NHS
Buckinghamshire Healthcare
NHS Trust

Annual Report & Accounts
2020/21

Safe & compassionate care, every time

Local artist, **Becky Gouverneur** kindly completed and donated ten charcoal portraits of frontline Buckinghamshire Healthcare NHS Trust colleagues.

Contents

Foreword from the Trust Chair and Chief Executive

“The last year has been a year like no other and has impacted on every aspect of society and the way we live and work. Throughout the pandemic our primary objective has been to keep our patients and our colleagues safe.”

Neil Macdonald,
Chief Executive Officer

Hattie Llewelyn-Davies,
Trust Chair

Our colleagues have worked tirelessly to ensure that we have continued to provide safe and compassionate care throughout the pandemic to those that needed it most. So many people have lost their lives to COVID-19 in the last year and we were deeply saddened to lose one of our own colleagues to this dreadful virus during the first wave of the pandemic.

Our cancer and urgent care services were maintained throughout and our community teams have continued to look after the most vulnerable in their own homes. We moved to new ways of working, such as virtual appointments, so that we could continue to provide as many outpatient services as possible in a way that was safe for our patients and our colleagues, preventing the spread of infection. Our School Aged Immunisation team was the only immunisation team nationally who continued delivering the school aged immunisation programme.

As soon as the pandemic hit in 2020, our Ophthalmology Department started work on new protocols to keep patients and colleagues safe. This meant that in May 2020 we were the first NHS unit to restart planned cataract surgery and, in November, we opened a COVID-safe surgery unit separate from the main hospital site at Stoke Mandeville. As a result, we were able to continue with cataract surgery during the second wave of the pandemic.

Whilst we, like all trusts across the country, had to suspend some non-urgent activity, we have continued to monitor the patients on our waiting list and now that all services have re-started, patients are being assessed and treated based on clinical need.

The pandemic has also meant making some difficult decisions such as suspending visiting at times to ensure the safety of our patients and colleagues but we have worked hard to support our patients and their loved ones to keep in touch. We provided iPads and tablets to enable 'virtual visits' and introduced a 'Letter to a Loved One' service to allow friends and family to email letters and photos which were printed out and hand delivered to patients.

Throughout all of this, our most important asset has been our people. Looking after the physical and psychological wellbeing of our colleagues has been key to ensuring that we have been able to continue to provide safe and compassionate care throughout the pandemic.

None of this could have been achieved without the support of our partners and we have worked closely and collaboratively with our colleagues from primary and social care, both within the county but also within the wider Buckinghamshire, Oxfordshire and Berkshire West Integrated Care System.

It could also not have been achieved without the support and kindness of the public and local community. We have been humbled and overwhelmed by the generosity that has been shown to us - from donations of food to free accommodation so that our colleagues have been able to keep their loved ones and their patients safe. We would like to extend our heartfelt thanks and let you know how much it has been appreciated by everyone here at the Trust.

However, the pandemic has brought to the fore the issue of health inequalities with those from our Black, Asian & Minority Ethnic (BAME) communities, those with a disability or with underlying health conditions being disproportionally impacted by COVID-19. There has also been a significant impact on our children and young people. A priority for us in the coming year is to work with our partners across Buckinghamshire to look at what more we can do to support children of all ages and address these inequalities.

One of our key objectives is for the Trust to take a leading role in the local community, not just in terms of delivering healthcare but also in terms of health education, prevention and providing local employment.

As we look to the future, we do so knowing that we face significant challenges for the year ahead. Our colleagues are extremely tired – physically and emotionally – and whilst the number of COVID-19 cases continues to reduce, the size of the task has not diminished. In line with national guidance, non-urgent elective procedures were suspended at the height of the pandemic and this, combined with a reluctance for people to seek help for fear of contracting the virus or because they were concerned about putting additional strain on NHS resources, has resulted in a significant number of people on our waiting lists.

We would like to thank the public for their continued patience as we work tirelessly to see people as quickly as possible which we will do based on clinical need.

The virus will be with us for some time so we all need to adapt to life and work with a new 'normal'. This means learning from our experiences from the past year, embracing new ways of working and digital technology and not going back to the way we were as we adjust to operating and recovering in a very different way.

We are extremely proud of the way that our colleagues have responded to a year like no other. Everyone – clinical, non-clinical and our volunteers – has played their part, working together as one team. They are not superheroes but are ordinary people who have been doing extraordinary things to look after the residents of Buckinghamshire.

Neil Macdonald
Chief Executive Officer

Hattie Llewelyn-Davies
Trust Chair

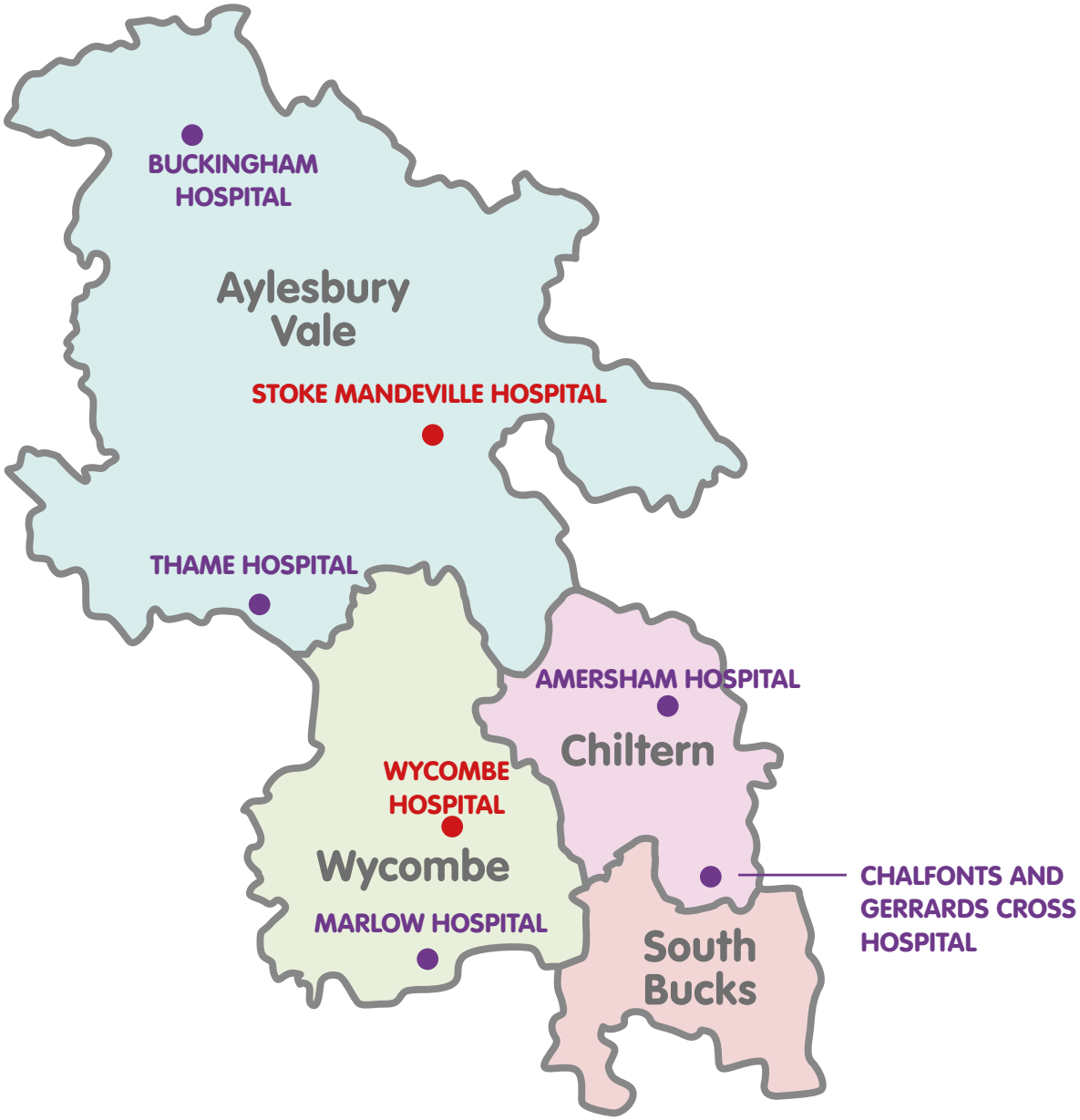
"We would like to thank the public for their continued patience as we work tirelessly to tackle our waiting lists which we will do so based on clinical need."

Performance Report

Overview

The purpose of this section is to provide the reader with a concise summary of the purpose of the organisation, key risks to the achievement of our objectives and how we have performed during the year.

Kali, the Pets As Therapy dog, joined our ICU team in 2020. Her visits gave colleagues some respite, a moment to take some time out and have a cuddle with Kali, ultimately improving their sense of well-being and boosting morale.



Purpose and activities

Buckinghamshire Healthcare NHS Trust is a major provider of integrated hospital and community services for the 550,000 residents of Buckinghamshire and the surrounding area, including Thame (Oxfordshire), Tring (Hertfordshire) and Leighton Buzzard (Bedfordshire).

Our main 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

Chalfonts & 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 Rd, Aylesbury,
Buckinghamshire HP21 7RD

The Trust headquarters is based at the Hartwell Wing, Stoke Mandeville Hospital.

Over 6,000 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 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.

Partnerships

Our strategy reflects the NHS Long Term Plan published in early 2019 and is aligned to local plans and the wider health and social care economy. We work closely with the Buckinghamshire Integrated Care Partnership and the Buckinghamshire, Oxfordshire and Berkshire West Integrated Care System.

Our partners in the Buckinghamshire Integrated Care Partnership include:

- NHS Buckinghamshire Clinical Commissioning Group
- Oxford Health NHS Foundation Trust
- South Central Ambulance Service NHS Foundation Trust
- Buckinghamshire Council
- FedBucks GP federation

Amersham Hospital

Marlow Hospital

Thame Hospital

Buckingham Hospital

Stoke Mandeville Hospital

Wycombe Hospital

Organisational structure

Details of the Trust's 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

Incident response structure

During the pandemic we have been operating within our incident response structure with daily meetings to manage decision-making, using existing Trust policies for pandemics. We have been updating business continuity plans and standard operating procedures where required through this unprecedented situation.

We have been working very closely with our health and social care partners within Buckinghamshire as well as managing the demand for our services with partners in the Buckinghamshire, Oxfordshire and Berkshire West Integrated Care System (BOB ICS), with whom we have a mutual aid agreement in place to share resources as and when required.
A key part of the incident response structure has been the establishment of a Buckinghamshire Recovery & Renewal Board with representatives from the Trust,

Clinical Commissioning Group, primary and social care as well as Healthwatch (the organisation set up by the government which ensures that health and social care services put the experiences of people at the heart of their work). The Buckinghamshire Recovery & Renewal Board has four delivery groups: Elective Care, Urgent and Emergency, Community Care and Infrastructure. These groups have been, and continue to be, responsible for coordinating the safe restart and redesign of our services and each has a patient representative.

Strategy and objectives

Since March 2016, our vision as an organisation has been 'We want to be one of the safest healthcare systems in the country'. This has served us well on our journey from being rated 'Requires Improvement' by the Care Quality Commission to 'Good' in 2019. We now need a vision that reflects our current ambition to become an 'Outstanding' organisation offering excellence in the care we provide for our patients, the services we deliver for our community and the working environment we provide for our colleagues. To reflect these aspirations, we have developed a new vision for the Trust:

> "Outstanding care, healthy communities, and a great place to work"

We **Collaborate**
Working as a team

We **Aspire**
Striving to be the best

We **Respect**
Everyone, valuing each person as an individual

We **Enable**
People to take responsibility

We have also undertaken a programme of engagement with our colleagues Trust-wide to get their perspectives on our mission statement of 'safe & compassionate care, every time' and will be refining our mission statement to reflect the feedback we have received.

The Trust's vision and mission is underpinned by our **CARE** values of Collaborate, Aspire, Respect and Enable that help to define our beliefs and set expectations of how we behave as colleagues working for Buckinghamshire Healthcare NHS Trust.

We have a behaviours framework that helps further guide our work and enables us to measure our performance and progress against the values.

During 2020/21, we reviewed our priorities to ensure that we were focusing on the most important things to address the challenges brought by the COVID-19 pandemic. As a result, we focused on four key objectives:

Going forward we will focus on:

- Providing outstanding, best value care;
- Taking a leading role in our community; and
- Ensuring our workforce is listened to, safe and supported.

Performance appraisal

This section provides a summary of the Trust's performance during 2020/21 and an assessment of our progress towards delivering the four key objectives outlined above.

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.

A 'Ward-to-Board approach is applied and monitored through the Trust's divisions before being presented to the Board. The monthly Integrated Performance Report to Board outlines the performance of the Trust against key measures and identifies successes and risks for the organisation within the areas of quality, people and money. These reports are available on our website as part of the information provided for Trust Board meetings in public **www.buckshealthcare.nhs.uk/our-organisation/our-trust-board/**

In addition to this, we continue to use national data where available to compare our performance against other Trusts; this includes national staff, patient and clinical audits.

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.

At the heart of the Trust's response to the pandemic was our drive to keep our patients and our colleagues safe. This meant a number of significant changes to the way we worked. For our colleagues, it meant that we supported as many as possible to work from home. We invested £23 million to upgrade our technology to make this possible as well as rolling out virtual outpatient appointments to prevent people from having to come to hospital, keeping them and our colleagues safe.

It also meant redeploying our clinical colleagues to the areas that needed them most and to ensure that key services such as cancer and urgent care were maintained throughout the pandemic. At the peak of the first and second waves, the demand for our inpatient beds from patients suffering with COVID-19 pushed our resources to the limit and our colleagues worked together tirelessly to help people to return home as quickly as it was safe to do so, ensuring we had sufficient beds for those that were acutely unwell.

We ensured strict infection, prevention and control measures were in place (more details of which can be found in our Quality Account link to be inserted once uploaded to the website). We also had to adapt our environments to ensure safe social distancing, protecting our most vulnerable patients by trying to keep them in COVID-free areas.

Our ward areas were adapted and our medical gas infrastructure was improved to meet the demand for increased oxygen to support COVID-19 patients.

Whilst we, like all trusts across the country, had to suspend some non-urgent activity, we have continued to monitor the patients on our waiting list and now that all services have re-started, patients are being assessed and treated based on clinical need.

July 2020: Praveen Sagar was discharged from Amersham Hospital after 123 days including time in our intensive care unit on a ventilator. One of the Trust's younger COVID-19 patients, colleagues clapped for Praveen and wished him well as he left to return home to his family.

Provide safe, accessible, effective care

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

- Accident & Emergency (A&E) waiting time of four hours from arrival to admission/transfer/discharge
- Patients should not have to wait more than 18 weeks from being referred to treatment (RTT)
- All cancers – maximum 62 day wait for first treatment from referral

The sections below set out performance against the key regulatory standards where applicable. Performance in 2020/21 has been significantly impacted by the COVID-19 pandemic and the required response.

The figures set out below provide data from April 2020 to the end of March 2021. It is important to note that throughout the pandemic, the Trust did not close to referrals from primary care and has continued to treat all cancer, urgent and priority patients.

A&E
In 2020/21, we achieved 83.4% against the A&E four-hour target, which is a deterioration from 84% in 2019/20. Attendances in year have reduced to 108,528 compared to 160,626 in 2019/20. It is likely that this is a consequence of the COVID-19 pandemic and the implementation of the national 'Think 111 First' campaign which is detailed on the following page.

Think 111 First

We successfully launched Think 111 First on 12 October 2020, in advance of the national launch in December 2020. As well as reducing pressure on busy A&E departments, it is designed to improve the outcomes and experience of our patients, help us to maintain social distancing in our A&E Department and Urgent Treatment Centre and ensure that people receive the right care in the right place.

The idea behind Think 111 First is to encourage people who need clinical advice, but who are not in a life-threatening emergency, to contact NHS 111 before attending their local A&E. They will then be assessed by the team at NHS 111 and, if appropriate, booked into either A&E at Stoke Mandeville Hospital or the Urgent Treatment Centre at Wycombe Hospital for treatment. Alternatively, they may be advised on how to self-care or advised to visit their local pharmacy, dentist, optician or own GP for help.

> “The idea behind Think 111 First is to encourage people who need clinical advice, but who are not in a life-threatening emergency”

Patient, technical and staffing pathways were developed with multiple stakeholders including South Central Ambulance Service, patients and Fedbucks. Since October, 692 patients have been directly booked and seen within our A&E Department after contacting NHS 111.

We are now offering 48 appointment slots per day on weekdays for all adults who ring NHS 111 and require an A&E appointment. This service will be moving to 24/7 over the coming months and will include direct bookings into the Paediatric A&E Department and our Same Day Emergency Care service.

Same Day Emergency Care (SDEC)

In addition to launching the Think 111 First service, we launched a Same Day Emergency Care Service in November 2020.

Following a GP referral or triage in our A&E reception, this new unit enables patients to be rapidly assessed, diagnosed and treated by a multidisciplinary team of doctors, nurses and therapists without the need for a hospital admission or waiting to be seen in the A&E Department.

Referral to Treatment (RTT)

Our performance was 61.7% for admitted pathways (i.e. those who required a stay in hospital) and 75.6% on the non-admitted pathway (i.e. those who were treated as outpatients). This is a decline on our performance in 2019/20, which was 67.7% and 85.6% respectively. We maintained 66% of our day case and elective activity during 2020/21 compared to the same period in 2019/20.

The biggest factor in this decline was the need to pause routine service delivery to support our response to the COVID-19 pandemic.

Going forwards, there will be a focus on ensuring that patients do not wait longer than 52 weeks for their treatment and that patients receive treatment in clinical prioritisation order. This prioritisation order is set out *to the right:*

CODE	DESCRIPTION
P1	**Patients whose lives are at risk if not treated urgently**
P2	**Patients who have severe or life-threatening conditions needing an operation in a matter of weeks**
P3	**Patients who need to be operated on within 3 months as their condition may become severe if they have to wait any longer**
P4	**Patients whose condition is more stable**

Governance processes have been set up to monitor the number of patients waiting, length of wait and associated P category in order to manage risk from longer than desired waits.

As at the end of February 2021 there were 33,911 patients who remained on an open pathway i.e. people whose treatment has not yet been completed. This is up from 29,322 at the same time last year.

There has also been an increase in the number of patients who have been waiting for over 52 weeks. This is as a result of both the suspension of some activity and the number of patients choosing to defer treatment during the pandemic.

As a consequence, there has been a significant increase from 11 patients waiting over 52 weeks in March 2019/20 to 6,556 in March 2020/21. Our colleagues are working tirelessly to reduce this number. We are increasing the number of operations we perform, with hundreds of virtual outpatient appointments taking place monthly and we are significantly increasing the numbers of non-urgent patients we are now seeing.

Cancer

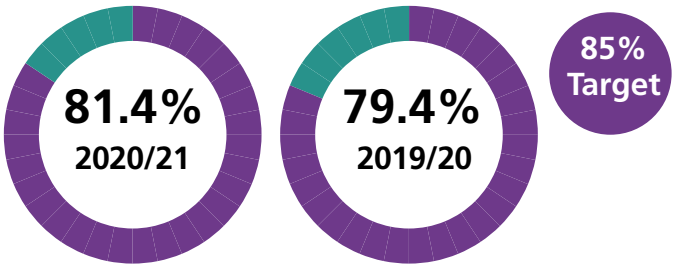
Cancer services have been prioritised and remained open throughout the pandemic. The first wave of COVID-19, and the national lockdown in March 2020, led to a dramatic fall in urgent cancer referrals across the country. Locally, referrals to the Trust from GPs fell from around 500 to 100 per week, with patients cautious about going to their GP surgery to be seen.

The Trust, alongside local and national primary care teams, made a concerted effort to reassure patients and remind them that cancer services were still 'open for business' which resulted in a gradual increase in referrals.

Here in Buckinghamshire, the team took a number of steps in order to continue to provide key cancer services to the local population throughout the pandemic.

This included conducting many first patient consultations over the telephone, maintaining diagnostic services and reporting, and temporarily relocating the haematology ward from Stoke Mandeville Hospital to BMI Shelburne during both waves of the pandemic.

We maintained compliant performance against all 31-day cancer diagnosis targets throughout the year and have achieved compliance against the 2-week referral targets. In addition, compliance against the 62-day referral to first treatment target of 85% has improved to 81.4% compared to 79.4% for the previous year.



62-day referral to first treatment

The service was also able to continue urgent surgeries at our Wycombe Hospital as well as by working with private healthcare partners BMI Chiltern and Shelburne.

Finally, over £150k funding was secured for a cancer dashboard which allows clinical teams to track and manage patients through an often complex series of clinics, investigations and treatments. This system was developed during the pandemic and is now live.

Critical Care and Respiratory

The last 12 months presented our Critical Care and Respiratory teams with some of the greatest challenges that healthcare workers will have faced in their careers. Not only were they coping with an increased number of patients - more than double the usual number at the peak of the pandemic – these patients were more critically ill and had more complex needs. They also stayed for longer with COVID-19 patients who were being fully ventilated staying in intensive care for an average of three weeks – significantly longer than is usual for patients in critical care. This was in addition to looking after critically ill patients who didn't have COVID-19. Colleagues from other departments were redeployed to support as we worked tirelessly to save as many lives as possible.

The challenges in the second wave were different from the first. In the first wave, we experienced high demand for beds in our intensive care unit with patients needing to be kept on ventilators to help them breathe. In the second wave, whilst still high, there was a reduction in the number of patients needing ventilators but much higher numbers of very ill people that needed oxygen. These patients were looked after on other wards, with the support of the Critical Care Outreach Team - a group of intensive care nurses that cared for COVID patients outside of critical care as well as providing rehabilitation.

Our colleagues pride themselves on their ability to provide patients with the very best care at potentially the worst moment of their lives; it is our last chance to get it right for our patients but some of them will live with the memory that, despite their best efforts, they were not able to achieve this for every one of our patients.

Outpatient appointments

Through the COVID-19 pandemic, we were able to maintain an average of 80% of the outpatient activity that was delivered in 2019/20. This was enabled by a rapid take up of virtual appointments: 62.1% in April 2020 and averaging 41.8% through the year (up from approximately 5% in 2019/20).

Adult community services

Over the last year, our community teams have been very busy as a result of an increase in referrals in community nursing as we tried to avoid as many hospital admissions as possible. Our community nurses rose to the challenge ensuring safe and compassionate care for patients being looked after in their own homes. Many of these patients were frail and vulnerable and our Community Healthcare Services have been particularly important for those who have not been able to be supported by their friends and family during the pandemic.

Our community teams also provided a vital role in helping patients who had been admitted to hospital to return home as quickly as it was safe to do so. They worked closely with GPs and social care, along with their hospital colleagues, to ensure that appropriate care packages were put in place to enable recovery to continue at home.

Our therapy teams maintained as many services as possible, whilst at the same time supporting their colleagues in our hospitals to help our patients to return to their homes as quickly as it was safe to do so.

Some of the community-led palliative care services were adapted to meet patient needs - offering both face to face support as well as telephone calls for those that didn't want a home visit so that the service could continue providing this vital service throughout the pandemic.

> “Our community nurses rose to the challenge ensuring safe and compassionate care for patients being looked after in their own homes”

It has always been our aim to help people to avoid hospital admissions and to receive treatment in their own homes. If they do need to go to hospital, we try to help them to return home as soon as it is safe to do so as evidence shows that this is the best place for them.

In partnership with social care, we ran a two-hour urgent community pilot between 1 October 2020 and 31 March 2021 across three of the seven Rapid Response Intermediate Care (RRIC) teams. The aim of the pilot was to reduce preventable hospital admissions by keeping people in crisis in their home environment and facilitate swift discharges from A&E as soon as it was safe to do so, back to the patient's normal place of residence.

The pilot focused on two care areas:

- an enhanced therapy-led two-hour urgent community response for people at home
- an enhanced multidisciplinary rapid community response in care homes.

Following a successful pilot, the two-hour urgent community response will be implemented in RRIC in 2021/22 with the aim that by the 1 October 2021, 80% of people needing a two-hour crisis response will be seen. The enhanced rapid community response in care homes will be part of the Ageing Well programme - doctors, nurses and other health and care professionals working together to provide tailored support to help people live well and independently at home for longer. More detail on this project can be found in the 'Taking a lead in the local community' section.

Maternity

Throughout the pandemic our obstetric and midwifery teams have continued to provide maternity care. During 2020/21, 4,660 babies were born in one of the Trust's birth settings or at home. The pandemic meant that we needed to adapt the way we delivered our services to ensure parents and babies remained safe from the spread of the virus while continuing to receive high quality care. One of the difficult decisions we had to make was to restrict partners from attending 20-week scans as we were unable to maintain safe social distancing. We worked hard to ensure this was reinstated safely in April 2021.

Despite the fact that we had to temporarily suspend births at the Wycombe Birth Centre to ensure safe staffing across our services, we were still able to offer a choice of place of birth and have seen an increase in the number of home births and births in the midwifery-led unit at Stoke Mandeville compared to the same period last year.

We continued to provide effective care for women with pregnancy complexity including the use of innovative technologies for remote monitoring of diabetes and high blood pressure and have seen a sustained reduction in the number of babies born prematurely.

We have provided assurance in light of the Ockenden report findings and are working with teams across the region to meet all standards of the national maternity safety programme and Better Births.

We would like to thank the Maternity Voices Partnership who have ensured that the voice of women and birthing people has been heard throughout the year and kept our parents and families updated with any changes and support available. Going forward we will continue to work collaboratively to co-design services and will prioritise reaching out to lesser heard parents to ensure we provide inclusive, personalised maternity care.

Children and young people

The pandemic has had a profound impact on the health of children and young people, particularly in terms of their mental health.

The table below shows the number of admissions to our children's ward for children and young people (10-17-year olds) with mental health crisis from September to January in 2019/20 and 2020/21.

	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY
2019/20 number of admissions	**3**	**7**	**3**	**4**	**9**
Average length of stay in days	4.33	1	1	2	1.56
Longest length of stay in days	9	4	3	3	6
2020/21 number of admissions	**7**	**7**	**10**	**12**	**13**
Average length of stay in days	4.57	5.57	2.3	6.25	3.38
Longest length of stay in days	14	16	7	26	16

Working with our colleagues from the Child and Adolescent Mental Health Services (CAMHS), hospital services have been adapted in response to the challenges and increase in attendances.

