NHS
Buckinghamshire Healthcare
NHS Trust

Annual report 2019-2020

Safe & compassionate care, every time

About this Annual Report

The National Health Service and Community Care Act 1990 required NHS Trusts to produce an Annual Report. Its content and format must follow the guidance issued by the Department of Health and Social Care (in the form of a 'Group Accounting Manual'). The specific requirements for Annual Reports for 2019/20 are that NHS bodies must publish a single Annual Report and Accounts (ARA) document, comprising the following:

- A Performance Report (which must include an overview; the optional performance analysis has not been included)
- An Accountability Report (which must include: a Corporate Governance Report and a Remuneration and Staff Report)
- The Financial Statements

Beyond the minimum content required by the Department of Health and Social Care (DHSC), the Trust is expected to include additional information to reflect the position of the Trust within the community and meet the requirements of public accountability. The Report is divided into the following sections:

- "Performance Report for 2019/20", which is split into:
  - An Overview. This includes an overview summary; the purpose and activities of the Trust; the Trust Chair and Chief Executive's report; key developments; key issues and risks affecting delivery of the Trust's objectives; an explanation about financial performance.
- A Performance summary, which includes details of how the Trust measures performance; a review of financial performance for 2019/20.
  - A Sustainability Report,, this follows the standard reporting format from the NHS Sustainability Development Unit.
  - An explanation regarding the Trust's Quality Account submission delay as agreed by the governmental changes to this statutory requirement.

- "Accountability Report for 2019/20", which is divided into the following sections:
  - "Corporate Governance Report for 2019/20", which includes: A Directors' Report (providing details about the Trust Board; a Statement as to disclosure to Auditors; attendance at Trust Board meetings; Directors' interests; the Trust's Management Structure; complaints performance guidance; disclosure of "incidents involving data loss or confidentiality breaches"; Emergency Preparedness arrangements.

  - The "Statement of the Chief Executive's responsibilities as the Accountable Officer of the Trust"
  - The "Annual Governance Statement for 2019/20"
  - "Remuneration and Staff Report for 2019/20" (including details of 'off-payroll' engagements)

- "Financial Statements for 2019/20", including details of Pension Liabilities, exit packages and severance payments; and staff sickness absence data

- Independent Auditor's Report to the Directors of Buckinghamshire Healthcare NHS Trust.

The Annual Report and Accounts were approved by the Trust Board of Buckinghamshire Healthcare NHS Trust on 24 June 2020.

Contents

Performance report 2019-2020

OVERVIEW

This overview aims to equip the reader with a broad understanding of the Trust, its purpose, the key risks to the achievement of its objectives, and an outline of its performance during 2019/20. For those wishing to read in more detail about the Trust's achievements, the challenges it has faced and its financial situation, further detail is provided in the rest of the Annual Report and Accounts.

Foreword from the Trust Chair and Chief Executive

In 2019/20 we were awarded an overall rating of 'Good' by the Care Quality Commission (CQC), and 'Outstanding' for Caring. This is a fantastic achievement by everyone who works and volunteers for the Trust, as well as our close working partners in the region.

The CQC rated our end of life care team 'Outstanding' overall, and identified a number of areas of 'outstanding' practice across other services, including outpatients, community adult services, and emergency care. We have also celebrated a huge range of awards over the past year, recognising individuals, teams and services. We are enormously proud of, and inspired by, the dedication and excellence demonstrated by all.

These achievements are particularly commendable against the backdrop of an increasing demand for our services. Like most of the country, we saw a combination of high numbers of patients arriving in our Emergency Department and high levels of acuity during the autumn and into the winter months. We also saw greater demand for our community services, particularly by our elderly population and our children and young people, and are continuing to develop and expand our models of care closer to home through our community hubs and services.

On our journey to 'Outstanding' as an organisation, during 2019/20 we focused on striving to embed a quality improvement approach through everything we do, and together with our Small Change, Big Difference campaign, empowering our colleagues to make the small but meaningful improvements in their own daily working lives. It is great to see patient assessors now working with our teams to use Perfect Ward to support our quality rounds. We also focused on ensuring our colleagues have the resources and time to continue to deliver high quality, compassionate care, be this through our environments, staff wellbeing, or digital infrastructure, and our thanks also go to the relentless hard work by everyone in our corporate support services, who are as integral to the quality of the care we deliver as our clinical and patient-facing colleagues.

Like all organisations, towards the end of 2019/20 we commenced our incident response to the Covid-19 pandemic. The majority of this year's Annual Report therefore focuses on activity prior to this; our Annual Report for 2020/21 will describe in more detail our incident response and subsequent business recovery.

Hattie Llewelyn-Davies, Trust Chair

Neil Macdonald, Chief Executive

Our purpose and activities

Buckinghamshire Healthcare NHS Trust is a major provider of integrated hospital and community services for people living in Buckinghamshire and the surrounding area, including Thame (Oxfordshire), Tring (Hertfordshire) and Leighton Buzzard (Bedfordshire), providing care to over half a million patients every year.

The acute hospitals

- Stoke Mandeville Hospital, Mandeville Road, Aylesbury HP21 8AL
- Wycombe Hospital, Queen Alexandra Road, High Wycombe, HP11 2TT

Our main community facilities

- Amersham Hospital, Whielden Street, Amersham HP7 0JD
- Buckingham Hospital, High Street, Buckingham MK18 1NU
- Chalfont & Gerrards Cross Hospital, Hampden Road, Chalfont St Peter SL9 9SX
- Marlow Community Hub, Victoria Road, Marlow SL8 5SX
- Thame Community Hub, East Street, Thame OX9 3JT
- Florence Nightingale Hospice, Stoke Mandeville Hospital, Mandeville Road, Aylesbury HP21 8AL
- Rayners Hedge Rehabilitation Unit, Croft Road, Aylesbury, Buckinghamshire HP21 7RD
- Camborne Centre, Jansel Square, Bedgrove, Aylesbury, Bucks HP21 7ET

Our headquarters are at the Hartwell Wing, Stoke Mandeville Hospital.

Over 6000 of our highly trained clinical staff, including doctors, nurses, midwives, health visitors, therapists, and healthcare scientists deliver this care supported by our corporate services. We are recognised nationally for our urology and skin cancer services and are a regional specialist centre for burns care, plastic surgery, stroke and cardiac services and dermatology. In addition we provide specialist spinal services at our world renowned National Spinal Injuries Centre for patients from across England and internationally.

Our mission is to provide safe and compassionate care, every time.

Partnerships

Our strategy reflects the NHS Five Year Forward View and is aligned to local plans and the wider health and social care economy and the NHS Long Term Plan published in early 2019. We work closely with the Buckinghamshire Integrated Care Partnership.

The partners include:

- Buckinghamshire Healthcare NHS Trust;
- NHS Buckinghamshire Clinical Commissioning Group (CCG);
- Oxford Health NHS Foundation Trust;
- South Central Ambulance Service NHS Foundation Trust;
- Buckinghamshire County Council;
- FedBucks GP federation.

Buckinghamshire Integrated Care Partnership (ICP) is part of the wider Buckinghamshire, Oxfordshire and Berkshire West Integrated Care System (ICS).

Details of the Trust business model and environment, organisational structure, objectives and strategies can be found elsewhere within this Annual Report.

Visit our website for more details on our services www.buckshealthcare.nhs.uk

Strategy and business objectives

4.1 Strategic direction – our mission and strategy

The Buckinghamshire Healthcare NHS Trust (BHT) Way sets out our ambition to be **one of the safest healthcare systems in the country** delivering **safe**, **compassionate care** every time for every patient.

The BHT Way is underpinned by our **CARE** values of Collaborate, Aspire, Respect and Enable that help define our beliefs and set expectations of how we behave as staff working for Buckinghamshire Healthcare NHS Trust.

Collaborate – We **Collaborate** – working as a team

Aspire – We **Aspire** – striving to be the best

Respect – We **Respect** – everyone, valuing each person as an individual

Enable – We **Enable** – people to take responsibility

Our vision and values were developed in collaboration with staff, patients and families. They are familiar and embedded with staff and teams throughout the Trust. We have a behaviours

framework that helps further guide our work and enable us to measure our performance and progress against the values.

4.2 Our strategic priorities

We have continued to focus on delivering our three strategic priorities: Quality, People and Money;

4.3 Our corporate objectives

We have three corporate objectives for 2019–2021:

1. Continue to improve our culture
2. Implement new workforce models
3. Tackle inequalities and variation

4.3.1 Continue to improve our culture

Key performance indicators

- Achieve top 25% in national staff survey results
- Increase percentage of people able to make improvements at work to top 25% in the national survey
- Increase the number of incident and excellence reporting to above national average
- Achieve financial savings by reducing waste and inefficiency

Aim	Area of focus	High impact changes
Continue to improve our culture	Listening to our patients	○ Roll out patient assessors to all 'Perfect Ward' assessments ○ Stakeholder engagement in a Buckinghamshire NHS case for change
	Making it easier to get things done	○ Redesign of divisional /corporate structure and performance management framework ○ Extend agile/mobile working
	Quality Improvement	○ Create single change and quality improvement (QI) team and roll out improvement huddles across the Trust
	Learning organisation	○ Implement the Trust patient safety strategy
	Small change, big difference	○ Achieve financial savings from reducing waste and inefficiency

4.3.2 Implement new workforce models

Key performance indicators

- Improve recruitment and retention rates especially in nursing, with a reduction of the nurse vacancy rate to <12%
- Meet workforce race and equality (WRES) objectives to increase the proportion of Black, Asian and minority ethnic (BAME) staff at senior levels and reduce disparity in disciplinary and recruitment rates between BAME and white staff

- Increase percentage of staff believing the organisation provides equal opportunities in the national survey

Aim	Area of focus	High impact changes
Implement new workforce models	Innovate with new models of care	○ Launch the Bucks Health and Social Care Academy
	Make BHT a great place to work	○ Train all our managers in 'Just Culture'
	Develop teams, talent and an inclusive workforce	○ Deliver our Workforce Race Equality Standard (WRES) objectives ○ Support BAME, disability, faith and Lesbian, Gay, Bisexual and Transgender (LGBT) networks to develop a more inclusive culture ○ Increase continued professional development (CPD) opportunities for all staff

4.3.3 Reduce health inequalities and variation

Key performance indicators

- Reduce health inequalities within our most deprived communities
- Slow the growth in non-elective admissions and attendances
- Reduce the number of face-to-face outpatient appointments by 30% by 2023
- Implement top 2 recommendations in each speciality through the 'Getting it Right First Time' (GIRFT) initiative
- Reduce estates backlog maintenance and increase percentage of estate for clinical use
- Improve digital maturity

Aim	Area of focus	High Impact Changes
Reduce health inequalities and variation	Build new community partnerships	○ Deliver 'Ageing Well' improvements in community services through accelerator status ○ Develop and implement the Trust's 'anchor institution' priorities ○ Deliver commissioning for quality and innovation (CQUIN) target for providing smoking and alcohol advice
	Reduce clinical variation	○ Implement 'Get it Right First Time' initiatives in each speciality
	Modernise outpatient services	○ Implement patient initiated booking and alternatives to face to face appointments
	Estates	○ Strategic outline case for development of the Stoke Mandeville and Wycombe hospital sites ○ Develop Health and Care Hubs throughout Buckinghamshire
	Digital	○ Invest in a digital future to improve patient access to services, support productivity and efficiency and make better use of information

Key developments and achievements

Improving quality and experience of care is at the core of our organisational transformation and improvement journey and is recognised as something that successful organisations do well.

The following is a summary of some of the achievements against our corporate objectives. Full details of achievements, benefits, concerns and next steps are routinely reported at relevant Board Committees.

Corporate objective	Progress and achievements
Continue to improve our culture	**Listening to the Patient Voice** • BHT Children and Young Peoples services rated 8th out of 66 Trusts surveyed by Picker. • Progress against patient recommendations in National Spinal Injuries Centre (NSIC) including reduction in bed days for non-spinal cord injury patients, bed occupancy on target (96%), responding to requests for accessible bins and additional commodes. • Trained nine patient assessors in Perfect Ward and assessing close to 25% of wards. • Implementation of a digital process for the Friends and Family Test.
	An organisation that learns • BHT benchmarks just outside the top 25% of Trusts for reporting incidents which is the best ranking BHT has ever had. The programme will focus on continued improvement. • An average of 944 incidents per month was reported (above the monthly target of 925). • Perfect Ward compliance scores across the divisions have increased by 20% and the majority of divisions now reach above the 90% target. This supports more efficient and effective ways to inspect quality of care in wards / services.
	Culture of Quality Improvement (QI) • 80 QSIR (Quality, Service Improvement and Redesign) practitioners have been trained across the Buckinghamshire Integrated Care Partnership. 140 BHT staff have completed the 1 day fundamentals training and 192 staff have completed QSIR sessions as part of leadership pathway, Go Engage, Preceptorship and team training. • Completed Board development programme in quality improvement and measurement for improvement.
	Small Change, Big Difference • Cost and quality impacts of programme routinely monitored as part of the Trust's overall cost improvement programme. • Continued improvement in compliance with timely Purchase Order (PO) submission, reduction to 4.23% of total Purchase Orders late at month 5. • Full year saving of £25k identified for change of printing paper and £6k saving per month by reducing colour printing. • Full year savings of £97,805 including £40k savings from reducing colour printing and £26k from changes to postal services.

Corporate objective	Progress and achievements
Implement new workforce models	**Innovate with new models of care and/or staffing to tackle gaps in workforce** • Reduced nurse turnover rate to from **14.3%** in March 2019 to **12.8%** in March 2020. This is better than the target set at the beginning of the year. • We have successfully recruited apprentices in the following areas: Senior Healthcare Support, Assistant Practitioners, Nursing Associates, Registered Nurse and Advanced Clinical Practitioner. • All staff moved from Rosterpro to HealthRoster; improved rostering process for all staff. • Roll out of SafeCare across all inpatient wards and training which helps to inform decision making and aims to reduce temporary staff use.
	Make BHT a great place to work • Implementing nurse retention plan and in June saw the lowest level of leavers on record. • Implementing a revised format for induction making it engaging, informative and completing mandatory training where possible. • Continuing to implement Go Engage – effective team training to support team improve their engagement and staff satisfaction. • Published Workforce Race Equality Standard (WRES), Public Sector Equality Duty (PSED). Workforce Disability Equality Standard (WDES) to support us to become a more inclusive organisation. • WRES data shows improvements in indicator 2 and 3 (recruitment and disciplinary) and slight worsening in 4 (non-mandatory training). Also learnt BME staff reported experiencing discrimination at work in greater proportions that white staff (10% v 5%). Actions in place to improve recruitment and disciplinary processes and also improve representation in senior pay bands. • Gender pay gap reporting.
	Develop teams, talent and an inclusive workforce • Established and supporting staff networks (race, LGBTQ+, ability and spirituality) to deliver action plans to improve inclusion for marginalised groups. Hosted an Inclusion Conference with guest speakers from different groups and Yvonne Coghill from NHS England WRES Team. • Established and running an Executive Talent Pool supporting staff with potential to work at Executive level in the future. • Launched Buckinghamshire Health and Social Care Academy.

Corporate objective	Progress and achievements
Tackle inequalities and variation	**Build new community partnerships** • Buckinghamshire, Oxfordshire and Berkshire West Integrated Care System (BOB ICS) Long Term Plan submitted in January 2020. • Ageing Well Accelerator bid for BOB ICS approved and implementation begun. • Integrated 2020/21 business planning between Clinical Commissioning Group and BHT launched. • A series of engagement events with system leaders and Primary Care Networks have taken place to build relationships. • Draft Joint Prevention plan with Buckinghamshire County Council complete to support reducing health inequalities and delivering CQUIN with priorities to

	reduce smoking, alcohol and obesity. • System providing additional resource for new service models for paediatric and respiratory care targeting areas of greatest need (linked to deprivation and inequality). • Worked with Primary Care, Social Care, Mental Health and other local stakeholders to develop the business case North Buckinghamshire Health and Care Centre.
	Getting it Right First Time and reduce clinical variation • Ophthalmology: Band 6 nurse injectors saves medical time – saving £47k • Oral Maxillo-facial surgery (OMFS): Coding review of outpatients – additional income gained of £85k / year • Pain: Theatre productivity 4 cases per list increased to 7 cases per list. • Urology: Introduction of Urolift – move to day case procedure increasing productivity and quality of care for patients. Length of stay for benign prostate surgery reduced from 2.6 days to 1.7 days. • Breast: Increased day case rate for mastectomy to national average (15% from 6.4%) • Dermatology: one-stop joint clinics with plastics introduced to reduce follow-ups, improve cancer pathway and enhance patient experience.
	Modernise outpatient services • BHT Outpatient Transformation programme established and incorporated recommendations from Trainee Leadership Board, ICS Outpatient Programme and adopting the QSIR methodology in its approach. • There are 10 specialty areas and 1 cross-cutting (partial booking) in the programme and a total of 14 improvement projects underway. • The aim is to reduce face-to-face outpatient appointments (30% over 5 years) using new models of care, improving efficiency and adopting new technologies. • During the first half of the year the average clinic utilisation is 82%.
	Embed use of accurate data across the Trust • A full review of the BHT Business Intelligence (BI) function (Informatics Team) is underway. The process will establish an Integrated Care Partnership-wide BI function providing support to inform the decision-making in the delivery and planning of services.

Care Quality Commission assessment | Improvement - The journey to "Good" and "Outstanding"

Following inspections in 2019, the CQC rated the Trust's overall position improved from "Requires Improvement" to "Good" in recognition of the 'significant and sustained improvement' throughout the Trust since the previous inspection report in 2015.

The 27 'should do' and 12 'must do' actions identified in the CQC's inspection report in 2019 have been incorporated into an action plan which is monitored through the Trust Board Quality and Clinical Governance Committee. In 2019/20, 77.8% of the 'must do' actions and 92% of the 'should do' actions have been completed. The remainder of the actions are due to be completed by quarter three in 2020/21.

The Trust hosted quarterly engagement visits with the CQC in 2019/20, which focussed on those services not inspected as part of the last inspection. Staff within the services that supported these days appreciated the opportunity to share their work with the CQC. The CQC also responded positively, describing the process as helping to get a much better understanding of a wider range of services.

The CQC report cited the BHT Medical Examiner (ME) service as an area of "Outstanding" practice and care. The CQC noted:

> "The bereavement team and medical examiner service understood the need to 'get it right' for every individual family and supported relatives in a sensitive and proactive way."
>
> "Innovations such as the introduction of the Medical Examiner service have been encouraged to achieve sustained improvements in safety and continual reductions in harm."

The ME service has now been operational for two years. As an early adopter, we are the regional lead supporting neighbouring Trusts in implementation and hosting external visits from across the country. The new role of Medical Examiner Officer (MEO) has been introduced via the Royal College of Pathologists with the Trust part of the training faculty. The ME service have also been cited in a publication for the second national Royal College of Physician's (RCP) mortality report and presented nationally at the Dr Foster Learning from Deaths workshop.

The ME system and the Learning from Deaths programme improves mortality governance and promotes compassionate care for bereaved families.

Feedback from bereaved relatives is overwhelmingly positive with 30% of all compliments being sent as excellence reports to ward staff and named individuals. Themes include compassionate care, good communication, treated with dignity and support for the bereaved. Complaints relating to the deceased reduced from 10% in 2017 to 8% in 2019.

The Trust and the NHS Long Term Plan

In January 2019, the NHS published its vision for the next 10 years in its Long Term Plan (LTP), setting out a blueprint to tackle major health conditions and investment in the latest technology to provide cutting edge treatment. The LTP focuses on health prevention and early detection of serious health conditions, as well as improved care and integrated support for patients. It sets out guarantees for investment in healthcare, funding a £4.5 billion new service model to provide better, joined up care. The Trust will work closely with the Buckinghamshire, Oxfordshire and Berkshire West (BOB) Integrated Care System (ICS), councils and other partners, to turn the ambitions of the LTP into local action, and develop a strategy for the area for the next five years.

Our plans for the year ahead are aligned to many of the aims set out in the LTP. Work has been undertaken to develop clinical service plans for the year, which will influence what we provide and how we provides it. Developing the workforce and training more professionals to work in the NHS is a key ambition of the LTP and an aim we fully support. Recruitment is a priority and a strong plan is in place to attract new staff to the Trust. A programme to develop aspiring and existing leaders is continuously being improved, with a strong focus on cultivating a culture of quality improvement, communication, engagement and transparency.

Buckinghamshire Healthcare Projects Limited

The Trust has continued to invest in its wholly owned subsidiary company. One area the company supports the Trust with is the provision of an outpatients dispensing pharmacy. The company provides outpatient dispensing services across three pharmacies: Wycombe, Amersham and Stoke Mandeville, with appropriate investment in skilled staff and systems. Since inception the pharmacy services have made significant improvements in decreasing patients' waiting time for prescriptions and improving efficiencies.

Key issues and risks affecting delivery of our corporate strategy and objectives

The Trust has a Risk Management Policy, endorsed by the Trust Board of Directors (The Board). The Board recognise that risk management is an integral part of good management practice and to be most effective must be embedded in the Trust's culture. This recognition is embodied in the Risk Policy which documents the Board's risk appetite applied across the Trust. A description of our capacity to handle risk and how our risk management process is applied across the Trust is described later in the Annual Governance Statement contained in the Accountability section of the Annual Report.

The Board is responsible for reviewing the effectiveness of its internal control systems through its Board Assurance Framework (BAF), which informs the Annual Governance Statement.

The BAF sets out the principal risks to achieving our corporate objectives, along with assurances those effective controls have been put in place to protect patients, staff, the public, and other stakeholders against risks of all kinds. The BAF is reviewed by the Board at least three times each year.

The main risks to the achievement of the Trust's three key objectives (i.e. the issues that could prevent the objectives being achieved) are described within the BAF, and the Trust Board have received formal update reports on the performance of each objective, and the management of risks to non-achievement at the appropriate sub-committee of the Board.

In addition a number of key high-rated risks were identified and these are reviewed and validated regularly at the Executive Management Committee meetings. This includes the following key risks to the Trust objectives:

- Risk around the delivery of the Financial Recovery Plan.

Key actions are in place to promote efficiency and effectiveness and to closely monitor financial delivery at all levels of the organisation. A framework of controls is in place to manage this. The limited availability of capital resource is creating risk around medical equipment replacement, maintenance of the environment, and ability to move forward with improvements in information technology. The Finance and Business Performance Committee monitors the assurance relating to this risk.

- Risk to delivery of corporate objectives relating to the implementation of new workforce models if we do not have the right number of staff with the right skills and talent.

To address this risk there is a comprehensive recruitment and retention plan in place to attract new staff and keep existing staff. In addition a review of the required skill mix of staff and new models of care is underway to support innovation. Safe staffing is managed on a day-to-day basis and the Trust utilises temporary staff from bank and agency when necessary. Over-reliance on temporary staff has a quality and cost implication for the Trust. The Strategic Workforce Committee and the Quality and Clinical Governance Committee monitor the assurance relating to this risk.

- Risk to patient experience due to pressures on the urgent care pathway.

The mitigations to this risk and other risks around delivery of NHS Constitution standards are set out in the exception reports for the Integrated Performance Report. The Quality and Clinical Governance Committee monitors the assurance relating to this risk.

- Risk to delivery of corporate objectives relating to poor infrastructure of the Trust Information Technology (IT) provisions.

To address this risk there is a comprehensive Information Technology (IT) strategy in place. Funding is being sought and obtained through the Health System Led Investment (HSLI) process. This has provided the Trust with new laptops and desktop computer and software updates in preparation for the Windows 10 deployment. The Finance and Business Performance Committee monitors the assurance relating to this risk.

- Risk to the delivery of patient and staff experience due to poor estates infrastructure.

To address this risk the Trust has developed an Estates Strategy and five year capital plan to provide suitable high quality premises and services. The Trust has presented the Estate Strategy to NHS Improvement as part of the bidding process for additional capital funding in 2020/21. The Finance and Business Performance Committee monitors the assurance relating to this risk.

With the emergence of Covid-19 there has been additional significant risk experienced by the Trust which has impacted on the achievement of key objectives. Through its risk management processes the Trust has assessed, managed and monitored the impact of Covid-19 ensuring oversight and reporting of these issues continues through its governance structure to the Board.

Financial performance and adoption of going concern

Our Financial Performance
The external auditors are required to ensure that the information given below is in line with that shown in the audited Financial Statements, and gives a consistent view of the Trust's financial position to that outlined in those statements.

Improving financial management to deliver better value for money
The Trust is required to demonstrate that it achieves Value for Money for taxpayers by demonstrating economy, efficiency and effectiveness in the use of the resources available.

The majority of the services we provide are commissioned by other NHS organisations and Local Authorities, accounting for approximately 90% of total income. Within the prices that we are paid for most of this activity, (known as the tariff), there is the in-built national assumption that we will make efficiency savings.

In 2019/20 the Trust has delivered a deficit of £29m including sustainability funding. This compares to a £28.8m outturn in 2018/19. This deficit was in line with the forecast position that the Trust agreed with NHSIE. It included the achievement of £15.3m of efficiency plans which was £0.3m ahead of plan.

The Trust's financial position must also be viewed in the context of a national picture which shows clearly systemic stress across the acute provider sector. The Trust views these results as indicating a stabilising of its financial performance.

In May 2019, due to concerns about financial governance, NHS Improvement (NHSI) moved the Trust from Segment 2 to Segment 3 under the Single Oversight Framework; in response to this change, a series of "Undertakings" meetings to assist the Trust in improving its financial position were established. The Trust has continued to receive significant support from NHSI throughout the year and has succeeded in meeting the financial requirements set and achieving its revised financial plan. NHSI are in the process of reviewing the Trust's compliance with the undertakings following the year end. However, this is currently on hold due to Covid19

The 2020/21 Budget has been agreed provisionally as a result of Covid19 with the Trust having been assured that breakeven will be achieved over the first 4 months and that a £20m deficit is delivered in the full year. This is still a challenging plan and will be subject to more Board debate as the Trust understands the full impact of delivering business as usual whilst the fight against COVID remains the new normal.

Grant Thornton, the Trust's external auditors, consider whether the Trust has put into place proper arrangements to secure economy, efficiency and effectiveness in its use of resources as part of the audit work it carries out on the Trust.

In addition, the external auditors are required to provide an opinion on whether they are satisfied that, in all significant respects, the Trust has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2020.

The efficiency programme
Efficiencies were delivered across a range of areas including: medication prescribing; better value in non-pay costs; optimal use of buildings and associated costs; developing commercial partnerships; workforce productivity; and productivity gains in relation to patient flow.
The level of savings for 2020/21 remains challenging with a full year savings requirement of £11.1m.

Performance in year
The Trust agreed to the regulator required plan of a deficit of £18m which if achieved with the support of non-recurring support of £18m from the regulator; this would have seen the Trust deliver breakeven performance. It was always acknowledged by the regulator that this would be challenging to achieve.

Within the first four months of the year it became clear that the Trust would not deliver upon this original plan and discussions started with the regulator on revising the forecast position. The Trust successfully set a new forecast during the month 9 reforecast window of £29m which it then successfully delivered.

The Trust's financial performance during the year was very much in line with the work carried out in the early part of the financial year called the Drivers of Deficit. This work sought to explain the financial challenges which the Trust was facing across the three categories of structural, strategic and operational issues. Many of these issues were beyond the influence of the Trust and include excess PFI costs, aspects of operational inefficiency driven by subscale services, too many buildings and staffing levels.

The Trust made significant progress during the year financially including:

- Implementing all the applicable requirements of both the NHSI review of financial governance and 'Grip and Control' checklist.
- Delivering an agency spend within the cap of £10.5m in 2019/20.
- Over performance against the savings target.
- £1.5m improvement in nursing efficiency using the Model Hospital operational productivity benchmarks
- Board approval of a 5 year digital strategy to transform clinical productivity, patient pathway and resource utilisation.
- First year delivery of BHT Estates strategy with 4 sites currently under planning consideration for strategic economic redevelopment.
- A Commercial Strategy with a £15m benefit over 3 years from 2020/21.
- Subsidiary plan with potential £7m benefit from 2020/21

The Trust successfully delivered staff agency spend below its Agency Spend Cap, a maximum spend limit set by NHS Improvement (NHSI).

The Trust is required to meet, or undershoot, certain targets known as 'External Financing Limit' and 'Capital Resource Limit'. In 2019/20 the Trust achieved these targets within acceptable tolerance levels.

The external auditors are required to give the Trust a conclusion on whether, in their opinion, it obtains 'Value for Money'. In reaching this conclusion, the auditors review whether the Trust has proper arrangements for securing financial resilience and challenging how it secures economy, efficiency and effectiveness.

'Going concern' basis 2019/20
The Trust 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.

DHSC group bodies must therefore prepare their accounts on a going concern basis unless informed by the relevant national body or DHSC sponsor of the intention for dissolution without transfer of services or function to another entity. A trading entity needs to consider whether it is appropriate to continue to prepare its financial statements on a going concern basis where it is

being, or is likely to be, wound up."

On 2 April 2020, the Department of Health and Social Care (DHSC) and NHS England and NHS Improvement announced reforms to the NHS cash regime for the 2020/21 financial year. During 2020/21 existing DHSC interim revenue and capital loans as at 31 March 2020 will be extinguished and replaced with the issue of Public Dividend Capital (PDC) to allow the repayment. The affected loans totalling £107,958k are classified as current liabilities within these financial statements. As the repayment of these loans will be funded through the issue of PDC, this does not present a going concern risk for the Trust.

The Trust has made a number Covid19 considerations to check if they present a going concern risk. Considerations included assessment of credit risk, liquidity risk, inventory, income and expenditure impact and PDC accounting. The Trust is satisfied that these considerations do not present a going concern risk.

In preparing the financial statements the Directors have considered the Trust's overall financial position and expectation of future financial support. The Trust submitted a financial plan for 2020/21 to NHS England and NHS Improvement (NHSE/I) which delivered a deficit of £30.1 million. Agreement had not been reached with commissioners over the level of funding and there is a £22 million gap between income requirements and funding expectations due to the wider financial pressures within the system in Buckinghamshire. The position also requires full delivery of a planned CIP programme of £6.6 million. The Trust had only identified opportunities of £1 million (15%) of this programme before planning was set aside to respond to the Covid-19 pandemic. Achievement of the Trust's 2020/21 financial plans requires delivery of ambitious budgets and a challenging Cost Improvement programme, as well as the achievement of challenging system savings and efficiencies. If the Trust's financial deficit is greater than planned in 2020/21 then further cash support will need to be provided. Due to the impact of the Covid-19 pandemic, the 2020/21 year remains uncertain in terms of funding, or even what the financial framework will look like.

These factors represent material uncertainties that may cast significant doubt over the Trust's ability to continue as a going concern."

Although these factors represent material uncertainties that may cast significant doubt about the Trust's ability to continue as a going concern the Directors, having made appropriate enquiries, still have reasonable expectations that the Trust will have adequate resources to continue in operational existence for the foreseeable future. As directed by the 2019/20 Group Accounting Manual, the Directors have prepared the financial statements on a going concern basis, as they consider that the services currently provided by the Trust will continue to be provided in the foreseeable future. On this basis, the Trust has adopted the going concern basis for preparing the financial statements and has not included the adjustments that would result if it was unable to continue as a going concern.

Adoption of the 'going concern' basis 2019/20

The DHSC Group Accounting Manual requires the management of the Trust to consider the following public sector interpretation of IAS 1 in respect of applying the going concern assumption when preparing its accounts. In para 4.12 it states:

"For non-trading entities in the public sector, the anticipated continuation of the provision of a service in the future, as evidenced by inclusion of financial provision for that service in published documents, is normally sufficient evidence of going concern. DHSC group bodies must therefore prepare their accounts on a going concern basis unless informed by the relevant body or DHSC sponsor of the intention for dissolution without transfer of services of function to another entity. A trading entity needs to consider whether it is appropriate to continue to prepare its financial statements on a going concern basis where it is being, or is

likely to be, wound up"

The Trust Management have assessed the Trust's ability to continue for the foreseeable future in the light of the GAM guidance. The Trust has compiled the 2019/20 accounts on a "going concern" basis following consideration of the following:-

- There has been no expectation raised in the public arena that healthcare services will not continue to be provided from the Trust sites across Buckinghamshire.

- The Trust has submitted its final business plan to NHSI in April 2020 setting out its operational plans for the following financial year (2020/21) and its capital plans for five years.

- In 2019/20 the Trust has delivered a deficit of £29m including sustainability funding. This compares to a £28.8m outturn in 2018/19. This deficit was in line with the forecast position that the Trust agreed with NHSI. It included £15.3m of efficiency plans which was £0.3m ahead of plan

- As a result of the 2018/19 performance the Trust was placed in to segment 3 and was therefore required to have financial undertakings meetings with NHSI. These meetings with the regulator were to report on the Trust's position and efforts to improve its financial performance. The regulator has acknowledged improvements and prior to COVID 19 pandemic in March 2020 was anticipating an emergence from the undertakings process.

- The 2020/21 Budget has been agreed provisionally as a result of COVID 19 pandemic with the Trust anticipating that breakeven is achieved over the first 4 months and that a £20m deficit is delivered in the full year

- The Trust continues to fully participate in the ICS planning process including the submission of the forward 5 year financial and operating plans on a going concern basis. The Trust is leading some of the significant Work-stream areas and is a key player in consideration of the shape of services in the ICP for the future.

- The Trust will have contracts in place for provision of healthcare services going forward for 2020/21.

- There are no plans to dissolve the Trust or to cease services without transfer to any other NHS body.

- The Trust does not consider that there are any material uncertainties to the going concern basis. However it has assessed and will disclose within its 2019/20 accounts challenges to its financial plans for 2020/21 around its cost improvement programme and risks to achieving its control total. The main risks are:

  COVID-19

  - During the COVID-19 pandemic temporary arrangements were put in place to ensure all providers have sufficient funding to respond to the crisis, including meeting reasonable additional costs. The national top-up payment for Covid-19 arrangements during the outbreak and allocation of FRF income once business as usual is restored will be adjusted so the revenue impact of the debt write off does not create a revenue gain or loss.

Cost Improvement Schemes

- The Trust has fully identified Divisions which have been set a CIP target of £9.5m. The pre COVID-19 risk-adjusted-plan-value, linked to planning maturity, identifies a risk-adjusted value of £4.6m. However, in light of COVID-19, an estimated potential CIP delivery impact of £5.56m against the original identified plan value of £9.5m has been identified.

After making due enquiries, the Directors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the accounts.

Non-current assets

The Trust is required to report the 'fair value' of its non-current assets. In assessing the fair value, it takes into account the advice of experts, where appropriate. A desk-top valuation has been undertaken during March 2020, by the Trust's advisors Cushman and Wakefield, a firm of specialist valuers. The impact of this valuation has been included in the accounts.

The lifecycle costs of the PFI have been capitalised, in line with accounting standards, and the impact upon asset values included in the accounts. A pre-payment has been included for contractual lifecycle costs incurred by the Trust but yet to be undertaken.

The Trust is not aware of any material differences between the carrying value of its properties and their market value in their current condition.

Donations

We were extremely fortunate again in 2019/20 to benefit from support from Scannappeal and the Trust charities to assist with the purchase of medical and other equipment. There have also been donations of smaller items of equipment and charitable support for activities such as training and research, for which we are extremely grateful.

Pension liabilities

Past and present employees of the Trust are covered by the provisions of the NHS Pension Scheme. The scheme is an unfunded, defined benefit scheme and is 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, the scheme is accounted for as if it were a defined contribution scheme: the cost to the Trust of participating in the scheme is equal to the contributions payable to the scheme for the accounting period. Further details can be found in the notes to the Trust's financial statements.

Financing arrangements

The Trust had a loan balance of £107,958k as at the Balance sheet date. The Trust also has just secured £8.3m for April 2020 which underpins the £29m deficit.
On 2 April 2020 the Department of Health and Social Care and NHS England and NHS Improvement communicated guidance to outline the new cash and capital regimes that will be effective as of 1 April 2020.

Historic Debt

As the loans will be exchanged for PDC in 2020/21 a disclosure will be included in the accounts as a non-adjusting event after the balance sheet date.

- Interim revenue support, including working capital loans and interim capital support loans will no longer be issued to providers.
- Interim revenue debt, working capital loans, and interim capital debts at 31 March 2020 will be repaid with new Public Dividend Capital (PDC) issued by DHSC in FY20/21.

Effectively this will extinguish liabilities due to DHSC from providers. Normal course of business loans remain repayable in line with current practice.

- The effective date of the transaction to repay the loan will be 30 September 2020.
- All loans will be frozen at 31 March 2020 and interest payments will cease from that date.
- Amounts due for loan principal and accrued interest will be calculated and reconciled on provider's audited financial statements for the year ended 31 March 2020. PDC in the equivalent amount will be issued to providers alongside an MoU to repay the loans on 30 September 2020.
- We do not expect any adjustment to balance sheets at 31 March 2020 or opening balances as a result of this change

Impact on cost of conversion of loans to PDC
NHS England issued Reforms to the NHS Cash Regime effective from 1 April 2020 where loans will be converted to PDC, provider finance advised that the dividend collection rate, is due to be reviewed and further guidance will be issued on implementation of the new cash regime in due course.

Under IFRS, the Trust is required to account for the Private Finance Initiative (PFI) schemes and any equipment held under finance leases by accounting for both the value of the asset and the future liability to pay. This future liability is shown on the Statement of Financial Position as 'borrowings'. The amount paid to our PFI partners is accounted for as either service charges for the services provided, or finance charges on the 'borrowing' for the buildings in the Income Statement.

Cash flow
The Trust's banking is conducted through the Government Banking Service (GBS). A weekly cash flow forecast is used to aid cash management; and cash forecasts for the full financial year are reported to the Trust Board on a monthly basis. The Trust's cash position during 2019/20 has been consistent with the plan.

