarterly Trust wide EDI Working Group
Roll out bullying and harassment face to face training for managers (previously postponed due to COVID).	Bullying and harassment training is available to book via ESR. In the past 12 months 24 members of staff have attended the training.
Roll out of recruitment and selection face to face training for managers (previously postponed due to COVID).	Recruitment and selection training is available to book via ESR. In the past 12 months 38 members of staff have attended the training.
Develop EDI action plans for: • MH unplanned • MH Planned • Children's and LD • Community and PC • Secure Services • Corporate functions	Directorate leads agreed to take forward actions on outstanding EDI training, unspecified ESR entries for equality data and signposting BAME and Disabled staff towards Leadership Development Programmes. Additional targets and actions for recruitment are being scoped to address workforce representation where demographics fall below Trust levels
Establish Staff Network log of activity and actions to formulate a wider EDI plan and ensure EDI Steering Group is sighted on the short, medium and long term activities of the networks.	Staff Networks attend EDI Working Group and provide updates as to short, medium and long term activities of the networks. BAME Staff Network have established their own action plan and developed an Annual Report that will be taken to the EDI Working Group.
Develop Workforce Race Equality Action Plan (WRES) in co-production with BAME Staff Network	The Workforce Race Equality (WRES) Action Plan was developed in collaboration with the BAME Staff Network and agreed by Board in July 2021
Develop Workforce Disability Equality Action Plan (WDES) in co-production with Disability Staff Network	The Workforce Disability Equality (WDES) Action Plan was developed in collaboration with the representatives of the Disability Staff Network and agreed by Board in July 2021

Gender Pay Gap Report

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 2021 Gender Pay Gap report can be found on the Trust website at **Gender Pay Gap Report 2021**.

In summary, the Trusts Gender Pay Gap information for 2021/22 is shown below:

- The Trust's mean gender pay gap is 11.4% an improvement on 2021 (12.91%)
- The Trust's median gender pay gap is 1% an improvement on 2021 (4.95%)
- The Trust's mean bonus gender pay gap is -21.41 and is bigger than 2021 (-9.21%)
- The Trust's median bonus gender pay gap is 50% an improvement on 2021 (60%)
- The proportion of males receiving a bonus is 1.27% and larger than 2021 (0.19%)
- The proportion of females receiving a bonus is 0.27% and smaller than 2021 (1.12%)

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

- Quartile 1: 81.08% Female and 18.92% Male
- Quartile 2: 76.97% Female and 22.03% Male
- Quartile 3: 81.95% Female and 18.05% Male
- Quartile 4: 74.84% Female and 25.16% Male

Workforce Disability Equality Standard (WDES)

The Workforce Disability Equality Standard (WDES) for 2021 identifies some key areas of improvement for the Trust:

- 20% of staff with a long-term condition or illness reported experiencing harassment, bullying or abuse from other colleagues in last 12 months, this represents an increase of +4.3% when compared to 15.7% in 2020. The comparative figure for staff without a long-term condition or illness is 11.4%, so the gap between staff with a disability and staff without a disability is 8.7%, this represents an increase of 4.2% on the previous year's 4.5%
- 45.3% of staff with a long-term condition or illness reported being satisfied with the extent to which their organisation values their work, this compares to 49.3% the previous year. The gap between staff with a disability and staff without a disability has widened to 6.4%, against the comparator of 51.7%. This represents an increase of 1.7% on the previous year's gap of 4.7%. The national figure for staff with a long-term condition or illness is 43.6%.
- 13.8% of staff with a long-term condition or illness reported experiencing harassment, bullying or abuse from managers in last 12 months, whilst this represents an improvement on the previous year by -2.4% in 2020's figure of 16.1%, there is still a gap between staff with a disability and staff without a disability of 7% based on the comparator of 6.8%.

The Trust will continue to review the experiences of its disabled employees and establish objectives and action plans to support our staff work collaboratively with the Humber Ability staff network to achieve these ambitions.