A CAMHS liaison officer is now based at Stoke Mandeville Hospital five days a week to enable more timely assessments and discharges of young people, as well as care planning and risk assessments for those that seek our help on a frequent basis. They are also offering additional training, resources and support to Trust colleagues working with this group of young people, especially those who stay with us for a prolonged period of time.

Multidisciplinary eating disorder meetings, including CAMHS, paediatricians, nursing colleagues, safeguarding leads and dieticians, have continued virtually through lockdown to review the care of individual young people. A nurse consultant specialising in eating disorders is based in our in-patient children's wards once a week.

Our 0-19 Healthy Child Programme continued throughout the pandemic, working with vulnerable families. To ensure appropriate social distancing, and keep our clients safe, our health visitor child drop-ins are now appointment-only clinics, and support groups such as 'Getting To Know Your Baby' are now being delivered virtually.

We are piloting 'Walk the Talk' in south Buckinghamshire, a programme which is about helping parents to take a lead and support other local parents and families. In areas where these groups have been run, they are proven to have a profound impact on maternal health, wellbeing and community cohesion. Parents who meet weekly to get active together outdoors with their babies and children, report improved physical and mental health and valuable friendships.

Our School Aged Immunisation team was the only immunisation team nationally to continue delivering the school aged immunisation programme. This has been praised by NHS England.

The School Aged Immunisation team preparing to start vaccinating pupils at Dr Challoner's Grammar School.

> "Our School Aged Immunisation team was the only immunisation team nationally to continue delivering the school aged immunisation programme"

Long COVID recovery

In partnership with Oxford University NHS Foundation Trust and Buckinghamshire Clinical Commissioning Group, the Trust set up a specialist clinic at Stoke Mandeville Hospital to support patients across the county who are suffering with Long COVID.

This is part of a national drive to help thousands of patients suffering with the long-term symptoms of COVID-19 and enable them to access specialist help locally.

The clinic at Stoke Mandeville Hospital accepts referrals from GPs across Buckinghamshire and Oxfordshire, as well as following up with patients discharged from hospitals, to investigate any ongoing COVID-19 symptoms which are affecting patients' lives such as brain fog, anxiety, depression, breathlessness, fatigue and other debilitating symptoms.

The service is run by a multidisciplinary team. Patients are offered a hospital appointment, as appropriate, with a respiratory consultant, psychologist and physiotherapist to offer both physical and psychological assessments and to refer patients to the right treatment and rehabilitation services.

Cataracts

As soon as the pandemic hit in 2020, our Ophthalmology Department started work on new protocols to keep patients and colleagues safe. This meant that in May 2020 we were the first NHS unit to restart elective cataract surgery and, in November, we opened a COVID-safe cataract surgery unit separate from the main hospital site. As a result, we were able to continue with cataract surgery during the second wave of the pandemic.

We have completed over 2,700 cataract operations since May 2020 and are supporting other Trusts in the region to ensure patients can be treated as quickly as possible. We have also increased the size of the cataract team and are now running cataract clinics every day, at Stoke Mandeville and High Wycombe hospitals, where all the pre-op checks are completed and the patient is given a date for surgery. These steps have resulted in an improvement to our referral to treatment time which is now 16 weeks for routine cataracts.

> “We have completed over 2,700 cataract operations since May 2020”

Upper Limb Studio

In November 2020, the Trust opened an Upper Limb Studio within the National Spinal Injuries Centre (NSIC) at Stoke Mandeville Hospital – the first of its kind within the NHS focusing specifically on the rehabilitation of the upper limb with spinal cord injured patients.

November 2020: The new Upper Limb Studio was officially opened at the National Spinal Injuries Centre

The Activity Based Restorative Therapy (ABRT) that the studio enables is an important and growing area of spinal cord injury research. ABRT involves the use of equipment to facilitate repetitive movement to improve a patient’s level of independence following spinal cord injury. It has a proven impact on the ability of patients to perform functional tasks such as eating, drinking, returning to driving and carrying out aspects of personal care.

New imaging platform for stroke service

In July 2020, the Trust became the latest NHS specialist stroke centre to adopt the Brainomix e-Stroke Suite imaging platform at Wycombe and Stoke Mandeville Hospitals. Created in Oxford, with expert clinical input from frontline NHS stroke physicians, the award-winning Brainomix e-Stroke Suite leverages cutting-edge Artificial Intelligence (AI) & Deep Learning methodology to help stroke physicians make life-saving decisions.

Sterile Services Unit

In July 2020, a new Sterile Services Unit opened at Stoke Mandeville Hospital, enabling the hospital to maintain and improve its own sterile services function, supporting the operating theatres at Stoke Mandeville. It will also be used to sterilise equipment for other nearby NHS Trusts. Sterile services support healthcare workers to do their jobs in the safest possible way, which has been particularly crucial during the pandemic.

“ In July 2020, a new Sterile Services Unit opened at Stoke Mandeville Hospital, enabling the hospital to maintain and improve its own sterile services function, supporting the operating theatres at Stoke Mandeville ”

Pharmacy

Our pharmacy teams provided a vital service during the pandemic. As we learnt more about COVID-19, clinical guidelines changed frequently. To ease pressure on our ward teams at the height of the pandemic, a ready to use Intra Venus preparation service was set up, and colleagues were redeployed to support our critical care and respiratory teams. The team supported the Trust as well as GPs with aseptic training and reconstitution of the COVID-19 vaccine.

The Trust's wholly owned subsidiary outpatient pharmacy, Pharmacy@ Bucks, also played a key role. Within two weeks, the team developed an electronic prescribing solution to enable clinical colleagues who were shielding but working from home to continue prescribing medication as part of their virtual consultations.

Pharmacy@Bucks took over the operation of the outpatient pharmacy at Amersham in June 2020, enabling more than 2,000 patients to be able to collect their medications closer to home. With the help of volunteers and colleagues, they also delivered medicines to over 100 patients who were shielding.

During the second wave of the pandemic, to ensure safe social distancing, the team introduced a 'ring and collect' service at Stoke Mandeville Hospital with colleagues handing out completed prescriptions to patients who waited outside the building. We still provide this service for any patient who does not feel comfortable entering a hospital setting.

COVID-19 testing

The microbiology department has gone through some massive changes over the last 12 months with its daily workload increasing by over a third as they started processing COVID-19 samples.

At the beginning of March 2020, the microbiology laboratory did not have the capability to perform large scale Polymerase Chain Reaction (PCR) testing - although we had the technical knowledge, we did not have the necessary equipment.

Three of our SAMBA machines processing patient samples to test for COVID-19

From this standing start, the microbiology team has put in a remarkable effort to procure the appropriate equipment, validate the tests, train additional colleagues and now provides an outstanding service. The department has processed over 80,000 samples for COVID-19 PCR tests with an average turnaround time of less than six hours, which is one of the fastest turnarounds in the whole of the South-East. The department has pioneered equipment that is now being used routinely by other laboratories.

To complement the Trust's in-house PCR testing service, in December 2020 we implemented rapid testing for COVID-19 for acute services utilising small bench machines called SAMBAs. This service is available to clinicians 24/7 and can provide results within two hours of receipt into the laboratory helping us manage and treat patients more effectively. We have 15 SAMBA machines across the Trust enabling us to review up to 150 patient swabs per day and since December 2020, the team has analysed over 6,800 patient tests.

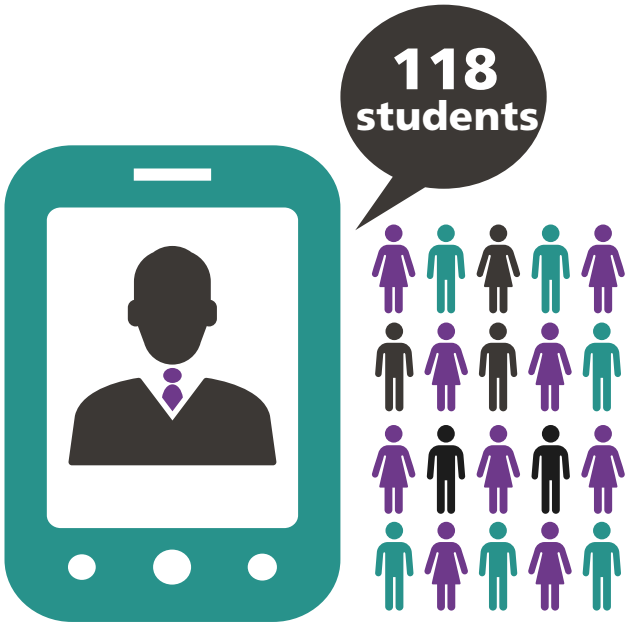
Improving patient experience during COVID-19

Being in hospital during the pandemic was a challenging time for patients and their loved ones as necessary restrictions to visiting made it harder for people to keep in touch. The Trust worked hard to support patients and carers by introducing a number of initiatives:

- 63 iPads and tablets were procured and enabled for video calls to allow for 'virtual visits' for patients and families
- A 'Letter to a Loved One' service was set up to allow friends and family to email in letters and photos which were colour printed and hand delivered to patients in our hospitals; over 600 have been delivered to date
- Over 2,000 comfort packs including toiletries, comb, ear plugs and non-slip socks were distributed to patients
- 15 wayfinding volunteers were recruited to help patients and carers to navigate the changes to the environment
- Our Patient Advice and Liaison Service was extended to the weekend and our Chaplaincy team offered a phone service to friends, family and carers

Student deployment

Our students were keen to support the Trust during the pandemic to help assist with the increased number of patients requiring care. A total of 118 students responded to the call for help and joined as frontline clinical colleagues in the first wave with a further 57 supporting us in the second wave.



The redeployment of our doctors in training was managed by a Medic Redeployment Cell and the model they developed was held as an exemplar in the Thames Valley region.

Volunteers

Prior to the COVID-19 pandemic, there were over 500 active, permanent volunteers supporting teams and patients across the Trust in both acute and community settings. Following the start of the pandemic, much of our usual volunteering activity was paused as services were changed and we responded to national guidelines as to who should come into clinical settings.

During the first wave, we received many offers of support from people who had not previously volunteered. We deployed a number of these into our 'Acts of Kindness' team, helping distribute the huge number of donations we received from local residents and businesses. Other volunteers have also been based at the entrances to our sites, supporting patients in finding their way through our COVID-secure one-way system and ensuring that everyone is supported in wearing personal protective equipment (PPE).

We were delighted to welcome an additional group of St John's Ambulance volunteers who have been based in our A&E Department at Stoke Mandeville since April 2020. This team of more than 30 volunteers, based out of their ambulance parked on our site, has been supporting our hard-working team in A&E providing additional care to patients and their families.

We were also fortunate to be supported by the Armed Forces who worked with our discharge, vaccination, Intensive Care Unit and fit mask testing teams.

More recently, we have seen 34 volunteers (existing and new) supporting our vaccination programme, and in January and February 2021, 18 colleagues who usually work in administrative roles volunteered to support clinical areas in their free time.

Taking a leading role in our community

One of our key objectives is for the Trust to take a leading role in the local community, not just in terms of delivering healthcare but also in terms of health education, prevention and as a major employer.

It's also very important that we work in partnership with the residents of Buckinghamshire to help us to shape what healthcare looks like now and in the future and a key focus for us in the coming year will be to ensure that every voice is heard.

Public engagement programme

In August 2020 we, along with our partners from the Integrated Care Partnership, launched phase 1 of a public engagement programme to ask people what they thought about changes we have made, or are considering, in health and social care. The engagement was designed with support from the Getting Bucks Involved Steering Group which includes members of patient participation groups, representatives from local charities and Healthwatch as well as members of the public.

Engagement has focused on the following four themes:

- **Digital Services:** accessing routine appointments by telephone, video or online
- **Keeping People Safe:** delivering services differently to prevent the spread of infections
- **Community services:** organisations working together to promote independence and deliver care in people's homes and communities
- **Reducing health inequalities:** improving health for vulnerable groups and people living in deprived areas

Phase 1 was a survey which gathered data from over 2,800 respondents; the majority of whom were white females with an average age of 60. Phase 2 was designed to actively seek representation from a diverse range of Buckinghamshire residents, especially groups who are not often reached by such research, such as people living in areas of deprivation.

The findings from the engagement programme have been shared and presented to the Health & Wellbeing Board and the Buckinghamshire Heath & Adult Social Care Select Committee and will be used as the basis for further engagement with Buckinghamshire residents in the summer.

June 2020: Dr Raha West and the Trust Intensive Care Unit team were instrumental to the success of the national RECOVERY trial's discovery of a drug proven to be of positive benefit to COVID-19 patients. The team recruited more than 150 people including Katherine Millbank (pictured above with her husband Paul).

Research

The overall aim of our Research and Innovation (R&I) Department continues to be one of increasing the profile, quality and quantity of clinical research and innovation, viewed as an essential and valued activity by all members of the organisation and the wider community.

Research has been at the forefront of the COVID-19 pandemic driving national policy and providing much needed evidence for novel treatments and preventative measures. Colleagues quickly adapted to delivery of the COVID-19 urgent public health studies, supporting critical care activity and vaccine studies. Since March 2020, the R&I Department has supported nine COVID-19 urgent public health research studies including RECOVERY, CCP-UK and GenOMICC studies.

We have consistently been in the top 15 recruiting sites nationally thanks to the support of an excellent research team. Over 1,900 patients and 550 healthcare colleagues have willingly participated in COVID-19 studies playing a vital role in the fight against this disease.

The Trust has sponsored six COVID-19 studies contributing to improved patient outcomes and has continued to support innovation projects through its partnership with Bucks Health and Social Care Ventures and Oxford Academic Health Science Network. The COVID-19 oximetry Co@H project enabled patients at risk across Buckinghamshire to safely self-monitor at home using pulse oximeters. Through this programme we successfully reduced mortality, hospital length of stay and pressure on critical care beds during the pandemic.

Supporting care homes

From November 2020 until the end of March 2021, we ran a pilot for Rapid Clinical Response into Care Homes. This team, led by two community matrons with support from a senior nurse, podiatrist, dietician, speech and language therapist, geriatrician and administrator, provided support to the care homes within the Aylesbury Primary Care Networks (PCNs) and Mid Chiltern PCN. During the pilot we supported 380 patients and provided education and guidance to the 36 care homes within those four PCNs. Feedback from the care homes was extremely positive.

Bucks Health and Social Care Academy

This year saw the launch of the Bucks Health and Social Care Academy. It is a non-profit partnership between our Trust, Buckinghamshire Council, Bucks New University, University of Bedfordshire, Health Education England, Buckinghamshire Local Economic Partnership, Buckinghamshire College Group and Buckingham University. It aims to create a one-stop-shop for the provision of innovative and integrated education, training, organisational and professional development needs or the health and social care workforce in Buckinghamshire.

Partnership with Nuffield Health

In January 2021 Nuffield Health, the UK's largest healthcare charity, seconded 28 employees to support our organisation in family liaison, clerical, operational and administrative positions during the COVID-19 pandemic.

The Nuffield employees chose to be seconded to support the NHS after being furloughed after Nuffield Health's UK network of fitness and wellbeing centres and clinical services were temporarily closed due to government restrictions.

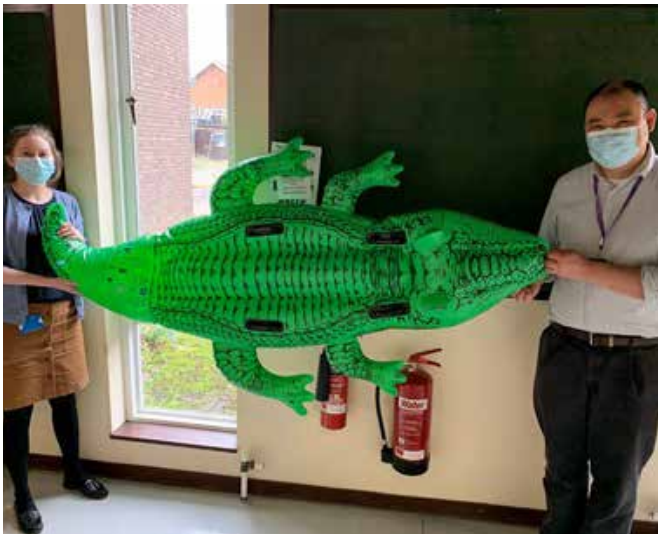
Ensure colleagues are safe, supported and listened to

Our most important asset is our people. Looking after the physical and psychological wellbeing of our colleagues has been key to ensuring that we have been able to continue to provide safe and compassionate care throughout the pandemic to those that needed it most, both within our hospitals and in the community.

Keeping our colleagues safe

Personal protective equipment (PPE)
Difficulties in obtaining a number of different types of PPE at the start of the pandemic are well documented and represented a significant potential risk to the safety of frontline colleagues. However, our procurement and supplies team worked tirelessly alongside a number of other departments to make sure we always maintained a supply of critical PPE to help protect clinical colleagues who were most exposed to the COVID-19 virus. Not an easy task when the Trust used over 500,000 FFP3 masks alone during 2020/21.

The Trust was also instrumental in the establishment of regional collaboration that saw organisations within the Buckinghamshire, Oxfordshire & Berkshire West Integrated Care System sourcing and storing critical PPE jointly and in many cases sharing items via mutual aid.



Colleagues demonstrating the importance of safe social distancing and just how far apart two metres is.

We appointed PPE 'buddies' to support our colleagues in ensuring that they wore the correct PPE at all times and regular fit-mask testing sessions were run to make sure colleagues were putting on and taking off their masks safely.

Risk assessments
One of the ways in which we have ensured the safety of all our colleagues has been to undertake a risk assessment process so that any potential risks are identified and mitigations are put in place to reduce the risk, including redeployment or working from home. This was initiated during the first wave of the pandemic with the risk assessment template, manager guidance and governance process developed following regional and national guidance from NHS England and Improvement.

Risk assessments were first offered to high risk groups, including our BAME colleagues as the priority, and then to all colleagues with the Trust. Almost 100% compliance was achieved by September and compliance is now monitored on a weekly basis.

The Occupational Health team is leading the work to ensure that risk assessments are both kept up to date by line managers and used dynamically to ensure the continued safety of our colleagues. All new starters and volunteers are risk assessed before they start.

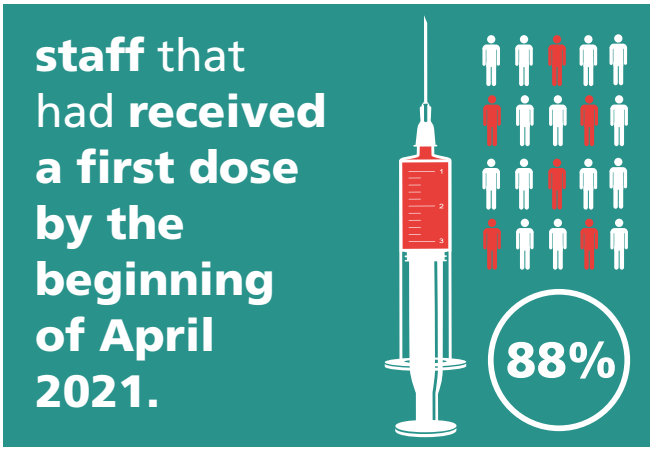
Occupational Health also supported all our colleagues who were 'shielding' under government guidance (263 at its peak) including overseeing any change in guidance and supporting colleagues to return safely to the workplace.

Lateral flow testing
Lateral flow testing was rolled out across the Trust in November 2020 to keep our colleagues and our patients safe. All colleagues who come on to site are encouraged to self-test twice a week.

Since the lateral flow testing programme was introduced, 70,690 results had been recorded by end of March 2021 and by mid- April 2021, 9,500 kits had been distributed. Thanks to lateral flow testing, we have been able to identify colleagues who had contracted COVID-19 but were not showing any symptoms. 420 colleagues who recorded positive lateral flow tests were then confirmed positive with COVID-19 through PCR testing.

COVID-19 vaccination programme
The Stoke Mandeville Hospital Vaccination Hub opened in early January 2021, followed by one at Amersham Hospital in February 2021, to enable us to start vaccinating our own colleagues along with other health and social care employees in Buckinghamshire.

All Trust colleagues have been offered the opportunity to have the COVID-19 vaccine. Due to positive actions, and a comprehensive communications campaign which included webinars with expert panels (one supported by Sir Andrew Pollard from Oxford) and the support of our BAME staff network, over 88% of nursing and midwifery, medical and dental, healthcare scientists and estates and ancillary staff had received a first dose by the beginning of April 2021.



The lowest uptake remains in colleagues who are Black or from a Mixed Black background. We are using further support initiatives to address this, including initiating one to one conversations with those who haven't had the vaccine to ensure that they have all the information they need to make an informed decision and to answer any questions and concerns they may have. This has reduced the overall gap in BAME uptake to 4% lower than non BAME colleagues.

Supporting our colleagues

Equality, diversity and inclusion
As a Trust we have made a commitment to our colleagues and the local community that we serve, that we have an inclusive organisation, with equality of experience and opportunity for everyone who works here, and zero tolerance to discrimination. In terms of race equality, the specific goals that we have set ourselves are:

- **The ethnic make-up of our Board and senior leaders will be 24% BAME reflecting that of our workforce by 2022**
- **There will be no inequality in our recruitment processes for BAME applicants by the end of 2021**

Our Workforce Race Equality Standard action plan sets out how we plan to do this, through new ways of fostering accountability and ownership, continuing to engage allies, putting processes in place to debias existing systems and methods, and strengthening the equality of opportunity and experience for all. Our approach will be evidence-based and co-designed with our BAME colleagues and we will continually evaluate the impact.

We now have seven networks for our colleagues, and these have continued to meet virtually throughout the pandemic:

- **BHT EMBRACE (BAME colleagues)**
- **BHT Ability (Colleagues with long-term health conditions or disability)**
- **BHT Proud (LGBTQ+ colleagues)**
- **BHT VIBES (A multi-faith and spiritual network for all colleagues)**
- **BHT Carers**
- **KALINGA Filipino Healthcare Professional Organisation Bucks**
- **BHT One in Four (Supporting colleagues to talk about mental health)**

> “Our staff networks have provided invaluable support to the Trust this year and we have worked closely with them to ensure the health and wellbeing of all our colleagues, particularly in areas such as risk assessments and ensuring colleagues had all the information they needed to make an informed decision about the COVID-19 vaccine.”

October 2020: Molly Chibvuri, Matron Intensive Care Unit, Stoke Mandeville Hospital, won the inaugural South-East Royal College of Nursing Black History Month 'Making a Difference Award'.

During the year, a number of engagement activities have taken place to promote inclusion and diversity in the Trust:

- **Inclusion week –** National Inclusion Week 2020 was celebrated in the Trust during September. Each of the staff networks hosted a day where communications were focussed on that network or relevant protected characteristic. A virtual fair with information on all the networks ran online during the week.

- **Black History Month –** throughout October we celebrated Black History Month 2020 with a series of communications and daily virtual events. The Trust held 12 events including discussion groups, cooking classes and coaching events, and these were complimented with national NHS workshops, public events and events hosted by Oxford Health NHS Foundation Trust. Overwhelmingly positive feedback was received about the programme and individual workshops attended.

- **Disability History Awareness Month 2020** – activities were co-designed with the BHT Ability Network and included a virtual online fair, a virtual discussion regarding disability access, and a guest speaker from the local disability charity BuDS.

- **LGBTQ+ History Month February 2021 –** the Trust held weekly virtual discussion events during this month, including one event for all networks with discussion around LGBTQ+ issues.

The Trust became a Stonewall Diversity Champion in 2018. Our membership gives our organisation access to resources, tools and research to help embed LGBTQ+ inclusion in our workplace, build our staff networks and attract and retain the best talent. We are able to learn from the expertise and experience Stonewall brings with the diversity champions programme.

Wellbeing

We have an established in-house Wellbeing team, who were able to mobilise quickly in response to the pandemic, with an emphasis on psychological support, both proactively and, where required, reactively. A wrap around support programme was launched to all colleagues in the autumn of 2020, building on our existing services. We launched this as a Winter CARE pack, which was sent to homes of our colleagues to ensure access for all. Calm zones have been introduced at Stoke Mandeville, High Wycombe and Amersham Hospitals as well as a special well-being 'pod' available for colleagues to use in the garden at Stoke Mandeville. Webinars have been held on sleep and managing children's anxieties during the pandemic with over 60 attendees for each session.

Through our in-house service (including qualified, experienced counsellors) we have offered over 1000 psychological health interventions and nearly 300 colleagues have attended the proactive 'Understanding Stress, Building Resilience' course. We have held over 150 supportive wellbeing conversations with colleagues, for example to support redeployment.

Our mindfulness lead has offered over 100 online mindfulness group sessions and we have undertaken 146 physiotherapy assessments. We have a weekly 'Wellbeing Wednesday' bulletin to all colleagues, that focusses on key issues of wellbeing, both psychological and physical.

In addition, we introduced Vivup in June 2020, an employee assistance provider whose services are available to colleagues 24 hours a day, 365 days a year. To date over 300 colleagues have rung the helpline and 280 have accessed the web portal. 86 colleagues have accessed counselling support online via Vivup.

Sickness absence
Sickness absence levels peaked in April/ May 2020 and January 2021. Absence was because of both staff sickness due to COVID-19 and isolation requirements. To support colleagues, we established a COVID-19 team within Occupational Health in March 2020, which remains in place. During 2020/21, 866 staff were confirmed COVID-19 positive via a PCR test. Sickness rates in March 2021 (3.7%) were half the rates reported at the peak of April 2020 (8%).

Acts of Kindness
Thanks to generous charitable donations from the public and local businesses, colleagues were able to submit bids to fund items that would make a difference to their experience at work. We were able to meet the requests of 63 teams, benefitting over 1,500 colleagues, with things like white goods and furniture for outdoor spaces. Our colleagues were also extremely grateful for the meals that were delivered by local businesses and the charity Meals from Marlow with one of its founders, celebrity chef Tom Kerridge, personally delivering some of the meals to our Wycombe and Stoke Mandeville hospitals.

