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NHS Foundation Trust

Humber Teaching NHS Foundation Trust Annual Report and Accounts 2020/21

Caring, Learning
& Growing Together

Humber Teaching
NHS Foundation Trust

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Annual Report and Accounts 2020/21

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

Contents

Please note that some of the pictures included in this Annual Report were taken pre-covid restrictions.

Welcome from Chair and Chief Executive

Chair and Chief Executive's foreword

It is our pleasure to introduce our Annual Report and Accounts for 2020-2021. This report looks back over the year and shares what we achieved during a difficult but also successful year for our Trust.

It's been a unique and challenging 12 months as we worked during unprecedented circumstances to continue to deliver excellent care against the backdrop of a global pandemic. Our continued ability to deliver some truly extraordinary work is testament to adaptability, resilience and dedication of our teams who strive for excellence every day as they deliver care to the communities we serve.

One of our major achievements was working together to keep our patients and staff safe whilst continuing to deliver services in new and innovative ways. Through forward thinking and supportive internal communications we kept infection rates in our inpatient areas and staff absence at low levels and reached out across our wide geography to share effective infection, prevention and control practices and in addition supported our staff with a range of mental health and wellbeing initiatives to support our staff too.

We were pleased to see our focus on support for our staff reflected in the results of the annual NHS staff survey. We saw an improvement over all of our ten key themes and significant improvement against 68% of questions answered compared to 2019. We also continue to see improvements to scores linked to our work on the Workforce Race Equality Standard (WRES) and Workforce Disability Equality Standard (WDES) helping meet our vision of being a fully inclusive workplace.

We also supported staff through our role as a Hospital Hub successfully delivering a COVID-19 vaccination programme to over 20,000 of our own staff and staff health and social care colleagues from across the region.

The planning and delivery of the programme, led by Senior Responsible Officer and Trust Executive Medical Director, who also led the Trust's Lateral Flow Testing Programme, was a true team effort.

From the Estates team who transformed the Lecture Theatre into a vaccine centre, to clinical systems that made online booking quick and easy for staff, communications who ensured staff had all the information they needed to book an appointment and Occupational Health who shared their specialist knowledge of delivering effective vaccination programmes. The role of the Pharmacy team, led by our Chief Pharmacist was crucial to deal with this vaccine. The team supported the vaccination of Trust staff and health and social staff from across the region and patients of the Harthill Primary Care Network.

The programme included the conversion of our Lecture Theatre into a state of the art vaccine centre which allowed us to play a key role in local vaccination delivery as a Hospital Hub. Planning and delivery of the vaccine required storage in a specialist freezer and careful and precise preparation into individual doses. Our Volunteers played an integral part in the delivery of the programme from guiding staff and the public into our Trust HQ site, managing queues and asking screening questions.

Feedback for the vaccination centre, vaccinators, support staff and volunteers was fantastic with comments on the efficiency, professionalism and kindness of our teams.

The pandemic resulted in different ways of working for our staff and partners including the Care Quality Commission (CQC). The inspection regime was replaced with a Transitional Monitoring Approach (TMA) which we were 'assessed' against in January by receiving positive feedback on the 23 Key Lines of Enquiry (KLOE) including partnership working, safeguarding and inpatient and carers. There is still work to do around equality and diversity and the CQC recognised the work that is ongoing. It was possible to defer the meeting due to our Good rating; however we saw this as a positive opportunity to review the work that has been done since the last inspection. Although no formal report is produced following a TMA meeting the positive feedback from the CQC, at a time when teams and staff have been working during a pandemic demonstrates the continued commitment to our teams who remain focused on building on our successes and working to our goals.

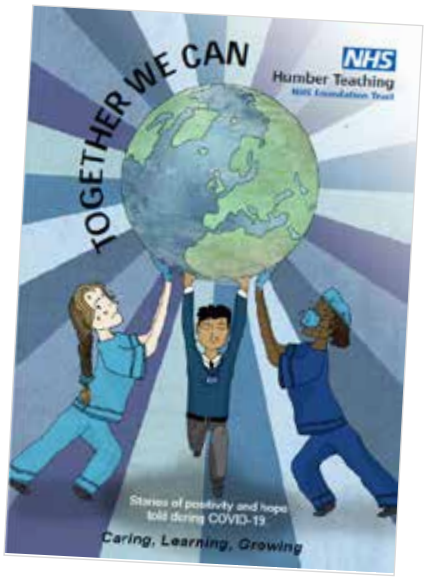
Whilst this year is one that many of us will look back on as one of the most challenging for the NHS it is a pleasure to look at how many achievements we have continued to make. Through the outstanding efforts of our corporate and clinical services we have made ourselves as resilient as possible to the impact of the pandemic.

Many of these stories are showcased in a booked published in October 2020 with our Trust charity, Health Stars. 'Together We Can' was created by staff, service users and relatives during the first wave of the pandemic and tells the story of the past year at our Trust through photographs, poems and artwork. The book is being relaunched in April 2021 with a new set of stories from the second wave.

We continued the momentum gained from a successful 2019/20 with key projects continuing to develop and grow. Last year we opened 'Inspire' our new multi-million pound Children's and Adolescent Mental Health (CAMHS) inpatient unit which marked a national step-change in CAMHS delivery as a service that was shaped with young people at its heart. Following a staged opening, this year we have continued to open further beds and provide services to more children across the region.

Our community mental health transformation continued following last year's successful bid to be part of the Wave 1 of Transformation Funding. The proposal, which develop a mental health offer that bridges Primary Care and Secondary Care identified new roles and new ways of working to reduce barriers between different organisations, teams and workers. The new model was coproduced with individuals who have Lived Experience and was praised by the regional and national team as being amongst the strongest they received.

"Yesterday I attended for my Covid Vaccination at the Humber vaccination Centre. I really wanted to give some feedback on the excellent service they are providing. All staff/volunteers at each step of the journey every person were friendly & welcoming, informative and professional – from the meet & greet to the waiting area following the vaccination every staff/volunteer."



In 2021 we acquired our eighth GP Practice, Practice 2 in Bridlington, supporting our strategy for the delivery of resilient Primary Care at scale in Bridlington. This acquisition means we are now the largest Primary Care partner catering for over 50% of the Bridlington enabling us to support the Primary Care Network to become a local system leader for Bridlington supporting change and development within the Town.

In our Chief Executive's role as Senior Responsible Officer for the Mental Health, Learning Disabilities and Autism Collaborative for our Integrated Care System we are pleased to share success from across the Humber, Coast and Vale (HCV) that contribute to the health and wellbeing of services and there is much to celebrate. The collaborative was chosen as a national pilot for maternal mental health services, a resilience hub provided intensive support to colleagues working in health and social care who have been affected psychologically during the pandemic and a bereavement support service to those affected by the loss of a loved one through suicide. There were challenges too with increased demand for services for children and young people, physical health checks and annual health checks for people with a learning disabilities and there will be a continued focus on these and other areas to progress integrated care in the region.

We continue to hear from our staff and patients at board meetings so that through their stories we can understand the impact of the year first hand and ensure that their experiences are at the heart of our decision making. Everything we have achieved in the last year is testament to the hard work and dedication of our staff and the patients and carers who work with us to continuously improve the quality of services.

Our fight against COVID-19 is not over and it will continue to impact our Trust over the coming months and years. However our challenges can also help us focus on our strengths and we are confident that together we will continue to grow as a Trust to deliver our strategic priorities including the highest levels of patient care.

Sharon Mays
Chair

Michele Moran
Chief Executive

"The planning and preparation for the huge volume of vaccines to be delivered over a short space of time in a safe and organised was absolutely brilliant."

"From the very start, the support, guidance, information, reassurance has been clear and informative in so many ways. The information we received within our MS teams training/ sessions and intranet were superb. So clear, straight forward and well communicated."

Performance Report

Overview of Performance

A statement from the Chief Executive

It is a pleasure to write this introduction and to reflect on a year that whilst it has had its challenges has had some highlights too. Looking back allows us take a moment to appreciate and look back on our journey acknowledging what went well and what we must continue to focus on if we are to achieve our vision.

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

There are reasons to celebrate and things to be proud of, none of which would be possible without the hard work of our staff whose dedication and commitment I continue to be inspired by each day. This year more than ever we have seen what amazing things can be done when we come together across our professions, specialities and experiences to reach our goals. That is what 'Humbelievable' means to me and I want to take a moment to thank all of our staff, volunteers, governors, students and board for their support.

Our Quality Account that is attached to our annual report showcases many examples of quality improvements achieved across all of our services during 2020/21. The report provides stories direct from service users and carers and outlines in detail progress in relation to quality priorities that we set and achieved last year, and those that we have set ourselves to achieve in the year ahead which have been agreed with our patients, carers, staff and stakeholders. A summary of our quality priorities for the year ahead are summarised on page 118 below. While we are incredibly proud of this year's achievements, we aim to continue on our journey to be recognised as a Trust that continuously works to improve and deliver outstanding services to the communities we serve.

One of the key ways that we can support our people is by listening to what they say and acting on their feedback. The results of the national NHS Staff Survey were published in March and we were delighted to see an improvement over all of our ten key themes and significant improvement against 68% of questions answered compared to 2019.

Our 77 areas of strength included:

We continue to see improvements to scores linked to our work on the Workforce Race Equality Standard (WRES) and Workforce Disability Equality Standard (WDES) helping meet our vision of being a fully inclusive workplace.

The results also help us to identify areas of focus for the next year. We will work with our teams to understand these results and develop plans to continue to build on improvements that have already been made.

Last year one of our areas of focus was recruitment and we are pleased to see that efforts in this area have resulted in an additional 12% of our team believing that there is enough staff to be able to do their jobs properly.

In August we launched our Trust recruitment marketing campaign, Humbelievable. Developed in partnership with staff from across our services, it shines a light on what makes our Trust special and unique. With over 20,000 visitors since its launch our website, join.humber.nhs.uk, has drawn potential applicants from across the UK and beyond to learn more about the Trust and what we offer as an employer and to apply for live jobs.

We were also pleased to announce in October that we had joined forces with Hull University Teaching Hospitals Trust, Hull City Council, Humberside Fire and Rescue, Humberside Police and East Riding of Yorkshire Council for a national campaign to support recruitment to the health and care workforce in Hull and East Yorkshire. Under the banner, East Yorkshire: 'the secret's out', the new campaign seeks to attract more people to vital roles in Hull and East Yorkshire from around the country and beyond. In January our Trust was the focus of this national campaign with our Community Mental Health Teams showcasing where they live to promote roles in this exciting new service.

It was also a year of embracing digital technology and new ways to deliver care, services, support and reach out to our communities and stakeholders. Digital transformation continued this year and with our Medical Director as Senior Responsible Officer for the Yorkshire and Humber Care Record programme - a programme we host on behalf of the Yorkshire and Humber region we were able to drive developments across the region.

Along with other teams, the work of our research teams became more virtual and took on a COVID focus. In November our Annual Research Conference took place online for the first time. Over 300 health experts, clinicians, academic and research participants attended the fourth annual 'Developing a City of Research' conference. The two day event shone a light on our contribution to local, national and international research including primary care, new mental health and dementia interventions, the innovative use of telemedicine in addictions and research to encourage retention of nurses, as well as hearing directly from people living with health conditions about the impact research has had on their lives.

The team continued to promote participation and involvement in research including a number of COVID studies including a global study into the psychological impact of coronavirus where the Trust was one of the top ten recruiting sites in the UK.

"I'd like to thank Humber Teaching NHS Foundation Trust and their fantastic Research and Development team. You did a fantastic job and the results we have found would not be possible without your commitment to our cause."

Prof Shanaya Rathod, Consultant Psychiatrist and Director of Research, at Southern Health NHS Foundation Trust.

We continue to focus on delivering the goals of our refreshed strategic objectives for 2019-2022. Alongside these we launched our 'Together We Can' principles for recovery and restoration which will guide us as we begin the process of restoration and recovery as well as outline how we will continue to support new ways of working as we move forwards together.

This year has been a year like no other, not only affecting the way in which we operate as an organisation but also placing unprecedented pressure and uncertainty on our staff. We have seen a significant increase in demand for our services and complexity in patient needs, yet our clinical teams have worked tirelessly to maintain services, embracing new ways to deliver care whilst continuing to provide exceptional services to our population.

Our corporate support services have reviewed our governance structures and worked hard to ensure that clinical teams have what they need to continue delivering care. Across the organisation, teams have worked to ensure that staff have what they need to protect their own health and wellbeing.

Our Patient and Carer Experience (PACE) team's commitment to patient, service user and carer involvement has been vital in maintaining a connection to the experiences of those receiving our care during this challenging year. The team worked quickly to launch virtual versions of their established forums and we have been delighted to see increased attendance over the year. They have proved vital in continuing to give our patients, service users, carers and staff a voice and as a way to nurture our relationships and partnerships with third sector, public sector, commissioners and hard to reach groups.

Despite our success, there have been challenges too. Our Paediatric Autism Assessment service referrals have increased significantly in recent years in line with national trends. We recognise the significance of the size of the waiting list and its potential impact on children and young people and their families is and addressing it is one of our highest priorities. The pandemic meant that we had to restrict the number of face to face assessments within our Memory Assessment services which has led to a waiting list. In response the service reviewed the patient pathway and have introduced a Triage to Assess model to improve the efficiency of the pathway. This approach has been agreed with Commissioners and the Key Performance Indicator (KPI) adjusted to take account of the changes.

One of our biggest challenges in line with NHS Trusts across the country is the challenge of nurse recruitment in the context of a national shortage of nurses. We are seeing benefit from our focused approach to address this from our dedicated 'Humbelievable' marketing campaign to a dedicated Nurse Recruitment Lead and new recruitment systems which all support recruitment and retention to ensure our services continue to be safely staffed.

We have, however, maintained a sustainable business capable of meeting all of these challenges and more besides. We have delivered recurrent cost savings of approximately £2.2m and have met our NHS Improvement Target. Our cash position has also improved.

Our Friends and Family Test results show that 95.3% of respondents find our staff friendly and helpful, 94.3% believe they receive sufficient information, and almost 96.9% feel they are involved as much as they want to be in their care. The targets for all three categories are 90% and we have significantly overachieved in these areas.

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

Our book, Together We Can, which we produced to capture stories of experiences of the workings at our Trust during the pandemic included positive stories from staff;

“Human needs change in times like these. It’s important we pull on our creative and innovative ideas to continue to provide the highest standard of care, no matter the weather.”

Rebecca Dunning, Psychology Assistant, Maister Lodge

“On his befriending days he is much lighter; feeling animated, bubbly and full of life. He feels like he is making a real difference.”

Family member

Our Highlights

Performance

- In January 2021 our Market Weighton Practice won a prestigious General Practice Award for Clinical Improvements: Chronic Conditions, for its work around improving care for patients with a diagnosis of Chronic Heart Failure. The team created a bespoke primary heart failure clinic and bespoke clinical templates that helped highlight to clinicians the best way to manage patients and ensure continuity of care from all clinicians.

"I am delighted that the practice was recognised for this important work. I'm very proud of the team who have worked very hard, despite the challenging environment of the NHS at present."

Amanda Goode, Project Clinical Lead, CVD lead (Harthill PCN) and Advanced Nurse Practitioner, Market Weighton Practice

Enhancing Our Environments

- The £13.1m project renovation of Whitby Community Hospital began in May 2020. The work to the hospital, which is owned by NHS Property Services with the Trust as lead tenant, included the stripping and reconstruction of the internals of the tower block to create new hospital areas for house dental and podiatry services, inpatient facilities, including those for mental health, an audiology suite and a cafe on the ground floor. Our Trust charity, Health Stars launched the Whitby Hospital Appeal which aims to raise £200,000 to add the extra sparkle to the redevelopment including a garden project, artwork and dementia friendly wards.

- In a year of digital transformation across the NHS we were thrilled that Yorkshire and Humber Care Record, a programme we host on behalf of the Yorkshire and Humber region was awarded the Computing Technology Product Awards 2020 - Best Digital Transformation Product or Service – Public and Third Sector.

- In October our Cardiac Rehabilitation (CR) Service covering patient groups from the Scarborough, Ryedale, Pocklington and Whitby areas was awarded Full Green Certification by the National Certification Programme for Cardiac Rehabilitation (NCP_CR). This certification demonstrates that we provide a recognised and good CR giving our patients confidence that the service offered meets agreed standards.

"Every part of the NHS is working incredibly hard to overcome the challenges presented by COVID-19 - and renovating a hospital is a major project and no easy task at the best of times.

On behalf of the CCG, I want to particularly thank staff based at Whitby Hospital who are continuing to deliver excellent care to Whitby patients while work on this important renovation project continues."

Amanda Bloor, NHS North Yorkshire Clinical Commissioning Group Accountable Officer

- Our two GP practices in Cottingham, Chestnuts and Hallgate Surgery merged in 2020 relocating to a single site named King Street Medical Centre serving over 500 local residents. The centralised, single story development will offer the residents of Cottingham a purpose built facility with better accessibility standards to its disabled and vulnerable population with parking facilities and disabled access standards throughout and opened in April 2021.

- One of the areas for improvement identified from the annual Staff Survey was improvements to food and catering facilities and the provision of a place for rest and recreation. The Estates team worked with our Health, Wellbeing and Engagement Group to develop a standardised offer for staff welfare facilities and secured a £500k budget to purchase equipment for the project which will be rolled out over 2021/22. The project will include improvement works to existing staff facilities within inpatient units, community buildings and hospitals, as well as creating additional capacity where needed. As part of phase 1 works, 12 sites have requested improvements within their current staff areas and 2 sites will be provided with alternative space to be refurbished into a staff welfare area.

- Health Stars supported us to become one of the first Trusts to introduce 'Wobble Rooms' across the Trust to provide staff with a safe space to gather their thoughts and emotions in a dignified way – one of the many initiatives that supported out staff managing through Covid.

Effective & Empowered Workforce

- Our staff survey results saw an improvement over all of our ten key themes and significant improvement against 68% of questions answered compared to 2019.

- Our annual programme of awareness days provide an opportunity to raise the profile of our services and the work they do, support public health messages and to thank and celebrate staff. We worked with teams across our workforce to showcase the work of our diverse range of professions including International Nurses Days, Mental Health Nurses Week, Social Work Day, and Allied Health Professionals Day. Over the year our work on these dates has reached high audiences on social media helping us to connect with our communities across Hull, East Yorkshire and beyond.

- In April 2020, we launched the ShinyMind App to support staff mental health and wellbeing during the pandemic. Over 11% of our staff have used the app accessing 665 hours of support including 6,596 sessions, 2,226 Masterclasses and 174 SOS requests. The app has been recommissioned for 2021/22.

- In July we marked the NHS 72nd Birthday as a way to shine a light on the fantastic work of our own team and as an opportunity for them to feel valued and celebrated. Events to mark this important date were successful and attracted over 25,000 views and 1,500 likes on the associated posts Our activity included;
  - Afternoon Tea deliveries for staff working over the weekend.
  - Online participation in the final Clap for Carer's Event
  - Online Sunday Service
  - Supporting the 'Light Up Blue' campaign by lighting up our Inspire unit in Hull.
  - Three case studies of good practice supplied to NHS England reached local media

- In November 2020 we were selected as a UK pilot site for asymptomatic staff testing. Since the launch tens of thousands of lateral flow tests have been taken helping to reduce the risk of COVID-19 to staff, patients and their visitors.

- The same month, we were one of the first Trusts in the region to adopt and implement the Doctor Toolbox, a secure online information resource to help to better orientate Junior Doctors within their Trust. Populated by a team of Trust clinicians supported by the Medical Education Team, the app works alongside the local induction providing secure online information including contact numbers, referral methods, ward handbooks and guidelines.

- In November we also achieved White Ribbon Accreditation for our commitment to changing cultures that lead to gender-based violence.

- Our Occupational Health team have adapted and developed to provide additional support to our staff during this challenging year. We launched psychological support from 8am-8pm daily for staff who had witnessed a critical incident related to COVID-19 or to help them make sense of this unique and challenging situation. As our teams adapt to remote working we have also launched a musculoskeletal (MSK) self-referral for all staff and developed online, bitesize Pilates sessions to help prevent MSK problems.

- Our Senior Leadership Development Programme and our Development Programme welcomed 120 senior leaders and 150 leaders over the year. We also refreshed and relaunched our Senior Leadership Forum and launched a new Leadership Forum and launched a new High Potential Development Scheme aimed at our band 2 - 7 staff.

Safety at the heart of care

- We rolled out 'Greatix' to recognise excellence in patient safety allowing our teams to quickly and easily report and share example of positive practice that contribute to maintaining and improving patient safety in the Trust.
- A Peer Review process for all services across the Trust was implemented and a Peer Review Group created to enable teams to share good practice and identify areas for quality improvements. The peer review process enables teams to determine their level of compliance with best practice including CQC key lines of enquiry (KLOE), identify actions to be taken to rectify any concerns and highlight areas of good practice for sharing wider across the organisation.
- New safety dashboards across services enabled teams to have 'real time` patient safety data for their areas to support discussions regarding maximizing patient safety in team meetings and safety huddles.

Patient and Carer Experience

- Following an invitation from NHS England and Improvement we were proud to share a series of uplifting and inspiration stories from during the pandemic as part of a national storytelling initiative. The Patient and Carer Experience (PACE) team worked with the Voluntary Services, SMASH and Chaplaincy teams to capture the stories using a variety of mediums including illustration, poetry, art and song.

"What makes me feel proud about the work that we've done with our Champions so far is that they really help us embed the work that we do. Without them we would not be able to fully engage with the whole organisation."

Lorna Barratt, Patient and Carer Experience Manager

- Throughout the year our innovative programme of online events helped us to continue to reach out and connect with patients, service users, carers and families. These included;

- Armed Forces Day in June celebrated the Trust's recent Veterans Aware Status with a two-week programme of online events and activity.
- A week-long programme of virtual events during Pride Month in July created and shared supportive content that contributes to increasing LGBT and Trans awareness. Speakers ranged from lived experiences, to individuals representing local and national organisations like MESMAC and Hull Pride.
- In September we marked 'Dementia Awareness Week' with a week long programme of virtual events for staff and members of the public. Held during World Alzheimer's Month it aimed to increase awareness and show support for those living with dementia. The event was attended by over 100 guests with topics including living with dementia, research and development and support for families.
- Internally our Quality Improvement Week saw us celebrate seven Quality Improvement stories with over 240 attendees.

- Since September we have been working with Masters Students from the University of Hull who have helped us develop a new digital platform of patient information. The platform will bring together all patient information in one place creating an accessible repository that can be used by patients, their families and Trust staff. The project is due to complete in May 2021.

A leader in research and Innovation

- Our sold out fourth annual research conference had been due to take place in May 2020, but had to be postponed due to the pandemic. Not wanting to miss the opportunity for the 180 delegates signed up to hear out research findings and highlight the incredibly varied research we are involved in, including vital COVID-19 research, the conference was reworked to be held online. From 17-18 November almost 300 delegates representing 50+ organisations and many professional groups attended to hear about health and social care research in a variety of fields, including dementia and mental health.

- In October we worked with Hull York Medical Schools (HYMS) to host a one of a kind virtual event in support of the RCPsych 'Choose Psychiatry' campaign which aims to tackle the national shortage of Psychiatrists across the country. Over 750 students signed up for the virtual courtroom event with participants joining from as far as India, Hong Kong and Canada. The event provided a fun, informative and thought-provoking way for prospective Psychiatry and medical students to learn more about a Psychiatrists role in the courtroom.

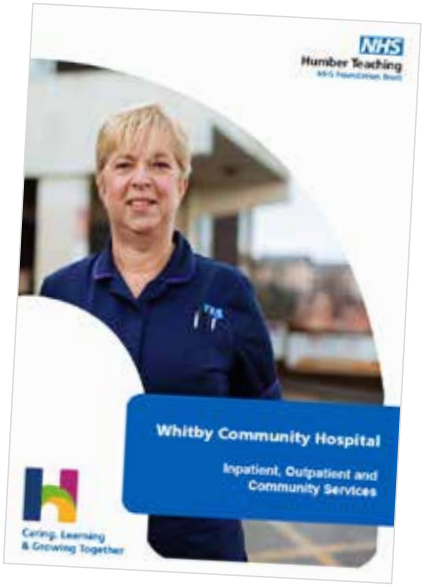
"Our annual conference is an opportunity to demonstrate to our wider stakeholders why research is so important to advances in health care."