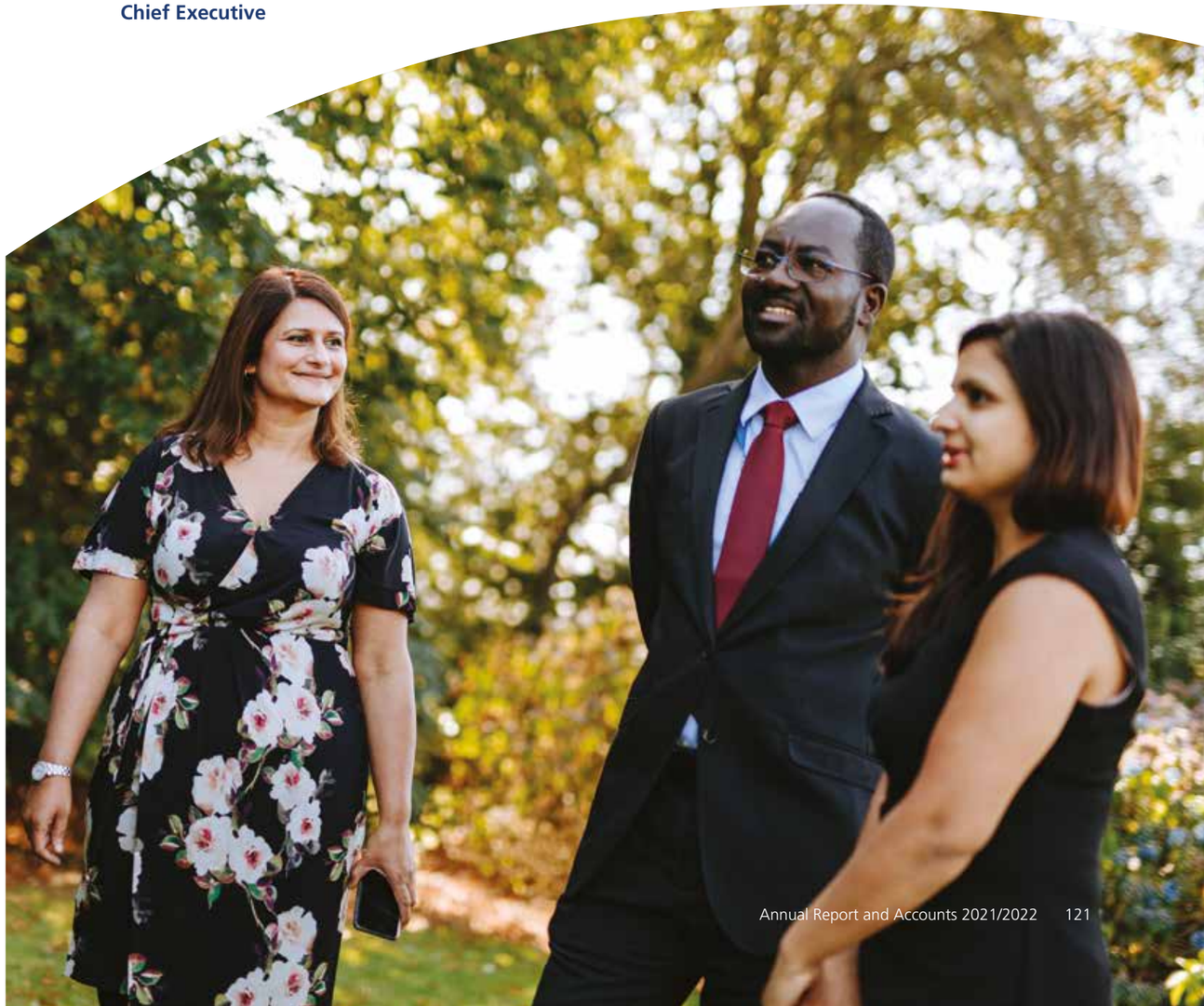
Modern Slavery Act 2015

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 publicly available on our website at **www.humber.nhs.uk/about/declarations.htm**

Signed:

Date: 22 June 2022

Michele Moran
Chief Executive



Independent Auditor's Report

to the Board of Governors and Board of Directors of Humber Teaching NHS Foundation Trust

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

Report on the audit of the financial statements

Opinion on the financial statements

We have audited the financial statements of Humber Teaching NHS Foundation Trust ('the Trust') for the year ended 31 March 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Taxpayers' Equity , the Statement of Cash Flows, and notes to the financial statements, including the summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual 2021/22 as contained in the Department of Health and Social Care Group Accounting Manual 2021/22, and the Accounts Direction issued under the National Health Service Act 2006.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Trust as at 31 March 2022 and of the Trust's income and expenditure for the year then ended;
- have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2021/22; and
- have been properly prepared in accordance with the requirements of the National Health Service Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in these regards.