The Trust had year-end cash balances of £8.4m, within tolerance, against the £1.9m minimum balance as required and as a condition of the Trust's current Loan arrangements. As a consequence of the deficit, to maintain the liquidity required, the Trust utilised £32.6m additional revenue loans in year. These were agreed through the NHSIE and the DH. The Trust was therefore as planned dependent on external liquidity support to maintain operations in 2019/20.

In the light of the COVID-19 pandemic arrangements have been made by NHS England/ Improvement for cash payments to be guaranteed from 1st April to 31st July. The payment profile is more generous than being paid in normal twelfths:

- 1st April 2020 – April Block Payment (normally 15th April 2020)
- 15th April 2020 – May Block Payment (normally 15th May 2020)
- 15th May 2020 – June Block Payment (normally 15th June 2020)
- 15th June 2020 – July Block Payment (normally 15th July 2020)

In additional CCGs have been instructed to pay all 2019/20 invoices in a timely manner.

The Trust's current cash flow is being updated to reflect the revised receipts profile for the period April – July and will reflect higher than planned cash balances for this period. Cash flow assumptions for the remainder of the 2020/21 are being refined based on information known to date but are subject to change in light of the pandemic and rapidly changing events.
It should be noted that DH / NHSI have supported the Trust through agreement of PDC / STP Capital funding for A&E development of £5.1m (£0.9m drawn down in 2018/19 and £1.4m in

2019/20). The Trust has also benefitted in-year from central IT capital funding for HSLI £1.4m, and Digital Aspiration £3m.

Better Payment Practice Code
The Better Payment Practice Code (BPPC) measures the level of valid NHS and non-NHS trade creditors paid within 30 days of the due date, or within 30 days of receipt of goods or a valid invoice, whichever is later. The Trust's performance in 2019/20 is shown in a Note to the Financial Statements.

The Trust is working to improve its performance under the Better Payments Practice Code, which requires that 95% of undisputed invoices to be paid within 30 days of receipt. During 2019/20 the Trust overall paid 79.8% of invoices on time, and 91.1% of invoice by value, 85.7% in 2018/19.

The Trust is signed up to the 'Prompt Payments' code, which encourages organisations to act responsibly in making payments to their suppliers in a timely way.

Compliance with setting charges for information
The Trust is compliant with the Treasury's guidance on setting charges for information which can be found under http://www.hm-treasury.gov.uk/psr_mpm_annexes.htm

2020/21 and beyond
The Trust will focus on meeting the challenges set out in NHS England's Ten Year Plan. This is being channelled through the Trust being a key member and part of the Buckinghamshire Integrated Care System (ICS) which aims to reshape the way health services are delivered in Buckinghamshire. This will support the Trust to continue to deliver its services in the most efficient and sustainable way, ensuring that the capacity in our services is available to meet the demands being placed on them.

The Trust's savings target remains challenging in the current climate, with active participation in the ICS helping to ensure that full impact of changes are understood in both the short and long term for the system as a whole. There will be a continued focus on minimising levels of expenditure; including reducing the requirement for higher cost temporary staffing. The Trust will continue to utilise the national benchmarking data benchmarking taking into account the recommendations of the Lord Carter review on expenditure in the NHS.

The Trust continues to work with commissioners to finalise contracts for affordable activity levels in 2020/21 and developing contract structures that support development of the ICS, and understand the impact of any future changes in income flows.

Countering fraud, bribery and corruption

The Trust has a range of policies and procedures in place to identify and respond to risks of fraud, bribery and corruption, including an "Anti-Fraud, Bribery and Corruption Policy and Procedure"; "Gifts, Hospitality, Sponsorship and Interests Policy and Procedure"; "Standing Financial Instructions", "Risk Management Policy and Procedure", "Serious Incidents (SI) Policy and Procedure", and the "Dignity and Respect" Policy; as well as policies relating to, for example, employee verification checks. Such Policies are available to all staff via the Trust's Intranet system. The Trust's Local Counter Fraud Specialist (LCFS) is a mandated consultee for such Policies.

In addition, the LCFS undertakes a programme of work for the Trust which aims to prevent, deter and detect fraudulent activity. The outcomes of the work are reported to the Audit Committee, which in turn provides a summary report on its own activity to the Trust Board.

PERFORMANCE SUMMARY

How we measure performance
Our performance management framework is based on the national Single Oversight Framework and recognises that a high performance culture will only be achieved when performance is managed in a positive way. The framework aims to ensure that striving for excellence is an integral part of the organisation's culture.

Based on the Strategic Priorities of the Trust, the key focus areas for performance are:

A ward-to-board approach is applied and monitored through the divisions before being presented in a performance report presented to the Board.

The Integrated Performance Report outlines the operational performance of the Trust and identifies key successes and risks for the organisation in its agreed operational indicators against, Quality, People and Money. These reports are available on the Trust website, as part of the information provided for Trust Board meetings in Public (www.buckshealthcare.nhs.uk/aboutus/ourtrustboard).

In May 2019 the Trust reviewed and refreshed its objectives:

- Continue to improve our culture
- Implement new workforce models
- Tackle inequalities and variation

Performance against the Trust's agreed objectives is measured and monitored via the Board Assurance Framework, as previously described in the section **Key issues and risks affecting the delivery of our corporate strategy and objectives**. In addition to this, the Trust continues to use nationally-published information (where available), to compare our performance against other Trusts. This includes national staff and patient surveys (which are described elsewhere in this Annual Report); and national clinical audits.

We monitor our progress against the recommendations from the CQC inspection report (March 2019) through an action plan which is monitored through the Trust Board Quality and Clinical Governance Committee.

Regulatory standards
The operational performance of the Trust is measured against key constitutional targets and outcomes issued by NHS Improvement.

These are:

- Accident and Emergency (A&E) waiting time of four hours from arrival to admission/transfer/discharge
- Maximum time of 18 weeks from point of referral to treatment (RTT) in aggregate – patients on an incomplete pathway
- All cancers – maximum 62 day wait for first treatment from:
    - Urgent GP referral for suspected cancer
    - NHS cancer screening service referral

A&E waiting times
In 2019/20, we achieved 84.0% against the A&E four-hour target, which is a deterioration from 88.3% in 2018/19. This is against a backdrop of an increase in demand of 3.35% from last year, particularly exacerbated in July and August with a 9.34% increase in attendances relative to the same period in 2018/19, and again in April with an increase of 10.58%. The national performance against the A&E four-hour target for 2019/20 was 84.2%.

Referral to Treatment (RTT)
Trust performance in the first half of 2019 declined to a low of 80%. We had an unprecedented increase in our waiting list between November 2019 and February 2020 with an additional 7.86% of patients waiting for treatment. In 2019/20 a program of weekly RTT and Cancer performance meetings were established to ensure progress against patient tracking lists. Trust performance against the 92% RTT target for 2019/20 was 84.4%; the national performance was 84.5%.

Cancer
Performance against cancer waiting time targets has been challenging in 2019/20, with cancer referral demand remaining at a high level. Specialties particularly affected were colorectal, with over 40% increase in referrals, followed by urology, breast, and skin. Some high profile campaigns, celebrity incidence of cancer and changes in referral criteria have led to these large increases which have also been seen nationally.

We maintained compliant performance against all 31 day cancer diagnosis targets throughout the year and have remained largely compliant against the 2 week referral targets. However, compliance against the 62 day referral to first treatment target of 85% has been challenging to achieve; performance was 85.7% in December but below target in other months with the average for the year being 79.4%. A range of actions have been put in place to return the Trust to a compliant position. These include the implementation of the optimum pathway project for colorectal referrals, additional nursing capacity and streamlining referral processes for prostate cancer pathways. Additional diagnostic capacity funded by the Cancer Alliance and enhanced tracking and escalation for those patients waiting over the 62 day performance indicator. The national performance against the 62 day target for 2019/20 was 77.1%.

Internal priorities
Alongside the performance standards we are required by our external regulators and external assessors to meet, we also set ourselves a number of specific internal performance objectives that provide an additional means of measuring progress towards our strategic goals. These are shown in the table below.

Performance objective	Performance Goal
Reducing preventable mortality and improving outcomes	To be in the top 20% of NHS organisations for Hospital Standardised Mortality Ratio (HMSR)
Avoiding Harm	99% of patients receiving harm-free care as measured by the NHS Patient Safety Thermometer
Improving Patient Experience	97% recommendation for Friends and Family Test feedback
Improving staff engagement	To be in the top 20% of acute trusts on NHS Staff engagement survey.

You can read more about the Trust objectives, and performance against them, in the Trust annual Quality Accounts which will be published in December 2020.

Response to the COVID-19 pandemic

During the COVID-19 pandemic, as a Category One responder, the Trust exercised its duties and standards under the Civil Contingencies Act (2004) in order to meet organisational needs.

We continued to monitor all services and organisational performance to ensure continuity of business. We adapted services and workforce provision to ensure key services were maintained. Key performance indicators on quality, safety and financial expenditure were maintained and reported in accordance with national guidance received during this time.

Workforce changes were made, including redeploying clinical staff to new areas and adopting home-working where possible. Where staff were redeployed to different or new areas, training and information were provided and updated if required.

To meet the demand for home-working, the Trust rapidly implemented a new and improved IT infrastructure system providing remote computer access and the ability to hold virtual patient consultations and team meetings.

Other business continuity issues such as the increased demand for intensive care areas and the increased use of oxygen have been met through adapting ward areas and improving our medical gas infrastructure.

Sustainability Report

Introduction
As an NHS organisation and user of public funds, the Trust has an obligation to work in a way that has a positive effect on the communities it serves. Sustainability means spending public money well, the smart and efficient use of natural resources and building healthy, resilient communities. By making the most of social, environmental and economic assets the Trust can improve health, both in the immediate and long term, even in the context of rising cost of natural resources. We consider the social and environmental impacts of the Trust's actions ensuring that the legal requirements in the Public Services (Social Value) Act (2012) are met.

As a Trust we acknowledge our responsibility to patients, local communities and the environment by working hard to minimise our carbon footprint. As a part of the NHS, public health and social care system, it is the Trust's duty to contribute towards the level of ambition set in 2014 of reducing the carbon footprint of the NHS, public health and social care system by 34% (from a 1990 baseline), equivalent to a 37% reduction by 2021 from a 2013 baseline.

In order to embed sustainability within our business it is important to explain where in our process and procedures sustainability features.

Policy
In order to embed sustainability across the Trust, sustainability is considered in key areas including energy, waste, travel and procurement in both environmental and social aspects and suppliers' impact. One of the ways in which an organisation can embed sustainability is through the use of a Sustainable Development Management Plan.

Within our existing procurement processes, we test potential suppliers' track records for sustainability of products and services and adherence to any related relevant contract requirements, through written responses to selection questionnaires and tendering questions. This forms part of the evaluation process of bids received and the award decision.

Where appropriate we conduct supplier interviews, product trials and supplier site visits to verify the information contained in written responses. Some contracts may include spot audits to track the accuracy of information supplied within the tendering process, throughout the life of the contract.

Adaptation
Climate change brings new challenges to our delivery of services, both in direct effects to our estates, but also to patient health. Examples of recent years include the effects of heat waves, extreme temperatures and prolonged periods of cold, floods and droughts. Events such as heatwaves, cold snaps and flooding are expected to increase as a result of climate change. To ensure that services continue to meet the needs of the local population during such events we have developed and implemented a number of policies and protocols in partnership with local agencies. These include the Heatwave Plan and Business Continuity plans.

Energy
The Trust has now signed up to a membership with the Carbon and Energy Fund (CEF) who has carried out their first virtual Open Day presentation to all of the bidders. We are looking at installing a combined heat and power energy plant on the Stoke, Amersham and Wycombe sites which will bring us in line with the current government guidelines for energy and carbon footprint reduction; we are also looking at altering the way we produce domestic hot water to our ward areas by reducing the amount of heated stored water.

Waste

Waste		2015/16	2016/17	2017/18	2018/19	2019/20
Recycling	(tonnes)	719	817	798	817	65.265
WEEE	(tonnes)	6.6	8.5	5.9	6.01	10.081
High Temp disposal	(tonnes)	174	966	725	299	204.704
Alternative	(tonnes)	0	0	0	252	227.284
Non-burn disposal	(tonnes)	879	663	368	303	387.983
RDF	(tonnes)	422	253	253	328	207.085
Total Waste (tonnes)		2200.6	2707.5	2149.9	2005.01	1102.402

WEEE = Waste Electrical and Electronic Equipment recycling; RDF = refuge derived fuel

Our High Temp disposal and Alternative clinical waste have decreased following introduction of a new 'Offensive Waste' stream known as tiger bags. None of our general domestic waste goes to landfill as it is disposed of as Refuse Derived Fuel. We continue to strive for further waste reduction initiatives.

Water

Water	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Mains m3	157,232	135,221	128,674	215,264	293,759	267,331
Water & Sewage Spend	£ 286,552	£ 282,435	£ 286,064	£ 437,151	£ 541,588	£ 531,131

The water consumption across the Trust remains constant due in part to our water management regimes, infection prevention and control requirement, and programmed flushing of taps in line with Trust policy. In order to safeguard the integrity of supply and water quality the Trust has installed a secondary metered water supply at Stoke Mandeville Hospital.

Programmed water testing is reported into the Infection Control and Water Quality Group to meet audit and assurance requirements. Water meter readings are collected by the water authority and partner staff, on a monthly basis, at the three main hospitals. All invoices are monitored for accuracy and consumption trends by the Energy and Sustainability Manager.

A Summary of Quality Accounts in the Annual Report

Quality Accounts are intended to aid the public's understanding of what the Trust does well, identify where improvements in service delivery and quality are required, and to list the improvement priorities for the coming year. This section would normally contain a summary of the Quality Accounts for 2019/20. Due to the Covid19 pandemic the timetable for the production and publication of the Quality Accounts has been adjusted by the Government and the Quality Accounts will not be available until December 2020.

Declaration

I confirm adherence to the reporting framework in respect of the Performance Report.

Neil Macdonald, Chief Executive

24th June 2020

Accountability report 2019-2020

CORPORATE GOVERNANCE REPORT

Directors' Report

The Trust Board
The Trust Board provides strategic leadership to the organisation. It sets the strategic direction, ensuring management capacity and capability, monitoring and managing performance and fosters the appropriate culture.

It outlines the vision of the organisation and champions and safeguards its values, keeping the safety of patients at the centre of its work and ensuring obligations to all key stakeholders are met. By ensuring the effective and efficient use of resources it safeguards public funds.

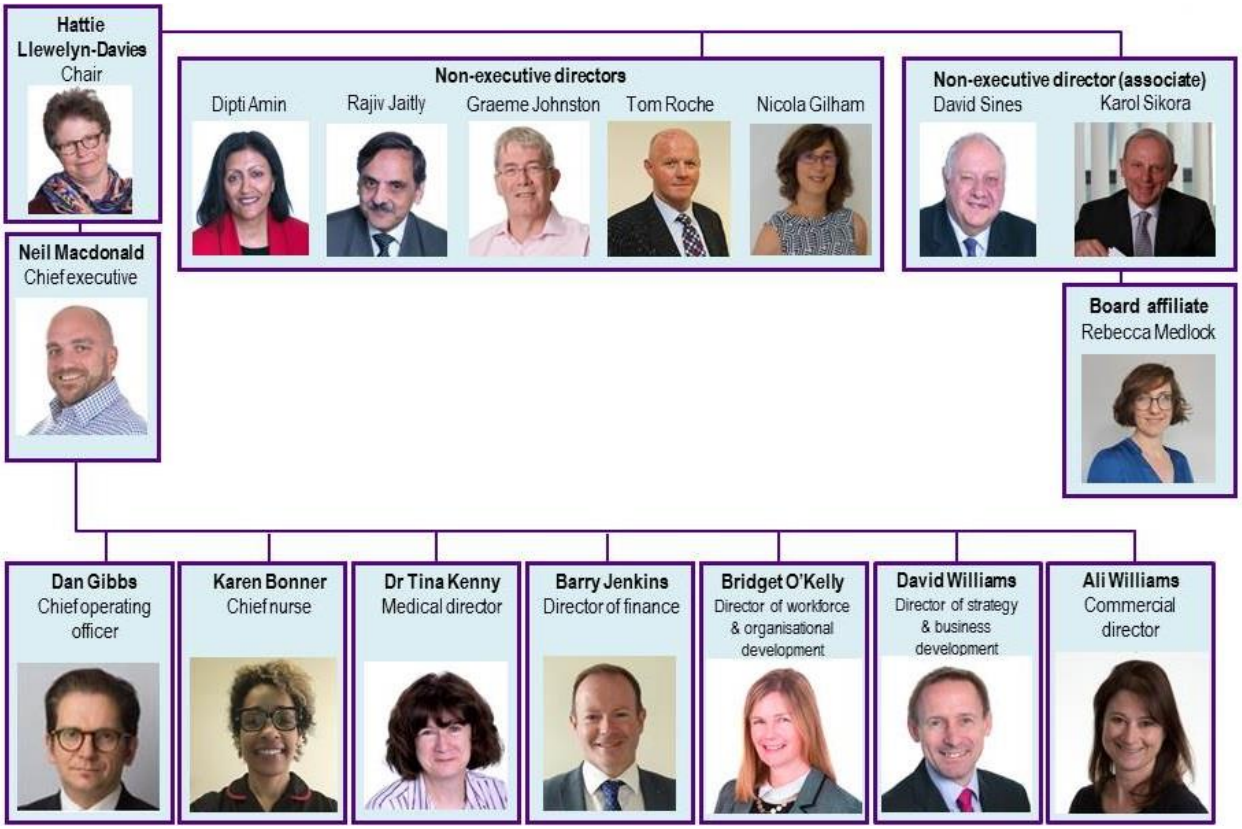
Non-Executive and Executive Directors both have responsibility to constructively challenge the decisions of the Board. Non-Executive Directors have a particular duty to hold the Executive Directors to account, ensuring appropriate challenges are made. As well as bringing their own expertise to the Board, non-executive directors scrutinise the performance of management in reaching goals and objectives, and monitor the reporting of performance. They need to satisfy themselves as to the quality and integrity of financial, clinical and other information, and ensure that the financial and quality controls of risk management are robust.

The Trust Board meets every other month in public the and times and venues of these meetings are available in advance on the Trust's public website, which also contains agendas, minutes and reports (see www.buckshealthcare.nhs.uk/About/the-trust-board.htm). The Trust Board formally operates within its Terms of Reference, the Trust's Standing Orders, Scheme of Delegation and Standing Financial Instructions.

The Trust Board away day in 2019/20 gave consideration to evaluating the Board's effectiveness, ways to improve the CQC Well Led outcome of "Required Improvement"; including the need to continuously adapt and improve, as well as measures of success. The programme of regular Board Seminars continued every other month throughout the year allowing for more focussed consideration of key themes collectively by the board. In 2019/20these includes a series of Leading for Improvement events planned and delivered by NHS Improvement.

Our Board members and roles are shown in the Figure 1.

Figure 1: Board members



The Trust Chair, Ms. Hattie Llewelyn-Davies' performance was summarised by Mr. Graeme Johnston, Senior Independent Director in the following way:

- The Chair has supported the Board through a continuing period of change in the makeup of the Executive and has brought on a new Non-Executive Director (NED) and an Associate NED and, in an innovative move, brought a junior doctor onto the Board in the capacity of Board Affiliate. These changes continued to build on the diversity of composition, background and viewpoint of the unitary Board.

- The Chair has demonstrated strategic leadership, and she has supported, challenged and mentored a first-time Chief Executive. The year has seen significant change with the arrival of a new Director of Finance, Chief Operating Officer and Chief Nurse. All at a time when the Trust was demonstrating considerable improvement in financial control and having regular undertakings meetings with NHS Improvement, a process in which she was fully invested.

- The Chair has an impeccable attendance record, never needing to rely on her deputy. She is well-known and respected throughout the organisation.

- The Chair was skilful in managing meetings, allowing all points of view to be considered, bringing matters to a conclusion and highlighting issues that needed resolution. A key focus in the year was to challenge all successfully to make meetings more focused and concise.

- The Chair demonstrated her considerable knowledge of the NHS and wider system in many ways not least on the Board of NHS Providers where she chairs the Finance and General Purposes Committee.

- The year ended with the gathering storm of Covid19, and the Chair gave strong guidance and leadership through the critical process of preparing for and coping with the pandemic, being agile in taking the Board and its Committees to a virtual basis at an early stage.

- The Chair is highly respected across a range of skills and is frequently asked to support and advise other organisations.

The Accountable Officer for 2019/20 is Mr Neil Macdonald.

Neil was appointed as substantive Chief Executive in January 2019, having previously held the positions of Interim Chief Executive, Chief Operating Officer and Divisional Director for Surgery and Critical Care in the Trust.

As noted above, the Trust Board has seen some changes in 2019/20 and these are set out in Table 1.

Table 1: Changes to Board membership during 2019/20

Name	Role	Joined	Left
Mary Lovegrove	Non-Executive Director	-	April 2019
Nicola Gilham	Non-Executive Director	August 2019	-
Karol Sikora	Associate Non-Executive Director	November 2019	-
Rebecca Medlock	Board Affiliate	February 2020	-
Caroline Trevena	Interim Director of Finance	-	April 2019
Wayne Preston	Interim Director of Finance	April 2019	August 2019
Barry Jenkins	Director of Finance	August 2019	-
Natalie Fox	Interim Chief Operating Officer	-	June 2019
David Williams	Interim Chief Operating Officer*	July 2019	September 2019
Dan Gibbs	Chief Operating Officer	September 2019	-
Carolyn Morrice	Chief Nurse	-	October 2019
Jennifer Ricketts	Interim Chief Nurse	October 2019	March 2020
Karen Bonner	Chief Nurse	March 2020	-
Neil Macdonald	Chief Executive	January 2019	-

**David Williams also kept his role of Director of Strategy & Business Development during this period.*

Board attendance record

There were six formal Trust Board meetings (indicated in green) in 2019/20. There were six Private Board meetings followed by Board Seminar Sessions (indicated in blue). Board Seminars provided the opportunity for Board Development. Attendance at each meeting is shown in Table 2.

It should be noted due to the outbreak of Covid-19 the March 2020 Board meeting was not held in public.

Table 2: Board attendance record

	24 Apr	29 May	26 Jun	31 Jul	28 Aug	25 Sep	23 Oct	27 Nov	11 Dec	29 Jan	26 Feb	25 Mar
Hattie Llewelyn-Davies Trust Chair*	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Neil Macdonald Chief Executive Officer*	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dipti Amin NED*	x	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	x
Natalie Fox Interim Chief Operating Officer*	✓	x	x	Left the Trust								
Dan Gibbs Chief Operating Officer*	Joined the Trust					✓	✓	✓	✓	✓	✓	✓
Nicola Gilham NED*	Joined the Trust					✓	✓	✓	✓	✓	✓	✓
Rajiv Jaitly NED*	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Barry Jenkins Director of Finance*	Joined the Trust				✓	✓	✓	✓	✓	✓	✓	✓
Graeme Johnston NED* Senior Independent Director	✓	✓	✓	✓	✓	x	✓	✓	✓	✓	✓	✓
Tina Kenny Medical Director*	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mary Lovegrove NED*	x	Left the Trust										
Rebecca Medlock Board Affiliate	Joined Trust Board										✓	✓
Carolyn Morrice Chief Nurse*	✓	✓	✓	✓	✓	✓	✓	Left the Trust				
Bridget O'Kelly Director of Workforce & Organisational Development	✓	✓	✓	x	✓	✓	✓	✓	✓	✓	✓	✓
Wayne Preston Interim Director of Finance	✓	✓	✓	✓	Changed roles and attendance not required							
Jenny Ricketts Interim Chief Nurse*	Joined Trust Board							✓	x	✓	✓	✓
Tom Roche* NED	✓	✓	✓	✓	✓	✓	✓	✓	✓	x	✓	✓
Karol Sikora Associate NED	Joined the Trust								✓	✓	x	✓
David Sines Associate NED	x	✓	✓	x	✓	✓	x	✓	✓	✓	✓	✓
Caroline Trevena Interim Director of Finance*	✓	Left the Trust										
David Williams Director of Strategy & Business Development	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ali Williams Commercial Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

NED = Non-Executive Director; * = a voting member of the Board; X = not required/unable to attend

Appointment and evaluation of Trust Board members' performance
The Chair of the Trust Board and its Non-Executive Directors are independently appointed by NHS Improvement (NHSI). The Chief Executive and other Executive posts serving on the Board are appointed in liaison with NHSI. All members of the Board are subject to a performance framework in which:

- The Chair of the Trust Board is appraised via a national framework operated by NHSI;
- Non-Executive Directors and the Chief Executive are appraised by the Chair of the Trust Board; and
- Members of the Executive Team are appraised by the Chief Executive.

Trust Board members are also subject to an annual self-assessment in accordance with the Fit and Proper Persons Requirements (FPPR) for Directors, as introduced by The Health and Social Care Act 2008 (Regulated Activities) Regulations in 2014. No concerns have been raised in relation to this in 2019/20.

The Board and Board committees conducts an annual assessment of their own effectiveness through the use of an internal questionnaire. The results are feedback to ensure continuous improvement.

Declarations of interests
The Trust Board and Board Committees routinely ask that any interests relevant to the agenda items be declared at each meeting. In addition, a Register of Directors Interests is maintained by the Director for Governance and published on the Trust website. The interests recorded on the Register for those on the Board during 2019/20 are in Table 3.

Table 3: Declarations of interests of Board members

Name	Position	Interests declared
Dipti Amin	Non-Executive Director	Non-Executive Director on the Board of Cambridge Innovation Capital Non-Executive Independent Director on the Board of the University of Hertfordshire Revalidation Appraiser for IQVIA
Karen Bonner	Chief Nurse	Trustee of the Mary Seacole Trust- The Mary Seacole Trust exists to educate and inform the public about the life, work and achievements of Mary Seacole.
Dan Gibbs	Chief Operating Officer	Hold equity in Ignite Data Ltd, a company specialising in recruitment into clinical trials that works with a number of NHS and other public bodies. Provide advice and consultancy to board. Nil annual value. Freelance work as a musician. Not anticipated to exceed £3k in FY2021
Nicola Gilham	Non-Executive Director	NED - Vale of Aylesbury Housing Trust NED - Brighter Futures for Children Ltd Vice Chair - Child Bereavement UK Chair, Jordan's Village Ltd NED Turning Point
Rajiv Jaitly	Non-Executive Director	GFG Ltd, Advisory Board Member Jaitly LLP, Managing Partner Board Member London & Quadrant Housing Trust Heirloom Investment Fund SPC - non-executive director; shares held directly in a number of healthcare and other companies which are not material holdings such as in GSK, Astra Zeneca, Reneuron and Legal & General Board Director of Board Apprentice Global Ltd
Barry Jenkins	Director of Finance	None

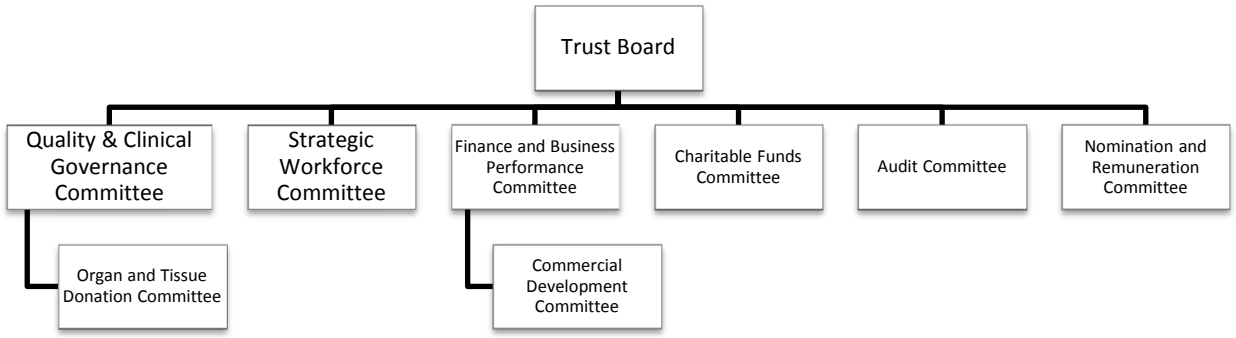
Name	Position	Interests declared
Graeme Johnston	Non-Executive Director	Advisory board member Patient Focussed Medicine Development: a global industry not for profit in Pharmaceutical sector Lay chair of University of Buckingham Medical School, Fitness to Practise Committee. UofB may engage in training with BHT. Attendee at Buckinghamshire CCG (north locality) patient engagement group. BUCKS CCG are the principal commissioners of BHT Services Member, GSK Global Rheumatoid Arthritis Patient Group. GSK sells many products to the NHS. Chair Swan Practice PPG Buckingham. Swan Practice may seek Buckinghamshire Healthcare NHS Trust support in a new North Bucks Clinical hub.
Natalie Fox	Interim Chief Operating Officer	None
Tina Kenny	Medical Director	Registered Director of Bucks Healthcare Projects Ltd Governor at Oxford Health NHS Foundation Trust Professorship at Buckinghamshire New University
Hattie Llewelyn-Davies	Trust Chair	Owner/Director of consultancy business that does not undertake work with the NHS but may advise organisations that do. Chair of Colne Housing (Society Ltd): £7k per annum Chair of PA Housing; £20k per annum Member of the board of NHS Providers. Trustee of Bucks Museum Trust. Trustee of Friends of Horsey Seals. Mental Health Act Manager for Hertfordshire Partnership University NHS Foundation Trust, £10k per annum. Minority shareholder in TIAA Ltd, who provide Internal Audit services to NHS Trusts and CCGs. Daughter employed by East London Foundation Trust.
Mary Lovegrove	Non-Executive Director	Director of Allied Health Solutions Professor Emerita - London South Bank University Visiting Professor – Singapore Institute of Technology Visiting Professor- Buckinghamshire New University Trustee of the Burdett Nursing Charitable Trust Chair of the Joint Council for Cosmetic Practitioner Register Committee
Neil Macdonald	Chief Executive Officer	Wife managing partner of Marlow Medical Group, Chair of FedBucks (Buckinghamshire primary care federation) and accountable clinical director for Wooburn Green PCN. Scannappeal Trustee
Rebecca Medlock	Board Affiliate	None
Carolyn Morrice	Chief Nurse	None
Bridget O'Kelly	Director of Workforce and Organisational Development	Daughter has registered with NHS Professionals as a Bank Worker and is working at SMH; her current line manager is Caroline Cappel.
Wayne Preston	Interim Director of Finance	Director and owner of Ashlyn Associates LTD. Turnover £0
Jennifer Ricketts	Interim Chief Nurse	None
Tom Roche	Non-Executive Director	Non Exec Chair of Clarks of Amersham (Local SME) Qualified and accredited executive coach
Karol Sikora	Associate Non-Executive Director	Board of Venomtech and funder Board of Rutherford PLC and shareholder

Name	Position	Interests declared
David Sines	Associate Non-Executive Director	Self-employed consultancy with Health Education related to workforce planning and educational development. Trustee of the Burdett Nursing Charitable Trust and Patron of the Learning Disability Choice Support in London Non-Executive Director with Central London Community Health Trust Emeritus Professor - Buckinghamshire New University Provost for Health and Advisor to the Vice Chancellor at Buckinghamshire New University
Caroline Trevena	Interim Director of Finance	None
David Williams	Director of Strategy & Business Development	Brother is a personal injury lawyer and may act for clients from the spinal injury unit and elsewhere across the Trust.
Ali Williams	Commercial Director	Visiting Fellow, Cranfield University £2000/pa variable

Pension liabilities
Details of how the Trust treats Pension Liabilities are outlined in the Principle Financial Statements in the Financial Accounts Section of the Annual Report.

Trust Board sub-committees
The Trust Board has a number of sub-committees to assist in meeting its role and duties.

Figure 2: Board of Directors and Committee Structure



A governance framework and processes are in place across the organisation to ensure information flows clearly to the Board providing assurance where possible and highlighting risk identified through gaps in control or gaps in assurance.

The Board has delegated scrutiny of assurance processes relating to workforce, quality, and finance and information to four of its committees, namely the Audit Committee, Finance and Business Performance Committee, the Quality and Clinical Governance Committee and the Strategic Workforce Committee. The committees work together to deliver an integrated approach to governance; this is supported by common membership of Board members across the committees. Each of the committees has a Non-Executive Chair and Non-Executive Directors form part of the membership. Every Committee has Terms of Reference which have been reviewed in the year and an annual work plan.

There are two other Board sub-committees, the Nominations and Remuneration Committee, and the Charitable Funds Committee which are also described below.

An overview of each of the Board sub-committees is provided below.

The Audit Committee: This supports the Trust Board by critically reviewing the governance and assurance processes on which the Board places reliance. This therefore incorporates: reviewing governance, risk management and internal control (plus the Board Assurance Framework); oversight of the Internal and External Audit; and Counter Fraud functions. The Committee also undertakes detailed review of the Trust's Annual Report and Accounts in accordance with Schedule 4, Paragraph 1 of the Local Audit and Accountability Act 2014. The Committee is chaired by Mr Graeme Johnston, Non-Executive Director and Senior Independent Director, and meets five times each year (including a specific meeting to review the Annual Report and Accounts prior to the Trust Board being asked to approve these). Four other Non-Executives Directors are members.

Table 4: Audit Committee Members and Attendance Record 2019/20

	23 Apr	**9 May**	**28 May**	**4 Jul**	**5 Sep**	**21 Nov**	**9 Jan**	**10 Mar**
Dipti Amin NED*	x	x	x	x	✓	✓	✓	x
Nicola Gilham NED*	Commenced attendance at the Committee						✓	✓
Rajiv Jaitly NED*	✓	✓	✓	✓	✓	✓	✓	✓
Barry Jenkins Director of Finance*	Commenced attendance at the Committee				✓	✓	✓	✓
Graeme Johnston NED* Senior Independent Director **Committee Chair**	✓	✓	✓	✓	✓	✓	✓	✓
Tom Roche* NED	✓	✓	✓	✓	✓	✓	✓	✓
Caroline Trevena Interim Director of Finance*	✓	Left the Trust						
Wayne Preston Interim Director of Finance	✓	✓	✓	✓	Changed roles and attendance not required			

NED = Non-Executive Director; * = a voting member of the Board; X = not required/unable to attend.

Finance and Business Performance Committee: The purpose of the Finance and Business Performance Committee is to provide the Board with assurance concerning all aspects of finance and operational performance relating to the provision of care and services in support of getting the best clinical outcomes and experience for patients. It provides the Trust Board with assurance that the financial issues of the Trust are being appropriately addressed, and with information and recommendations on key issues. The Committee also has oversight of the Trust's performance management framework and, as required, focuses on specific issues where the Trust is experiencing challenges with its operational performance. The Committee is chaired by Mr Rajiv Jaitly, Non-Executive Director.

Table 5: Finance and Business Performance Committee members and attendance Record 2019/20

	23 Apr	**28 May**	**25 Jun**	**30 Jul**	**27 Aug**	**24 Sep**	**29 Oct**	**26 Nov**	*No Dec mtg*	**27 Jan**	**25 Feb**	**24 Mar**
Natalie Fox Interim Chief Operating Officer*	✓	x	Left the Trust									
Dan Gibbs Chief Operating	Commenced attendance at the Committee						✓	✓		✓	✓	✓

Officer*												
Rajiv Jaitly NED* **Committee Chair**	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓
Barry Jenkins Director of Finance*	Commenced attendance at the Committee				✓	✓	✓	✓		✓	✓	✓
Graeme Johnston NED* (Senior Independent Director)	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓
Tina Kenny Medical Director*	Attended when requested					x	✓	✓		✓	x	x
Hattie Llewelyn-Davies Trust Chair*	✓	✓	✓	✓	x	✓	x	x		✓	✓	✓
Neil Macdonald, Chief Executive Officer*	✓	✓	✓	✓	x	✓	✓	✓		✓	✓	✓
Carolyn Morrice Chief Nurse*	✓	x	x	x	✓	Left the Trust						
Bridget O'Kelly Director of Workforce & Organisational Development	✓	✓	✓	x	✓	✓	✓	✓	Attendance changed to only when requested			
Wayne Preston Interim Director of Finance	✓	✓	✓	Changed roles and attendance not required								
Tom Roche* NED	✓	✓	✓	✓	x	✓	✓	✓		x	✓	✓
Caroline Trevena Interim Director of Finance*	✓	Left the Trust										
David Williams Director of Strategy & Business Development	✓	✓	✓	✓	x	✓	✓	✓		✓	✓	✓
Ali Williams Commercial Director	✓	✓	✓	✓	x	✓	✓	✓		✓	✓	✓

NED = Non-Executive Director; * = a voting member of the Board; X = not required/unable to attend.

Quality and Clinical Governance Committee: The Committee is chaired by Mr David Sines, Associate Non-Executive Director, and meets monthly. Mr Sines steps down as Chair in April 2020 and will be replaced by Dr Dipti Amin. The Committee provides the Board with assurance concerning all aspects of quality relating to the provision of care and services in support of getting the best clinical outcomes, ensuring safety, and providing the best experience for patients. It assures the Board directly and through consultation with the Audit Committee that the structures, systems and processes are in place and functioning to support an environment for the provision and delivery of excellent quality health services. It also assures the Board that where risks and issues exist that may jeopardise the Trust's ability to deliver excellent quality healthcare, these are being managed in a controlled and timely way.

Table 6: Quality and Clinical Governance Committee membership and attendance Record 2019/20

	2 Apr	7 May	4 Jun	2 Jul	6 Aug	3 Sep	1 Oct	5 Nov	3 Dec	7 Jan	4 Feb	3 Mar
Neil Macdonald, Chief Executive Officer*	x	x	✓	x	✓	✓	x	✓	✓	✓	x	x
Dipti Amin NED*	x	x	✓	✓	✓	✓	✓	✓	✓	✓	x	✓
Natalie Fox Chief Operating Officer*	x	✓	x	Left the Trust								
Dan Gibbs Chief Operating Officer*	Commenced at the Trust					✓	✓	✓	✓	✓	x	✓
Tina Kenny Medical Director*	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	x
Mary Lovegrove NED*	✓	Left the Trust										
Neil Macdonald, Chief Executive Officer*	x	x	✓	x	✓	✓	x	✓	✓	✓	x	x
Carolyn Morrice Chief Nurse*	✓	✓	x	✓	✓	x	✓	Left the Trust				
Jenny Ricketts Interim Chief Nurse*	✓	Not required to attend until role changed to Interim Chief Nurse						✓	✓	✓	✓	x
David Sines Associate NED	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
David Williams Interim Chief Operating Officer	Was not in the role required to attend			✓	✓	Left the role and not required to attend unless requested.						