TV chef Tom Kerridge delivering 'Meals from Marlow' as part of his COVID-19 charity response to support our colleagues.

In addition, the Trust worked hard to try to make life as easy as possible for colleagues by launching initiatives such as BHT Assist, a free concierge service for colleagues to help take the hassle of everyday tasks, suspending parking charges throughout the pandemic (and currently remains free for colleagues) as well as providing free breakfast and meals at both its community sites and hospitals, including in the Trust's own Café Oasis at Stoke Mandeville Hospital, at the peak of the first and second wave of the pandemic.

Listening to our colleagues

Staff survey
We were delighted that so many colleagues shared their experience of working in the Trust during what has been an unprecedented time for the NHS; nearly 3,000 of our colleagues (50%) responded, up from 47% in 2019.

The NHS Staff Survey is based around ten key themes and the Trust scored in line with the national average in all areas and achieved above average in four out of the ten: health & wellbeing; safe environment – bullying and harassment; safe environment – violence and staff engagement.

It was particularly pleasing to see that all the support we have provided throughout the last year is starting to make a real difference to colleagues. Our scores for health and wellbeing have improved with 42% of colleagues saying that the Trust is taking positive action on health and wellbeing – up from 33% last year – with scores for flexible working increasing from 54% to 58%. 65% of colleagues would recommend the Trust as a good place to work up on 59% last year and 76% of colleagues would recommend the Trust as a place to be treated compared to 70% last year.

The survey also shows us the areas where we need to do better. Whilst our performance is above the national average, our colleagues, particularly our BAME colleagues, are still being subjected to a completely unacceptable level of bullying and harassment from both fellow colleagues and by patients/visitors. This remains a key priority for us.

42%
Health and Wellbeing
of colleagues saying that the Trust is taking positive action on health and wellbeing

58%
Flexible Working
scores for flexible working hours increasing from 54% to 58%

65%
Working Environment
of colleagues would recommend the Trust as a good place to work

76%
Medical Care
of colleagues would recommend the Trust as a place to be treated.

We know that the annual survey is only one moment in time. To ensure that colleagues have a more regular opportunity to provide feedback, and to enable us to act upon it, we introduced our monthly Trust Pulse survey in February 2021. The results of our first Pulse survey have shown similar themes to the annual survey – colleagues value the health and wellbeing support being provided by the Trust but are feeling very tired, would like more frequent opportunities to interact with their team and more support from their team. Action plans have been developed and are being implemented to address the issues raised by our colleagues.

Freedom to Speak Up Guardian
The Freedom to Speak Up Guardian (FTSUG) is a designated role which provides a safe place for colleagues to raise concerns safely, without fear of detriment or blame, helping to improve the safety of our patients and colleagues. The Freedom to Speak Up Guardian is a mandatory post for all NHS Trusts in England which also reports to the National Guardian Office thereby offering a level of independence.

Despite the pandemic, the service has run at full capacity throughout the year. There has been a year on year increase in activity since the service commenced in May 2017 and during 2020/21 there has been an overall increase of more than 10%. More than 100 cases of concerns have been raised by more than 120 individuals over the year. This steady increase is positive as the service contributes to building a positive speaking up culture across the Trust.

The key themes arising from concerns reported during this past year included issues relating to the COVID-19 pandemic (including redeployment; lack of communication about changes) and others not related to the pandemic (poor behaviours, poor management and team relationships). One theme that emerged relating to COVID-19 was concern from colleagues about the impact of the pandemic and working in a healthcare setting on their children's wellbeing. In response, our Wellbeing team held a webinar focusing on children's wellbeing, which included experts from within the Trust.

One of the national measures for "Speaking Up" is the annual National Freedom to Speak Up Index Report and separately three questions in the NHS National Staff Survey. The Trust's score in the Index Report improved by 2% in 2020 which was above the national average and our best score to date.

The Trust's results from the NHS National Staff Survey remained stable with some improvement and were above average for similar Trusts. Question 18f was a new question in the 2020 survey and our result was significantly better than the average for comparator Trusts.

	QUESTION	2019	2020	COMPARATOR
17b	I would feel safe to raise concerns about unsafe clinical practice	74%	72%	**71%**
17c	I am confident that the organisation will address my concern	59%	60%	**59%**
18f	I feel safe to speak up about anything that concerns me in this organisation	Not asked	67%	**65%**

A successful Speaking Up Event for BAME colleagues was held in July 2020 with more than 80 joining the event. We had an expert panel including Yvonne Coghill, then Director of the National WRES team, our Chief People Officer, Chief Nurse and representatives from our BAME staff network.

The Trust participated in the National October Speaking Up Month 2020 campaign; this year we developed a 'Speak Up Alphabet' with important and relevant information associated with one letter each day to raise awareness of the importance of colleagues 'speaking up'. The programme was delivered virtually due to COVID-19, including short video films and virtual drop-in sessions.

The year ended on a positive note with the progression of plans to expand the FTSU service. To date the Trust has had one full time FTSUG in post. In response to the increase in demand, we have expanded the service, increasing its accessibility, diversity and visibility. Four additional part-time outreach Guardians (one whole time equivalent) have now been recruited. This model is based on learning from other Trusts and good practice.

Guardian of Safe Working Hours
The Trust also has a Guardian of Safe Working Hours who works closely with our junior doctors to ensure compliance with the 2016 junior doctors' contract. The Guardian is also someone that they can speak to in confidence regarding any concerns that they have, and they work closely with the Guardian of Safe Working Hours to resolve any issues that are raised.

Working in partnership with trade unions
We recognise the importance of, and our joint responsibilities for, creating and maintaining excellent employee relations to ensure we deliver and develop high quality health services, looking after our patients and our colleagues.

As part of this, we continued to engage with staff side colleagues, through monthly Joint Management Staff Committee (JMSC) Trust-wide meetings, and bi-monthly Joint Consultative Negotiating Committee (JCNC) meetings specifically for medical staff. Both committees have local and regional staff side representation, including, but not limited to:

- **British Dietetic Association**
- **British Medical Association**
- **British Orthoptic Society**
- **Chartered Society of Physiotherapists**
- **General Municipal Boilermakers**
- **Society of Radiographers**
- **The Royal College of Midwives**
- **The Royal College of Nursing**
- **UNISON**
- **Unite**

The COVID-19 pandemic has brought a number of additional challenges for our colleagues so we have maintained regular dialogue with the Staff Side Chair and Local Negotiating Committee Chair outside of the above formal committees and have appreciated their support and guidance in enabling the Trust to keep its patients and colleagues safe throughout the pandemic.

Maximise opportunities and learning

The virus will be with us for some time, so we all need to adapt to life and work with a new 'normal'. This means learning from our experiences from the past year, embracing new ways of working and digital technology and not going back to the way we were as we adjust to operating and recovering in a very different way.

Quality Improvement huddles

During the last year, we have been piloting Quality Improvement huddles. The purpose of the weekly 15-minute huddle (or meeting) is to give all members of a team the opportunity to discuss any quality issues or ideas for improvement. These are captured during the week on a physical or virtual Quality Improvement Board where colleagues can post their issues or ideas. By coming together as a team, it ensures everyone has a voice and is involved in coming up with solutions to continuously improve the quality of the service or care provided to patients.

18 teams are currently running huddles and to date they have made 339 improvements.

These include:

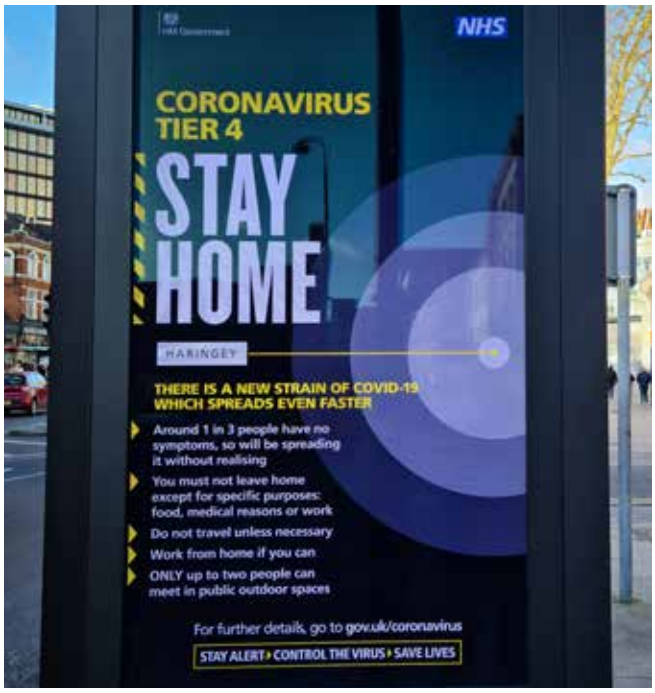
- **The team on St Patrick's ward now place photos onto the outside of equipment boxes to show what is inside. This enables colleagues to quickly identify the equipment required and ensures the equipment is not handled unnecessarily which would mean it would have to repackaged without being used.**

- **The St Andrew's ward team identified that there were issues with hoists not working all the time as they were not being charged all the time. A checklist was created with colleagues working the night shift to ensure that all hoists had an overnight charge and all daytime colleagues ensured that once they used a hoist it was put back on charge.**

We are currently reviewing the learning from these pilots, particularly regarding the best way to engage our colleagues in the process so that we are always learning.

Library and Knowledge Services

The COVID-19 virus was new to us all and our Library and Knowledge Services team helped our clinical teams to stay up to date with emerging information about the virus. They created an online COVID-19 Knowledge Resource Centre and conducted 25 in-depth COVID evidence searches to support Trust and team level decision making.



Not only was their research beneficial for the Trust, but a paper prepared by the Library and Knowledge Services team summarising best practice on how to plan for organisational recovery from COVID-19 was shared nationally with the chief executives of 46 other Trusts and Health Education England.

Digital transformation

Digital transformation is core to everything we do at the Trust, and our five-year IT Strategy sets out the direction of travel and key deliverables to ensure we fully realise the benefits of our investment in digital technologies and services.

Our vision for digital technology takes into account national, regional and local priorities to deploy integrated technology and data to improve services so they are:

- **Shaped around patient need and convenience**
- **Built on a secure, value for money, responsive and accessible infrastructure**
- **Proactive and smart providing responsive and timely information on individual care needs**
- **Aligned with our ambition to be a learning organisation.**

It comprises three main pillars:

1. **Technology** – infrastructure, hardware and software
2. **Digital** – culture change, improved patient experience, improved processes, and better tools for our colleagues to deliver better and safer patient care
3. **Information** – creating information and intelligence that drive delivery and improvements in care

2020/21 was a year of significant digital transformation for the Trust, with £23m of investment focusing on our technology infrastructure. This investment is an essential building block in our overall digital transformation, ensuring we have a firm foundation in place as we focus on the transformation of our clinical applications in 2021/22 and beyond.

Examples of our infrastructure transformation include:

- **To support mobile and home working, the Trust successfully deployed over 7,000 new PC's running Microsoft Windows 10 and Office 365 to Trust colleagues and clinical areas.**
- **In partnership with BT, the UK's first collaborative public sector deal was signed, which will deliver a new, modern, voice and data network across the Trust, Buckinghamshire Council and CCG in Buckinghamshire, and will provide for a robust, reliable, secure and scalable network ready to meet the future requirements of our digital strategy.**
- **Again in partnership with Buckinghamshire Council, a programme of Data Centre modernisation started, with a commitment to move to a "cloud first" model, which will provide for a more resilient, flexible, and secure environment for both our applications and information which the Trust is so dependent on.**

- **The implementation of a cloud-based telephony solution, which will replace a number of legacy services but is also is key in supporting to agile working, removing the need to have a traditional desk phone when making calls from a work environment.**

- **Continued investment in our cyber security capabilities to ensure the Trust's colleagues, applications and systems are protected from the ever-changing cyber security threats faced by all organisations and individuals.**

One of the aims of the NHS Long Term Plan was to modernise the delivery of outpatient appointments with a commitment to reducing face to face outpatient appointments by up to a third over the next five years. COVID-19 accelerated this requirement to keep our patients and colleagues safe and limit the spread of infection. As well as keeping our patients safe, many have said that it reduces stress and saves time and money for travelling and parking.

The Trust is working closely with health care partners across the region to take the learning from the pandemic to transform its outpatient services for the future, with the aim of giving patients a choice from a range of options - face to face, telephone or video call - depending on their clinical need.

Our video appointments project successfully enabled the introduction of video calls with patients during 2020/21, and we will continue to develop this solution further in 2021/22.

In April 2020, CareCentric was launched to provide healthcare professionals access to a single, secure shared care record for Buckinghamshire's patients enabling them to communicate and collaborate safely and effectively. The CareCentric record includes information from the Trust's acute and community hospitals, GPs, social care and Oxford mental health.

Equality of service delivery

The pandemic has brought to the fore the issue of health inequalities with those from our Black, Asian & Minority Ethnic (BAME) communities, those with a disability or with underlying health conditions being disproportionally impacted by COVID-19. It is evident that not only is there an issue with some parts of our community not accessing health care and prevention services but also that they have a worse experience when they do so. A priority for us in the coming year is to work with our partners across Buckinghamshire to look at what more we can do to address these inequalities.

Customer satisfaction scores broken down by protected characteristics

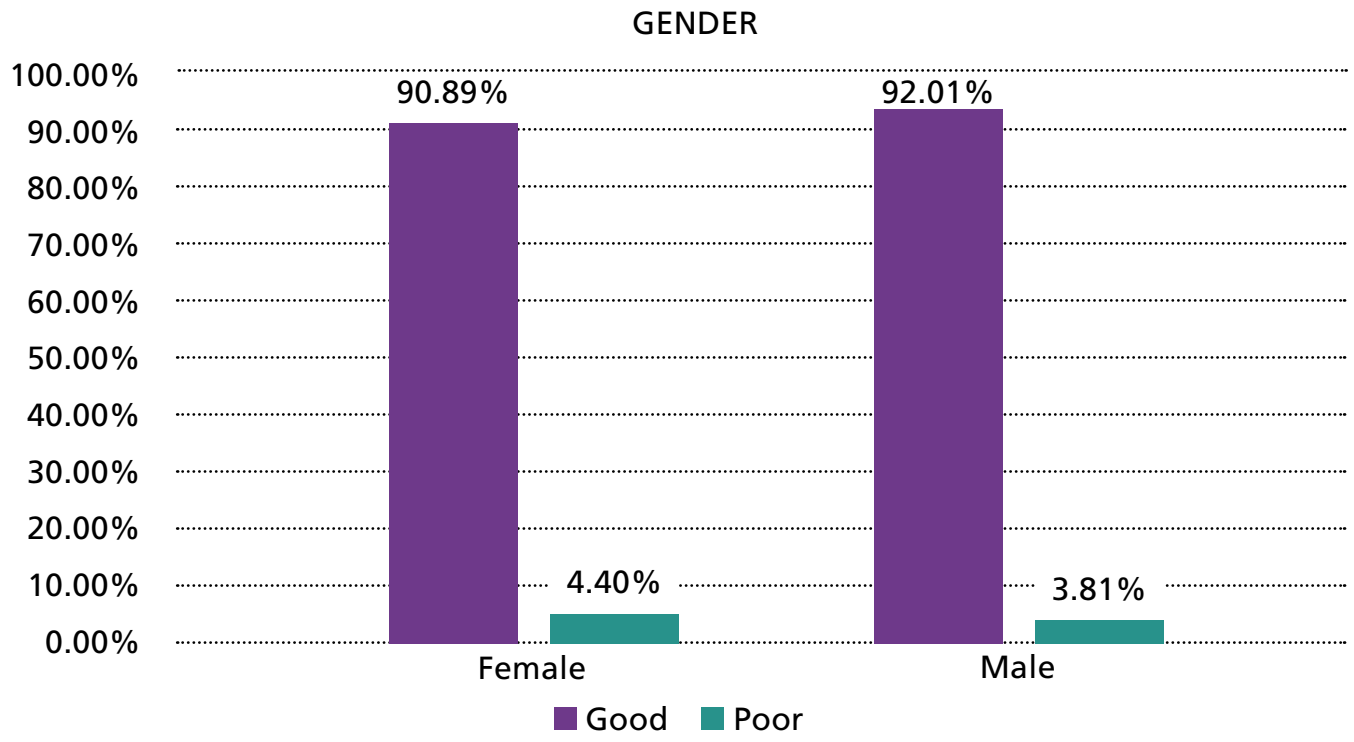
The NHS Friends and Family Test (FFT) was created to help service providers and commissioners understand whether patients are happy with the service provided, or where improvements are needed. It is a quick and anonymous way for patients to give their views after receiving NHS care or treatment.

This year as a result of the pandemic the mandatory national requirement to collect FFT data was suspended. Many Trusts ceased collecting FFT feedback, but we continued to collect patient feedback via FFT to ensure patients were able to continue to give their views through this challenging period.

One of the questions asked is 'Overall how was your experience of our service?'. Experience is rated from very good to very poor. Patients are asked for demographic data, making it possible to understand patient satisfaction across a number of key protected characteristics.

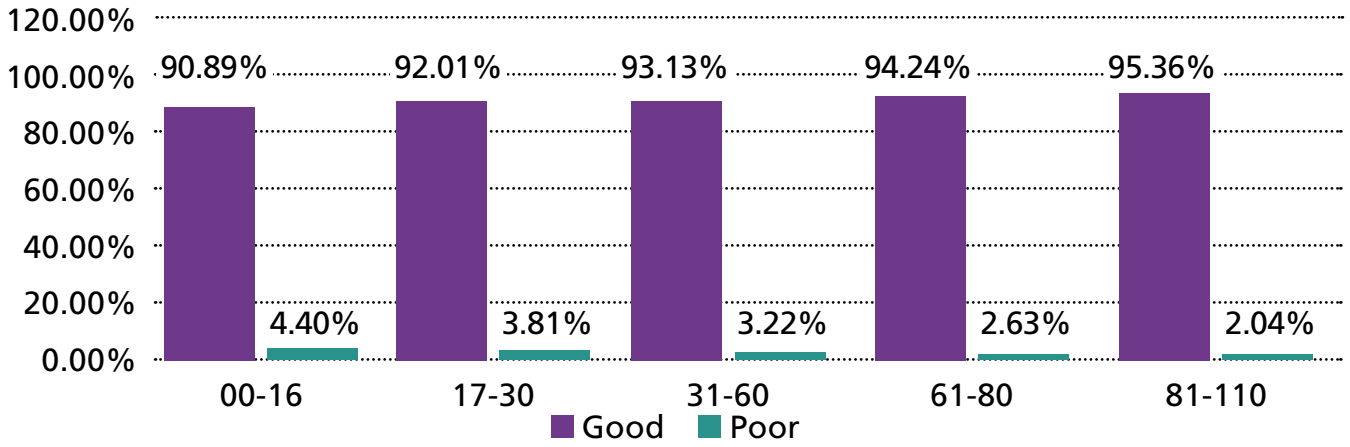
The following charts show the response rates and satisfaction in 2020/21 by gender, age and ethnicity. Please note that they do not include the percentage of people who rated their experience as neither good nor poor.

Gender- 50,146 responses:



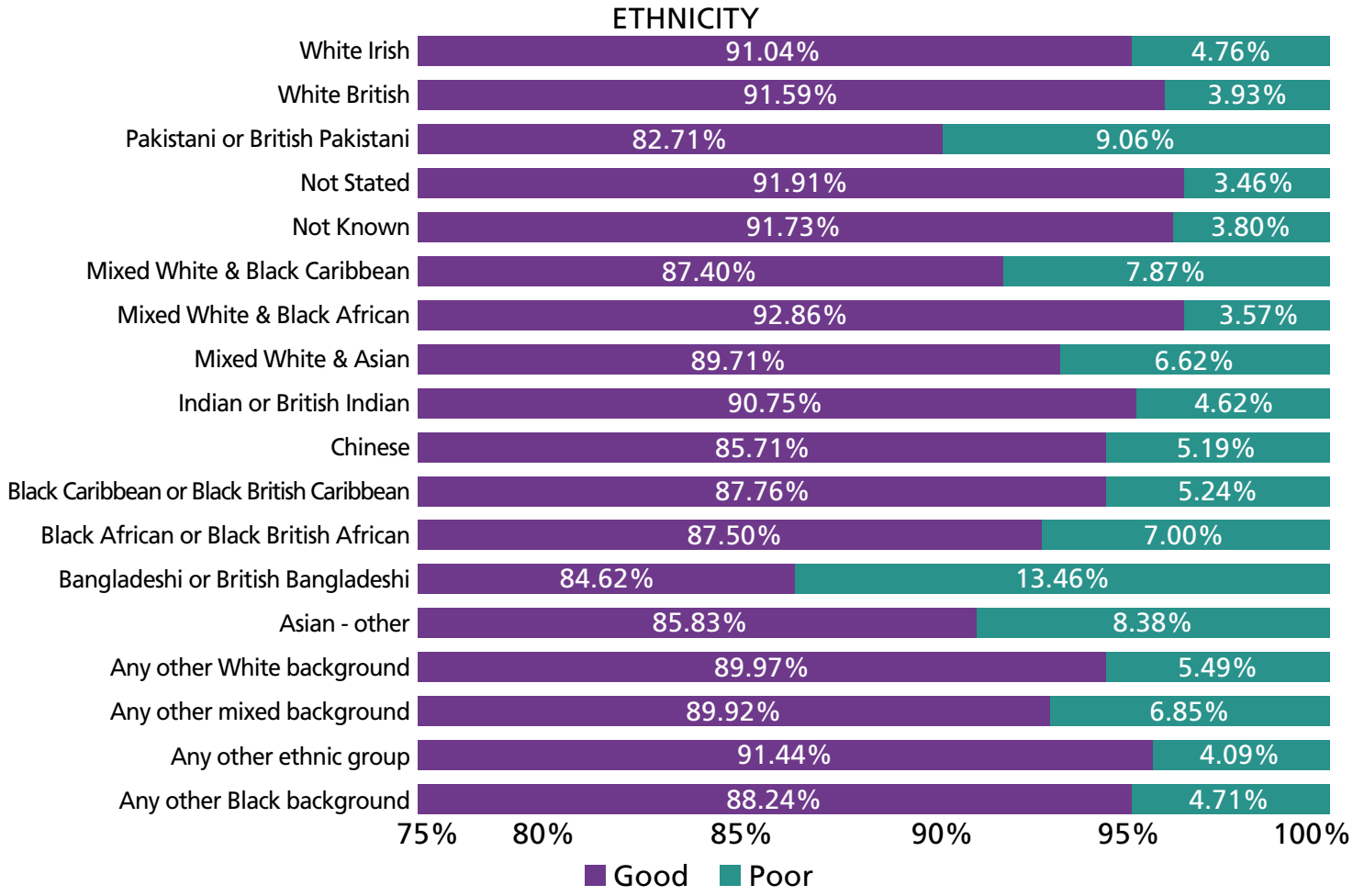
The response rate from male and female patients was broadly similar at just under 27%. Male patients were slightly more satisfied with their experience with 92% rating their experience as good or very good compared to 91% of the female patients who responded.

Age: 61,036 responses:



The highest response rate was from the group aged 61 to 80 at 36.9% whilst the lowest was from those aged 17 to 30 with only 11.66% responding. Those in the older age groups were most satisfied; however, 4.4% of those aged under 16 rated their experience as poor.

Ethnicity: 44,791 responses



White British & Irish patients and service users had the highest response rates, the lowest response rate at 9.44% is from those recorded as Pakistani or British Pakistani. Of those patients who gave their ethnicity, the most satisfied were White British with Bangladeshi or British Bangladeshi patients reporting the lowest satisfaction with 13.46% saying that their experience had been poor or very poor followed by Pakistani or British Pakistani at 9.26%. Further work will be undertaken to try to understand why this is the case and to develop action plans to address any issues identified which has contributed to these scores.

Below are some examples of work that has been undertaken this year by the Trust to address health inequalities.

Heart of Bucks programme

We know that certain communities are less likely to access our services, particularly preventative screening programmes that could identify cancer at an early stage. In November 2020, the Trust launched a new health initiative to improve cancer outcomes in partnership with Heart of Bucks (a community foundation which awards grants and loans to support essential local charities and community groups) and the Buckinghamshire Clinical Commissioning Group.

The target areas for the project are central Aylesbury, High Wycombe and Chesham. This is a great opportunity for local grassroots organisations who really know their communities to demonstrate how important they can be in improving public health for all. Not for profit groups can apply for a grant of up to £7,500 to help them to develop and deliver innovative and creative solutions to improve cancer outcomes, particularly for groups that traditionally have poorer health outcomes including the homeless, people with learning disabilities, BAME communities and people with long-term mental illness. The first grant applications are currently being reviewed and successful applicants will be informed in the near future.

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Maternity Services

It is well documented that, across the UK, there are inequitable outcomes for pregnant women, new mothers and newborns from a BAME background. The Trust is determined to address these inequalities and during the year has undertaken a number of initiatives.

Antenatal Newborn Screening Programme
To gain a better understanding of specific inequities within antenatal screening services, the Trust's maternity unit was the first in the country to undertake a piece of work to look into the impact of age, ethnicity and language on accessing its services.

Retrospective data from over 6,000 women was gathered from the Trust's electronic patient records systems looking at the period from 1 April 2018 to the 31 March 2019. Patient demographic factors were reviewed and compared against timeliness of initiation of antenatal care, timeliness of the foetal anomaly scan and consent for infectious diseases screening.

This review showed that age, ethnicity, and language proficiency have an impact on attendance at antenatal screening appointments. Overall, women with ethnicities other than White British, women with a limited understanding of English, and mothers younger than 20 years old had larger proportions of late bookers (women initiating antenatal care after 13 weeks) and later attendance at anomaly scans. Late booking is a known risk factor in pregnancy.

Amongst the 19 women who we have recorded as having declined screening, there was a higher proportion of women with a Mixed White and Black African, Bangladeshi, Chinese or Pakistani background.

> “We will be working with local community groups to see more what we can do to promote the benefits of early access to maternity services, focusing particularly on the groups highlighted by the review.”