Responsibilities of the Accounting Officer for the financial statements
As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Accounting Officer is required to comply with the Department of Health and Social Care Group Accounting Manual 2021/22 and prepare the financial statements on a going concern basis, unless the Trust is informed of the intention for dissolution without transfer of services or function to another entity. The Accounting Officer is responsible for assessing each year whether or not it is appropriate for the Trust to prepare financial statements on the going concern basis and disclosing, as applicable, matters related to going concern.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the Trust, we identified that the principal risks of non-compliance with laws and regulations related to the National Health Service Act 2006 (as amended by the Health and Social Care Act 2012) and we considered the extent to which non-compliance might have a material effect on the financial statements.

We evaluated the Accounting Officer's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, and significant one-off or unusual transactions.

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

- discussing with management and the Audit Committee the policies and procedures regarding compliance with laws and regulations;
- communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- considering the risk of acts by the Trust which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- making enquiries of management and the Audit Committee on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- discussing amongst the engagement team the risks of fraud; and
- addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management and the Audit Committee. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

We are also required to conclude on whether the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. We performed our work in accordance with Practice Note 10: Audit of financial statements and regularity of public sector bodies in the United Kingdom, and Supplementary Guidance Note 01, issued by the Comptroller and Auditor General in April 2021.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources

Matter on which we are required to report by exception
We are required to report to you if, in our opinion, we are not satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2022.

We have 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 work in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in December 2021.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Code of Audit Practice

In our opinion:

- the parts of the Remuneration and Staff Report subject to audit have been properly prepared in accordance with the requirements of the NHS Foundation Trust Annual Reporting Manual 2021/22; and
- the other information published together with the audited financial statements in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception under the Code of Audit Practice

We are required to report to you if:

- in our opinion the Annual Governance Statement does not comply with the NHS Foundation Trust Annual Reporting Manual 2021/22; or
- the Annual Governance Statement is misleading or is not consistent with our knowledge of the Trust and other information of which we are aware from our audit of the financial statements; or
- we refer a matter to the regulator under Schedule 10(6) of the National Health Service Act 2006; or
- we issue a report in the public interest under Schedule 10(3) of the National Health Service Act 2006.

We have nothing to report in respect of these matters.

Use of the audit report

This report is made solely to the Council of Governors of Humber Teaching NHS Foundation Trust as a body in accordance with Schedule 10(4) of the National Health Service Act 2006. 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.

Certification

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

12 December 2022

Trust Annual Accounts 2021/22

Humber Teaching NHS Foundation Trust

Annual accounts for the year ended 31 March 2022

Foreword to the accounts

Humber Teaching NHS Foundation Trust

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

Signed:

Date: 09 December 2022

Michele Moran
Chief Executive

Statement of Comprehensive Income

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

All operating activities relate to continuing activities.

A reconciliation of the deficit reported above to NHS England and Improvement is included on page 28 of the 2021/22 annual report.

Statement of Financial Position

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

Chief Executive
9 December 2022

The notes on pages 134 to 173 form part of these accounts.

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

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

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

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

*Other reserves relate to the Local Authority pension scheme.

Information on reserves

Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. Additional PDC may also be issued to trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the trust, is payable to the Department of Health as the public dividend capital dividend.

Revaluation reserve

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

Financial assets reserve

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

Other reserves

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

Income and expenditure reserve

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

Statement of Cash Flows

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

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2021/22 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

Note 1.2 Going concern

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

Note 1.3 Interests in other entities

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

Note 1.4 Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS).

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for health care services. In 2021/22 and 2020/21, the majority of the trust's income from NHS commissioners was in the form of block contract arrangements.