Cathryn Hart, Assistant Director of Research and Development, Humber Teaching NHS Foundation Trust

Outstanding Communications

- In January we launched our new corporate visual identity. This work is vital in positioning our Trust effectively amongst other providers, ensuring there is a connection between the high quality of care we provide and how we present ourselves to the world and ensuring that we have a professional and consistent public image that our teams can be proud of.

  Throughout the project engagement with staff, patients, families, carers and our stakeholders has been at its heart to ensure that the final designs reflected who we are and captured our aspirations for the future. The launch included a new online brand portal, brand.humber.nhs.uk designed to support staff and stakeholders use the brand in practice.



Staff Brand Workshop feedback

"Thank you - really enjoyed what can be a slightly dry topic for me! And thanks to everyone who helped in the background - brilliant teamwork."

"Really love the new branding and lots of ideas and information on how to use it."

"That was a really helpful and informative session with lots of practical tips."

- In July our Trust website was relaunched. The new site was designed to be mobile optimised with a restructured navigation and new features introduced to improve usability and search. We were pleased to see this work acknowledged in March when Silktide, a company that compares millions of websites, analysed NHS trust and clinical commissioning group (CCG) websites for usability scored the Trust fourth out of 211 NHS Trusts nationwide.

- The Marketing and Communications team worked with the Human Resource and recruitment teams to develop a creative campaign to find, attract, engage and nurture talent before they apply for a job. Developed by the Marketing and Communications team in partnership with staff from across our services, 'Humbelievable' shines a light on what makes our Trust special and unique. The campaign included a new recruitment website, join.humber.nhs.uk, facebook advertising campaigns, pay per click advertising and media partnerships.

- In September we launched Poppulo, our new platform that provides all the software tools necessary to create, publish, measure, and improve employee communications. This new tool allows us to design and deliver personalised communications to our diverse staff population. Open rates and click through rates for our twice weekly emails have remained above national benchmarks since launch.

- In October we published Together We Can, a book filled with stories, photographs, poems and artwork by both staff, service users and relatives from the first wave of the pandemic. The booked was launched in collaboration with Health Stars and promoted fundraising goals as well as the excellent work our teams do and the challenges they faced during the first months of the pandemic. The book was relaunched in March 2021 with a new set of stories from the second wave of the pandemic.

New Contracts & Services

- Last year we were delighted to be one of 12 sites across the country to receive funding to test new and integrated models of primary and community mental health care. The planned implementation of our new model began this year with the aim of increasing the number of people with complex emotional needs accessing specialist community services by 77% and providing community base mental health care for an additional 700 new patients. There has been significant recruitment to the teams for a number of key roles.

- At the outbreak of the pandemic we partnered with local charity, Hull and East Yorkshire Mind to provide a 24 hour information and advice line to support people across Hull and East Yorkshire area who may be finding things difficult during the current Covid-19 crisis. It provides support for anyone who struggling with their mental health, or would just like information, advice or local signposting information.

“We are proud of this local collaboration between the Trust and MIND, and the efforts made to offer vital support to those who need it when in a crisis. The helpline provides a choice for service users, their relatives and carers who are supporting them and who may be struggling, and presents the available pathways for support. It also assists the national direction to ensure our responsive Mental Health Crisis Services are known and free to those who need them the most.”

Adrian Elsworth, Clinical Operations Manager

- Due to Coronavirus and social distancing rules in the UK, many face-to-face wellbeing groups have been temporarily stepped down. In October the Recovery and Wellbeing College team introduced a new and improved online offering to bridge the gap as we work towards a ‘new normal’. The new website was launched on World Mental Health Day and includes a series of courses available 24/7 and virtual sessions to support an individual’s mental health. The website will also facilitate the launch of a “Let’s Chat” series which has been co-produced with people who have lived experience with mental health with the aim of breaking down stigma and opening up conversations about mental health.

“This is a completely new and diverse way of delivering our courses at this time means that anyone is able to access beneficial wellbeing support at a time and place which is convenient for them.”

Samantha Grey, Prevention, Recovery and Wellbeing Team Lead

- In October Physio Direct, a new self-referral service for Scarborough and Ryedale was launched for patients over the age of 18. This service has been set up to allow patients to get advice quickly from professionals about neck or back pain, recent injuries and any muscular or joint problems. Similar services in other parts of the country have shown that offering direct access to a physiotherapist for musculoskeletal problems reduces demand on GP services, decreases referrals to secondary care and results in high levels of satisfaction for patients.

Signed: 

Date: 30 June 2021

Michele Moran
Chief Executive

About our Trust

We are an award winning multispecialty health and social care provider of integrated services across Hull, East Yorkshire and North Yorkshire. Through our services and the care we provide, we aim to improve the physical, mental and social health and wellbeing of our patients and service users.

We provide a broad range of community and therapy services, primary care, community and inpatient mental health services, learning disability services, healthy lifestyle support and addictions services. This includes specialist services for children including physiotherapy, speech and language therapy and support for children and their families who are experiencing emotional or mental health difficulties.

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

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

We employ more than 2800 staff working across numerous sites and locations covering five geographical areas; Hull, the East Riding of Yorkshire, Whitby, Scarborough and Ryedale.

We have approximately 13,000 public members and over 2,600 staff members who we encourage to get involved, have their say, elect governors and make a difference to how local healthcare services are provided. The views of Trust members are represented by our Council of Governors. We have 25 governors made up of public governors, service user and carer governors, nominated governors and staff governors. More than half of the Council of Governors is elected by local people. Nominated governors include representatives of local partnership organisations.

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

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

We have a dedicated Research and Development team who work to improve our involvement in both national and global medical research, which, in turn, improves the health and wellbeing of the people we serve, our services and helps improve the care and treatment of people worldwide. Our fourth annual research conference was held virtually in November with international delegates and with over fifty organisations represented.

Our Services

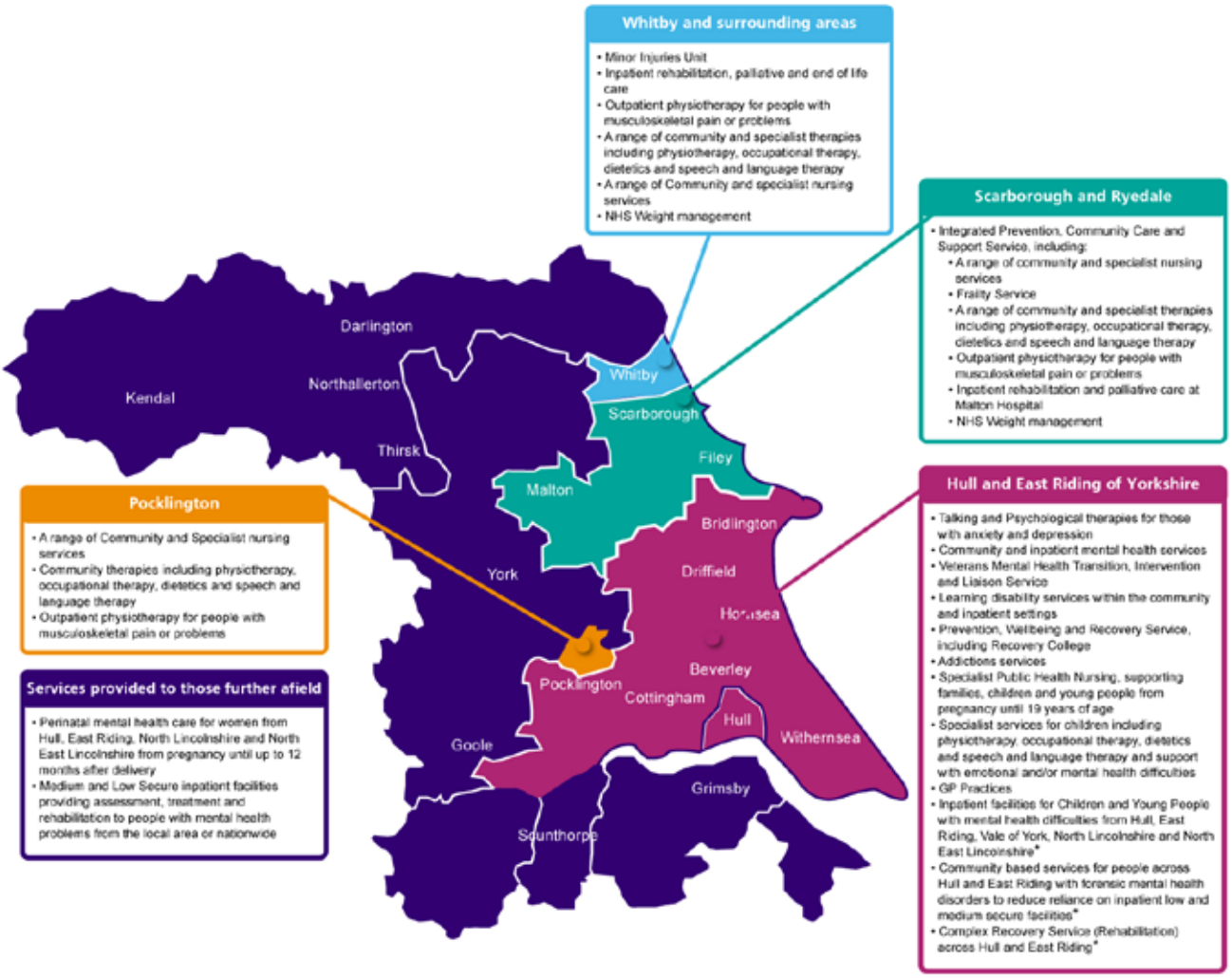
Our services cover a wide-range geographic area across Hull, the East Riding of Yorkshire, Scarborough and Ryedale, Pocklington and Whitby as well as nationally commissioned services.

Our services grouped into four divisions.

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

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

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



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

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

Our Vision, Values and Strategic Aims

Our Vision

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

Our Values

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

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

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

Our Strategic Objectives

Goal One:
Innovating quality and patient safety

Goal Two:
Enhancing prevention, wellbeing and recovery

Goal Three:
Fostering integration, partnership and alliances

Goal Four:
Developing an effective and empowered workforce

Goal Five:
Maximising an efficient and sustainable organisation

Goal Six:
Promoting people, communities and social values

Development and Performance

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

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

Celebrating success

National and regional success

Cardiac Rehabilitation (CR) Service – our service was awarded Full Green Certification by the National Certification Programme for Cardiac Rehabilitation (NCP_CR) in October 2020. This certification demonstrates that we provide a recognised and good CR giving our patients confidence that the service offered meets agreed standards.

General Practice Award for Clinical Improvements – In January 2021 our Market Weighton Practice won a prestigious award for its work around improving care for patients with a diagnosis of Chronic Heart Failure. The team created a bespoke primary heart failure clinic and bespoke clinical templates that helped highlight to clinicians the best way to manage patients and ensure continuity of care from all clinicians.

Computing Technology Product Awards 2020 - Best Digital Transformation Product or Service – Public and Third Sector – in a year of digital transformation across the NHS we were thrilled that Yorkshire and Humber Care Record, a programme we host on behalf of the Yorkshire and Humber region was successful in this award.

National Team of the Year Award – our Social Prescribing Team were shortlisted for this prestigious award.

White Ribbon Accreditation – we received accreditation for our commitment to changing cultures that lead to gender-based violence.

Trust named in Top Five Mental Health and Community Trusts for Equality, Diversity and Inclusion (EDI) – the placement was decided based on our National Staff Survey results and demonstrates how we are leading a culture of continuous EDI improvement

Best Digital Transformation Programme – we were awarded the Computing Technology Product Award – Public and Third Sector that recognised digital transformation in the programme we host on behalf of the Yorkshire and Humber Region

Celebrating and rewarding our staff
Our annual staff awards were not possible last year due to the pandemic. We knew that we needed to think about how we rewarded and recognised staff given that the usual Annual Staff Awards ceremony format may not be possible – we also knew that it would be difficult to single out just a few when all our staff have been fantastic this year coping with the challenges of Covid.

We surveyed our staff in July asking how they wanted us to celebrate this year. The clear feedback was that they wanted us to cancel the awards and revisit plans at a later date and send a thank you pack in its place. The survey also asked what would help staff to feel valued and rewarded through the many challenges of working through Covid. In response to staff feedback a voucher was provided and sent in a branded 'Humbelievable' envelope to the home address of all staff at the end of October. The gifts were well received by staff and we received some positive feedback.

Throughout the year we have continued to celebrate, value and reward our staff monthly in a variety of ways which have been positively received.

Principal Risks and Uncertainties

The risks identified as the principal risks to the delivery of the Trust's strategic goals and underlying objectives are detailed in full within the Annual Governance Statement on page 101 of this report.

The principal risks to the achievement of the Trust's strategic goals and underlying objectives are managed through the Board Assurance Framework which is reviewed on a monthly basis by the Executive Management Team. Each section of the Board Assurance Framework is aligned to a relevant assuring committee of the Board and review the document on a quarterly basis throughout the year. Following review at the relevant board committees, the framework is presented to the Trust Board on a quarterly basis for oversight and assurance around those risks that may affect the foundation trust in delivering its objectives and/or its future success and sustainability

Going Concern

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

Performance Analysis

Summary of the Financial Year

We are reporting a deficit for the year of £0.220m, on a turnover of £178.057m. The deficit includes an impairment adjustment of £0.578m to reflect the reduction in value of some of our land buildings. Before adjusting for the impairment we made a surplus of £0.358m.

Our regulators NHS Improvement set a financial target we must achieve each year and this is called the "control total". For the 2020/21 financial year the control total was to achieve a "breakeven" position. We managed to achieve slightly better than breakeven and reported a modest surplus of £0.027m

The table below demonstrates how the final surplus against the control total reconciles to the accounts.

Adjusted financial performance	2020/21	2019/20
	£000	£000
Surplus / (deficit) for the period (before consolidation of charity)	(220)	(2,584)
Add back all I&E impairments / (reversals)	578	2,093
Adjust (gains) / losses on transfers by absorption	0	
Surplus / (deficit) before impairments and transfers	**358**	**(491)**
Retain impact of DEL I&E (impairments) / reversals	0	
Remove capital donations / grants I&E impact	(547)	208
Prior period adjustments	0	
Remove impact of prior year PSF post accounts reallocation	0	
Remove non-cash element of on-SoFP pension costs	216	333
Remove net impact of DHSC centrally procured inventories	0	
Adjusted financial performance surplus / (deficit)	**27**	**50**

The staff that manage our services have worked very hard during the year, and in difficult circumstances to deliver such a positive set of financial results. During the year we were also supported by the receipt of additional funding to help us to manage the pressures of additional expenditure caused by the COVID pandemic. Despite the difficult financial conditions we still managed to achieve financial efficiency savings of £1.050m through our budget reduction strategy.

The normal procedures for negotiating income contracts were abandoned across the NHS for 2020/21 and all organisations were allocated a block of funding based on expenditure in 2019/20 and topped up with reimbursements for additional expenditure incurred in relation to COVID. This additional funding together with a full year of income to operate the CAMHS tier 4, services are the main reasons for the £15m increase in income since 2019/20.

Section 43 (2a) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) requires that the income from the provision of goods and services for the purposes of the Health Service in England must be greater than its income from the provision of goods and services for any other purposes. The Trust met this requirement during -2020/21.

The closing cash balance increased to £39.9m, however the forecast for 2021/22 is that cash will reduce to around £22m once payables have been settled with suppliers. This level of cash provides the opportunity for us to invest in making improvements to our estate in 2021/22.

Capital Expenditure

Our total expenditure on capital in the year was £10.984m, most of which was spent on maintaining and improving clinical and patient environments. £0.033m was spent on capital related to COVID and we continued to invest in IT infrastructure projects, including the ongoing replacement of IT equipment and network which supported a number of our staff who were working from home.

The total of assets in the Trust used to generate income and support the delivery of healthcare increased to £97,647m compared to £92.787m a year ago.

Financial results 2020/21 – Headlines

Income of **£178.057m,** an increase of **£32.520m**

A deficit for the year of **£0.220m,** excluding impairment charges resulted in a surplus of **£0.358m**

The cash balance was **£39.9m** compared to **£15.110m** at March 2020

Net current assets of **£8.032m** compared to **£7.012m** at March 2020

Total net assets of **£98.088** compared to **£93.79** at March 2020

Better payment practice code

In accordance with the Confederation of British Industry's (CBI) Better Payment Practice Code, our policy is to pay non-NHS trade creditors within 30 days of receipt of goods or services, or of a valid invoice (whichever is later), unless other payment terms have been agreed with the supplier. The percentage of non-NHS creditors by value paid within 30 days decreased slightly to 94% from 96.4% in 2019/20, and the percentage based on invoice numbers was 90.2% in 2020/21 representing a decrease on the 97% achieved in 2019/20 . Despite the small dip in performance this still represents an excellent position given the initial disruption caused by COVID 19 and considering that the volume of invoices processed increased by 34%.

In 2020/21, the Trust had no liability to pay interest on invoices paid outside the 30 day payment period relating to NHS healthcare contracts or any other invoices.

	2020/21		2019/20	
	Number	£000	Number	£000
Total non-NHS trade invoices paid in the year	37,480	67,498	27,624	55,385
Total non-NHS trade invoices paid within target	33,794	63,471	26,810	53,373
Percentage of non-NHS trade invoices paid within target	90.2%	94.0%	97.0%	96.4%
Total NHS trade invoices paid in the year	1,648	6,835	1,372	6,406
Total NHS trade invoices paid within target	1,249	5,167	1,117	5,410
Percentage of NHS trade invoices paid within target	75.8%	75.6%	81.4%	84.5%

Financial Outlook

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

The COVID pandemic changed the way funding flowed within the NHS for 2020/21 and this will remain in place for at least the first half of 2021/22. Assurance continues to be given that the NHS will receive the resources it needs to respond to future waves of COVID, however there is an expectation that the NHS returns to business as usual in 2021/22 and is planning to addresses the backlog of work that has built up over the last year. We will need to ensure we continue to maintain robust systems of financial governance and control during the next year.

There is still a requirement to make efficiency savings and to that effect we continue with our budget reduction strategy and are planning savings of £1.700m, which is ambitious in such uncertain times. We will continue to operate a very robust process for identifying and implementing these cost savings projects. All projects must be approved by the Medical Director and Director of Nursing, Allied Health and Social Care Professionals to ensure there is no negative impact on patient safety or quality of care. We remain committed to delivering the best possible care and service within the financial resources we have at our disposal.

We are in unprecedented times and it is inevitable that we will continue to face financial challenges both this coming year and beyond. We remain positive that these challenges will be met but recognize that this will require careful management and making some difficult decisions.

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

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

Conclusion

Despite very difficult operating conditions the Trust managed to deliver the financial targets set by the regulator, NHS Improvement, and also delivered a good level of financial efficiencies. This was against a backdrop of uncertainty over funding arrangements in the first half of the year particularly, and a continually changing operating environment.

In 2021/22, and in line with the rest of the NHS, we will continue to face a level of uncertainty over income levels and expectations around performance targets. However with a year of working with uncertainty we are now much better placed to deal with some of those challenges and understand the decisions we may need to make in the next few years.

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

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

How performance is measured

How we measure performance – meeting framework targets

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

Our Trust uses Statistical Process Control (SPC) charts to monitor and track its performance data at Trust Board Level. Any data point which sits outside of the control limits will require further investigation by the Executive Director responsible for that particular indicator.

Our internal reporting is split into three levels:

Level 1 (Board Level):

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

Level 2 (Divisional Level):

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

Level 3 (Team Level):

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

Level 2 & 3 uses a 'traffic list' or 'RAG Rating' system to report on performance and quality against our selected priorities and KPIs, e.g. Red – Weak, Amber – Fair and Green – Good. This is translated to reflect the performance of the Trust on these initiatives.

We also report externally to our Commissioners via:

Contract Activity Report (CAR)

This is completed on a monthly basis by the Business Intelligence Department (BI Hub). The BI Hub provides a joined-up working approach which improves fluidity and enhances cohesiveness.

This system ensures that we can:

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

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

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

Data Quality Improvement Plans

Data Quality Improvement Plans (DQIP) are designed to highlight where services may not be meeting required performance measures. Indicators we are not able to provide data against for differing reasons will also be included in the DQIP. Action plans are developed to encourage improvement and progression to meet measures within set timescales.

Benchmarking

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

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

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

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

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

Finance

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

Risk Register

Where performance is not where it is expected and there is significant risk (e.g. clinical, financial), this is logged as a risk for the Trust which if sufficiently scored with a rating above 15 it appears on the corporate risk register and the Board Assurance Framework (BAF). In addition, Finance and Use of Resources is one of the five themes feeding into the Single Oversight Framework.