Continuity of Carer
In line with the NHS Long term Plan we are implementing the continuity of carer midwifery model where women and birthing people are cared for throughout their pregnancy, birth and postnatal period by a small team of midwives. Continuity of carer is evidenced as improving maternal and neonatal outcomes. The Trust has already implemented continuity of carer for those choosing Aylesbury Birthing Centre as their place of birth and will be rolling this out to five community teams in 2021/22 in localities of the greatest ethnic diversity and social deprivation in central Aylesbury, central Wycombe and Chesham.

Rainbow Badge Training

This training is focused on giving our colleagues an insight into the challenges faced by the LGBTQ+ community. After completing the training, colleagues are awarded a Rainbow Badge which signals that they offer open, non-judgemental and inclusive care for patients and their families who identify as LGBTQ+. 87 colleagues, including the Trust Board, completed the training during 2020/21 bringing the total of Rainbow Badge holders to 242 within the Trust.




Our people

As outlined in the Performance Review, one of our key objectives has been to ensure that our colleagues are safe, supported and listened to. In addition we have continued to focus on the things that support our CARE values as well as an on-going commitment to developing our existing colleagues and recruiting new ones.

Image Centre: The Trust's Breast Unit team successfully completed the MagTeam100 challenge, raising over £3000 for UK charity Prevent Breast Cancer by walking, cycling and, in some cases, running, 100 miles during Breast Cancer Awareness month.

As outlined in the Performance Review, one of our key objectives has been to ensure that our colleagues are safe, supported and listened to. In addition we have continued to focus on the things that support our CARE values as well as an on-going commitment to developing our existing colleagues and recruiting new ones.

Recognition

Ensuring our colleagues have felt valued for the amazing work they do has been particularly important during the last year.

Monthly awards aligned to our CARE values continued throughout. 211 nominations were received during the year with 48 individuals or teams being recognised. We also launched our One Team One Goal Awards at the end of 2020 with 318 nominations received from colleagues and members of the public. A socially distanced celebratory event took place in May 2021 to recognise the winners of each of the 12 categories.

Training and development

During 2020/21 most of our activities in the organisational development and leadership team were paused to allow colleagues to be redeployed to other parts of HR to support our response to the COVID-19 pandemic. However, a core team maintained some key activities including supporting 15 teams with team development and 75 individuals with coaching. Medical education also continued.

Clinical skills education

The 'Standard Operating Procedure for COVID-19 Safe Education' and the flexibility of the team has allowed us to deliver the essential clinical skills courses for nursing and medical staff throughout the pandemic. It has also allowed us to provide additional 'hands on' training in practical settings, when colleagues were caring for different patient groups, in new environments, requiring a different set of skills. This additional urgent training has been given the title of 'Upskilling' which is a concept that will continue in the future.

Simulation learning

Simulation, particularly virtual reality simulation, has proved a crucial learning tool during the pandemic and has now been recognised nationally by Health Education England as being an important part of future healthcare education. Whilst teaching methods had to be adapted to ensure safety, simulated learning has bridged the gap where students and medical trainees have not been able to work as closely with patients. The SIM and Skills team returned to 'business as usual' activity at the end of the financial year and are now in the process of recommencing the development of new courses and reflecting on the learning from the past year.

Continued Professional Development (CPD)

In 2020/21 the Trust received almost four times more funding for CPD than in 2019/20. This has enabled us to deliver the following

- **Training programmes to enable nurses, midwives and allied healthcare professionals to attain and maintain specialist skill levels**
- **Delivery of bespoke programmes in partnership with our local Healthcare**
- **Support to manage and strengthen delivery of education in clinical areas by the introduction of Corporate Practice Development Nurses.**

Recruitment

The recruitment of committed, high quality individuals to join our organisation remained a priority this year, and we recruited a total of 1,183 new colleagues as follows:

STAFF GROUP	NUMBER
Additional Professional Scientific and Technical	38
Admin and clerical	152
Allied Health Professionals	63
Healthcare assistants	120
Healthcare scientists	14
Manager	17
Medical and dental	324
Nursing and midwifery	159
Support colleagues	296

The recruitment of registered nurses is a key priority. A nurse recruitment action plan is being delivered in line with our People Strategy under three headings; growing our own; UK candidate market and international. This strategy has been in place for a couple of years but due to COVID-19, we have had to flex our approach as to how we deliver some of our plans. For example, nurse and healthcare assistant recruitment events have been held online.

Growing our own

Growing our own focuses on recruiting from within the Trust and the local community. We aim to give people the relevant skills and training to meet our current and future healthcare needs. This approach will be the most sustainable for the next decade and will be deployed in a number of ways:

- **"Positive Steps"** is our programme for recruiting healthcare assistants working in partnership with the Bucks College Group and the local Department for Work & Pensions. The aim is to support young people and the unemployed to become healthcare assistants.

- **Nurse Cadets** is a two-year programme aimed at further education college students. At the end of the programme the individuals can either train to become a nursing associate at the Trust or apply to university to study nursing.

- **School & College career fairs** – In previous years, the Trust has had a very busy calendar of localised events promoting nursing as a career route to young people. Due to the pandemic, the majority of these were postponed during 2020, however we have continued to build relationships and are planning events for 2021.

- **Nursing Associate Apprenticeships** –This is a two-year apprenticeship programme for healthcare assistants to be trained and become a NMC registered nursing associate. It provides an accessible pathway into nursing on an 'earn and learn' programme for those that do not have the academic qualifications to access the nurse degree route.

- **Nursing/Midwifery degree, Advanced Clinical Practice Masters Apprenticeships-** The nurse/midwifery degree apprenticeship route is vital to ensuring we have an adequate pipeline of registered nurses and midwives moving forwards and to provide a career pathway for the development and retention of substantive staff. 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.

- **Bucks Health & Social Care Academy-** A non-profit partnership between the Trust, Buckinghamshire Council, Bucks New University, University of Bedfordshire, Health Education England, Buckinghamshire Local Economic Partnership, Buckinghamshire College Group and Buckingham University. It aims to create a one-stop-shop for the provision of innovative and integrated education, training, organisational and professional development requirements for the health and social care workforce in Buckinghamshire.

UK candidate market

This approach is about raising our employer brand and positioning the Trust as a great place to work within Buckinghamshire and the surrounding counties. We have invested in a new recruitment microsite that was launched in September 2020, with online media publicity raising its profile. We have held nurse career fairs virtually and have adapted our recruitment process, for example running our healthcare assistant assessment centres online.

International

The recruitment of internationally trained nurses remains important, both through agencies and directly by the Trust. Current work-streams include:

- **Non-European Union -** supported by national funding, we have started the recruitment of Indian and Filipino trained nurses. The first cohort arrived in mid-March 2021, with further colleagues joining us throughout the next 12 months, subject to government travel restrictions. We will be supporting them to achieve their Objective Structured Clinical Examination test and to help them to settle into their new roles. Some of our current Indian and Filipino colleagues have volunteered to support them and ensure they receive a warm welcome.

- **Portuguese recruitment –** whilst our existing Erasmus programme was paused during 2020, we were still able to appoint candidates holding online assessments. Twenty-seven individuals joined us during the year, and we hope to build on this successful programme. Since 2015, 76% of colleagues joining us from Portugal still work for the Trust.

- **Direct recruitment –** We have also seen an increase in the number of candidates to our Trust adverts from other countries. We are now creating adverts targeting international candidates and raising awareness so that we can appoint from international markets directly.

March 2021: Some of our newest international nurse arrivals from India were welcomed to the Trust by Deputy Chief Nurse Tina Charlton. Two more nurses joined them from Malta later that month

Key issues and risks

The key issues and risks can be found within the Annual Governance statement.

Adoption of the going concern basis

'Going concern' basis 2020/21
The Trust Annual Report and Accounts has 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.

The Trust has taken account of a number of 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 Public Dividend Capital 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.

In May 2021, the Trust submitted a financial plan for 2021/22 to NHS England and NHS Improvement (NHSE/I) with a deficit of £22.3m, and an assumption of breakeven position for the first six months (H1). This reflects the following key assumptions:

- **The NHSE/I top-up funding settlement provides £32.3m of top-up income for the first six months**
- **Separate BOB ICS funding will be received for COVID-19 expenditure capped at £12.3m for the first six months**
- **The Trust will deliver an £8m Transformation and Efficiency Programme in the first six months (£16m for full year) which will help to offset business case investments.**

Achievement of the Trust's 2021/22 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 2021/22 then further cash support will need to be provided.

As directed by the 2020/21 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 2020/21

The Public Audit Forum issues guidance to auditors on how auditing standards should be applied in the public sector. Its publication 'Practice Note 10' was revised in late 2020. This updated guidance to auditors, approved by the Financial Reporting Council, explains that where the applicable financial reporting framework provides that the anticipated continued provision of services is a sufficient basis for going concern, then this should determine the extent of the auditor's procedures on going concern.

This is the case in the NHS, with the DHSC Group Accounting Manual (GAM) and NHS Foundation Trust Annual Reporting Manual (FT ARM) both based on the HM Treasury Financial Reporting Manual (FReM) where this definition applies. This means that, for the 2020/21 year end onwards, while management in NHS bodies will still need to document their basis for adopting the going concern basis, this assessment should solely be based on the anticipated future provision of services in the public sector. This means that it is highly unlikely that NHS organisations would have any material uncertainties over going concern to disclose.

The Trust's management has assessed the Trust's ability to continue for the foreseeable future in the light of the GAM guidance. The Trust has compiled the 2020/21 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's sites across Buckinghamshire.
- The Trust submitted its final business plan to NHSE/I in May 2021 setting out its operational plans for the following financial year (2021/22) and its capital plans for five years.
- In 2020/21 the Trust has delivered a small surplus of around £5m This compares to a £29m deficit in 2019/20. This deficit was in line with the forecast position that the Trust agreed with NHSE/I. It included £8.1m of efficiency plans.
- The 2021/22 budget has been agreed provisionally as a result of the COVID-19 pandemic with the Trust anticipating that breakeven is achieved over the first six months and that a £22.3m deficit is delivered in the full year.
- The Trust continues to fully participate in the ICS planning process including the submission of the forward five year financial and operating plans on a going concern basis. The Trust is leading some of the significant workstream areas and is a key player in consideration of the shape of services in the ICS for the future.
- The Trust will have contracts in place for provision of healthcare services going forward for 2021/22.
- 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 2020/21 accounts challenges to its financial plans for 2021/22 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 had 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 Financial Recovery Fund 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

- **An efficiency target of £16m has been included in the 2021/22 Financial Plan. Of this, £12m is linked to transformation and priority schemes, with £4m linked to a 1% efficiency for all budget holders. The full target has been allocated to budgets on this basis and will be monitored through the Trust's transformation and financial governance.**

> "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 was undertaken during March 2021 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 2020/21 to benefit from support from the Trust's charity (being Buckinghamshire Healthcare NHS Charitable Fund), Scannappeal, the NHS Charities Together and other Associated 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 research schemes, staff wellbeing activities and training, for which we are extremely grateful.

Examples of some of the facilities and equipment that these generous donations have enabled include:

- **Breast Biopsy Suite for Wycombe Hospital**
- **Histology Tissue Processors to be used Trust wide**
- **Wellbeing Eco-Pod Decompression Room for colleagues installed at Stoke Mandeville Hospital**
- **4 Ophthalmology Slit Units and conversion of an existing one so it can be used by wheelchair users**
- **Tyromotion Amadeo Arm AR7 for the Upper Limb Studio in the National Spinal Injury Centre at Stoke Mandeville Hospital**

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

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 were extinguished and replaced with the issue of Public Dividend Capital (PDC) to allow the repayment. The affected loans totalling £107,958k were classified as current liabilities within these financial statements. The repayment of these loans are funded through the issue of PDC.

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 2020/21 has been consistent with the plan.

The Trust had year-end cash balances of £73.2m, within tolerance. During the COVID-19 pandemic arrangements, cash payments from NHS England/Improvement were guaranteed and paid two months in advance which has led to the higher year end cash balance as compared to prior years. Similar payment arrangements are expected for 2021/22 although payments will not be made in advance moving Trusts back into normal course of business processes.

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 2020/21 is shown in a Note to the Financial Statements.

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.

During 2020/21 the Trust paid 58.0% of invoices on time, and 74.8% of invoice by value (79.8% on time and 91.1% on value in 2019/20) with performance being impacted by the operational pressures of COVID-19.

The Trust is working to improve its performance under the Better Payments Practice Code by investing in technology to allow swifter ordering and receipting of goods which will facilitate the more efficient processing of invoices for payment.

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.**

2021/22 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 ICP and the Buckinghamshire, Oxfordshire and Berkshire West ICS 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 the 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 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 2021/22 and developing contract structures that support development of the ICS and understand the impact of any future changes in income flows.

Signed by Accountable Officer:

Neil Macdonald
Chief Executive
Buckinghamshire Healthcare NHS Trust

Accountability report

Feb 2021: A&E Department Sister Susana officially opens the new wellbeing pod for colleagues at Stoke Mandeville Hospital. Without the generous support of the public in fundraising and donating to NHS Charities Together, and the Trust's charitable fund, the pod would not have been possible.

Corporate governance report

“ The purpose of this section is to explain the Trust’s governance structures and how they support the achievement of our objectives. ”

- **Directors’ report**
- **Statement of Accountable Officer’s responsibilities**
- **Annual Governance Statement**

Directors' report

The Trust Board

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

It outlines the vision of the organisation, championing and safeguarding 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 internal controls of risk management are robust.

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

Reflecting the inequalities that the COVID-19 pandemic brought to the fore in 2020, the Trust Board away day in 2020/21 featured a facilitated session on the NHS England & Improvement Workforce Race Equality Standard. The programme of regular Board Seminars continued every other month allowing for more focussed consideration of key themes collectively by the Board, including digital, inclusion, the Trust strategy, cancer, clinical psychology and the work of our Trainee Leadership Board.

Our Board members in 2020/21 and their roles are shown in the diagram below:

Board of Directors

Buckinghamshire Healthcare NHS Trust

Hattie Llewelyn-Davies
Chair

Neil Macdonald
Chief Executive

Dipti Amin
Non-executive Director

Rajiv Jaitly
Non-executive Director

Graeme Johnston
Non-executive Director

Tom Roche
Non-executive Director

Nicola Gilham
Non-executive Director

David Sines
Non-executive Director (associate)

Karol Sikora
Non-executive Director (associate)

Dr Rebecca Medlock
Board Affiliate

Dan Gibbs
Chief Operating Officer

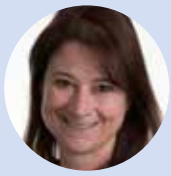
Karen Bonner
Chief Nurse

Dr Tina Kenny
Medical Director

Barry Jenkins
Director of Finance

Bridget O'Kelly
Chief People Officer

David Williams
Director of Strategy & Business Development



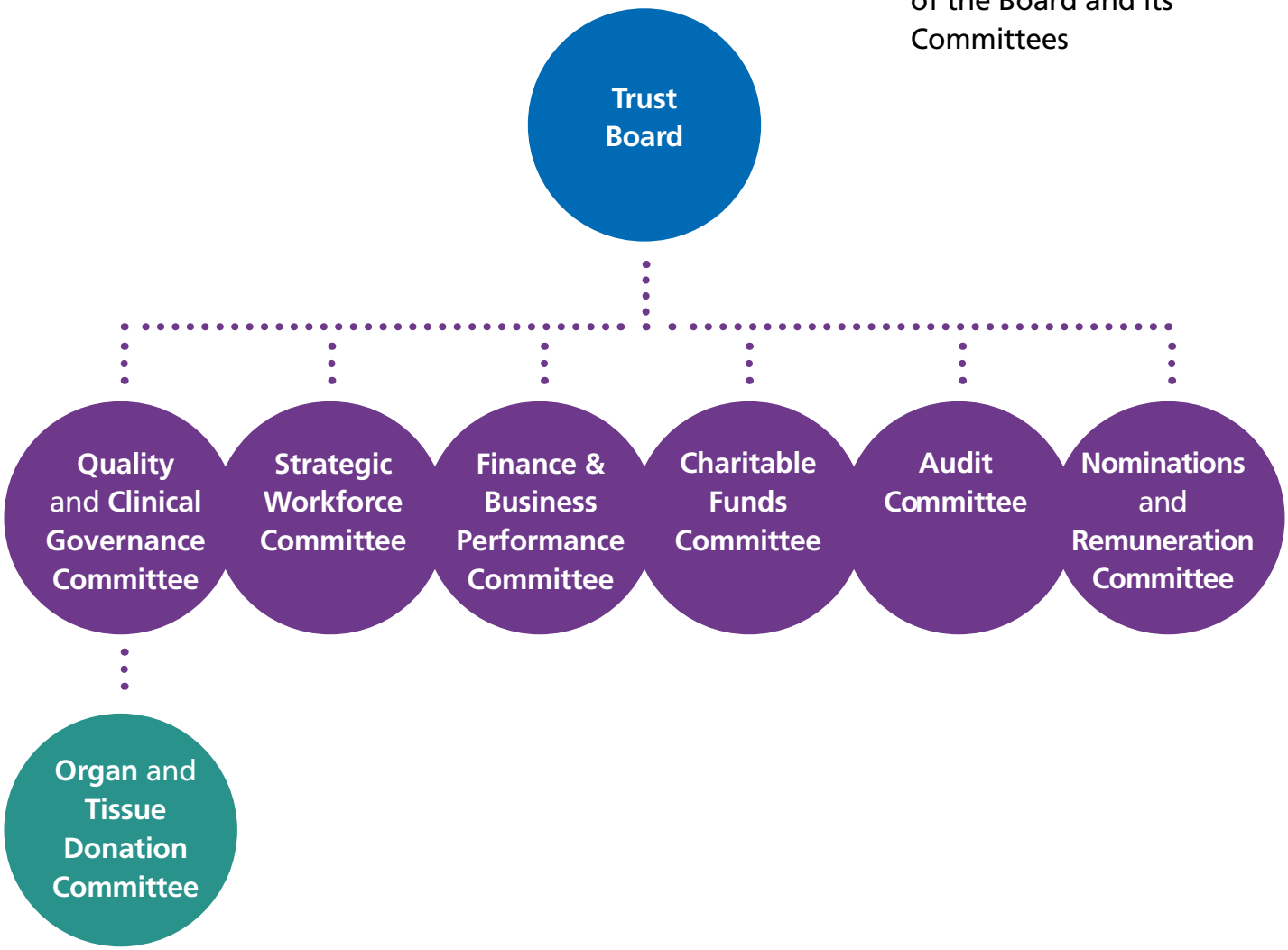
Ali Williams
Commercial Director

The following changes to the Board took place during 2020/21:

- Dr Rebecca Medlock, Board Affiliate, left on 24 February 2021 and Sandra Silva joined in her place
- Professor Karol Sikora, Associate Non-Executive Director, left on 28 February 2021 and Mo Girach joined in his place
- Graeme Johnston, Non-Executive Director, left on 31 March 2021
- Professor David Sines, Associate Non-Executive Director, left on 31 March 2021
- Dr Tina Kenny, Medical Director, left on 31 March 2021

Trust Board Committees

The figure below illustrates the structure of the Board and its Committees



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 risks 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, the Finance & Business Performance Committee, the Quality & 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 and an annual work plan. The Board receives a report from each Committee Chair at Board meetings in public. An overview of each of the Board Committees is provided below.

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

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. In 2020/21, the Committee was chaired by Graeme Johnston, Non-Executive Director and Senior Independent Director, and meets bimonthly (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: Dr Dipti Amin, Rajiv Jaitly, Nicola Gilham, and Tom Roche. From April 2021, Rajiv Jaitly will chair the Committee.

Finance & Business Performance Committee

The purpose of the Finance & Business Performance Committee is to provide the Board with assurance concerning all aspects of financial, commercial 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 was chaired by Rajiv Jaitly, Non-Executive Director, during 2020/21; from April 2021, Nicola Gilham, Non-Executive Director, will chair the Committee.

Quality & Clinical Governance Committee

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 Committee is chaired by Dr Dipti Amin, Non-Executive Director.

Strategic Workforce Committee

The Committee aims to provide assurance to the Board in the areas of workforce development, planning, performance, engagement, equality, diversity and inclusion 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 also receives assurance around health and safety processes and compliance. Reports from the Trust's Freedom to Speak up Guardian (FTSUG) set out activity, learning and resulting actions. The Committee meets every two months and was chaired by Nicola Gilham, Non-Executive Director, during 2020/21; from April 2021, Hattie Llewelyn-Davies, Trust Chair, will temporarily chair the Committee.

Nominations & Remuneration Committee

On behalf of the Trust Board this reviews 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 proposals on issues which represent significant change. The Committee is chaired by Hattie Llewelyn-Davies, Trust Chair, and meets as required.

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. In 2020/21 the Committee was chaired by Rajiv Jaitly, Non-Executive Director; from April 2021, Nicola Gilham, Non-Executive Director, will chair the Committee.

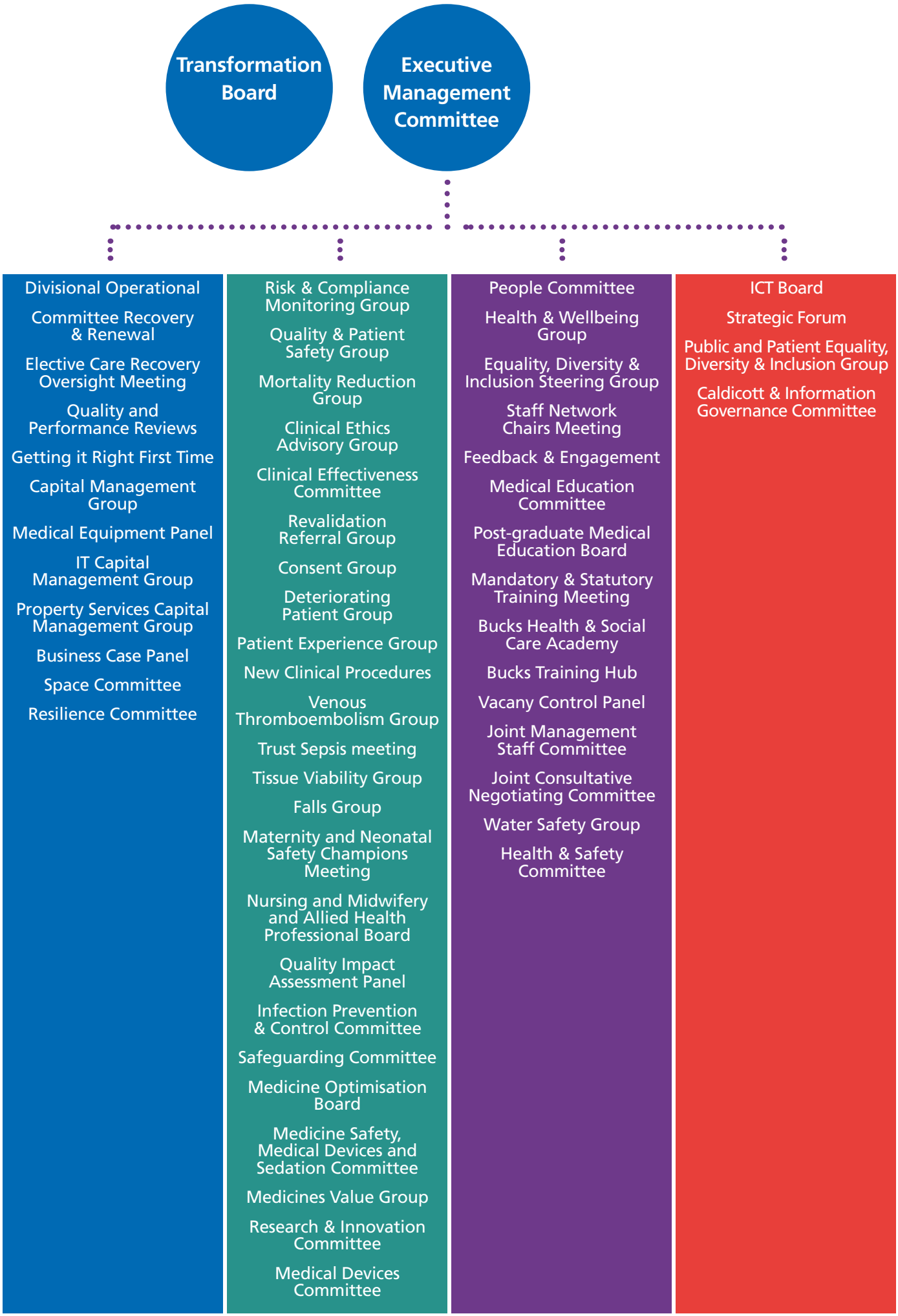
Further information on the Charitable Funds Committee and related activities can be found in the Charitable Funds Annual Report found on the Trust Website: **www.buckshealthcare.nhs.uk/charity**

Executive Management Committee

Also important to the governance process is the Executive Management Committee (EMC) and its sub-committees as shown 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. Other senior leaders in the organisation attend as required. 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 below.

Transformation Board

In 2020/21 we established a new committee at Executive level focusing specifically on strategic transformation initiatives and delivery. This supports EMC in providing a dedicated forum for Executive Directors to discuss and debate such programmes alongside senior clinical and corporate colleagues.


Transformation Board
Executive Management Committee
Divisional Operational
Committee Recovery & Renewal
Elective Care Recovery Oversight Meeting
Quality and Performance Reviews
Getting it Right First Time
Capital Management Group
Medical Equipment Panel
IT Capital Management Group
Property Services Capital Management Group
Business Case Panel
Space Committee
Resilience Committee
Risk & Compliance Monitoring Group
Quality & Patient Safety Group
Mortality Reduction Group
Clinical Ethics Advisory Group
Clinical Effectiveness Committee
Revalidation Referral Group
Consent Group
Deteriorating Patient Group
Patient Experience Group
New Clinical Procedures
Venous Thromboembolism Group
Trust Sepsis meeting
Tissue Viability Group
Falls Group
Maternity and Neonatal Safety Champions Meeting
Nursing and Midwifery and Allied Health Professional Board
Quality Impact Assessment Panel
Infection Prevention & Control Committee
Safeguarding Committee
Medicine Optimisation Board
Medicine Safety, Medical Devices and Sedation Committee
Medicines Value Group
Research & Innovation Committee
Medical Devices Committee
People Committee
Health & Wellbeing Group
Equality, Diversity & Inclusion Steering Group
Staff Network Chairs Meeting
Feedback & Engagement
Medical Education Committee
Post-graduate Medical Education Board
Mandatory & Statutory Training Meeting
Bucks Health & Social Care Academy
Bucks Training Hub
Vacany Control Panel
Joint Management Staff Committee
Joint Consultative Negotiating Committee
Water Safety Group
Health & Safety Committee
ICT Board
Strategic Forum
Public and Patient Equality, Diversity & Inclusion Group
Caldicott & Information Governance Committee

Declarations of interest

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 here **www.buckshealthcare.nhs.uk/publications/reports-and-data/**

Reports to the Information Commissioner's Office

Information on personal data-related incidents where these have been formally reported to the Information Commissioner's Office can be found in the Annual Governance Statement later in the Corporate Governance Report.