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

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

Mental health provider collaboratives

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

Revenue from research contracts

Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. For some contracts, it is assessed that the revenue project constitutes one performance obligation over the course of the multi-year contract. In these cases it is assessed that the Trust's interim performance does not create an asset with alternative use for the Trust, and the Trust has an enforceable right to payment for the performance completed to date. It is therefore considered that the performance obligation is satisfied over time, and the Trust recognises revenue each year over the course of the contract. Some research income alternatively falls within the provisions of IAS 20 for government grants.

Note 1.5 Other forms of income

Grants and donations

Government grants are grants from government bodies other than income from commissioners or trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. Where the grants is used to fund capital expenditure, it is credited to the consolidated statement of comprehensive income once conditions attached to the grant have been met. Donations are treated in the same way as government grants.

Apprenticeship service income

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider from the Trust's Digital Apprenticeship Service (DAS) account held by the Department for Education, the corresponding notional expense is also recognised at the point of recognition for the benefit.

Note 1.6 Expenditure on employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Both schemes are unfunded, defined benefit schemes that cover NHS employers, general practices and other bodies, allowed under the direction of Secretary of State for Health and Social Care in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as though it is a defined contribution scheme: the cost to the trust is taken as equal to the employer's pension contributions payable to the scheme for the accounting period. The contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the trust commits itself to the retirement, regardless of the method of payment.

Local Government Pension Scheme

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

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

Note 1.7 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

Note 1.8 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

- It is held for use in delivering services or for administrative purposes
- It is probable that future economic benefits will flow to, or service potential be provided to, the trust
- It is expected to be used for more than one financial year
- The cost of the item can be measured reliably
- The item has cost of at least £5,000, or
- Collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control.
- Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, e.g. plant and equipment, then these components are treated as separate assets and depreciated over their own useful lives.

Subsequent expenditure

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

Measurement

Valuation

All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

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

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

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowings costs. Assets are revalued and depreciation commences when the assets are brought into use. IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use.

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

Subsequent expenditure

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

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'held for sale' cease to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the trust, respectively.

Revaluations

Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

For specialised assets, current value in existing use is interpreted as the present value of the asset's remaining service potential, which is assumed to be at least equal to the cost of replacing that service potential. Specialised assets are therefore valued at their depreciated replacement cost (DRC) on a modern equivalent asset (MEA) basis. An MEA basis assumes that the asset will be replaced with a modern asset of equivalent capacity and meeting the location requirements of the services being provided.

Revaluation gains and losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating expenditure.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments

In accordance with the GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised.

Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.
Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

De-recognition

Assets intended for disposal are reclassified as 'held for sale' once the criteria in IFRS 5 are met. The sale must be highly probable and the asset available for immediate sale in its present condition.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Donated and grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

Useful lives of property, plant and equipment

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	Min life years	Max life years
Buildings, excluding dwellings	10	96
Plant & machinery	-	16
Transport equipment	5	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, e.g. 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, e.g. application software, is capitalised as an intangible asset.

Measurement

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

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

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

Amortisation

Intangible assets are amortised over their expected useful lives in a manner consistent with the consumption of economic or service delivery benefits.

Useful lives of intangible assets

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

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

Note 1.10 Inventories

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

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

Note 1.11 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

Note 1.12 Financial assets and financial liabilities

Recognition

Financial assets and financial liabilities arise where the Trust is party to the contractual provisions of a financial instrument, and as a result has a legal right to receive or a legal obligation to pay cash or another financial instrument. The GAM expands the definition of a contract to include legislation and regulations which give rise to arrangements that in all other respects would be a financial instrument and do not give rise to transactions classified as a tax by the Office of National Statistics.

This includes the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements and are recognised when, and to the extent which, performance occurs, i.e., when receipt or delivery of the goods or services is made.

Classification and measurement

Financial assets and financial liabilities are initially measured at fair value plus or minus directly attributable transaction costs except where the asset or liability is not measured at fair value through income and expenditure. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices or valuation techniques.

Financial assets and financial liabilities at amortised cost

Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable.

After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income and a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

Derecognition

Financial assets are de-recognised when the contractual rights to receive cash flows from the assets have expired or the Trust has transferred substantially all the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Note 1.13 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

The trust as a lessee

Finance leases

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

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

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

Operating leases

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

Leases of land and buildings

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

The trust as a lessor

Finance leases

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

Operating leases

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Note 1.14 Provisions

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

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

HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates. The following inflation rates are set by HM Treasury, effective from 31 March 2022:

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

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

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the trust is disclosed at note 29 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

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

Note 1.15 Contingencies

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

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

Contingent liabilities are defined as:

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

Note 1.16 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

The Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, with certain additions and deductions as defined by the Department of Health and Social Care.