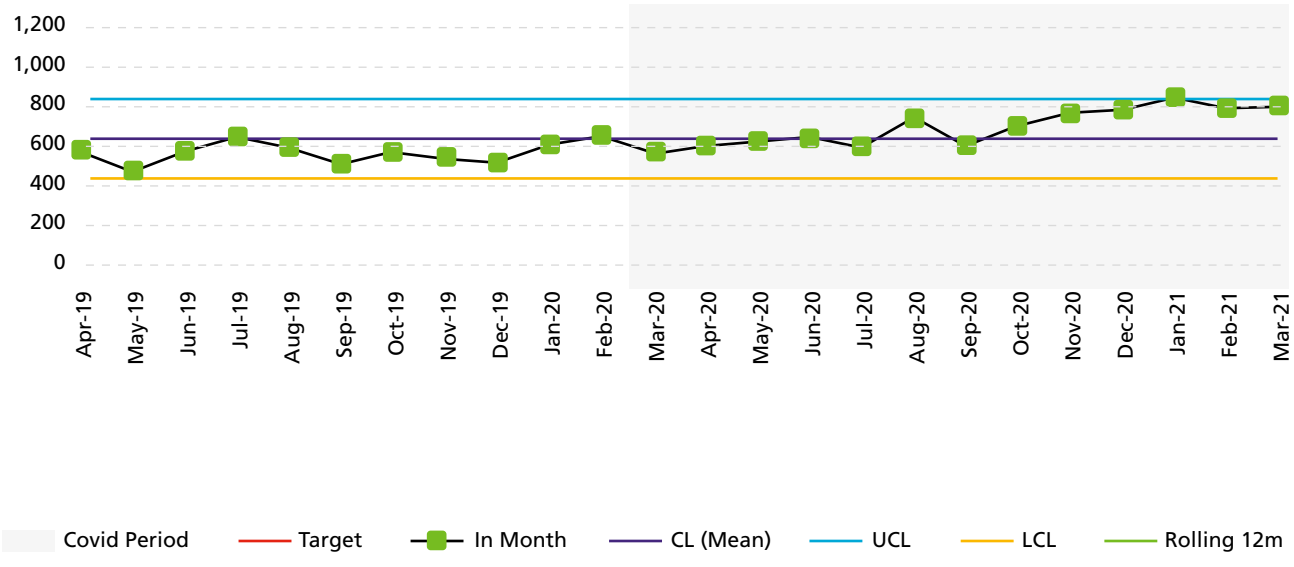
Performance during the year

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

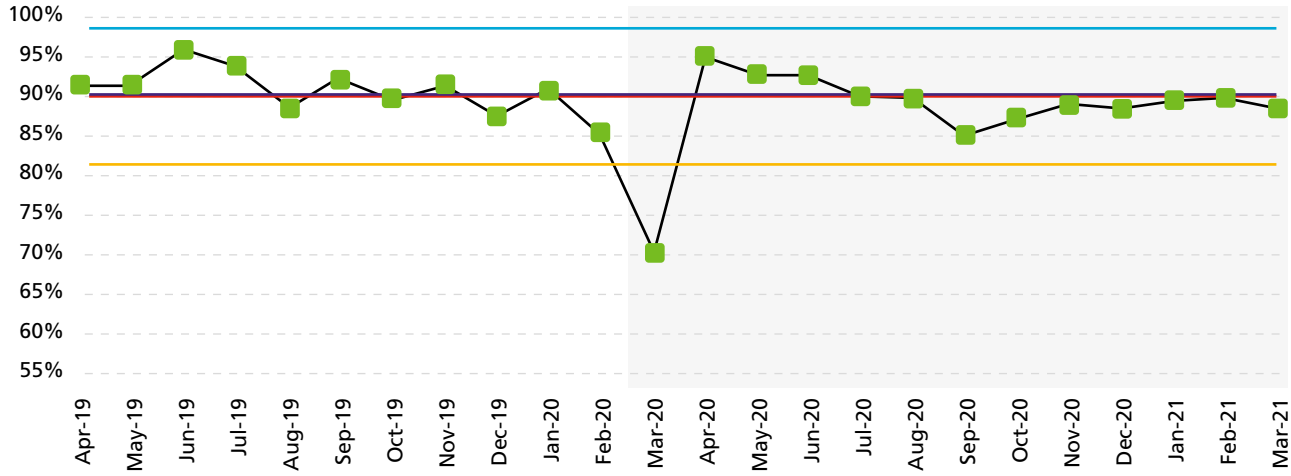
Statistical Process Charts (SPCs)

Total Incidents Reported

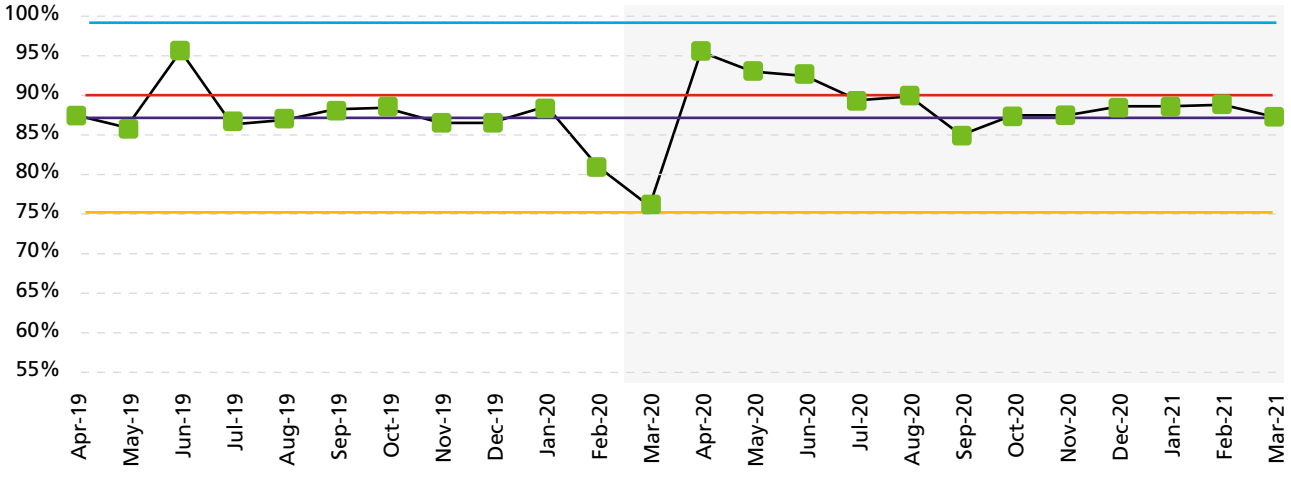
Number of Total Incidents Reported



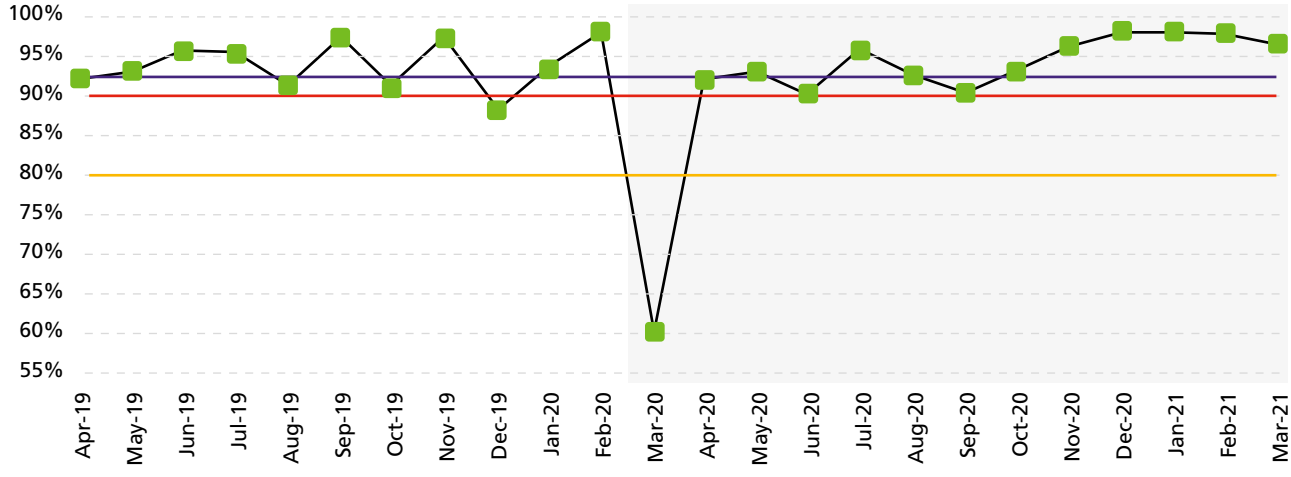
Friends and Family – Recommendation – Trustwide



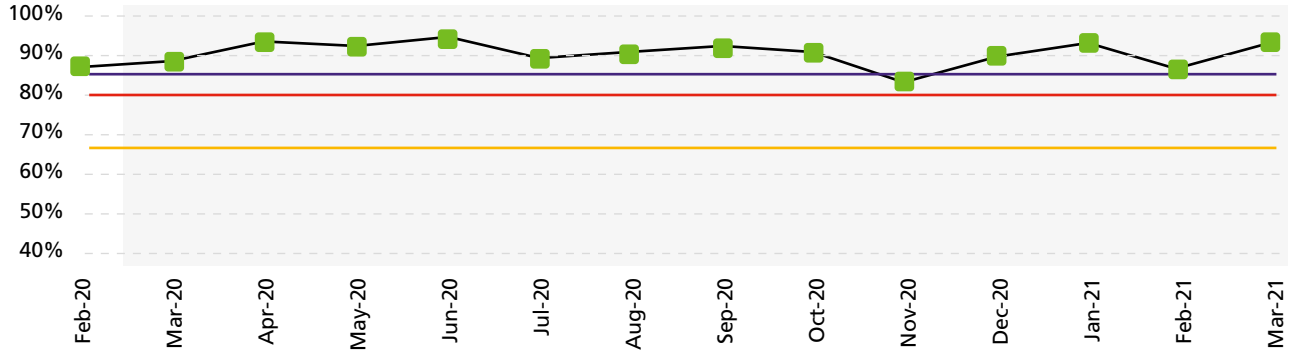
Friends and Family – Recommendation – GP



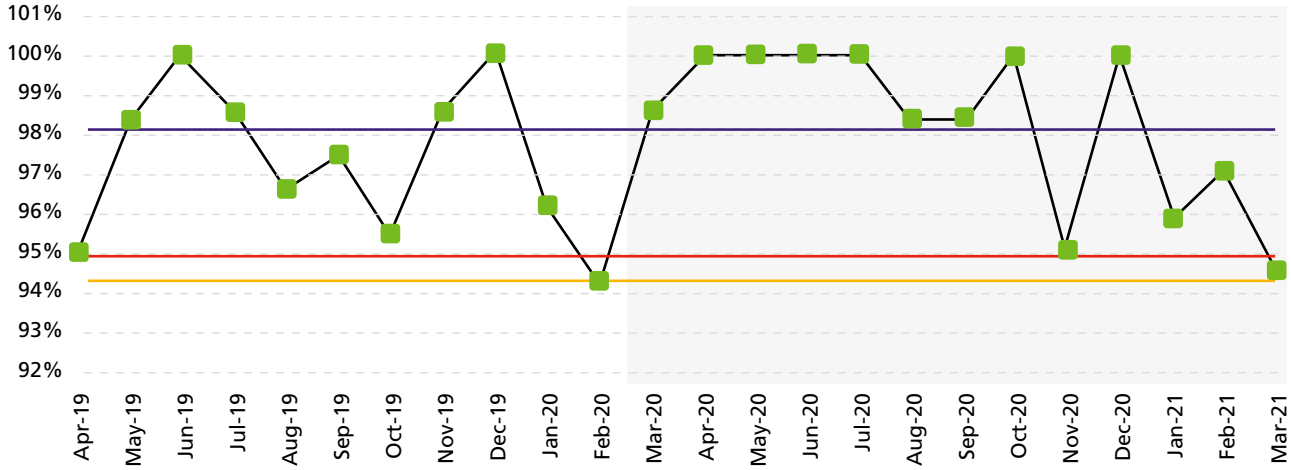
Friends and Family – Recommendation – Non GP



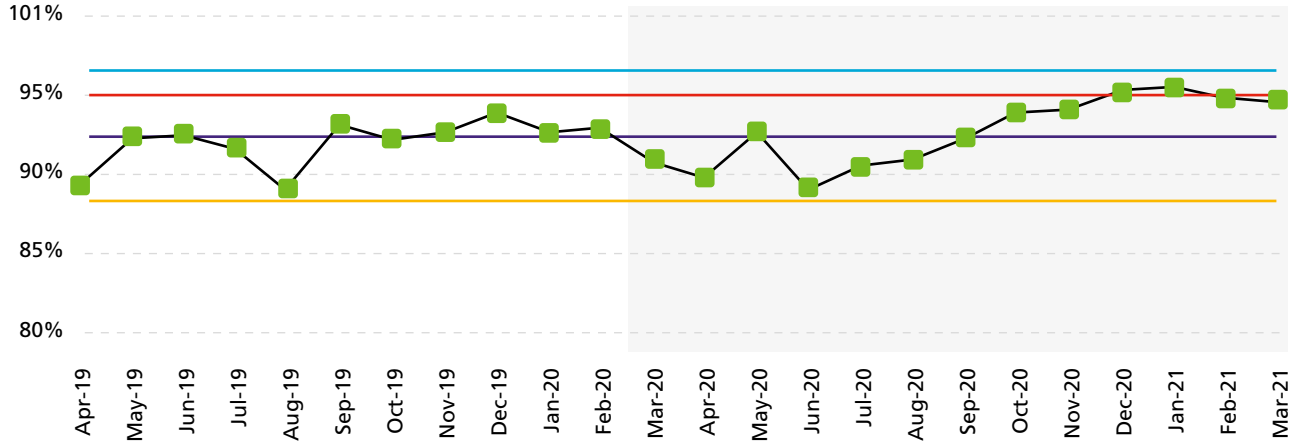
CQUIN 72 Hour Follow Ups



CPA 7 Day Follow Ups

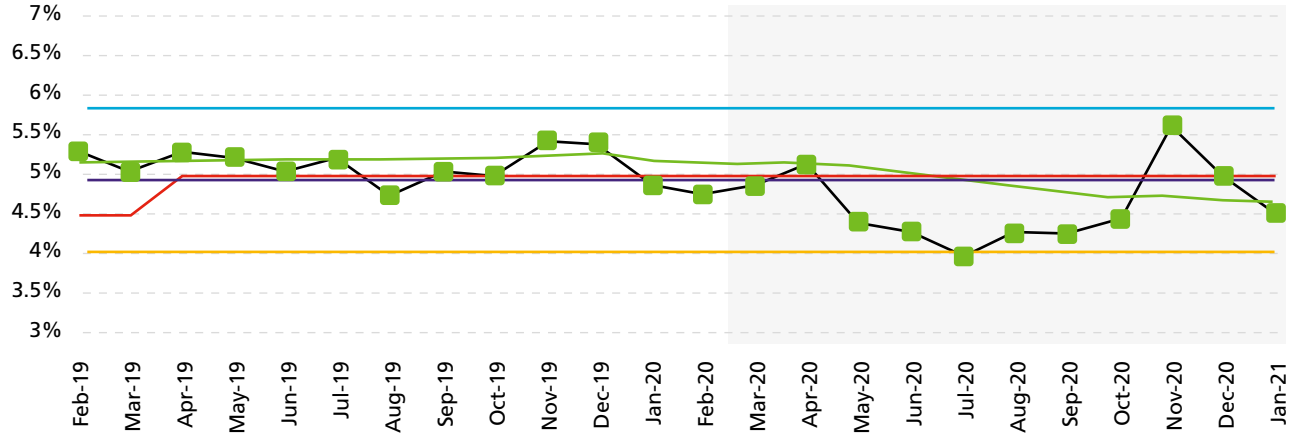


RTT Waits – Complete

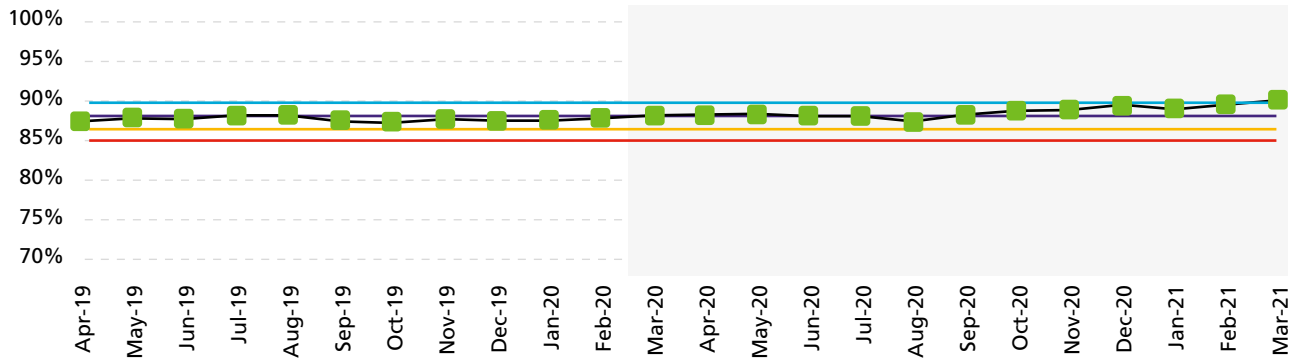


Covid Period | Target | In Month | CL (Mean) | UCL | LCL | Rolling 12m

Sickness Absence



Mandatory Training – Overall Compliance



Covid Period — Target — In Month — CL (Mean) — UCL — LCL — Rolling 12m

Environmental Issues

Sustainable Development

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

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

This year, 2020/21, COVID has sent shockwaves across the globe presenting one of the greatest public health challenges of recent times. This global pandemic has had a significant impact on the way the Trust has been using its services and facilities affecting usage of gas and electricity taking the usage away from Trust service.

There have been changes this year to the NHS carbon reduction targets. These targets have been changed by the government to increase NHS organisations drive to reach Net-zero.

Previously, The NHS was given a target set by the climate change act 2008 to reduce its emissions by 34% by 2020 and 80% by 2050 from a 1990 baseline. These targets have been changed and the new targets set are: organisations

- NHS Carbon Footprint (emissions under NHS direct control), net-zero by 2040, with an ambition for an interim 80% reduction by 2028-2032, and;
- For the NHS Carbon Footprint Plus, (which includes the wider supply chain), net-zero by 2045, with an ambition for an interim 80% reduction by 2036-2039.

On top of this change, carbon factors have been changed and are now identified as Scope 1, Scope 2, and Scope 3 emissions. Scope 1 covers direct emissions from owned or controlled sources. Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating, and cooling, Scope 3 includes all other indirect emissions that occur in a company's value chain. Figure 1 below shows the breakdown of Scope 1-3.

Figure 1 – Carbon factors 1-3

Scope 1	Scope 2	Scope 3
Fuel	Purchased Electricity, heat, and steam	Purchased goods and services
Company Vehicles		Business Travel
Fugitive Emissions (Emissions of gasses or vapors from pressurised equipment and other irregular releases of gasses)		Employee commuting
		Waste disposal
		Use of sold products
		Transportation and distribution (up-and downstream)
		Investments
		Leased assets and franchises

Energy

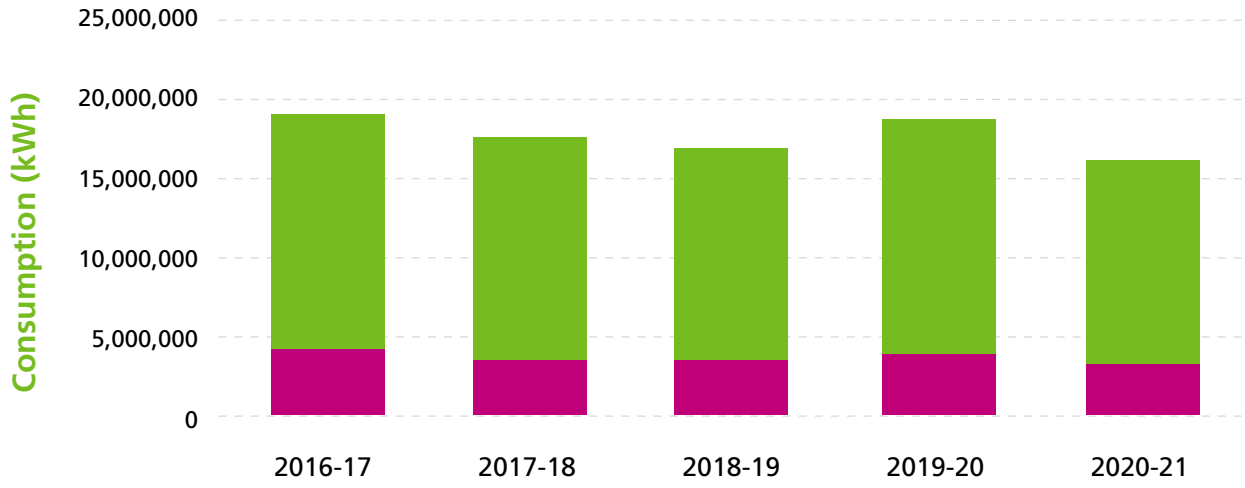
Energy costs in 2020-21 have been at a five year low due to the COVID-19 pandemic and 12 months of lockdown restrictions affecting the energy (gas, electricity) market. The Trust and its partners have seen a steady recovery of prices in 2021 which continue to recover supported by the colder weather, vaccinations roll out and a 'no deal' Brexit result of the table.

Because of this slump in energy cost the Trust has taken advantage of the low energy prices and signed agreements to purchase all energy (gas, electricity) until April 2024.

By doing this the Trust has reduced the impact of the non-commodity price increase, which increase 7-14% per year, and avoided the cost increases for gas and power nationally.

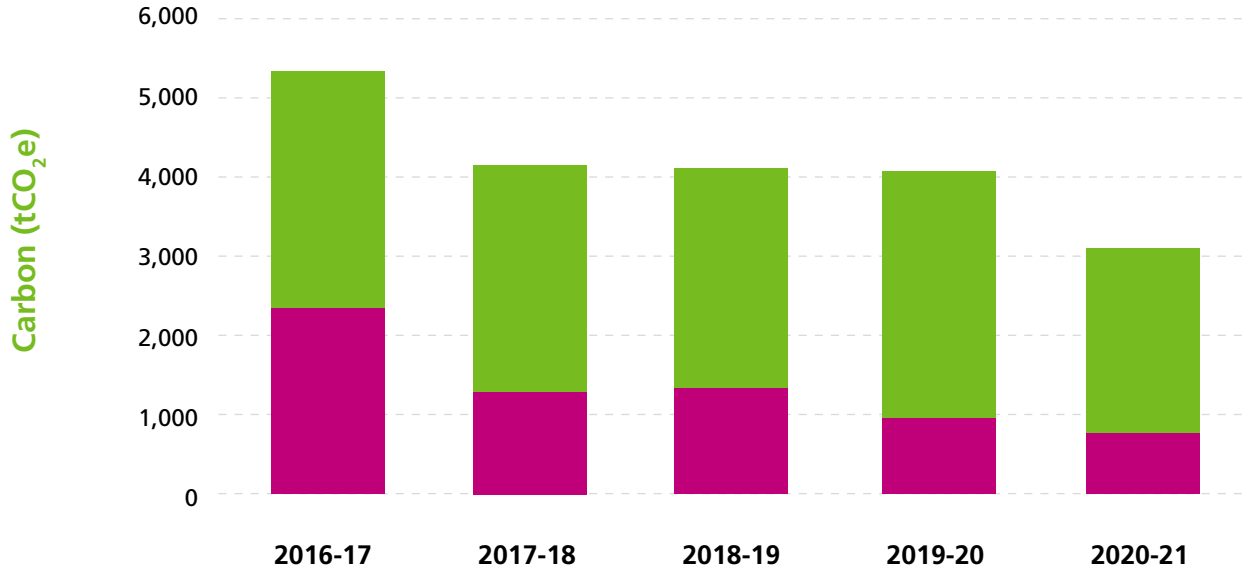
On top of this, the Trust has purchased 100% green electricity for the remainder of the agreement, the agreement starts April 2021 and ends April 2024 and is evidenced through renewable energy guarantees origin certificates (REGO).

Energy used



	2016-17	2017-18	2018-19	2019-20	2020-21
Gas Consumed	14,888,836	14,200,693	13,323,679	14,922,458	12,804,138
Electricity Consumed	4,394,177	3,636,701	3,712,674	3,883,339	3,373,135
Total	**19,283,013**	**17,837,394**	**17,036,353**	**18,805,797**	**16,177,273**

Carbon emissions



	2016-17	2017-18	2018-19	2019-20	2020-21
Gas	3,112	2,901	2,787	3,048	2,349
Electricity	2,271	1,278	1,310	993	779

Energy – Electricity & Gas

The Trust is making great progress in this section, in 2020 the Trust signed an agreement with Inenco (energy broker) to take advantage of low costs due to the COVID epidemic and purchasing 100% green electricity for the remainder of the agreement, the agreement starts April 2021 and ends April 2024 and is evidenced through renewable energy guarantees origin certificates (REGO), the Trust will reduce and offset carbon emissions for electricity by 958 t/CO2e annually (this is the figure estimated from previous years emissions, see table below 2019-20) and avoid the uplift in energy costs nationally.

The Trust has also started a program to install insulation at its properties starting at Mill View Lodge. This site had issues with heat stability which effected staff and patients, to assist the systems and heat stability loft insulation was increased and exposed/worn areas of pipe work where lagged. This is the start of the Trust program to increase efficiency measures across the estate working in line with the estate program for its properties.

Other efficiency measures the Trust has initiated this year was at the Trust HQ, all lighting across the sites carparks have been replaced with high efficiency LED lighting. This was to reduce usage, alleviate dark spots on the carpark and to increase lighting levels across the area.

The reduction in electricity usage is on track to where the Trust needs to be with a reduction in carbon emissions of 352 t/CO2e from the previous year this is due to increased LED lighting roll out and the under occupancy of the estate as a consequence of the COVID-19 pandemic.

This year the Trust has explored the potential of decarbonising two of its largest sites - East Riding Community Hospital and the Humber Centre. The Trust worked with an outside consultant, Guidehouse Europe ltd who assisted on the completion of this review. This review was part of the £1 billion Public sector decarbonisation scheme (PSDS) grant which opened for applications in November 2020. The Trust submitted a grant for £3.8 million unfortunately was unsuccessful. This review which Guidehouse carried out for the organisation will be used to assess and review the rest of the current estate and format an important part of the Trust net-zero objectives for 2021/22.

Sustainable Development Assessment Tool (SDAT) submission

The SDAT tool has been submitted this year to the Sustainable Development Unit (SDU) on 10/11/2020. The Trust scored 46% compliance, which is an improvement on previous year's submissions. The increase in percentage compliance has been achieved by a mixture of new measures within the SDAT and also reflects improvements in practice. The below charts illustrate the change from the Good Corporate Citizen (GCC) to the SDAT tool. The focus of the SDAT has taken a broader approach and covers more areas for development, showing areas that the Trust is compliant; thus providing a higher overall score than the GCC.