Statement of Directors' responsibilities

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 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.

Annual Governance Statement

Scope of responsibility

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

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.

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 2021 and up to the date of approval of the annual report and accounts

Capacity to handle risk

For a significant part of 2020/21, the NHS nationally was in its highest level of emergency preparedness, Incident Level 4, as a result of the COVID-19 pandemic. The Trust significantly changed its risk and reporting structures to enable it to respond to the situation.

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 NHS England & Improvement (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. Examples of changes to structures included:

- **Establishment of Bronze, Silver and Gold Command structures as per the Trust Emergency Preparedness and Response guidelines**
- **Accompanying Terms of Reference and revised risk reporting structure to ensure proportionate oversight of the unprecedented situation from clinical service areas through to the Board**
- **Revisions to delegated authority and oversight of decision-making, including revised financial Standard Operating Procedures to allow both increased responsiveness alongside increased Executive and Board scrutiny**
- **Increased briefing of Non-Executive members of the Board**

Guidance received in March 2020 from NHS England (Reducing burden and releasing capacity at NHS providers and commissioners to manage the COVID-19 pandemic) was implemented; this entailed some streamlining of meetings and some postponement of non-urgent activity. This in turn meant some disruption to some of the routine risk management activity that would usually be completed on an annual basis; specifically, the Board Assurance Framework was not updated, and annual Board risk management training was not completed.

However, all risk management structures pertaining to the Level 4 incident were strengthened through the command structure detailed above. Risk-focused management meetings were maintained, as were all service line and corporate risk registers; and the assurance committee structure of the Board continued as usual, focused on the critical pillars of finance, workforce, quality and audit. Towards the end of 2020/21, the Trust invested in online risk management systems to further improve and strengthen the robustness of its risk and assurance reporting to Board.

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 support 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.

The risk and control framework

The Trust has a Risk Management Strategy and a Risk Management Policy, both of which are endorsed by the Trust Board. The Risk Management Strategy includes the Trust risk appetite statement and sets out the corporate and individual accountability for risk management as follows:

- **The Trust Board's role in reviewing the management of extreme risks**
- **The Audit Committee's role in monitoring the effectiveness of the system for managing risks**
- **The roles of the Workforce, Finance and Quality Board committees in monitoring risks pertaining to their purpose.**
- **The Executive Management Committee role in moderating the scores of risks included on the Corporate Risk Register**
- **The Risk and Compliance Monitoring Group role in the review of risk registers and making recommendations to the Executive Management Committee**
- **The Chief Executive Officer's role as the person with overall responsibility for managing risk**
- **The responsibilities of each Executive Director in relation to specific areas of risk**
- **The requirement for Divisional and Service Delivery Unit leads, senior nurses and senior managers to carry out risk assessments, ensure that divisional staff are trained and competent to do the jobs asked, and to maintain essential services in times of emergency**
- **The responsibility for all staff to take reasonable care for their own safety and the safety of all others that may be affected by the Trust's business**
- **The scope and range of advice the Board and Trust staff can call upon**

The Trust Risk Management Policy describes the process of risk identification and management which all staff are expected to follow. This includes explanation of risk assessment completion, organisational risk registers including the Corporate Risk Register, and the Board Assurance Framework.

Divisional and corporate risk registers are reviewed with divisional leads on a monthly basis at Risk & Compliance Monitoring Group and training is provided on an individual basis as requested or required. Health and Safety training is provided to appropriate individuals in teams across the Trust.

Risks are identified at service/ward/department level and recorded on their risk register. Risks scoring 9 or above are escalated to the Divisional Risk Register and are moderated at Divisional Board. Risks scoring 15 or above prior to mitigation are considered for inclusion on the Corporate Risk Register and this is monitored on a quarterly basis by Risk & Compliance Monitoring Group. Executive Management Committee moderates the Corporate Risk Register on a quarterly basis before it is reviewed at Trust Board Committees and Trust Board. Entries into the risk registers include description of the original risk, mitigating controls that have been taken, future actions planned to further mitigate the risk, and target dates for completion.

At the end of each Board Committee the Director for Governance summarises the risks that have been highlighted through reports received and discussions in the meeting; these are presented to Trust Board through the Board Committee Chair's reports.

All colleagues receive risk-related training as part of corporate induction upon joining the Trust, and annually as part of statutory training requirements. Line managers are responsible for ensuring their teams have fulfilled all statutory training requirements each year.

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 (LCFS).

As an organisation, clinical and corporate teams are encouraged to consider learnings relating to risk management both from internal and external sources, for example there are processes in place for sharing learnings both from reported incidents and clinical best practice, and a proportion of these will relate to how services predict and manage the elements of clinical and business risk that are a factor in the day-to-day delivery of healthcare services.

“ All colleagues receive risk-related training as part of corporate induction upon joining the Trust, and annually as part of statutory training requirements ”

The Trust has an embedded learning culture through its 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.

The Risk Management Strategy also describes the Trust's risk appetite statement. The Trust's current risk appetite statement was developed through an externally facilitated workshop and was approved by the Board in January 2021:

The Trust recognises that its long-term sustainability depends upon the delivery of its strategic objectives and its relationships with its patients, staff, the public and strategic partners. As such, the Trust will not accept risks that materially impact on patient safety.

However, the Trust has a greater appetite to take considered risks in terms of their impact on organisational issues. The Trust has greatest appetite to pursue innovation and challenge current working practices and reputational risk in terms of its willingness to take opportunities where positive gains can be anticipated, within the constraints of the regulatory environment.

Trust risk appetite statement, January

2021 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.

The BAF was not formally updated in 2020/21 although workshops were held in Quarter 4 to create the revised inputs into the BAF due to the changes brought about due to the pandemic. The Board will formally receive the post-pandemic BAF in quarter 1 2021/22.

Specific organisational and individual responsibilities for 2020/21 are detailed below.

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 report records all key operational risks and performance against key clinical quality outcomes. The Board actively encourages well-managed and well-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 (see earlier).

The following changes to the Board took place during 2020/21:

- **Rebecca Medlock, Board Affiliate, left on 24 February 2021 and Sandra Silva joined in her place**
- **Prof. Karol Sikora, Associate Non-Executive Director, left on 28 February 2021 and Mo Girach joined in his place**
- **Graeme Johnston, Non-Executive Director, left on 31 March 2021**
- **Prof. David Sines, Associate Non-Executive Director, left on 31 March 2021**
- **Dr Tina Kenny, Medical Director, left on 31 March 2021**

Board effectiveness has been assessed through assessment of the individual Board committees and this continues to inform ongoing Board development.

Board Committees
The Audit Committee has overall responsibility for ensuring effective risk management across the Trust. The Audit Committee receives the BAF and Corporate Risk Register (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 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.

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, all have a responsibility to challenge robustly the effective management of risk and to seek reasonable assurance of adequate control.

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.

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 (CQC) standards. They are also Director of Infection Prevention and Control for the Trust, and together with the Patient Safety Officer are responsible for managing patient safety, complaints, patient information and medical legal matters.

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.

The Medical Director is the Responsible Officer for Medical Revalidation.

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

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

The Chief People Officer is accountable for the strategic management of the Trust's Workforce Strategy, Equality and Diversity compliance and employment processes.

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

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 & Compliance Monitoring Group which provides detailed oversight of the operational risks on behalf of the Executive Management Committee.

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

Quality governance arrangements

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.

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

To support learning there is a Serious Incident Learning Forum which considers 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 Trust Board meetings.

The quality of performance information is primarily assessed via the Internal Audit programme. In 2020/21, the programme included review of the Trust processes for waiting list management, outpatients and medical flow.

Compliance with Care Quality Commission (CQC) registration requirements is ultimately assessed via inspections by the CQC, and the Trust was subject to such an inspection in the early part of 2019 (which resulted in an overall assessment of 'Good'). Quarterly engagement meetings have taken place with the CQC throughout 2020/21.

The Trust also 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.

Our internal audit provider conducted a review of our governance around CQC requirements, reporting reasonable assurance in November 2020. Our CQC implementation group meetings were partially suspended this year due to the COVID-19 pandemic and as such routine reporting against the Trust-wide CQC action plan we developed following the last CQC inspection report in June 2019 was paused until Quarter 3. The audit reviewed our Perfect Ward inspections completed in June, July and August 2020, which include links to CQC regulations; it also reviewed against Regulation 9, 12 and 17. One action was recommended regarding implementing a review process for evidence before actions against CQC improvement plan are closed off.

We also have an annual comprehensive review of compliance with all relevant legislation, including CQC requirements. The process reviews and monitors progress against any gaps in compliance and provides the Trust Board with assurance. Each item of legislation has a managing lead who reviews and identifies any gaps in compliance; where any gaps are identified, an action plan to mitigate or resolve the gaps is described, along with details of how compliance is monitored and evidenced. The Executive lead then reviews and signs off the compliance and action plan where necessary. A process of peer review then takes place. This was completed in January 2021 and will be presented to the Board in May 2021.

The Ockenden review of maternity services at Shrewsbury and Telford Hospital NHS Trust was published on 10 December 2020. The Trust reviewed and submitted a response later that month, signed off by the Local Maternity System Chair and the Board Maternity Champion, to NHS England & Improvement, outlining the organisation's position against the immediate and essential actions. In January 2021, the Board reviewed a detailed Board Assurance Framework against all the actions detailed in the Ockenden review. A monthly maternity quality and performance meeting has been established from April 2021 to complement existing divisional reviews and quality meetings and the framework is under regular review at Board level.

The Integrated Performance Report is the Board level report that encompasses all key metrics of interest to the Board and the public regarding the performance of our acute and community healthcare

services in terms of quality, workforce and finances. Over the past year, we have invested in external consultancy support to review and strengthen this report to ensure it provides a clear and comprehensive picture of the Trust's performance. The key metrics of the report are prepared by the Trust business intelligence function overseen by the Director of Performance and Planning. Executive leads then review and provide narrative to accompany the data. The report is produced monthly and presented at the bimonthly Trust Board in Public.

Management of risks to data security

Risks to data security are managed and controlled through a range of methods, and the Trust undertakes an annual assessment against the Department of Health & Social Care, NHS England & Improvement ten data and cyber security standards which are published and monitored via the Data Security & Protection Toolkit. The annual submission of the Data Security & Protection Toolkit is monitored by the Trust Board and the latest assessment in March 2020 indicated a self-assessment of 'standards fully met'. The final submission date for 2020/21 has been extended from March to June 2021 to account for the pressure organisations are facing due to the COVID-19 pandemic.

Colleagues are empowered and encouraged to report all information security incidents, including those classed as 'near misses', in accordance with the Trust Risk Management Policy and Handling Reported Information Security Incidents Procedure and a confidential system for reporting information security breaches and near misses is in place and actively used. The Information Governance department has a role within the Trust to monitor, investigate and report on Information Security Incidents and, in conjunction with the Patient Safety Team, Board-level Senior Information Risk Owner and Caldicott Guardian, determine the severity status of incidents deemed as serious or potentially serious.

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 the Caldicott and Information Governance Committee, which monitors compliance with key legislation and the performance of the Trust through the Data Security & Protection Toolkit.

If an incident is a potential breach (under GDPR/DPA 18) it is triaged against the incident reporting system and guidance within the Data Security and Protection Toolkit. If the breach meets the threshold, incident details will be sent to the Information Commissioner's Office as the supervisory authority, and to the Department of Health & Social Care or NHS X, depending on the impact and nature.

Organisational major risks

The major risks facing the organisation are as follows:

Failure to consistently provide outstanding quality care that is compassionate, cost effective and safe
This incorporates the risks associated with: inadequate staff resource; inability to control out of hospital demand; areas of digital immaturity; areas of aging estates infrastructure and links to infection prevention and control risks; gaps in learning; and the Trust's underlying financial deficit.

Inability to generate surpluses, to fund capital development for investment in services
This reflects risks linked to the Trust strategic financial plan, the burden of cost from the COVID-19 pandemic, variation in clinical productivity between services, structural financial challenges, commissioning gaps related to out of hospital demand, and gaps in workforce associated with the local cost of living and national workforce shortages in some professions.

We do not recover services adequately, fail to meet public/regulator expectations, and do not play a leading role in the health, economic and social recovery of Buckinghamshire
This reflects the Trust's ambitions as an anchor institution and to make digital advances in managing whole population health and inequalities, as well as risks associated with the direct and indirect clinical harm caused by the COVID-19 pandemic, and necessary reforms needed to its urgent care pathway in anticipation of the future health needs of the local population.

Inability to lead an organisation with the capacity and capability to deliver our best in everything we do
This describes risks of the negative impact of the COVID-19 pandemic on staff morale, wellbeing and retention, changes in the integrated care system following publication of the Government White Paper in early 2021, variations in organisational culture, behaviours and inclusivity, and suboptimal use of data and business intelligence resources.

Actions to mitigate and address these risks will be described in the Trust 2021/22 Board Assurance Framework and are being managed through the Trust's governance processes.

Well-led

The Trust is currently rated as Requires Improvement by the CQC/NHSI for the Well-led and Use of Resources domain. An external assessment of the Board pertaining to the Well-led domain and the Board's effectiveness will be procured in Quarter 1 2021/22 and completed in the first half of the year.

Although NHS Trusts are exempt from needing to monitor the 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 received enforcement action by NHSI FT4(5) (a), (b) and (d) due to the state of its finances at the time. The Trust met with NHSE/I through undertakings meetings throughout 2019/20 and succeeded in meeting the financial requirements set and achieving its revised financial plan.

Following correspondence from NHSE/I, a meeting took place on 5 May 2021 at which NHSE/I agreed to recommend the Trust's undertakings be removed. The formal certification of this cannot be confirmed by the Regulator until a scheduled meeting of the Regional Support Group (RSG) in early June, after the 31 May 2021 self-certification deadline. NHSE/I has agreed that verbal assurance given at the meeting on 5 May 2021 is sufficient for the Trust to certify compliance accordingly.

Embedding risk management in the organisation

As noted earlier in this Statement, risks are identified, analysed and controlled in accordance with the Trust's Risk Management Policy, 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.**
- **The Staff Support Handbook shares messaging that incident reporting is important, linking it to the Trust CARE values. It states that the Board and senior management have an expectation that incidents are reported, and that as part of the process, the Trust offers a commitment to support an environment where we can all collaborate on creating solutions and improvements.**
- **The potential to learn from incidents is highlighted in inductions and in shared learning through academic half day forums, lessons learned events, and through groups and committees which focus on quality, emphasising the value of incident reporting as useful data intelligence to support safety improvements,**
- **The Patient Safety Team has robust communication lines with Executives, the Director of Medical Education, and the Freedom to Speak Up Guardian to ensure that conditions where staff feel safe to report incidents are fostered and maintained.**
- **Increasingly the role of Safety II is being incorporated into patient safety discussions throughout the Trust, recognising the value of learning from what is done well through appreciative inquiry and excellence reporting.**

- **Emergency preparedness systems are in place to ensure the Trust is able to respond, take action to control and mitigate risks at Service Delivery Unit (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-level forums).**

- **Within each clinical division there are management teams in SDUs 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.**

- **Equality impact assessments form part of every Trust policy and business case, and a consideration of the possible impact or implications for equality are captured in every report presented at Executive Management Committee or the Board.**

Workforce strategies

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 three necessary components: evidence-based tools, professional judgement and quality outcomes. During the Level 4 incident this has been replaced with more frequent review of workforce deployment linked to the Trust's emergency response.**

- **Individual risk assessments were completed for all colleagues in 2020/21, both clinical and non-clinical, in line with national requirements. A process is in place for Occupational Health to particularly support those declared as high risk, and mitigations are discussed and agreed with the individual and their manager to ensure their ongoing safety at work. There is now an ongoing programme for new starters and rotating junior doctors to complete these risk assessments and ensure they remain under review.**

- **COVID-19 vaccinations have been offered to all colleagues in line with national guidance and there is a rolling programme to offer to new starters. A range of support has also been offered to help ensure individuals have access to the relevant information and clinical advice about the vaccination, including regular webinars with clinical experts open to all.**

- **Recognising the enormous impact of the COVID-19 pandemic on the physical health, mental health and wellbeing of our colleagues, the Trust put a significant focus on its health and wellbeing offering in 2020/21, including a Winter CARE pack posted to every individual, pro-active mental health support in partnership with the Trust clinical psychologists for those experiencing the most extreme pressures (e.g. those redeployed and/or working in critical care), increasing availability of rest areas on-site, and delivering subsistence to staff working areas.**

- **The people strategies for the Integrated Care System and the Trust were revisited and updated in 2020/21 to reflect the impact of the COVID-19 pandemic on colleagues and the NHS People Plan published in July 2020. Towards our ambition for the organisation to be a great place to work, our priorities focus on: recruitment and resourcing; culture and leadership; supporting our staff; workforce development and planning; and releasing time to care (workforce productivity).**

- **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. The Trust also has a Guardian of Safe Working Hours in post for medical staff to raise concerns. Regular reports from both Guardians have been received at Board level in 2020/21.**

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.

The Trust has published on its website an up-to-date register of interests, including gifts and hospitality, for decision-making colleagues (as defined by the Trust with reference to the guidance) within the past twelve months, as required by the 'Managing Conflicts of Interest in the NHS' guidance.

As an employer with colleagues entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments

into the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

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

The 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. The Board supported the creation of seven staff networks:

- **BHT EMBRACE (BAME colleagues)**
- **BHT Ability (Colleagues with long-term health conditions or disability)**
- **BHT Proud (LGBTQ+ colleagues)**
- **BHT VIBES (A multi-faith and spiritual network for all colleagues)**
- **BHT Carers**
- **KALINGA Filipino Healthcare Professional Organisation Bucks**
- **BHT One in Four (Supporting colleagues to talk about mental health)**

In October 2020, the Board approved the Trust's annual Workforce Race Equality Standard and Workforce Disability Equality Standard action plans, designed to ensure the Trust progresses its aspiration to be an inclusive and compassionate organisation.

Data from internal workforce processes and the national staff survey informed the key areas to address and from these the following goals were identified:

- **A culture of inclusion and zero tolerance to discrimination**
- **Equality of experience and opportunity for all colleagues at the Trust**
- **Better accountability and ownership of the plans across the Trust.**

The specific targets for each were set as follows:

- **WRES:**
  - The ethnic make-up of our Board and senior leaders will be 24% BAME, reflecting that of our workforce by 2022
  - There will be no inequality in our recruitment processes for BAME applicants by the end of 2021.
- **WDES:**
  - There will be no inequality in recruitment for disabled applicants by end of 2021
  - All disabled colleagues will be provided with reasonable adjustments where needed by end of 2022.

Internal Audit undertook a review of the Trust's Equality & Diversity during 2020/21 and this received substantial assurance. The cover sheets for all Executive Management Committee and Board reports include a section for the author to make members aware of any equality impacts or implications. Training has been provided to senior leaders and managers on the importance of ensuring equality matters are considered in all reports and recorded. All Trust policies include an equality impact assessment, as do business cases where relevant.

Review of economy, efficiency and effectiveness of the use of resources[1]

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 91.7% 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 2020/21 the Trust delivered a small surplus of £5m which includes £29.4m of COVID-19 funding. This compares to a deficit £29m outturn in 2019/20. To control COVID-19 spend and ensure value for money whilst also operating in a more flexible and agile way, comprehensive processes and financial governance arrangements have been implemented, with COVID-19 expenditure reported through the Trust's governance.

The 2020/21 outturn included the achievement of £8.1m of efficiency plans. This was £3m behind plan, primarily as a result of the impact of the COVID-19 pandemic on the Trust's capacity to focus on cost improvement schemes, as well as the impact of COVID-19 on the viability of some schemes. However, despite the pandemic, the Trust has continued to focus on efficiency, with examples below:

- **Over twenty deep dives have been undertaken to analyse productivity and efficiency of services based on benchmarking against peers, with priority areas currently being progressed to make improvements.**

- **Embedding quality improvement continues to be central focus, with quality improvement huddles being implemented as part of a continuous improvement system, alongside a programme to build capabilities to enable all staff to make quality improvements which also result in waste reduction.**

- **Transformation programmes are now well defined with a focus on new models of service delivery which will contribute to financial sustainability alongside improvements in patient care and quality. This forms a focus for the 2021/22 efficiency plan which is based on fewer larger schemes.**

- **Management of business cases has been strengthened to support rigorous decision-making around investment and monitoring of return on investment.**

In terms of capital, the Trust spent its full £71.3m capital allocation for 2020/21 which has enabled substantial modernisation of its IT infrastructure (mobile working, telephony, data centres, integrated network) and its estates (Same Day Emergency Centre, Innovation Centre, Paediatric ED, improved resilience in core infrastructure) as well as medical equipment enhancements.

The Trust's governance provides assurance regarding the use of resources, with regular scrutiny by the Executive Management Committee, Capital Management Group, Finance and Business Performance Committee, Audit Committee and Trust Board. A new Executive-level Transformation Board has also been established during 2020/21 to provide assurance that transformation plans are delivered successfully and that associated benefits relating to quality, people and money are realised. Governance for divisional performance, including financial performance, has also been strengthened during the year, with the establishment of monthly Performance, Quality and Financial Review meetings.

[1] Financial figures quoted in this section are subject to review by external audit.

The Trust's 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 2021. The draft internal audit opinion is that the organisation has an adequate and effective framework for risk management, governance and internal control; however, further enhancements to the framework have been identified to ensure that it remains adequate and effective. Eight reports have been issued with reasonable (positive) opinion, including 'Key financial controls'; one with substantial positive assurance; five with partial assurance relating to: IT Procurement – Asset Tracking; Sickness Absence Management; Property Services Risk Management; Financial Governance – Part Two and Paediatrics – Education, Health and Care Plan; with no report receiving an opinion of 'no assurance'. The details of these reports have been considered at the Audit Committee who also monitor implementation of actions to address identified weaknesses.

The 2021/22 budget has been agreed provisionally with a provisional full year deficit of £22.3m deficit, which includes £16m efficiencies. This plan is currently being revised following the issue of national planning guidance. This remains a challenging plan and will be subject to further Board discussion as the Trust understands the full impact of delivering business as usual alongside recovery within the ongoing context of COVID-19.

“ The 2021/22 budget has been agreed provisionally with a provisional full year deficit of £22.3m deficit, which includes £16m efficiencies ”

Information governance

Any serious incidents that meet the required threshold are reported up to the Information Commissioner's Office via the Data Security & Protection Toolkit. For the period 2020/21 there were three serious incidents which were notified to the Information Commissioner's Office (ICO). These involved: a patient being given a discharge form belonging to another patient, with the ICO decision being no further action required; an email sent which contained some addresses and email addresses of other patients; and a patient file being found in a public area; the latter two are both under consideration by the ICO.

Data quality and governance

The following processes are 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.**

- **Over the past year much of the Trust's elective activity was paused in line with national guidance; during this time patients were reviewed for risk of clinical harm and prioritised accordingly. Due to the volume of patients impacted during the pandemic, the Trust is currently managing significant waiting lists and clinical teams across specialties are working together closely to ensure patients continue to be prioritised appropriately and the risk of clinical harm minimised, maximising use of independent sector capacity where possible.**

- **This year's internal audit programme included a review of the Trust's waiting list management and this received 'reasonable assurance'. The audit found that key performance indicators were being adequately reported and reviewed internally regularly.**
  Three medium priority actions were recommended as follows: identifying training gaps and providing training where non-compliant; establishing a go live date for electronic Waiting List Care to be fully embedded; formally documenting actions for Access Performance Management Group meetings.

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, the Finance & Business Performance Committee, the Quality & Clinical Governance Committee, and the Strategic Workforce Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Head of Internal Audit Opinion for 2020/21 states that "the organisation has an adequate and effective framework for risk management, governance and internal control. However, our work has identified further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective".

The last sentence of the Opinion reflects the fact that five reports undertaken by Internal Audit in 2020/21 have been issued with 'partial assurance' opinions; these were: IT Procurement – Asset Tracking; Sickness Absence Management; Property Services Risk Management; Finance Governance – Part Two; and Paediatrics - Education, Health and Care Plan. In each case the explanation for this opinion and recommended actions to strengthen the control framework have been considered by Audit Committee, and regular reports from Internal Audit allow the Committee to monitor the implementation and completion of these actions.

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 Executive Management Committee during the year.

Significant internal control issues

The following significant internal control issues have been identified in 2020/21:

In May 2019, due to concerns about financial governance, NHS England & Improvement (NHSE/I) 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 received significant support from NHSE/I throughout 2019/20 and succeeded in meeting the financial requirements set and achieving its revised financial plan. Following correspondence from NHSE/I, a meeting took place on 5 May 2021 at which NHSE/I agreed to recommend the Trust's undertakings be removed. The formal certification of this cannot be confirmed by the Regulator until a scheduled meeting of the Regional Support Group (RSG) in early June, after the 31 May 2021 self-certification deadline. NHSE/I has agreed that verbal assurance given at the meeting on 5 May 2021 is sufficient for the Trust to certify compliance accordingly.

Like almost all NHS providers, demand for services in excess of available capacity coupled with challenges associated with managing COVID-19 pressures drove non-compliance against some regulatory standards in 2020/21. Our performance against the Accident & Emergency 4-hour target of 95% was 83.5%, and we were non-compliant with the Referral To Treatment Standards.

In 2020/21, the Trust reported three Never Events as follows:

- **Wrong site biopsy**
- **Retained foreign object in surgery**
- **Unintentional connection of a patient to air instead of oxygen.**

Conclusion

The significant internal control issues which have been identified in 2020/21 are described above, namely financial governance and Never Events.