This policy is available at **www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts**.

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend calculated is not revised should any adjustment to net as-sets 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 re-ports on an accrual basis with the exception of provisions for future losses.

Note 1.21 Gifts

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

Note 1.22 Early adoption of standards, amendments and interpretations

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

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

IFRS 16 Leases

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

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

On transition to IFRS 16 on 1 April 2022, the trust will apply the standard retrospectively without re-statement and with the cumulative effect of initially applying the standard recognised in the income and expenditure reserve at that date. For existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000, a lease liability will be recognised equal to the value of remaining lease payments discounted on transition at the trust's incremental borrowing rate. The trust's incremental borrowing rate will be defined by HM Treasury. For 2022, this rate is 0.95%. The related right of use asset will be measured equal to the lease liability adjusted for any prepaid or accrued lease payments. For existing peppercorn leases not classified as finance leases, a right of use asset will be measured at current value in existing use or fair value.

The difference between the asset value and the calculated lease liability will be recognised in the in-come and expenditure reserve on transition. No adjustments will be made on 1 April 2022 for existing finance leases.

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

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

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

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

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

Note 1.24 Critical judgements in applying accounting policies

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

Note 1.25 Sources of estimation uncertainty

The following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

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

Going Concern

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

Property Valuation and Asset Lives

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

Note 2 Operating Segments

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

- Income (distinguishing between external income and intersegment income)
- Profit or loss
- Assets
- The basis of intersegment pricing
- Liabilities
- Capital additions

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

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

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

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

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

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

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

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

Note 3 Operating income from patient care activities

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

Note 3.1 Income from patient care activities (by nature)

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

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

Note 3.2 Income from patient care activities (by source)

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

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

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

Note 4 Other operating income

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

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

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

Note 5.2 Transaction price allocated to remaining performance obligations

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

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

Note 5.3 Income from activities arising from commissioner requested services

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

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

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

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

Note 5.5 Fees and charges

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

Note 6.1 Operating expenses

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

All expenditure relates to continued operations.

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

*2020/21 figure has been restated from £59k to £70k. Both year's figures include VAT.
**Other Audit remuneration - the Trust has not incurred any costs over the last 2 years
***Hospitality - the Trust did not incur any true hospitality
**** Includes YHCR, IR35 Provision and Early Retirement Provision increase

Note 6.2 Other auditor remuneration

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

Note 6.3 Limitation on auditor's liability

There is no limitation on auditor's liability for external audit work carried out for the financial years 2021/22 or 2020/21.

Note 7 Impairment of assets

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

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

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

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

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

Note 8 Employee benefits

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

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

Note 8.1 Retirements due to ill-health

During 2021/22 there was 1 early retirement from the trust agreed on the grounds of ill-health (3 in the year ended 31 March 2021). The estimated additional pension liabilities of these ill-health retirements is £15k (£89k in 2020/21).

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 previ-ous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2022, is based on valuation data as 31 March 2021, updated to 31 March 2022 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts.

These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

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

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

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

Note 9.1 Local government superannuation Scheme

East Riding of Yorkshire Council Pension Scheme

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

Note 9.2 NEST Pension Scheme

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

Note 10 Operating leases

Note 10.1 Humber Teaching NHS Foundation Trust as a lessor

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

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

	2021/22	2020/21
	£000	£000
Operating lease revenue		
Minimum lease receipts	2,348	2,254
Total	**2,348**	**2,254**

	31 March 2022	31 March 2021
	£000	£000
Future minimum lease receipts due:		
not later than one year	2,348	2,254
later than one year and not later than five years	6,039	6,797
later than five years.	468	-
Total	**8,855**	**9,051**

Note 10.2 Humber Teaching NHS Foundation Trust as a lessee

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

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

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

	2021/22	2020/21
	£000	£000
Operating lease expense		
Minimum lease payments	2,089	3,758
Total	**2,089**	**3,758**