NED = Non-Executive Director; * = a voting member of the Board; X = not required/unable to attend.

Nomination and Remuneration Committee: This reviews, on behalf of the Trust Board, the appointment of Executive Directors and other staff appointed on Very Senior Manager (VSM) contracts, to ensure such appointments have been undertaken in accordance with Trust Policies. It also reviews the remuneration, allowances and terms of service of such staff; reviews (with the Chief Executive) the performance of Executive Directors and other staff appointed on VSM contracts; oversees appropriate contractual arrangements for such staff (including the proper calculation and scrutiny of termination payments, taking account of such national guidance, as appropriate); and considers and approves, on behalf of the Trust Board,

proposals on issues which represent significant change. The Committee is chaired by Ms Hattie Llewelyn-Davies, Chair of the Trust Board, and meets on an ad-hoc basis.

Strategic Workforce Committee: The Committee was chaired by Mr David Sines, Associate Non-Executive Director, until April 2019 when he stepped down. From May 2019 until March 2020, the Chair of the Trust, Ms Hattie Llewelyn-Davies, became interim Chair of the meeting until a new NED was employed. The Committee meets every two months. The Committee aims to provide assurance to the Board in the areas of workforce development, planning, performance and employee engagement; and assure the Board that the Trust has the necessary strategies, policies and procedures in place to ensure a high-performing and motivated workforce that is supporting business success. The Committee receives assurance around Health and Safety processes and compliance. The Committee also receives the Trust Freedom to Speak up Guardian (FTSUG) reports setting out activity, learning and resulting actions.

Table 7: Strategic Workforce Committee membership and attendance record 2019/20

	Apr - cancelled	**4 Jun**	**6 Aug**	**1 Oct**	**3 Dec**	**4 Feb**
Nicola Gilham NED*	Commenced at the Trust				✓	x
Hattie Llewelyn-Davies Trust Chair*		✓	✓	✓	✓	✓
Tina Kenny Medical Director*		✓	✓	x	✓	x
Neil Macdonald Chief Executive Officer*		✓	✓	✓	x	✓
Bridget O'Kelly Director of Workforce & Organisational Development		✓	x	✓	✓	✓
Jennifer Ricketts Interim Chief Nurse*	Not required to attend until role changed to Interim Chief Nurse				✓	✓
Tom Roche* NED		✓	✓	✓	✓	x
David Sines Associate NED **Committee Chair**		✓	✓	✓	✓	✓
David Williams Director of Strategy & Business Development		x	x	✓	✓	x
Ali Williams Commercial Director		x	✓	✓	✓	x

NED = Non-Executive Director; * = a voting member of the Board; X = not required/unable to attend.

Charitable Funds Committee: This aims to ensure that the Buckinghamshire Healthcare NHS Trust Charitable Fund is managed efficiently and effectively in accordance with the directions of the Charity Commission, relevant NHS legislation and the wishes of donors. This includes reviewing and agreeing the Charitable Fund Annual Report and financial accounts, for approval by the Trust Board. The Committee is chaired by Mr Rajiv Jaitly, Non-Executive Director.

Further information on the Charitable Funds Committee and related activities can be found in the Charitable Funds Annual Report found on the Trust Website: www.buckshealthcare.nhs.uk

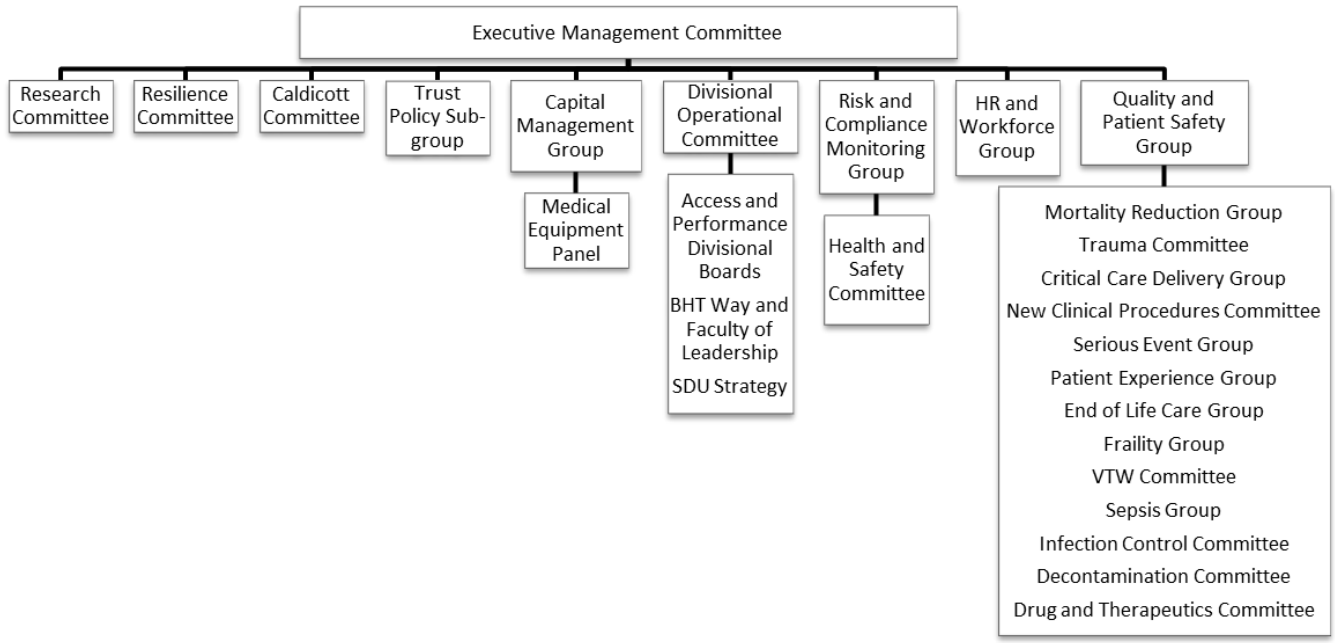
Trust Management Structure

Executive Management Committee
Also important to the governance process is the Executive Management Committee (EMC) and its sub-committees as shown in Figure 1 below. EMC is the key decision-making and risk committee. It is chaired by the Chief Executive and attended by the Executive team, Director for Governance and Associate Director of Communications.

Although not a Board sub-committee, the EMC weekly meeting enables key clinical and managerial issues to be discussed, debated, developed, scrutinised, monitored and agreed and/or approved. The Divisional Management Triumvirate (Consultant Doctor Chair, Divisional Director and Head of Nursing) and other senior leaders in the organisation attend twice a month. EMC is authorised to make decisions on any matter that is not reserved for the Trust Board or its sub-committees in line with the Trust Standing Financial Instructions; key issues are reported to the Trust Board as part of the bimonthly report from the Chief Executive.

In addition to EMC, there are a range of other forums, structures and processes in place to oversee and manage any issues relevant to particular aspects of risk and governance. These are illustrated in below.

Figure 1: Executive Management Committee and sub-committees



Also aligned to the Executive Management Committee are the transformational meeting structure and the performance meeting structure as shown in Figures 2 and 3 respectively below.

The Trust has a Transformational meeting (figure 2) to ensure the Trust is shaping and influencing the external environment, and how it is leading change in services with our partners in key areas

Figure 2: Transformational meeting structures

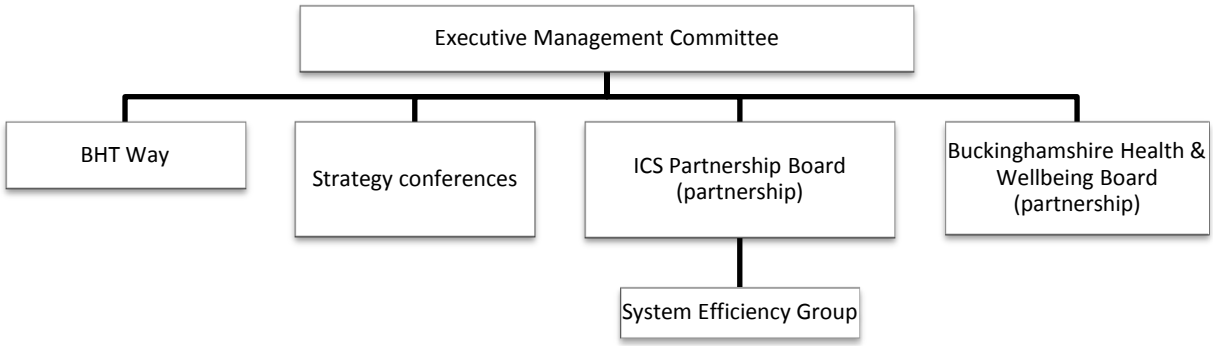
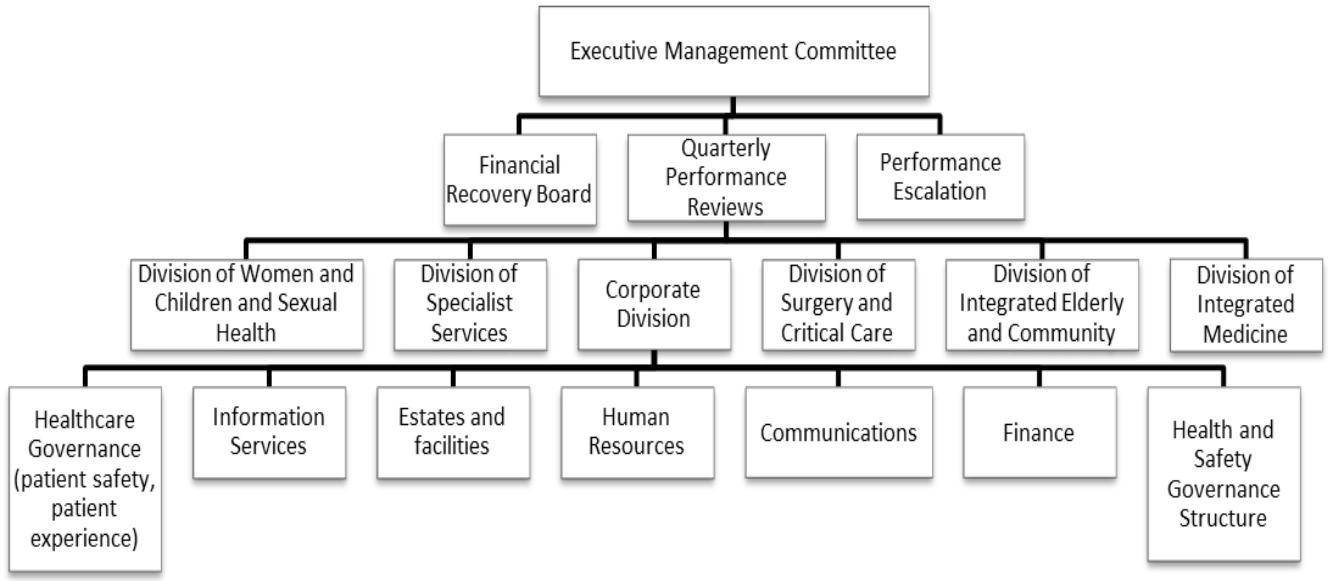
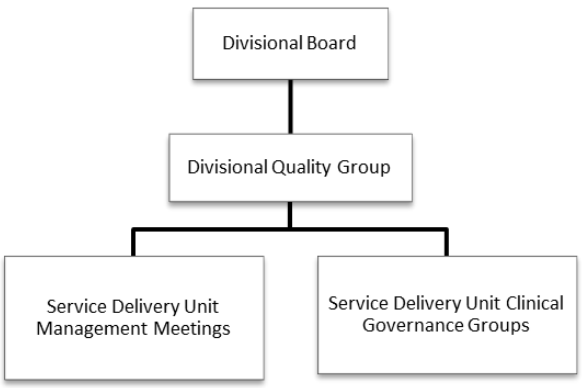


Figure 3: Performance meeting structure



Each of the Divisions has its own management and governance structure through which performance is monitored at service level, and which links to the Divisional performance meetings. The Divisional governance structure is shown in Figure 4 below.

Figure 4: Governance at divisional level



The Triumvirate (Consultant Doctor Chair, Divisional Director and Head of Nursing)

work together to agree annual and strategic plans for their services, are responsible for clinical and operational performance, resourcing and communicating and engaging with staff.

Complaints

The Trust aims to provide the best possible care and treatment but sometimes despite the best efforts of staff things do not go as planned or expected. In such circumstances, patients and relatives are encouraged to tell a member of staff in the ward or in the clinic as soon as they can to enable their concerns to be responded to as quickly as possible. However, for circumstances where concerns cannot be handled in this way, the Trust has a formal complaints procedure. We know that a high quality complaints handling service is central to ensuring continuous improvement in the quality and safety of care at the Trust.

The Trust invites patients, carers and visitors to contact our PALS (Patient Advice & Liaison Service) for support and advice regarding all services. This approach enables the PALS and complaints team to work together to appropriately manage enquiries and concerns that are raised by our service users. In 2019/20 we recorded 4901 PALS contacts from enquirers seeking advice and information about our services. This was an increase of 5% on last year. Our complaints ethos is built on the Ombudsman's 'Principles for Remedy' that state that complaints resolution should be based on:

- Getting it right first time
- Being customer- focused
- Being open and accountable
- Acting fairly and proportionately
- Putting things right
- Seeking continuous improvement

Numbers of formal complaints received
In 2019/20 the Trust received 644 formal complaints compared to 565 formal complaints received in 2018/19. This represents a 14% increase in complaints received when compared to the previous year.

The Trust encourages feedback from a number of sources including our local partners, colleagues and patients, which may include complaints. Complaints provide valuable feedback for the Trust about the quality of our services and the opportunity to learn from patients' experiences and drive real change in our service provision.

Speed of response
Table 1 below shows the number of formal complaints received each month throughout the reporting period. The Trust has set an internal target of 85% of all category 4 complaints to be responded to within 25 working days. Category 4 complaints are those that cannot be immediately resolved through the PALS service, do not cross multiple services or other healthcare providers, or require a more complex investigation. The graph below shows our performance during 2019/20. We achieved an average of 86% of complaints responded to within the 25 day time frame at the time of the report date.

Table 1: Formal complaints received each month during 2019/20

In March 2020, in response to NHS England (NHSE) advice in the context of Covid-19 pressures on the NHS, the Trust moved all existing cases to a 40-day timeframe and all incoming to a 60-day timeframe. Any concerns raised that affected the immediate safety and quality of care were escalated and responded to with appropriate urgency on a 'local resolution' basis.

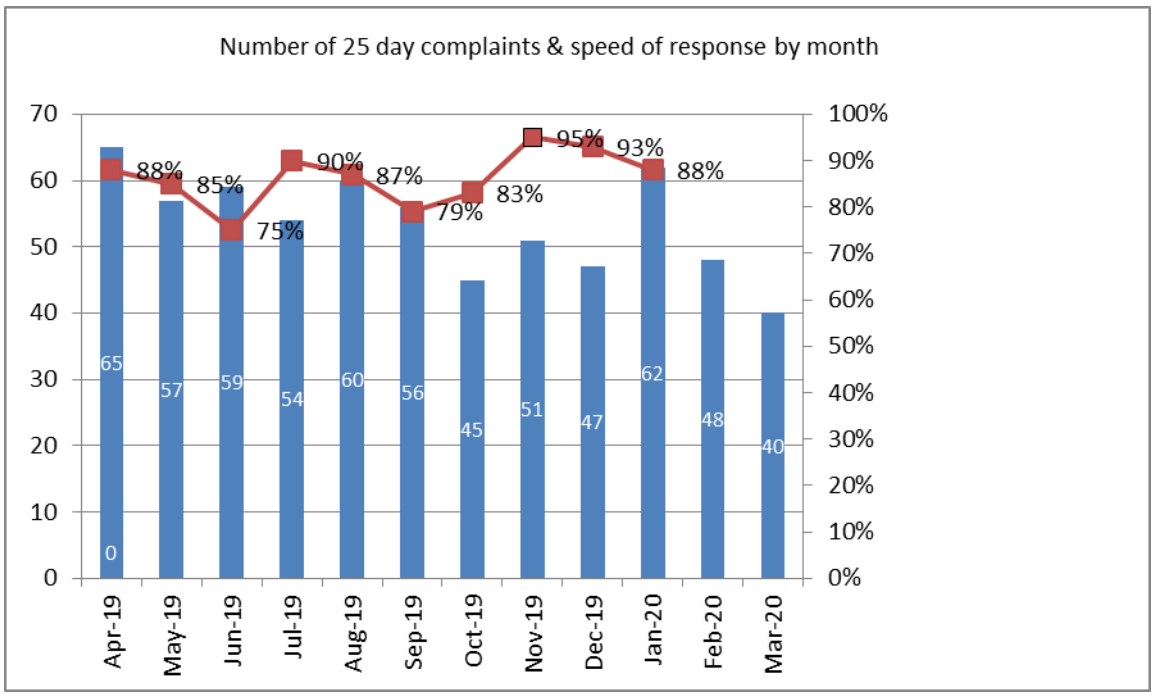
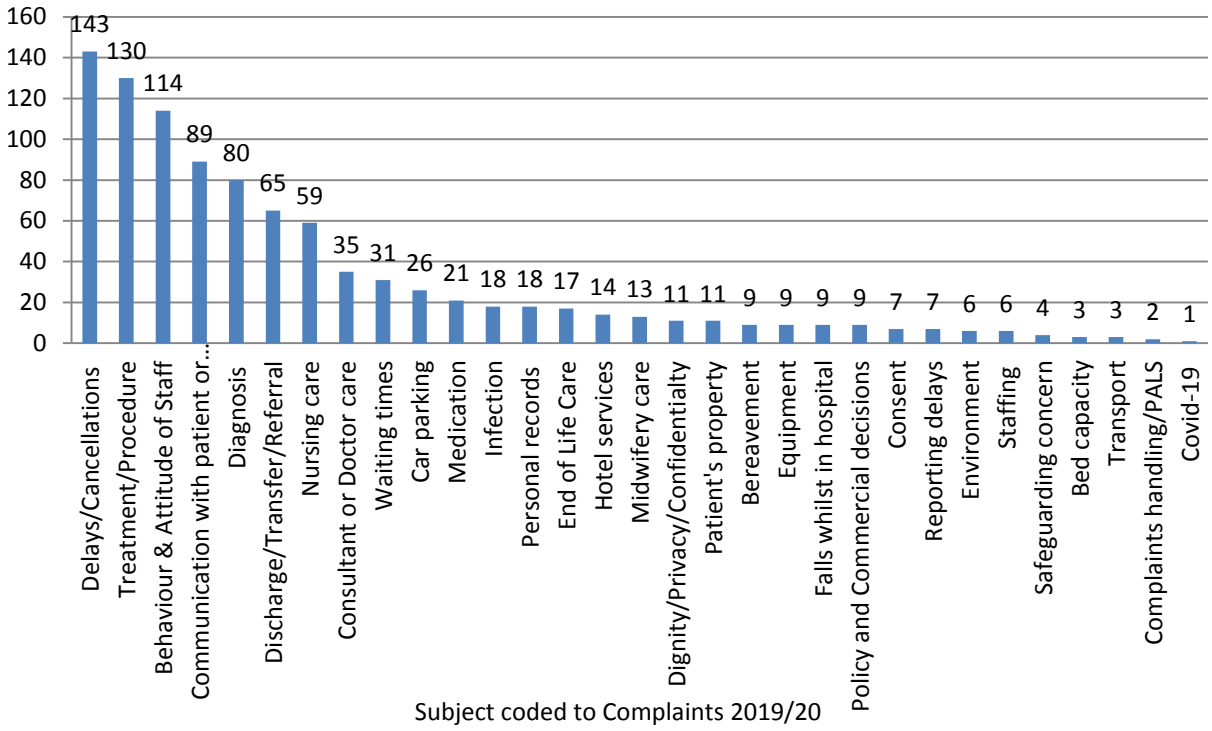


Table 2 below illustrates the reasons that people raised formal complaints against the Trust in 2019/20. Delays and cancellations; treatment/procedure and the behaviour and attitude of staff were the most commonly cited themes in complaints for 2019/20.

Table 2: Reasons for formal complaints against the Trust in 2019/20



Parliamentary and Health Service Ombudsman (PHSO) investigations

In 2019/20 there were seven complaints referred to the Parliamentary and Health Service Ombudsman (PHSO). Of the seven cases referred, three were not upheld, two were partly or fully upheld and two are currently being investigated.

Complaints Quality Survey

Every complainant receives a Complaints Quality Survey. The survey is based on the 'User-Led Vision for Raising Concerns and Complaints' published by the PHSO (Parliamentary and Health Service Ombudsman) in November 2014 (see Table 3). The report 'My Expectations for Raising Concerns and Complaints' presented 'I statements', as expressions of what patients and service users might say if their experience was a good one at every stage of the complaints process. The results indicated that we have delivered an accessible service and responded in a way that was easy to understand. It is important to note that all complainants who used the service agreed that it was accessible, timely and that they would complain again if they needed to. The areas for improvement centred on the perception of the Trust's openness within the responses.

Table 3: Complaints Quality Survey results

Q1. I felt that it was easy to make a complaint.	Q2. I felt that my complaint was dealt with within the timeframe agreed in my acknowledgment letter and I was kept informed of any delays.	Q3. I thought that the response was easy to understand.	Q4. I felt my concerns were addressed in an open and honest way.	Q5. I felt my concerns were taken seriously.	Q6. I would complain again if I felt I needed to.	Q7. Overall rating.
87%	81%	87%	72%	76%	96%	7

Learning from complaints
A key component of every complaint investigation is the learning identified to inform improvement. Each complaint has an action plan that is recorded and monitored by the individual clinical divisions.

In 2019/20 we have documented 583 actions (see below) in relation to complaints closed.

Actions taken in 2019/20	Coded
Feedback for specific staff member/s OR teams	216
Staff training or Academic Half Day	58
Process change to be reviewed/plan set or complete	56
Agenda item for governance/quality meeting/team meeting	52
Appointment expedited, made or offer of appointment	46
Complaint shared anonymously with staff	35
Feedback or liaison with another Trust/provider/GP	16
Increase in clinics or service provision	15
Reimbursement or ex-gratia payment or charge cancelled	15
Documentation changed or introduced	13
Team communication sent in writing	10
Equipment/software changed or purchased	9
Policy change or Guidelines reviewed - planned or complete	8
Inter-departmental working/MDT planned	7
Audit requested/to be carried out	6
Care plan change	4
Promote more effective handover / communication	4
Case Study or Patient Story Provided to staff	3
Signage changed or environment upgraded	3
Flag added to patient electronic record	2
Doctor Training / monitoring	2
Re-enforce need for timely escalation (senior nurse, Dr etc.)	1
Invitation for Public and Patient Involvement	1
Promote use of specific assessment tools e.g. falls	1
Total:	583

Information Governance

Information Governance is a framework for managing information, particularly personal information of patients and employees. The framework should ensure that personal information is dealt with legally, securely, effectively and efficiently. The Department of Health provides the standards and the Trust's compliance is measured according to indicators in the Data Security and Protection Toolkit. The Trust submitted its assessment in March 2020 and all mandatory standards have been met.

The Trust recognises the importance of managing information appropriately and securely and has a nominated Trust Board-level Executive Director as the Senior Information Risk Owner (SIRO). The role is responsible for ensuring the Board has reliable assurance that appropriate controls are in place and that risks are managed in relation to all the information used for clinical, operational and financial purposes.

The Trust Caldicott Guardian is responsible for the establishment of procedures governing access to, and the use of, person-identifiable information and the transfer of that information to other bodies, where this is permitted. The Caldicott Guardian is supported by the Information Governance Manager and Caldicott and Information Governance Committee, which monitors compliance with key legislation and the performance of the Trust through the Information Governance Toolkit.

Disclosure of personal data-related incidents
The Information Governance team supports the investigation of all instances of alleged data breaches that are identified and referred to the team. Any serious notifiable incidents are reported up to the Information Commissioner's Office via the Data Security & Protection Toolkit. As in previous years the majority of incidents recorded do not fall under the category of 'serious incidents' and the overwhelming common theme is unintentional human error and communication failures. For the period 2019/20 there were two serious incidents which were notified to the Information Commissioner's Office. These involved the theft of patient notes from a doctor's vehicle and inappropriate access to a patient record by a member of staff. The police were notified on each occasion and the decision of the Information Commissioner's Office was that no further action was required for either incident.

Emergency Preparedness

All Trust services have Emergency, Preparedness, Resilience and Response (EPRR) responsibilities, primarily in the areas of: emergency situations; formal incidents; and business continuity events.

All require robust planning that enables our services to respond effectively and in the best manner to safeguard our patients. The Emergency Planning Officer and Emergency Planning Support Officer facilitate these requirements, as well as providing training and exercises throughout the year, ensuring that the Trust responds quickly and successfully for the wellbeing of our patients and staff in times of escalating pressure or emergency.

The EPRR team also oversees and plans for the Trust's statutory obligations under the Civil Contingencies Act 2004. The Trust is classed as a Category 1 responder with various key responsibilities. As well as ensuring the Trust is aligned with national mandate, the team works closely with preparedness and response partners across the region including emergency blue light services, EPRR NHS England South East, Buckinghamshire Clinical Commissioning Group, Thames Valley Local Resilience Forum, Thames Valley Local Health Resilience Partnership, and other NHS Trusts in the region.

Each year the Trust works with the regional NHS England EPRR team and Buckinghamshire Clinical Commissioning Group to undertake an annual EPRR Core Standards audit. As of April 2020, the Trust was 'Fully Compliant' with all Core EPRR Standards. NHSE will release their annual review in summer 2020 at which time the Trust EPRR Team will provide new planning and engagement as required. The Trust also works closely with the South Central Ambulance service on annual Hazmat/chemical biological, radiological and nuclear audit processes.

During 2019/20, EPRR supported the Trust in managing various incidents. The most significant include:

- April 2019 Plant Room Asbestos Issue – three plant rooms on the SMH site had restricted access in place due to the potential presence of asbestos within the buildings. (Utilities/services dependent on plant room equipment on SMH site include; medical gas/air, medical vacuum, high voltage electricity, drinking water, hot water, chiller units for air handling, air flow for main theatres.)

- May 2019 Flood in of John Hampden Unit (JHU) building – examination of the foundation in JHU by the Estates team identified a flood under the building. Estates continue to monitor and manage this issue.

- EU Exit (Brexit) Planning – restarted in May 2019 when potential leave date was delayed to autumn 2019. Planning utilised significant team time throughout May and October 2019, as well as a large number of staff across the Trust providing support to the process.

- December 2019 New Wing Theatres Incident – wherein the laminar flow system failed and required rapid action to ensure patient safety was maintained while air was checked, and space repaired. Full debrief and learning followed with updates to escalation and business continuity planning as a result.

- February 2020 Theatres Incident Burst Pipe – this was resolved by overnight fixing.

- March 20/20 Critical Incident – declared due to critical demand and patient flow issues. Managed process (operationally and in communication with NHS England) and stood down in line with Trust *Major & Critical Incident Policy.*

- Covid19 (ongoing) – Trust moved to full Command and Control mid-February to proactively manage the incident. As Covid19 phases continue the Trust is undertaking active learning and planning, including novel business continuity plans required due to unique nature of the challenge. A discussion-based session (tabletop exercise) where team members met in an informal, classroom setting to discuss their roles during the emergency and their responses to the emergency situation was conducted (19th March 2020). A debrief with each key service/area on lessons and achievements was then conducted. This includes a wide-ranging review of risk logs and future planning needs.

The annual training and exercising programme was amended at the very end of the year due to Covid19, but was effectively delivered throughout the year, including but not limited to: training for hazardous materials incidents (including chemical incident response suits); major incident declarations and response management; Gold and Silver Commanders; loggists; and business continuity planning.

The Emergency Planning Team prepared and facilitated exercises for services within the Trust, and provided support to exercises provided by Thames Valley Local Resilience Forum and NHS England.

EU Exit

The UK left the EU on 31 January 2020. However, the transitional period will not end until the end of December 2020. Planning for Brexit formed part of the Trust's activity during 2019/20; with the Trust working in partnership with the Local Resilience Forum, Multi agency partners, NHS partners, suppliers and staff to ensure it would be able to continue to deliver high quality, safe care to its patients in any outcome.

Statement of Directors' Responsibilities in Respect of the Accounts

Each director knows of no information which would be relevant to the auditors for the purposes of their audit report, and of which the auditors are not aware, and; has taken "all the steps that he or she ought to have taken" to make himself/herself aware of any such information and to establish that the auditors are aware of it.

The directors are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of HM Treasury, directs that these accounts give a true and fair view of the state of affairs of the trust and of the income and expenditure, other items of comprehensive income and cash flows for the year. In preparing those accounts, the directors are required to:

- apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury
- make judgements and estimates which are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts and
- prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the accounts.

The directors 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 trust's performance, business model and strategy

By order of the Board

Date: 24th June 2020 Chief Executive

Mr. Neil Macdonald

Date 24th June

Mr. Barry Jenkins Finance Director

Statement of the Chief Executive's responsibilities as the Accountable Officer of the Trust

The Chief Executive of NHS Improvement, in exercise of powers conferred on the NHS Trust Development Authority, has designated that the Chief Executive should be the Accountable Officer of the Trust. The relevant responsibilities of Accountable Officers are set out in the *NHS Trust Accountable Officer Memorandum*. These include ensuring that:

- there are effective management systems in place to safeguard public funds and assets and assist in the implementation of corporate governance;
- value for money is achieved from the resources available to the Trust;
- the expenditure and income of the Trust has been applied to the purposes intended by Parliament and conform to the authorities which govern them;
- effective and sound financial management systems are in place; and
- annual statutory accounts are prepared in a format directed by the Secretary of State to give a true and fair view of the state of affairs as at the end of the financial year and the income and expenditure, other items of comprehensive income and cash flows for the year.

As far as I am aware, there is no relevant audit information of which the 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 my letter of appointment as an Accountable Officer.

Signed.....  ..... Chief Executive
Mr. Neil Macdonald

Date; 24th June 2020.

Annual governance statement (AGS) for 2019/20

I report to the Chair of the Trust and ensure appropriate systems exist to support the work of the Trust and Board. I manage and lead the executive team who have clear accountabilities and annual objectives which are drawn from the Trust's strategy. In preparing this statement I have ensured that it meets the requirements of the model annual governance statement.

1. 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 Buckinghamshire Healthcare NHS 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 Buckinghamshire Healthcare NHS Trust for the year ended 31 March 2020 and up to the date of approval of the annual report and accounts.

2. Capacity to handle risk

The Trust has a Policy, endorsed by the Trust Board of Directors. The Board of Directors recognise that risk management is an integral part of good management practice and to be most effective is embedded in the Trust's culture. This recognition is embodied in the Risk Policy which documents the Board's risk appetite applied across the Trust. The policy describes how the risk management process is applied across the Trust and how oversight of the Trust's key risks are assigned to an executive lead.

A number of specific risk- related roles are also held by the Trust Board of Directors and its committees, as follows:

3.1 Trust Board

The Board of Directors receives details of significant risks through regular Board reports. The finance report records all key financial risks, the performance reports record all key operational risks and performance against key clinical quality outcomes.

The Board actively encourages well-managed and defined risk management, acknowledging that service development, innovation and improvements in quality require risk taking. This position is supported by the expectation that there is a demonstrated capability to anticipate and manage the relevant risks well. This approach is defined by the Board's risk appetite which was recently reviewed in February 2020.

3.2 Board Committees

The Audit Committee has overall responsibility for ensuring effective risk management across the Trust. The Audit Committee receives the Board Assurance Framework (BAF) and Corporate Risk Register (CRR) at every meeting. The Committee also receives an annual Internal Audit review report of the BAF and CRR. It is through these key processes the Committee is able to provide the Board with assurance on the robustness of the Trust's application its risk management processes.

The other key Board Committees of Finance and Business Performance, Quality and Clinical Governance Committee and the Strategic Workforce Committee regularly receive and consider the strength of assurance reflected within the risk management system and the actions being taken to manage risks.

3.3 Non-Executive Directors

All Committees are chaired by a nominated Non-Executive Director. The Audit Committee which has a pivotal role in providing assurance over the risk management processes of the Trust has a membership of only Non-Executive Directors. Through the Non-Executive chairs and the Audit Committee membership they all have a responsibility to challenge robustly the effective management of risk and to seek reasonable assurance of adequate control.

3.4 Executive Directors

Each Executive Director is responsible for a portfolio of services and has governance mechanisms in place for the delivery and risk management of that service.

3.4.1 Chief Nurse

The Chief Nurse is accountable for the development of strategic clinical risk and for ensuring there is a robust system in place for monitoring compliance with the Care Quality Commission standards.

The Chief Nurse and the Patient Safety Officer are also responsible for managing patient safety, complaints, patient information and medical legal matters.

3.4.2 Director of Finance

The Director of Finance oversees the adoption and operation of the Trust's Standing Financial Instructions including the rules relating to budgetary control, procurement, banking, losses and controls over income and expenditure transactions, and is the lead for counter fraud.
The Director of Finance who attends the Audit Committee, but is not a member, liaises with internal audit, external audit and counter fraud services, who undertake programmes of audit with a risk based approach.

3.4.3 Medical Director

The Medical Director is the Director of Infection Prevention and Control and the Responsible Officer (for Medical Revalidation).

3.4.4 Chief Operating Officer

The Chief Operating Officer is the Accountable Planning Emergency Officer for Emergency Preparedness, Resilience & Response (EPRR).

3.4.5 Director of Strategy and Business Performance

The Director of Strategy and Business performance is the Senior Information Risk Owner (SIRO).

3.4.6 Director for Workforce and Organisational Development

The Director for Workforce and Organisational Development is accountable for the strategic management of the Trust's Workforce Strategy, Equality and Diversity compliance and employment processes.

3.4.7 Commercial Director

The Commercial Director has delegated responsibility for the management of health and safety compliance and risk management.

3.4.8 Director for Governance

The Director for Governance leads on the process for the strategic development and implementation of organisational risk management, communicating and escalating risk throughout the Trust, including recording the controls in place to manage risk and reporting on actions being taken to reduce risk to a reasonable level.

The Director for Governance chairs the Risk and Compliance Monitoring Group which provides

detailed oversight of the operational risks on behalf of the Executive Management Committee.

3.5 The Executive Management Committee
The Executive Management Committee reviews the Board Assurance Framework and Corporate Risk Register bi-monthly. The Committee is responsible for challenging the effectiveness of operational risk management, moderating risks to ensure consistency and ensuring adequate controls are in place.

Additional advice on good practice can be obtained from a range of in house professional and specialist staff. Certain types of risk are also addressed via the engagement of external expertise. For example, the risk of fraud is managed and deterred via the appointment of an external Local Counter Fraud Specialist.

3.6 Risk management training and learning
The Director for Governance facilitates risk management training for the Board on an annual basis.

Staff training is based on the risk guidance and risk matrix originally designed and published by the National Patient Safety Agency.

The Trust's mandatory induction and ongoing training programme for all staff reflects the need for staff to have a sound basis in managing risks relating to Information Governance, Infection Prevention and Control, Fire Safety, Safeguarding Children and Vulnerable Adults, Health and Safety and Moving and Handling. Non-mandatory training is also available to staff on a wide range of issues relating to risk management, both general (e.g. risk assessment) and in response to specific risks (e.g. falls prevention).

The Trust has an embedded learning culture through the work on excellence reporting which highlights key episodes of excellent work achieved by staff, the implementation of national clinical standards, the delivery of improvements from local and national clinical audits, the Medical Examiner review of deaths process, and the focus on learning from all untoward incidents.

4. The risk and control framework

The Board of Directors have established a corporate governance framework structure designed to ensure appropriate oversight and scrutiny and to ensure good governance practice is followed. Using this framework, the Board reviews the effectiveness of the system of internal control which ensures there is a clear view of the range and scale of risks facing the Trust. This is particularly evident through an agenda item at the end of each Board and Committee meeting where the Director for Governance is asked to sum up the key risks emerging from the business of the meeting and the actions required.

As part of its governance framework the Board approves Risk Management Policy which ensures the Trust approaches the control of risk in a strategic and organised manner. The policy describes the corporate and individual accountability for managing risk, the risk management process, the approach to training and how the success of the strategy will be monitored.

The Risk Management Policy applies to all staff employed by Buckinghamshire Healthcare NHS Trust as well as temporary, agency and contracted staff and stresses the need to involve public stakeholders, as appropriate, in the risk management process.

Risk is identified, evaluated and controlled as described in the Trust's Risk Management Policy. The risk evaluation and treatment model is based on a grading matrix of likelihood and

consequence. This produces a risk score to enable the risk to be prioritised against other risks. The risk appetite is the level of risk the Trust will accept for a particular type of risk. When a risk is assessed the uncontrolled risk score is determined, along with a target risk score, which indicates the risk rating that would be considered as satisfactory. This target risk score should be set as high as can be tolerated, and constitutes the risk appetite for that risk. Depending on the score, the risk is addressed locally by the Service Delivery Unit or Division within its resources or it is escalated for inclusion on the Trust's CRR.

Risk Management is embedded in the activity of the organisation through:

- A clear accountability framework for managing risk from the Accountable Officer downwards as set out in the Risk Policy;
- The structure of the Board sub-committees;
- The Board Assurance Framework and the Corporate Risk Register.
- The Trust's risk management process takes into consideration the need to manage all types of risk as relevant to key stakeholders
- Regular group or one-to-one risk training
- The provision of competent, support and guidance from key subject matter experts.
- The Corporate Risk Register is taken from the Trust's divisional risk registers and is reviewed by the Executive Management Committee and presented to the Board meeting held in public.