Signed

Neil Macdonald
Chief Executive

Date:
9th July 2021

Modern Slavery Act 2015

We published a statement regarding slavery and human trafficking on our website in July 2020, which can be found here: **www.buckshealthcare.nhs.uk/documents/modern-slavery-declaration/** This is reviewed annually.

Remuneration and staff report

Directors' remuneration

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 Nominations & Remuneration Committee.

On behalf of the Trust Board this reviews 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 proposals on issues which represent significant change. The Committee is chaired by Hattie Llewelyn-Davies, Trust Chair, and meets as required.

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 expiry	Extended date of tenure	Date of leaving
Ms Hattie Llewelyn-Davies (Chair)	March 2014	March 2020	March 2022	-
Dr Dipti Amin	June 2015	June 2021	June 2023	-
Mrs Nicola Gilham	August 2019	August 2022	-	-
Mr Rajiv Jaitly	June 2015	June 2021	June 2023	-
Mr Graeme Johnston	March 2013	March 2017	March 2021	March 2021
Mr Tom Roche	Feb 2019	Feb 2021	Feb 2023	-

There are no rolling contracts.

In 2020/21 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 Nominations & Remuneration Committee during 2020/21 comprised the following Non-Executive Directors:

Voting members

Ms Hattie Llewelyn-Davies (Chair)
Dr Dipti Amin
Mrs Nicola Gilham
Mr Rajiv Jaitly
Mr Graeme Johnston
Mr Tom Roche

Salaries and allowances [Auditable Element] **Table 1a: Single total figure table**

Name and title	Date(s) of Service		2020/2021					
			(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)
	Appointment	Termination	£000	£	£000	£000	£000	£000
Chairman **Mrs Hattie Llewelyn- Davies**	Mar 2014		35 - 40					35 - 40
Non-Executive Director **Mr Graeme Johnston**	Mar 2013	Mar 2021	10 - 15				n/a	10 - 15
Non-Executive Director **Mr Rajiv Jaitly**	Jun 2015		10 - 15				n/a	10 - 15
Non-Executive Director **Dr Dipti Amin**	Jun 2015		10 - 15				n/a	10 - 15
Non-Executive Director **Mr Tom Roche**	Oct 2017		10 - 15				n/a	10 - 15
Non-Executive Director **Mrs Nicola Gilham**	Aug 2019		10 - 15				n/a	10 - 15
Associate Non-Executive Director **Professor David Sines**	Mar 2012	Mar 2021	10 - 15				n/a	10 - 15
Associate Non-Executive Director **Professor Karol Sikora**	Dec 2019	Feb 2021	10 - 15				n/a	10 - 15
Non-Executive Director **Mr Mo Girach**	Mar 2021		0 - 5				n/a	0 - 5
Chief Executive **Mr Neil Macdonald**	Mar 2018		200 - 205					200 - 205
Director of Finance **Mr Barry Jenkins**	Aug 2019		155 - 160		0 - 5		37.5 - 40	195 - 200
Interim Chief Nurse and Director of Patient Care Standards **Mrs Jennifer Ricketts**	Oct 2019	Mar 2020						
Interim Chief Nurse and Director of Patient Care Standards **Ms Karen Bonner ****	Mar 2020		120 -125				307.5-310	425 - 430
Medical Director **Dr Tina Kenny**	Nov 2013		175 - 180				32.5 - 35	205 - 210
Director of Strategy **Mr David Williams**	Apr 2015		110 - 115				15 - 17.5	130 - 135
Chief Operating Officer **Mr Dan Gibbs**	Sep 2019		130 - 135				50 - 52.5	180 - 185
Chief People Officer **Ms Bridget O'Kelly**	Aug 2017		110 - 115				37.5 - 40	150 - 155
Commercial Director **Ms Ali Williams**	Dec 2018		115 - 120				27.5 - 30	145 - 150

There were no payments to past directors or payment for loss of office. Full details of directors' remuneration and pension benefits are given below:

n/a - Non-Executive Directors are not entitled to pension
n/a* - Prior Year or part year comparators not available
** - Karen Bonner had a increase in pensionable pay from £82K at the end of 31st March 2020 to 121K at the end of 31st March 2021. This increased her pension and lump sum for the 1995 Section of the Scheme considerably as this section of the Scheme calculates the pension using a final salary method. Ms Bonner's pension and lump sum at the end of March 2020 for the final salary scheme were £26K and £78K (before cost of living) which increased to £39K and £116K by the end of 2021.

Salaries and allowances [Auditable Element] **Table 1b: Single total figure table**

Name and title	Date(s) of Service		2019/2020					
			(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)
	Appointment	Termination	£000	£	£000	£000	£000	£000
Chairman **Mrs Hattie Llewelyn- Davies**	Mar 2014		35 - 40					35 - 40
Non-Executive Director **Mr Graeme Johnston**	Mar 2013	Mar 2021	10 - 15				n/a	10 - 15
Non-Executive Director **Mr Rajiv Jaitly**	Jun 2015		10 - 15				n/a	10 - 15
Non-Executive Director **Dr Dipti Amin**	Jun 2015		5 - 10				n/a	5 - 10
Non-Executive Director **Mr Tom Roche**	Oct 2017		5 - 10				n/a	5 - 10
Non-Executive Director **Mrs Nicola Gilham**	Aug 2019		5 - 10				n/a	5 - 10
Associate Non-Executive Director **Professor David Sines**	Mar 2012	Mar 2021	5 - 10				n/a	5 - 10
Associate Non-Executive Director **Professor Karol Sikora**	Dec 2019	Feb 2021	0 - 5				n/a	0 - 5
Non-Executive Director **Mr Mo Girach**	Mar 2021		n/a*	n/a*	n/a*	n/a*	n/a*	n/a*
Chief Executive **Mr Neil Macdonald**	Mar 2018		185 - 190					185 - 190
Director of Finance **Mr Barry Jenkins**	Aug 2019		100 - 105		0 - 5		40 - 45	140 - 145
Interim Chief Nurse and Director of Patient Care Standards **Mrs Jennifer Ricketts**	Oct 2019	Mar 2020	55 -60		-		-	55 - 60
Interim Chief Nurse and Director of Patient Care Standards **Ms Karen Bonner ****	Mar 2020		n/a*	n/a*	n/a*	n/a*	n/a*	n/a*
Medical Director **Dr Tina Kenny**	Nov 2013		170 - 175		-	-	5 - 10	180 - 185
Director of Strategy **Mr David Williams**	Apr 2015		95 - 100		-	-	35 - 40	130 - 135
Chief Operating Officer **Mr Dan Gibbs**	Sep 2019		75 - 80		-	-	25 - 30	100 - 105
Chief People Officer **Ms Bridget O'Kelly**	Aug 2017		105 - 110		-	-	70 - 75	180 - 185
Commercial Director **Ms Ali Williams**	Dec 2018		115 - 120		-	-	25 - 30	140 - 145

There were no payments to past directors or payment for loss of office. Full details of directors' remuneration and pension benefits are given below:

n/a - Non-Executive Directors are not entitled to pension
n/a* - Prior Year or part year comparators not available
** - Karen Bonner had a increase in pensionable pay from £82K at the end of 31st March 2020 to 121K at the end of 31st March 2021. This increased her pension and lump sum for the 1995 Section of the Scheme considerably as this section of the Scheme calculates the pension using a final salary method. Ms Bonner's pension and lump sum at the end of March 2020 for the final salary scheme were £26K and £78K (before cost of living) which increased to £39K and £116K by the end of 2021.

Full details of directors' renumeration and pension benefits are given below:

[Auditable Element 1]
As per Table 1, performance related pay was made to the Director of Finance.
There were no other performance related payments in 2020/21

Table 2: Pension Benefits

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Name and Title	Real increase in pension at National Pensions Age (NPA)	Real increase in pension lump sum at National Pensions Age (NPA)	Total accrued pension at National Pension Age (NPA) at 31 March 2021	Lump sum at National Pension Age (NPA) related to accrued pension at 31 March 2021	Cash Equivalent Transfer Value at 31 March 2021	Cash Equivalent Transfer Value at 31 March 2020	Real Increase in Cash Equivalent Tansfer Value*	Employer's Contribution to stakeholder pension
	(bands of £2500) £000	**(bands of £2500) £000**	**(bands of £5000) £000**	**(bands of £5000 £000**	**£000**	**£000**	**£000**	**To nearest £100 £**
Chief Operating Officer **Mr Dan Gibbs**	2.5 - 5.0	0 - 2.5	30 - 35	50 - 55	455	395	53	18,800
Medical Director **Dr Tina Kenny**	2.5 – 5.0	7.5 - 10.0	55 - 60	175 -180	**	**	**	25,300
Director of Finance **Mr Barry Jenkins**	2.5 - 5.0	Nil	20 -25	Nil	251	207	40	22,100
Chief Nurse and Director of Patient Care Standards **Ms Karen Bonner**	12.5 -15	35.0 - 37.5	45 - 50	115 - 120	885	590	286	17,400
Director of Strategy / Chief Operating Officer **Mr David Williams**	0.0 - 2.5	Nil	45 - 50	95 - 100	872	822	37	16,500
Chief People Officer **Ms Bridget O'Kelly**	2.5 - 5.0	Nil	45 - 50	Nil	709	647	51	16,100
Commercial Director **Ms Ali Williams**	0.0 - 2.5	Nil	0.0 - 5	Nil	68	37	31	17,200

****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.

Staff Numbers & Cost

[Auditable element[2]]
The number of staff employed within each staff grouping is shown below:

	2020-21			2019-20		
Average Staff Numbers	Total Number	Permanently Employed Number	Other Number	Prior Year Total Number	Prior Year Permanently Employed Number	Prior Year Other Number
Medical and dental	781	724	57	752	696	56
Administration and estates	1,175	1,085	90	1,064	1,027	37
Healthcare assistants and other support staff	848	752	96	-	-	-
Nursing, midwifery and health visiting staff	2,117	1,810	306	2,702	2,380	322
Scientific, therapeutic and technical staff	1,045	950	95	990	931	59
Other	8	8	-	232	230	2
TOTAL	**5,973**	**5,329**	**644**	**5,740**	**5264**	**476**
Number of employees (WTE) engaged on capital projects	10	10	0	10	10	0

Employee benefits (Group)

	2020-21	2019-20
	Total	**Total**
	£000	**£000**
Salaries and wages	216,177	198,995
Social security costs	21,904	20,453
Apprenticeship levy	1,036	997
Employer's contributions to NHS pensions **	38,186	36,656
Temporary staff (including agency	47,340	29,588
Total gross staff costs *	**324,643**	**286,689**
Of which		
Costs capitalised as part of assets	2,208	2,128

***Total Staff Costs of £324,643k include £322,435k (£284,561k 2019/20) recognised within Operating expenses (note 6) and £2,208k (£2,128k 2019/20) capitalised as part of the asset.**

**** Pensions contributions have increased which is in line with the 6.3% increase. The cost of this was £11,599k in year (£11,176k 2019/20).**

Banding of Senior Managers
The breakdown of Senior Managers, by band, is shown below:

MANAGERS/SENIOR MANAGERS		
	31 March 2021	**31 March 2020**
Agenda for Change Banding	**Headcount**	**Headcount**
Band 7	53	49
Band 8	103	93
Band 9	11	12
Non-Agenda for Change Contracts	6	7
Total	**173**	**161**

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 2020/21 was £202,500 (2019/20 was £187,500). This was 6.4 times (2019/20 6.1 times restated) the median remuneration of the workforce, which was £31,509 (2019/20 £30,619 restated).

No employees were paid more than the highest paid Director. Remuneration by midpoint of band, ranged from £22,500 to £202,500 in 20/21 (£22,500 to £187,500 in 19/20).

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.

[Auditable element[4]]

[2] **Auditable element: Fair pay (pay multiples) disclosures**
[3] **Auditable element: exit packages**

The tables below details exit packages including redundancy paid to Trust employees:

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
2020-21	**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						
Other						
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
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						
Other						
TOTALs	**0**	**0**	**0**	**0**	**-**	**0**

Table 2: Analysis of Other Departures

Exit package cost band (including any special payment element)	Number exit package agreements	Total Value of Agreements	Prior Year Number of exit package agreements	Prior Year Total Value of Agreements
Other Exit Packages - disclosures (Excluding Compulsory Redundancies)	**Number**	**£000s**	**Number**	**£000s**
Contractual payments in lieu of notice*	13	53	0	0
Exit payments following Employment Tribunals or court orders				
TOTAL	**13**	**53**	**0**	**0**

Off-payroll employees

The Review of Tax Arrangements of Public Sector Appointees report was published by the HM Treasury in 2012[5], which was followed up with its Annual Reporting Guidance in December 2012. This requires the Trust to have in place contractual arrangements that assure 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 31 March 2020, and new engagements during the period 1 April 2020 to 31 March 2021 (see Table 1 below).

Table 1: Contractual arrangements off-payroll costing >£245 per day	**Number**
Number of existing engagements as of 31 March 2020	2
Of which, the number that have existed:	
for less than one year at the time of reporting	1
for between one and two years at the time of reporting	1
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: Contractual arrangements off-payroll costing >£245 per day	**Number**
Number of new engagements, or those that reached six months in duration, between 1 April 2020 and 31 March 2021	4
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	0
Number for whom assurance has been requested	0
Of which:	
assurance has been received	0
assurance has not been received	0

[5] **Review of tax arrangements of public sector appointees - GOV.UK (www.gov.uk)**

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:** 9th July 2021

Neil Macdonald
Chief Executive

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.

Signature:

Neil Macdonald
Chief Executive
Buckinghamshire Healthcare NHS Trust

Date: 9th July 2021

Financial Statements

April 2020: Two dedicated Buckinghamshire Healthcare NHS Trust nurses, Alexandra Lowe and Victoria Robinson, took their expertise global as they travelled thousands of miles to Mexico to care for stricken COVID-19 patients who needed to fly home to Britain.

Statement of Directors' responsibilities in respect of the accounts

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

Signature:

Neil Macdonald
Chief Executive
Buckinghamshire Healthcare NHS Trust

Date: 9th July 2021

Signature:

Barry Jenkins
Director of Finance
Buckinghamshire Healthcare NHS Trust

Date: 9th July 2021

Buckinghamshire Healthcare NHS Trust

Annual accounts for the year ended 31 March 2021

Consolidated Statement of Comprehensive Income

		Group		Trust	
		2020/21	2019/20	2020/21	2019/20
	Note	£000	£000	£000	£000
Operating income from patient care activities	3	474,108	420,770	474,066	420,699
Other operating income	4	70,831	32,157	71,012	33,330
Operating expenses	6	(545,720)	(469,578)	(545,823)	(469,771)
Operating surplus/(deficit) from continuing operations		**(781)**	**(16,651)**	**(745)**	**(15,742)**
Finance income	11	183	405	-	142
Finance expenses	12	(8,849)	(10,405)	(8,849)	(10,405)
PDC dividends payable		(5,566)	(3,341)	(5,566)	(3,341)
Net finance costs		**(14,232)**	**(13,341)**	**(14,415)**	**(13,604)**
Other gains / (losses)	17	1,360	-	-	-
Surplus / (deficit) for the year from continuing operations		**(13,653)**	**(29,992)**	**(15,160)**	**(29,346)**
Surplus / (deficit) for the year	43.1	**(13,653)**	**(29,992)**	**(15,160)**	**(29,346)**
Other comprehensive income					
Will not be reclassified to income and expenditure:					
Impairments	7	(1,740)	-	(1,740)	-
Revaluations	16	-	1,173	-	1,173
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)	-	-
Total comprehensive income / (expense) for the period		**(15,393)**	**(29,814)**	**(16,900)**	**(28,173)**
Surplus/ (deficit) for the period attributable to:					
Buckinghamshire Healthcare NHS Trust		(15,158)	(29,346)	(15,160)	(29,346)
Buckinghamshire Healthcare Projects Ltd		118	171	-	-
Buckinghamshire Healthcare NHS Trust Charity		1,387	(817)	-	-
TOTAL		**(13,653)**	**(29,992)**	**(15,160)**	**(29,346)**
Total comprehensive income/ (expense) for the period attributable to:					
Buckinghamshire Healthcare NHS Trust		(16,898)	(28,173)	(16,900)	(28,173)
Buckinghamshire Healthcare Projects Ltd		118	172	-	-
Buckinghamshire Healthcare NHS Trust Charity		1,387	(1,813)	-	-
TOTAL		**(15,393)**	**(29,814)**	**(16,900)**	**(28,173)**

The adjusted financial performance surplus (for control total purposes) is £5,079k for the Group and £4,966 for the Trust. (Further detailed in Note 43.1)

Statements of Financial Position

		Group		Trust	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
	Note	£000	£000	£000	£000
Non-current assets					
Intangible assets	13	1,222	1,526	1,222	1,526
Property, plant and equipment	14	311,937	276,359	311,905	276,327
Other investments / financial assets	17	8,407	7,072	-	-
Receivables	21	3,393	3,769	3,681	4,057
Total non-current assets		**324,959**	**288,726**	**316,808**	**281,910**
Current assets					
Inventories	20	6,834	7,312	6,593	7,081
Receivables	21	31,690	33,371	31,234	32,960
Other assets	22	-	147	-	147
Cash and cash equivalents	23	74,831	9,524	73,299	8,507
Total current assets		**113,355**	**50,354**	**111,126**	**48,695**
Current liabilities					
Trade and other payables	24	(85,771)	(38,066)	(85,012)	(37,496)
Borrowings	26	(3,261)	(111,183)	(3,261)	(111,182)
Provisions	27	(4,022)	(2,035)	(4,022)	(2,035)
Other liabilities	25	(10,917)	(173)	(10,917)	(173)
Total current liabilities		**(103,971)**	**(151,457)**	**(103,212)**	**(150,886)**
Total assets less current liabilities		**334,343**	**187,623**	**324,722**	**179,719**
Non-current liabilities					
Borrowings	26	(51,327)	(49,660)	(51,327)	(49,660)
Provisions	27	(771)	(891)	(771)	(891)
Other liabilities	25	(246)	(246)	(246)	(246)
Total non-current liabilities		**(52,344)**	**(50,797)**	**(52,344)**	**(50,797)**
Total assets employed		**281,999**	**136,826**	**272,378**	**128,922**
Financed by					
Public dividend capital		354,511	194,155	354,511	194,155
Revaluation reserve		40,656	42,396	40,656	42,396
Income and expenditure reserve		(122,498)	(107,458)	(122,789)	(107,629)
Charitable fund reserves	19	9,330	7,733	-	-
Total taxpayers' equity		**281,999**	**136,826**	**272,378**	**128,922**

The notes on pages 8 to 48 form part of these accounts.

Name Neil Macdonald

Position Chief Executive Officer

Date **09/07/2021**

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

Group consolidation of Subsidiary and Charitable Funds

The Group position presented in these financial statements has two entities consolidated; Buckinghamshire Healthcare Projects Ltd (BHPL), and Buckinghamshire Healthcare NHS Trust Charitable Funds. BHPL is a wholly owned subsidiary company considered to be under common control for consolidation, the comparators are also consolidated.

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).

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

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 2020 - brought forward	**194,155**	**42,396**	**(107,458)**	**7,733**	**136,826**
Prior period restatement *	**-**	**-**	**-**	**210**	**210**
Taxpayers' and others' equity at 1 April 2020 - brought forward - restated	**194,155**	**42,396**	**(107,458)**	**7,943**	**137,036**
Surplus/(deficit) for the year	-	-	(16,093)	2,440	**(13,653)**
Impairments	-	(1,740)	-	-	**(1,740)**
Public dividend capital received	160,423	-	-	-	**160,423**
Public dividend capital repaid	(67)	-	-	-	**(67)**
Other reserve movements	-	-	1,053	(1,053)	**-**
Taxpayers' and others' equity at 31 March 2021	**354,511**	**40,656**	**(122,498)**	**9,330**	**281,999**

Public Dividend Capital received of £160m includes the conversion of existing loans of £107m to PDC, and additional PDC of £53m for capital programme schemes. The income and expenditure reserve deficit for the year of £15m is largely due to the land/buildings revaluation. Charitable fund reserves reflects the net surplus of £1.4m for 2020/21.

*Prior period restatement relates to charity audit adjustments.

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**

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

Trust	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2020 - brought forward	**194,155**	**42,396**	**(107,629)**	**128,922**
Surplus/(deficit) for the year	**-**	**-**	**(16,213)**	**(16,213)**
Impairments	**-**	**(1,740)**	**-**	**(1,740)**
Public dividend capital received	**160,423**	**-**	**-**	**160,423**
Public dividend capital repaid	**(67)**	**-**	**-**	**(67)**
Other reserve movements - charitable fund consolidation adjustment	**-**	**-**	**1,053**	**1,053**
Taxpayers' and others' equity at 31 March 2021	**354,511**	**40,656**	**(122,789)**	**272,378**

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**
Taxpayers' and others' equity at 1 April 2019 - restated	**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 - charitable fund consolidation adjustment			1,647	**1,647**
Taxpayers' and others' equity at 31 March 2020	**194,155**	**42,396**	**(107,629)**	**128,922**

Statements of Cash Flows

		Group		Trust	
		2020/21	2019/20	2020/21	2019/20
	Note	£000	£000	£000	£000
Cash flows from operating activities					
Operating surplus / (deficit)		(781)	(16,651)	(745)	(15,742)
Non-cash income and expense:					
Depreciation and amortisation	6	14,096	13,575	14,096	13,541
Net impairments	7	22,099	1,418	22,099	1,418
Income recognised in respect of capital donations	4	(2,196)	(380)	(3,249)	(2,027)
Amortisation of PFI deferred credit		-	(22)	-	(22)
(Increase) / decrease in receivables and other assets		(87)	2,241	(276)	2,799
(Increase) / decrease in inventories		478	(417)	488	(187)
Increase / (decrease) in payables and other liabilities		38,454	4,586	38,524	4,045
Increase / (decrease) in provisions		1,867	1,485	1,867	1,485
Movements in charitable fund working capital		234	401	-	-
Other movements in operating cash flows		(1,053)	(1,647)	-	-
Net cash flows from / (used in) operating activities		**73,111**	**4,589**	**72,804**	**5,310**
Cash flows from investing activities					
Interest received		-	142	-	142
Purchase of intangible assets		(192)	(40)	(192)	(40)
Purchase of Property, Plant and Equipment		(41,932)	(21,126)	(41,932)	(21,060)
Sales of Property, Plant and Equipment		-	69	-	69
Receipt of cash donations to purchase assets		532	201	532	201
Net cash flows from charitable fund investing activities		208	563	-	-
Net cash flows from / (used in) investing activities		**(41,384)**	**(20,191)**	**(41,592)**	**(20,688)**
Cash flows from financing activities					
Public dividend capital received		160,423	5,862	160,423	5,862
Public dividend capital repaid		(67)	-	(67)	-
Movement on loans from DHSC		(107,763)	32,621	(107,763)	32,621
Movement on other loans		-	-	-	-
Other capital receipts		-	-	-	-
Capital element of finance lease rental payments		(1,057)	(898)	(1,057)	(899)
Capital element of PFI, LIFT and other service concession payments		(2,367)	(2,368)	(2,367)	(2,368)
Interest on loans		(195)	(1,906)	(195)	(1,906)
Other interest		(70)	(44)	(70)	(44)
Interest paid on finance lease liabilities		(159)	(121)	(159)	(121)
Interest paid on PFI, LIFT and other service concession obligations		(8,613)	(8,232)	(8,613)	(8,232)
PDC dividend (paid) / refunded		(6,552)	(3,219)	(6,552)	(3,219)
Net cash flows from / (used in) financing activities		**33,580**	**21,695**	**33,580**	**21,694**
Increase / (decrease) in cash and cash equivalents		**65,307**	**6,093**	**64,792**	**6,316**
Cash and cash equivalents at 1 April - brought forward		**9,524**	**3,431**	**8,507**	**2,191**
Cash and cash equivalents at 1 April - restated		**9,524**	**3,431**	**8,507**	**2,191**
Cash and cash equivalents at 31 March	23	**74,831**	**9,524**	**73,299**	**8,507**

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 2020/21 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.

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.

In June 2021, the Trust submitted a financial plan for 2021/22 to NHS England and NHS Improvement (NHSE/I) of a deficit of £22.3million with an assumption of breakeven position for the first six months. This reflects the following key assumptions:

The NHSE/I top-up funding settlement provides £32.3m of top-up income; Separate BOB ICS funding will be received for Covid-19 expenditure capped at £12.3m for the first six months: The Trust will deliver £8m of CIP (£16m for full year) efficiencies which will help to offset business case investments. A full financial plan will be submitted in Autumn 2021.

Achievement of the Trust's 2021/22 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 2021/22 then further cash support will need to be provided.

As directed by the 2020/21 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 investment in Note 17 represent 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 Buckinghamshire Healthcare Projects Ltd (BHPL), is a wholly owned subsidiary company considered to be under common control for consolidation, the comparators are also consolidated. The main financial statements therefore have consolidated comparators. This balance represents the ring-fenced funds held by the BHPL consolidated within these accounts.

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, and the Trust and BHPL the impact of these transactions needs to be removed to avoid 'double-counting'. For example, where the Charity or BHPL 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.

The main financial statements and key notes show both the 'Group' position and the 'Trust' position, whereas certain notes the Group only position is represented. Where the 'Trust' is not disclosed in the notes this due where there no differences between 'Group' and 'Trust' or the differences are not immaterial.

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 and BHPL's Accounts. In particular:

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

- Entitlement - when the Charity or BHPL 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 Group position presented in these financial statements has two entities consolidated; Buckinghamshire Healthcare Projects Ltd (BHPL), and Buckinghamshire Healthcare NHS Trust Charitable Funds. BHPL is a wholly owned subsidiary company considered to be under common control for consolidation, the comparators are also consolidated. 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).

Staff were unable to take entitled annual leave due to Covid-19 pandemic.Compared to prior year this has brought forward the necessity for an annual leave accrual. Agreement has been reached for a corrective payment in respect of potential back pay claims, NHSEI will provide central funding to cover the cost of the accrual for staff unable to take leave due to Covid-19 pandemic. Employers are asked to accrue the costs of corrective payments and associated income using supporting estimates as a basis.