	31 March 2022	31 March 2021
	£000	£000
Future minimum lease receipts due:		
not later than one year	2,494	3,550
later than one year and not later than five years	6,465	8,089
later than five years	33,610	10,390
Total	**42,569**	**22,029**
Future minimum sublease payments to be received	**-**	**-**

Note 11 Finance income

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

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

Note 12.1 Finance expenditure

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

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

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

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

Note 13 Other gains / (losses)

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

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

Note 14.1 Intangible assets – 2021/22

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

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

Note 14.2 Intangible assets – 2020/21

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

Note 15.1 Property, plant and equipment – 2021/22

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

Note 15.2 Property, plant and equipment – 2020/21

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

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

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

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

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

Note 16 Donations of property, plant and equipment

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

Note 17 Revaluations of property, plant and equipment

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

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

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

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

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

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

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

Note 18.1 Investment Property

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

Note 18.2 Investment property income and expenses

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

Note 19 Disclosure of interests in other entities

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

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

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

Note 20 Inventories

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

Inventories recognised in expenses for the year were £3,340k (2020/21: £3,309k). Write-down of inventories recognised as expenses for the year were £0k (2020/21: £0k).

In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2021/22 the Trust received £248k of items purchased by DHSC (2020/21: £1,477k).

These inventories were recognised as additions to inventory at deemed cost with the corresponding benefit recognised in income. The utilisation of these items is included in the expenses disclosed above.

Note 21.1 Receivables

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

Note 21.2 Allowances for Credit Losses

	2021/22	2020/21
	Receivables £000	Receivables £000
Allowances as at 1 April – brought forward	**1,499**	**1,197**
New allowances arising	69	406
Utilisation of allowances (write offs)	(302)	(104)
Allowances as at 31 March 2022	**1,266**	**1,499**

Note 21.3 Exposure to Credit Risk

	31 March 2022	31 March 2021
	£000	£000
Non NHS Invoices	3,160	2,314
NHS Invoices	1,058	1,216
	4,218	**3,530**
Credit Risk	30%	42.46%
Loss Provision	(1,265)	(1,499)
Net Carrying Amount	**2,953**	**2,031**

All credit losses apply to contract receivables and assets.

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

	2021/22	2020/21
	£000	£000
NBV of non-current assets for sale and assets in disposal groups at 1 April	**1,540**	**990**
Assets classified as available for sale in the year	450	599
Assets sold in year	(945)	-
Impairment of assets held for sale	(105)	(49)
Assets no longer classified as held for sale, for reasons other than sale	(598)	-
NBV of non-current assets for sale and assets in disposal groups at 31 March	**342**	**1,540**

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

Note 22.2 Liabilities in disposal groups

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

Note 23.1 Cash and cash equivalents movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

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

he reduction in the cash balance is due to repaying of the 3 loans the Trust had and a reduction in payables.

Note 23.2 Third party assets held by the trust

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

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

Note 24.1 Trade and other payables

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

All the above payables are all current.

Note 24.2 Early retirements in NHS payables above

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

Note 25 Other liabilities

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

Note 26.1 Borrowings

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

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

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

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

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

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

Note 27 Other Financial Liabilities

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

Note 28 Provisions for liabilities and charges analysis

	Pensions: early departure costs £000	Pensions: injury benefits £000	Legal claims £000	Other £000	Total £000
At 1 April 2021	**176**	**434**	**151**	**1,191**	**1,952**
Arising during the year	586	-	123	1,430	**2,139**
Utilised during the year	(72)	(32)	-	-	**(104)**
Unwinding of discount	(1)	(6)	-	-	**(7)**
At 31 March 2022	**689**	**396**	**274**	**2,621**	**3,980**
Expected timing of cash flows:					
not later than one year	54	24	134	1,189	**1,401**
later than one year and not later than five years	216	98	140	1,432	**1,886**
later than five years	419	274	-	-	**693**
Total	**689**	**396**	**274**	**2,621**	**3,980**

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

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

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

Other includes a provision for potential liability in relation to IR35.

Note 28.1 Clinical negligence liabilities

At 31 March 2022, £15,011k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Humber Teaching NHS Foundation Trust (31 March 2021: £17k).