Figure 3 – GCC score with previous sections

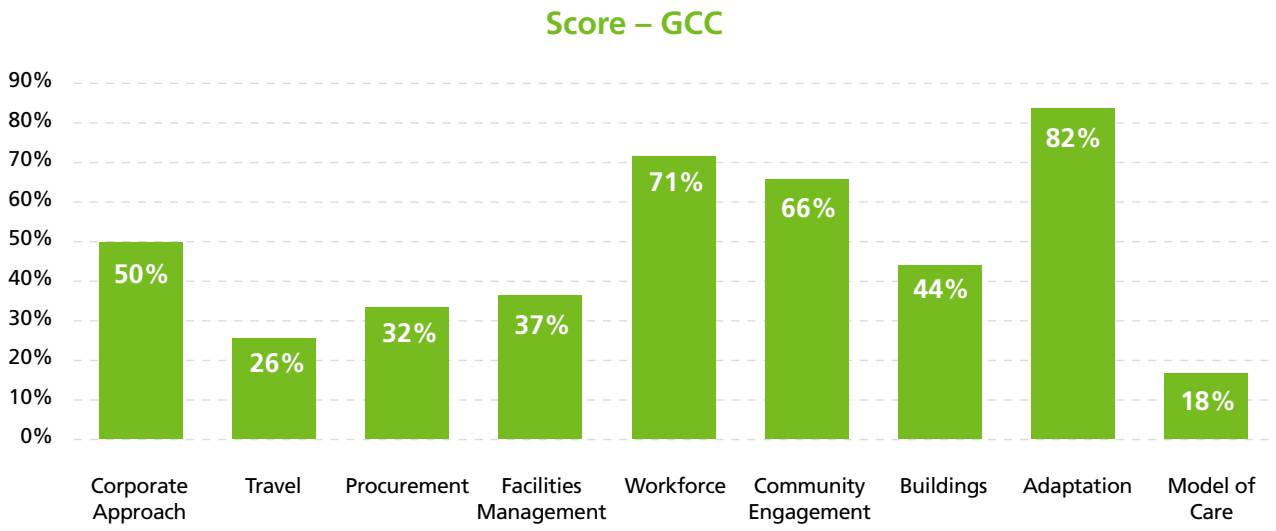


Figure 4 – SDAT sections with overall scores

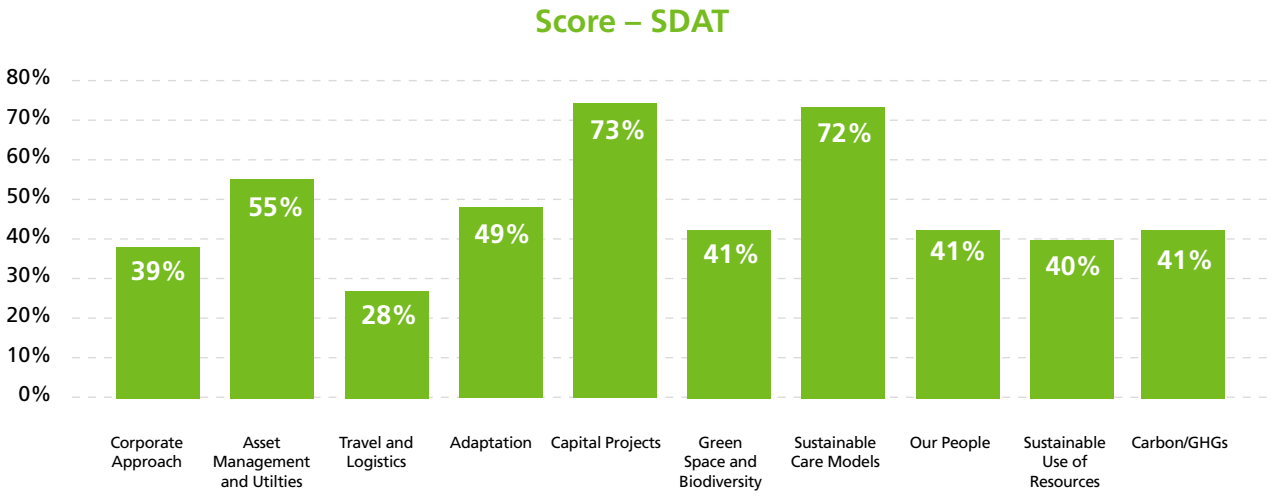


Figure 5 below shows the overall Trust score and Figure 4 shows all statement sections from the SDAT with a linked compliance percentage. The score is calculated from a self-assessment questionnaire, which allows for response in the following format: Yes, No, or In-Progress. Depending on the answers this gives a percentage score against each section adding to an overall score making it simple to review and highlight where organisations need to improve.

Figure 5 – HTFT overall SDAT score

Sustainable care models, capital projects, and asset management are high scoring with a score of over 50%. All other sections are below this mark and would suggest each section aims to increase its score by 10% before the next submission in November 2021.

The section which needs immediate action is Travel and Logistics, which has a current compliance score of 28%. An identified lead for Travel & Logistics will be required to enable this element to be developed by the organisation.

The Trust has had several meetings discussing the SDAT tool and other tools which are used in assessing an organisations environmental development. In these discussions with the Greener NHS and the Humber Coast and Vale it has been advised that the SDAT tool is going for a full re development and isn't going to be released until the end of the year 2021. The advisory coming from the Greener NHS is to carry on using the current SDAT and amend our strategy when the new guidance and tool comes from the Greener NHS.

Green Plan

The Green Plan will dictate the Trust's green agenda and strategy for the next five years directing the Trust towards net-zero and carbon neutrality. A program is being developed to complete the first draft of the Green Plan before the end of 2021, which will provide the roadmap toward net-zero.

Updates have been coming from the Greener NHS and meetings between the Trust and the Greener NHS team guidance is, NHS organisations are to use the NHS guide to Net zero produced by the Greener NHS in November 2020 to produce their NHS Green plan only using the SDAT tool to fill gaps in analysis and actions. An update is coming from Greener NHS in April 2021, this update will give information and guidance to producing an NHS Green plan for all NHS organisations nationally (England, Scotland and wales). The Trust will use this information to create a scoping document to secure the assistance of an external organisation to help in its production aiming to complete by the end of year 2021.

Finite Resources – Water

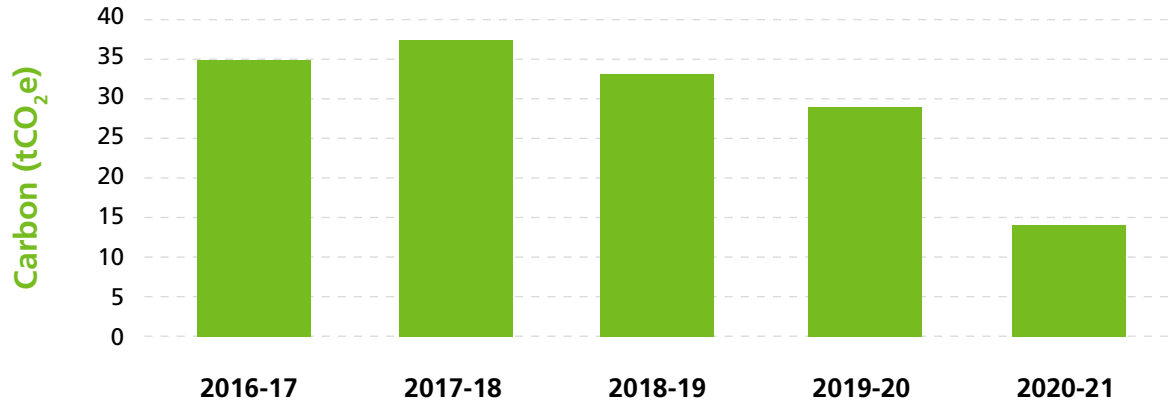
Water has been impacted by the COVID pandemic and the reduction of staff across the Trusts estate. The use of water has dropped substantially due to this.

Performance has been in line with what was expected due to the recent fall in staff on site and the epidemic.

Finite resource use – water					
	2016-17	**2017-18**	**2018-19**	**2019-20**	**2020/21**
Water volume (m^3)	40,433	36,494	28,359	30,919	21,124
Waste water volume (m^3)	32,346	29,195	26,752	29,171	20,067
Water and sewage cost (£)	112,742	101,865	90,961	94,805	72,774

CO2 Emissions (tCO2e)					
	2016-17	**2017-18**	**2018-19**	**2019-20**	**2020/21**
Water related emissions	37	33	29	31	14

Water related emissions



	2016-17	2017-18	2018-19	2019-20	2020-21
Water related emissions	35	37	33	29	14

Waste produced

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

The waste hierarchy ranks waste management options according to what is best for the environment. It gives top priority to preventing waste in the first place. When waste is created, it gives priority to preparing it for re-use, then recycling, then recovery, and last of all disposal (e.g. landfill).

Stages

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

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

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

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

Disposal
Landfill and incineration without energy recovery.

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

- General/domestic waste
- Dry, mixed recyclable waste
- Clinical waste
- Pharmaceutical waste

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

Social Values Report

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

The principles of social value allows the Trust to take into account the wider aspects of increasing equality, improving wellbeing and increased environmental sustainability to be considered when making decisions. Accounts of social value estimate the value of changes experienced by people. Calculations include qualitative, quantitative and comparative information in relation to how services/changes affect people's lives.

Our Social Values report for 2020 was developed utilising a new digital format in order to ensure it is easily accessible and cost-effective. The report has been shared with all staff and is available on our website in both original and accessibility view formats. In addition, a series of successful virtual events focusing on the Social Values Report was launched in April 2021.

Social Community and Human Rights

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

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

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

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

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

The Trusts commitment to equality, diversity, inclusion and human rights saw a collaboration in 2020/21 with the Trust's Health Stars and the HEY Smile Foundation who appointed a Black Asian and Minority Ethnic (BAME) Wellbeing Coordinator. The role is to work with the wider local communities in order to reduce health inequalities by improving access to services and enhance the physical and mental wellbeing of our BAME communities.

Furthering the aims of community inclusion and collaboration with hard to reach staff groups the Trust has expanded upon its staff networks and during the year established a BAME staff network to complement our existing LGBT+ network and Disability network. The BAME staff network will be instrumental in the Trusts work with the Workforce Race Equality Standard (WRES). Collaborative practices across the Trust have led to new policies and procedures such as supporting transgender patients, reducing aggression towards staff from patients, carers and the public.

Through a process of co-production with community groups and staff networks the Trust has refreshed its Supporting Transgender Patients Procedure. In addition, through our work with staff survey and internal stakeholders the Trust has developed and implemented a new Reducing Aggression from Patients, Carers and the Public Procedure. A rigorous Equality Impact Assessment (EIA) is made of new policies and procedures

to ensure staff and patients with a protected characteristic are not unfairly impacted by the implementation of a new policy or procedure. The effectiveness of all of these policies is routinely monitored through incidents and other events to ensure that none of our services adversely affect any one section of the communities we serve, or any one of the protected characteristics.

Anti-fraud, bribery and corruption

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

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

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

Emergency Preparedness, Resilience and Response (EPRR) Assurance

All NHS Trusts have a duty to plan for and respond to major, critical and business continuity incidents whilst maintaining services to patients. Each year Trusts are asked to assess overall whether they are 'full', 'substantial', 'partial' or 'non-compliant' with the 54 EPRR core standards and the additional deep dive element which underpins this duty. In 2020 due to the pressures of the Covid19 pandemic the full annual assurance process to self-assess was not possible, therefore, a 'light touch' approach was taken in re-visiting the previous year's submission and updating the outstanding actions enabling the Trust to achieve full compliance.

Improvement from the 'substantial' core compliance to 'full' compliance is a result of on call teams undertaking Joint Decision Model training as well as the testing and application of command and control arrangements during the Covid19 pandemic.

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

The Trusts overall assurance rating has been signed off by the Trust Board.

Conclusion

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

The system of internal control has been in place in Humber Teaching NHS Foundation Trust for the year ended 31 March 2021 and up to the date of approval of the Annual Report and Accounts.

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

Signed: 

Date: 30 June 2021

Michele Moran
Chief Executive

Accountability Report

Directors' Report

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

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

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

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

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

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

The Care Quality Commission (CQC) last undertook a well led inspection in February 2019 and the Trust was rated as 'Good'. Due to the Covid-19 pandemic the CQC adapted and developed their method of regulating by using a Transitional Monitoring Approach (TMA). The CQC conducted a TMA meeting in 26 January 2021 and although formal reports are not issued as part of this new system, the verbal feedback was positive and no major issues were identified by the CQC.
Each Board of Directors sub-committee produces an annual effectiveness review report on its activities, achievements and plans for the year ahead which is presented to the Board of Directors by the committee chair.

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

The Council of Governors approved an extension to Francis Patton, Non-Executive Director for a further three year term which will now end 31 December 2023.

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

Composition of the Board of Directors			
Non-Executive Directors:			
Name	**Position**	**Appointed to Humber Teaching NHS Foundation Trust**	**Term of office ends**
Sharon Mays	Trust Chair • Chair of Council of Governors • Chair of Remuneration and Nomination Committee	16 September 2014	15 September 2021
Peter Baren	Independent Non-Executive Director • Chair of Audit Committee • Chair of Commissioning Committee • Senior Independent Director	1 December 2013	31 January 2022
Mike Cooke	Independent Non-Executive Director • Chair of Quality Committee • Chair of Charitable Funds Committee	1 September 2016	31 August 2022
Mike Smith	Independent Non-Executive Director • Chair of Mental Health Legislation Committee	1 October 2016	30 September 2021
Francis Patton	Independent Non-Executive Director • Chair of Finance & Investment Committee	1 October 2016	30 September 2021
Dean Royles	Independent Non-Executive Director • Chair of Workforce & Organisational Development Committee	1 January 2018	31 December 2023

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

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

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

Executive and Non-Executive Directors have an open invitation to attend the Council of Governors' meetings, the Governor groups and Governor development days that are held.

They also receive copies of the Council of Governors' meeting papers, including the minutes. The Chair, supported by the Senior Independent Director, promotes an engaging relationship between the Board of Directors and Council of Governors. Sessions with Board members and Governors take place within the development day meetings which give an opportunity for Governors to engage with Executive and Non-Executive Directors. There has also been regular attendance by Governors at the Board of Directors' public meetings. A Governor, Non-Executive and Executive Knowledge and Engagement visit programme to inpatient units, services and teams is also in place, however this has been paused due to Covid 19.

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

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

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

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

The Trust's risk management strategy was reviewed and updated in March 2021. The development of the new three-year Risk Management Strategy for 2021-2024 continues the proactive approach to risk management that can enable a reduction in harm to patients and staff, assist in creating safer care environments and is essential for the achievement of the organisation's strategic goals as well as the Trust's corporate and clinical objectives.

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

A review was undertaken in 2020/21 as part of the Trust Board strategy sessions to review the definition of the Trust's risk appetite or the level of risk that it is prepared to accept, tolerate, or be exposed to. A revised risk appetite statement was developed following agreement by the Trust Board which defines the level of risk that can be accepted against the Trust's strategic goals. This updated appetite statement has been included in the Trust Risk Management Strategy as part of the review undertaken in January 2021.

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

Full details on our committees are provided within our Annual Governance Statement on page 101.

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

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

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

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

Enhanced quality reporting

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

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

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

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

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

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

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

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

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

All key NHS Improvement and CQC indicators are reported in the Trusts Integrated Board Performance Report and in divisional dashboards. KPIs that are failing to either meet target or are showing continued downward trajectory (subsequently at risk of breaching a target) are reported by exception on performance indicator returns (PIs). PIs are discussed with operational staff to understand the issues and problems and current action plans are agreed that support the development of services and make improvements that will enable the Trust to meet its contractual obligations.

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

A new accountability framework was launched in 2019-20 and accountability reviews have been further developed during 2020-21 to further review performance information with divisional leads on a regular basis. The framework mirrors the NHS Single Oversight Framework and monitors key performance indicators (KPIs) and identifies areas for improvement.

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

Our Quality Account, which is provided as part of this report, provides a detailed summary of quality priorities we said we would achieve this year and evidences our delivery against each. In addition, our Quality Account includes statements received direct from our service users. Quality remains at the heart of everything we do and we will continue on our improvement journey.

The Care Quality Commission

The Care Quality Commission (CQC) carried out its last full inspection in 2019 and rated the Trust 'Good'. Due to the pandemic the CQC adapted, replacing their inspection regime with a Transitional Monitoring Approach (TMA). We were 'assessed' in January by the CQC and positive feedback was received on the 23 Key Lines of Enquiry (KLOE) including partnership working, safeguarding and inpatient and carers. Although no formal report is produced following a TMA meeting the positive feedback from the CQC, at a time when teams and staff have been working during a pandemic is a credit to them.

Financial Requirements

The Trust remains compliant with cost allocations and charging requirements laid down by HM Treasury and did not receive any income from fees and charges in 2020/21 and 2019/20.

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

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

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

Remuneration Report

Annual Statement on Remuneration

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

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

The Remuneration Committee reviewed senior pay during the year which resulted in an uplift for the Chief Executive and Executive Directors. This was paid with effect from 1 April 2020.

Policy on Board of Directors Remuneration

Non-Executive Director Remuneration Policy

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

Details of salaries and allowances paid to the Chair and Non-Executive Directors during 2020/21 are provided in Table 1. The information included in this table is subject to audit. These allowances are not pensionable remuneration.

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

Element	Policy
Fee payable	In line with NHSI/E pay guidance for Non-Executive Directors.
Percentage uplift (cost of living increase)	Reviewed annually by the Remuneration and Nominations Committee taking into consideration NHSI/E pay guidance
Travel	Travel and subsistence expenses are reimbursed and paid with remuneration via payroll.
Pension contributions scheme	Non-Executive Directors do not have access to the NHS Pension.
Other remuneration	None

Executive Director Remuneration Policy

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

Further information on staff policies are included on pages 64-67.

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

The opinion of NHSI was sought in relation to Executive Director pay awards. All posts with the relevant benchmarks were presented to the Remuneration and Nominations Committee for ratification. The Trust pay and conditions are in keeping with comparative Trusts.

Directors do not receive any bonus-related payments. The Chief Executive has the potential to earn a discretional annual non-consolidated performance-related bonus. Details of the salaries and allowances of the Chief Executive and other Executive Directors during 2020/21 are shown in Table 1. Details of the pension benefits of the Chief Executive and other Executive Directors are also shown in Table 1. The information in these tables is subject to audit.

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

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

A summary of Executive Director Remuneration Policies are tabled below:

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

Table 1 – Salaries and Allowances of Trust Board and other Senior Managers (1st April 2020 – 31st March 2021) – Subject to Audit

Chair and Non-Executive Directors

2020/2021

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

2019/20

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

Executive Directors – Subject to Audit

2020/2021

Name & Title	Salary (Bands of £5000)	Taxable Benefits (Nearest £100)	Annual Performance Related Bonus (Bands of £5000)	Long Term Performance Related Bonus (Bands of £5000)	Pension Related Benefits (Bands of £2,500	Total (Bands of £5000)
M Moran Chief Executive	155-160		30-35			185-190
J Byrne Medical Director	155-160	4,800			22.5-25	185-190
S McGowan Director of Workforce & Organisational Development	105-110	5,700			25-27.5	-135-140
L Parkinson Chief Operating Officer	110-115	10,200				120-125
H Gledhill Director of Nursing, Allied Health and Social Care Professionals	115-120	4,100			2.5-5	125-130
P Beckwith Director of Finance	125-130	6,400				130-135

2019/20

Name & Title	Salary (Bands of £5000)	Taxable Benefits (Nearest £100)	Annual Performance Related Bonus (Bands of £5000)	Long Term Performance Related Bonus (Bands of £5000)	Pension Related Benefits (Bands of £2,500	Total (Bands of £5000)
M Moran Chief Executive	145-150	300	30–35		15-17.5	195-200
J Byrne Medical Director	150-155	5,500			47.5-50	205-210
S McGowan Director of Workforce & Organisational Development	100-105	5,700			7.5-10	115-120
L Parkinson Chief Operating Officer	105-110	9,800				115–120
H Gledhill Director of Nursing, Allied Health and Social Care Professionals	110-115				45-47.5	155-160
P Beckwith Director of Finance	115-120	7,000			207.5-210	330-335

The Benefits in Kind represent the monetary value of the cars. The 2020-21 pension related benefits have been adjusted for employee pension contributions. There were no long term performance related bonuses in either 2020/21 or 2019/20.

The level of pension benefits in 2020/21 were higher than those in 2019/20. This is due to the nature of the pension calculation which is set out in the Government Accounting Manual and reflects the change in pension benefits that are generated by changes in salary.

Reporting bodies are required to disclose relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce. The banded remuneration of the highest-paid director in Humber Teaching Foundation Trust in the financial year 2020/21 was £185,000 - £190,000. This was 7.5 times the median remuneration of the workforce, which was £24,907, (in 2019/20 it was 7.1 times and the median salary was £24,907).

Only one employee earned an amount in excess of the highest paid Board member, with remuneration in the banding £185,000-£190,000 (in 2019/20 there was one member exceeding the salary of the highest paid Board member).

The range of salary paid to employees was £16,823- £242,400 (2019/20 £15,839-£187,714). In accordance with the Government Accounting Manual the salaries of hosted
Posts were included and these have inflated the range of values compared to those reported in 2019/20.

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

Table 2 below illustrates this calculation.

Table 2 – Subject to Audit

	2020/21	2019/20
Band of Highest Paid Director's Total Remuneration (£'000)	185 – 190	175-180
Median Total	24,907	24,907
Remuneration Ratio	7.5	7.1

Table 3 – Pension Benefits of Trust Board and other Senior Managers (1st April 2020 – 31st March 2021) – Subject to Audit

Executive Directors								
Name & Title	**Real increase in pension at pension age (bands of £2500)** **£000**	**Real increase in pension lump sum at pension age (bands of £2500)** **£000**	**Total Accrued pension at pension age at 31 March 2021 (bands of £5000)** **£000**	**Lump sum at pension age related to accrued pension at 31 March 2021 (bands of £5000)** **£000**	**Cash Equivalent Transfer Value at 1 April 2020** **£000**	**Real Increase in Cash Equivalent Transfer Value** **£000**	**Cash Equivalent Transfer Value at 31 March 2021** **£000**	**Employers Contribution to Stakeholder Pension** **£000**
M Moran Chief Executive	0-2.5	0-2.5	65-70	205-210	1549	53	1628	23
J Byrne Medical Director	0-2.5	0	15-20	15-20	263	29	296	15
S McGowan Director of Workforce & Organisational Development	0-2.5	0	5–10	0	69	24	95	15
L Parkinson Chief Operating Officer	0-2.5	0-2.5	55-60	165-170	1152	36	1208	17
H Gledhill Director of Nursing, Allied Health and Social Care Professionals	0-2.5	2.5-5	30-35	90-95	696	39	746	17
P Beckwith Director of Finance	0-2.5	0	60-65	0	835	11	860	6

Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the members' accrued benefits and any contingent spouse or civil partner's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves the scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures include the value of any pension benefits in another scheme or arrangement, which the individual has transferred to the NHS pension scheme and any additional benefits accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

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

Current CPI applied to Pensions is 1.7%

Remuneration and Nomination Committee

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

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

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

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

Policy on Board Remuneration

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

Four meetings of the Remuneration and Nomination committee were held during the period of this report and details of attendance are presented in the Board of Directors' attendance table on page 83. The terms of reference for the committee are available on the Trust's website or from the Trust Secretary.

Signed: 

Date: 30 June 2021

Michele Moran
Chief Executive

Staff Report – Subject to Audit

Note 8 Employee Benefits	2020/21	2019/20
	Total £000	Total £000
Salaries and wages	96,534	86,140
Social security costs	8,790	7,778
Apprenticeship levy	439	393
Employer's contributions to NHS pensions	15,915	14,351
Pensions cost – other	432	262
Temporary staff (including agency)	6,711	4,145
Total gross staff costs	**128,821**	**113,069**
Total staff costs	**128,821**	**113,069**

All staff were charged to revenue in 2020/21.