Note 1.4.2 Sources of estimation uncertainty

In order to calculate the carrying value of the Trust's provisions, expenditure and valuation of the Trusts' land and building's, there are a number of areas which are required to be estimated:

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. The Trust operates two PFI schemes. South Buckinghamshire (Amersham and Wycombe) is a wave 1 PFI scheme and has always been treated as “on balance sheet”. Stoke Mandeville is a wave 3 scheme which at inception was treated as “off balance sheet”. The Transition to IFRS for the NHS in 2010 required Stoke Mandeville to be brought on balance sheet. To support this work accounting specialists were commissioned to generate an accounting model for Stoke Mandeville. At the time this was not deemed necessary for South Buckinghamshire with established accounting treatments continuing to be applied. Efforts to create the equivalent accounting model for the South Buckinghamshire PFI, by the in house team, has resulted in differences to original amortisation schedule and hence the reported liability. It is felt that this difference may be due to payment arrangements unique to wave 1 schemes, such as the profile of availability and lifecycle. It’s management’s view that in the absence of a model generated by specialists it is appropriate to continue to account for the liability under the original arrangements.

The Trust engages professional valuers to assess the Existing Value in Use (EUV) of the Trust's Land and Buildings as well as the length of time over which the asset could be expected to be used. 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 obsolescence. 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, although these differences are not deemed to be significant. The Trust's estimation of its non current asset values and useful economic life involves estimation and judgement. During 2020/21 a valuation of all the Trust's land and buildings was carried out by an external professional valuer as at 31 March 2021. Specialised buildings are valued based on a depreciated replacement costs (DRC) 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 2021. In applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2021('Red Book'), the valuer has made reference to 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. Despite the valuer having made reference to market uncertainty, the valuer has continued to exercise professional judgement in providing the valuation and this remains the best information available to the Trust. The assessed value of the land and buildings is £229m but in recognition of the potential for market conditions to move rapidly in response to changes in the control or future spread of COVID-19 the valuation date is important.

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 cumulative 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.

Revenue from NHS contracts
2020/21

The accounting policies for revenue recognition and the application of IFRS 15 are consistently applied. The contracting arrangements in the NHS changed between 2019/20 and 2020/21 affecting the application of the accounting policy under IFRS 15. This difference in application is explained below.

The main source of income for the Trust is contracts with commissioners for health care services. In 2020/21, the majority of the Trust's income from NHS commissioners was in the form of block contract arrangements. During the first half of the year the Trust received block funding from its commissioners. For the second half of the year, block contract arrangements were agreed at an Integrated Care System level. The related performance obligation is the delivery of healthcare and related services during the period, with the Trust's entitlement to consideration not varying based on the levels of activity performed.
The Trust has received additional income outside of the block and system envelopes to reimburse specific costs incurred and other income top-up to support the delivery of services. Reimbursement and top-up income is accounted for as variable consideration.

Comparative period (2019/20)

In the comparative period (2019/20), the trust's contracts with NHS commissioners included those where the Trust's entitlement to income varied according to services delivered. A performance obligation relating to delivery of a spell of health care was generally satisfied over time as healthcare was received and consumed simultaneously by the customer as the Trust performed it. The customer in such a contract was the commissioner, but the customer benefited as services were provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligned with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that were substantially the same and had a similar pattern of transfer. At the year end, the Trust accrued income relating to activity delivered in that year, where a patient care spell was incomplete. This accrual was disclosed as a contract receivable as entitlement to payment for work completed was usually only dependent on the passage of time

In 2019/20, the Provider Sustainability Fund and Financial Recovery Fund enabled 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 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.

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.

Other operating income includes education and training funding from the Health Education for England.

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 accrued for corrective payments in respect of back pay claims for staff who have been unable to take leave due to the coronavirus pandemic.

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 2020/21 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 (2020/21) 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 2020/21 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 similar disposal dates and are under single managerial control.

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

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

Measurement

Valuation

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

Assets are measured subsequently at valuation. Assets which are held for their service potential and are in use (i.e. 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 (DRC).

For specialised assets, current value in existing use is interpreted as the present value of the asset's remaining service potential, which is assumed to be at least equal to the cost of replacing that service potential. Specialised assets are therefore valued at their depreciated replacement cost (DRC). The DRC will be subject to the prospect and viability of the continued occupation and use by the client. The DRC approach assumes that the current cost of replacing an asset with an equivalent and not a building of identical design, but with the same service potential as the existing asset.

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 income 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 i.e.:

- 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.
In 2020/21 this includes assets donated to the Trust by the Department of Health and Social Care as part of the response to the coronavirus pandemic. As defined in the GAM, the Trust applies the principle of donated asset accounting to assets that the Trust controls and is obtaining economic benefits from at the year end.

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.

Note 1.11 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	71
Dwellings	21	48
Plant & machinery	3	77
Transport equipment	3	17
Information technology	2	10
Furniture & fittings	7	24

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 1.12 Intangible assets
Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the Trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Trust and where the cost of the asset can be measured reliably.

Internally generated intangible assets

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised. Expenditure on development is capitalised where it meets the requirements set out in IAS 38.

Software

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

Measurement

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

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value 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	1	4
Software licences	1	4

Note 1.13 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.

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

Inventories includes the Covid PPE provided centrally by DHSC, Trusts record the in-year receipt of DHSC centrally procured personal protective inventory at a value reflecting the cost to the Department. For items held at 31 March, where market values (representing NRV) are lower than the unit prices (representing deemed cost) we expect this to be a write-down of value for trusts

Note 1.14 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 1.15 Cash and cash equivalents

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

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

Note 1.16 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, i.e., when receipt or delivery of the goods or services is made.

Classification and measurement

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

Certain financial assets after initial recognition at fair value are subsequently measured either at amortised cost or at fair value through income and expenditure.

Financial liabilities after initial recognition at fair value are subsequently measured at amortised cost.

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 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.

Financial assets measured at fair value through other comprehensive income

Financial assets for charitable fund investments are measured at fair value through other comprehensive income where business model objectives are met by both collecting contractual cash flows and selling financial assets and where the cash flows are solely payments of principal and interest. Movements in the fair value of financial assets in this category are recognised as gains or losses in other comprehensive income except for impairment losses. On derecognition, cumulative gains and losses previously recognised in other comprehensive income are reclassified from equity to income and expenditure, except where the Trust elected to measure an equity instrument in this category on initial recognition.

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.

For government and DHSC bodies, IFRS 9 is adapted as per the GAM paragraphs 4.167 to 4.172 as applicable.

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 2021:

		Nominal rate
Short-term	Up to 5 years	Minus 0.02%
Medium-term	After 5 years up to 10 years	0.18%
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 2021:

	Inflation rate
Year 1	1.20%
Year 2	1.60%
Into perpetuity	2.00%

Early retirement provisions and injury benefit provisions both use the HM Treasury's pension discount rate of minus 0.95% 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

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

Note 1.19 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 £25k (£45k 2019/20) 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 2021
- 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.

Note1.27 Early adoption of standards amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2020/21.

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.

The transition to IFRS 16 has been deferred to 1 April 2022 at which point 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 2022 for existing finance leases.

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

HM Treasury revised the implementation date for IFRS 16 in the UK public sector to 1 April 2022 on November 2020. Due to the need to reassess lease calculations, together with uncertainty on expected leasing activity from April 2022 and beyond, a quantification of the expected impact of applying the standard in 2022/23 is currently impracticable. However, the Trust does not expect this standard to have a material impact on non-current assets, liabilities and depreciation.

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 £474,108k (2019/20 £420,770k).

The balance to total income is other operating income of £70,831k (2019/20 £32,157k).

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)	**2020/21 £000**	**2019/20 £000**
Acute services		
Block contract / system envelope income*	405,847	350,846
Other NHS clinical income	2,709	3,204
Community services		
Block contract / system envelope income	35,714	35,902
Income from other sources (e.g. local authorities)	15,286	15,252
All services		
Private patient income	1,776	2,505
Additional pension contribution central funding**	11,599	11,176
Other clinical income	1,177	1,885
Total income from activities	**474,108**	**420,770**

*As part of the coronavirus pandemic response, transaction flows were simplified in the NHS and providers and their commissioners moved onto block contract payments at the start of 2020/21. In the second half of the year, a revised financial framework built on these arrangements but with a greater focus on system partnership and providers derived most of their income from these system envelopes. Comparatives in this note are presented to be comparable with the current year activity. This does not reflect the contracting and payment mechanisms in place during the prior year.

**The employer contribution rate for NHS pensions increased from 14.3% to 20.6% (excluding administration charge) from 1 April 2019. For 2019/20, and 2020/21 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:	**2020/21 £000**	**2019/20 £000**
NHS England	92,884	81,483
Clinical commissioning groups	360,276	316,486
NHS Foundation Trusts	2,692	3,204
Local authorities	15,244	15,252
NHS other (including Public Health England)	17	-
Non-NHS: private patients	1,776	2,505
Non-NHS: overseas patients (chargeable to patient)	130	366
Injury cost recovery scheme	970	1,301
Non NHS: other	119	173
Total income from activities	**474,108**	**420,770**
Of which:		
Related to continuing operations	474,108	420,770

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

	2020/21	2019/20
	£000	£000
Income recognised this year	130	366
Cash payments received in-year	59	368
Amounts written off in-year	-	239

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)

	2020/21			2019/20		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	1,292	-	**1,292**	1,261	-	**1,261**
Education and training	11,568	-	**11,568**	10,291	-	**10,291**
Non-patient care services to other bodies	1,652	-	**1,652**	1,209	-	**1,209**
Provider sustainability fund (2019/20 only)	-	-	**-**	2,530	-	**2,530**
Reimbursement & Top-up funding (Financial recovery fund in 2019/20)	42,874	-	**42,874**	2,995	-	**2,995**
Marginal rate emergency tariff funding (2019/20 only)	-	-	**-**	4,189	-	**4,189**
Receipt of capital grants and donations	-	1,664	**1,664**	-	380	**380**
Charitable and other contributions to expenditure	-	-	**-**	-	893	**893**
Cash grants for the purchase of capital assets - received from other bodies	-	532	**532**	-	-	**-**
Charitable and other contributions to expenditure - received from other bodies	-	912	**912**	-	-	**-**
Contributions to expenditure - consumables (inventory) donated from DHSC group bodies for COVID response	-	7,133	**7,133**			
Rental revenue from operating leases	-	161	**161**	-	85	**85**
Amortisation of PFI deferred income / credits	-	-	**-**	-	22	**22**
Charitable fund incoming resources	-	897	**897**	-	570	**570**
Other income	2,146	-	**2,146**	7,732	-	**7,732**
Total other operating income	**59,532**	**11,299**	**70,831**	**30,207**	**1,950**	**32,157**
Of which:						
Related to continuing operations			**70,831**			**32,157**
Related to discontinued operations			**-**			**-**

Other Operating Income includes	2020/21	2019/20
Car Parking income	450	1,922
Property rental (not lease income)	715	975
Staff accommodation rental	396	501
Crèche services	583	992

Note 6 Operating expenses (Group)

	2020/21	2019/20
	£000	£000
Purchase of healthcare from non-NHS and non-DHSC bodies	15,277	12,796
Staff and executive directors costs	322,435	284,561
Remuneration of non-executive directors	131	96
Supplies and services - clinical (excluding drug costs)	30,264	36,131
Supplies and services – clinical: utilisation of consumables donated from DHSC group bodies for COVID response	6,509	
Supplies and services - general	2,000	1,345
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	42,750	43,243
Inventories written down	328	355
Inventories written down (consumables donated from DHSC group bodies for COVID response)	112	-
Consultancy costs	3,298	2,819
Establishment	4,205	4,691
Premises - business rates collected by local authorities	2,632	2,507
Premises - other	23,068	16,687
Transport (including patient travel)	2,070	2,091
Depreciation on property, plant and equipment	13,600	13,091
Amortisation on intangible assets	496	484
Net impairments*	22,099	1,418
Movement in credit loss allowance: contract receivables / contract assets	2,857	1,949
Movement in credit loss allowance: all other receivables and investments		
Increase/(decrease) in other provisions	-	368
Change in provisions discount rate(s)	-	33
Audit fees payable to the external auditor		
audit services- statutory audit	98	100
Internal audit costs	177	160
Clinical negligence	13,316	11,919
Legal fees	316	268
Insurance	229	204
Education and training - non-staff	1,821	2,321
Rentals under operating leases	1,089	1,045
Redundancy	2,175	650
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT)	29,987	26,051
Hospitality	19	9
Other	2,362	2,186
Total	**545,720**	**469,578**
Of which:		
Related to continuing operations	545,720	469,578
Related to discontinued operations	-	-

* Net impairments relates to the revaluation of land and buildings that resulted in a significant decrease in value; GAM paragraph 4.136 (Other impairments) states that 'where an impairment loss does not result from a clear loss of economic value or service potential, for instance due to a change in market price then the standard treatment in IAS36 applies. The impairment must be taken to revaluation reserve, to the extent that there is a balance on the reserve for the asset, and thereafter to expenditure'. Please refer also to Note 7.

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 2020/21 or 2019/20

Note 6.2 Limitation on auditor's liability (Group)	**2020/21**	**2019/20**
Limitation on auditor's liability	1,000	1,000

Note 7 Impairment of assets (Group)

	2020/21	**2019/20**
	£000	**£000**
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	22,099	1,418
Total net impairments charged to operating surplus / deficit	**22,099**	**1,418**
Impairments charged to the revaluation reserve	1,740	-
Total net impairments	**23,839**	**1,418**

Note 8 Employee benefits (Group)

	2020/21	**2019/20**
	Total	**Total**
	£000	**£000**
Salaries and wages	216,177	198,995
Social security costs	21,904	20,453
Apprenticeship levy	1,036	997
Employer's contributions to NHS pensions **	38,186	36,656
Temporary staff (including agency)	47,340	29,588
Total gross staff costs *	**324,643**	**286,689**
Of which		
Costs capitalised as part of assets	2,208	2,128

* Total Staff Costs of £324,643k include £322,435k (£284,561k 2019/20) recognised within Operating expenses (note 6) and £2,208k (£2,128k 2019/20) capitalised as part of the asset.

**Pensions contributions have increased which is line with the 6.3% increase. The cost of this was £11,599k in year (£11,176k 2019/20).

Note 8.1 Retirements due to ill-health (Group)

During 2020/21 there were 6 early retirements from the trust agreed on the grounds of ill-health (3 in the year ended 31 March 2020). The estimated additional pension liabilities of these ill-health retirements is £492k (£204k in 2019/20).

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 2021, is based on valuation data as at 31 March 2020, updated to 31 March 2021 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

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

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay. The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. In January 2019, the Government announced a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

The Government subsequently announced in July 2020 that the pause had been lifted, and so the cost control element of the 2016 valuations could be completed. The Government has set out that the costs of remedy of the discrimination will be included in this process. HMT valuation directions will set out the technical detail of how the costs of remedy will be included in the valuation process. The Government has also confirmed that the Government Actuary is reviewing the cost control mechanism (as was originally announced in 2018). The review will assess whether the cost control mechanism is working in line with original government objectives and reported to Government in April 2021. The findings of this review will not impact the 2016 valuations, with the aim for any changes to the cost cap mechanism to be made in time for the completion of the 2020 actuarial valuations.

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.

	2020/21	2019/20
	£000	£000
Operating lease revenue		
Minimum lease receipts	161	85
Total	**161**	**85**

	31 March 2021	31 March 2020
	£000	£000
Future minimum lease receipts due:		
- not later than one year;	161	125
- later than one year and not later than five years;	483	500
Total	**644**	**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.

	2020/21	2019/20
	£000	£000
Operating lease expense		
Minimum lease payments	1,089	1,045
Total	**1,089**	**1,045**

	31 March 2021	31 March 2020
	£000	£000
Future minimum lease payments due:		
- not later than one year;	1,064	1,057
- later than one year and not later than five years;	3,099	3,626
Total	**4,163**	**4,683**

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.

Note 11 Finance income (Group)

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

	2020/21	2019/20
	£000	£000
Interest on bank accounts	-	142
NHS charitable fund investment income	183	263
Total finance income	**183**	**405**

Note 12.1 Finance expenditure (Group)

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

	2020/21	2019/20
	£000	£000
Interest expense:		
Loans from the Department of Health and Social Care	-	2,013
Finance leases	159	120
Interest on late payment of commercial debt	77	44
Main finance costs on PFI and LIFT schemes obligations	6,557	6,322
Contingent finance costs on PFI and LIFT scheme obligations	2,056	1,910
Total interest expense	**8,849**	**10,409**
Unwinding of discount on provisions	0	(4)
Total finance costs	**8,849**	**10,405**

Note 12.2 The Late Payment of Commercial Debts (Interest) Act 1998 / Public Contract Regulations 2015 (Group)

	2020/21	2019/20
	£000	£000
Amounts included within interest payable arising from claims made under this legislation	77	44

Note 13.1 Intangible assets - 2020/21

Group	Software licences	Internally generated information technology	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2020 - brought forward	**3,752**	**671**	**4,423**
Additions	192	-	**192**
Valuation / gross cost at 31 March 2021	**3,944**	**671**	**4,615**
Amortisation at 1 April 2020 - brought forward	**2,607**	**290**	**2,897**
Provided during the year	496	-	**496**
Amortisation at 31 March 2021	**3,103**	**290**	**3,393**
Net book value at 31 March 2021	**841**	**381**	**1,222**
Net book value at 1 April 2020	**1,145**	**381**	**1,526**

Note 13.2 Intangible assets - 2019/20

Group	Software licences	Internally generated information technology	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2019 - as previously stated	**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 - as previously stated	**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 14.1 Property, plant and equipment - 2020/21

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 2020 - brought forward	**48,074**	**178,571**	**4,960**	**7,847**	**63,917**	**182**	**61,592**	**4,808**	**-**	**369,951**
Valuation/gross cost at start of period as FT	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Transfers by absorption	-	-	-	-	-	-	-	-	-	**-**
Additions	-	27,276	-	11,370	12,098	-	21,726	24	-	**72,494**
Additions - assets purchased from cash donations/grants				499	33	-	-	-	-	**532**
Impairments	(24)	(29,284)	(119)	-	-	-	-	-	-	**(29,427)**
Revaluations	-	-	-	-	-	-	-	-	-	**-**
Reclassifications	-	-	-	(203)	203	-	-	-	-	**-**
Disposals / derecognition	-	-	-	-	(1,283)	-	-	-	-	**(1,283)**
Valuation/gross cost at 31 March 2021	**48,050**	**176,563**	**4,841**	**19,513**	**74,968**	**182**	**83,318**	**4,832**	**-**	**412,267**
Accumulated depreciation at 1 April 2020 - brought forward	**-**	**-**	**-**	**-**	**46,479**	**181**	**42,799**	**4,133**	**-**	**93,592**
Provided during the year	-	5,446	142	-	4,225	-	3,645	142	-	**13,600**
Reversals of impairments	-	(5,446)	(142)	-	-	-	-	-	-	**(5,588)**
Disposals / derecognition	-	-	-	-	(1,274)	-	-	-	-	**(1,274)**
Accumulated depreciation at 31 March 2021	**-**	**-**	**-**	**-**	**49,430**	**181**	**46,444**	**4,275**	**-**	**100,330**
Net book value at 31 March 2021	**48,050**	**176,563**	**4,841**	**19,513**	**25,538**	**1**	**36,874**	**557**	**-**	**311,937**
Net book value at 1 April 2020	**48,074**	**178,571**	**4,960**	**7,847**	**17,438**	**1**	**18,793**	**675**	**-**	**276,359**

Note 14.2 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 - as previously stated	**47,911**	**178,389**	**4,927**	**4,735**	**61,215**	**182**	**55,498**	**4,720**	**-**	**357,577**
Valuation / gross cost at 1 April 2019 - restated	**47,911**	**178,389**	**4,927**	**4,735**	**61,215**	**182**	**55,498**	**4,720**	**-**	**357,577**
Additions	-	5,642	-	4,397	3,788	-	5,071	88	-	**18,986**
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 - as previously stated	**-**	**-**	**-**	**-**	**43,686**	**181**	**38,956**	**3,976**	**-**	**86,799**
Accumulated depreciation at 1 April 2019 - restated	**-**	**-**	**-**	**-**	**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 14.3 Property, plant and equipment financing - 2020/21

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 2021										
Owned - purchased	48,050	97,590	4,338	19,295	21,610	1	35,585	542	-	**227,011**
Finance leased	-	7,264	-	-	-	-	-	-	-	**7,264**
On-SoFP PFI contracts and other service concession arrangements	-	62,224	-	-	-	-	-	-	-	**62,224**
Owned - donated/granted	-	9,485	503	218	3,928	-	1,289	15	-	**15,438**
NBV total at 31 March 2021	**48,050**	**176,563**	**4,841**	**19,513**	**25,538**	**1**	**36,874**	**557**	**-**	**311,937**

Note 14.4 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/granted	-	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 15 Donations of property, plant and equipment

The Trust was fortunate in 2020/21 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 equipment.

Significant Items included contributions towards:
MRI Scanner
Innovation Hub
Medical Equipment Purchases
Wellbeing ECO POD - Staff Calm Zones
Breast Biopsy Suite

Note 16 Revaluations of property, plant and equipment

The Trust commissioned an independent valuer, Cushman Wakefield, to conduct a desktop asset revaluation in 2020/21. The valuer valued land and non-specialised buildings at market value for existing use. For specialist assets, current value in existing use value being the present value of the assets remaining service potential, specialist assets are therefore valued at their depreciated replacement costs (DRC) as at the 31st of March 2021. 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 2021.

The revaluation resulted in an impairment of £22,099k (2019/20 £1,418k) and a decrease to the revaluation reserve of £1,740k (increase in 2019/20 £1,173K). Please refer to Note 7.

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.

Note 17 Other investments / financial assets (non-current)

	Group		Trust	
	2020/21	2019/20	2020/21	2019/20
	£000	£000	£000	£000
Carrying value at 1 April - brought forward	**7,072**	8,368	**-**	
Prior period adjustments		-		
Carrying value at 1 April - restated	**7,072**	**8,368**	**-**	**-**
Movement in fair value through income and expenditure	1,360	-		
Fair value movements [taken to OCI] (for financial assets mandated as FV through OCI)	-	(995)		
Current portion of loans receivable transferred to current financial assets	(25)	(301)	-	-
Carrying value at 31 March	**8,407**	**7,072**	**-**	**-**

Note 17.1 Other investments / financial assets (current)

	Group		Trust	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	£000	£000	£000	£000
Loans receivable within 12 months transferred from non-current financial assets	25	301	-	-
Other current financial assets	(25)	(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 £118k included within the "Group" position. The financial statements for BHPL in 2020/21 report a turnover of £5,258k (£4,309k in 2019/20), cost of sales of £4,370k (£3,574k in 2019/20), administration expenses of £745k (£519k in 2019/20), with tax on profit of £25k (£45k in 2019/20). The company holds no significant assets or liabilities requiring separate disclosure.

Note 19 Analysis of charitable fund reserves

	31 March 2021 £000	31 March 2020 £000
Unrestricted funds:		
Unrestricted funds	3,631	2,732
Restricted funds:		
Endowment funds	101	86
Restricted funds	5,598	4,915
	9,330	**7,733**

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 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
Drugs	3,861	3,912	3,621	3,681
Consumables	2,429	3,301	2,429	3,301
Consumables donated from DHSC group bodies	512		512	
Energy*	31	99	31	99
Charitable fund inventory	1	-	1	-
Total inventories	**6,834**	**7,312**	**6,594**	**7,081**

* Energy relates to oil reserves required to run the Trust's generators.

Inventories recognised in expenses for the year were £84,832k (2019/2020: £80,739k). Write-down of inventories recognised as expenses for the year were £440k (2019/20: £355k).

In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2020/21 the Trust received £7,133k of items purchased by DHSC.

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

Note 21.1 Receivables

	Group		Trust	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	£000	£000	£000	£000
Current				
Contract receivables	19,890	20,321	19,890	20,413
Allowance for impaired contract receivables / assets	(6,321)	(3,360)	(6,321)	(3,360)
Deposits and advances	2	3	2	3
Prepayments (non-PFI)	7,437	3,407	7,437	3,407
PFI lifecycle prepayments	3,678	7,042	3,678	7,042
PDC dividend receivable	986	-	986	-
VAT receivable	4,388	4,693	4,257	4,442
Other receivables	1,291	1,013	1,305	1,013
NHS charitable fund receivables	339	252	-	-
Total current receivables	**31,690**	**33,371**	**31,234**	**32,960**
Non-current				
Contract assets	2,580	3,060	2,580	3,060
Allowance for other impaired receivables	(550)	(654)	(550)	(654)
Other receivables*	1,363	1,363	1,651	1,651
Total non-current receivables	**3,393**	**3,769**	**3,681**	**4,057**
Of which receivable from NHS and DHSC group bodies:				
Current	11,372	16,366	11,918	15,314
Non-current	-	-	-	-

Note 21.2 Allowances for credit losses - 2020/21

	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 2020 - brought forward	**4,014**	**-**	**4,014**	
New allowances arising	2,857	-	2,857	-
Reversals of allowances	-	-	-	-
Allowances as at 31 Mar 2021	**6,871**	**-**	**6,871**	**-**

Note 21.3 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 - as previously stated	**2,065**	**-**	**2,065**	**-**
New allowances arising	1,949	-	1,949	-
Allowances as at 31 Mar 2020	**4,014**	**-**	**4,014**	**-**

Note 22 Other assets

	Group		Trust	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Current	£000	£000	£000	£000
Other assets	-	147	-	147
Total other current assets	**-**	**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	
	2020/21	2019/20	2020/21	2019/20
	£000	£000	£000	£000
At 1 April	**9,524**	**3,431**	**8,507**	**2,191**
Net change in year	65,307	6,093	64,792	6,316
At 31 March	**74,831**	**9,524**	**73,299**	**8,507**
Broken down into:				
Cash at commercial banks and in hand	1,071	767	60	42
Cash with the Government Banking Service	73,760	8,757	73,239	8,465
Total cash and cash equivalents as in SoFP	**74,831**	**9,524**	**73,299**	**8,507**
Total cash and cash equivalents as in SoCF	**74,831**	**9,524**	**73,299**	**8,507**

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 2021	31 March 2020
	£000	£000
Bank balances	2	2
Total third party assets	**2**	**2**

Note 24.1 Trade and other payables

	Group		Trust	
	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
Current				
Trade payables	9,477	3,440	8,949	3,430
Capital payables	22,866	2,982	22,866	2,982
Accruals	39,758	21,007	39,680	20,468
Receipts in advance and payments on account	-	5,896	-	5,896
Annual leave accrual	3,259	359	3,259	359
Social security costs	3,027	10	3,022	4
VAT payables	123	90	123	86
Other taxes payable	2,834	265	2,831	265
PDC dividend payable	-	-	-	-
Other payables	4,287	3,988	4,282	4,006
NHS charitable fund: trade and other payables	140	29	-	-
Total current trade and other payables	**85,771**	**38,066**	**85,012**	**37,496**
Of which payables from NHS and DHSC group bodies:				
Current	5,190	7,345	5,190	7,345
Non-current	-	-	-	-

The movement in capital payables is reflective of the Trust's increased capital programme as compared to last year.