Note 29 Contingent assets and liabilities

	31 March 2022	31 March 2021
	£000	£000
Value of contingent liabilities		
NHS Resolution legal claims	(31)	(17)
Gross value of contingent liabilities	**(31)**	**(17)**
Amounts recoverable against liabilities	-	-
Net value of contingent liabilities	**(31)**	**(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. There are no contingent assets in either year.

Note 30 Contractual capital commitments

	31 March 2022	31 March 2021
	£000	£000
Property, plant and equipment	797	1,363
Total	**797**	**1,363**

Note 31 Other financial commitments

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

Note 32 Defined benefit pension schemes

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

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

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

In the financial year 2021/22 Humber Teaching NHS Foundation Trust contributed £803k to the fund (2020/21: £639k).

A pension deficit of £2,232k is included in the Statement of Financial Position as at 31 March 2022 (2020/21: Deficit of £3,497k).

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

Financial Assumptions

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

Note 32.2 The estimated Fund Asset allocation is as follows:

	2022	2021
	£000	£000
Equities Securities	1,468	1,013
Debt Securities	1,644	1,459
Private Equity	691	634
Real Estate	1,408	1,341
Investment Funds & Unit Trusts	6,563	6,543
Cash & Cash Equivalents	336	298
	12,110	**11,288**

Note 32.3 Sensitivity Analysis

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

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

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

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

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

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

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

Note 32.3 Amounts recognised in the SoCI

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

Note 34 Financial instruments

Note 34.1 Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that Humber Teaching NHS Foundation Trust has with Clinical Commissioning Groups and the way those Clinical Commissioning Groups are financed, Humber Teaching NHS Foundation Trust is not exposed to the degree of financial risk faced by business entities. Also, financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. Humber Teaching NHS Foundation Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing it in undertaking its activities.

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

Currency risk

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

Interest rate risk

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

Credit risk

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

Liquidity risk

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

Note 33.2 Carrying values of financial assets

Carrying values of financial assets as at 31 March 2022	£000
Trade and other receivables excluding non financial assets	14,982
Other investments / financial assets	-
Cash and cash equivalents	29,386
Total at 31 March 2022	**44,368**

Carrying values of financial assets as at 31 March 2021	£000
Trade and other receivables excluding non financial assets	3,453
Cash and cash equivalents	39,936
Total at 31 March 2021	**43,389**

All financial assets are held at amortised cost.

Note 33.3 Carrying values of financial liabilities

Carrying values of financial liabilities as at 31 March 2022	£000
Loans from the Department of Health and Social Care	-
Obligations under finance leases	-
Trade and other payables excluding non financial liabilities	26,945
Total at 31 March 2022	**26,945**

Carrying values of financial liabilities as at 31 March 2021	£000
Loans from the Department of Health and Social Care	3,845
Trade and other payables excluding non financial liabilities	29,776
Total at 31 March 2021	**33,621**

All financial liabilities are held at amortised cost.

Note 33.4 Maturity of financial liabilities

The following maturity profile of financial liabilities is based on the contractual undiscounted cash flows. This differs to the amounts recognised in the statement of financial position which are discounted to present value.

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

Note 33.5 Fair values of financial assets and liabilities

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

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

Note 34 Losses and special payments

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

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

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

Note 35 Related parties

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

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

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

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

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

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

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

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

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

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

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

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

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

These entities are listed below:

- Cumbria, Northumberland, Tyne and Wear NHS Foundation Trust
- Health Education England
- Hull University Teaching Hospitals NHS Trust
- Leeds & York Partnership NHS Foundation Trust
- Leicestershire Partnership NHS Trust
- NHS Business Services Authority
- NHS England
- NHS Property Services Ltd
- NHS Supply Chain
- Rotherham Doncaster & South Humber NHS Foundation Trust
- Tees Esk & Wear Valleys NHS Foundation Trust
- NHS Hull CCG
- NHS East Riding of Yorkshire CCG

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

Note 36 Prior period adjustments

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

Note 37 Events after the reporting date

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

Quality Accounts

Our 2021/22 Quality Account is available on our website here:

https://www.humber.nhs.uk/about/annual-report-and-accounts.htm

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The document is available in alternative formats on request.
Email **hnf-tr.communications@nhs.net** or call 01482 301700.