The Trust has an established Board Assurance Framework (BAF) through which the Board is provided with a mechanism for satisfying itself that its responsibilities are being discharged effectively; and informs the Board where the delivery of strategic objectives are at risk due to gaps in control and/or assurance.

Documented in the BAF are the levels of unmitigated risk, the controls put in place to minimise principal risks, and the residual risk. The BAF also seeks to give assurances that these controls are effective. Many of these controls are already well established in systems of working which reduce the likelihood of risks being realised.

Where gaps in control or assurance are identified, action plans with specific deadlines are developed and put into place. The BAF ensures that appropriate internal and external assurances are in place in relation to the management of all high-risk areas.
Each year, as part of the assurance process underpinning the BAF and its governance framework the Trust conducts a self-assessment of compliance with legislation. This process is used to underpin the declaration in the Annual Governance Statement.

4.1. Quality governance arrangements and compliance with Care Quality Commission registration requirements

The Trust's Quality Governance arrangements are managed via the Trust's Quality and Clinical Governance Committee (and its sub-committees) and via a number of associated systems and processes. A structured programme of clinical service review (deep dive) presentations have been followed throughout the year providing assurance from ward to Board. The Quality and Clinical Governance Committee uses this opportunity to seek and obtain assurance on the effectiveness of the Trust's structures, systems and processes.

Clinical audit is supported by a central team, and the Quality and Clinical Governance Committee has received assurance on the design and delivery of the clinical audit programme through a range of clinical audit outcomes. The Committee has continued to challenge the organisation to provide greater assurance on closing the loop on identified audit actions.
The investigation of, and learning from, incidents are predominantly managed within Divisions and discussed at divisional and specialist clinical governance meetings.

Serious Incidents (SIs) are discussed and monitored at a corporate level via Executive led internal Serious Incident approval panels (SE Group) which also has Clinical Commissioning Group (CCG) oversight.

To support learning there is a Serious Incident Learning Forum based on thematic analysis of incidents such as patient falls. In addition further learning from serious events is widely shared at Academic Half Days. The Trust Board also receive Serious Incident Reports at every meeting.

Complaints are managed by the central complaints team in partnership with the relevant Divisions. The rate of new complaints and percentage of complaints responded to within target are monitored regularly at the Trust Board meetings.

The quality of performance information is primarily assessed via the Internal Audit programme. In 2019/20, a "Data Quality of Key Performance Indicators" (4 Hour A&E Waiting Time and the Referral to Treatment (RTT) Target Performance Metrics) was undertaken and the review gave an overall assessment of "Reasonable Assurance".

Compliance with CQC registration requirements is ultimately assessed via inspections by the CQC, and the Trust was subject to such an inspections in the early part of 2019,(which resulted in an overall assessment of "Good"). Quarterly engagement meetings have taken place with the CQC during 2019/20. Although these engagement meetings do not affect the Trust's formal assessment rating, the CQC have provided positive feedback on the areas that have been visited during these meetings.

The Trust also however monitors compliance with CQC registration requirements itself, primarily through a programme of in-house assurance visits/inspections. Such inspections, which are managed by the Clinical Governance and Corporate Nursing teams, also include patient representatives. The outcomes of the inspections are reported to the Trust's Quality and Clinical Governance Committee, and areas for improvement are identified and acted upon.

In 2019/20 an audit of the Care Quality Commission (CQC) compliance around the effectiveness of controls in place to ensure compliance with the Care Quality Commission Fundamental Standards was undertaken and the review gave an overall assessment of "Reasonable Assurance".

4.2 Data security risks

Risks to data security are managed and controlled via a range of methods, and the Trust undertakes an assessment against the ten data and cyber security standards that were published jointly by the Department of Health and Social Care, NHS England and NHS Improvement (NHSI) in January 2018 (which were based on the standards recommended by the National Data Guardian, and confirmed by HM Government in July 2017).

That assessment is completed via the Data Security Protection Toolkit and the Trust Board approved the submission against the latest assessment in March 2020 indicating a self-assessment of "standards fully met".

The Trust is also moving ahead with the work required to achieve the Cyber Essentials Plus Accreditation, which is a government-backed, industry-supported scheme designed to help organisations protect themselves against common on-line threats. It is mandatory that all NHS organisations are Cyber Essentials Plus accredited by 2021 and the Trust intends to complete the accreditation by the summer of 2020.

4.3 Trust's major risks

In May 2019, following the development of the Trust corporate objectives for the next two years,

the Board Assurance Framework (BAF) was completely refreshed to reflect the new objectives and the potential risk to their achievement. Key Objectives for 2019/20:

- Continue to improve our culture
- Implement new workforce models
- Tackle inequalities and variation

The main risks to the achievement of these key objectives (i.e. the issues that could prevent the objectives being achieved) are described within the BAF, and the Trust Board received formal update reports on the performance of each objective, and the management of risks to non-achievement. A year-end BAF report regarding the achievement of the objectives is scheduled to be received by the Trust Board in May 2020.

In addition a number of key high rated risks were identified and these are reviewed and validated at Executive Management Team meetings each month. This includes the following key risks to the Trust objectives:

- Risk around the delivery of the Financial Recovery Plan.

Key actions are in place to promote efficiency and effectiveness; to closely monitor financial delivery at all levels of the organisation; and a framework of controls is in place. The limited availability of capital resource is creating risk around medical equipment replacement, maintenance of the environment, and ability to move forward with improvements in information technology. The Finance and Business Performance Committee monitors the assurance relating to this risk.

- Risk to delivery of corporate objectives relating to the implementation of new workforce models if we do not have the right number of staff with the right skills and talent.

To address this risk there is a comprehensive recruitment and retention plan in place to attract new staff and keep existing staff. In addition a review of the required skill mix of staff and new models of care is underway to support innovation. Safe staffing is managed on a day to day basis and the Trust utilises temporary staff from bank and agency when necessary. The Trust has consistently met the NHSI targets for control of agency spend.
Over-reliance on temporary staff has a quality and cost implication for the Trust. The Strategic Workforce Committee and the Quality and Clinical Governance Committee monitor the assurance relating to this risk.

- Risk to patient experience due to pressures on the urgent care pathway.

The mitigations to this risk and other risks around delivery of NHS Constitution standard are set out in the exception reports for the Integrated Performance Report. The Quality and Clinical Governance Committee monitors the assurance relating to this risk.

- Risk to delivery of corporate objectives relating to poor infrastructure of the trust Information Technology (IT) provisions.

To address this risk there is a comprehensive IT strategy in place. Funding is being sought and obtained through the HSLI process. This has provided the trust with new laptops and desk top computer and software updates in preparation for the Windows 10 deployment. The Finance and Business Performance Committee monitors the assurance relating to this risk.

- Risk to the delivery of patient and staff experience due to poor estates infrastructure.

To address this risk the Trust has developed an estates strategy and five year capital plan to

provide suitable high quality premises and services. The Trust has presented the estate strategy to NHS improvement as part of the bidding process for additional capital funding in 2020/21. The Finance and Business Performance Committee monitors the assurance relating to this risk.

With the emergence of Covid-19, there has been additional significant risk experienced by the Trust which has impacted on the achievement of key objectives. Though its risk management processes the Trust has assessed managed and monitored the impact of Covid-19 ensuring oversight and reporting of these issues continues through its governance structure to the Board.

4.4 Are the Trust's services Well Led

The Trust is currently rated as Requires Improvement by the CQC/NHSI for the Well Led and Use of Resources domain. Key findings from the Ernst Young (EY) Well Led assessment in 2018/19 indicated the membership of the Board committees and information received at the Board and Board committees could be improved; the Trust's strategies needed to be completed or refreshed; and the level of information provided to the Board on the Integrated Care System could be improved. An action plan to address these issues has been completed throughout 2019/20. An in-house Well-Led assessment is intended to be undertaken during 2020/21.

4.5 Compliance with the Provider Licence condition 4

Although NHS trusts are exempt from needing the Monitor NHS provider licence, directions from the Secretary of State require NHS Improvement to ensure that NHS trusts comply with conditions equivalent to the licence as it deems appropriate.

In May 2019, the Trust Board completed the required self-certification (for 2019/20) that the Trust could meet the obligations set out in the NHS Provider Licence (which itself includes requirements to comply with the National Health Service Act 2006, the Health and Social Care Act 2008, the Health Act 2009 and the Health and Social Care Act 2012, and to have regard to the NHS Constitution); and that it complied with governance requirements (condition FT4(8)). These are:

- There are effective and robust governance structures in place;
- There are clear responsibilities of Directors and Board Sub-committees;
- All of the Trust directors meet the requirements of the Fit and Proper Persons test.
- There are clear and robust reporting lines and accountabilities between the Board, sub-committees and the Executive Team;
- The Trust submits timely and accurate information to assess risks to ensure compliance with the conditions of the licence and
- The Board has consistent and systematic oversight of the Trust's performance through its governance and accountability framework.

The Trust Board also confirmed full compliance, on the basis of the content of the Trust's Annual Report, and Governance Statement for 2018/19.

The Trust Board will be asked to undertake the required self-certification for 2019/20 at its meeting in May 2020, and due to the financial measures and undertakings imposed by NHS Improvement the Trust has not be able to confirm full compliance.

4.6 The key ways in which risk management is embedded in the activity of the organisation

As noted earlier in this Statement, risks are identified, analysed and controlled in accordance with the Trust's Risk Management Policy and Procedure, and a range of supporting systems and processes are in place to embed risk management activity.
For example:

- The Trust's mandatory induction and ongoing training programme for all staff reflects the need for staff to have a sound basis in managing risks relating to Information. Governance, Infection Prevention and Control, Fire Safety, Safeguarding Children and Vulnerable Adults, Health and Safety and Manual Handling.
- Incident reporting is openly encouraged across the Trust, and lessons learned from incident investigations are disseminated, discussed and promoted.
- Emergency preparedness systems are in place to ensure the Trust is able to respond, take action to control and mitigate risks at SDU, Divisional and organisational levels.
- Risk is regularly discussed at a wide range of forums, including the Trust Board and its sub-committees (which set the tone for discussions at Divisional, and departmental-levels forums).
- Within each clinical division there are management teams in Service Delivery Units (SDU) supported by clinical governance leads managing the risk in accordance with the Trust's Risk Management Policy and Procedure.
- Risk management is incorporated into the Trust's planning arrangements and Quality Impact Assessment (QIA) process, which is overseen by the Medical Director and Chief Nurse.

4.7 Workforce Strategies and staffing systems

The Trust complies with the "Developing Workforce Safeguards" recommendations via the following methods:

- A bi-annual review of safe staffing levels is led by the Chief Nurse. The reviews follow the National Quality Board's 2016 guidance and cover the necessary three components: evidence-based tools, professional judgement and quality outcomes.
- The Trust has an effective workforce productivity programme and plan which is submitted to NHSI along with the annual financial and activity plans. The Trust Board discusses all of these plans before submission and specifically considered issues arising from the workforce plan at the July 2019 Trust Board meeting
- All service changes including those related to skill mix and the introduction of new roles are subject to a Quality Impact Assessment (QIA) process led by the Medical Director and Chief Nurse
- The Trust Board reviews all workforce metrics on a bi-monthly basis and does so as part of its wider review of quality, safety, performance and finance metrics, to ensure that workforce challenges and risks are understood as part of the wider context of service delivery.
- Where there are critical service risks in relation to staffing and the safe delivery of care these, along with their associated mitigations are escalated to the Trust Board and external regulators as required.
- The Trust has a range of mechanisms in place for staff to raise concerns which includes accessing the Freedom To Speak Up Guardian or by contacting the named Non-Executive Director for Whistleblowing.

During COVID-19 the Trust through its emergency response processes, reviewed workforce priorities using its workforce safeguarding processes to ensure staff health and wellbeing was supported and monitored. The Trust is mindful, of the impact these changes will have at the recovery stage on individuals, and will be increasing the range of support in place throughout 2020.

4.8 Obligations under Equality, Diversity and Human Rights Legislation

The Trust's Public Sector Equality Duty publication is available on the Trust website and control measures are in place to ensure the Trust meets and complies with all its obligations under the equality, diversity and human rights legislation.

During 2019/20 the Board has supported the creation of four staff networks: Black, Asian, Minority Ethnic (BAME), Disability, LGBTQ+ (Lesbian, Gay, Bisexual, Transgender, Queer) and

Spirituality. The BAME network has grown quickly and now has over 100 members. It is leading work across the organisation to improve the experiences of BAME staff, including a reciprocal mentoring scheme involving senior staff and members of the BAME network.
The other networks are in earlier stages of development.

4.9 Compliance with Care Quality Commission registration requirements
The Trust is fully compliant with the registration requirements of the Care Quality Commission. In 2019/20 the Trust was awarded an overall rating of "Good" by the Care Quality Commission (CQC) and 'Outstanding' for Caring'.

4.10 Register of Interests
The Trust has an established "Declaration of Interest (including gifts, hospitality, sponsorship and interests) policy and procedure" and meets the requirements set out in NHS England's "Managing Conflicts of Interest in the NHS" guidance. The Trust has published on its website an up to date Register of Interests for decision making staff.

4.11 NHS Pension Scheme
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.

4.12 Climate Change Act requirements
The Trust has undertaken risk assessments and is developing a sustainable development management plan 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.

5. Review of economy, efficiency and effectiveness of the use of resources
The Trust faced another challenging year financially ending with a deficit of £30.8m in 2019/20. In May 2019, due to concerns about financial governance, NHS Improvement (NHSI) moved the Trust from Segment 2 to Segment 3 under the Single Oversight Framework; in response to this change, a series of "Undertakings" meetings to assist the Trust in improving its financial position were established. The Trust has continued to receive significant support from NHSI to improve the gap in compliance with its licence.

The Trust has sought to address these challenges with the development of a Financial Recovery Plan (FRP) and enhanced governance arrangements, both of which are now embedded in the Trust financial management processes. This has led to the successful delivery of a Cost Improvement Programme for 2019/20 which achieved £15.35m against a plan of £15m and an improved overall position in 2019/20.

PricewaterhouseCoopers was also employed to review key areas of financial delivery across the organisation. The recommendations from this review forms part of the Trust's plan to transform services so that it can meet the changing needs of the Trust's commercial, service line management, block contract and overall financial control mechanisms.

The range of processes applied to ensure that the Trust's resources continue to be used economically, efficiently and effectively is overseen by the Trust Board, Finance and Business Performance Committee and Audit Committee, although the Strategic Workforce Committee, Quality and Clinical Governance Committee have both participated in this oversight during 2019/20.

6. Information Governance
Information Governance is a framework for managing information, particularly personal information of patients and employees. The framework should ensure that personal information is dealt with legally, securely, effectively and efficiently. The Department of Health provides the standards and the Trust's compliance is measured according to indicators in the Data Security Protection Toolkit. The Trust submitted its assessment in March 2020 and all mandatory standards have been met.

The Information Governance team supports the investigation of all instances of alleged data breaches that are identified and referred and any serious notifiable incidents are reported up to the Information Commissioner's Office via the Data Security & Protection Toolkit. As in previous years the majority of incidents recorded do not fall under the category of 'serious incidents' and the overwhelming common theme are unintentional human error and communication failures.

For the period 2019/20 there were two serious incidents which were notified to the Information Commissioner's Office. These involved the theft of patient notes from a doctor's vehicle and inappropriate access to a patient record by a member of staff. The Police were notified on each occasion and the decision of the Information Commissioner's Office was that no further action was required for either incident.

7. Data quality and governance
The following processes are also in place to assure the quality and accuracy of elective waiting time data (and to manage the risks to such quality and accuracy):

The Trust has an "Elective Care Access Policy and Procedure", which encompasses Standard Operational Procedures for waiting list management at all stages of a referral to treatment pathway. The Policy also states the responsibilities of key staff, including those for auditing data quality.

The Trust also has a "Data Quality Policy and Procedure", which describes the Trust's general approach to data quality, including the role of the Data Quality Group.
There is a weekly validation process involving operational, management and information leads, to assure the quality of local and national waiting times including the Referral to Treatment 18 week pathway (RTT) reporting/data is up to date and correct.

There is a regular checking process in place for RTT patients, who have been removed from the waiting list, following a non-patient interaction (validation). This is to assure data quality and pinpoint opportunities to focus on improvements or training that will provide continued alignment with the Access policy.

For cancer, patient level information is reviewed daily as part of multi-disciplinary team meetings and tracing processes to support patient pathway management. A similar process to the RTT is used to manage waiting lists and patients on the cancer pathways.

With the emergence of Covid-19, the Trust reviewed it's reporting requirements in the light of guidance received from NHSE/I. The Trust has adapted its work processes to meet the changes and provides assurance that patient care and treatment requirements are being monitored and actioned appropriately.

These areas will continue to be monitored through the Quality and Clinical Governance Committee and escalated to the Board as appropriate.

7.1 Data Accuracy
Compliance with the above policies and processes is audited annually by Internal Audit, as part

of a “Data Quality of Key Performance Indicators Review. The latest (2019/20) review aimed to provide assurance that, for a sample of Key Performance Indicators (KPIs) reported to the Trust Board, the systems and data relied on to produce the figures were robust. The outcome of the review indicated the Trust performance against the criteria is accurate and, completed in a timely manner.

The KPIs reviewed were the 4 Hours Accident and Emergency waiting time metrics and 18 week Referral to Treatment (RTT) target performance metrics. The review led to an overall assessment of “Reasonable Assurance” (with the same conclusion being allocated to each indicator), and although some areas for improvement were identified, the overall conclusion included the comments that “the Board can take reasonable assurance that the controls upon which the organisation relies to manage this area are suitably designed, consistently applied.”

With the emergence of Covid-19, the Trust continues to monitor the quality and accuracy of all of its data metrics and report key performance metrics through daily Covid-19 incident Gold meetings. This information is then reported at the Board sub-committees and the Board through Trust’s governance processes.

8. 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 the NHS Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the information provided in 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, the audit committee and risk/ clinical governance/ quality committee, if appropriate and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Head of Internal Audit Opinion for 2019/20 states that “the organisation has an adequate and effective framework for risk management, governance and control. However, our work has identified further enhancements to the framework are risk management, governance and internal control to ensure that it remains adequate and effective”.

The last sentence of the Opinion reflects the fact that seven partial assurance reports undertaken by Internal Audit in 2019/20 (those relating to “Clinical Outcomes”; “Risk Management Processes”; “Health and Safety Governance Arrangements”; “Procurement”; “Payroll”; IT Governance (draft) and “Divisional Financial Management and Cost Improvement Plans”) have been issued where action is needed to strengthen the control framework to manage the identified risks. As is the case with all reviews with such a conclusion, the details have been considered at the Audit Committee and actions to address the weaknesses identified in controls are discussed and their implementation is monitored as part of the routine reports that Internal Audit submit to that Committee.

The Audit Committee approves the Internal Audit plan for the year and receives details of the findings from each of the Internal Audit reviews that are undertaken. Summary reports of relevant Internal Audit reviews are also submitted to the EMC during the year. Although a number of the Internal Audit reviews completed in 2019/20 resulted in an overall ‘Reasonable assurance’ assessment, a number also led to an assessment of ‘partial assurance’. These latter reviews have been considered at the Executive Management Team Meeting (in full) and the Audit Committee, and actions to address the weaknesses identified in controls have been taken (or will be taken during 2020/21).

8.1 The role of the Trust Board in maintaining and reviewing the effectiveness of the system of internal control

The Trust Board meets in public every alternate month. The agenda for Board meetings is mainly focused around the key aspects of operational performance; quality; financial planning and strategy; assurance and policy; and reports from its sub-committees. A separate private meeting is held on the same day as the meeting held in public, to consider confidential matters, in accordance with the Public Bodies (Admission to Meetings) Act 1960. A 12-month rolling forward programme of agenda items is actively managed to ensure the Board receives the information, and considers the matters it requires to perform its duties efficiently and effectively.

A principal of the information the Board receives at each meeting in public is an Integrated Performance Report, which contains up-to-date details of performance across a range of indicators, including those within NHSI's Single Oversight Framework for NHS providers. Board meetings also have "patient experience" items, which provide invaluable first-hand experience of being a patient of, and working at, the Trust.

Governance during COVID-19

During the COVID-19 pandemic, the Trust under the Civil Contingencies Act (2004) as a Category One responder, exercised its duties and standards in order to meet organisational needs. However, even in times where sustained business continuity plans are required to be used the Trust is still required to be properly governed. The Trust Standing Orders provide a framework for the action to be taken during a time when it may be necessary to undertake a temporary derogation of Standing Orders if required.

Therefore, in keeping with its Standing Orders and advice received from NHSE/I the Trust Board took timely and effective steps to meet rapid decision making requirements through its approval of the derogation of Standing Orders and use of 'emergency powers' at the Board meeting in March 2020. In addition, a standard operating procedure was implemented to ensure the maintenance of financial control and stewardship of public funds during the Trust's response to COVID-19.

In accordance with standard emergency response criteria the Trust established daily incident management meetings of Bronze, Silver, and Gold that allow for rapid escalation of issues through the organisation. Gold meetings are the executive level decision making group. On a weekly basis the Accountable Officer provided a summary of information to the Non-Executive Directors on organisational activity and decisions made at Gold meetings. The Board Committees and the Board also received monthly updates. Where an urgent decision was required, the Board used the process of emergency powers and its standard operating procedure for financial control.

The Trust continued to monitor all services and organisational performance to ensure continuity of business. Adaption was made to services and workforce provision to ensure key services were maintained. Key performance indicators on quality, safety and financial expenditure were maintained and reported as outlined above.

Workforce changes were made, including redeploying clinical staff to new areas and adopting home working where possible for areas such as corporate and back office services. Where staff were redeployed to different or new areas, training and information were provided and updated if required.

To meet the demand for home working the Trust rapidly implemented a new and improved IT infrastructure system providing remote computer access and the ability to hold virtual patient consultations and team meetings.

Other business continuity issues such as the increased demand for intensive care areas and

the increased use of oxygen have been met through the adaption of ward areas and the improvement in medical gas infrastructure.

Changes to Board Personnel in 2019/20
In 2019/20, the following changes in personnel occurred within the Trust Board:

Name	Role	Joined	Left
Mary Lovegrove	Non-Executive Director	-	April 2019
Nicola Gilham	Non-Executive Director	August 2019	-
Karol Sikora	Associate Non-Executive Director	November 2019	-
Rebecca Medlock	Board Affiliate	February 2020	-
Caroline Trevena	Interim Director of Finance	-	April 2019
Wayne Preston	Interim Director of Finance	April 2019	August 2019
Barry Jenkins	Director of Finance	August 2019	-
Natalie Fox	Interim Chief Operating Officer	-	June 2019
David Williams	Interim Chief Operating Officer*	July 2019	September 2019
Dan Gibbs	Chief Operating Officer	September 2019	-
Carolyn Morrice	Chief Nurse	-	October 2019
Jennifer Ricketts	Interim Chief Nurse	October 2019	March 2020
Karen Bonner	Chief Nurse	March 2020	-

**David Williams also kept his role of Director of Strategy & Business Development during this period*

8.2 The Role of the Trust Board Sub-Committees
The Trust Board operates with the following sub-committees (which are listed alphabetically below).

The Audit Committee: This supports the Trust Board by critically reviewing the governance and assurance processes on which the Board places reliance. This therefore incorporates reviewing Governance, Risk Management and Internal Control (including the BAF); oversight of the Internal and External Audit, and Counter Fraud functions. The Committee also undertakes detailed review of the Trust's Annual Report and Accounts in accordance with Schedule 4, Paragraph 1 of the Local Audit and Accountability Act 2014. The Committee is chaired by a Non-Executive Director, and meets five times each year (including a specific meeting to review the Annual Report and Accounts prior to the Trust Board being asked to approve these). Four other Non-Executives Directors are members.

The Charitable Funds Committee: This aims to ensure that the Buckinghamshire Healthcare NHS Trust Charitable Fund is managed efficiently and effectively in accordance with the directions of the Charity Commission, relevant NHS legislation and the wishes of donors, which includes reviewing, and agreeing the Charitable Fund Annual Report and financial accounts, for approval by the Trust Board. The Committee is chaired by a Non-Executive Director.

The Finance and Business Performance Committee: The purpose of the Finance and Business Performance Committee is to provide the Board with assurance concerning all aspects of finance and operational performance relating to the provision of care and services in support of getting the best clinical outcomes and experience for patients. On behalf of the Trust Board, the Finance and Business Performance Committee oversees all aspects of the financial arrangements of the Trust. It provides the Trust Board with assurance that the financial issues of the Trust are being appropriately addressed, and provides the Board with information and

advice on key issues. The Committee also has oversight of the Trust's performance management framework and, as required, focuses on specific issues where the Trust's performance is deteriorating or there are matters of concern. The Trust maintains a Commercial Committee which reports into the Finance and Business Performance Committee.

The Quality and Clinical Governance Committee: The Committee is chaired by a Non-Executive Director and meets monthly. The Committee provides the Board with assurance concerning all aspects of quality relating to the provision of care and services in support of getting the best clinical outcomes, ensuring safety, and providing the best experience for patients. It assures the Board directly and through consultation with the Audit Committee that the structures, systems and processes are in place and functioning to support an environment for the provision and delivery of excellent quality health services. It also assures the Board that where risks and issues exist that may jeopardise the Trust's ability to deliver excellent quality healthcare, these are being managed in a controlled and timely way.

The Nomination and Remuneration Committee: This reviews, on behalf of the Trust Board, the appointment of Executive Directors and other staff appointed on Very Senior Manager (VSM) contracts, to ensure such appointments have been undertaken in accordance with Trust Policies. It also reviews the remuneration, allowances and terms of service of such staff; reviews (with the Chief Executive), the performance of Executive Directors and other staff appointed on VSM contracts; oversees appropriate contractual arrangements for such staff (including the proper calculation and scrutiny of termination payments, taking account of such national guidance, as appropriate); and considers and approves, on behalf of the Trust Board, proposals on issues which represent significant change. The Committee is chaired by the Chair of the Trust Board, and meets on an ad-hoc basis.

The Strategic Workforce Committee: The Committee is chaired by a Non-Executive Director and meets every 2 months. The Committee aims to provide assurance to the Board in the areas of workforce development, planning, performance and employee engagement; and assure the Board that the Trust has the necessary strategies, policies and procedures in place to ensure a high performing and motivated workforce that is supporting business success. The Committee receives assurance around Health and Safety processes and compliance. The committee also receives the Trust Freedom to Speak up Guardian (FTSUG) reports setting out activity, learning and resulting actions.

The Executive Management Committee: Although not a Board sub-committee, the Executive Management Committee (EMC) meeting enables key clinical and managerial issues to be discussed, debated, developed, scrutinised, monitored and agreed and/or approved. The EMC meets every week, is chaired by the Chief Executive and its membership comprises all members of the Executive Team. The Divisional Management Triumvirate attends once a month. The EMC is authorised to make decisions on any matter that is not reserved for the Trust Board or its sub-committees, and the key issues considered are reported to the Trust Board as part of the monthly report from the Chief Executive.

In addition to the above committees, there are a range of other forums, structures and processes in place to oversee and manage any issues relevant to particular aspects of risk and governance. In this respect, the Trust has, for example, an Infection Prevention and Control Committee; a Health and Safety Committee; a Risk and Compliance Committee; a Medicines Management Committee; an Information Governance Committee; a Commercial Committee; Organ and Tissue Donation Committee and Safeguarding Adults and Children Committee.

Following the emergence of COVID-19 guidance was issued to all NHS organisations on the management and governance of meetings during the pandemic. The Trust took the following actions:

Board and Board Committee meetings

Meetings have been rescheduled to be held virtually using a range of software options. At the same time Board and Board Committee agendas were reviewed and streamlined to reduce the burden and release the capacity of the organisation in managing the pandemic.

Under normal circumstances there is a statutory requirement to hold a Board meeting in public and it has been recognised the Government social isolation requirements constitute 'special reasons' to avoid face to face gatherings as permitted by legislation. Therefore the Trust did not hold meetings in public in March 2020.

9. Significant Internal Control Issues

The following significant internal control issues have been identified in 2019/20:

1. In May 2019, due to concerns about financial governance, NHS Improvement moved the Trust from Segment 2 to Segment 3 under the Single Oversight Framework; in response to this change, a series of "Undertakings" meetings to assist the Trust in improving its financial position were established. The Trust has continued to receive significant support from NHSI throughout the year and has succeeded in meeting the financial requirements and achieving its revised financial plan. NHSE/I are in the process of reviewing the trust's compliance with the undertakings following the year end. However, this is currently on hold due to Covid-19.

2. Like the majority of providers demand for services in excess of available capacity drove non-compliance with respective performance against these standards with respective performance in A&E of 86.7% (against a target of 95%). RTT of 69.2% (against a target of 92%) and cancer of 71.2% (against a target of 85%).

3. One "Never Event" was declared at the Trust in 2019/20, which related to the retention of guidewire in a man who had an emergency femoral Central Venous Catheter (CVC) line successfully inserted while in Emergency Department Resuscitation room by an intensivist using a guidewire. The guidewire was not removed at the time of the insertion of the CVC which was not noticed for 24 hours in December 2019. The incident was subject to scrutiny to aim to ensure that lessons were learnt to prevent recurrence.

10. Conclusion

The significant internal control issues identified in 2019/20 are described above, and in the body of the Annual Governance Statement.

Signed:  Date: 24th June 2020

Neil Macdonald, Chief Executive

REMUNERATION AND STAFF REPORT

People report

We have a workforce of over 6,200 staff in a broad range of clinically registered professions and support roles and value everyone for the part they play in delivering high quality care to our patients.

Recognising great professionalism and care

Monthly CARE awards
The Trust monthly CARE awards recognise individuals and teams who go to extraordinary lengths to deliver the Trust's values. Members of staff can be nominated by the community they care for or by colleagues and peers, and awards are made in four categories that align with Trust values:

- Collaborate together as a team
- Aspire to be the best
- Respect everyone, valuing each person as an individual
- Enable people to take responsibility

Recipients of CARE awards are invited to a special ceremony at the start of each public board meeting to collect their award from the Chief Executive.

Annual CARE awards
Our annual staff awards recognise and celebrate the achievements and commitment of individuals and teams working for Buckinghamshire Healthcare NHS Trust. Award winners are staff, volunteers and contractors who demonstrate safe, compassionate care and who embody our values and behaviours; Collaborate, Aspire, Respect, Enable.

Excellence reporting
For many years now the Trust has utilised incident reporting as a way to learn from the errors that we manage during our working lives. However, we have recognised that learning from outstanding care and service is important, and the Trust introduced excellence reporting.

"Thank you" and "Well done" cards
Our Trust "Thank you" and "Well done" cards are available for everyone, particularly managers, to acknowledge good work as it is being delivered. They are also sent to everyone who is nominated, but not selected, for a monthly CARE award.

The premise for these cards is simple – if someone is 'going the extra mile', is clearly exemplifying our CARE values, just gets on and does their job quietly and effectively, or indeed if a staff member does something 'out of the ordinary', colleagues and managers are encouraged to use the supply of "Thank you" and "Well done" cards to acknowledge this promptly, writing a personal message and giving the card personally to the member of staff.

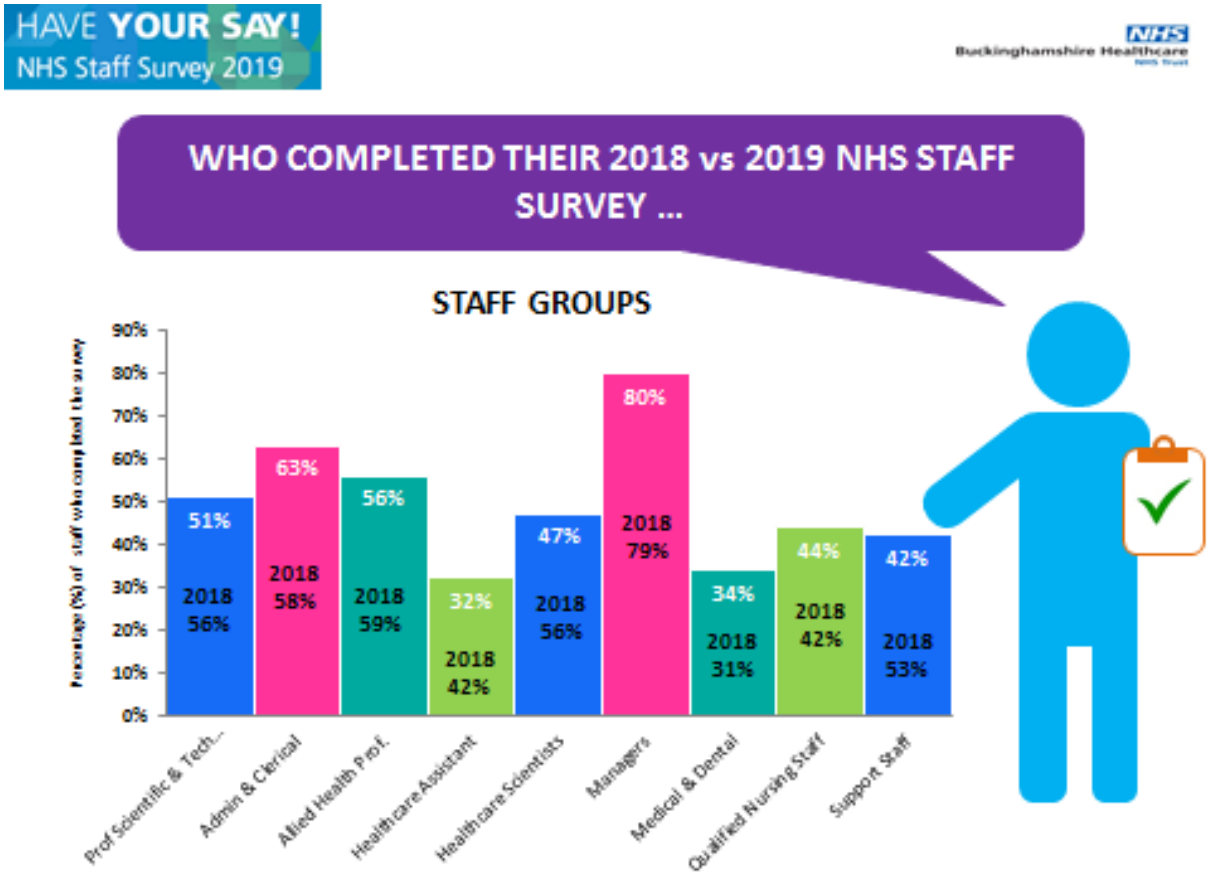
Social media
We have seen a growing use of social media over the past 12 months to share and celebrate the achievements of both individuals and teams; individuals across the organisation are using this platform to share their experiences, thank their colleagues and celebrate success.

Staff survey
The benchmarked report, which compares the Trust against the other 47 combined acute and community Trusts, was published on 18 February 2020. In the 2019 survey we surveyed all our

staff online, achieving a 48% response rate, above the median response rate of 46% for this benchmarking group, but lower than the response rate of 51% achieved in 2018.

Divisional and staff groups response rates
The Divisional responses rates were varied, with only corporate services and women's, children's and sexual health services achieving over 50% response rate, matching their 2018 response rates.

Division	2019 response rate	2018 response rate
Corporate Services	68%	68%
Integrated Elderly & Community Care	44%	56%
Integrated Medicine	39%	40%
Specialist Services	44%	45%
Surgery & Critical Care	44%	51%
Women's, Children's & Sexual Health Services	52%	52%



Key themes
Table 1 shows an overview of the 11 major themes summarised and compares the Trust's results with the best and worst Trusts in our benchmarking group and also identifies a new theme; team working. There were small shifts between the results from 2018 and 2019; none of the improvements or deteriorations were deemed statistically significant. In 2018, we achieved six themes above average and four were scored as average. For 2019, four themes scored above average, four scored average and three below average; namely Equality, Diversity and Inclusion, Quality of Care and Safety Culture.

Table 1 Summary of major themes

Table 2 below identifies those questions with the greatest level of deterioration compared to last year and these will be the areas of focus in 2020.

Table 2 Key questions with the greatest level of deterioration

Question	2019	2018	Change
Q7c I am able to deliver the care I aspire to (Responding strongly agree/agree)	68%	71%	– 3%
Q11c During the last 12 months have you felt unwell as a result of work related stress? (Responding yes)	39%	36%	– 3%
Q12d The last time you experienced physical violence at work did you or a colleague report it? (Responding yes)	64%	70%	– 6%
Q13d The last time you experienced bullying or harassment at work did you or a colleague report it? (Responding yes)	46%	51%	– 5%
Q14 Does your organisation act fairly with regard to career progression / promotion, regardless of ethnic background, gender, religion, sexual orientation, disability or age? (Responding yes)	85%	88%	– 3%
Q20 Have you had any training, learning or development in the last 12 months?	70%	74%	– 4%

Q28a Do you have any physical or mental health conditions, disabilities or illnesses that have lasted or are expected to last for 12 months or more? (16% of staff responded Yes) Q28b Has your employer made adequate adjustment(s) to enable you to carry out your work? (Responded Yes)	75%	80%	– 5%

2018 Priority Areas – did they improve?
The three priority areas identified from the 2018 staff survey are set out in Table 3 below; in each of these there is deterioration (albeit not statistically significant).

Table 3 Priority areas from 2018 Staff Survey Results

Priority areas from 2018 staff survey results	2019 Result	2018	Change
Q4f I have adequate materials, supplies and equipment to do my work. (Responding strongly agree/agree)	45%	47%	-2%
Q11c During the last 12 months have you felt unwell as a result of work related stress? (Responding yes)	39%	36%	– 3%
In the last 12 months how many times have you personally experienced harassment, bullying or abuse at work from…? Managers Colleagues (Responding Yes between 1 and more than 10 times)	 12% 17%	 10% 16%	 -2% -1

However, as shown in Table 4, there were a number of questions that saw some improvement across the c90 questions asked and the following are notable.