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

			2020/21	2019/20
	Permanent Number	Other Number	Total Number	Total Number
Medical and dental	64	18	**82**	75
Ambulance staff	-	-	**-**	-
Administration and estates	722	20	**742**	717
Healthcare assistants and other support staff	245	10	**255**	222
Nursing, midwifery and health visiting staff	1,208	170	**1,378**	1,300
Nursing, midwifery and health visiting learners	-	-	**-**	-
Scientific, therapeutic and technical staff	181	-	**181**	173
Healthcare science staff	-	-	**-**	-
Social care staff	98	3	**101**	78
Other	3	3	**6**	-
Total average numbers	**2,521**	**224**	**2,745**	**2,565**

Group	Female	Male
Director	4	3
Employee	2260	601
Senior Management	146	48
Grand Total	**2410**	**652**

Information on the remuneration of the directors and on the expenses of the governors and the directors						
	2020/2021			2019/2020		
	Governors	Directors	Total	Governors	Directors	Total
The total number in office	25	12	37	25	14	39
The number receiving expenses in the reporting period	0	12	12	12	12	24
The aggregate sum of expenses paid in the reporting period	£0	£757	£757	£1,773	£15,728	£17,501

Staff Sickness Absence

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

https://digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates/october-2020-to-december-2020-provisional-statistics

A summary of our staff sickness absence figures can be found on page 26 of our April Board papers which can be accessed here **https://www.humber.nhs.uk/about/board-papers-2021.htm**

Workforce

Social Community and Human Rights

The principles of the NHS Constitution recognise that the NHS is dependent upon its staff and that only when staff feel valued and supported that patients receive excellent care. Research clearly demonstrates a relationship between staff engagement, patients and organisational outcome measures, such as staff absenteeism and turnover, patient satisfaction and mortality. The more engaged staff members are, the better the outcomes for patients.

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

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

These include:

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

Proud

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

Staff Policies and actions applied during the Financial Year

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

The Trust's Recruitment & Selection policy gives full and fair consideration to applications for employment received from disabled persons, having regard to their particular aptitudes and abilities and recognising the Disability Confident Employer accreditation and NHS Employment Standards. Along with a policy for Recruitment and Selection, the Trust provides training and guidance to recruiting managers. An enhanced recruitment and selection system, TRAC has been introduced to support managers and the candidate experience and it supports a reduction in the time to recruit.

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

The Trust has a Managing Sickness Absence Policy and Toolkit and this reinforces support available to staff. To support staff to remain at work, the policy enables managers to engage with staff with long term conditions and gives consideration to reasonable adjustments and redeployment where required. The redeployment of employees due a medical condition is supported by the Management of Change Policy, ensuring adequate information and advice is sought before redeployment options are considered.

The Trust has a SEQOHS accredited in-house Occupational Health Service providing support and advice to employees and managers and there are policies in place to support the services. These include Occupational Health Nurse specialists, a back care specialist as well as access to counselling provision. Advice is sought from the Occupational Health Nurse specialists and Doctors to ensure all reasonable adjustments are explored.

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

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

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

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

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

Appraisal drop-in session have been implemented to help support managers, the main focus will be on holding the performance conversation and signposting managers to additional resources and support available.

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

The Trust communicates with staff on a regular basis through email bulletins which include weekly EMT News Headlines, The Global, specific messages from the Chief Executive and Vlogs, Managers Newsletter and Humber Proud staff newsletter.

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

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

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

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

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

- Participation in the quarterly Staff Friends and Family Survey and the production of local surveys to establish the views of employees and formulates action plans based upon the findings from the National Survey.
- Opportunities to meet with the Executive Team with regular 'Ask the Exec' sessions virtually with all staff across the Trust. This is an opportunity for staff to raise questions with the Executive team in a forum style approach but virtually.
- A Senior Leadership Forum and a Leadership Forum, together these support mangers with updates and information in relation to developments in the Trust.
- Staff Governors on the Council of Governors who meet with the Chair every 6 weeks and have the opportunity to discuss staff engagement and health and wellbeing. Staff governors also meet with a number of executive directors and are involved in organisational development work.

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

There are:

- Monthly Trade Union meetings to share information on Trust's performance
- Bi-monthly Senior Leadership and Leadership Forums where information on Trust performance is shared
- Staff Engagement & Health & Wellbeing Group made up of staff representatives across the Trust to inform and identify opportunities to support the health and wellbeing of staff to aid improvement in performance
- Equality, Diversity and Inclusion Group to share development and performance on equality and

diversity such as the Workforce Race Equality Scheme and the Workforce Disability Equality Scheme as well as results from the national staff survey

- Introduction of BAME, LGBT & Disability Staff Networks with regular dialogue with the EDI group.

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

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

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

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

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

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

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

- The Trust has a well-established Leadership Forum and this has been refreshed to make sessions more interactive and focused on key priorities and challenges.
- The Trust is in its third year of a Reward Scheme designed to give staff an additional day of annual leave (pro rata) if they undertake all of their statutory and mandatory training, completion of their appraisal and have received their flu vaccination if they are working within a clinical area.
- Introduced the EAP programme to help support staff 7 days per week.
- Ensured a really good influenza vaccination uptake by creating training specific for peer vaccinators.
- Supported the assessment and management of COVID related health and organisational issues.
- We have appointed a Psychologist into Occupational Health to assist the counselling provision for staff not under the care of Secondary Mental Health services but that have complex needs.
- Introduced a Physiotherapy offer to staff that have a musculoskeletal issue impacting their functionality within role.

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

The Trust's counter fraud activity plays a key part in deterring risks to the organisation's financial viability and probity. An annual counter fraud plan is agreed by the Audit Committee which focuses on the deterrence, prevention, detection and investigation of fraud. The Local Counter Fraud Specialist (LCFS) promotes the mechanism for staff to report any concerns about potential fraud, bribery or corruption and staff are actively encouraged to do so. All concerns of fraud, bribery and corruption are investigated by the counter fraud team and the outcomes of all investigations are reported to the Audit Committee.

- The Counter Fraud Plan was reviewed and approved by the audit committee and the Local Counter Fraud Specialist presented regular reports throughout the year detailing progress towards achievement of the plan, as well as summaries of investigations undertaken.
- Local anti-fraud and corruption policy reviewed and refreshed during the year.
- Counter fraud welcome emails have been sent to all new starters with the Trust with a link to the counter fraud page on the intranet, the latest counter fraud newsletter, counter fraud policy and NHS CFA fraud awareness videos.
- Presentations have been given to staff groups to raise awareness and a suite of fraud awareness videos and other material distributed to all staff via global email.
- Counter fraud newsletters have been distributed to all staff by the Communications team for information
- The Trust intranet and website have been updated throughout the year with fraud awareness information, posters and newsletters.
- Counter fraud alerts have been distributed to relevant staff for information and action.

Actions taken to Develop New Roles and Develop our Staff into Hard to Recruit roles

Like much of the NHS nationally, workforce shortages in key professional roles have resulted in recruitment challenges for the Trust. During 2020/21, plans for recruiting to our most critical vacancies have been overseen by the Hard to Recruit Task and Finish Group.

International Nursing Recruitment has made significant progress in year. We are working in collaboration with other NHS Trusts, with funding to appoint 20 nurses to the Trust during 2021/22. This will be a first for the Trust, with hope to expand recruitment in future years. We are also engaging in national discussion around options for training international nurses into Mental Health nursing roles in the longer term.

Apprenticeships have continued to prove an effective route into developing a skilled workforce for the future and we will introduce a new Apprenticeship Policy in 2021/22, which aims to support managers to significantly expand the recruitment of new Apprenticeship roles into the Trust.

In conjunction with a local college, we plan to launch a work experience programme for students aged 16 to 18 years from October 2021.

To support the development of our Workforce Plans for 2021/22, we have worked with an independent health consultant to analyse our existing workforce models and identify opportunities for addressing vacancy pressures, such as introducing new roles.

This year, we also launched Join Humber, a new jobs site that promotes what the Trust has to offer potential candidates. The site provides key resources for job seekers within our new corporate branding.

“This year, we also launched Join Humber, a new jobs site that promotes what the Trust has to offer potential candidates. The site provides key resources for job seekers within our new corporate branding.”

Occupational Health

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

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

The Occupational Health Service drives forward the national flu campaign for the Trust and in 2020/21 was successful in improving the take up of the flu vaccines to 79.59 of Trust's front line Health Care Workers had opted to have the flu vaccination by the end of the campaign compared to 78.3% in 2019/20 and 71.6% in 2018/19.

The Trust has successfully retained SEQOHS standards accreditation (Safe, Effective, Quality and Occupational Health Standards). We had an in-house review July 2019 (5 yearly scrutiny visit) and we resubmitted our evidence again this year.

The Occupational Health Service team has worked with the Trust Psychology team, to enable the trust to offer immediate support for staff during the Pandemic.

The occupational health service offers Peer support for staff that have continued challenges after getting COVID.

Staff Turnover

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

Health and Safety

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

Staff Survey

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

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

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

- Attract, recruit and retain staff
- Provide tools to support staff productivity
- Coaching and mentoring
- Promote equality, diversity and inclusion
- Development of staff for the future
- Behavioural standards
- Talent management
- Leadership and management development programme
- Staff health, wellbeing and engagement
- Workforce transformation

Summary of Performance of the Trust NHS Staff Survey

Statement of approach to Staff engagement

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

The Trust has taken the following actions to support the Trust's improvements, particularly as part of the staff survey response. Clear visual communications of the staff survey outcomes enabled staff across the Trust to respond to the outcomes, by encouraging them in their divisions and corporate areas to discuss, own and embed necessary improvements.

These include:

- Continued Financial investment in Wellbeing and Development
  - Develop the Trust estate (including provision of food and rest areas)
  - Increase provision for staff engagement
  - Increase provision for the Training Budget
  - Increase staff health and wellbeing support, including appointed a Staff Psychologist & a contract with Physio Med to support MSK
  - Increase counselling provision for staff, Introduce staff trauma support
  - Develop and deliver specific programmes such as menopause support
- Develop and deliver senior leadership and leadership development programmes
- Allocated staff engagement/wellbeing funds to each directorate and division
- Launched an Employee Assistance programme available for staff to access 24 hours per day, 365 days per year
- Introduced the Shiny Minds App to support the improvement of wellbeing and resilience of our staff
- Enhanced staff benefits package to include home electronics
- Refreshed our Senior Leadership Forum and launched our Leadership Forum
- Introduced a new appraisal window, policy and toolkits to support annual conversations
- Developed a programme of engagement for bank workers, including the launch of a bank staff satisfaction survey, annual review and induction
- Increased funding for staff training and delegated directorate budgets for staff engagement
- Launched 'MyCompliance' and training booking directly onto ESR employee self service
- Modernised the training estate and equipment
- Introduced a High Potential Development Scheme aimed at our band 2 - 7 staff in any role
- Introduced Executive Coaching for Senior Staff
- Launched our staff networks including LGBT+, Humber Ability and BAME
- Implemented Bullying and Harassment training for managers
- Implemented Stress Awareness Training

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

The 2020 National Staff Survey was conducted between October and November 2020. The response rate to the 2020 survey among Trust staff was 43% (2019 40%). Scores for each indicator together with that of the survey benchmarking group (Combined Mental Health, Learning Disability and Community Trusts) are presented overleaf:

	2020/21		2019/20		2018/19	
	Trust	Benchmarking Group	Trust	Benchmarking Group	Trust	Benchmarking Group
Equality, Diversity and inclusion	9.4	9.1	9.2	9.1	9.3	9.2
Health and Wellbeing	6.3	6.4	5.9	6.1	5.8	6.1
Immediate Managers	7.2	7.3	6.9	7.2	7.0	7.2
Morale	6.4	6.4	6.1	6.3	6.0	6.2
Quality of Appraisals	N/A	N/A	5.0	5.7	4.8	5.5
Quality of Care	7.3	7.5	7.2	7.4	7.2	7.4
Safe Environment – Bullying and Harassment	8.5	8.3	8.2	8.2	8.1	8.2
Safe Environment – violence	9.6	9.5	9.5	9.5	9.4	9.5
Safety Culture	6.8	6.9	6.6	6.8	6.5	6.8
Staff Engagement	7.1	7.2	6.7	7.1	6.7	7.0
Team Working	6.9	7.0	6.7	6.9	6.6	6.9

Future Priorities

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

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

The Trust launched a revised Appraisal Policy in 2019, which has been supported by development sessions on delivering quality appraisals in 2019 and 2020 and the Trust's PROUD Programme supports the improvements to the appraisal process.

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

Learning and Development

The Trust has a Learning and Development Service, providing opportunities for training and development for all our staff. There is access to a wide range of core content that meets our requirement for essential, mandatory and statutory training. This can be delivered through face to face, virtual and e-learning.

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

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

We have a design service, whereby subject experts can work with an instructional designer to build digital content that can be made accessible to staff in a convenient way.

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

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

Diversity and inclusion policies, initiatives and longer term ambitions:

- The Trust policies and activities undertaken in the year have improved the diversity and inclusiveness of the workforce. For example, the introduction of the BAME staff network has provided an opportunity for feedback and a clear voice in building inclusion in the Trust. Furthermore, we have seen our ESR protected characteristic declarations by staff improve from, for example, 4.12% of the workforce having a long term condition or illness to 5.32%.
- Our Workforce Race Equality Standard (WRES) analysis and subsequent report identified barriers to improving the diversity of its workforce and so in response the Trust established the BAME Staff network, in collaboration with an external provider and in response to an internal review the Trust developed recruitment and selection training for managers.
- In order to track changes in staff composition impacting on the diversity and inclusiveness of the workforce, the Trust developed a quarterly EDI Insight report to provide localised intelligence including appropriate trend data that was not necessarily available elsewhere.
- The Trust benchmarks its performance against internal targets set in relation to diversity and inclusiveness of the workforce and this is demonstrated through its reporting as well as the Trusts improvement to be in the Top 5 of Mental Health and Community Trusts for the theme of Equality, Diversity and Inclusion from the national staff survey.

Gender Pay Gap Report

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

Information on the Trusts 2020 Gender Pay Gap report can be found on the Trust website at Gender Pay Gap Report 2020.pdf (humber.nhs.uk)

Reporting of compensation schemes - exit packages 2020/21 – Subject to Audit

There were no compulsory redundancies during year. Two exit packages were agreed during the year with a value of £87,000.

The table below shows the number of compulsory redundancy and exit packages in 2020/21 – Subject to audit.

	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
Exit package cost band (including any special payment element)	Number	Number	Number
<£10,000	-	1	**1**
£10,000 - £25,000	-	-	**-**
£25,001 - 50,000	-	-	**-**
£50,001 - £100,000	-	1	**1**
£100,001 - £150,000	-	-	**-**
£150,001 - £200,000	-	-	**-**
>£200,000	-	-	**-**
Total number of exit packages by type	**-**	**2**	**2**
Total resource cost (£)		£87,381	£87,381

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

	2020/21		2019/20	
	Payments agreed	Total value of agreements	Payments agreed	Total value of agreements
	Number	£000	Number	£000
Voluntary redundancies including early retirement contractual costs			-	-
Mutually agreed resignations (MARS) contractual costs	2	87	15	205
Early retirements in the efficiency of the service contractual costs	-	-	-	-
Contractual payments in lieu of notice	-	-	-	-
Exit payments following Employment Tribunals or court orders	-	-	-	-
Non-contractual payments requiring HMT approval	-	-	-	-
Total	**2**	**87**	**15**	**205**

Off-payroll arrangements

To ensure adherence to HM Treasury requirements in respect of tax and national insurance for public sector appointees, we have arrangements in place for the appropriate use of external contractors where engagements last for six months or more and the daily rate exceeds £245. These arrangements apply when we contract with an individual through an intermediary company, and also where the contract is direct with an individual, and provides the appropriate assurances that the independent contractor is complying with their income tax and national insurance obligations. The Trust's current position is presented below:

For all off-payroll engagements as of 31 Mar 2021, for more than £245 per day and that last for longer than six months

	2020/21 Number of engagements
Number of existing engagements as of 31 Mar 2021	12
Of which:	
Number that have existed for less than one year at the time of reporting	0
Number that have existed for between one and two years at the time of reporting	7
Number that have existed for between two and three years at the time of reporting	4
Number that have existed for between three and four years at the time of reporting	1
Number that have existed for four or more years at the time of reporting	0

For all new off-payroll engagements, or those that reached six months in duration, between 01 Apr 2020 and 31 Mar 2021, for more than £245 per day and that last for longer than six months

	2020/21 Number of engagements
Number of new engagements, or those that reached six months in duration between 01 Apr 2020 and 31 Mar 2021	3
Of which:	
Number assessed as within the scope of IR35	0
Number assessed as not within the scope of IR35	3
Number engaged directly (via PSC contracted to trust) and are on the trusts payroll	0
Number of engagements reassessed for consistency/assurance purposes during the year	0
Number of engagements that saw a change to IR35 status following the consistency review	0

For any off-payroll engagements of board members, and/or senior officials with significant financial responsibility, between 1 Apr 2020 and 31 Mar 2021

	2020/21 Number of engagements
Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	-
Number of individuals that have been deemed "board members and/or senior officials with significant financial responsibility". This figure should include both off-payroll and on-payroll engagements.	6

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

Table 1: Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
31 Trade Union Representatives	27.63 FTE

Table 2: Percentage of time spent on facility time

Percentage of time	Number of employees
0%	14
1-50%	16
51%-99%	1
100%	0

Table 3: Percentage of pay bill spent on facility time

First Column	Figures
Provide the total cost of facility time	£31,477.14
Provide the total pay bill	£1,001,791.33
Provide the percentage of the total pay bill spent on facility time, calculated as:	3.14%
(total cost of facility time ÷ total pay bill) x 100	

Table 4: Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	0%

Code of Governance

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

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

Copies of this document are available from the Trust Secretary or available on the Trust's website.

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

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

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

Code of Governance Reference	Requirement
A.1.1	The schedule of matters reserved for the board of directors should include a clear statement detailing the roles and responsibilities of the council of governors. This statement should also describe how any disagreements between the council of governors and the board of directors will be resolved. The annual report should include this schedule of matters or a summary statement of how the board of directors and the council of governors operate, including a summary of the types of decisions to be taken by each of the boards and which are delegated to the executive management of the board of directors. Comply – SFIs – Board of Directors – page 90
A.1.2	The annual report should identify the chairperson, the deputy chairperson (where there is one), the chief executive, the senior independent director (see A.4.1) and the chairperson and members of the nominations, audit and remuneration committees. It should also set out the number of meetings of the board and those committees and individual attendance by directors. Comply – Board of Directors – 82
A.5.3	The annual report should identify the members of the council of governors, including a description of the constituency or organisation that they represent, whether they were elected or appointed, and the duration of their appointments. The annual report should also identify the nominated lead governor. Comply – Council of Governors – 95-96
B.1.1	The board of directors should identify in the annual report each non-executive director it considers to be independent, with reasons where necessary. Comply - Board of Directors – 85-89

B.1.4	The board of directors should include in its annual report a description of each director's skills, expertise and experience. Alongside this, in the annual report, the board should make a clear statement about its own balance, completeness and appropriateness to the requirements of the NHS foundation trust. Comply - Board of Directors – 85-89
B.2.10	A separate section of the annual report should describe the work of the nominations committee(s), including the process it has used in relation to board appointments. Comply – Board of Directors – 60
B.3.1	A chairperson's other significant commitments should be disclosed to the council of governors before appointment and included in the annual report. Changes to such commitments should be reported to the council of governors as they arise and included in the next annual report – 88 Comply – register of interest is publicly available for the Chair and all those on the Board of Directors. It is presented at each meeting of the Board of Directors – 85
B.5.6	Governors should canvass the opinion of the trust's members and the public, and for appointed governors the body they represent, on the NHS foundation trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the board of directors. The annual report should contain a statement as to how this requirement has been undertaken and satisfied. Comply – Council of Governors – 84, 96-98
B.6.1	The board of directors should state in the annual report how performance evaluation of the board, its committees, and its directors, including the chairperson, has been conducted. Comply – Board of Directors – 77-78
B.6.2	Where there has been external evaluation of the board and/or governance of the trust, the external facilitator should be identified in the annual report and a statement made as to whether they have any other connection to the trust. Comply as required – Board of Directors – None undertaken
C.1.1	The directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS foundation trust's performance, business model and strategy. Directors should also explain their approach to quality governance in the Annual Governance Statement (within the annual report). Comply – Board of Directors – 88 External Auditors responsibilities – 82 Annual Governance Statement – 101
C.2.1	The annual report should contain a statement that the board has conducted a review of the effectiveness of its system of internal controls. Comply – Annual Governance Statement – 101
C.2.2	A trust should disclose in the annual report: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes. Comply – Audit Committee – 82

C.3.5	If the council of governors does not accept the audit committee's recommendation on the appointment, reappointment or removal of an external auditor, the board of directors should include in the annual report a statement from the audit committee explaining the recommendation and should set out reasons why the council of governors has taken a different position. Comply – not applicable
C.3.9	A separate section of the annual report should describe the work of the audit committee in discharging its responsibilities. The report should include: • the significant issues that the committee considered in relation to financial statements, operations and compliance, and how these issues were addressed; • an explanation of how it has assessed the effectiveness of the external audit process and the approach taken to the appointment or re-appointment of the external auditor, the value of external audit services and information on the length of tenure of the current audit firm and when a tender was last conducted; and • if the external auditor provides non-audit services, the value of the non-audit services provided and an explanation of how auditor objectivity and independence are safeguarded. Comply – Audit Committee – 79
D.1.3	Where an NHS foundation trust releases an executive director, for example to serve as a non-executive director elsewhere, the remuneration disclosures of the annual report should include a statement of whether or not the director will retain such earnings. Comply – not applicable
E.1.5	The board of directors should state in the annual report the steps they have taken to ensure that the members of the board, and in particular the non-executive directors, develop an understanding of the views of governors and members about the NHS foundation trust, for example through attendance at meetings of the council of governors, direct face-to-face contact, surveys of members' opinions and consultations. Comply – Board of Directors – 81
E.1.6	The board of directors should monitor how representative the NHS foundation trust's membership is and the level and effectiveness of member engagement and report on this in the annual report. Comply – foundation trust membership – 96-97

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

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

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

The Trust complies with all provisions of section six.

External Reviews

No external reviews were undertaken in 2020/21. As reported earlier in this report the CQC changed their approach to inspection in response to the Covid-19 pandemic. No costs were incurred in year in relation to external reviews.

Board of Directors Sub-Committees

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

Remuneration and Nomination Committee

Details can be found on page 60 of this report.

Audit Committee

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

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

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

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

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

Charitable Funds Committee

The Charitable Funds Committee oversees the administration of the charitable funds on behalf of the Trust (charity number 1052727). The committee meets bi-monthly and provides advice to the Board of Directors. The committee is chaired by Mike Cooke, Non-Executive Director. The committee comprises another Non-Executive Director, the Director of Finance, acting as financial trustee, the Director of Workforce and Organisational Development, the Charitable Funds Manager and the Financial Services Manager. The method of appointment of trustees is governed by the Trust's standing orders, with the Charitable Funds Committee structure established within its terms of reference.

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

Finance and Investment Committee

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

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

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

Mental Health Legislation Committee

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

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

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

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

Quality Committee

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

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

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

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

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

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

Workforce and Organisational Development Committee

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

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

The chair of the committee is Dean Royles, Non-Executive Director.

The committee has a core membership another of 2 Non-Executive Director, Director of Workforce & Organisational Development, Chief Operating Officer, Medical Director, Deputy Director of Nursing.

Attendance of directors at the Workforce and Organisational Development Committee meeting is presented in the Board of Directors' attendance table.

Commissioning Committee

The committee has been set up in shadow form pending confirmation of a 'go live' date from NHS England/Improvement (NHSE/I). The committee reports to the Trust Board after each meeting.

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

The chair of the committee is Peter Baren, Non-Executive Director.

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

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

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

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

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

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

"The Commissioning Committee is the Board Committee established by the Trust as the Lead Provider within the Humber Coast and Vale (HCV) Provider Collaborative. The Committee holds delegated responsibility to provide commissioning leadership and monitoring functions."

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

*denotes optional attendance at committee

External Audit

For 2020/21, the Trust's external auditor was Mazars. No non-audit work was undertaken by Mazars in year.

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

Internal Audit

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

AuditOne provided internal audit services to the Trust up to 30 September 2020 an Audit Yorkshire provided the service from 1 October 2020. The Directors of both organizations took a strategic role for overseeing the effective delivery of the audit service for the period of their tenure, and the operational element of the service was undertaken by teams led by an audit manager who maintained regular contact with Trust staff. Executive responsibility for the internal audit function lies with the Director of Finance.

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

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

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

Board of Directors: Expertise and Experience

Sharon Mays, Chair

(term of office expires 15 September 2021)

Prior to taking up the position of Chair, Sharon served as a governor, Non-Executive Director, Deputy Chair and Senior Independent Director of the Trust. She joined the Board of the Trust in July 2011 and was appointed as Chair of the Trust with effect from September 2014.