Note 25 Other liabilities

	Group		Trust	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	£000	£000	£000	£000
Current				
Deferred income: contract liabilities	10,917	151	10,917	151
Deferred PFI credits / income	-	22	-	22
Total other current liabilities	**10,917**	**173**	**10,917**	**173**
Non-current				
Deferred PFI credits / income	246	246	246	246
Total other non-current liabilities	**246**	**246**	**246**	**246**

Note 26 Borrowings

	Group		Trust	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	£000	£000	£000	£000
Current				
Loans from DHSC *	-	107,958	-	107,958
Obligations under finance leases	624	858	624	857
Obligations under PFI, LIFT or other service concession contracts (excl. lifecycle)	2,637	2,367	2,637	2,367
Total current borrowings	**3,261**	**111,183**	**3,261**	**111,182**
Non-current				
Obligations under finance leases	4,713	408	4,713	408
Obligations under PFI, LIFT or other service concession contracts	46,614	49,252	46,614	49,252
Total non-current borrowings	**51,327**	**49,660**	**51,327**	**49,660**

* Existing loans of £107m were converted into PDC under new DHSC funding arrangements.

Note 26.1 Reconciliation of liabilities arising from financing activities (Group)

Group - 2020/21	Loans from DHSC	Finance leases	PFI and LIFT schemes*	Total
	£000	£000	£000	£000
Carrying value at 1 April 2020	**107,958**	**1,266**	**51,619**	**160,843**
Cash movements:				
Financing cash flows - payments and receipts of principal	(107,763)	(1,057)	(2,367)	**(111,187)**
Financing cash flows - payments of interest	(195)	(159)	(6,558)	**(6,912)**
Non-cash movements:				
Additions	-	5,128	-	**5,128**
Application of effective interest rate	-	159	6,557	**6,716**
Carrying value at 31 March 2021	**-**	**5,337**	**49,251**	**54,588**

*Please refer to Note 32

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**

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 2020	**66**	**976**	**254**	**650**	**980**	**2,926**
Change in the discount rate	**-**	**-**	**-**	**-**	**-**	**-**
Arising during the year	**-**	**-**	**-**	**2,175**	**-**	**2,175**
Utilised during the year	(27)	(93)	(8)	-	-	**(128)**
Reversed unused	**-**	**-**	**-**	**-**	**(180)**	**(180)**
Unwinding of discount	**-**	**0**	**-**	**-**	**-**	**0**
At 31 March 2021	**39**	**883**	**246**	**2,825**	**800**	**4,793**
Expected timing of cash flows:						
- not later than one year;	7	144	246	2,825	**800**	**4,022**
- later than one year and not later than five years;	-	-	-	-	**-**	**-**
- later than five years.	32	739	-	-	**-**	**771**
Total	**39**	**883**	**246**	**2,825**	**800**	**4,793**

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 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
Gross lease liabilities	**6,258**	**1,460**	**6,258**	**1,459**
of which liabilities are due:				
- not later than one year;	777	973	777	972
- later than one year and not later than five years;	2,334	487	2,334	487
- later than five years.	3,147	-	3,147	-
Finance charges allocated to future periods	(921)	(194)	(921)	(194)
Net lease liabilities	**5,337**	**1,266**	**5,337**	**1,265**
of which payable:				
- not later than one year;	624	858	624	857
- later than one year and not later than five years;	1,744	408	1,744	408
- later than five years.	2,969	-	2,969	-

Note 29 Clinical negligence liabilities

At 31 March 2021, £124,924k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Buckinghamshire Healthcare NHS Trust (31 March 2020: £106,786k).

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 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
Value of contingent liabilities				
NHS Resolution legal claims	0	(20)	-	(20)
Gross value of contingent liabilities	**0**	**(20)**	**-**	**(20)**
Net value of contingent liabilities	**0**	**(20)**	**-**	**(20)**

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 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
Property, plant and equipment	11,269	2,642	11,269	2,642
Total	**11,269**	**2,642**	**11,269**	**2,642**

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 2021	31 March 2020	31 March 2021	31 March 2020
	£000	£000	£000	£000
Gross PFI, LIFT or other service concession liabilities	**144,869**	**151,391**	**144,869**	**151,391**
Of which liabilities are due				
- not later than one year;	8,987	10,565	8,987	10,565
- later than one year and not later than five years;	45,763	44,975	45,763	44,975
- later than five years.	90,119	95,851	90,119	95,851
Finance charges allocated to future periods	(95,618)	(99,772)	(95,618)	(99,772)
Net PFI, LIFT or other service concession arrangement obligation*	**49,251**	**51,619**	**49,251**	**51,619**
- not later than one year;	2,637	2,367	2,637	2,367
- later than one year and not later than five years;	13,831	12,496	13,831	12,496
- later than five years.	32,783	36,756	32,783	36,756

*Please refer to Note 26.1

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 2021	31 March 2020	31 March 2021	31 March 2020
	£000	£000	£000	£000
Total future payments committed in respect of the PFI, LIFT or other service concession arrangements	**623,052**	**632,017**	**623,052**	**632,017**
Of which payments are due:				
- not later than one year;	41,723	38,021	41,723	38,021
- later than one year and not later than five years;	177,585	161,840	177,585	161,840
- later than five years.	403,744	432,156	403,744	432,156

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	
	2020/21	2019/20	2020/21	2019/20
	£000	£000	£000	£000
Unitary payment paid to service concession operator	**48,564**	**41,630**	**48,564**	**41,630**
Consisting of:				
- Interest charge	6,557	6,322	6,557	6,322
- Repayment of balance sheet obligation	2,367	2,368	2,367	2,368
- Service element and other charges to operating expenditure	29,987	26,051	29,987	26,051
- Capital lifecycle maintenance	5,869	3,384	5,869	3,384
- Contingent rent	2,056	1,910	2,056	1,910
- Addition to lifecycle prepayment *	1,728	1,595	1,728	1,595
Total amount paid to service concession operator	**48,564**	**41,630**	**48,564**	**41,630**

* 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

Following conversion of existing DHSC loans in to PDC, the interest relates to finance leases and PFI, are higher than the Treasury rate, the interest rate for the PFI is pre-set, the Trust therefore has little exposure to interest rate fluctuations.

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 2021 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.

Classification and measurement

Certain financial assets after initial recognition at fair value are subsequently measured either at amortised cost, whereas other financial assets are subsequently valued at fair value through income and expenditure.

Financial liabilities after initial recognition at fair value are subsequently measured at amortised cost.

Financial assets measured at fair value through other comprehensive income

Financial assets for charitable fund investments is measured at fair value through other comprehensive income where business model objectives are met by both collecting contractual cash flows and selling financial assets and where the cash flows are solely payments of principal and interest. Movements in the fair value of financial assets in this category are recognised as gains or losses in other comprehensive income except for impairment losses. On derecognition, cumulative gains and losses previously recognised in other comprehensive income are reclassified from equity to income and expenditure, except where the Trust elected to measure an equity instrument in this category on initial recognition.

Note 34 Carrying values of financial assets (Group)

Carrying values of financial assets as at 31 March 2021	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	17,203	-	-	**17,203**
Cash and cash equivalents	73,820	-	-	**73,820**
Consolidated NHS Charitable fund financial assets*	1,351	8,406	-	**9,757**
Total at 31 March 2021	**92,374**	**8,406**	**-**	**100,780**

Carrying values of financial assets as at 31 March 2020	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	17,929	-	-	**17,929**
Cash and cash equivalents	8,799	-	-	**8,799**
Consolidated NHS Charitable fund financial assets	977	7,072	-	**8,049**
Total at 31 March 2020	**27,705**	**7,072**	**-**	**34,777**

* Previously the investments element of the consolidated NHS Charitable fund financial assets was disclosed under held at fair value through OCI.

Note 35 Carrying values of financial liabilities (Group)

Carrying values of financial liabilities as at 31 March 2021	Held at amortised cost	Held at fair value through I&E	Total book value
	£000	£000	£000
Obligations under finance leases	5,337	-	**5,337**
Obligations under PFI, LIFT and other service concessions	49,251	-	**49,251**
Trade and other payables excluding non financial liabilities - DHSC Group	5,190	-	**5,190**
Trade and other payables excluding non financial liabilities - Other bodies	74,457	-	**74,457**
IAS37 Provisions under contract	247	-	**247**
Total at 31 March 2021	**134,482**	**-**	**134,482**

Carrying values of financial liabilities as at 31 March 2020	Held at amortised cost	Held at fair value through I&E	Total book value
	£000	£000	£000
Loans from the Department of Health and Social Care	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 - DHSC Group	2,583	-	**2,583**
Trade and other payables excluding non financial liabilities - Other bodies	25,155	-	**25,155**
IAS37 Provisions under contract	1,476	-	**1,476**
Total at 31 March 2020	**190,057**	**-**	**190,057**

Note 36 Maturity of financial liabilities

	Group		Trust	
	31 March 2021 £000	31 March 2020 restated* £000	31 March 2021 £000	31 March 2020 restated* £000
In one year or less	90,583	149,268	90,583	149,268
In more than one year but not more than five years	48,097	45,895	48,097	45,895
In more than five years	93,266	96,309	93,266	96,309
Total	**231,946**	**291,472**	**231,946**	**291,472**

* Previously the analysis was validated against book values, However, IFRS7 requires the analysis be based undiscounted future contractual cash flows (gross liabilities including future finance charges). The comparatives have therefore been restated on an undiscounted basis.

Note 37 Losses and special payments

	2020/21		2019/20	
Group and trust	**Total number of cases Number**	**Total value of cases £000**	**Total number of cases Number**	**Total value of cases £000**
Losses				
Bad debts and claims abandoned *	66	16	121	314
Stores losses and damage to property **	1	354	1	356
Total losses	**67**	**370**	**122**	**670**
Special payments				
Compensation under court order or legally binding arbitration award	7	2	2	1
Ex-gratia payments	-	-	20	6
Extra-statutory and extra-regulatory payments	-	-	1	1
Total special payments	**7**	**2**	**23**	**8**
Total losses and special payments	**74**	**372**	**145**	**678**
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 £354k (2019/20 £356k) for Drugs due to expiries and temperature excursions

Note 38 Related parties

Under the Requirements of IAS 24 (Related Party Disclosures), the Trust has disclosed as a related party where key management services have been provided by another entity. For the purpose of IAS 24 the related party will be the chair, chief executive, or members of the board of directors as named in the directors and members report.

During the year, with the exception of one director's family member disclosed below, none of the Department of Health & Social Care 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 a Trust board executive director through a close family member, this family member is not a related party under IAS 24. The Trust board member has no control nor joint control of the entities below:

	2020/21 Expenditure £000
Fed Bucks Ltd	6,279
Marlow Medical Group	36

The Department of Health & Social Care 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 DHSC is regarded as the parent body:

Buckinghamshire Clinical Commissioning Group
Herts Valleys Clinical Commissioning Group
Bedfordshire Clinical Commissioning Group
NHS England
NHS Resolution
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. The significant 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.

The Trust Board is Corporate Trustee of the Buckinghamshire Healthcare NHS Trust Chartable Fund (Registered charity no 1053113), some of the members of the Trust Board are also members of the Charitable Fund committee. The total value of contributions to the Trust was £1,053k (£1,682k 2019/20).The financial statements of the Group consolidate the financial statements of charitable fund. The Charities operating income was £897k (£780k 2019/20), expenditure of £1,053k (£1,682k 2019/20), investment income of £183k (£263k 2019/20), net income/expenditure gain £27k (loss £642k 2019/20).

Some of the members of the Trust board are directors of Buckinghamshire Healthcare Projects Ltd (BHPL). BHPL is a wholly owned subsidiary of the Trust, considered to be under common control. The financial statements of the Group consolidate the BHPL financial statements, and the amounts owed by BHPL to Group undertaking at year end amounts to £247k (£0 2019/20) . The BHPL turnover was £5,258k of which £5,087k is with the Trust (£4,309k 2019/20 of which £4,214k is with the Trust), cost of sales £4,370k of which £1,010k is with the Trust (£3,574k 2019/20 of which £1,147k is with the trust), admin expenses £744k (£519k 2019/20), tax on profit is £25k (£45k 2019/20) and profit for year is £118k (£172k 2019/20).

For transparency, it should be noted that one of the Trust board members was a trustee of Scannappeal which is a Charity linked to the Trust within the reporting period. Scannappeal has assisted the Trust with the purchase of medical and other equipment.

Note 40 Better Payment Practice code

	2020/21 Number	2020/21 £000	2019/20 Number	2019/20 £000
Non-NHS Payables				
Total non-NHS trade invoices paid in the year	62,830	274,976	81,456	245,121
Total non-NHS trade invoices paid within target	36,560	212,504	65,509	224,000
Percentage of non-NHS trade invoices paid within target	58.2%	77.3%	80.4%	91.4%
NHS Payables				
Total NHS trade invoices paid in the year	2,613	48,291	4,156	37,015
Total NHS trade invoices paid within target	1,366	29,397	1,658	30,180
Percentage of NHS trade invoices paid within target	52.3%	60.9%	39.9%	81.5%

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

	2020/21 £000	2019/20 £000
Cash flow financing	(15,852)	28,609
External financing requirement	**(15,852)**	**28,609**
External financing limit (EFL)	77,161	34,826
Under / (over) spend against EFL	**93,013**	**6,217**

Note 42 Capital Resource Limit

	2020/21 £000	2019/20 £000
Gross capital expenditure	73,218	19,026
Less: Disposals	(9)	(69)
Less: Donated and granted capital additions	(3,249)	(2,027)
Charge against Capital Resource Limit	**69,960**	**16,930**
Capital Resource Limit	69,960	16,930
Under / (over) spend against CRL	**-**	**-**

Note 43 Breakeven duty financial performance

	2020/21 £000
Adjusted financial performance surplus / (deficit) (control total basis)	5,084
Breakeven duty financial performance surplus / (deficit)	**5,084**

Note 43.1 Adjusted financial performance (control total basis):	Group		Trust	
	2020/21 £000	2019/20 £000	2020/21 £000	2019/20 £000
Surplus / (deficit) for the period	(13,653)	(29,992)	(15,160)	(29,346)
Remove impact of consolidating NHS charitable fund	(1,387)	817	-	-
Remove net impairments not scoring to the Departmental expenditure limit	22,099	1,418	22,099	1,418
Remove I&E impact of capital grants and donations	(1,463)	(578)	(1,462)	(578)
Remove 2018/19 post audit PSF reallocation (2019/20 only)	-	(494)	-	(494)
Remove net impact of DHSC centrally procured inventories	(512)	-	(512)	-
Adjusted financial performance surplus / (deficit)	**5,084**	**(28,829)**	**4,966**	**(29,000)**

Note 44 Breakeven duty rolling assessment

	1997/98 to 2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
	£000	£000	£000	£000	£000	£000	£000
Breakeven duty in-year financial performance		146	1,026	2,848	299	320	(7,446)
Breakeven duty cumulative position	(3,955)	(3,809)	(2,783)	65	364	684	(6,762)
Operating income		294,906	345,367	340,397	350,921	359,449	369,844
Cumulative breakeven position as a percentage of operating income		(1.3%)	(0.8%)	0.0%	0.1%	0.2%	(1.8%)
In-year change in breakeven percentage of operating income		0.0%	0.3%	0.8%	0.1%	0.1%	(2.0%)

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000	£000	£001
Breakeven duty in-year financial performance	(10,867)	(1,759)	(2,891)	(31,647)	(28,335)	5,084
Breakeven duty cumulative position	(17,629)	(19,388)	(22,279)	(53,926)	(82,261)	(77,177)
Operating income	370,225	391,843	412,591	417,506	454,004	545,095
Cumulative breakeven position as a percentage of operating income	(4.8%)	(4.9%)	(5.4%)	(12.9%)	(18.1%)	(14.2%)
In-year change in breakeven percentage of operating income	(2.9%)	(0.4%)	(0.7%)	(7.6%)	(6.2%)	0.9%

Note: The above table reflects the performance of Buckinghamshire Healthcare NHS Trust and its predecessor Trusts.

2019/20 the Trust agreed and delivered a deficit with the regulator of £29m, the Trusts financial position needs to be viewed in the context of the nationally stressed acute provider sector.

2018/19 the Trust deficit of £29m against a planned surplus of £10m, deficit was driven largely by non-receipt of PSF £12m, CIP not achieved of £12m, income shortfall of £9m, the balance being underlying expenditure pressures.

2017/18 the planned surplus of £6.5m was not achieved, Trust deficit of £3m before technical adjustments, was driven by non-receipt of STF £6m, CIP underachieved ££4.5m.

2016/17 a planned surplus of £5.3m was set including £9.4m STF. Due to additional pressures a deficit of £1.8m was agreed with NHSI, and the Trust delivered against this.

2015/16 a planned surplus of £5.5m was set. Due to additional pressures a deficit of £9.4m was agreed with NHSI, although the Trust delivered a deficit of £10.9m.

2014/15 a planned surplus of £0.2m was set, although the Trust delivered a deficit of £3m before technical adjustments, caused mainly by shortfall of efficiency savings achieved. The Trust should plan to achieve a 1% saving each year of broadly £3.6m. although TDA agreed that a breakeven target was more appropriate.

Independent auditor's report to the Directors of Buckinghamshire Healthcare NHS Trust

Report on the Audit of the Financial Statements

Opinion on financial statements

We have audited the financial statements of Buckinghamshire Healthcare NHS Trust (the 'Trust') and its subsidies (the 'group') for the year ended 31 March 2021, which comprise the Consolidated Statement of Comprehensive Income, the Statements of Financial Position, the Consolidated Statement of Changes in Equity, the Statements 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 accounting standards in conformity with the requirements of the Accounts Directions issued under Schedule 15 of the National Health Service Act 2006, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2020 to 2021.

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 2021 and of the group's expenditure and income and the Trust's expenditure and income for the year then ended;
- have been properly prepared in accordance with international accounting standards as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2020 to 2021; 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, as required by the Code of Audit Practice (2020) ("the Code of Audit Practice") approved by the Comptroller and Auditor General. 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.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or the Trust to cease to continue as a going concern.

In our evaluation of the Directors' conclusions, and in accordance with the expectation set out within the Department of Health and Social Care Group Accounting Manual 2020 to 2021 that the group and Trust's financial statements shall be prepared on a going concern basis, we considered the inherent risks associated with the continuation of services provided by the group and Trust. In doing so we had regard to the guidance provided in Practice Note 10 Audit of financial statements and regularity of public sector bodies in the United Kingdom (Revised 2020) on the application of ISA (UK) 570 Going Concern to public sector entities. We assessed the reasonableness of the basis of preparation used by the group and Trust and the group and Trust's disclosures over the going concern period.

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

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

The responsibilities of the Directors with respect to going concern are described in the 'Responsibilities of the Directors and Those Charged with Governance for the financial statements' section of this report.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of 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 2020 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, based on the work undertaken in the course of the audit:

- the parts of the Remuneration and Staff Report to be audited have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Accounts Directions issued under Schedule 15 of the National Health Service Act 2006, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2020 to 2021; and
- based on the work undertaken in the course of the audit of the financial statements and our knowledge of the Trust, 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 5 June 2020 we referred a matter to the Secretary of State 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

As explained in the Statement of directors' responsibilities in respect of the accounts, 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 services to another public sector entity.

The Audit Committee is Those Charged with Governance. Those Charged with Governance are responsible for overseeing the group and 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and Trust and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (international accounting standards and the National Health Service Act 2006, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2020 to 2021).
- We enquired of management and the Audit Committee, concerning the group and Trust's policies and procedures relating to:
  - the identification, evaluation and compliance with laws and regulations;
  - the detection and response to the risks of fraud; and
  - the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- We enquired of management, internal audit and the Audit Committee, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We assessed the susceptibility of the group and Trust's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls, risk of judgements derived by management with high estimation uncertainty and other fraud risks including fraudulent recognition of revenue and incompleteness of expenditure and associated liabilities. We determined that the principal risks were in relation to:
  - management override of controls, and in particular journal entries with characteristics we identified as high or elevated risk
  - improper revenue recognition
  - significant accounting estimates related to the valuation of the Trust's land and buildings
  - improper expenditure recognition, in particular, the completeness of operating expenditure and associated creditor balances
  - improper recognition of payable balances
  - the risk of material error in the accuracy and presentation of the PFI liability and associated disclosures
- Our audit procedures involved:
  - identifying and testing unusual journals made during the year and the accounts production stage for appropriateness and corroboration;
  - challenging assumptions and judgements made by management in its significant accounting estimates in respect of property, plant and equipment valuations, year end activity, and the existence, accuracy and completeness of receivables, payables, provisions and deferred income;
  - evaluating the rationale for any changes in accounting policies, estimates or significant unusual transactions;
  - testing, on a sample basis, non block contract income and year end receivables to agreements, invoices or other supporting evidence such as correspondence from commissioners;
  - testing, on a sample basis, income and year end receivables from other operating revenue to invoices and cash payment or other supporting evidence;
  - challenging the information and assumptions used by the valuer to assess completeness and consistency with our understanding;
  - searching for unrecorded liabilities by performing a substantive sample test of invoices input on to the accounts payable system post period end and reviewing cash payments post period end;
  - reviewing the Trust's PFI models and assumptions contained therein; and
  - challenging management on accruals where the goods / service do not appear to have been received in the year and where no third party invoice or payment has been made.

- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. However, detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as those irregularities that result from fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- The team communications in respect of potential non-compliance with relevant laws and regulations included the breach of the Trust's break-even duty for the three-year period ending 31 March 2021, the potential for fraud in revenue and expenditure recognition, and the significant accounting estimates related to the valuations of the Trust's land and buildings and the PFI.
- Assessment of the appropriateness of the collective competence and capabilities of the group and Trust's engagement team included consideration of the engagement team's:
  - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
  - knowledge of the health sector and economy in which the group and Trust operates
  - understanding of the legal and regulatory requirements specific to the group and Trust including:
    - the provisions of the applicable legislation
    - NHS Improvement's rules and related guidance
    - the applicable statutory provisions.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
  - The group and Trust's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, financial statement consolidation processes, expected financial statement disclosures and business risks that may result in risks of material misstatement.
  - the group and Trust's control environment, including the policies and procedures implemented by the group and Trust to ensure compliance with the requirements of the financial reporting framework.

Report on other legal and regulatory requirements – the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception – the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2021.

Our work on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources is not yet complete. The outcome of our work will be reported in our commentary on the Trust's arrangements in our Auditor's Annual Report. If we identify any significant weaknesses in these arrangements, these will be reported by exception in our Audit Completion Certificate. We are satisfied that this work does not have a material effect on our opinion on the financial statements for the year ended 31 March 2021.

Responsibilities of the Accountable Officer

As explained in the Statement of the Chief Executive's responsibilities as the Accountable Officer of the Trust, the Chief Executive, as 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(3)(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. 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 undertake our review in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in April 2021. This guidance sets out the arrangements that fall within the scope of 'proper arrangements'. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

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

We document our understanding of the arrangements the Trust has in place for each of these three specified reporting criteria, gathering sufficient evidence to support our risk assessment and commentary in our Auditor's Annual Report. In undertaking our work, we consider whether there is evidence to suggest that there are significant weaknesses in arrangements.

Report on other legal and regulatory requirements – Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate for Buckinghamshire Healthcare NHS Trust for the year ended 31 March 2021 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice until we have completed our work on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources and have completed the work necessary to issue our Whole of Government Accounts (WGA) Component Assurance statement for the Trust for the year ended 31 March 2021. We are satisfied that this work does not have a material effect on the financial statements for the year ended 31 March 2021.

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

12 July 2021

Independent auditor's report to the Directors of Buckinghamshire Healthcare NHS Trust

In our auditor's report issued on 12 July 2021, we explained that we could not formally conclude the audit and issue an audit certificate for the Trust for the year ended 31 March 2021, in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice, until we had completed our work on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources.

We have now completed this work, and the results of our work are set out below.

Opinion on the financial statements

In our auditor's report for the year ended 31 March 2021 issued on 12 July 2021 we reported that, in our opinion, the financial statements:

- give a true and fair view of the financial position of the Trust as at 31 March 2021 and of its expenditure and income for the year then ended;
- have been properly prepared in accordance with international accounting standards as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2020 to 2021; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006.

No matters have come to our attention since that date that would have a material impact on the financial statements on which we gave this opinion.

Report on other legal and regulatory requirements - the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception – the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2021.

We have nothing to report in respect of the above matter.

Responsibilities of the Accountable Officer

The Chief Executive, as 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(3)(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. 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 issued by the Comptroller and Auditor General in April 2021. This guidance sets out the arrangements that fall within the scope of 'proper arrangements'. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

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

We have documented our understanding of the arrangements the Trust has in place for each of these three specified reporting criteria, gathering sufficient evidence to support our risk assessment and commentary in our Auditor's Annual Report. In undertaking our work, we have considered whether there is evidence to suggest that there are significant weaknesses in arrangements.

Report on other legal and regulatory requirements – Audit certificate

We certify that we have completed the audit of Buckinghamshire Healthcare NHS Trust for the year ended 31 March 2021 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

20 September 2021