Table 4 Areas of Improvement

Question	2019	2018	Change
Q4h The team I work in has a set of shared objectives * (Responding strongly agree/agree	75%	74%	+1%
How satisfied are you with each of the following aspects of your job? Q5g My level of pay (Responding strongly agree/agree	33%	30%	+3%
Q8d My immediate Manager asks for my opinion before making decisions that affect my work. (Responding strongly agree/agree)	60%	58%	+2%
Q9a I know who the senior managers are here. (Responding strongly agree/agree)	84%	82%	+2%
In the last 12 months how many times have you personally experienced physical violence at work from…? Q12a Patients / service users, their relatives or other members of the public. 12b Managers 12c Colleagues (Responding Never)	 90% 100% 99%	 89% 99% 98%	 +1% +1% +1%

Q18b I would feel secure raising concerns about unsafe clinical practice. (Responding strongly agree/agree)	74%	71%	+3%

The National context

Five out of the 11 themes improved nationally in the following areas:

a. Immediate Managers – this theme improved for the Trust
b. Morale – this theme remained the same as 2018 for the Trust
c. Quality of Appraisal – this theme remained the same as 2018 for the Trust
d. Quality of Care – this score deteriorated for the Trust
e. Safety Culture – this score deteriorated for the Trust

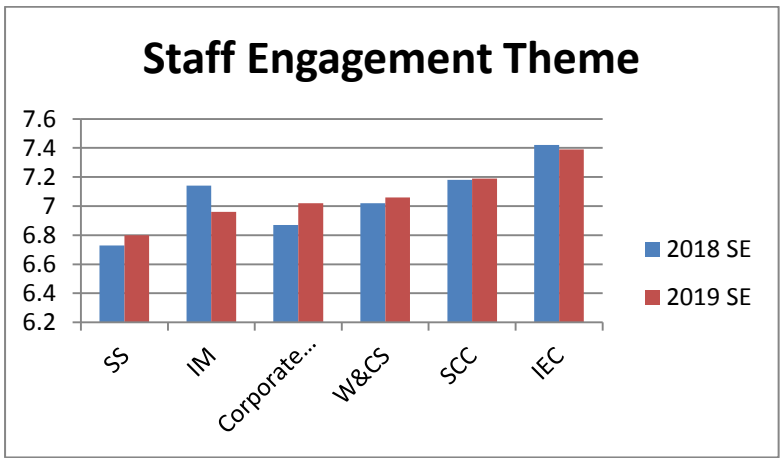
There was a mixed picture nationally on the health and wellbeing indicator, in particular with stress up to 40%, although the result on Musculoskeletal (MSK) issues remained unchanged. Despite the increase in stress from 36% in 2018 to 39% in 2019 the Trust's score in this theme improved slightly from 6.0 to 6.1.

Nationally the engagement score remained stable (the engagement score is made up of nine questions covering advocacy, motivation and involvement). Interestingly motivation and enthusiasm for the job improved as did staff recommending as a place to work. The Trust's score improved slightly 7.1; motivation improved, involvement improved in two out of the three questions and as did advocacy, but the question relating to staff recommending the Trust as a place to work deteriorated.

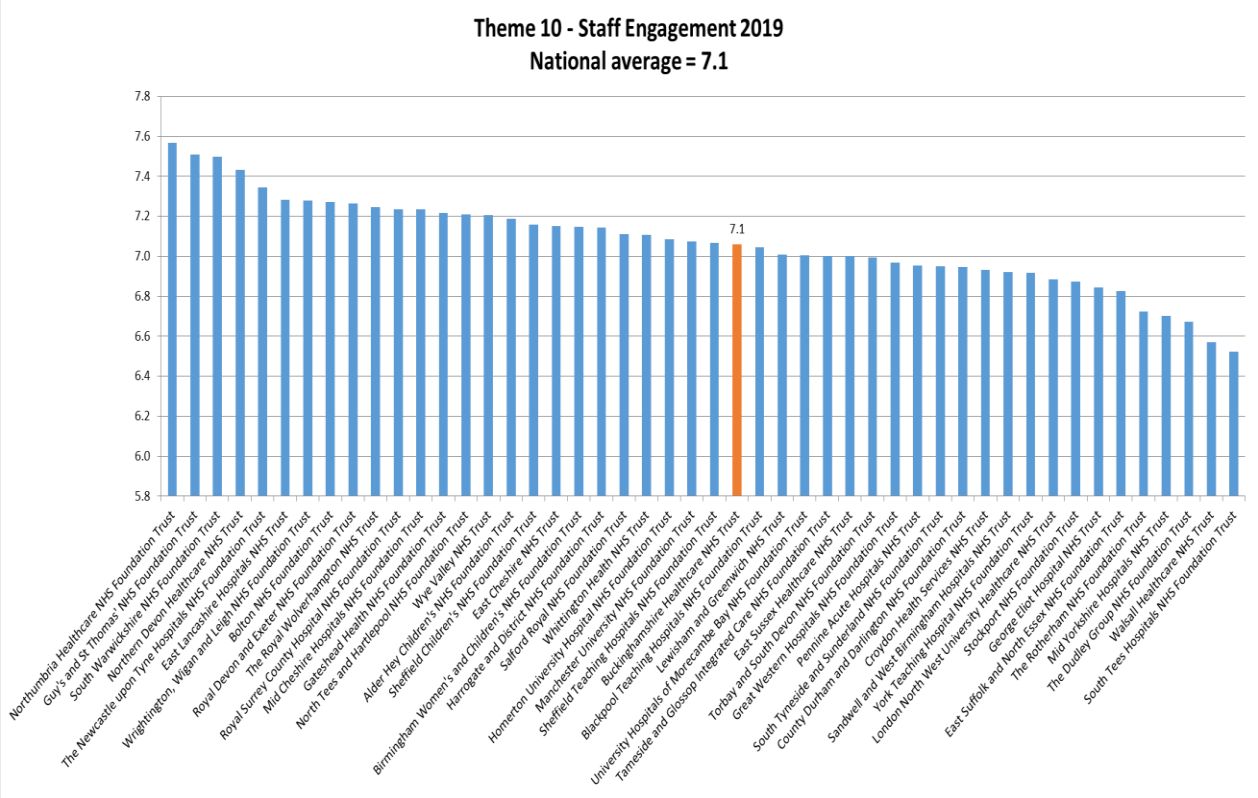
Although there were some improvements nationally on the Workforce Race Equality Standard (WRES) indicators there is still a lot more improvement needed. For the Trust we saw a deterioration of both BME and white staff believing the Trust provides equal opportunities for promotion and career development when compared with our results in 2018 and this was also the case for discrimination from managers, team leaders or colleague and also for experience of bullying and harassment in both groups and across both years.

Staff engagement theme

The overall staff engagement score improved from 7.0 to 7.1. The divisional staff engagement scores are provided in the table below, with comparison with 2018. The staff engagement score improved slightly in 3 out of the 5 clinical divisions and improved in corporate services, however there was a significant deterioration in 2019 in Integrated Medicine. The department with the highest staff engagement score was Speech and Language Therapy with a score of 8.35.



The Trust within our benchmarking group with the largest staff engagement score is Northumbria Healthcare NHS Foundation Trust.



Priority areas

Based on our previous report, sharing the raw results for the organisation, and discussions with divisional leads, we have agreed the three priority areas for the Trust to remain the same as last year, these being: reducing stress, reducing the incidents of bullying, harassment and abuse from managers and colleagues and identifying the issues around staff saying they do not have sufficient equipment, materials or supplies to do their work properly. This will help us to further develop the work we started last year, allowing us to make a significant impact on these issues.

In addition, we will also focus on reducing harassment, bullying or abuse at work from patients/service users, their relatives or other members of the public; we have seen an increase in staff reporting incidents both through the staff survey and, more recently, through the Trust usual reporting processes.

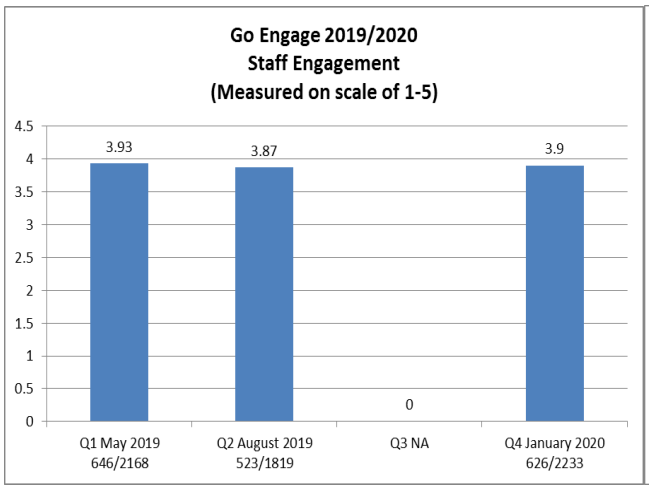
Staff Friends and Family Test

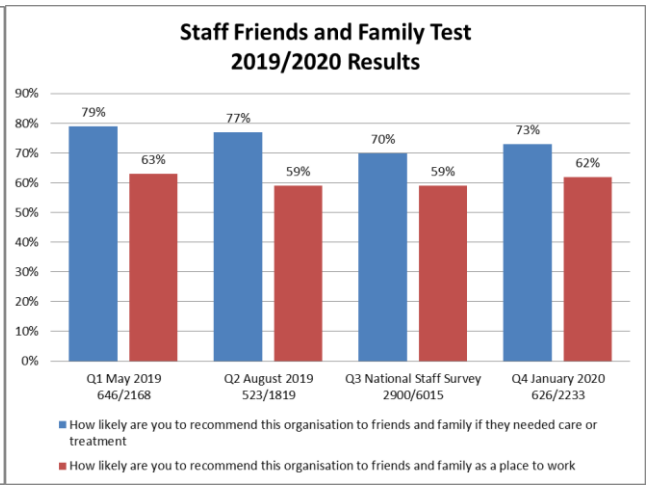
In addition to the national staff survey, we run three quarterly Staff Friends & Family Test. Each member of staff is invited to complete the national staff survey and one of the three other quarterly staff friends and family tests. These surveys are an integral part of the 'Go Engage' survey that we introduced to the Trust in 2017. 11 teams across the Trust have participated in the 'Go Engage' programme this year.

Go Engage – team engagement programme

In 2018, the Trust replaced the stand alone Staff Friends & Family Test with the Go-Engage quarterly survey for quarters 1, 2 and 4. In the Go-Engage survey we randomly select staff to take part in the survey over three quarters, so everyone gets a chance to share their experiences of working at BHT through one of these surveys. In quarter 3, all staff are surveyed through the national staff survey.

Over three quarters, so everyone will get a chance to share their experiences of working at BHT. Last year 13 teams completed the team engagement programme. Numerous actions were carried out by each team to improve staff engagement whilst on the programme. The graphs below show the impact of this programme on staff engagement and the result of our FFT test.





Staff engagement systems to support staff
The Trust already has a well-established network of forums and mediums to engage with staff.

Guardian of Safe Working Hours
The Guardian of Safe Working Hours role is designed to reassure junior doctors and employers that rotas and working conditions are safe for doctors and patients. The Guardian oversees the work schedule review process and will seek to address concerns relating to hours worked and access to training opportunities for junior doctors. The Trust Guardian reports directly to the Board thorough the Strategic Workforce Committee once a quarter with the aim of providing context and assurance around safe working hours for Junior Doctors.

Freedom to Speak up Guardian
The Trust Freedom to Speak up Guardian (FTSUG), a full-time post, has been in post since May 2017. The FTSUG meets regularly with the Chief Executive, sits on the Trust Strategic Workforce Committee and reports formally to Trust Board twice a year. In addition to the FTSUG, we continue to promote the number of ways in which staff can raise concerns, which includes directly to the named Non-Executive director.

Since the appointment of the Trust FTSUG we have seen a positive and significant increase in the number of staff coming forward to raise concerns and speak up. Activity has continued to increase and quarter 3 shows a total of 35 cases, the highest number of cases in any one quarter to date. This high level of activity has been attributed mainly to heightened awareness resulting from October Speaking Up month; with some additional pressures experienced by winter pressures. At the end of December 2019 our total number of cases amounted to 80 and this exceeds the total number for the whole of last year which was 74.

During the year, the Trust promoted new intranet FTSUG pages developed by BHT's FTSUG; this includes resources for staff, information and helpful links can be posted. This includes easy access to 'Building a Climate of Respect'.

Key themes identified as underlying causes or as contributing to concerns include:

- Poor behaviours and bullying and harassment. This includes examples of upward bullying. This theme is also reflected nationally as the topic with most concerns raised.

- There has also been a recent theme of concerns being raised about violence and aggression from patients to staff. Action has been taken with a number of initiatives requested by the staff with posters, a step by step flow diagram up near the nurses station on what to do if an incident occurs, a letter out to all staff to remind them what to do and to reiterate that the Trust will support staff and does not tolerate violence or aggressive behaviours to staff from patients. The policy has been reviewed, personal alarms for the AMU are being looked into and advanced conflict resolution training has been offered to all staff in the emergency pathway. Learning from this work will inform wider spread of implementation. Other input has been available and is being further planned such as wellbeing.
- Management styles and approach.
- Poor team dynamics.
- Patient safety / quality of care including issues of process, conflicting advice and poor communications.

These issues were also highlighted in the Staff Survey and the FTSUG will be working looking at ways to support imitative to tackle the problem in 2020.

Concerning Conversations Programme
Concerning Conversations continues as a bespoke one year programme of individual sessions to upskill managers and others in how to build a positive speaking up culture. It has been developed and delivered by our FTSUG and a management colleague. It is funded from external sources. It is provided for managers or those aspiring to be managers to help embed and spread the knowledge about barriers to speaking up and how to build a positive speaking up culture. This training has introduced the work of Megan Reitz a professor who researches into speaking up and Dr Chris Turner who founded 'Civility Saves Lives'; their work is invaluable to this agenda.

Concerning Conversations has been developed as result of collective themes arising from concerns over the past two years. Concerns that staff have raised have indicated there is a need to support managers to better understand how to build a positive speaking up culture and to recognise the barriers that can so easily develop.

Other key initiatives
- We were delighted to welcome to the Trust, the National Guardian, Dr Henrietta Hughes in May 2019. She met a range of staff and visited the Trust maternity services.
- The FTSUG has been introduced into the preceptorship programme which is a new development and appears to be working well. The FTSUG continues to present at corporate and doctor induction.
- Two FTSUG lessons learnt sessions were delivered in August 2019 as part of the Trust annual lessons learnt programme which is Trust Wide. At least two attendees went on to book and attend the Concerning Conversations course which was positive.
- Our Building a Climate of Respect campaign continues to be actively promoted by the FTSUG. There have been recent additions made to the online resource. It continues at corporate induction as part of the FTSUG slot. All new joiners are therefore receiving a consistent message that our Trust will not tolerate bullying or harassment. To date the video has received 1,074 views in one year. The online resource guide has been viewed just under 400 times; it contains a lot of links to multiple sources of credible advice and information about bullying and harassment including a few more films.
- The Trust was shortlisted as a finalist in the category of "Freedom to Speak Up – Organisation of the Year" for the HSJ Awards 2019. We were delighted to see colleagues at Rotherham, Doncaster and South Humber NHS Foundation Trust win the title; nevertheless, it was a privilege to be shortlisted.

- More success followed shortly after with BHT's FTSUG becoming a regional winner for South East Region in the "Skills for Health – Heroes for Health Awards", with the national winner's trophy heading towards Ireland.

Developing our staff

Apprenticeships

The Trust provides 16 different apprenticeships programmes ranging from academic level 2 to 7. Since the Apprenticeship Levy was introduced in May 2017. The Trust has registered 333 new start apprentices onto programmes, 255 of these are undertaking clinical apprenticeships.

Apprenticeships – the recruitment pipeline for Nursing

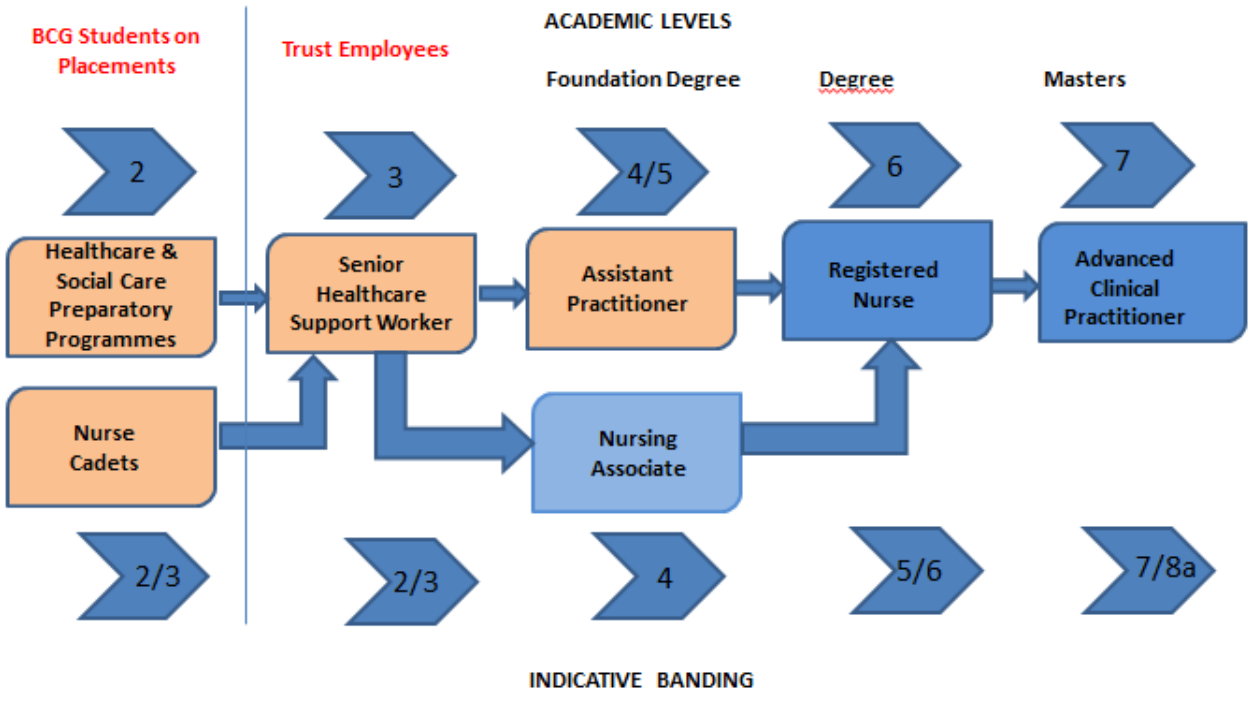
The nursing apprenticeship route is vital in ensuring we have an adequate pipeline of registered nurses /nursing associates moving forwards and to address the reduction in the number of 'Direct Entrant students' that we have seen in the Trust since the student loan bursary reform in September 2017. The figures in Table 1 below illustrate our increasing reliance on apprenticeships to supplement nursing student numbers and the recruitment pipeline that provides our annual output of newly qualified nurses.

Table 1 Overview of Apprenticeships entry in to the Trust

Year	'Direct Entrants' Student loan paying maintenance + Higher Education Institution fees	'Apprentices' Trust Employees with trust salary	Total Students The recruitment pipeline
2016/17	73	8	81
2017/18 – Bursary Reform	33	14	47
2018/19	52	29	81
2019/20	52	36	88

The challenge for the Trust in sustaining nursing apprenticeships is in the provision of recurrent budget to fund the salary of employees as they undertake their nursing qualification. A pathway has been established to support the development of registered nurses from B2 to B7/8. This is illustrated in Diagram 1.

Diagram 1 Nurse Career Pathway



The Trust has developed a range of new roles during 2019/20 and these include:

Nurse Cadets
Our first cohort of 16 Nurse Cadets commenced their programme on 4th November 2019 and we anticipate a further 15 in January 2020. Nurse Cadets are not Trust employees; they are further education college students that are undertaking a two year course that is equivalent to 'A' levels that have expressed a particular interest in pursuing a career in health and social care. The course has a 80/20 split between academic content and practical placement. The current Provider is Buckinghamshire College Group (BCG). The intention of the scheme is to provide opportunities for Nurse Cadets to be recruited at the end of their college programme onto a career pathway from Healthcare Support Worker to Registered Nursing Associate to Registered Nurse.

Qualified Nursing Associates
Eight Nursing Associates that were part of the pilot cohort completed their programme in April 2019 to become the Trust's first NMC registered Nursing Associates. The group are currently undertaking the Trust Preceptorship programme and are being fully supported to ensure competency with clinical skills and medication administration.

Sub-contracting through apprenticeships
In September 2019 we were awarded 'Supporting Provider' status following an application to enter the Register of Approved Training Providers (RoATP). By entering into subcontracting agreements with our Apprenticeship Providers we are now able to deliver apprenticeship programme training and administration and recoup a maximum value of £500,000 per year of our levy payments. This funding can then be reinvested to support apprenticeship delivery. Nursing Associate subcontracting arrangement for the administrative work currently returns c£400/apprentice. We are currently looking at setting up further subcontracting arrangements for other apprenticeships in 2020.

Continued Professional Development (CPD)
For the current financial year, Health Education England (HEE) has provided a workforce development fund which has been supplemented by student tariff funding. In line with the 'HEE Upskilling Guidance' document funding is allocated according to HEE/Trust priorities for training and workforce development. For governance quarterly reporting to HEE TV is required and completed.

Our priorities in 2019/20 in Education Learning and Development (ELD) have been focused upon delivering the Trust People Objectives. These have been delivered through commissioning with our universities and other providers on a range of specialist skills courses that are needed by registered staff to take on safely additional roles within the workplace. These include: Non-medical and independent prescribing; Chemotherapy administration; Quality in Speciality (QIS) care delivery in our Neonatal and ITU departments.

Bespoke modules/Training programmes
Throughout 2019/20 the Trust continued to develop and deliver modules that are tailored specifically to the needs of c.100 nurses/AHPs. We currently have eight accredited modules that are approved for delivery in-house, these include modules in:

- Emergency Care
- End of Life and Symptom Management
- Fundamentals of Cancer Care
- Care of the Acutely Unwell & Deteriorating Patient
- History Taking & Patient Assessment

In addition to this there will be a further c.450 nurses/AHPs/non-clinical staff undertaking

separate modules/educational programmes in 2019/20.

Continuing Professional Development (CPD)

Funding for 2020/21
The Trust has received a letter from HEE with an indicative funding allocation for CPD for the next three years. This funding will support our staff to ensure they continue to be able to deliver high quality care for patients, adapt to the changing needs of the population and build rewarding, lifelong careers in the health service. HEE stipulate that to ensure maximum impact Trusts should use the new CPD funding together with the funding they already provide for CPD and with the other funding provided by Health Education England for workforce development and transformation. In December the Education and Learning and Development Team (ELD) will begin its annual training needs analysis. This will be conducted in line with the guiding principles provided by HEE with focus upon delivery of delivery of the NHS Long Term Plan service priorities for Buckinghamshire.

Preceptorship
The Nursing and Midwifery Council (NMC) defines a preceptorship as 'a period to guide and support all newly qualified practitioners to make the transition from student to develop their practice further'.

A preceptorship should be a structured period of transition for the newly qualified nurse, nursing associate, midwife or allied health professional when they start employment in the NHS. During this time, they should be supported by an experienced practitioner (a preceptor), to develop their confidence as an independent professional, and to refine their skills, values and behaviours. Having expert support, and learning from best practice in dedicated time gives a foundation for lifelong learning and allows them to provide effective patient-centred care confidently.

The Trust is developing Preceptorship to address the national ‘Reducing Pre-registration Nursing Attrition and Improving Retention’ (RePAIR) strategy as follows:

- Addition to include elements from the recently launched HEE RePAIR programme Delivery as a 24-month programme with a clearly mapped career pathway for all Preceptees
- Close links with pre-registration to monitor support for all student nurses in line with RePAIR

Simulation learning
Simulation-based clinical education is a useful approach that provides students with opportunities to practice their clinical and decision-making skills through varied real-life situational experiences, without compromising the patient's well-being. The usage of simulation learning for under/post graduate medical students and trainees, nurses and allied health professionals has grown exponentially over the past two years and provides the following:

- Training for Nursing and Midwifery students
- Inter-professional learning
- In-situ simulation
- Major incident simulation

Medical Education

Trainee Leadership Board
A ‘real world’ problem was identified by the Trust Board: “How can we manage outpatients to

ensure sustainability and maintain patient care?" A cohort of 10 trainees was selected who received targeted input from the Leadership and the Quality Improvement teams to give them tools to carry out their review. They researched, carried out interviews and collectively presented their findings to the Trust Board. As an outcome some of the cohort has gone on to support projects leading from their recommendations.

Improving Working Lives
The Trust was given £60k to improve the working lives of our junior doctors. This has been used to fund the refurbishment of the Doctors Mess at both Stoke Mandeville and Wycombe Hospitals and to purchase 4 sleep pods, lockers, phone charging points, computers and water coolers.

Educational Fellows
The Trust now has a total of 4 Education Fellows whose focus is to support Foundation Doctors and Undergraduate Medical Students with teaching and simulation.

Undergraduate Training
The Trust provides training to students from three undergraduate medical schools:

- University of Buckingham Medical School
- St Georges Medical School
- Oxford Medical School

Partnership working
Development of a Bucks Health & Social Care Academy
The Trust is working with provider and academic partners across Buckinghamshire to develop a Bucks Health & Social Care Academy. Its purpose is to become an innovative centre of excellence for the provision of education, training, evidence based practice & career development in the health & social care sector across Bucks. All key stakeholders within the local health, social care and education economy are fully engaged and supportive of employing an implementation Director to lead the formation and operation of the Academy. As the Trust moves towards the creation of the Academy, our two local university partners are working more closely with the Trust to provide a Bucks-based experience for their students.

University of Bedfordshire (UoB) Aylesbury campus on SMH site
The University of Bedfordshire, Aylesbury campus had a new home from January 2020. UoB is building a three storey development on the Trust's Stoke Mandeville site as a dedicated teaching and learning facility for its healthcare students. Students will be able to undertake the classroom element of their course at Stoke Mandeville, while at the same time gaining experience of life in an integrated Trust across a range of specialist, acute and community services.

Bucks New University (BNU) in Aylesbury Town Centre
BNU have expanded their faculty of nursing to offer nursing programmes in a new university site in Aylesbury. With a state-of-the-art simulation facility, student nurses can hone their skills and get ready for practice and receive their theoretical tuition in this new campus. The Trust is providing placements for 29 Nurse Degree students/apprentices and 9 Nursing Associate apprentices who commenced their programmes of study in Aylesbury in September 2019.

Leadership and Development programmes

Leadership & Management
Last year we further enhanced our BHT Leadership development programme further to incorporate system leadership and opened this programme to our ICP colleagues and created a place based Leadership Development and Apprenticeship Faculty as part of the Bucks Health &

Social Care Academy.
Last year, a total of 50 colleagues from BHT, the Council, CCG, Primary Care and 3rd Sector undertook the Peak 3 Senior Leadership. Also through collaborative apprenticeships programmes with ICP partners, we ran four collaborative programmes. These were L3 Team Leader and L5 Departmental Managers programmes started in September 2019, led by BHT. L5 HR Consultancy and Project Management apprenticeships led by Buckinghamshire County Council.

Leadership Programme	Total attendees	BHT attendees	external staff	Feedback impact on practice
Peak 1 THE 3 PEAKS Introduction to line management	58	58	n/a (BHT staff only)	"the programme provided a stepping stone for staff in management roles / positions to understand management styles teams dynamics, team functions, managing performance and providing constructive feedback to staff."
Peak 2 THE 3 PEAKS Team Leaders Programme	45	42	3	"great to understand how to use emotional intelligence to manage teams." "Coaching techniques are good to use in the workplace environment." "Liked transactional analysis to manage conflict in teams."
Peak 3 THE 3 PEAKS Senior Leaders Programme	98	73	25	"The course provided a basis of strategic thinking on leadership". "Some of the following tools techniques and theories will be useful to apply to practice; - Psychological safety to provide safe working environment - linking the compassionate leadership to show empathy, appreciation and autonomy - coaching models and tips to unlock potential and enable talent management.

Supporting our staff

Occupational Health, Staff Wellbeing and Healthier Lifestyles Services
The Trust takes a proactive stance on staff wellbeing, which is supported by the Executive team, as part of a holistic whole system approach. This is an area that is challenging at both a local and national level, as reflected in staff survey results. While we remain in top quartile nationally, this is an area we remain focused on to support our staff.

Our sickness absence rate target is 3.5%. Sickness absence rates have followed seasonal trends, dropping to these levels in the summer; increasing over the winter. We have put in place targeted interventions through the HR teams, including case conferences to support managers and teams with sickness absence management. In March 2020, there was a jump of 1% in the sickness absence rate as we saw the first impact of the COVID-19 pandemic (see below for further detail).

Psychological Health Interventions
Alongside the counselling service we also run other interventions to complement the psychological wellbeing support.

Fast-track Counselling Service
Feedback from staff using the counselling service resulted in a high satisfaction rate in relation to meeting their requirements, listening effectively, focusing on important issues, fostering a safe environment, and would recommend service to colleagues. This service helps prevent staff going off work and supports staff that are unwell to improve their health and return to work in a timely way.

SOS (Supporting Our Staff) sessions
In October 2019, we introduced drop in sessions as an opportunity for staff to talk in confidence about any concerns, personal or work related. 17 staff have used this service to date.

Team Resilience sessions
Our Understanding Stress, Building Resilience (USBR) was developed and is delivered in-house by the Wellbeing Team and provides insight into how stress impacts us and hints and tips on ways to build personal resilience. It includes the Health and Safety Executive stress management standards and fosters positive discussions, improves confidence in talking about issues and works on finding solutions.

Managing Change
At a corporate level, the Wellbeing Team supports the successful implementation of change. We attend the opening of formal consultations and are available to support affected staff at regular intervals throughout the consultation process. We support staff to make the best of their own contribution to the change process and to handle stress as effectively as possible.

Introducing Mindfulness
A Mindfulness programme has now been successfully established in the Trust by a Member of the Wellbeing Team who has recently qualified as a Mindfulness Teacher. The programme is delivered as a stand-alone subject or combined with Understanding Stress and Building Resilience.

In addition, Mindfulness Drop-in sessions are held monthly at Stoke Mandeville and Wycombe Hospitals in the multi-faith rooms.

Wellbeing at Work Course
This is a one day interactive course, which is open to all members of staff, aimed at supporting

sickness absence reduction. The course explores the Five Ways to Wellbeing, Understanding Stress Building Resilience, managing sickness and Mindfulness.

Wellbeing Wednesday Seminars
A varied programme of seminars held after 4pm and again at 5pm across sites, covering themes that have emerged from sickness meetings with staff. The most popular Seminar received was the Management of the Menopause which has led to our first Menopause Café held in March 2019.

Physical Health

Referrals to fast-track Physio Service
We have access to fast track Physiotherapy service in place for staff that is triaged through our Occupational Health and Wellbeing Team and provided by our in house physiotherapy team. We also provide information and reduced cost activities and interventions to support physical health through building relationships with local gyms and Bucks New University facilities at Wycombe.

Staff Massage Service
This is available to all staff and the service is delivered at Amersham Hospital, 66a High Street and Stoke Mandeville Sites.

12 Week Weight Loss Challenge
This is a popular offering with staff challenged to lose 5% of their weight over a twelve week period.

Making Every Contact Count (MECC)
All new Nurses and Health Care Assistants to the Trust have received an introduction to basic Healthier Lifestyles Brief Intervention messages and Make Every Contact Count. Evaluation of this training has been good. A MECC e-learning package is also available to staff as part of their personal development. We have also developed a longer course for health care assistants already working in the organisation which is aimed at both self-care and MECC. MECC is now being more widely adopted within the Integrated Care System and we are part of the implementation group. MECC is about encouraging our staff to have brief conversation with patients about lifestyle issues and making changes, alongside thinking about making positive changes for themselves and becoming a role model/ advocate to others.

Staff Health and Wellbeing Support during Covid 19
In March 2020 the Trust, like all NHS organisations experienced the full the impact of Covid-19. The impact on the health and wellbeing of our staff can be significant. There is much evidence about the support that people require both during and after events - to cope with stress, burnout, moral injury and other psychological aspects of working in an intense environment. The Trust has a comprehensive internal Wellbeing support team, with trained and experienced psychological and mental health support professionals.

The onset of Covid-19 has resulted in a change to our 'business as usual activity' with a shift in particular to on line or telephone support for those in need of counselling, rather than face to face. The team have remained on our sites, to deliver the wider support initiatives, either expanded from our previous offering or newly developed in response to all staff needs during the Covid Pandemic. The Trust will continue to ensure staff wellbeing is a priority at all times, which in turn supports good patient experience. This is particularly a focus during times of anxiety and uncertainty.

Gender Pay Gap

It is legal requirement since April 2018 that all organisations with over 250 employees publish data about their gender pay gap on an annual basis. As well as reporting via the Government's on line reporting portal, we also publish this data on our website.

The gender pay gap shows the difference in the average (mean and median) pay between all men and women in the workforce. Gender pay gap calculations are expressed as a percentage in relation to the male salary. All values recorded as negative (-) indicate that the gender pay gap is in favour of the female workforce; positive values (+) figure, indicates that there is a gender pay gap in favour of the male workforce.

It is worth noting that the gender pay gap and equal pay are not the same, but are often confused to be one and the same:

- The right to equal pay is set out in the Equality Act (2010), which gives a right to equal pay between women and men for equal work.
- The gender pay gap is a measure of labour market or workplace disadvantage, expressed in terms of a comparison between men's and women's average hourly rates of pay.

Gender Pay Gap analysis for the Trust

Whilst a Gender Pay Gap in the Trust still exists, there have been marginal improvements (a reduction) in the gap from the previous year.

2019 gender pay gap data

	Difference between men and women	
	Mean	**Median**
Hourly fixed pay	29.1% (29.3%)	13.1% (15.0%)
Bonus Pay Gap	77.0% (87.0%)	33.2% (33.3%)

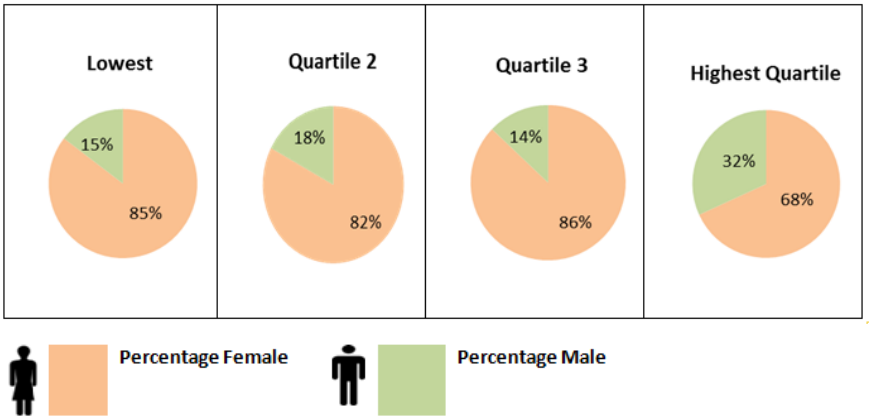
The median compares typical values and is less affected by extreme values, such as a relatively small number of high earners, whereas the mean may be skewed by very high earners. As the mean and median are widely different, with the mean being higher than the median, it can be inferred that the dataset is skewed by presence of very high earners.

The figures in brackets are the values reported in 2018. As can be seen, there is a notable improvement in the Median hourly fixed pay value and a small improvement in the mean bonus pay.

Additional analysis (see below) has been carried out to understand the drivers of the pay gap.

The data in Table 1 shows that in quartiles 1, 2 and 3 the split between male and female employees is fairly consistent, however in the highest quartile there are more male employees than the previous quartiles.

Table 1 Gender Pay Gap



The numbers in each quartile for the four largest staff groups in the Trust are set out in Table 2 below.

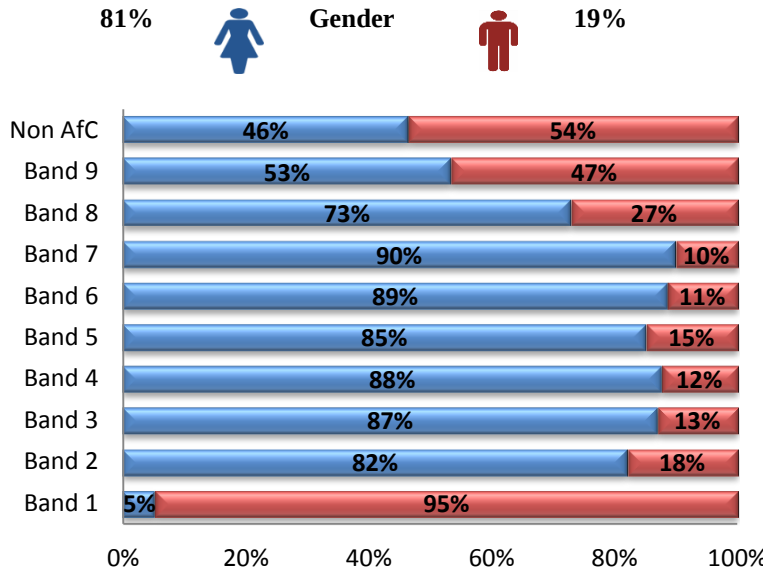
The variance in the highest quartile is mainly due to significantly different gender splits within the Medical staffing group and the Admin & Clerical staff groups; in contrast, there is a greater proportion of female staff in the highest quartile for nursing staff and allied health professionals.

Table 2 Gender Pay Gap by Profession

	Quartile 1 (Lower)		Quartile 2		Quartile 3		Quartile 4	
	Female	Male	Female	Male	Female	Male	Female	Male
Allied Health Professional	1	0	114	18	201	22	148	11
Medical	0	0	26	27	39	27	261	343
Nursing & Midwifery	3	1	374	47	876	72	419	20
Administrative and Clerical	544	73	278	61	80	40	83	70

The Tables below show the gender split by staff on Agenda for Change (AfC) contracts and those not on AfC contracts (medical & dental staff and executive directors). Whilst overall, 81% of our workforce is female; in the highest AfC bands (Band 8 and 9) there are significantly lower proportions of women. The relative proportion of men and women in bands 3 – band 7 is the same.