Before joining the Board of the Trust, Sharon was a non-executive director of East Riding of Yorkshire Primary Care Trust. Sharon was a member of the Joint Independent Audit Committee of the Police and Crime Commissioner for Humberside and Humberside Police force. She was also the Principal Independent Person for standards investigations undertaken by the East Riding of Yorkshire Council in connection with alleged breaches of the Council's Code of Conduct.

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

Peter Baren, Non-Executive Director

(term of office expires 31 January 2022)

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

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

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

Mike Cooke, Non-Executive Director

(term of office expires 31 August 2022)

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

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

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

Mike is a Trustee of Yorkshire Wildlife Trust and previous Chair, chaired several Advisory Groups to key Applied Research Programmes, Executive mentor and coach and lives in Hillam.

Mike Smith, Non-Executive Director

(term of office expires 30 September 2021)

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

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

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

Francis Patton, Non-Executive Director

(term of office expires 31 December 2024)

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

Francis retired from Punch at the end of 2007 but moved into a series of non-executive roles including being the Vice Chair and SID for Barnsley Hospital NHSFT, the Chair of Barnsley Facility Services, a wholly owned subsidiary of Barnsley Hospital NHSFT as well as starting his own PR business with some colleagues and becoming a part-time lecturer at Leeds Beckett University.

Francis is Non-Executive Chair of the commercial arm of SIBA, is Chair of Cask Marque, an accreditation company for quality beer, is a trade advisor for the BII, is Vice Chair and is part-owner in and director of Fleet Street Communications, one of the top PR agencies in the hospitality and leisure sector.

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

Dean Royles, Non-Executive Director

(term of office expires 31 August 2022)

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

Dean has an MSc in Human Resources and is a member of Sheffield Business School's Advisory Board. He is former national Chair of the Board of the Chartered Institute of Personnel and Development (CIPD) and was awarded Companionship of the CIPD in 2015. He has an Honorary Doctorate from the University of Bradford for his contribution to health services management.

Dean is a regular conference speaker, published in a number of journals, on the editorial board of HRMJ and the International Journal of Human Resources Development, a social media advocate and provides expert opinion in the national media. His easy style, expertise and high energy approach to HR ensured he was voted UK's Most Influential HR Practitioner three years running. His book, with Oxford University Press on Human Resource Management was published in February 2018.

Michele Moran, Chief Executive

Appointed January 2017

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

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

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

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

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

Michele is passionate about integrated patient centred care and staff health and wellbeing.

Michele a nurse by background is defined by her values of making a positive difference to patients and staff.

Michele is passionate about working with and supporting people to be the best they can be.

Central to Michele's values are caring, improving the quality and safety for patients whilst supporting and developing staff.

Peter Beckwith, Director of Finance

Appointed 10 March 2017

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

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

Dr John Byrne, Medical Director

Appointed 1 October 2017

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

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

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

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

Hilary Gledhill, Director of Nursing, Allied Health and Social Care Professionals

Appointed 1 June 2015

Hilary joined the Trust in June 2015 and has over 40 years' experience in the NHS. She qualified as a registered nurse in 1983 and worked as a nurse in acute hospital services and the community before moving into senior quality improvement and nurse leadership roles, gaining experience in community and Primary Care and commissioning organisations.

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

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

Lynn Parkinson, Chief Operating Officer

Appointed 1 October 2018

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

Steve McGowan, Director of Workforce and Organisational Development

Appointed 18 June 2018

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

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

A return to local government and the West Midlands in 2013 saw Steve take up the role of Head of HR at Walsall Metropolitan Borough Council, where he remained until moving back to Lincolnshire and into the NHS at United Lincolnshire Hospitals NHS Trust as Deputy Director of Human Resources and Organisational Development in 2016.

Register of Directors' Interests

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

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

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

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

Council of Governors

A message from the Lead Governor, Sam Muzaffar

Firstly, I would like to thank all the governors for electing me uncontested to be the Lead Governor. I shall try to do my best to represent their collective views which are aimed at continuing to improve the services of the Trust, ultimately benefitting the patients and the service users. The previous Leads have set a high standard and those must be maintained.

Towards the end of last year elections were held for seeking new governors and new governors have been in place since February 2021. The membership elects the governors with a view to give support to the workings of the Trust as well as questioning the Board wherever appropriate and this mechanism has worked effectively in recent years.

The pandemic has obviously changed the way we used to work and I must say that the governors and the Trust have performed remarkably well in these strange circumstances. Working remotely and meeting virtually over nearly a year challenged our flexibility and we have learnt how to be effective despite a very different environment in which we now operate.

During the last year governors have considered many issues including ways to 'listen' to patients and our membership, understanding and use of the accumulated 'reserve' funds and understanding the services that our units provide to the benefit of the service users. There has also been the desire to learn more about the new Integrated Care System (ICS) operations starting in spring. The governors have been considering these matters and discussing them at the Development and Council of Governors (CoG) meetings. I must mention that various members of different units of the Trust including the Finance team and Chief Executive provided very valuable presentations at these meeting.

Covid vaccinations to staff and carers had been a real challenge this year and it must be mentioned that the medical team and volunteers performed exceptionally well in this regard and both vaccines were given in a professional way.

On two occasions I was present to witness the streamline workings of this operation; I was impressed.

The Chair will be leaving us in September 2021 so the recruitment operations were put in place to recruit the new Chair. In this regard several members of staff, governors and carers were involved in various interview teams. There was a good field of candidates and we were able to unanimously choose the new Chair. The governors also approved the recruitment of an Associate Non-Executive Director in the coming months.

Some of the Council of Governor groups and committees have been energised this year in terms of their chair and members to provide a renewed focus on the work of the groups. We the governors are the representatives of our constituencies and are available for discussions and ideas that members might have to support our work in the Trust. Most important meetings are streamed live on Youtube for you to see what is going on and have the opportunity to get involved in improving our performance even more.

Council of Governors

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

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

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

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

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

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

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

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

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

Council of Governors' Meetings

The Council of Governors met on a quarterly basis, apart from the April meeting which was cancelled due to Covid 19. The meetings in July, October and January were held remotely via Microsoft Teams and fell within the 2020/21 reporting period. A remote Annual Members' Meeting was also held in September. Council of Governors' public meetings are open for members of the public to attend and the meeting dates and papers are published on our website. For the July, October and January meetings, a livestream of the meeting was provided. Governor attendance at these meetings is provided in the table later in this section. Governors are involved in setting the agenda for the Council's meetings. Each meeting, when possible, begins with a patient story which is a presentation by a patient/service area team which allows them to give their views on services and the challenges they may have had to face during their journey.

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

Council of Governors' Sub Committee/ Groups

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

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

Appointments, Terms and Conditions Committee

The Appointments, Terms and Conditions Committee met four times during 2020/21. This committee is chaired by Sam Muzaffar elected governor for East Riding. The group is attended by the Trust Chair and consists of a team of governors and valued support and guidance from Senior Independent Director, Peter Baren. The Director of Workforce and Organisational Development attends, and, when required, invited guests who share their expertise and specialist knowledge. Any decisions made by this group are presented to the full Council of Governors for its approval.

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

Chair Recruitment

The current Chair's term of office comes to an end on 15th September 2021 and a process to recruit a new Chair began in late 2020 with:-

- Appointments, Terms and Conditions Committee agreeing to the process to recruit into the role and to use a company of recruitment specialist to ensure the widest possible reach;
- following presentations from four companies, Gatenby Sanderson were chosen to be our recruitment partner;
- during January and February wide ranging advertising of the role took place and Gatenby Sanderson carried out a headhunting exercise;
- six applications were received;
- four were invited to interview;
- a selection process took place consisting of :-
  - two stakeholder groups, one made up of

governors, patients and service users and one made up of Executive's and Non Executives Directors;

- a Microsoft Teams interview with Governors, Non-Executive Directors, and the Director of Workforce and OD with independent assessors in a representative from NHSI/E and a recently retired Chair from another Trust.

The approval of the successful applicant is subject to appointment by the Council of Governors.

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

Engaging with Members Governor Group

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

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

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

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

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

Governors other activities

Due to Covid 19 restrictions the Patient-Led Assessment of the Care Environment (PLACE) inspections for 2020/21 did not take place due to Covid 19 restrictions. These will be resumed as soon as we are able and governors will be again involved.

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

Governors have also been involved in the Non-Executive Directors' appraisal process both via the review panels and by submitting their views on their performances.

In contributing to the development of the Operational Plan Governors draw on their personal experiences, expertise and liaison with the members that they represent. Governors have continued to participate in a programme of development opportunities over the last 12 months. However during the pandemic these events/meetings have been held remotely. They have also engaged with members of their constituencies and attended events such as:

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

Staff Governors have attended or been involved with the following:

- Staff Governor meetings with the Chair
- Governor Development Session meetings
- Involvement in patient and carer experience forums
- Involvement in organisational development work to discuss priorities for the organisational development plans

- Improving / extending relationships with other Governors – understanding the strategic priorities / activities for the Trust better, opportunities for networking in role
- Meeting prospective / new Governors to explain role purpose
- Informally at meetings / training etc. representing role as Staff Governor - explain role & trust strategies, e.g. Health and Wellbeing

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

- Mental Health Legislation
- Constitution Revisions Update
- Operational Matters
- Infection Control & PPE
- Restoration and Recovery and Review,
- Integrated Care Systems (ICS)
- Engagement with Partnership –ICS
- Update on Whitby Hospital
- Taking forward the Governor Role
- Health Stars
- Trust Branding
- Winter Planning
- Trust Performance report
- The New Patient Experience film

Public, staff and partner Governor meetings also take place with the Chair.

The Board of Directors recognises the importance of ensuring that the Governors have sufficient knowledge and understanding in order to fulfil their roles and support Governors throughout the year in this respect. Ongoing engagement ensures that all parties maintain an understanding of the views and aspirations of the Trust and its members, and contribute to the future development of the Trust.

To help improve communication between the Board of Directors and Council of Governors, Directors attend the Development sessions as required and the Director of Finance and Chief Operating Officer attend the Council of Governors meetings. Additional sessions with the Board of Directors are built into the Governor Development day programme as required.

Governors set the agenda for the Development days by identifying areas they wish to receive more information on including presentations from specific teams/services. Members of the Board of Directors engage with governors in various ways including:

- attendance and membership of Governor groups/committee
- attendance at development days and Council of Governor meetings
- involvement in visits by Governors to patient areas - these did not take place due to Covid 19 restrictions

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

Governors are invited to attend the Trust's public Board of Directors meetings. The Board of Directors meets on a monthly basis (with the exception of August and December) with every meeting held in public. The meetings for 2020/21 were held remotely and livestreamed due to Covid 19. The agenda and supporting papers for the public meetings are published on our website. Details of attendance at these meetings for the period of this report are detailed in another section of this report.

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

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

Council of Governors Members and their Attendance in 2020/21.

The April meeting was cancelled due to Covid 19 and the remaining three meetings were held remotely via Microsoft Teams.

Name	Constituency	No of Council Meetings attended / possible total	Term of Office ended/s
Current Governors			
Eric Bennett (elected uncontested)	Hull Public	1/3	Jan 2022
Ian Graves (elected uncontested) re-signed June 2020	Hull Public	0/1	Jan 2023
Helena Spencer (elected uncontested)	Hull Public	3/3	Jan 2023
Sam Muzaffar (elected) [Lead Governor wef 1 February 2021]	East Riding Public	3/3	Jan 2022
John Cunnington (elected)	East Riding Public	0/3	Jan 2024
Huw Jones (elected) [Lead Governor to 31 January 2021]	East Riding Public	1/3	Jan 2024
Fiona Sanders (elected)	East Riding Public	3/3	Jan 2022
Sue Cooper (elected uncontested)	East Riding Public	N/A	Jan 2024
Jean Hart (elected uncontested 1 Feb 2021)	Service User and Carer	N/A	Jan 2024
Stephen Christian (elected) resigned Oct 2020	Service User and Carer	0/2	Jan 2021
Doff Pollard (elected uncontested)	Whitby Public	3/3	Jan 2024
Anne Gorman (elected)	Staff non clinical	3/3	Jan 2022
Mandy Dawley (elected)	Staff non clinical	2/3	Jan 2022
Craig Enderby	Staff clinical	3/3	Jan 2023
Sam Grey (elected uncontested) re-signed Dec 2020	Staff non clinical	2/3	Jan 2021
Jack Hudson (elected uncontested)	Staff clinical	3/3	Jan 2024
Tom Nicklin (elected)	Staff non clinical	N/A	Jan 2024
Gwen Lunn (appointed)	Kingston upon Hull City Council	2/3	N/A
Andy Barber (appointed)	HEY Smile Foundation	1/3	N/A
Paul McCourt (appointed)	Humberside Fire and Rescue	3/3	N/A
Jenny Bristow (appointed)	Humberside Police	2/3	N/A
Governors who left during 2020/21			
Ros Jump	East Riding Public	Term of Office ended	
Sam Grey	Staff non clinical	Resigned	
Stephen Christian	Service User and Carer	Resigned	
Ian Graves	Hull Public	Resigned	
Christopher Duggleby	East Riding Public	Resigned	

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

Governors receive no remuneration for their role. However, the Trust provides appropriate reimbursement, for example to cover travel expenses for governors who participate in events or activities arranged by the Trust. During the period 1 April 2020 to 31 March 2021, no expenses were received due to Covid-19 restrictions and no Governors claimed reimbursement for expenses. The total cost reimbursed to Governors for this period was £0.00 compared to £2,198.25 paid to 10 governors in 2019/20.

Register of Interests

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

Membership

Governor Elections

Elections were held during October/December 2020 for ten Governor seats covering five constituencies. The details are below:

- Public – Hull: Two seats were available - no nominations were received
- Public – East Riding of Yorkshire Three seats were available - these seats were filled in an election
- Public – Whitby: one seat was available – this was filled
- Staff: One clinical or non clinical seat was available which was filled in an election
- Service User & Carer – Two seats were available – one seat was filled

A total of 147 new public members joined our Trust during 2020/21, and 409 members left out Trust during 2020/21 taking our membership total (excluding staff members) to 12,848. The Trust aims to develop its membership to reflect the diversity of services provided and to ensure it is representative of the people it serves. One of the greatest benefits of being a foundation trust is having a vibrant membership that is passionate about the people we care for and the services we provide.

Due to Covid-19 restrictions no face to face recruitment events were held. As of 31 March 2021, the Trust had 6324 in the East Riding, 5485 in Hull, 779 in the wider Yorkshire and Humber area, 51 in the Whitby area, 75 patient and service users, 2759 staff members and 198 members living outside our catchment area. Our Trust membership is fairly static; however, there are plans to hold more recruitment events within the constituencies to ensure our membership is as representative as possible of the communities we serve as soon as Covid-19 restrictions allow. Our staff are broadly representative of the Trust's public membership in numerical terms.

During 2020/21 membership recruitment opportunities were not undertaken due to Covid-19 restrictions

The charts overleaf show how membership is made up and the ethnicity profile up to 31 March 2021. While wanting to maintain membership levels in the year, the pandemic has not made this possible. As restrictions allow a greater focus will be given to engagement and better understanding the composition of the membership. Every effort will be made to increase our membership.

Membership Size and Movement		
Public Constituency (at 31.3.21)	**2020/21**	**2021/22 (est)**
At year start 1 April	13,110	12.848
New Members	147	200
Members Leaving	409	500
At year end 31 March 2020	12.848	12.548
Staff Constituency (at 31.3.21)	**2020/21**	**2021/22 (est)**
At year start 1 April	2,625	2.759
New Members	365	350
Members Leaving	3221	330
At year end 31 March 2020	2,759	2.779
Patient/Carer Constituency (at 31.3.21)	**2020/21**	**2021/22 (est)**
At year start 1 April	59	75
New Members	17	20
Members Leaving	1	2
At year end 31 March 2020	75	93

Analysis of Current Membership		
Public Constituency	**Number of Members**	**Eligible Membership**
Age (years)		
0 – 16	2	1,113,316
17 – 21	32	337,951
22+	11,909	4,066,210
Ethnicity		
White	11,562	4,691,956
Mixed	57	84,558
Asian or Asian British	188	385,964
Black or Black British	130	80,345
Other	32	40,1910
Gender Analysis		
Male	4,241	2,725,453
Female	8,583	2,792,023
Patient/Carer Constituency	**Number of Members**	**Eligible Membership**
Age (years)		
0 – 16	0	0
17 – 21		0
22+	47	0

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

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

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

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

Our Membership Plan identifies what members can do including:-

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

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

Contact details

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

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

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

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

NHS England and NHS Improvement's Single Oversight Framework

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

Finance and Use of Resources

The Finance and Use of Resources reporting for 2020/21 was stood down by NHSE/I due to the Covid pandemic.

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

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

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require -Humber Teaching NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Humber Teaching NHS Foundation Trust and of its income and expenditure, other items of comprehensive income and cash flows for the financial year.

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

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

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

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

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

Signed: 

Date: 30 June 2021

Michele Moran
Chief Executive

Annual Governance Statement

Principal Risks and Uncertainties

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

Innovating Quality and Patient Safety

- Inability to meet Regulation 18 HSCA (RA) Regulations 2014 regarding Safer Staffing.
- Inability to achieve a future rating of 'good' in the safe domain at CQC inspection.
- Currently the quality of staff supervision is unknown by the Trust which may impact on effective delivery of Trust services.
- Failure to address waiting times and meet early intervention targets which may result increased risk of patient harm and impact to the Trust's CQC rating in the 'Safe' domain.
- As a result of the COVID-19 national emergency, there has been an in increase in the number of domestic violence / safeguarding issues which may impact on the safety of service users and staff.

Enhancing Prevention, Wellbeing and Recovery

- Failure to equip patients and carers with skills and knowledge need via the wider recovery model.
- Inability to meet early intervention targets (national – IAPT,EIP, Dementia)
- Patients don't have the right level of physical healthcare support and there is not a cohesive alignment of mental health and physical health services to get parity of esteem.
- As a result of increased demand for ADHD assessment and limited capacity within the service, there is a significant waiting list which may lead to increased safety risk for patients and others, impacting on the wellbeing of staff as well as reputational harm to the Trust.
- Failure to address waiting times and meet early intervention targets which may result increased risk of patient harm and impact to the Trust's CQC rating in the 'Safe' domain.
- Increased levels of anxiety, fatigue and potential mental health impact to staff working across Trust staff as a result of the COVID-19 national emergency and the implemented changes / different ways of working adopted by the organisation which could impact on the quality and sustainability of services.

Fostering Integration, Partnerships and Alliances

- Lack of Trust involvement or influence in work-stream activity associated with Sustainability and Transformation Programmes (STPs), will in turn impact on our ability to influence and shape local commissioning plans. This may result in a failure to deliver strategic priorities, with an associated risk of developing a poor reputation and reduced business/income opportunities that may challenge future sustainability.
- There is a risk to future sustainability and reputation, arising from a failure to compete effectively because we have not maintained and developed strategic alliances and partnerships and not increased our commercial/market understanding.
- Failure to utilise evidence based practice to inform and influence business decisions, resulting in the delivery of outdated service models, an inability to effectively compete with other providers and a subsequent loss of business/ income and reputation.

Developing an Effective and Empowered Workforce

- The quality of leaders and managers across the Trust is not at the required level which may impact on ability to deliver safe and effective services.
- Level of qualified nursing vacancies may impact on the Trust's ability to deliver safe services and have an effective and engaged workforce.
- Inability to retain qualified Nurses impacts on the ability to deliver services and/or puts financial pressure through the use of agency staff.
- Staff Survey scores for staff with protected characteristics are worse than for staff not declaring a protected characteristics (particularly staff declaring themselves as not heterosexual and/or disabled)
- With current national shortages, the inability to retain Medical staff impacts on the ability to deliver services and/or puts financial pressure through the use of agency staff.
- As a result of COVID-19 related absences included sickness and staff being in isolation, there may be staffing level shortfalls which could impact on patient and staff safety and continued delivery of services.
- Current Consultant vacancies may impact on the Trust's ability to deliver safe services resulting in increased use of costly temporary staffing solutions and potential impact on the credibility/reputation of the organisation.
- Current GP vacancies may impact on the Trust's ability to deliver safe services resulting in increased use of costly temporary staffing solutions and potential impact on the credibility/reputation of the organisation.

Maximising an Efficient and Sustainable Organisation

- There is a risk to future sustainability and reputation, arising from a failure to compete effectively because we have not maintained and developed strategic alliances and partnerships and not increased our commercial/market understanding.
- Adverse impact of inadequate IT systems, failing to effectively support management decisions, performance management or contract compliance.
- Trust IT systems are compromised due to a Cyber Security attack/incident - this could be a malicious attack from an external third party or an accidental attack from inside the trust network due to inappropriate actions taken by staff, patients or visitors that comprise the IT systems security.
- Risk to longer-term financial sustainability if tariff increases for non-acute Trusts are insufficient to cover AFC pay award and if sustainability funding is not built into tariff uplift for providers who are not using PBR tariff.
- Risk of fraud, bribery and corruption.
- If the Trust cannot achieve its Budget Reduction Strategy for 2020-21, it may affect the Trust's ability to achieve its control total which could lead to a significant impact on finances resulting in loss of funding and reputational harm.
- Failure to achieve the NHS Improvement Use of Resources Score for 2020/21 may result in reputational harm for the Trust and significant reduction in financial independence.
- The financial effect of COVID-19 and the risks that the full costs will not be recovered.
- Inability to address all risks identified as part of the capital application process due to lack of capital resource.
- Inability to improve the overall condition and efficiency of our estate.

- As a result of social distancing requirements and national guidance around safe working there is a risk that we do not have suitable accommodation to deliver Trust services safely.

Promoting People, Communities and Social Values

- Failure to equip patients and carers with skills and knowledge needed via the wider recovery model.
- Inability to implement the Trust's Equality and Diversity strategy may impact on the Trust's ability to have a workforce trained and engaged with the equality and diversity agenda, limit accessibility to services and prevent achievement of the Trust's E&D aims.
- Reduction in patients likely to recommend Trust services to friends and family may impact on Trust's reputation and stakeholder confidence in services provided.
- As a result of COVID-19 related absences included sickness and staff being in isolation, there may be staffing level shortfalls which could impact on patient and staff safety and continued delivery of services.

The principal risks to the achievement of the Trust's strategic goals and underlying objectives are managed through the Board Assurance Framework which is reviewed on a monthly basis by the Executive Management Team. Each section of the Board Assurance Framework is aligned to a relevant assuring committee of the Board and review the document on a quarterly basis throughout the year. Following review at the relevant board committees, the framework is presented to the Trust Board on a quarterly basis for oversight and assurance around those risks that may affect the foundation trust in delivering its objectives and/or its future success and sustainability.

The Care Quality Commission

The Care Quality Commission (CQC) carried out its announced scheduled Well-Led inspection of the Trust from 12–14 February 2019. Following the inspection, the Trust received a full report into the quality of care provided. The overall rating of the Trust was 'Good', the same as our prevision rating. The CQC rated the domains of effective, caring, responsive and well-led as 'good'. The safe domain was rated as 'requires improvement' and work continues to drive improvement in this area.

Scope of responsibility

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

The Board of Directors through its Audit Committee agreed the Trust's 2020/21 Internal Audit Plan with its internal auditors which consisted of 18 audits that have all been undertaken - 7 by Audit One and 11 by Audit Yorkshire. The results of these audits culminated in the Head of Internal Audit's opinion on the system of internal control which has been incorporated as part of this statement.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Humber Teaching NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Humber Teaching NHS Foundation Trust for the year ended 31 March 2021 and up to the date of approval of the annual report and account.

Capacity to Handle Risk

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

Ultimate responsibility for the management of the risks facing the organisation sits with the Board of Directors. The Board considers the strategic and high level Trust-wide operational risks facing the organisation as part of its routine business in order to satisfy itself collectively that risks are being effectively managed. The Trust Board continuously strives to strengthen the culture of risk management throughout the organisation. Each Board Committee and its sub-groups has a collective responsibility to ensure effective risk management and good governance as they discharge their duties, and this is reflected in their respective Terms of Reference. Through their work plans they will contribute towards reducing the organisation's exposure to risk. Risks identified by Committees and reporting groups will be communicated and recorded on the appropriate directorate risk registers and subject to overview, monitoring and intervention by the Corporate Risk and Compliance Manager, internal governance arrangements, as well as providing assurance to the Audit Committee, Trust Board and relevant board committees.

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

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

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

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

The Risk and Control Framework

Humber Teaching NHS Foundation Trust is committed to embedding an integrated approach to managing risk, and recognises that the proactive and continuous management of risk is essential to the efficient and effective delivery of services. The Trust Board has in place a Risk Management Strategy which sets out the Trust's commitment to embedding an integrated approach to managing risk. The Trust's risk management strategy was reviewed and updated in March 2021. The development of the new three-year Risk Management Strategy continues the proactive approach to risk management to continue to enable a reduction in harm to patients and staff, assist in creating safer care environments and is essential for the achievement of the organisation's strategic goals as well as the Trust's corporate and clinical objectives.

The Trust has undertaken a self-assessment to identify further areas for improvement within risk management and have developed four Risk Management Priorities as part of the new Risk Management Strategy for 2021-2024. These priorities identify the key areas for further development to increase the risk maturity of the Trust, its supporting processes and the overall risk management culture of the organization.

A review was undertaken in 2020/21 as part of the Trust Board strategy sessions to review the definition of the Trust's risk appetite or the level of risk that it is prepared to accept, tolerate, or be exposed to. A revised risk appetite statement was developed following agreement by the Trust Board which defines the level of risk that can be accepted against the Trust's strategic goals. This updated appetite statement has been included in the Trust Risk Management Strategy as part of the review undertaken in January 2021.

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

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

To ensure risk management is robust, we have used the 'Alarm National Model for Risk Management' to undertake a self-assessment of our 'risk maturity'. We will continue to use this resource as a development tool, identifying areas for improvement, as well as setting and implementing clear plans.

Trust-wide Risks

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

Risk Description	Mitigating Controls	Further Mitigating Actions
Level of qualified nursing vacancies may impact on the Trust's ability to deliver safe services and have an effective and engaged workforce.	• Detailed Recruitment plan in place (progress against which reported to EMT and Workforce and OD Committee). • Recruitment task and finish group in place. • Launch of 'Humbelievable.'	• Establishment review work to be completed. • Development and expansion of new roles such as Associate Practitioners and Advanced Clinical Practitioner roles. • Development of Nurse Degree Apprenticeship Programme. • Development of an international recruitment programme. • Workforce planning process.

Risk Description	Mitigating Controls	Further Mitigating Actions
Inability to retain qualified Nurses impacts on the ability to deliver services and/or puts financial pressure through the use of agency staff.	• Appraisal process. • Leadership and management devel-opment programmes. • Staff Health & Wellbeing Group and action plan. • PROUD programme. • Health and Social Care Professional Strategy. • Trust Retention Plan. • Response to Staff Survey.	• Staff survey departmental action plans - implementation and monitoring through Accountability reviews / review of new year staff survey results when available. • New-starter survey to help analyse new starter experience in first 6 months of employment. • 6-monthly deep-dive into Leaver data feeding into WFOD Committee. • Business Partners to develop bespoke actions based on 6 monthly deep-dive analysis.
With current national shortages, the inability to retain Medical staff impacts on the ability to deliver services and/or puts financial pressure through the use of agency staff.	• Staff engagement though TCNC (Trust Consultation and Negotiation Committee). • Staff Health & Wellbeing Group and action plan. • Trust retention plan as agreed with NHSI. • PROUD programme. • Recruitment and retention incentives • LMC - Positive staff engagement with medical workforce. • HRBPs support divisions with WOD scorecard.	• HR Business Partners to review exit questionnaire results and identify any hot spots. • Completion of PROUD programme implementation plan - ongoing 3 year programme.
Risk to longer-term financial sustainability if tariff increases for non-acute Trusts are insufficient to cover afc pay award and if sustainability funding is not built into tariff uplift for providers who are not using PBR tariff.	• Budgets agreed. • Monthly reporting, monitoring and discussion with budget holders. • Small contingency / risk cover provided in plan. • MTFP developed to inform plans. • Service plans. • Regular reviews with NHSE/I and relevant Commissioners • Budget Reduction Strategy established with MTFP. • Non-recurrent savings. • BRS reporting to FIC • Trust Control Total agreed. • Financial plan agreed.	• Budget Reduction Strategy implementation 2020-21. • Detailed budget reduction strategy plans for 2021/22 to be developed.

Risk Description	Mitigating Controls	Further Mitigating Actions
Current Consultant vacancies may impact on the Trust's ability to deliver safe services resulting in increased use of costly temporary staffing solutions and potential impact on the credibility/ reputation of the organisation.	• Detailed Recruitment plan in place (progress against which reported to EMT and Workforce and OD Committee). • Recruitment task and finish group in place. • Trust-wide workforce plan. • Humbelievable. • Medical Director leading recruitment work as part of task and finish group	• Completion of work on the Medical staffing model. • Completion of actions identified as part of Recruitment plan for 'hard to fill' roles.
Failure to address waiting times and meet early intervention targets which may result increased risk of patient harm and impact to the Trust's CQC rating in the 'Safe' domain.	• Work underway with Divisions to address three areas of challenges currently (Children's ADHD / ASD, Memory Assessment Service, Department of Psychological Medicine) • Local Targets and KPIs. • Close contact being maintained with individual service users affected by ongoing issues.	• Review of all services with high levels of waiting times and development of service-level recovery plans. • Increase governance arrangements to ensure that there is rigour and governance in place to ensure patients are treated in chronological order and according to level of risk based on use of risk stratification tool. • Introduce waiting list performance dashboard for review as part of Trust accountability review processes. • Implementation of method for robust oversight of waiting list and patient risks for all Trust service areas.

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

CQC Compliance

An announced scheduled 'well-led' inspection was carried out by the CQC in 2019 and was rated as 'Good' overall. A comprehensive improvement plan was developed and delivered to address the concerns raised via 'must' and 'should' do actions that were detailed in the final inspection reports. However, in light of the Covid-19 pandemic, the Care Quality Commission postponed its 'well-led' inspection arrangements for 2020-21 but has undertaken Transitional Monitoring Meetings with NHS Providers. The Trust's Transitional Monitoring meeting was undertaken with the CQC in January 2021. The Trust received positive feedback in relation to its management of the Covid-19 pandemic such as the considerable work around the use of digital platforms and how we had supported our staff and patients and continued with our patient groups. The Trust was also commended on the evidence submitted against Key Lines of Enquiry and the Trust's established approaches to safeguarding, our telephone befriending service and the implementation of the Trust BAME Forum.

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

Humber Teaching NHS Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission (CQC) as at the 31 March 2021.

Governance Structure

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

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

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

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

oversight of the Trust's trading and commercial investment activities on behalf of the Board of Directors, and to ensure compliance with Investment Policy and Strategic Objectives.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

“The key to effective governance within the Trust is a robust integrated committee structure and management process, which gives the Board of Directors confidence that all risks are being effectively controlled and managed and that attention is focused on the core business of the organization, which is to care for and treat patients.”

Annual Governance Statement/ Board Assurance

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

Development of the Board Assurance Framework has continued throughout 2020-21, and the content of the framework has been further developed with input from the Board of Directors and its assuring committees. Information is presented with a focus on actual assurances received, as well as the risks to the key objectives that underpin each of the strategic goals. The Board Assurance Framework (BAF) aims to allow the Board of Directors to monitor progress against the Trust's six strategic goals, as well as progress against individual identified risks, with the framework highlighting the movement of current risk ratings from the previous quarter's position. This format allows for clear consideration to be given to the risks, controls and assurances, which will enable a focused review and discussion of the challenges to delivery of the organisational objectives.

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

The Trust has a number of processes in place to ensure that workforce strategies and staffing systems are in place to assure the Board that staffing processes are safe, sustainable and effective. These include a governance structure that provides assurance to the Board. In 2019 the Trust established a Workforce and Organisational Development Committee to provide strategic overview and provide assurance to the Trust Board that there is an effective system of governance and internal control across workforce and organisational development that supports the Trust to deliver its strategic objectives and provide high quality care. In addition, the Quality Committee receives regular reports on safer staffing performance and data which in turn is reported to Board.

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

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

Risk management activities undertaken within the Trust operate at a number of levels: for example, a health or social care professional creating a risk management plan for a service user; health and safety assessments of local facilities, incident reporting and organisational learning, corporate planning around the organisational response to a major incident; or risk assessment and mitigation for business expansion and development.
The Trust risk management strategy and its related procedures serve to set these various risk management activities within a broader corporate framework and to identify a consistent approach to risk management across the Trust. Risk management is also embedded throughout the committee and organisational structure of the Trust with clear escalation routes of risks between units and the Board of Directors ranging from operational sub-groups up to the Board of Directors.

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

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

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

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

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

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

The Audit Committee is the senior sub-committee with a remit including independently scrutinising other Board committees. It also reviews the establishment and maintenance of an effective system of integrated governance, risk management and internal control across the whole of the Trust's activities. This committee also gains assurance that confirms effective systems of internal control are in place. The Finance and Investment Committee ensures that processes governing strategic investments are being followed and makes recommendations to the Board of Directors on major capital expenditure, joint ventures, acquisitions and mergers, purchase, sale or alteration of property (above and agreed threshold) and service expansion or major service change

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

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

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

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

A new accountability framework was launched in 2019-20 and accountability reviews have been further developed during 2020-21 to further review performance information with divisional leads on a regular basis. The framework mirrors the NHS Single Oversight Framework and monitors key performance indicators (KPIs) and identifies areas for improvement.

Information Governance

'The Trust maintains a strict management and accountability framework for information governance and data security. Information Governance is assured by the annual information governance self-assessment using the NHS Data Security and Protection (DSP) Toolkit. The DSP Toolkit self-assessed scores for 2020/21 have been independently audited but the Trust is awaiting the outcome of this audit. Due to the Coronavirus, the DSP Toolkit submission for 2020/21 deadline has been amended nationally to 30 June 2021. The DSP Toolkit assessment status for 2020/21 is expected to be 'Standards Met'.

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

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

The Trust has encrypted laptops, encrypted data devices and desktop computers and has reviewed the security of all bulk data in transit and personal identifiable data flows identified and mitigated against any risks. The Trust has undertaken a refresh and review of its critical information assets. Its key information assets have been identified and approved by the IG Group this year and each has an Information Asset Owner assigned. Each asset has been updated in the Information Asset Register which has been approved by the Information Governance Group. All data classified incidents were reviewed and none was deemed to be significant. The Trust has a qualified Chief Information Officer who is up to date with the training required by the Information Authority. The Trust has also previously migrated to NHS Mail for additional security for data transfers.

Ten serious incidents were declared during 2020/21 by the Trust in relation to confidentiality breaches. All ten incidents have been closed by the Information Commissioner's Office with no further action. Any recommendations from the ICO are followed up to ensure they are implemented.

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

"The Trust has encrypted laptops, encrypted data devices and desktop computers and has reviewed the security of all bulk data in transit and personal identifiable data flows identified and mitigated against any risks."

Annual Quality Report

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

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

The refreshed priorities for 2021/22 have been presented at various forums including the Patient and Carer Experience Forum, an event with patients, carers, staff and representatives from local community groups and an interactive discussion was held. Feedback from the event resulted in the following refreshed priorities being put forward for consideration by the Executive Management Team prior to incorporation as Quality Priorities in the Quality Account.

The final agreed key qualities priorities described in the table below:

Humber Teaching NHS Foundation Trust Quality Priorities 2021/22:

Priority 1

To implement an approach to recruitment across clinical services and senior roles that involve patients, service users and carers in the recruitment process.

Strategic Goal 1

Innovating quality and patient safety

Strategic Goal 3

Developing an effective and empowered workforce

Strategic Goal 5

Fostering integration, partnerships and alliances

Priority 2

Each division will identify key NICE guidance where there are known gaps in compliance and have clear plans for addressing these gaps.

Strategic Goal 1

Innovating quality and patient safety

Strategic Goal 3

Developing an effective and empowered workforce

Priority 3

Develop an inventory of skills that is specific to individual roles which clearly outlines essential training and assessment requirements. This will include the frequency and means of reviewing and refreshing competency.

Strategic Goal 1

Innovating quality and patient safety

Strategic Goal 3

Developing an effective and empowered workforce

Strategic Goal 6

Enhancing prevention, wellbeing and recovery

Priority 4

Ensure teams have access to patient safety data and we can demonstrate improvements based on the data.

Strategic Goal 1

Innovating quality and patient safety

Strategic Goal 3

Developing an effective and empowered workforce

Strategic Goal 6

Enhancing prevention, wellbeing and recovery

As part of the 2019/20 Quality Accounts, the Board agreed four quality priorities for delivery within the 2020/21 financial year. These priorities were developed in collaboration with a range of stakeholders. At the time they were agreed it was noted that they were very transformational in nature and may take more than 12 months to deliver.

Progress against all four priorities agreed by the Trust Board in 2020 has continued, progress against the priorities for 2020-21 has been impacted upon by the Covid-19 pandemic we continue to make progress against all four quality priorities. Each of the priorities represent transformational pieces of work and therefore it has been proposed to continue with the same priorities for 2021/22. Each priority extension has been discussed at the Clinical Advisory group, and agreed by the Quality and Patient Safety Group prior to approval by the Executive Management Team. These extended priorities for 2020/21 were presented and discussed at the Patient and Carer Experience Forum and were positively received.

The Trust is committed to continuous quality improvement and uses a range of initiatives to drive improvement in all of the services it provides. Full details of our priorities and progress made against them are detailed within our Quality Account.

Data Quality

The Trust has continued to take necessary steps to assure itself of the robustness of its data quality. Processes are in place within the Trust for the monitoring of performance information, both centrally through the Trust's Performance team and at operational level within the Divisions, such as regular meetings to review waiting time data. The Trust has developed the Integrated Board Performance Report which serves as useful tool for bringing together all aspects of Trust performance and allows for effective identification of trends, as well as the escalation of key issues to the Trust Executive Management Team and Board of Directors as required. The report information is presented using Statistical Process Charts for a number of key indicators, mapped against each of the Trusts Strategic Goals. The use of Statistical Process Charts allows for key performance data to be analysed over a period of time to establish trends in performance. Upper and lower statistical thresholds are utilised to analyse performance and identify where movements in performance are within normal ranges (common cause variation) or require further investigation/understanding (special cause variation). Exceptions are highlighted alongside the Statistical Process Charts and operational commentary is provided for further assurance around performance metrics.

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

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

Review of Effectiveness

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

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

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

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

Of the 18 audits undertaken in 2020/21, 11 were undertaken by Audit Yorkshire and seven by Audit One. The outcome of the audits were:

Audit One	Audit Yorkshire
Two provided substantial assurance	Four provided high assurance
Four provided good assurance	Four provided significant assurance
One provided reasonable assurance	Two provided limited assurance
None provided limited assurance	None provided zero assurance
	One review was without an assurance rating

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

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

Conclusion

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

The system of internal control has been in place in Humber Teaching NHS Foundation Trust for the year ended 31 March 2021 and up to the date of approval of the Annual Report and Accounts.

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

Signed: 

Date: 30 June 2021

Michele Moran
Chief Executive

Equality and Diversity

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

The close work between the Equality, Diversity and Inclusion workforce Lead and the Head of Patient & Carers Experience and Engagement continues to drive forward improvements for the workforce and to support our patient and carers. For example, the 2020 staff survey has placed the Trust in the Top 10 of Mental Health and Community Trusts for Equality, Diversity and Inclusion.

In support of our Public Sector Equality Duty (PSED), the Trust has produced its Equality, Diversity and Inclusion Annual Report, (due for renewal in May 2021) and set objectives for 2021/22.

In working towards the objectives set for 2020/21, the Trust successfully facilitated an EDI Priorities 20/21 workshop with over ninety patients, service users, carers and staff to ensure our equality agenda for the coming year was truly co-produced in collaboration with our primary stakeholders and that our key drivers for improvement are the experiences of our patients, service users, carers and staff. Staff networks have been established for BAME and Disabled staff groups, who work alongside our existing LGBT Staff Network. Collaborative practices across the Trust have led to new policies and procedures such as supporting transgender patients, reducing aggression towards staff from patients, carers and the public. In response to Staff Survey new training in Bullying and Harassment as well as Recruitment and Selection training have been developed. Mandatory training through the Trusts e-learning training package continues to ensure Equality & Diversity training is mandatory with a completion rate of 94%, above the Trust target rate.

Links continue to grow with local groups who represent people with Protected Characteristics within our communities including the Disability Action Group and Hull and East Riding Lesbian, Gay, Bisexual and Trans (LGBT+), Humber All Nations Alliance (HANA)

As well as the ongoing regional Equality, Diversity and Inclusion Partnership between local NHS organizations, the Trust are members of the Yorkshire and Humber Equality and Diversity Practitioners Network as well as the recently formed East Riding Equalities Group and the Humber Equality and Diversity Network, a group for EDI practitioners form all public sector organizations in the Humber region.

The Trust published its Gender Pay Gap report in 2020 and in summary the data is:

- The Trust's mean gender pay gap is 12.59%
- The Trust's median gender pay gap is 1.75%
- The Trust's mean bonus gender pay gap is 3.11%
- The Trust's median bonus gender pay gap is 59.92%
- The proportion of males receiving a bonus payment is 1.20%
- The proportion of females receiving a bonus payment is 0.25%

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

- Quartile 1: 82.50% Female and 17.50% Male
- Quartile 2: 75.23% Female and 24.77% Male
- Quartile 3: 81.10% Female and 18.90% Male
- Quartile 4: 74.97% Female and 25.03% Male

Due to Covid-19 during 20/21 the Equality Delivery System 2 (EDS2) was suspended, however the Trust completed the Workforce Race Equality Standard (WRES), Workforce Disability Equality Standard (WDES) reporting requirements, in line with NHS guidelines, which are accessible on the Trust's website.

Workforce Race Equality Standard (WRES)

In the Workforce Race Equality Standard (WRES) for 2020 key areas of improvement are as follows:

- 24% of BAME staff experienced harassment, bullying or abuse from staff in the last 12 months which is a reduction 4.5% on the previous year and continues a downward trend from a high of 38.1% in 2017.
- 80% of BAME staff believe that the organisation provides equal opportunities for career progression or promotion which whilst a slight decline of 1.8% on the previous year it still remains considerably higher than the national average of 72.7%.
- 24% of BAME staff have experienced harassment, bullying or abuse from patients, relatives or the public in the last 12 months which whilst a rise of 4% on the previous year, this figure remains considerably below the national average of 32.1%

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

Workforce Disability Equality Standard (WDES)

In the Workforce Disability Equality Standard (WDES) for 2020 key areas of improvement are as follows:

- 29% of staff with a LTC or illness reported experiencing harassment, bullying or abuse from patients, relatives or the public in the last 12 months which is a reduction 5.9% on the previous year.
- 81.2% of staff with a LTC or illness believe that their organisation provides equal opportunity for career progression or promotion which is an improvement of 1.7% on the previous year.
- 80.5% of staff with a LTC or illness say their employer has made adequate adjustments to enable them to carry out their work which is an improvement of 1.1% on the previous year

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

Modern Slavery Act 2015

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

Signed: 

Date: 30 June 2021

Michele Moran
Chief Executive

Independent Auditor's Report to the Board of Governors and Board of Directors of Humber Teaching NHS Foundation Trust

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

Report on the audit of the financial statements

Opinion on the financial statements

We have audited the financial statements of Humber Teaching NHS Foundation Trust ('the Trust') for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Taxpayers' Equity , the Statement of Cash Flows and notes to the financial statements, including the summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual 2020/21 as contained in the Department of Health and Social Care Group Accounting Manual 2020/21, and the Accounts Direction issued under the National Health Service Act 2006.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Trust as at 31 March 2021 and of the Trust's income and expenditure for the year then ended;
- have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2020/21; and
- have been properly prepared in accordance with the requirements of the National Health Service Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We are also required to consider whether we have identified any inconsistencies between our knowledge acquired during the audit and the Directors' statement that they consider the Annual Report is fair, balanced and understandable and whether the Annual Report appropriately discloses those matters that we communicated to the Audit Committee which we consider should have been disclosed.

We have nothing to report in these regards.

Responsibilities of the Accounting Officer for the financial statements

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

The Accounting Officer is required to comply with the Department of Health and Social Care Group Accounting Manual 2020/21 and prepare the financial statements on a going concern basis, unless the Trust is informed of the intention for dissolution without transfer of services or function to another entity. The Accounting Officer is responsible for assessing each year whether or not it is appropriate for the Trust to prepare financial statements on the going concern basis and disclosing, as applicable, matters related to going concern.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

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

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

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

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

Matter on which we are required to report by exception

We are required to report to you if, in our opinion, we are not satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2021.

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

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

Responsibilities of the Accounting Officer
The Chief Executive as Accounting Officer is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in the Trust's use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor's responsibilities for the review of arrangements for securing economy, efficiency and effectiveness in the use of resources
We are required by Schedule 10(1) of the National Health Service Act 2006 to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

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

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Code of Audit Practice
In our opinion:

- the parts of the Remuneration and Staff Report subject to audit have been properly prepared in accordance with the requirements of the NHS Foundation Trust Annual Reporting Manual 2020/21; and
- the other information published together with the audited financial statements in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

- in our opinion the Annual Governance Statement does not comply with the NHS Foundation Trust Annual Reporting Manual 2020/21; or
- the Annual Governance Statement is misleading or is not consistent with our knowledge of the Trust and other information of which we are aware from our audit of the financial statements; or
- we refer a matter to the regulator under Schedule 10(6) of the National Health Service Act 2006; or
- we issue a report in the public interest under Schedule 10(3) of the National Health Service Act 2006.

We have nothing to report in respect of these matters.

Use of the audit report
This report is made solely to the Council of Governors of Humber Teaching NHS Foundation Trust as a body in accordance with Schedule 10(4) of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust as a body for our audit work, for this report, or for the opinions we have formed.

Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate until we have completed the work necessary to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness is its use of resources.

Mark Dalton, Key Audit Partner
For and on behalf of Mazars LLP

5th Floor
3 Wellington Place
Leeds
LS1 4AP

30 June 2021

Audit Completion Certificate issued to the Council of Governors of Humber Teaching NHS Foundation Trust for the year ended 31 March 2021

In our auditor's report dated 30 June 2021 we explained that the audit could not be formally concluded until we had completed the work necessary to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness is its use of resources.

This work has now been completed.

No matters have come to our attention since 30 June 2021 that would have a material impact on the financial statements on which we gave our unqualified opinion.

The Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required to report to you if, in our opinion, we are not satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2021.

We have nothing to report in this respect.

Certificate

We certify that we have completed the audit of Humber Teaching NHS Foundation Trust in accordance with the requirements of chapter 5 of part 2 of the National Health Service Act 2006 and the Code of Audit Practice.

Mark Dalton, Key Audit Partner
For and on behalf of Mazars LLP

5th Floor
3 Wellington Place
Leeds
LS1 4AP

23 August 2021

Trust Annual Accounts 2020/2021

Humber Teaching NHS Foundation Trust

Annual accounts for the year ended 31 March 2021

Foreword to the accounts

Humber Teaching NHS Foundation Trust

These accounts, for the year ended 31 March 2021, have been prepared by Humber Teaching NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.

Michele Moran
Chief Executive

Statement of Comprehensive Income

	Note	2020/21 £000	2019/20 £000
Operating income from patient care activities	3	156,986	134,924
Other operating income	4	21,071	10,609
Operating expenses	6, 8	(175,939)	(145,518)
Operating surplus		**2,118**	**15**
Finance income	11	226	131
Finance expenses	12	(392)	(231)
PDC dividends payable		(2,172)	(2,499)
Net finance costs		**(2,338)**	**(2,599)**
Deficit for the year		**(220)**	**(2,584)**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	7	(1,895)	3,260
Revaluations	17	-	2,303
Remeasurements of the net defined benefit pension scheme liability / asset	33	(2,065)	292
Total comprehensive income / (expense) for the period		**(4,180)**	**3,271**

All operating activities relate to continuing activities.