Table 3 Gender Spilt Across the Trust



Staff on Agenda for Change Terms and Conditions

Table 4 below shows the mean and median pay gap for ordinary pay by staff group.

Table 4 Mean and Median Pay Gap by staff group

	Mean Hourly Rate			Median Hourly Rate			Headcount	
Staff Group	Female	Male	Mean Gap	Female	Male	Median Gap	Female	Male
Add Prof Scientific and Technic	£19.79	£20.76	5%	£18.74	£18.68	- 0.3%	142	59
Admin and Clerical	£12.82	£18.12	29%	£10.67	£15.06	29%	985	244
Allied Health Professionals	£18.39	£17.70	-4%	£18.74	£16.99	-10%	464	51
Healthcare Assistants	£10.80	£11.13	3%	£10.49	£10.86	3%	517	111
Healthcare Scientists	£18.97	£19.31	2%	£19.56	£18.74	-4%	96	39
Medical and Dental	£34.54	£38.12	9%	£33.11	£39.17	15%	326	397
Nursing and Midwifery Registered	£18.25	£17.12	-7%	£17.87	£16.47	-9%	1672	140
Support Staff	£10.71	£10.46	-2%	£10.46	£10.15	-3%	555	127

The data shows two staff groups with the largest pay gaps: Admin & Clerical and Medical & Dental. These two groups had the largest gender pay gap in 2018; however, this year (2019) the differences have reduced for both the mean and median from 32% and 35% respectively for Admin & Clerical, and 13% and 19% respectively for Medical & Dental staff.

Medical & Dental Staff
The gender profile for Medical Consultants (overall, the highest paid staff group) is changing, but remains predominantly male, with 62% of this group being male, and 38% female. (In 2018, the proportions were 65% male and 35% female.)

The gender balance of this medical consultant split by age is set out in Table 5 below. Currently there is a higher proportion of male consultants in the older age ranges; as medical and dental pay scales reward seniority in post; this is driving our gender pay gap.

Table 5 Medical Consultant Split by Age

All Consultants split by Gender & Age (Headcount)				
Age Range	**Female**	**Male**	**Total**	**% Female**
30-39	20	17	37	54%
40-49	48	68	116	41%
50-59	34	60	94	36%
60+	2	24	26	8%
Total	**104**	**169**	**273**	**38%**

We are assured that medical staff are remunerated correctly because they are appointed to a pay scale depending upon their grade (i.e. Consultant, Specialty Doctor, Doctor in Training).

Bonus pay
Within the Trust there are two types of payments which are considered bonus pay:
1. Clinical Excellence Awards (both National and Local)
2. Long service awards.

Overall, 4.5% per cent of all our staff employed received a bonus payment during f/y 2018/19; 7.8% of men and 3.6% of women. Some individuals received both types of bonus payment.

The different eligibility criteria and value of these two very different schemes drives the Trust's overall figures for bonus pay. As such, we have analysed the figures for each of the two schemes separately; see tables 6, 7 and 8 below.

Table 6: Clinical Excellence Awards - Medical Staff

	Mean Bonus pay			Median Bonus Pay		
Band	Female	Male	Mean Gap	Female	Male	Median Gap
Medical (CEAs)	£8,682	£11,984	28%	£6,032	£9,048	33.2%

Clinical Excellence Awards (CEAs) are only available to the Consultant workforce, within the Medical & Dental Staff group. This group has a significantly different gender split when compared to the Trust as a whole. Bonus pay elements are awarded as a result of recognition of excellent practice over and above contractual requirements and should have no gender bias. CEAs earned historically are retained by recipients until the point they retire. Local CEAs awarded under the most recent arrangements are in place for the duration of this 3-year agreement.

Last year 33% of CEA award holders were female, whereas this year the figure has increased

to 37%.

Table 7 Long Service Awards – All Staff

	Mean Bonus pay			Median Bonus Pay		
	Female	Male	Mean Gap	Female	Male	Median Gap
All Staff (Long Service Awards)	£75	£75	0%	£50	£50	0%

The Trust recognises NHS long service of more than 20 years and at 10 year milestones thereafter, through the award of vouchers. All staff are eligible to receive these vouchers and the profile of those awarded reflects the overall gender profile of the Trust.

We are pleased to note that there is no difference in the bonus pay associated with long service award.

Table 8 Combined bonus payments

	Mean Bonus Pay			Median Bonus Pay		
Band	Female	Male	Mean Gap	Female	Male	Median gap
All Staff (Long Service and CEAs)	£2,265	£9,894	77.0%	£6,082	£9,098	33.2%

The overall bonus pay gap is driven by both the Clinical Excellence Awards (a legacy of a higher percentage of male consultants receiving the awards), and is then significantly exaggerated as a result of the long service awards (small sums payable, but mostly to women). The denominators increase significantly by incorporating the long service awards.

These figures have remained broadly the same over the past few years. As indicated above, we expect this to slowly improve as the older consultant workforce (with a higher proportion of men in receipt of life-time awards) retires and the consultant workforce profile changes to one with a more even gender balance in receipt of fixed-term awards.

Difference between 2018 and 2019

There have been some changes this year when comparing against the previous year:

The median hourly fixed pay for men has decreased from 15.0% in 2017 to 13.1% in 2018, and the mean value decreased from 29.3% to 29.1%.

The gender split between pay quartiles remained broadly the same in 2017 compared to 2018.

Bonus payments for men also highlighted a difference, with the median value decreasing slightly from 33.3% in 2017/18 to 33.2% in 2018/19, and the mean value also decreased from 87% to 77%.

Closing the Gap

The Trust will continue to consider how it can encourage more female applicants to apply to consultant roles and into more senior management positions. We will continue to seek to address this through the Trust's talent management approach, and through the monitoring of recruitment and progression (promotions). Whilst we are aware that there are proportionately more men receiving a bonus than women, we will continue to develop our strategies in 2020 to encourage more women to apply for these awards. However the legacy of a higher proportion of male consultants is driving the current imbalance, which will remain up until the point this cohort, retires.

Equality Diversity and Human Rights

The Trust is committed to ensure that equality, diversity and human rights are integrated at the core of the organisation. The Trust has three workforce based Equality Standards. These are the Workforce Race Equality Standard (WRES), the Workforce Disability Equality Standard (WDES) and Gender Pay Gap reporting discussed earlier in the report.

The WRES was launched in April 2015. The latest WRES report looked at data from 2018/19. The WDES was introduced in 2019 and the data is reported from 2018/19. For both of these Equality Standards, NHS organisations are required to publish data and to produce a corresponding action plan.

The work that we do in relation to all Equality, Diversity and Inclusion issues and the Equality Standards is overseen by the Equality, Diversity and Inclusion Steering Group which meets on a bi-monthly basis and is chaired by the Director of Workforce and Organisational Development.

Throughout 2019/20, we have continued our work to embed equality and diversity as core to everything we do, central to the successful delivery of quality for patients and staff. An overview of activities is provided below.

Inclusion conference
Some 50 members of staff attended our Trust inclusion conference on 24 September 2019. We were delighted to welcome Yvonne Coghill, Director of the WRES Implementation Team, as our keynote speaker alongside Paul Isaacs, who focussed their discussion on Autism and Asperger's Syndrome and Marteene Pringle who presented on Trans-gender issues.

Staff networks
The Trust has established four Staff Networks to support the work in the different Equality Standards, and to help inform action planning.

- Black Asian & Minority Ethnic Staff Network
- BHTAbility network - (Disability),
- BHTProud - (LGBTQ+)
- BHT VIBES – (Spirituality Network)

We aim to make all of these Networks as accessible as possible for all staff and are doing so by rotating face to face meetings across all sites, holding dial in meetings and also creating Social Media groups, including WhatsApp Groups for the individual Network Groups. The chairs of each of these groups attend the Trust's ED&I steering group. The Chair of the BAME network meets the Director of Workforce & OD on a regular basis to provide timely support.

Workforce Race Equality Standard

In October, the national WRES team sent all Trusts documents setting out the challenge of ensuring black and minority ethnic representation at all levels of the workforce. The document sets out aspirational goals for each organisation as well as a comprehensive and holistic set of objectives to support the NHS, as part of the existing WRES programme of work. Their assessment was that we are on track to deliver equity by 2028 for Staffing bands 8, 9 and Very Senior Mangers (VSM) although we are currently one lower than the aspirational target for band 8c.

Actions and initiatives that the Trust has been focussing its efforts on in order to address the key findings are highlighted below. We have incorporated into our plans the WRES model of support for improving BAME representation (leadership & cultural transformation; positive action

and practical support; accountability and assurance; monitoring progress and benchmarking).

Disciplinary Triage System
A Triage system was introduced on 1 October 2019; this is a management review of all cases prior to formal investigation being started. The purpose is to ensure equity and oversight of the process. A six month review providing a fuller analysis of progress to date, including protected characteristics will be produced in mid-2020.

Recruitment Training
Between March and November 2019, 105 recruiting managers have been trained/re-trained. We have prioritised the most frequent users of TRAC (our recruitment system) and Nursing Managers. Of those who attended the training, 11% (12 participants) were of a BAME Background, 7 participants (6.6%) had not disclosed their Ethnicity and the remaining 86 (82%) participants were White.

Recruitment panel composition
For all posts at staff Band 8a and above, the appointing panel now includes a BAME member of staff. Recruitment training was provided to participants of the BAME Staff Network at its meeting in January 2020. The appointment process for the Trust's new Chief Nurse included a stakeholder panel for the Trust staff networks (including the BAME network). The final interview panel also included a senior BAME nurse.

Workforce Disability Equality Standard (WDES)
Trust data gathered for the WDES shows the following:

- A non-disabled candidate is 1.22 times more likely to be appointed from shortlisting than a person with a disability
- 3% of staff have formally declared a disability which is recorded on the Electronic Staff Record (ESR); in comparison, 16% of staff who responded to staff survey declared they had a disability. It is also worth noting that the Buckinghamshire population who declared a disability in the Census is c14%.

The Trust developed an action plan which set out how we intend to address these issues, concentrating on four key areas for 2019/20.

- Staff network development
- Increasing rates of declaration
- Enable the lived experience of staff with disabilities to influence Trust Policies and subsequent implementation of policies to decrease bullying, harassment or abuse from patients, their relatives, members of staff and managers
- Audit formal sickness cases from the previous 12 months which involved individuals who have a disability

Stoney Dean Internships
The Trust is delighted to be supporting seven students from Stoney Dean School on an internship programme. Since starting the programme in September 2019, the interns completed their first placement at Stoke Mandeville Hospital in December and have started their second placement in January. Ofsted recently inspected Stony Dean School and the internship with the Trust was positively reviewed. We understand that Ofsted will be promoting this type of programme with other employers based on what they witnessed. A number of the students' current managers have expressed an interest in offering permanent positions once the programme finishes in June 2020.

Patient Focussed Work
The key focus on patient work has centred around one of our corporate objectives to tackle Transgender health inequalities within Buckinghamshire.

Initial meetings and conversations have taken place with our local LGBTQ+ support group to help us understand the needs of this group and to encourage our local LGBTQ+ community to feel confident about using our services.

Over the year 141 members of staff have been trained in the Rainbow Badge Scheme. This is training which enables staff to understand the possible needs of the LGBTQ+ community and then to signpost them to the relevant services. Rainbow Badges are then issued to staff who have completed the training.

Key members of the local LGBTQ+ community have been instrumental in guiding our development of a Transgender Patient policy and are keen to help us create a suite of tools which will be available to give knowledge and guidance to our staff and help them understand a transgender patients journey. In addition we have also:

- Recently involved five patients who have made complaints in helping to improve services and who will influence future changes to policy
- Taken a Transgender Patient Story live to a Trust Board Meeting

An overview of the work is provided in Table 1 below.

Table 1 Summary of Patient Focussed Work

Action	Legislation/ Best practice	2019 Update
Continue to give priority and focus to the implementation of Accessible Information Standard	AIS/Trust equality objectives	New Communications Advisory Panel (public/patient group) created who meet on a quarterly basis to: • To scrutinise patient communications • To provide constructive feedback and challenge • To help shape the development of communication tools • Give input into future ideas/suggestions generated by the communications team • To ensure plain English is used in communications
To demonstrate an increased use of British Sign Language (BSL interpreters across the Trust by raising awareness with staff	Trust equality objectives	• THEBIGWORD have provided our BSL Urdu, Polish, Romanian, Punjabi and British Sign Language all show high levels of fulfilment. Potential Service Provision 1. Video access for BSL (British Sign Language) 2. Facility for access for the deaf to all services via the website
Improved patient access and experience	EDS2	• The Trust commissioned AccessAble in 2017/18 to develop accessibility guides to all of its hospitals. These are currently available on the AccessAble website: www.accessable.co.uk/organisations/buckinghamshire-healthcare-nhs-trust and linked to the Trust website. • The guides provide patients visiting or coming into the hospitals with extensive range of information to let them know what access will be like during visit. It looks at the route they will use getting in and what is available inside. • The contract expires in September 2020 and internal discussions are underway to establish the best way forward for this valuable resource.
Improving the experience of patients with a	Equality Act 2010-Disability	NSIC patient forum meets quarterly: Progress against patient recommendations NSIC patient forum meets quarterly: Progress against patient

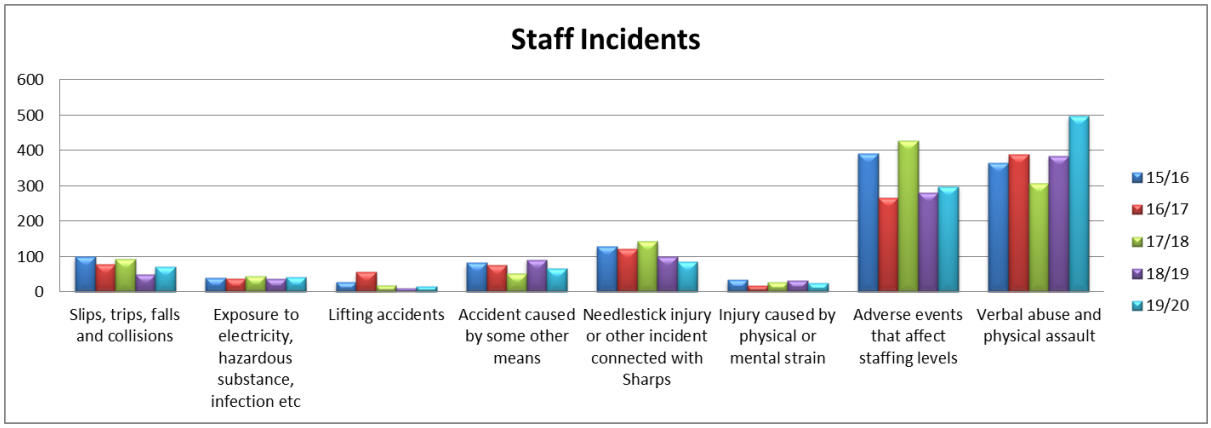
spinal cord injury		recommendations is :- • 115 fully accessible bins purchased for centre to replace current pedal bins • Purchase of additional commodes for SCI patients able to walk
Improving service user experience of maternity services	Equality Act 2010-Maternity	• New model for midwife led maternity care announced, women will see same team of maximum of 8 midwives throughout ante-natal and post –natal care, following results of Better Births survey involving 800 service users.
Improving patient experience of Neonatal Unit	Equality Act 2010-Maternity	• Listening event held with parents using neonatal unit to hear and act on views to improve family experience of NNU. Plans in place for improvements to neonatal services including, more information for parents on range of possible medical interventions babies may be subject to and purchase of z-beds for parents to enable overnight stays.
Improving the experience of transgender patients	Trust equality objectives - Engage isolated patient groups within Buckinghamshire	• Links built with local LGBTQ+ support group developing relationships and understanding of our local LGBTQ+ community. • Transgender Patient Story heard at Trust Public board • Working with transgender patients and Stonewall to develop transgender staff and patient policy • Rainbow Badge Scheme developed and implemented within the Trust – ongoing project
Improving patient access	Trust equality objectives - Engage isolated patient groups within Buckinghamshire	• Meeting with patient partner at Wycombe Hospital site for Executive immersive learning with a patient who uses a wheelchair. Report written and taken to board for approval. • Patient home meeting to discuss the difficulties in the system both health and social care choices or lack of. Report currently awaiting approval from patient

Health and Safety at Work

The Trust is committed to ensuring the health and safety of its employees, patients, visitors, volunteers, contractors and others affected by its activities. Our aim is to provide safe and healthy working conditions, and to seek the support of staff in achieving this. The use of risk assessment to identify, assess and manage risk is the key to good health and safety management within the Trust.

Staff Accidents and Incidents

The Table below provides a summary of the reported accident and incidents to staff in the last five years by type.



	15/16	16/17	17/18	18/19	19/20
Slips, trips, falls and collisions	99	78	93	50	72
Exposure to electricity, hazardous substance, infection etc.	40	38	44	36	41
Lifting accidents	28	56	19	10	16
Accident caused by some other means	82	75	52	91	67
Needlestick injury or other incident connected with Sharps	128	122	143	99	85
Injury caused by physical or mental strain	34	17	27	32	25
Adverse events that affect staffing levels	391	266	427	280	298
Verbal abuse and physical assault	364	388	306	385	497

Overall the number of incidents being reported remains consistent. However, there has been a significant change in the type of incident being reported. During 2019/20 there has been a 40% increase in the number of slips trips and falls reported and a 25 % increase in the number incidents of physical assault and verbal abuse to staff. The Health and Safety Team in conjunction with the Human Resources, Occupational Health and the Security teams are developing plans to mitigate the recurrenceApril2020 of these incidents and this will form a key priority for the 2020/21 work plan.

Reporting of Injuries Diseases and Dangerous Occurrences Regulations (RIDDOR)

At the end of March 2020, there was no significant change in the number of reports to the Health and Safety Executive under RIDDOR – 14 2018/19 compared to 18 in 2019/20.

Departmental Inspection Audits

The Health and Safety team completed 32 departmental audits and specific reports have been shared with managers to action. Common themes are lack of storage space and a need to update business continuity plans.

Senior Managers Remuneration Report

The Secretary of State for Health determines the remuneration of the Chair and non-executive directors nationally. Remuneration for executive directors is determined by the Trust's remuneration committee.

The remuneration committee is made up of all the non-executive directors and is responsible for agreeing the remuneration of the executive team and senior managers who are not subject to Agenda for Change (the national pay system adopted by the NHS). The committee reviews the pay of executive directors annually taking into account prevailing factors such as national pay rises and salaries paid by other NHS employers.

The executive directors are employed within a standard employment contract which provides for a six month notice period. On termination of employment the director would be entitled to contractual severance terms, such as pay in lieu of notice and redundancy.

The voting Non-Executive Directors are appointed for a set term of office. Their original date of appointment, date of expiry and extended date of tenure (if applicable) are set out below:

Name	Date of appointment	Date of leaving	Date of expiry	Extended date of tenure
Ms Hattie Llewelyn-Davies (Chair)	March 2014		March 2016	March 2020
Professor Mary Lovegrove	May 2014		April 2016	April 2020
Mr Graeme Johnston	March 2013		March 2017	April 2021
Mr Rajiv Jaitly	June 2015		June 2017	June 2019
Ms Dipti Amin	June 2015		June 2017	June 2019
Mr Tom Roche	Feb 2019		Feb 2021	

There are no rolling contracts, nor is there any performance related pay for any director.

In 2019/20 there have been no significant awards or compensation payments made to past directors, and no amounts are payable to third parties in respect of any director.

Membership of the nomination and remuneration committee during 2019/20 comprised the voting Non-Executive Directors and was extended to the non-voting Associate Non-Executive Directors:

Ms Hattie Llewelyn-Davies (Chair) Professor Mary Lovegrove Mr Graeme Johnston Mr Rajiv Jaitly Dr Dipti Amin Mr Tom Roche	Professor David Sines (non-voting)

Full details of directors' remuneration and pension benefits are given below: *[Auditable Element [1]]*

Salaries and allowances

Table 1: Single total figure table

Name and title	Date(s) of Service		2019-20						2018-19					
			(a)	(b)	(c)	(d)	(e)	(f)	(a)	(b)	(c)	(d)	(e)	(f)
			Salary (bands of £5,000)	Expense payments (taxable) to nearest £100*	Performance pay and bonuses (bands of £5,000)	Long term performance pay and bonuses (bands of £5,000)	All pension-related benefits (bands of £2,500)	TOTAL (a to e) (bands of £5,000)	Salary (bands of £5,000)	Expense payments (taxable) to nearest £100*	Performance pay and bonuses (bands of £5,000)	Long term performance pay and bonuses (bands of £5,000)	All pension-related benefits (bands of £2,500)	TOTAL (a to e) (bands of £5,000)
	Appointment	Termination	£000	£	£000	£000	£000	£000	£000	£	£000	£000	£000	£000
Chairman Mrs Hattie Llewelyn- Davies	March 2014		35 - 40					35 - 40	35-40					35-40
Non-Executive Director Mr Graeme Johnston	March 2013		10 - 15					10 - 15	5-10					5-10
Non-Executive Director Professor Mary Lovegrove	May 2014	May 2019	0 - 5					0 - 5	5-10					5-10
Non-Executive Director Mr Rajiv Jaitly	June 2015		10 - 15					10 - 15	5-10					5-10
Non-Executive Director Dipti Amin	June 2015		5 - 10					5 - 10	5-10					5-10
Non-Executive Director Mr Tom Roche	October 2017		5-10					5-10	5-10					5-10
Non-Executive Director Mrs N Gilham	August 2019		5 - 10					5 - 10						-
Associate Non-Executive Director Professor David Sines	March 2012		5-10					5-10	5-10					5-10
Associate Non-Executive Director Professor Karol Sikora	December 2019		0-5					0-5	-					-
Chief Executive Mr Neil Macdonald	March 2018		185 - 190					185 - 190	135-140				30-32.5	165-170
Director of Finance Ms C Trevena	November 2018	April 2019	10 - 15				0	10 - 15	60-65				40-45	105-110
Director of Finance Mr Wayne Preston	May 2019	August 2019	40 - 45				0	40 - 45	10-15				0-2.5**	10-15
Director of Finance Mr Barry Jenkins	August 2019		100 -105		0-5		40 - 45	140 - 145	-					-
Chief Nurse and Director of Patient Care Standards Mrs Carolyn Morrice	April 2015	October 2019	60 - 65				55 - 60	120 - 125	110-115				0	110-115
Interim Chief Nurse and Director of Patient Care Standards Mrs Jennifer Ricketts	October 2019		55 - 60				-	55 - 60						-
Medical Director Dr Tina Kenny	November 2013		170 - 175				5 - 10	180 - 185	165-170				0	165-170
Director of Strategy Mr David Williams	April 2015		95 - 100				35 - 40	130 - 135	110-115				30-32.5**	115-120
Deputy Director of Strategy Mr Dan Leveson	July 2019	August 2019	15 - 20				-	15 - 20						
Acting Chief Operating Office Ms N Fox	April 2018	June 2019	25 - 30				15 - 20	45- 50	120-125				22.5-25**	140-145
Interim Chief Operating Officer Mr David Williams	July 2019	August 2019	15 - 20				5 - 10	25 - 30						-
Chief Operating Officer Mr Dan Gibbs	September 2019		75 - 80				25 - 30	100 - 105						
Director of HR and Organisational Development Bridget O'Kelly	August 2017		105 - 110				70-75	180 - 185	100-105				22.5-25	165-170
Commercial Director Ali Williams	December 2018		115-120				25-30	140-145	30-35				n/a*	30-35

n/a - Non-Executive Directors are not entitled to pension

n/a* - Prior Year or part year comparators not available

[1] This auditable element includes: Single total figure of remuneration for each director; CETV disclosures for each director; payments to past directors; payment for loss of office (if relevant)

Table 2: Pension Benefits

Name and Title	(a) Real increase in pension at age 60 (bands of £2500) £000	(b) Real increase in pension lump sum at age 60 (bands of £2500) £000	(c) Total accrued pension at age 60 at 31 March 2020 (bands of £5000) £000	(d) Lump sum at age 60 related to accrued pension at 31 March 2020 (bands of £5000) £000	(e) Cash Equivalent Transfer Value at 31 March 2020 £000	(f) Cash Equivalent Transfer Value at 31 March 2019 £000	(g) Real Increase in Cash Equivalent Transfer Value* £000	(h) Employer's Contribution to stakeholder pension** To nearest £100 £
Chief Operating Officer Ms N Fox	2.5 - 5.0	5 - 7.5	45 - 50	110 - 115	833	733	79	2,900
Chief Operating Officer Mr D Gibbs	0 - 2.5	5 - 7.5	25 - 30	45 - 50	395	340	36	10,900
Medical Director Dr T Kenny	0 - 2.5	2.5 - 5	55 - 60	165 - 170	**	**	-	25,000
Director of Nursing Ms C Morrice	2.5 - 5.0	12.5-15	40 - 45	130 - 135	942	797	116	9,300
Interim Director of Nursing Mrs J Ricketts	-	-	15 - 20	-	259	***	-	15,200
Interim Director of Finance Ms C Trevena	0 - 2.5	0	30 - 35	80 - 85	658	626	14	1,800
Interim Director of Finance Mr W Preston	0 - 2.5	0	45 - 50	105 - 110	872	846	-	18,100
Director of Finance Mr B Jenkins	2.5 - 5.0	-	70 - 75	-	924	840	50	14,500
Director of Strategy / Chief Operating Officer Mr D Williams	2.5 - 5.0	0 - 2.5	40 - 45	95 - 100	822	743	27	16,700
Deputy Director of Strategy Mr Dan Leveson	-	-	15 - 20	-	201	***	-	12,100
Director of HR and Organisational Developments Ms B O'Kelly	2.5 - 5.0	-	45 - 50	-	647	564	55	15,000
Commercial Director Ms A Williams	0 - 2.5	-	0 - 5	-	37	8	11	17,000

*** The Real Increase In Cash Equivalent Transfer Value is net of employee contributions to the pension scheme.**

****CETV values are not available from NHS pensions for this individual**

This table only includes Executive Directors where the Trust has made contributions to a pension scheme.

Signed _____ Date 24th of June 2020

Neil MacDonald
Chief Executive

Staff Numbers
[Auditable element [2]]

The number of staff employed within each staff grouping is shown below:

Average Staff Numbers	Total	Permanently Employed	Other	Prior Year Total	Prior Year Permanently Employed	Prior Year Other
	Number	Number	Number	Number	Number	Number
Medical and dental	752	662	90	714	706	7
Administration and estates	1,099	942	158	918	892	26
Healthcare assistants and other support staff	856	641	215	832	742	90
Nursing, midwifery and health visiting staff	2,043	1,396	647	1,856	1,646	210
Scientific, therapeutic and technical staff	990	819	171	881	825	56
Other	13	7	6	6	6	0
TOTAL	**5,754**	**4,467**	**1,286**	**5,207**	**4,818**	**390**
Number of employees (WTE) engaged on capital projects	10	10	0	16	16	0

Banding of Senior Managers

The breakdown of senior managers, by band, is shown below.

Managers/Senior Managers		
	31st March 2019	31st March 2018
Agenda for Change Banding	**Headcount**	**Headcount**
Band 7	51	51
Band 8	105	88
Band 9	10	8
Non Agenda for Change Contracts	8	6
Total	**174**	**153**

Pay multiples
[Auditable element[3]]

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest paid director in Buckinghamshire Healthcare NHS Trust in the financial year 2019/20 was £185,000 to 190,000 (2018/19 £165,000 to £170,000). This was 6.0 times (2018/19 5.7 times) the median remuneration of the workforce, which was £31,001 (2018/19 £29,910).

No employees were paid more than the highest paid director.

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 values of pensions.

[2] Auditable element: Analysis of staff numbers
[3] Auditable element: Fair pay (pay multiples) disclosures

The tables below details Exit packages including Redundancy paid to Trust employees: *[Auditable element[4]]*

Exit packages and severance payments

Table 1: Exit packages

Exit package cost band (including any special payment element)	Number of compulsory redundancies	Cost of compulsory redundancies	Number of other departures agreed	Cost of other departures agreed	Total number of exit packages	Total cost of exit packages
2019-20	WHOLE NUMBERS ONLY	£000s	WHOLE NUMBERS ONLY	£000s	WHOLE NUMBERS ONLY	£s
Less than £10,000						
£10,000 - £25,000						
£25,001 - £50,000						
£50,001 - £100,000						
Totals	0	0	0	0	-	0

Exit package cost band (including any special payment element)	Number of compulsory redundancies	Cost of compulsory redundancies	Number of other departures agreed	Cost of other departures agreed	Total number of exit packages	Total cost of exit packages
2018-19	WHOLE NUMBERS ONLY	£000s	WHOLE NUMBERS ONLY	£000s	WHOLE NUMBERS ONLY	£s
Less than £10,000	3	9	6	15	9	24
£10,000 - £25,000			2	24	2	24
£25,001 - £50,000					-	-
£50,001 - £100,000					-	-
Totals	3	9	8	39	11	48

Table 2: Analysis of Other Departures

Other Exit Packages - disclosures (Excluding Compulsory Redundancies)	Number of exit package agreements	Total Value of Agreements	Prior YearNumber of exit package agreements	Prior Year Total Value of Agreements
	Number	£000s	Number	£000s
Contractual payments in lieu of notice*	0	0	8	39
Exit payments following Employment Tribunals or court orders				
Total	**0**	**0**	**14**	**37**

The Trust did not pay any exit packages in 2019-20.

[4] Auditable element: Exit packages

Off Payroll' employees

The 'Review of Tax Arrangements of Public Sector Appointees' was published by the HM Treasury in 2012, which was followed up with its Annual Reporting Guidance in December 2012. This requires the Trust to have in place contractual arrangements that allow it to assure itself of the tax arrangements of those people employed by the Trust, but not through payroll, for a period of more than six months at a cost of more than £245 per day.

The Trust is required to provide disclosures on how many of those arrangements it had in place at 31st March 2019, and new engagements during the period 1st April 2019 to 31st March 2020.

Table 1	**Number**
Number of existing engagements as of 31 March 2019	5
Of which, the number that have existed:	
for less than one year at the time of reporting	5
for between one and two years at the time of reporting	0
for between 2 and 3 years at the time of reporting	0
for between 3 and 4 years at the time of reporting	0
for 4 or more years at the time of reporting	0

Table 2	**Number**
Number of new engagements, or those that reached six months in duration, between 1 April 2019 and 31 March 2020	2
Number of new engagements which include contractual clauses giving the Buckinghamshire Healthcare NHS Trust the right to request assurance in relation to income tax and National Insurance obligations	2
Number for whom assurance has been requested	2
Of which:	
assurance has been received	2
assurance has not been received	0
engagements terminated as a result of assurance not being received	0

All off payroll engagements are subject to a risk assessment as to whether assurance is required on the individual's tax affairs.

In addition the Trust is required to provide the disclosure in the table below regarding the number of board members or managers with financial responsibility employed on such a basis.

Number of off-payroll engagements of board members, and/or senior officers with significant financial responsibility, during the year	0
Number of individuals that have been deemed "board members, and/or senior officers with significant financial responsibility" during the financial year. This figure includes both off-payroll and on-payroll engagements	0

The information above has been subject to audit.

Declaration

I confirm adherence to the reporting framework in respect of the Accountability Report

Signed Date: 24th June 2020

Neil Macdonald, Chief Executive

Finance statements 2019-2020

Buckinghamshire Healthcare NHS Trust

Annual accounts for the year ended 31 March 2020

Consolidated Statement of Comprehensive Income

		Group		Trust	
		2019/20	2018/19	2019/20	2018/19
	Note	£000	£000	£000	£000
Operating income from patient care activities	3	420,770	391,297	420,699	391,297
Other operating income	4	32,157	25,353	33,330	26,209
Operating expenses	6	(469,578)	(433,377)	(469,771)	(432,974)
Operating surplus/(deficit) from continuing operations		**(16,651)**	**(16,727)**	**(15,742)**	**(15,468)**
Finance income	11	405	415	142	130
Finance expenses	12	(10,405)	(9,416)	(10,405)	(9,416)
PDC dividends payable		(3,341)	(4,194)	(3,341)	(4,194)
Net finance costs		**(13,341)**	**(13,195)**	**(13,604)**	**(13,480)**
Surplus / (deficit) for the year from continuing operations		**(29,992)**	**(29,922)**	**(29,346)**	**(28,948)**
Surplus / (deficit) for the year		**(29,992)**	**(29,922)**	**(29,346)**	**(28,948)**
Other comprehensive income					
Will not be reclassified to income and expenditure:					
Revaluations	16	1,173	2,308	1,173	2,308
May be reclassified to income and expenditure when certain conditions are met:					
Fair value gains/(losses) on financial assets mandated at fair value through OCI	17	(995)	94	-	-
Total comprehensive income / (expense) for the period		**(29,814)**	**(27,520)**	**(28,173)**	**(26,640)**
Surplus/ (deficit) for the period attributable to:					
Buckinghamshire Healthcare NHS Trust		(29,346)	(28,950)	(29,346)	(28,950)
Buckinghamshire Healthcare Projects Ltd		171	2	-	2
Buckinghamshire Healthcare NHS Trust Charity		(817)	(974)	-	-
TOTAL		**(29,992)**	**(29,922)**	**(29,346)**	**(28,950)**
Total comprehensive income/ (expense) for the period attributable to:					
Buckinghamshire Healthcare NHS Trust		(28,173)	(26,642)	(28,173)	(26,642)
Buckinghamshire Healthcare Projects Ltd		172	2	-	2
Buckinghamshire Healthcare NHS Trust Charity		(1,813)	(880)	-	-
TOTAL		**(29,814)**	**(27,520)**	**(28,173)**	**(26,640)**
Adjusted financial performance (control total basis):					
Surplus / (deficit) for the period		(29,992)	(29,922)	(29,346)	(28,948)
Remove impact of consolidating NHS charitable fund		817	974	-	-
Remove net impairments not scoring to the Departmental expenditure limit		1,418	(2,526)	1,418	(2,526)
Remove I&E impact of capital grants and donations		(578)	(173)	(578)	(173)
Remove 2018/19 post audit PSF reallocation (2019/20 only)		(494)	-	(494)	-
Adjusted financial performance surplus / (deficit)		**(28,829)**	**(31,647)**	**(29,000)**	**(31,647)**

Statements of Financial Position

		Group		Trust	
		31 March 2020	31 March 2019	31 March 2020	31 March 2019
	Note	£000	£000	£000	£000
Non-current assets					
Intangible assets	13	1,526	1,970	1,526	1,970
Property, plant and equipment	14	276,359	270,778	276,327	270,778
Other investments / financial assets	17	7,072	8,368	-	-
Receivables	21	3,769	3,815	4,057	3,815
Total non-current assets		**288,726**	**284,931**	**281,910**	**276,563**
Current assets					
Inventories	20	7,312	6,894	7,081	6,894
Receivables	21	33,371	34,553	32,960	34,529
Other assets	22	147	147	147	147
Cash and cash equivalents	23	9,524	3,431	8,507	2,191
Total current assets		**50,354**	**45,025**	**48,695**	**43,761**
Current liabilities					
Trade and other payables	24	(38,066)	(35,917)	(37,496)	(35,830)
Borrowings	26	(111,183)	(5,525)	(111,182)	(5,525)
Provisions	27	(2,035)	(446)	(2,035)	(446)
Other liabilities	25	(173)	(166)	(173)	(166)
Total current liabilities		**(151,457)**	**(42,054)**	**(150,886)**	**(41,967)**
Total assets less current liabilities		**187,623**	**287,902**	**179,719**	**278,357**
Non-current liabilities					
Borrowings	26	(49,660)	(125,857)	(49,660)	(125,857)
Provisions	27	(891)	(999)	(891)	(999)
Other liabilities	25	(246)	(268)	(246)	(268)
Total non-current liabilities		**(50,797)**	**(127,124)**	**(50,797)**	**(127,124)**
Total assets employed		**136,826**	**160,778**	**128,922**	**151,233**
Financed by					
Public dividend capital		194,155	188,293	194,155	188,293
Revaluation reserve		42,396	41,223	42,396	41,223
Income and expenditure reserve		(107,458)	(78,283)	(107,629)	(78,283)
Charitable fund reserves	19	7,733	9,545	-	-
Total taxpayers' equity		**136,826**	**160,778**	**128,922**	**151,233**

The notes on pages 8 to 51 form part of these accounts.

Name Neil Macdonald
Position Chief executive officer
Date **24 June 2020**

Consolidated Statement of Changes in Equity for the year ended 31 March 2020

Group	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Charitable fund reserves	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2019 - brought forward	**188,293**	**41,223**	**(78,283)**	**9,545**	**160,778**
Surplus/(deficit) for the year	-	-	(30,822)	830	**(29,992)**
Revaluations	-	1,173	-	-	**1,173**
Fair value gains/(losses) on financial assets mandated at fair value through OCI	-	-	-	(995)	**(995)**
Public dividend capital received	5,862	-	-	-	**5,862**
Other reserve movements	-	-	1,647	(1,647)	**-**
Taxpayers' and others' equity at 31 March 2020	**194,155**	**42,396**	**(107,458)**	**7,733**	**136,826**

Consolidated Statement of Changes in Equity for the year ended 31 March 2019

Group	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Charitable fund reserves	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2018 - brought forward	**183,501**	**38,915**	**(49,195)**	**10,425**	**183,646**
Impact of implementing IFRS 9 on 1 April 2018	**-**	**-**	**(140)**	**-**	**(140)**
Surplus/(deficit) for the year	**-**	**-**	**(30,534)**	**612**	**(29,922)**
Revaluations	-	2,308	-	-	**2,308**
Fair value gains/(losses) on financial assets mandated at fair value through OCI	-	-	-	94	**94**
Public dividend capital received	4,792	-	-	-	**4,792**
Other reserve movements	-	-	1,586	(1,586)	**-**
Taxpayers' and others' equity at 31 March 2019	**188,293**	**41,223**	**(78,283)**	**9,545**	**160,778**

Statement of Changes in Equity for the year ended 31 March 2020

Trust	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2019 - brought forward	**188,293**	**41,223**	**(78,283)**	**151,233**
Surplus/(deficit) for the year	**-**	**-**	**(30,993)**	**(30,993)**
Revaluations	**-**	**1,173**	**-**	**1,173**
Public dividend capital received	**5,862**	**-**	**-**	**5,862**
Other reserve movements	**-**	**-**	**1,647**	**1,647**
Taxpayers' and others' equity at 31 March 2020	**194,155**	**42,396**	**(107,629)**	**128,922**

Statement of Changes in Equity for the year ended 31 March 2019

Trust	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2018 - brought forward	**183,501**	**38,915**	**(49,195)**	**173,221**
Impact of implementing IFRS 9 on 1 April 2018	-	-	(140)	**(140)**
Surplus/(deficit) for the year	-	-	(28,948)	**(28,948)**
Revaluations	-	2,308	-	**2,308**
Public dividend capital received	4,792	-	-	**4,792**
Other reserve movements	-	-	-	**-**
Taxpayers' and others' equity at 31 March 2019	**188,293**	**41,223**	**(78,283)**	**151,233**

Statements of Cash Flows

		Group		Trust	
		2019/20	2018/19	2019/20	2018/19
	Note	£000	£000	£000	£000
Cash flows from operating activities					
Operating surplus / (deficit)		(16,651)	(16,727)	(15,742)	(15,468)
Non-cash income and expense:					
Depreciation and amortisation	6	13,575	11,854	13,541	11,854
Net impairments	7	1,418	(2,526)	1,418	(2,526)
Income recognised in respect of capital donations	4	(380)	(73)	(2,027)	(1,526)
Amortisation of PFI deferred credit		(22)	(23)	(22)	(23)
(Increase) / decrease in receivables and other assets		2,241	5,770	2,799	5,225
(Increase) / decrease in inventories		(417)	(329)	(187)	(329)
Increase / (decrease) in payables and other liabilities		4,586	(326)	4,045	(468)
Increase / (decrease) in provisions		1,485	(109)	1,485	(109)
Movements in charitable fund working capital		401	(361)	-	-
Other movements in operating cash flows		(1,647)	(1,453)	-	-
Net cash flows from / (used in) operating activities		**4,589**	**(4,303)**	**5,310**	**(3,370)**
Cash flows from investing activities					
Interest received		142	130	142	130
Purchase of intangible assets		(40)	(467)	(40)	(467)
Purchase of Property, Plant and Equipment		(21,126)	(10,946)	(21,060)	(10,946)
Sales of Property, Plant and Equipment		69	-	69	-
Receipt of cash donations to purchase assets		201	-	201	-
Net cash flows from charitable fund investing activities		563	285	-	-
Net cash flows from / (used in) investing activities		**(20,191)**	**(10,998)**	**(20,688)**	**(11,283)**
Cash flows from financing activities					
Public dividend capital received		5,862	4,792	5,862	4,792
Movement on loans from DHSC		32,621	26,848	32,621	26,848
Capital element of finance lease rental payments		(898)	(756)	(899)	(756)
Capital element of PFI, LIFT and other service concession payments		(2,368)	(2,132)	(2,368)	(2,132)
Interest on loans		(1,906)	(1,458)	(1,906)	(1,578)
Other interest		(44)	(120)	(44)	-
Interest paid on finance lease liabilities		(121)	(136)	(121)	(136)
Interest paid on PFI, LIFT and other service concession obligations		(8,232)	(7,739)	(8,232)	(7,739)
PDC dividend (paid) / refunded		(3,219)	(4,521)	(3,219)	(4,521)
Net cash flows from / (used in) financing activities		**21,695**	**14,778**	**21,694**	**14,778**
Increase / (decrease) in cash and cash equivalents		**6,093**	**(523)**	**6,316**	**125**
Cash and cash equivalents at 1 April - brought forward		**3,431**	**3,954**	**2,191**	**2,066**
Cash and cash equivalents at 31 March	23	**9,524**	**3,431**	**8,507**	**2,191**

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.

Income and expenditure reserve
The balance of this reserve is the accumulated surpluses and deficits of the Trust.

Charitable funds reserve
This reserve comprises the ring-fenced funds held by the NHS charitable funds consolidated within these financial statements. These reserves are classified as restricted or unrestricted; a breakdown is provided in note 19

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

The Department of Health and Social Care has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2019/20 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

Accounting convention

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

Note 1.2 Going concern

The Trust 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.

DHSC group bodies must therefore prepare their accounts on a going concern basis unless informed by the relevant national body or DHSC sponsor of the intention for dissolution without transfer of services or function to another entity. A trading entity needs to consider whether it is appropriate to continue to prepare its financial statements on a going concern basis where it is being, or is likely to be, wound up.

On 2 April 2020, the Department of Health and Social Care (DHSC) and NHS England and NHS Improvement announced reforms to the NHS cash regime for the 2020/21 financial year. During 2020/21 existing DHSC interim revenue and capital loans as at 31 March 2020 will be extinguished and replaced with the issue of Public Dividend Capital (PDC) to allow the repayment. The affected loans totalling £107,958k are classified as current liabilities within these financial statements. As the repayment of these loans will be funded through the issue of PDC, this does not present a going concern risk for the Trust.

The Trust has made a number COVID-19 considerations to check if they present a going concern risk. Considerations included assessment of credit risk, liquidity risk, inventory, income and expenditure impact and PDC accounting. The Trust is satisfied that these considerations do not present a going concern risk.

In preparing the financial statements the Directors have considered the Trust's overall financial position and expectation of future financial support. The Trust delivered its revised forecast deficit for the year in 2019/20. The trust had submitted an outline financial plan for 2020/21 to NHS England and NHS Improvement (NHSE/I) which delivered a deficit of £30.1 million. In the light of the growing coronavirus pandemic, discussions on 2020/21 budgets were halted by NHSE/I. Agreement had not been reached with commissioners over the level of funding at this stage, and there was a £22m funding gap between income requirements and funding expectations due to the wider financial pressures within the system in Buckinghamshire before discussions were halted. The position also required full delivery of a planned CIP programme of £6.6 million. The Trust had only identified opportunities of £1 million (15%) of this programme before planning was set aside to respond to the Covid-19 pandemic. For the first four months of 2020/21 (April to July) the Trust has been assured of funding to meet Covid expenditure and to allow the trust to achieve breakeven. The financial framework thereafter has yet to be determined but the Trust believes it will be a variant of these arrangements. It seems probable that the disruption to normal operations across the NHS will be so material that the financial framework for 2010/21will be recast, albeit on a temporary basis. Achievement of the Trust's 2020/21 financial plans is likely to require delivery of ambitious budgets and a challenging Cost Improvement programme, as well as the achievement of challenging system savings and efficiencies. If the Trust's financial deficit is greater than planned in 2020/21 then further cash support will need to be provided. Due to the impact of the Covid-19 pandemic, the 2020/21 year remains uncertain in terms of funding, or even what the financial framework will look like.

These factors represent material uncertainties that may cast significant doubt over the Trust's ability to continue as a going concern.

Although these factors represent material uncertainties that may cast significant doubt about the Trust's ability to continue as a going concern the Directors, having made appropriate enquiries, still have reasonable expectations that the Trust will have adequate resources to continue in operational existence for the foreseeable future. As directed by the 2019/20 Group Accounting Manual, the Directors have prepared the financial statements on a going concern basis, as they consider that the services currently provided by the Trust will continue to be provided in the foreseeable future. On this basis, the Trust has adopted the going concern basis for preparing the financial statements and has not included the adjustments that would result if it was unable to continue as a going concern.

Note 1.3 Consolidation

Under the provisions of IAS 27 Consolidated and Separate Financial Statements, those charitable funds that fall under common control with NHS bodies are consolidated within the entity's financial statements. In accordance with IAS 1 Presentation of Financial Statements, restated prior period accounts are presented where the adoption of the new policy has a material impact.

The Trust Board is Corporate Trustee of the Buckinghamshire Healthcare NHS Trust Charitable Fund (registered number 1053113). The valuation of the investment portfolio of the Charity is considered material within the Trust's Accounts. Therefore the Charity is considered to be under common control, with a requirement for consolidation. The main financial statements therefore have consolidated comparators. This balance represents the ring-fenced funds held by the NHS charitable funds consolidated within these accounts. These reserves are restricted to the objects of the Charity (charitable Purpose).

The Charity is not required to report under International Financial Reporting Standards. It is required to comply with UK Generally Accepted Accounting Practice and there will be differences in Accounting Standards and Policies between the two. As a part of the consolidation exercise, areas which may be affected by the divergence in Accounting Standards, particularly around valuation of assets and liabilities, were assessed, and there was no resultant requirement to restate the Charity's results.

Where there have been transactions between the Trust and the Charity, the impact of these transactions needs to be removed to avoid 'double-counting'. For example, where the Charity has expenditure with the Trust, which the Trust has recorded as income, both entries need to be removed to avoid over-inflating the results. However, where the Charity has provided funding against Trust expenditure which has been recharged, the expenditure will only be shown in the Charity's figures so has been consolidated.

There will be specific Accounting Policies which may not be applicable to the Trust, but which may affect the recognition and valuation of financial transactions within the Charity's Accounts. In particular:

a. All incoming resources are met in full as soon as three factors are met:

- Entitlement - when the Charity becomes legally entitled to the receivable;
- Certainty - when there is reasonable certainty that the incoming resource will be received, and
- Measurement - when the monetary value can be measured with sufficient reliability.

This is of relevance to legacies. When confirmation has been received from representatives of the estate that payment of the legacy will be made or property transferred and, once all conditions attached to the legacy have been fulfilled, the incoming resource will be recognised.

b. Expenditure is recognised when a liability is incurred. Grant commitments are recognised when a constructive obligation arises that results in payment being unavoidable. Liability for unconditional grants is recognised when approval is given by the Trustee. Where the Trustee pledges support for the cost of an ongoing project the costs are accrued within the Charity as the costs are incurred on the project.

c. Investment fixed assets are shown at market value.

- Quoted stocks and shares are included in the Statement of Financial Position at bid price, excluding dividends.
- Other investment fixed assets are included at the Trustee's best estimate of market value.

All gains and losses are taken to the Income Statement as they arise. Realised gains and losses on investments are calculated as the difference between sale proceeds and opening market value (or cost at date of purchase if later). Unrealised gains and losses are calculated as the difference between market value at the year end and opening market value (or cost at date of purchase if later).

Due to the exposure to market value of investments the Charity's, and therefore the Group's, exposure to risk with regard to financial assets is different to that of the Trust. Market values of investments can go down as well as up.

Note 1.4 Critical Accounting judgements and key sources of estimation uncertainty

In the application of Trust's accounting policies, management is required to make various judgements, estimates and assumptions. These are regularly reviewed.

Note 1.4.1 Critical Accounting judgements in applying accounting policies

In the application of the NHS Trust's accounting policies, management is required to make judgements, 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.

The Trust has judged that amounts paid to Private Finance Initiatives for the replacement of assets where the work has not yet been undertaken be recognised as a prepayment.

A clarification of professional guidance surrounding the estimation of remaining useful lives was released in January 2019. This has significantly reduced the remaining value in use of the Trust's Infrustructure. Management has undertaken an assessment of the impact this would have on the accounts should it be backdated to when the methodology was adopted by the organisation. This would have required an adjustment of £4.3m to the prior period. This has been assessed to be immaterial to adjust both in terms of value and the impact it would have on the understandability of the accounts.

Note 1.4.2 Sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The Trust depreciates the value of its assets over their estimated economic lives. It therefore has to estimate economic lives by taking into account such factors as depreciation and technical obsolesence. The actual life of the asset may be different to that estimated and, therefore, the amount of depreciation charged, and the carrying value of the asset at the date of the Statement of Financial Position, may be different to that which can subsequently be shown as should have been the case.

In order to calculate the carrying value of the Trust's provisions there are a number of areas which are required to be estimated :-

a. The Trust will need to estimate the amount of its liability. In the case of legal claims, for example, it will use the advice of its experts but the actual amount of the liability will not be known until the outcome of the litigation.

b. The Trust will need to estimate the probability of a liability existing. The outcome of the litigation may be uncertain but the Trust will use the advice of its experts on whether it is probable that it will be found liable.

c. In the case of pensions and other benefits to be paid in the future, an estimate will be made for the length of time that the payment will be required to be made, using actuarial mortality tables. Discount rates will be used to estimate the present value of the future payments.

d. The Trust will need to estimate the level of recovery of its receivables and make allowances for the expected level of impairment of those receivables. Actual experience may differ from these estimates.

e. The Trust will need to estimate expenditure which is not yet invoiced based on its understanding of the operations of the organisation. There are robust financial management procedures within the organisation where by discussions with budget managers are undertaken routinely to determine levels of reported expenditure. The Trust has a defined ordering process set out in the standing financial instructions to ensure that information on spend is captured to inform accruals.

f. The arrangements under Private Finance Initiatives have been accounted for based on historic information provided at the inception of the lease together with work undertaken to understand the transactions based on official PFI accounting models.

g. The Trust engages professional valuers to assess the Existing Value in Use (EVU) of the Trust's Land and Buildings as well as the length of time over which the asset could be expected to be used.

h. The Trust's estimation of its non current asset values and useful economic life involves estimation and judgement. During 2019/20 a valuation of all the Trust's land and buildings was carried out by an external professional valuer as at 31 March 2020. Specialised buildings are valued based on a depreciated Modern Equivalent Asset (MEA) basis with non specialised buildings valued based on Existing Use (EUV). The valuation provided has been used for closing net replacement costs.

The valuation exercise was carried in March 2020. In applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2020 ('Red Book'), the valuer has declared a 'material valuation uncertainty' in the valuation report. This is on the basis of uncertainties in markets caused by COVID-19. The values in the report have been used to inform the measurement of property assets at valuation in these financial statements. With the valuer having declared this material valuation uncertainty, the valuer has continued to excercise professional judgement in providing the valuation and this remains the best information available to the Trust.

The valuation report does not provide a potential scale of the uncertainty and includes factors which might lead to a higher as well as lower valuation. The assessed value of the buildings is £232m. The impact of a 5% change would be to change the PDC dividend by £0.41m in 2019/20 based on the closing value of assets. The impact in 2020/21 would be a change in depreciation of £0.27m as well as £0.40m change in PDC dividend based on the opening value of assets.

Note 1.5 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.

The transition to IFRS 15 has been completed in accordance with paragraph C3 (b) of the Standard, applying the Standard retrospectively recognising the cummulative effects at the date of initial application.

In the adoption of IFRS 15 a number of practical expedients offered in the Standard have been employed.These are as follows;

- As per paragraph 121 of the Standard the Trust will not disclose information regarding the performance obligations as part of a contract that has an original expected duration of one year or less,
- The Trust is to similarly not disclose information where revenue is recognised in line with the practical expedient offered in paragraph B16 of the Standard where the right to consideration corresponds directly with value of the performance completed to date.
- The FReM has mandated the exercise of the practical expedient offered in C7(a) of the Standard that requires the Trust to reflect the aggregate effect of all contracts modified before the date of initial application.

Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for health care services. A performance obligation relating to delivery of a spell of health care is generally satisfied over time as healthcare is received and consumed simultaneously by the customer as the Trust performs it. The customer in such a contract is the commissioner, but the customer benefits as services are provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligns with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that are substantially the same and have a similar pattern of transfer. At the year end, the Trust accrues income relating to activity delivered in that year, where a patient care spell is incomplete. This accrual is disclosed as a contract receivable. Entitlement to payment for work completed is usually only dependent on the passage of time.

Revenue from research contracts

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

NHS injury cost recovery scheme

The Trust receives income under the NHS injury cost recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when performance obligations have been satisfied. In practical terms this means that treatment has been given and notification from the Department of Work and Pension's Compensation Recovery Unit received. The NHS2 form is complete and it is confirmed that there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

Provider sustainability fund (PSF) and Financial recovery fund (FRF)

The PSF and FRF enable providers to earn income linked to the achievement of financial controls and performance targets. Income earned from the funds is accounted for as variable consideration.

Revenue in respect of services provided is recognised when (or as) performance obligations are satisfied by transferring promised services to the customer, and is measured at the amount of the transaction price allocated to that performance obligation.

Where income is received for a specific performance obligation that is to be satisfied in the following year, that income is deferred.

Payment terms are standard reflecting cross government principles.

The Charity's accounting policy on recognising income is disclosed in full in note 1.3.

Note 1.6 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 levy 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.

Other Income
Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

Note 1.7 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 Trust has not accrued any annual leave carry forward. Until 1st of March 2020 it was the Trust policy for staff to take their entitlement in year. However, due to the challenges faced by Covid-19 this was relaxed. Due to the timing of the change the impact is not assessed as material to the financial statements.

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 schemes are not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the schemes are accounted for as though they are a defined contribution scheme: the cost to the Trust is taken as equal to the employer's pension contributions payable to the schemes 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 schemes 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.

For the financial year 2019-20 the following guidance has been released:
Clinicians who are members of the NHS Pension Scheme and who as a result of work undertaken in this tax year (2019/20) face a tax charge in respect of the growth of their NHS pension benefits above their pension savings annual allowance threshold will be able to have this charge paid by the NHS Pension Scheme (by completing and returning a ‘Scheme Pays’ form before 31 July 2021).

NHS provider organisations will need to create a provision broadly equal to the tax charge owed by clinicians who want to take advantage of the 2019/20 Commitment. This will be offset by the commitment from NHS England and the Government to fund the payments to clinicians as and when they arise. The provision and offsetting asset will initially increase year on year in line with the pension scheme growth, and be released as commitments are met, i.e. as eligible members retire under the rules of the NHS Pension Scheme.

This requires the Trust to recognise an asset and liability at £3,345 per claim.

The Trust has not been able to quantify this as the individuals apply directly to the scheme. Management is of the opinion that the uptake will not be material to the accounts.

Note 1.8 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 1.9 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 a similar disposal dates and are under single managerial control.

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.

Assets are measured subsequently at valuation. Assets which are held for their service potential and are in use (ie operational assets used to deliver either front line services or back office functions) are measured at their current value in existing use. Assets that were most recently held for their service potential but are surplus with no plan to bring them back into use are measured 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.

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.

Assets under construction are valued at cost incurred on their development to the financial year end.

Valuation guidance issued by the Royal Institute of Chartered Surveyors states that valuations are performed net of VAT where the VAT is recoverable by the entity. This basis has been applied to the Trust's Private Finance Initiative (PFI) scheme where the construction is completed by a special purpose vehicle and the costs have recoverable VAT for the Trust.

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.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset, and thereafter to expenditure. Gains and losses recognised in the revaluation reserve are reported as other comprehensive in the Statement of Comprehensive Income.

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.

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.

Derecognition
Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria are met.

• the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
• the sale must be highly probable ie:

- management are committed to a plan to sell the asset
- an active programme has begun to find a buyer and complete the sale
- the asset is being actively marketed at a reasonable price
- the sale is expected to be completed within 12 months of the date of classification as 'held for sale' and
- the actions needed to complete the plan indicate it is unlikely that the plan will be abandoned or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

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

Donated and grant funded assets

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

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

Note 1.10 Private Finance Initiative (PFI) and Local Improvement Finance Trust (LIFT) transactions

PFI transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as 'on-Statement of Financial Position' by the Trust. In accordance with HM Treasury's FReM, the underlying assets are recognised as property, plant and equipment, together with an equivalent liability. Subsequently, the assets are accounted for as property, plant and equipment.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

- payment for the fair value of services received;
- repayment of the finance lease liability, including finance costs, and
- payment for the replacement of components of the asset during the contract 'lifecycle replacement'.

Services received
The cost of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'.

PFI assets, liabilities and finance costs
The PFI assets are recognised as property, plant and equipment when they come into use. The assets are measured initially at fair value or, if lower, at the present value of the minimum lease payments, in accordance with the principles of IAS 17. Subsequently, the assets are measured at current value in existing use.

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the initial value of the assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the Statement of Comprehensive.

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the Statement of Comprehensive Income.

Lifecycle replacement
Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the Trust's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at cost.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term accrual or prepayment is recognised respectively.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised. The deferred income is released to operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

Assets contributed by the Trust to the operator for use in the scheme
Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the Trust's Statement of Financial Position.

Other assets contributed by the Trust to the operator
Other assets contributed (e.g. cash payments, surplus property) by the Trust to the operator before the asset is brought into use, where these are intended to defray the operator's capital costs, are recognised initially as prepayments during the construction phase of the contract. When the asset is made available to the Trust, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

Useful lives of property, plant and equipment

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

	Min life Years	Max life Years
Land	-	-
Buildings, excluding dwellings	1	73
Dwellings	23	50
Plant & machinery	5	22
Transport equipment	2	5
Information technology	3	17
Furniture & fittings	7	23

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 1.11 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

Software

Software which is integral to the operation of hardware, eg an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, eg application software, is capitalised as an intangible asset.

Measurement

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

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 of IFRS 5.

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

	Min life Years	Max life Years
Information technology	2	7
Software licences	5	7

Note 1.12 Inventories

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

Note 1.13 Investment properties

Investment properties are measured at fair value. Changes in fair value are recognised as gains or losses in income/expenditure.

Only those assets which are held solely to generate a commercial return are considered to be investment properties. Where an asset is held, in part, for support service delivery objectives, then it is considered to be an item of property, plant and equipment. Properties occupied by employees, whether or not they pay rent at market rates, are not classified as investment properties.

Note 1.14 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.

Note 1.15 Carbon Reduction Commitment scheme (CRC)

The CRC scheme is a mandatory cap and trade scheme for non-transport CO2 emissions. The Trust is registered with the CRC scheme, and is therefore required to surrender to the Government an allowance for every tonne of CO2 it emits during the financial year. A liability and related expense is recognised in respect of this obligation as CO2 emissions are made.

The carrying amount of the liability at the financial year end will therefore reflect the CO2 emissions that have been made during that financial year, less the allowances (if any) surrendered voluntarily in respect of that financial year.

The liability will be measured at the amount expected to be incurred in settling the obligation. This will be the cost of the number of allowances required to settle the obligation.

Note 1.16 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 ONS.

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

Classification and measurement

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

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described below.

Financial assets are classified as subsequently measured at amortised cost or fair value through income and expenditure.

Financial liabilities classified as subsequently measured at amortised cost or fair value through income and expenditure.

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 or assets measured at fair value through other comprehensive income, 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

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 derecognised 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 derecognised when the obligation is discharged, cancelled or expires.

Note 1.17 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 as 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.The Lease liability, is de-recognised when the liability is discharged, cancelled or expires.

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 1.18 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective for 31 March 2020:

		Nominal rate
Short-term	Up to 5 years	0.51%
Medium-term	After 5 years up to 10 years	0.55%
Long-term	Exceeding 10 years	1.99%

HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates. The following inflation rates are set by HM Treasury, effective 31 March 2020:

	Inflation rate
Year 1	1.90%
Year 2	2.00%
Into perpetuity	2.00%

Early retirement provisions and injury benefit provisions both use the HM Treasury's pension discount rate of minus 0.5% in real terms.

Clinical negligence costs

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

Non-clinical risk pooling

Early retirement and injury benefit provisions are discounted using HM Treasury's pension discount rate of negative 0.5% (2018-19: positive 0.1%) in real terms.

Note 1.19 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 30 where an inflow of economic benefits is probable.
Contingent liabilities are not recognised, but are disclosed in note 30, 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 1.20 Public dividend capital

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

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

A charge, reflecting the cost of capital utilised by the Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for
(i) donated and grant funded assets,
(ii) average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and
(iii) any PDC dividend balance receivable or payable.

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

Note 1.21 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.

Buckinghamshire Healthcare Projects Limited accounts for VAT under rules applicable to private limited companies. The main items of income and spend relate to the purchase of medicines for use in outpatient dispensing. The income associated with charges for medicines and the associated dispensing fees are zero rated for VAT purposes, whilst the expenditure on medicines is reclaimable.

Note 1.22 Corporation tax

The subsidiary's corporation tax is calculated at 19% of the estimated taxable profit for the year. The charge for the year is £45k and this is reflected in group expenses.

Note 1.23 Foreign exchange

The functional and presentational currency of the Trust is sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

Where the Trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

• monetary items are translated at the spot exchange rate on 31 March 2020
• non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction and
• non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

Note 1.24 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 1.25 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis.

The losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

Note 1.26 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 1.27 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2019/20.

Note 1.28 Standards, amendments and interpretations in issue but not yet effective or adopted

IFRS 16 Leases

IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease and other interpretations will be replaced by IFRS 16. This is applicable in the public sector for periods beginning 1 April 2021. The standard provides a single accounting model for lessees, recognising a right of use asset and obligation in the Statement of Financial Position for most leases: some leases are exempt through application of practical expedients explained below. For those recognised in the statement of financial position the standard also requires the remeasurement of lease liabilities in specific circumstances after the commencement of the lease term. For lessors, the distinction between operating and finance leases will remain and the accounting will be largely unchanged.

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

On transition to IFRS 16 on 1 April 2021, the Trust will apply the standard retrospectively with the cumulative effect of initially applying the standard recognised in the income and expenditure reserve at that date. For existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000, a lease liability will be recognised equal to the value of remaining lease payments discounted on transition at the Trust's incremental borrowing rate. The Trust's incremental borrowing rate will be a rate defined by HM Treasury. Currently this rate is 1.27% but this may change between now and adoption of the standard. The related right of use asset will be measured equal to the lease liability adjusted for any prepaid or accrued lease payments.

No adjustments will be made on 1 April 2021 for existing finance leases.

For leases commencing in 2021/22, the Trust will not recognise a right of use asset or lease liability for short term leases (less than or equal to 12 months) or for leases of low value assets (less than £5,000). Right of use assets will be subsequently measured on a basis consistent with owned assets and depreciated over the length of the lease term.

HM Treasury revised the implementation date for IFRS 16 in the UK public sector to 1 April 2021 on 19 March 2020. Due to the need to reassess lease calculations, together with uncertainty on expected leasing activity from April 2021 and beyond, a quantification of the expected impact of applying the standard in 2021/22 is currently impracticable. However, the Trust does not expect this standard to have a material impact on non-current assets, liabilities and depreciation.

The Trust has estimated the impact of applying IFRS 16 in 2021/22 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 2020 statement of financial position	
Additional right of use assets recognised for existing operating leases	3,881
Additional lease obligations recognised for existing operating leases	(3,881)
Net impact on net assets on 1 April 2020	**-**
Estimated in-year impact in 2020/21	
Additional depreciation on right of use assets	(891)
Additional finance costs on lease liabilities	(49)
Lease rentals no longer charged to operating expenditure	922
Estimated impact on surplus / deficit in 2020/21	**(18)**
Estimated increase in capital additions for new leases commencing in 2020/21	**-**

Note 2 Operating Segments

The Trust operates in only one segment - namely the provision of healthcare services.

The Trust's main commissioners were NHS England and Clinical Commissioning Groups (CCGs) which are considered to be under common control. The Trust's income from NHS England and CCGs for patient care activities during the period was £420,770k (2018/19 £391,297k).

The balance to total income is other operating income of £32,157k (2018/19 £25,353k).

No other single customer accounted for more than 10% of the Trust's income.

Note 3 Operating income from patient care activities (Group)

All income from patient care activities relates to contract income recognised in line with accounting policy 1.5

Note 3.1 Income from patient care activities (by nature)	**2019/20 £000**	**2018/19 £000**
Acute services		
Elective income	51,642	51,211
Non elective income	96,477	89,665
First outpatient income	25,212	22,915
Follow up outpatient income	22,458	19,627
A & E income	13,294	11,442
Other NHS clinical income	144,967	136,084
Community services		
Community services income from CCGs and NHS England	35,902	33,827
Income from other sources (e.g. local authorities)	15,252	15,200
All services		
Private patient income	2,505	2,481
Agenda for Change pay award central funding*	-	3,402
Additional pension contribution central funding**	11,176	-
Other clinical income	1,885	5,443
Total income from activities	**420,770**	**391,297**

*Additional costs of the Agenda for Change pay reform in 2018/19 received central funding. From 2019/20 this funding is incorporated into tariff for individual services.

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

Note 3.2 Income from patient care activities (by source)

Income from patient care activities received from:	**2019/20 £000**	**2018/19 £000**
NHS England	81,483	66,854
Clinical commissioning groups	316,486	298,840
Department of Health and Social Care	-	3,405
Other NHS providers	3,204	3,071
NHS other	-	-
Local authorities	15,252	15,197
Non-NHS: private patients	2,505	2,481
Non-NHS: overseas patients (chargeable to patient)	366	216
Injury cost recovery scheme	1,301	961
Non NHS: other	173	272
Total income from activities	**420,770**	**391,297**
Of which:		
Related to continuing operations	420,770	391,297
Related to discontinued operations	-	-

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

	2019/20	2018/19
	£000	£000
Income recognised this year	366	216
Cash payments received in-year	368	108
Amounts added to provision for impairment of receivables	-	-
Amounts written off in-year	239	86

Overseas visitor debt is referred to an external debt collection agency CCI. The amounts are written off when all efforts to collect them have been exhausted.

Note 4 Other operating income (Group)

	2019/20			2018/19		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	1,261	-	**1,261**	988	-	**988**
Education and training	10,291	-	**10,291**	10,784	-	**10,784**
Non-patient care services to other bodies	1,209	-	**1,209**	1,271	-	**1,271**
Provider sustainability fund (PSF)	2,530	-	**2,530**	3,292	-	**3,292**
Financial recovery fund (FRF)	2,995	-	**2,995**	-	-	**-**
Marginal rate emergency tariff funding (MRET)	4,189	-	**4,189**	-	-	**-**
Income in respect of employee benefits accounted on a gross basis	-	-	**-**	-	-	**-**
Receipt of capital grants and donations	-	380	**380**	-	73	**73**
Charitable and other contributions to expenditure	-	893	**893**	-	670	**670**
Support from the Department of Health and Social Care for mergers	-	-	**-**	-	-	**-**
Rental revenue from finance leases	-	-	**-**	-	-	**-**
Rental revenue from operating leases	-	85	**85**	-	-	**-**
Amortisation of PFI deferred income / credits	-	22	**22**	-	23	**23**
Charitable fund incoming resources	-	570	**570**	-	730	**730**
Other income	7,732	-	**7,732**	7,522	-	**7,522**
Total other operating income	**30,207**	**1,950**	**32,157**	**23,857**	**1,496**	**25,353**
Of which:						
Related to continuing operations			**32,157**			**25,353**
Related to discontinued operations			**-**			**-**

Other Operating Income includes	**2019/20**	**2018/19**
Car Parking income	1,922	2,312
Property rental (not lease income)	975	815
Staff accommodation rental	501	580
Crèche services	992	1,025

Note 5 Additional information on contract revenue (IFRS 15) recognised in the period

	2019/20	2018/19
	£000	£000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	12	127
Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods	-	-

Note 6 Operating expenses (Group)

	2019/20	2018/19
	£000	£000
Purchase of healthcare from non-NHS and non-DHSC bodies	12,796	12,820
Staff and executive directors costs	284,561	261,972
Remuneration of non-executive directors	96	83
Supplies and services - clinical (excluding drug costs)	36,131	33,525
Supplies and services - general	1,345	1,328
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	43,243	42,318
Inventories written down	355	203
Consultancy costs	2,819	1,229
Establishment	4,691	5,161
Premises	19,194	19,470
Transport (including patient travel)	2,091	2,057
Depreciation on property, plant and equipment	13,091	11,308
Amortisation on intangible assets	484	546
Net impairments	1,418	(2,526)
Movement in credit loss allowance: contract receivables / contract assets	1,949	206
Increase/(decrease) in other provisions	368	320
Change in provisions discount rate(s)	33	(15)
Audit fees payable to the external auditor		
audit services- statutory audit	100	74
other auditor remuneration (external auditor only)	-	-
Internal audit costs	160	132
Clinical negligence	11,919	12,485
Legal fees	268	370
Insurance	204	258
Education and training	2,321	1,753
Rentals under operating leases	1,045	141
Redundancy	650	9
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT)	26,051	25,318
Hospitality	9	32
Other NHS charitable fund resources expended	-	400
Other	2,186	2,400
Total	**469,578**	**433,377**
Of which:		
Related to continuing operations	469,578	433,377
Related to discontinued operations	-	-

Note 6.1 Other auditor remuneration (Group)

No other remuneration has been paid to the Trust's external auditors, Grant Thornton LLP, in the financial years 2019/20 or 2018/19

Note 6.2 Limitation on auditor's liability (Group)

The limitation on auditor's liability for external audit work is £1m (2018/19: £1m).

Note 7 Impairment of assets (Group)

	2019/20	2018/19
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	1,418	(2,526)
Total net impairments charged to operating surplus / deficit	**1,418**	**(2,526)**
Impairments charged to the revaluation reserve	-	-
Total net impairments	**1,418**	**(2,526)**

Note 8 Employee benefits (Group)

	2019/20	2018/19
	Total	Total
	£000	£000
Salaries and wages	198,995	195,896
Social security costs	20,453	18,750
Apprenticeship levy	997	957
Employer's contributions to NHS pensions **	36,656	24,144
Temporary staff (including agency)	29,588	23,240
Total gross staff costs *	**286,689**	**262,987**
Of which		
Costs capitalised as part of assets	2,128	1,006

* Total Staff Costs include £284,561k (£261,972k 2018/19) recognised within Operating expenses (note 6) and £2,128k (£1,006k 2018/19) capitalised as part of the asset.

**Pensions contributions have increased significantly which is line with the 6.3% increase. The cost of this was £11,176k in year.

Note 8.1 Retirements due to ill-health (Group)

During 2019/20 there were 3 early retirements from the trust agreed on the grounds of ill-health (4 in the year ended 31 March 2019). The estimated additional pension liabilities of these ill-health retirements is £204k (£543k in 2018/19).

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

Note 9 Pension costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2020, is based on valuation data as at 31 March 2019, updated to 31 March 2020 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

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

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

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgment from the Court of Appeal in December 2018 Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process

Note 10 Operating leases (Group)

Note 10.1 Buckinghamshire Healthcare NHS Trust as a lessor

This note discloses income generated in operating lease agreements where Buckinghamshire Healthcare NHS Trust is the lessor.

	2019/20	2018/19
	£000	£000
Operating lease revenue		
Minimum lease receipts	85	-
Total	**85**	**-**

	31 March 2020	31 March 2019
	£000	£000
Future minimum lease receipts due:		
- not later than one year;	125	-
- later than one year and not later than five years;	500	-
- later than five years.	-	-
Total	**625**	**-**

Note 10.2 Buckinghamshire Healthcare NHS Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where Buckinghamshire Healthcare NHS Trust is the lessee.

	2019/20	2018/19
	£000	£000
Operating lease expense		
Minimum lease payments	1,045	141
Total	**1,045**	**141**

	31 March 2020	31 March 2019
	£000	£000
Future minimum lease payments due:		
- not later than one year;	1,057	71
- later than one year and not later than five years;	3,626	36
- later than five years.	-	-
Total	**4,683**	**107**

The Trust has reviewed all rental arrangements under the requirements of IFRS16. As such properties previously classed as property rentals have been redisclosed as operating leases in readiness for transition to the new standard. No change has been made to the 2018-19 comparator figures for this reclassification.

Note 11 Finance income (Group)

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

	2019/20	2018/19
	£000	£000
Interest on bank accounts	142	130
NHS charitable fund investment income	263	285
Total finance income	**405**	**415**

Note 12.1 Finance expenditure (Group)

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

	2019/20	2018/19
	£000	£000
Interest expense:		
Loans from the Department of Health and Social Care	2,013	1,526
Finance leases	120	136
Interest on late payment of commercial debt	44	12
Main finance costs on PFI and LIFT schemes obligations	6,322	6,006
Contingent finance costs on PFI and LIFT scheme obligations	1,910	1,732
Total interest expense	**10,409**	**9,412**
Unwinding of discount on provisions	(4)	4
Other finance costs	-	-
Total finance costs	**10,405**	**9,416**

Note 12.2 The Late Payment of Commercial Debts (Interest) Act 1998 / Public Contract Regulations 2015 (Group)

	2019/20	2018/19
	£000	£000
Total liability accruing in year under this legislation as a result of late payments	-	-
Amounts included within interest payable arising from claims made under this legislation	44	12
Compensation paid to cover debt recovery costs under this legislation	-	-

Note 13.1 Intangible assets - 2019/20

Group	Software licences	Internally generated information technology	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2019 - brought forward	**3,712**	**671**	**4,383**
Additions	40	-	**40**
Valuation / gross cost at 31 March 2020	**3,752**	**671**	**4,423**
Amortisation at 1 April 2019 - brought forward	**2,123**	**290**	**2,413**
Provided during the year	484	-	**484**
Amortisation at 31 March 2020	**2,607**	**290**	**2,897**
Net book value at 31 March 2020	**1,145**	**381**	**1,526**
Net book value at 1 April 2019	**1,589**	**381**	**1,970**

Note 13.2 Intangible assets - 2018/19

Group	Software licences	Internally generated information technology	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2018 - as previously stated	**3,363**	**671**	**4,034**
Additions	467	-	**467**
Reclassifications	(118)	-	**(118)**
Valuation / gross cost at 31 March 2019	**3,712**	**671**	**4,383**
Amortisation at 1 April 2018 - as previously stated	**1,580**	**290**	**1,870**
Provided during the year	546	-	**546**
Reclassifications	(3)	-	**(3)**
Amortisation at 31 March 2019	**2,123**	**290**	**2,413**
Net book value at 31 March 2019	**1,589**	**381**	**1,970**
Net book value at 1 April 2018	**1,783**	**381**	**2,164**

Note 14.1 Property, plant and equipment - 2019/20

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Charitable fund PPE assets	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2019 - brought forward	**47,911**	**178,389**	**4,927**	**4,735**	**61,215**	**182**	**55,498**	**4,720**	**-**	**357,577**
Transfers by absorption	-	-	-	-	-	-	-	-	-	**-**
Additions	-	5,642	-	4,397	3,788	-	5,071	88	-	**18,986**
Impairments	-	-	-	-	-	-	-	-	-	**-**
Reversals of impairments	67	(6,780)	14	-	-	-	-	-	-	**(6,699)**
Revaluations	96	1,058	19	-	-	-	-	-	-	**1,173**
Reclassifications	-	262	-	(1,285)	-	-	1,023	-	-	**-**
Disposals / derecognition	-	-	-	-	(1,086)	-	-	-	-	**(1,086)**
Valuation/gross cost at 31 March 2020	**48,074**	**178,571**	**4,960**	**7,847**	**63,917**	**182**	**61,592**	**4,808**	**-**	**369,951**
Accumulated depreciation at 1 April 2019 - brought forward	**-**	**-**	**-**	**-**	**43,686**	**181**	**38,956**	**3,976**	**-**	**86,799**
Provided during the year	-	5,145	136	-	3,810	-	3,843	157	-	**13,091**
Impairments	-	2,742	-	-	-	-	-	-	-	**2,742**
Reversals of impairments	-	(7,887)	(136)	-	-	-	-	-	-	**(8,023)**
Disposals / derecognition	-	-	-	-	(1,017)	-	-	-	-	**(1,017)**
Accumulated depreciation at 31 March 2020	**-**	**-**	**-**	**-**	**46,479**	**181**	**42,799**	**4,133**	**-**	**93,592**
Net book value at 31 March 2020	**48,074**	**178,571**	**4,960**	**7,847**	**17,438**	**1**	**18,793**	**675**	**-**	**276,359**
Net book value at 1 April 2019	**47,911**	**178,389**	**4,927**	**4,735**	**17,529**	**1**	**16,542**	**744**	**-**	**270,778**

Note 14.2 Property, plant and equipment - 2018/19

Group	Land	Buildings excluding dwellings	Dwellings	under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Charitable fund PPE assets	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2018 - as previously stated	**46,187**	**176,388**	**5,024**	**4,497**	**57,510**	**182**	**49,609**	**4,600**	**-**	**343,997**
Additions	-	966	-	6,525	2,570	-	2,733	-	-	**12,794**
Reversals of impairments	2,726	(3,985)	(235)	-	-	-	-	-	-	**(1,494)**
Revaluations	(1,002)	3,172	138	-	-	-	-	-	-	**2,308**
Reclassifications	-	1,848	-	(6,287)	1,281	-	3,156	120	-	**118**
Disposals / derecognition	-	-	-	-	(146)	-	-	-	-	**(146)**
Valuation/gross cost at 31 March 2019	**47,911**	**178,389**	**4,927**	**4,735**	**61,215**	**182**	**55,498**	**4,720**	**-**	**357,577**
Accumulated depreciation at 1 April 2018 - as previously stated	**-**	**-**	**-**	**-**	**40,107**	**179**	**35,567**	**3,801**	**-**	**79,654**
Provided during the year	-	3,917	103	-	3,722	2	3,389	175	-	**11,308**
Reversals of impairments	-	(3,917)	(103)	-	-	-	-	-	-	**(4,020)**
Reclassifications	-	-	-	-	3	-	-	-	-	**3**
Disposals / derecognition	-	-	-	-	(146)	-	-	-	-	**(146)**
Accumulated depreciation at 31 March 2019	**-**	**-**	**-**	**-**	**43,686**	**181**	**38,956**	**3,976**	**-**	**86,799**
Net book value at 31 March 2019	**47,911**	**178,389**	**4,927**	**4,735**	**17,529**	**1**	**16,542**	**744**	**-**	**270,778**
Net book value at 1 April 2018	**46,187**	**176,388**	**5,024**	**4,497**	**17,403**	**3**	**14,042**	**799**	**-**	**264,343**

Note 14.3 Property, plant and equipment financing - 2019/20

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Charitable fund PPE assets	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2020										
Owned - purchased	48,074	98,159	4,458	7,847	12,973	1	17,367	651	-	**189,530**
Finance leased	-	3,945	-	-	-	-	-	-	-	**3,945**
On-SoFP PFI contracts and other service concession arrangements	-	66,409	-	-	-	-	-	-	-	**66,409**
Owned - donated	-	10,058	502	-	4,465	-	1,426	24	-	**16,475**
NBV total at 31 March 2020	**48,074**	**178,571**	**4,960**	**7,847**	**17,438**	**1**	**18,793**	**675**	**-**	**276,359**

Note 14.4 Property, plant and equipment financing - 2018/19

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Charitable fund PPE assets	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2019										
Owned - purchased	47,911	100,754	3,934	4,735	13,302	-	16,305	707	-	**187,648**
Finance leased	-	3,868	-	-	-	-	-	-	-	**3,868**
On-SoFP PFI contracts and other service concession arrangements	-	63,999	-	-	-	-	-	-	-	**63,999**
Owned - donated	-	9,768	993	-	4,227	1	237	37	-	**15,263**
NBV total at 31 March 2019	**47,911**	**178,389**	**4,927**	**4,735**	**17,529**	**1**	**16,542**	**744**	**-**	**270,778**

Note 15 Donations of property, plant and equipment

The Trust was fortunate in 2019-20 to receive donations of Medical Equipment from Scannappeal as well as from Buckinghamshire Healthcare NHS Trust Charitable Fund. No restrictions were placed on any of the the equipment.

Significant Items included contributions towards:
MRI Scanner
Innovation Hub
Medical Equipment Purchases

Note 16 Revaluations of property, plant and equipment

The Trust commissioned an independent valuer, Cushman Wakefield, to conduct a desktop asset revaluation in 2019/20. The valuer valued Land and Building using "existing use value" as at the 31st of March 2020. Useful lives have also been assessed and will be the basis for depreciation charged to the financial statements with effect from the 1st of April 2020.

The revaluation resulted in an impairment of £1,418k (note 7) and an increase to the revaluation reserve of £1,173K.

Plant and equipment is not revalued at financial year end. The assets are depreciated over useful lives which are representative of their value in use.

In financial year 2018-19 the Trust had reduced the useful lives of buildings and dwelling due to a clarification of RICS guidance. This formally did not require specific consideration of the component parts of an asset or significant refurbishment or replacement of components in the assessment of remaining useful lives. However the clarification has indicated that this is no longer appropriate with the inevitable shortening of asset lives. The Trust responded to this with a full annual revaluation in 2018-19. Cushman & Wakefield who have assess the remaining useful lives in accordance with the detailed guidance.

No additional adjustments have been considered necessary through the conduct of the desktop revaluation in 2019-20.

Note 17 Other investments / financial assets (non-current)

	Group		Trust	
	2019/20	2018/19	2019/20	2018/19
	£000	£000	£000	£000
Carrying value at 1 April - brought forward	**8,368**	**8,274**	**-**	
Movement in fair value through OCI	(995)	94	-	-
Current portion of loans receivable transferred to current financial assets	(301)	-	-	-
Carrying value at 31 March	**7,072**	**8,368**	**-**	**-**

Note 17.1 Other investments / financial assets (current)

	Group		Trust	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	£000	£000	£000	£000
Loans receivable within 12 months transferred from non-current financial assets	301	-	-	-
Other current financial assets	(301)	-	-	-
Total current investments / financial assets	**-**	**-**	**-**	**-**

Note 18 Disclosure of interests in other entities

The Trust formed a wholly owned subsidiary, Buckinghamshire Healthcare Projects Limited on the 1st of March 2017. This private limited company commenced trading on the 4th of April 2018 delivering outpatient dispensing services to the Trust's Patients. The position and results of the company have been consolidated into the entities accounts in accordance with IFRS 12. All intercompany balances have been eliminated and the company's reported surplus of £172k included within the "Group" position. The company holds no significant assets of liabilities requiring separate disclosure.

Note 19 Analysis of charitable fund reserves

	31 March 2020 £000	31 March 2019 £000
Unrestricted funds:		
Unrestricted funds	2,732	3,241
Restricted funds:		
Endowment funds	86	97
Restricted funds	4,915	6,207
	7,733	**9,545**

Unrestricted funds are accumulated income funds that are expendable at the discretion of the Trustees in furtherance of the Charity's objects. Unrestricted funds may be earmarked or designated for specific future purposes which reduces the amount that is readily available to the Charity.

Restricted funds may be accumulated income funds which are expendable at the Trustee's discretion only in furtherance of the specified conditions of the donor and the objects of the Charity. They may also be capital funds (e.g. endowments) where the assets are required to be invested, or retained for use rather than expended.

Note 20 Inventories

	Group		Trust	
	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000
Drugs	3,911	3,039	3,681	3,039
Consumables	3,301	3,807	3,301	3,807
Energy*	99	48	99	48
Total inventories	**7,312**	**6,894**	**7,081**	**6,894**

* Energy relates to oil reserves required to run the Trust's generators

Inventories recognised in expenses for the year were £80,739k (2018/19: £77,195k). Write-down of inventories recognised as expenses for the year were £355k (2018/19: £203k).

Inventory recognised as an expense is used to calculate the rate of stock turn for the year is 33.2 days (32.5 days 2018/19)

Note 21.1 Receivables

	Group		Trust	
	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000
Current				
Contract receivables	20,321	20,751	20,413	20,751
Allowance for impaired contract receivables / assets	(3,360)	(1,430)	(3,360)	(1,430)
Deposits and advances	3	4	3	4
Prepayments (non-PFI)	3,407	2,999	3,407	2,999
PFI lifecycle prepayments	7,042	5,448	7,042	5,448
PDC dividend receivable	-	122	-	122
VAT receivable	4,693	3,952	4,442	3,952
Other receivables	1,013	1,996	1,013	2,683
NHS charitable fund receivables	252	711	-	-
Total current receivables	**33,371**	**34,553**	**32,960**	**34,529**
Non-current				
Contract assets	3,060	2,955	3,060	2,955
Allowance for other impaired receivables	(654)	(635)	(654)	(635)
Other receivables	1,363	1,495	1,651	1,495
Total non-current receivables	**3,769**	**3,815**	**4,057**	**3,815**
Of which receivable from NHS and DHSC group bodies:				
Current	16,366	15,808	15,314	15,808
Non-current	-	-	-	-

Note 21.2 Allowances for credit losses - 2019/20

	Group		Trust	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
Allowances as at 1 Apr 2019 - brought forward	**2,065**	**-**	**2,065**	**-**
New allowances arising	1,949	-	1,949	-
Allowances as at 31 Mar 2020	**4,014**	**-**	**4,014**	**-**

In accordance with the Group Accounting Manual no allowance has been formally made for NHS debt. However the Trust has risk assessed its outstanding NHS debt and made appropriate adjustments to recognised income to reflect disputes and uncertainty associated with these outstanding amounts. This has amounted to £1,800k write down of income in year 2019/20 (£557k 2018/19)

Note 21.3 Allowances for credit losses - 2018/19

	Group		Trust	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
Allowances as at 1 Apr 2018 - as previously stated	**-**	**1,719**	**-**	**1,719**
Impact of implementing IFRS 9 (and IFRS 15) on 1 April 2018	1,859	(1,719)	1,859	(1,719)
New allowances arising	307	-	307	-
Changes in existing allowances	(101)	-	(101)	-
Allowances as at 31 Mar 2019	**2,065**	**-**	**2,065**	**-**

Note 22 Other assets

	Group		Trust	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Current	**£000**	**£000**	**£000**	**£000**
Other assets	147	147	147	147
Total other current assets	**147**	**147**	**147**	**147**

Note 23 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.

	Group		Trust	
	2019/20	2018/19	2019/20	2018/19
	£000	£000	£000	£000
At 1 April	**3,431**	**3,954**	**2,191**	**2,066**
Net change in year	6,093	(523)	6,316	125
At 31 March	**9,524**	**3,431**	**8,507**	**2,191**
Broken down into:				
Cash at commercial banks and in hand	767	1,285	42	45
Cash with the Government Banking Service	8,757	2,146	8,465	2,146
Total cash and cash equivalents as in SoFP	**9,524**	**3,431**	**8,507**	**2,191**
Total cash and cash equivalents as in SoCF	**9,524**	**3,431**	**8,507**	**2,191**

Note 23.1 Third party assets held by the Trust

Buckinghamshire Healthcare NHS Trust held cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	Group and Trust	
	31 March 2020	31 March 2019
	£000	£000
Bank balances	2	2
Total third party assets	**2**	**2**

Note 24.1 Trade and other payables

	Group		Trust	
	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000
Current				
Trade payables	3,440	4,361	3,430	4,361
Capital payables	2,982	5,354	2,982	5,354
Accruals	21,366	16,834	20,827	16,834
Receipts in advance and payments on account	5,896	2,999	5,896	2,999
PFI lifecycle replacement received in advance	-	-	-	-
Social security costs	10	(61)	4	(61)
VAT payables	90	72	86	72
Other taxes payable	265	2,543	265	2,543
PDC dividend payable	-	-	-	-
Other payables	3,988	3,728	4,006	3,728
NHS charitable fund: trade and other payables	29	87	-	-
Total current trade and other payables	**38,066**	**35,917**	**37,496**	**35,830**
Of which payables from NHS and DHSC group bodies:				
Current	7,345	3,416	7345	3416
Non-current	-	-	-	-

Note 24.2 Early retirements in NHS payables above

The payables note above includes amounts in relation to early retirements as set out below:

Group and Trust	31 March 2020 £000	31 March 2020 Number	31 March 2019 £000	31 March 2019 Number
- to buy out the liability for early retirements over 5 years	-		-	
- number of cases involved		-		-

Note 25 Other liabilities

	Group		Trust	
	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000
Current				
Deferred income: contract liabilities	151	143	151	143
Deferred PFI credits / income	22	23	22	23
Total other current liabilities	**173**	**166**	**173**	**166**
Non-current				
Deferred PFI credits / income	246	268	246	268
Total other non-current liabilities	**246**	**268**	**246**	**268**

Note 26 Borrowings

	Group		Trust	
	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000
Current				
Loans from DHSC	107,958	2,258	107,958	2,258
Obligations under finance leases	858	899	857	899
Obligations under PFI, LIFT or other service concession contracts (excl. lifecycle)	2,367	2,368	2,367	2,368
Total current borrowings	**111,183**	**5,525**	**111,182**	**5,525**
Non-current				
Loans from DHSC	-	72,972	-	72,972
Obligations under finance leases	408	1,266	408	1,266
Obligations under PFI, LIFT or other service concession contracts	49,252	51,619	49,252	51,619
Total non-current borrowings	**49,660**	**125,857**	**49,660**	**125,857**

Note 26.1 Reconciliation of liabilities arising from financing activities (Group)

Group - 2019/20	Loans from DHSC	Finance leases	PFI and LIFT schemes	Total
	£000	£000	£000	£000
Carrying value at 1 April 2019	**75,230**	**2,165**	**53,987**	**131,382**
Cash movements:				
Financing cash flows - payments and receipts of principal	32,621	(898)	(2,368)	**29,355**
Financing cash flows - payments of interest	(1,906)	(121)	(6,322)	**(8,349)**
Non-cash movements:				
Application of effective interest rate	2,013	120	6,322	**8,455**
Carrying value at 31 March 2020	**107,958**	**1,266**	**51,619**	**160,843**

Group - 2018/19	Loans from DHSC	Finance leases	PFI and LIFT schemes	Total
	£000	£000	£000	£000
Carrying value at 1 April 2018	**48,295**	**2,921**	**56,118**	**107,334**
Prior period adjustment	**-**	**-**	**-**	**-**
Carrying value at 1 April 2018 - restated	**48,295**	**2,921**	**56,118**	**107,334**
Cash movements:				
Financing cash flows - payments and receipts of principal	26,848	(756)	(2,132)	**23,960**
Financing cash flows - payments of interest	(1,458)	(136)	(6,005)	**(7,599)**
Non-cash movements:				
Impact of implementing IFRS 9 on 1 April 2018	19	-	-	**19**
Application of effective interest rate	1,526	136	6,006	**7,668**
Carrying value at 31 March 2019	**75,230**	**2,165**	**53,987**	**131,382**

Note 27 Provisions for liabilities and charges analysis (Group)

Group	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Redundancy	Other	Total
	£000	£000	£000	£000	£000	£000
At 1 April 2019	**89**	**1,061**	**104**	**-**	**191**	**1,445**
Change in the discount rate	**-**	**33**	**-**	**-**	**-**	**33**
Arising during the year	**11**	**3**	**238**	**650**	**980**	**1,882**
Utilised during the year	(34)	(117)	(88)	-	(150)	**(389)**
Reversed unused	**-**	**-**	**-**	**-**	**(41)**	**(41)**
Unwinding of discount	**-**	**(4)**	**-**	**-**	**-**	**(4)**
At 31 March 2020	**66**	**976**	**254**	**650**	**980**	**2,926**
Expected timing of cash flows:						
- not later than one year;	35	116	254	650	**980**	**2,035**
- later than one year and not later than five years;	31	402	-	-	**-**	**433**
- later than five years.	-	458	-	-	**-**	**458**
Total	**66**	**976**	**254**	**650**	**980**	**2,926**

Note 28 Finance leases

Note 28.1 Buckinghamshire Healthcare NHS Trust as a lessee

Obligations under finance leases where the Trust is the lessee.

	Group		Trust	
	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000
Gross lease liabilities	**1,460**	**2,342**	**1,459**	**2,342**
of which liabilities are due:				
- not later than one year;	973	957	972	957
- later than one year and not later than five years;	487	1,385	487	1,385
- later than five years.	-	-	-	-
Finance charges allocated to future periods	(194)	(177)	(194)	(177)
Net lease liabilities	**1,266**	**2,165**	**1,265**	**2,165**
of which payable:				
- not later than one year;	858	899	857	899
- later than one year and not later than five years;	408	1,266	408	1,266
- later than five years.	-	-	-	-

Note 29 Clinical negligence liabilities

At 31 March 2020, £106,786k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Buckinghamshire Healthcare NHS Trust (31 March 2019: £93,250k).

NHS resolution provide for the clinical negligence claims in their set of accounts and therefore these amounts are not reflected within the financial statements.

Note 30 Contingent assets and liabilities

	Group		Trust	
	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000
Value of contingent liabilities				
NHS Resolution legal claims	(20)	(70)	(20)	(70)
Gross value of contingent liabilities	**(20)**	**(70)**	**(20)**	**(70)**
Amounts recoverable against liabilities	-	-	-	-
Net value of contingent liabilities	**(20)**	**(70)**	**(20)**	**(70)**
Net value of contingent assets	**-**	**-**	**-**	**-**

The values are as notified by NHS resolution based on their best estimate of claim processed. The Trust has no reason to disagree with this assessment which has historically been accurate.

Note 31 Contractual capital commitments

	Group		Trust	
	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000
Property, plant and equipment	2,642	4,531	2,642	4,531
Total	**2,642**	**4,531**	**2,642**	**4,531**

Note 32 On-SoFP PFI, LIFT or other service concession arrangements

Note 32.1 On-SoFP PFI, LIFT or other service concession arrangement obligations

The following obligations in respect of the PFI, LIFT or other service concession arrangements are recognised in the Statement of Financial Position:

	Group		Trust	
	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000
Gross PFI, LIFT or other service concession liabilities	**151,391**	**128,296**	**151,391**	**128,296**
Of which liabilities are due				
- not later than one year;	10,565	9,535	10,565	9,535
- later than one year and not later than five years;	44,975	38,602	44,975	38,602
- later than five years.	95,851	80,159	95,851	80,159
Finance charges allocated to future periods	(99,772)	(74,309)	(99,772)	(74,309)
Net PFI, LIFT or other service concession arrangement obligation	**51,619**	**53,987**	**51,619**	**53,987**
- not later than one year;	2,367	2,368	2,367	2,368
- later than one year and not later than five years;	12,496	11,216	12,496	11,216
- later than five years.	36,756	40,403	36,756	40,403

Note 32.2 Total on-SoFP PFI, LIFT and other service concession arrangement commitments

Total future commitments under these on-SoFP schemes are as follows:

	Group		Trust	
	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000
Total future payments committed in respect of the PFI, LIFT or other service concession arrangements	**632,017**	**645,686**	**632,017**	**645,686**
Of which payments are due:				
- not later than one year;	38,021	38,055	38,021	38,055
- later than one year and not later than five years;	161,840	157,671	161,840	157,671
- later than five years.	432,156	449,960	432,156	449,960

Note 32.3 Analysis of amounts paid to service concession operator

This note provides an analysis of the unitary payments made to the service concession operator:

	Group		Trust	
	2019/20	2018/19	2019/20	2018/19
	£000	£000	£000	£000
Unitary payment paid to service concession operator	**41,630**	**39,234**	**41,630**	**39,234**
Consisting of:				
- Interest charge	6,322	6,006	6,322	6,006
- Repayment of balance sheet obligation	2,368	2,132	2,368	2,132
- Service element and other charges to operating expenditure	26,051	25,318	26,051	25,318
- Capital lifecycle maintenance	3,384	861	3,384	861
- Revenue lifecycle maintenance	-	-	-	-
- Contingent rent	1,910	1,732	1,910	1,732
- Addition to lifecycle prepayment *	1,595	3,185	1,595	3,185
Total amount paid to service concession operator	**41,630**	**39,234**	**41,630**	**39,234**

* Lifecycle payments are contractual amounts paid to the service provider to maintain the sites to a specified condition. This requires that the service provider undertake a defined scheme of works to counter normal wear and tear on the estate. The profile of payments on the South Buckinghamshire Pfi had been set up to assume major works would take place in years 19 and 20 of the contract i.e. financial years 2018/19 and 2019/20. As the Trust could not supply access to the areas for the works to be undertaken a situation arose where amount paid did not correspond to the cost of the works undertaken. A prepayment was thus recognised to reflect the impact of cash payments made for which work is still due.

Note 33 Financial Instruments

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 the Trust has with its Clinical Commissioning Groups (CCG's) and the way those CCG's are financed, the 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. The 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 the Trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the board of directors. The Trust's treasury activity is subject to review by the Trust's internal auditors.

Currency risk

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

Interest rate risk

The Trust borrows from government for capital expenditure, subject to affordability as confirmed by NHS Improvement. 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. The Trust therefore has low exposure to interest rate fluctuations.

The Trust may also borrow from government for revenue financing subject to approval by NHS Improvement. Interest rates are confirmed by the Department of Health and Social Care(the lender) at the point borrowing is undertaken.

Credit risk

Because the majority of the Trust's revenue comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2020 are in receivables from customers, as disclosed in the trade and other receivables note.

Liquidity risk

The Trust's operating costs are incurred under contracts with CCG's, which are financed from resources voted annually by Parliament . The Trust experiences risk around the timing of payments from other NHS organisations. the impact of this is mitigated through the agreement of balances exercise. The Trust funds its capital expenditure from funds obtained within its prudential borrowing limit. The Trust is not, therefore, exposed to significant liquidity risks.

Note 34 Carrying values of financial assets (Group)

Carrying values of financial assets as at 31 March 2020	Held at amortised cost £000	Held at fair value through I&E £000	Held at fair value through OCI £000	Total book value £000
Trade and other receivables excluding non financial assets	17,929	-	-	**17,929**
Other investments / financial assets	-	-	-	**-**
Cash and cash equivalents	8,799	-	-	**8,799**
Consolidated NHS Charitable fund financial assets	8,049	-	-	**8,049**
Total at 31 March 2020	**34,777**	**-**	**-**	**34,777**

Carrying values of financial assets as at 31 March 2019	Held at amortised cost £000	Held at fair value through I&E £000	Held at fair value through OCI £000	Total book value £000
Trade and other receivables excluding non financial assets	22,601	-	-	**22,601**
Other investments / financial assets	-	-	-	**-**
Cash and cash equivalents	2,191	-	-	**2,191**
Consolidated NHS Charitable fund financial assets	10,319	-	-	**10,319**
Total at 31 March 2019	**35,111**	**-**	**-**	**35,111**

Note 35 Carrying values of financial liabilities (Group)

Carrying values of financial liabilities as at 31 March 2020	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
Loans from the Department of Health and Social Care	107,958	-	**107,958**
Obligations under finance leases	1,266	-	**1,266**
Obligations under PFI, LIFT and other service concessions	51,619	-	**51,619**
Trade and other payables excluding non financial liabilities	27,738	-	**27,738**
Provisions under contract	1,476	-	**1,476**
Total at 31 March 2020	**190,057**	**-**	**190,057**

Carrying values of financial liabilities as at 31 March 2019	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
Loans from the Department of Health and Social Care	75,230	-	**75,230**
Obligations under finance leases	2,165	-	**2,165**
Obligations under PFI, LIFT and other service concessions	53,987	-	**53,987**
Trade and other payables excluding non financial liabilities	29,681	-	**29,681**
Total at 31 March 2019	**161,063**	**-**	**161,063**

Note 36 Maturity of financial liabilities

	Group		Trust	
	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000
In one year or less	138,627	35,208	138,627	35,208
In more than one year but not more than two years	3,391	36,982	3,391	36,982
In more than two years but not more than five years	11,282	48,470	11,282	48,470
In more than five years	36,757	40,403	36,757	40,403
Total	**190,057**	**161,063**	**190,057**	**161,063**

Note 37 Losses and special payments

	2019/20		2018/19	
Group and trust	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
Losses				
Cash losses	-	-	10	13
Bad debts and claims abandoned *	121	314	108	96
Stores losses and damage to property **	1	356	62	207
Total losses	**122**	**669**	**180**	**316**
Special payments				
Compensation under court order or legally binding arbitration award	2	1	-	-
Ex-gratia payments	20	6	25	10
Extra-statutory and extra-regulatory payments	1	1	-	-
Total special payments	**23**	**8**	**25**	**10**
Total losses and special payments	**145**	**677**	**205**	**326**
Compensation payments received		-		-

*These are written off when all external debt collection agency efforts have been exhausted. Write-offs are report to the Trust's Audit Committee on a regular basis.

** Stores losses include £365k for Drugs due to expiries and temperature excursions

Note 38 Related parties

During the year, with the exception of one director disclosed below, none of the Department of Health Ministers, Trust board members or members of the key management staff, or parties related to any of them, has undertaken any material transactions with Buckinghamshire Healthcare NHS Trust

The Trust has undertaken the following transactions with entities who are related to an executive director through a close family member.

	Expenditure £000
Fed Bucks	6,706
Marlow Medical Grounp	32

The Department of Health is regarded as a related party. During the year the Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department. For example :

Buckinghamshire Clinical Commissioning Group
Herts Valleys Clinical Commissioning Group
Bedfordshire Clinical Commissioning Group
NHS England South Central
NHS England Wessex
Thames Valley Local Area Team
NHS Litigation Authority
Health Education England

In addition, the Trust has had a number of material transactions with other government departments and other central and local government bodies. Most of these transactions have been with HMRC in respect of taxes and national insurance contributions, Bucks County Council in respect of Public Health activity and Aylesbury Vale District Council and Wycombe District Council both in respect of rates.

One of the Trusts Directors was a Director of Scanappeal which is a Charity linked to the Trust within the reporting period.

Note 39 Events after the reporting date

Changes to NHS Capital and Cash regimes

On the 2nd of April 2020 NHS England and NHS Improvement wrote out to provider Trusts to set out reforms to the NHS Capital and Cash regimes for 2020-21.

The main changes were:
• New Public Dividend Capital (PDC) issued to repay over £13 billion of the NHS' historic debt, in effect writing it off.
• A move away from interest-bearing loans for future interim capital and revenue support, which instead will be provided as PDC.
• Providing a capital spending envelope for the year to every local area, within which each STP/ICS will be expected to work together to manage their spending.

The main consequence of this to the 2019-20 financial statements is that all borrowing with DHSC £107M has been reported as "current". As at the 1st of April 2020 this will be converted to Permanent PDC.

Funding Framework from 1st of April 2020

The UK Government has issued a mandate to NHS England for the continued provision of services in England 2020/21 and CCG allocations have been set for the remainder of 2020/21. While these allocations may be subject to minor revision as a result of the COVID-19 financial framework, the guidance has been clarified to inform CCG's that they will be provided with sufficient funding for the year. Providers can therefore continue to expect NHS funding to flow at similar levels to that previously provided where services are reasonably still expected to be commissioned. While mechanisms for contracting and payment are not definitely in place, it is clear that NHS services will continue to be funded, and government funding is in place for this. For the period April 2020 to July 2020 the Trust is receiving income via block contract lump sums.

Charitable Funds Investment Portfolio
The charitable funds investment portfolio suffered the effects of the market decline following the COVID-19 outbreak.

Note 40 Better Payment Practice code

	2019/20 Number	2019/20 £000	2018/19 Number	2018/19 £000
Non-NHS Payables				
Total non-NHS trade invoices paid in the year	81,456	245,121	90,924	217,262
Total non-NHS trade invoices paid within target	65,509	224,000	58,078	186,250
Percentage of non-NHS trade invoices paid within target	80.4%	91.4%	63.9%	85.7%
NHS Payables				
Total NHS trade invoices paid in the year	4,156	37,015	2,742	39,240
Total NHS trade invoices paid within target	1,658	30,180	1,192	28,393
Percentage of NHS trade invoices paid within target	39.9%	81.5%	43.5%	72.4%

The Better Payment Practice code requires the NHS body to aim to pay all valid invoices by the due date or within 30 days of receipt of valid invoice, whichever is later.

Note 41 External financing

The Trust is given an external financing limit against which it is permitted to underspend

	2019/20 £000	2018/19 £000
Cash flow financing	28,609	28,627
External financing requirement	**28,609**	**28,627**
External financing limit (EFL)	34,826	28,784
Under / (over) spend against EFL	**6,217**	**157**

Note 42 Capital Resource Limit

	2019/20 £000	2018/19 £000
Gross capital expenditure	19,026	13,261
Less: Disposals	(69)	-
Less: Donated and granted capital additions	(2,027)	(1,526)
Plus: Loss on disposal from capital grants in kind	-	-
Charge against Capital Resource Limit	**16,930**	**11,735**
Capital Resource Limit	16,930	11,736
Under / (over) spend against CRL	**-**	**1**

Note 43 Breakeven duty financial performance

	2019/20 £000
Adjusted financial performance surplus / (deficit) (control total basis)	(28,829)
Remove impairments scoring to Departmental Expenditure Limit	-
Add back income for impact of 2018/19 post-accounts PSF reallocation	494
Add back non-cash element of On-SoFP pension scheme charges	-
IFRIC 12 breakeven adjustment	-
Breakeven duty financial performance surplus / (deficit)	**(28,335)**

Note 44 Breakeven duty rolling assessment

	1997/98 to 2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
	£000	£000	£000	£000	£000	£000
Breakeven duty in-year financial performance		146	1,026	2,848	299	320
Breakeven duty cumulative position	(3,955)	(3,809)	(2,783)	65	364	684
Operating income		294,906	345,367	340,397	350,921	359,449
Cumulative breakeven position as a percentage of operating income		(1.3%)	(0.8%)	0.0%	0.1%	0.2%
In-year change in breakeven percentage of operating income		0.0%	0.3%	0.8%	0.1%	0.1%

	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	£000	£000	£000	£000	£000	£000
Breakeven duty in-year financial performance	(7,446)	(10,867)	(1,759)	(2,891)	(31,647)	(28,335)
Breakeven duty cumulative position	(6,762)	(17,629)	(19,388)	(22,279)	(53,926)	(82,261)
Operating income	369,844	370,225	391,843	412,591	417,506	454,004
Cumulative breakeven position as a percentage of operating income	(1.8%)	(4.8%)	(4.9%)	(5.4%)	(12.9%)	(18.1%)
In-year change in breakeven percentage of operating income	(2.0%)	(2.9%)	(0.4%)	(0.7%)	(7.6%)	(6.2%)

Note: The above table reflects the performance of Buckinghamshire Healthcare NHS Trust and its predecessor Trusts.

Independent auditor's report

Independent auditor's report to the Directors of Buckinghamshire Healthcare NHS Trust

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Buckinghamshire Healthcare NHS Trust (the 'Trust') and its subsidiaries (the 'group') for the year ended 31 March 2020, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Taxpayers Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2019 to 2020.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the group and of the Trust as at 31 March 2020 and of the group's expenditure and income and the Trust's expenditure and income for the year then ended; and
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2019 to 2020; and
- have been 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 for the audit of the financial statements' section of our report. We are independent of the group and 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.

The impact of macro-economic uncertainties on our audit

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the Directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the Trust's future operational arrangements.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the Trust's future operational arrangements. However, no audit should be expected to predict the unknowable factors or all possible future implications for an entity associated with these particular events.

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements, which indicates that the Trust submitted a financial plan for 2020/21 to NHS England and NHS Improvement (NHSE/I) which delivered a deficit of £30.1 million.

As disclosed in note 1.2 to the financial statements, agreement had not been reached with commissioners over the level of funding and there is a £22 million gap between income requirements and funding expectations due to the wider financial pressures within the system in Buckinghamshire. The position also requires full delivery of a planned Cost Improvement Programme of £6.6 million. Achievement of the Trust's 2020/21 financial plans requires delivery of ambitious budgets and a challenging Cost Improvement programme, as well as the achievement of challenging system savings and efficiencies. If the Trust's financial deficit is greater than planned in 2020/21 then further cash support will need to be provided.

These events or conditions, along with the other matters as set forth in note 1.2, indicate that a material uncertainty exists that may cast significant doubt about the Trust's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Emphasis of Matter – effects of Covid-19 on the valuation of land and buildings

We draw attention to Note 1.4.2 of the financial statements, which describes the effects of the Covid-19 pandemic on the valuation of land and buildings as at 31 March 2020. As, disclosed in Note 1.4.2 to the financial statements, during 2019/20 a valuation of all the Trust's land and buildings was carried out by an external professional valuer as at 31 March 2020. In applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2020 ('Red Book'), the valuer has declared a "material valuation uncertainty" in the valuation report. This is on the basis of uncertainties in markets caused by Covid-19. The values in the valuation report have been used to inform the measurement of property assets at valuation in the financial statements. Our opinion is not modified in respect of this matter.

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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Other information we are required to report on by exception under the Code of Audit Practice

Under the Code of Audit Practice published by the National Audit Office in April 2015 on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not comply with the guidance issued by NHS Improvement or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

Opinion on other matters required by the Code of Audit Practice

In our opinion:

- the parts of the Remuneration and Staff Report to be audited have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2019 to 2020 and the requirements of the National Health Service Act 2006; and
- based on the work undertaken in the course of the audit of the financial statements and our knowledge of the Trust gained through our work in relation to the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources, the other information published together with the 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:

- we issue a report in the public interest under Section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we refer a matter to the Secretary of State under Section 30 of the Local Audit and Accountability Act 2014 because we have reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision which involves or would involve the body incurring unlawful expenditure, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency; or
- we make a written recommendation to the Trust under Section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit.

We have nothing to report in respect of the above matters except on 28 May 2019 we referred a matter to the Secretary of State under section 30(a) of the Local Audit and Accountability Act in relation to the Trust setting a deficit budget for the year ending 31 March 2020.

On 5 June 2020, we also referred a matter to the Secretary of State:

- under section 30(b) of the Local Audit and Accountability Act 2014 in relation to the Trust's ongoing breach of its break-even duty for the three-year period ending 31 March 2020
- under section 30(a) of the Local Audit and Accountability Act 2014 in relation to the Trust setting a deficit budget for the year ending 31 March 2021 and the resultant ongoing breach of the Trust's breakeven duty for the three-year period ending 31 March 2021.

Responsibilities of the Directors and Those Charged with Governance for the financial statements

The Directors are responsible for the preparation of the financial statements in the form and on the basis set out in the Accounts Directions, for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the group's and the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Trust and the group without the transfer of the Trust's services to another public sector entity.

The Audit Committee is Those Charged with Governance. Those Charged with Governance are responsible for overseeing the Trust's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

Report on other legal and regulatory requirements – Conclusion on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Qualified conclusion

On the basis of our work, having regard to the guidance issued by the Comptroller & Auditor General in April 2020, except for the effects of the matters described in the basis for qualified conclusion section of our report we are satisfied that, in all significant respects, Buckinghamshire Healthcare NHS Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2020.

Basis for qualified conclusion

Our review of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources identified the following matters:

- The Trust budgeted to make breakeven in 2019/20 but incurred an adjusted deficit of £29 million. Significant risks underpinning the budget were not well understood by the Board and adequate arrangements were not in place to ensure that it could be delivered
- The Trust set an efficiencies target for 2019/20 of £15 million. £7.1 million recurrent savings were achieved, with the remainder of the target being met by non-recurrent savings made in the 2019/20 year alone. These non-recurrent savings were largely due to freezing recruitment to vacant posts, thereby saving pay costs in the short term.
- The total efficiencies target for 2020/21 is £16.7m but only £1m of schemes had been fully developed prior to the start of the financial year.

These matters identify weaknesses in the Trust's arrangements for developing and delivering savings plans and setting a sustainable budget with sufficient capacity to absorb emerging cost pressures. They are evidence of weaknesses in proper arrangements for sustainable resource deployment in planning finances effectively to support the sustainable delivery of strategic priorities and maintain statutory functions.

Responsibilities of the Accountable Officer

The Accountable Officer is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of the Trust's resources.

Auditor's responsibilities for the review of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under Section 21(1)(c) and Schedule 13 paragraph 10(a) of the Local Audit and Accountability Act 2014 to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources and to report where we have not been able to satisfy ourselves that it has done so. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance on the specified criterion issued by the Comptroller and Auditor General in April 2020, as to whether in all significant respects, the Trust had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people. The Comptroller and Auditor General determined this criterion as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2020, and to report by exception where we are not satisfied.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to be satisfied that the Trust has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Report on other legal and regulatory requirements - Certificate

We certify that we have completed the audit of the financial statements of Buckinghamshire Healthcare NHS Trust in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

Use of our report

This report is made solely to the Directors of the Trust, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014. Our audit work has been undertaken so that we might state to the Trust's Directors 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 Trust and the Trust's Directors, as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Grady

Paul Grady
Key Audit Partner

for and on behalf of Grant Thornton UK LLP, Local Auditor

London
25 June 2020