Statement of Financial Position

	Note	31 March 2021 £000	31 March 2020 £000
Non-current assets			
Intangible assets	14	10,393	8,006
Property, plant and equipment	15	87,254	84,781
Total non-current assets		**97,647**	**92,787**
Current assets			
Inventories	21	155	150
Receivables	22	5,031	9,903
Non-current assets for sale and assets in disposal groups	24.1	1,540	990
Cash and cash equivalents	25	39,936	15,110
Total current assets		**46,662**	**26,153**
Current liabilities			
Trade and other payables	26	(32,105)	(16,650)
Borrowings	28	(280)	(366)
Provisions	29	(1,423)	(156)
Other liabilities	27	(4,822)	(1,969)
Total current liabilities		**(38,630)**	**(19,141)**
Total assets less current liabilities		**105,679**	**99,799**
Non-current liabilities			
Borrowings	28	(3,565)	(3,838)
Provisions	29	(529)	(950)
Other liabilities	27	(3,497)	(1,216)
Total non-current liabilities		**(7,591)**	**(6,004)**
Total assets employed		**98,088**	**93,795**
Financed by			
Public dividend capital	26	69,652	61,179
Revaluation reserve	28	16,250	18,568
Other reserves	29	(2,073)	(8)
Income and expenditure reserve	27	14,259	14,056
Total taxpayers' equity		**98,088**	**93,795**

The notes on pages 135 to 172 form part of these accounts.

Name: **Michele Moran**
Position: **Chief Executive**
Date: **30 June 2021**

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

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

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

	Public dividend capital £000	Revaluation reserve £000	Other reserves £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2019 – brought forward	**54,045**	**13,294**	**(300)**	**16,351**	**83,390**
Deficit for the year	-	-	-	(2,584)	**(2,584)**
Other transfers between reserves	-	(289)	-	289	**-**
Impairments	-	3,260	-	-	**3,260**
Revaluations	-	2,303	-	-	**2,303**
Remeasurements of the defined net benefit pension scheme liability/asset	-	-	292	-	**292**
Public dividend capital received	7,134	-	-	-	**7,134**
Taxpayers' and others' equity at 31 March 2020	**61,179**	**18,568**	**(8)**	**14,056**	**93,795**

Other reserves relate to the Local Authority pension scheme.

Information on reserves

Public dividend capital

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

Revaluation reserve

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

Financial assets reserve

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

Other reserves

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

Merger reserve

This reserve reflects balances formed on merger of NHS bodies.

Income and expenditure reserve

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

Statement of Cash Flows

	Note	2020/21 £000	2019/20 £000
Cash flows from operating activities			
Operating surplus		2,118	15
Non-cash income and expense:			
Depreciation and amortisation	6.1	3,101	2,760
Net impairments	7	578	2,093
Income recognised in respect of capital donations	4	(616)	-
Non-cash movements in on-SoFP pension liability		216	333
Decrease in receivables and other assets		5,010	1,748
Increase in inventories		(5)	(12)
Increase in payables and other liabilities		12,628	5,488
Increase in provisions		852	234
Net cash flows from operating activities		**23,882**	**12,659**
Cash flows from investing activities			
Interest received		3	101
Purchase of intangible assets		(2,521)	(4,081)
Purchase of PPE and investment property		(2,692)	(12,863)
Receipt of cash donation to purchase capital asset		616	-
Net cash flows from used in investing activities		**(4,594)**	**(16,843)**
Cash flows from financing activities			
Public dividend capital received		8,473	7,134
Movement on loans from DHSC		(327)	(219)
Interest on loans		(177)	(100)
PDC dividend paid		(2,431)	(2,456)
Net cash flows from financing activities		**5,538**	**4,359**
Increase in cash and cash equivalents		**24,826**	**175**
Cash and cash equivalents at 1 April - brought forward		**15,110**	**14,935**
Cash and cash equivalents at 31 March	25.1	**39,936**	**15,110**

The change in cash balances between the years reflects the high level of capital and revenue payables at 31st March 2021 compared to 31st March 2020.

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 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

These accounts have been prepared on a going concern basis. After making enquiries, the directors have a reasonable expectation that Humber Teaching NHS Foundation Trust has adequate resources to continue in operational existence in the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

Note 1.3 Interests in other entities

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

Note 1.4 Revenue from contracts with customers

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

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

Revenue from NHS contracts

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

accrues income relating to activity delivered in that year, where a patient care spell is incomplete. This accrual is disclosed as a contract receivable as entitlement to payment for work completed is usually only dependent on the passage of time. At the year end, the Trust accrues income relating to activity delivered in that year, where a patient care spell is incomplete.

The Trust receives income from commissioners under Commissioning for Quality and Innovation (CQUIN) schemes. The Trust agrees schemes with its commissioner but they affect how care is provided to patients. That is, the CQUIN payments are not considered distinct performance obligations in their own right; instead they form part of the transaction price for performance obligations under the contract.

Revenue from research contracts

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

NHS injury cost recovery scheme

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

Note 1.5 Other forms of income

Grants and donations

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

Apprenticeship service income

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

Note 1.6 Expenditure on employee benefits

Short-term employee benefits

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

Pension costs

NHS Pension Scheme

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

The contributions are charged to operating expenses as and when they become due.

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

Local Government Pension Scheme

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

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

Note 1.7 Expenditure on other goods and services

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

Note 1.8 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

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

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

Subsequent expenditure

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

Measurement

Valuation

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

All assets are measured subsequently at valuation. The valuation of buildings has been undertaken with reference to the buildings' current condition

and agreed obsolescence and assumed that over its life it will be maintained to its current condition. The valuation has been undertaken on a modern equivalent asset basis and reflects the current service potential of the Trust. The last full revaluation of the Trust's estate was 31st March 2017, undertaken by the District Valuer, which including inspecting all of the Trust buildings. An interim valuation was undertaken at the 31st March 2020.

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

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowings costs. Assets are revalued and depreciation commences when the assets are brought into use.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use.

The valuation exercise was carried out in February 2020 with a valuation date of 31 March 2020. In applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2020 ('Red Book'), the valuer has declared a 'material valuation uncertainty' in the valuation report. This is on the basis of uncertainties in markets caused by COVID-19. The values in the report have been used to inform the measurement of property assets at valuation in these financial statements. With the valuer having declared this material valuation uncertainty, the valuer has continued to exercise professional judgement in providing the valuation and this remains the best information available to the Trust.

Subsequent expenditure

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

Depreciation

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

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

Revaluations

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

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

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

Revaluation gains and losses

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

expenses, in which case they are recognised in operating expenditure.

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

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

Impairments

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

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

De-recognition

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

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

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

Donated and grant funded assets

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

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

Useful lives of property, plant and equipment

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

	Min life Years	Max life Years
Buildings, excluding dwellings	10	99
Plant & machinery	-	16
Transport equipment	7	7
Information technology	1	10
Furniture and fittings	3	10

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

Note 1.9 Intangible assets

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

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

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

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

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

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

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

Amortisation
Intangible assets are amortised over their expected useful lives in a manner consistent with the consumption of

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

	Min life Years	Max life Years
Software licences	5	5
Licences & trademarks	5	5
Other (purchased)	5	5

Note 1.10 Inventories

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

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.

Note 1.11 Cash and cash equivalents

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

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

Note 1.12 Financial assets and financial liabilities

Recognition

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

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

Classification and measurement

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

Financial assets and financial liabilities at amortised cost

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

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

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

Impairment of financial assets

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

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

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

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

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

Derecognition

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

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

Note 1.13 Leases

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

The trust as a lessee

Finance leases

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

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

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

Operating leases

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

Leases of land and buildings

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

The trust as a lessor

Finance leases

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

Operating leases

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

Note 1.14 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective for 31 March 2021:

		Nominal rate
Short-term	Up to 5 years	-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 2020:

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

Non-clinical risk pooling

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

Note 1.15 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in note 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 1.16 Public dividend capital

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

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

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

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

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

Note 1.17 Value added tax

Most of the activities of the trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

Note 1.18 Corporation tax

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

Note 1.19 Third party assets

Assets belonging to third parties in which the Trust has no beneficial interest (such as money held on behalf of patients) are not recognised in the accounts. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's FReM.

Note 1.20 Losses and special payments

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

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

Note 1.21 Early adoption of standards, amendments and interpretations

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

Note 1.22 Standards, amendments and interpretations in issue but not yet effective or adopted

IFRS 16 Leases

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

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

On transition to IFRS 16 on 1 April 2022, the trust will apply the standard retrospectively with the cumulative effect of initially applying the standard recognised in the income and expenditure reserve at that date. For existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000, a lease liability will be recognised equal to the value of remaining lease payments discounted on transition at the trust's incremental borrowing rate. The trust's incremental borrowing rate will be defined by HM Treasury. Currently this rate is 0.91% but this may change between now and adoption of the standard. The related right of use asset will be measured equal to the lease liability adjusted for any prepaid or accrued lease payments. For existing peppercorn leases not classified as finance leases, a right of use asset will be measured at current value in existing use or fair value. The difference between the asset value and the calculated lease liability will be recognised in the income and expenditure reserve on transition. No adjustments will be made on 1 April 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.

Note 1.23 Critical judgements in applying accounting policies

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

Note 1.24 Sources of estimation uncertainty

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

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

Going Concern

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

Property Valuation and Asset Lives

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

Local Government Pension Scheme

Valuations are undertaken by an independent actuary. These values will therefore be subject to changes in market conditions and market values.

Accruals

Accruals are included in the accounts based on the best available information. This is applied in conjunction with historical experience and based on individual circumstances

Provisions

The estimates of outcome and financial effect of provisions are determined by the judgement of the management of the Trust, supplemented by experience of similar transactions and in some cases reports of independent experts.

Uncertainties surrounding the amount to be recognised as a provision are dealt with by various means according to circumstances. Where the provision being measured involves more than one outcome and each point in the range is as likely as the other, the mid point of the range is used. Where a single outcome is being measured, the most likely outcome may be the best estimate of the liability. However, even in such a case, the Trust considers other possible outcomes.

Note 2 Operating Segments

Humber Teaching NHS Foundation Trust activities are purely healthcare related and therefore is treated as a single segment. The operating results of the Trust are reviewed monthly by the Trust's chief operating decision maker which is the overall Trust Board and which includes non-executive directors. For 2020/21, the Board of Directors reviewed the financial position of the Foundation Trust as a whole in their decision making process. The single segment of 'Healthcare' has therefore been identified consistent with thecore principle of IFRS 8 Operating Segments which is to enable users of financial statements to evaluate the nature and financial effects of business activities and economic environments.

Note 3 Operating income from patient care activities

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

Note 3.1 Income from patient care activities (by nature)

	2020/21	2019/20
	£000	£000
Mental health services		
Block contract / system envelope income*	104,876	84,421
Clinical partnerships providing mandatory services (including S75 agreements)	-	1,640
Other clinical income from mandatory services	4,645	7,499
Community services		
Block contract / system envelope income*	21,199	24,435
Income from other sources (e.g. local authorities)	5,243	4,259
All services		
Private patient income	-	11
Additional pension contribution central funding**	4,819	4,359
Other clinical income	16,204	8,300
Total income from activities	**156,986**	**134,924**

*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. Since 2019/20, NHS providers have continued to pay over contributions at the former rate with the additional amount being paid over by NHS England on providers' behalf. The full cost and related funding have been recognised in these accounts.

Note 3.2 Income from patient care activities (by source)

	2020/21	2019/20
	£000	£000
Income from patient care activities received from:		
NHS England	21,748	20,296
Clinical commissioning groups	123,352	105,401
Other NHS providers	2,663	1,011
NHS other	239	61
Local authorities	8,143	8,140
Non NHS: other	841	15
Total income from activities	**156,986**	**134,924**
Relating to continuing operations	156,986	134,924

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

Humber Teaching NHS Foundation Trust received no income from overseas visitors in 2020/24 (£NIL 2019/20)

Note 4 Other operating income

	2020/21			2019/20		
	Contract income £000	Non-contract income £000	Total £000	Contract income £000	Non-contract income £000	Total £000
Research and development	493	-	**493**	503	-	**503**
Education and training	4,111	43	**4,154**	3,800	39	**3,839**
Non-patient care services to other bodies	1,141		**1,141**	1,453		**1,453**
Provider sustainability fund (2019/20 only)			**-**	1,224		**1,224**
Financial recovery fund (2019/20 only)			**-**	452		**452**
Reimbursement and top up funding	9,237		**9,237**			**-**
Income in respect of employee benefits accounted on a gross basis	957		**957**	562		**562**
Receipt of capital grants and donations		616	**616**		-	**-**
Charitable and other contributions to expenditure		1,477	**1,477**		-	**-**
Rental revenue from operating leases		2,254	**2,254**		2,295	**2,295**
Other income	742	-	**742**	281	-	**281**
Total other operating income	**16,681**	**4,390**	**21,071**	**8,275**	**2,334**	**10,609**

All operating income relates to continuing activities

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

	2020/21	2019/20
	£000	£000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	1,845	496

Note 5.2 Transaction price allocated to remaining performance obligations

	31 March 2021	31 March 2020
	£000	£000
Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:		
within one year	4,733	1,845
after one year, not later than five years		
after five years		
Total revenue allocated to remaining performance obligations	**4,733**	**1,845**

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

Note 5.3 Income from activities arising from commissioner requested services

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

	2020/21	2019/20
	£000	£000
Income from services designated as commissioner requested services	129,167	116,967
Income from services not designated as commissioner requested services	27,819	17,957
Total	**156,986**	**134,924**

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

Humber Teaching NHS Foundation Trust has no disposal of assets in 2020/21 (2019/20 £NIL).

Note 5.5 Fees and charges

HM Treasury requires disclosure of fees and charges income. The following disclosure is of income from charges to service users where income from that service exceeds £1 million and is presented as the aggregate of such income. The cost associated with the service that generated the income is also disclosed.

This note is not applicable to Humber Teaching NHS Foundation Trust.

Note 6.1 Operating expenses

	2020/21	2019/20
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	988	850
Purchase of healthcare from non-NHS and non-DHSC bodies	11,370	5,234
Staff and executive directors costs	127,708	111,687
Remuneration of non-executive directors	118	119
Supplies and services - clinical (excluding drugs costs)	3,929	1,950
Supplies and services - general	3,609	1,115
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	1,179	1,159
Consultancy costs	152	113
Establishment	4,763	2,643
Premises	9,471	6,925
Transport (including patient travel)	588	846
Depreciation on property, plant and equipment	2,967	2,446
Amortisation on intangible assets	134	314
Net impairments	578	2,093
Movement in credit loss allowance: contract receivables / contract assets	406	863
Increase/(decrease) in other provisions	960	-
Audit fees payable to the external auditor		
audit services- statutory audit	59	53
other auditor remuneration (external auditor only)	-	5
Internal audit costs	134	111
Clinical negligence	634	533
Legal fees	262	354
Insurance	130	-
Research and development	597	591
Education and training	1,358	1,034
Rentals under operating leases	3,758	4,040
Redundancy	86	432
Losses, ex gratia & special payments	1	8
Total	**175,939**	**145,518**

All expenditure relates to continuing operations.

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

Note 6.2 Other auditor remuneration

	2020/21	2019/20
	£000	£000
Other auditor remuneration paid to the external auditor:		
Other non-audit services not falling within items 2 to 7 above	-	5
Total	**-**	**5**

Note 6.3 Limitation on auditor's liability

There is no limitation on auditor's liability for external audit work carried out for the financial years 2020/21 or 2019/20.

Note 7 Impairment of assets

	2020/21	2019/20
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	578	2,093
Total net impairments charged to operating surplus / deficit	**578**	**2,093**
Impairments charged to the revaluation reserve	1,895	(3,260)
Total net impairments	**2,473**	**(1,167)**

Humber Teaching NHS Foundation Trust revalued two buildings during the period, Hallgate and Westend. This resulted in an impairment loss charged to the revaluation reserve of £16k with £578k charged to operating costs. During the year the overall value of our specialised buildings reduced in value by £1.8m (3%), and that reduction was charged to the revaluation reserve.

There were no impairment reversals (2019/20 £1.410k).

Note 8 Employee benefits

	2020/21	2019/20
	Total £000	Total £000
Salaries and wages	96,534	86,140
Social security costs	8,790	7,778
Apprenticeship levy	439	393
Employer's contributions to NHS pensions	15,915	14,351
Pension cost - other	432	262
Temporary staff (including agency)	6,711	4,145
Total gross staff costs	**128,821**	**113,069**
Total staff costs	**128,821**	**113,069**

* Employer's contribution to NHS Pensions include additional costs related to the increase in the employer contribution rate for NHS Pensions from 14.3% to 20.6% from April 2020.

Note 8.1 Retirements due to ill-health

During 2020/21 there were 3 early retirements from the trust agreed on the grounds of ill-health (7 in the year ended 31 March 2020). The estimated additional pension liabilities of these ill-health retirements is £89k (£398k 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 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 at 20.6%, and the Scheme Regulations were amended accordingly.

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgment from the Court of Appeal in December 2018 Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process.

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 9.1 Local government superannuation Scheme

East Riding of Yorkshire Council Pension Scheme
Further disclosure of the East Riding of Yorkshire Council Pension Scheme relating to the Trust is shown in note 33.

Note 9.2 NEST Pension Scheme

Some employees are members of the NEST Pension Scheme. NEST was set up by the Government especially for auto enrolment. The intention of the scheme is to ensure that all employees have access to a scheme that meets the requirements of the pension rules. Further disclosure can be found in Note 1.6 Employer contributions to the Scheme in 2020/2021 were £46k (2019/20 £44k)

Note 10 Operating leases

Note 10.1 Humber Teaching NHS Foundation Trust as a lessor

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

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

	2020/21	2019/20
	£000	£000
Operating lease revenue		
Minimum lease receipts	2,254	2,295
Total gross staff costs	**2,254**	**2,295**

	31 March 2021	31 March 2020
	£000	£000
Future minimum lease receipts due:		
- not later than one year;	2,254	2,295
- later than one year and not later than five years;	6,797	9,136
- later than five years.	-	-
Total	**9,051**	**11,431**

Note 10.2 Humber Teaching NHS Foundation Trust as a lessee

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

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

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

	2020/21	2019/20
	£000	£000
Operating lease expense		
Minimum lease payments	3,758	4,040
Total	**3,758**	**4,040**

	31 March 2021	31 March 2020
	£000	£000
Future minimum lease receipts due:		
- not later than one year;	3,550	3,689
- later than one year and not later than five years;	8,089	10,452
- later than five years.	10,390	12,519
Total	**22,029**	**26,660**

Note 11 Finance income

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

	2020/21	2019/20
	£000	£000
Interest on bank accounts	3	101
Other finance income	223	30
Total finance income	**226**	**131**

Note 12.1 Finance expenditure

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	177	155
Total interest expense	**177**	**155**
Unwinding of discount on provisions	(6)	15
Other finance costs	221	61
Total finance costs	**392**	**231**

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

Humber Teaching NHS Foundation Trust had no liability as a result of late payment legislation in 2020/21 (2019/20 £Nil) and paid no compensation under this legislation (2019/20 £Nil).

Note 13 Other gains / (losses)

The Trust had no other gains/(losses).

Note 14.1 Intangible assets - 2020/21

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

Note 14.2 Intangible assets – 2019/20

	Software licences £000	Licences & trademarks £000	Intangible assets under construction £000	Other (purchased) £000	Total £000
Valuation / gross cost at 1 April 2019 – as previously stated	**2,009**	**52**	**3,622**	**114**	**5,797**
Prior period adjustments	-	-	-	-	**-**
Valuation / gross cost at 1 April 2019 – restated	**2,009**	**52**	**3,622**	**114**	**5,797**
Transfers by absorption	-	-	-	-	**-**
Additions	33	-	4,048	-	**4,081**
Reclassifications	55	-	(55)	-	-
Valuation / gross cost at 31 March 2020	**2,097**	**52**	**7,615**	**114**	**9,878**
Amortisation at 1 April 2019 – as previously stated	**1,558**	**-**	-	**-**	**1,558**
Prior period adjustments	-	-	-	-	-
Amortisation at 1 April 2019 – restated	**1,558**	**-**	**-**	**-**	**1,558**
Transfers by absorption	-	-	-	-	**-**
Provided during the year	314	-	-	-	**314**
Amortisation at 31 March 2020	**1,872**	**-**	**-**	**-**	**1,872**
Net book value at 31 March 2020	**225**	**52**	**7,615**	**114**	**8,006**
Net book value at 1 April 2019	**451**	**52**	**3,622**	**114**	**4,239**

The intangible asset under construction primarily relates to the Yorkshire and Humber Care record.

Note 15.1 Property, plant and equipment – 2020/21

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

Note 15.2 Property, plant and equipment – 2019/20

	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation / gross cost at 1 April 2019 – as previously stated	**7,541**	**57,190**	**7,058**	**3,303**	**121**	**11,982**	**1,204**	**88,399**
Valuation / gross cost at 1 April 2019 – restated	**7,541**	**57,190**	**7,058**	**3,303**	**121**	**11,982**	**1,204**	**88,399**
Additions	-	4,147	2,539	10	-	1,669	21	**8,386**
Impairments	-	(104)	-	-	-	-	-	**(104)**
Reversals of impairments	150	3,214	-	-	-	-	-	**3,364**
Revaluations	302	(1,270)	-	-	-	-		**(968)**
Reclassifications	-	6,164	(7,639)	-	-	1,475		**-**
Transfers to / from assets held for sale	370	785	-	-	-	-	-	**1,155**
Valuation/gross cost at 31 March 2020	**8,363**	**70,126**	**1,958**	**3,313**	**121**	**15,126**	**1,225**	**100,232**
Accumulated depreciation at 1 April 2019 – as previously stated	**916**	**731**	**-**	**1,939**	**121**	**9,571**	**905**	**14,183**
Accumulated depreciation at 1 April 2019 – restated	**916**	**731**	**-**	**1,939**	**121**	**9,571**	**905**	**14,183**
Provided during the year	-	1,226	-	385	-	727	108	**2,446**
Impairments	-	3,503	-	-	-	-	-	**3,503**
Reversals of impairments	(115)	(1,295)	-	-	-	-	-	**(1,410)**
Revaluations	115	(3,386)	-	-	-	-	-	**(3,271)**
Accumulated depreciation at 31 March 2020	**916**	**779**	**-**	**2,324**	**121**	**10,298**	**1,013**	**15,451**
Net book value at 31 March 2020	**7,447**	**69,347**	**1,958**	**989**	**-**	**4,828**	**212**	**84,781**
Net book value at 1 April 2019	**6,625**	**56,459**	**7,058**	**1,364**	**-**	**2,411**	**299**	**74,216**

Note 15.3 Property, plant and equipment financing – 2020/21

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

Note 15.4 Property, plant and equipment financing – 2019/20

	Land £000	Buildings excluding dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Net book value at 31 March 2020								
Owned – purchased	7,346	68,941	1,958	847	-	4,828	212	**84,132**
Finance leased	-	-	-	-	-	-	-	**-**
Owned – donated/granted	101	406	-	142	-	-	-	**649**
NBV total at 31 March 2020	**7,447**	**69,347**	**1,958**	**989**	**-**	**4,828**	**212**	**84,781**

Note 16 Donations of property, plant and equipment

Humber Teaching NHS Foundation Trust received 2 donations of assets from DHSC, as part of the response to the coronavirus pandemic in 2020/21, for Infrastructure £97k and IT equipment £261k.

Note 17 Revaluations of property, plant and equipment

The last formal valuation of land and buildings was carried out in February 2020 with a valuation date of 31st March 2020. The valuation was undertaken by the District Valuation Service applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2020 ("Red book") and was undertaken on a desktop basis. The last full valuation was undertaken at 31st March 2017 by the District Valuation Service. A full valuation is planned for 31st March 2022.

The valuation of buildings considers the current condition and agreed obsolescence of the building and assumes that over its life it will be maintained to its current condition. The valuation reflects a modern equivelent asset basis and reflects the current service potential of the Trust.

The value of land and buildings at 31st March 2021 is based on the depreciated desktop valuation undertaken at 31st March 2020, adjusted for movements in building cost indices. Overall the value of non-specialised buildings and land was unaffected by the change in indices however the Trust's specialised building assets experienced a reduction in value of 3%. The reduction in value was charged to the revaluation reserve.

Note 18.1 Investment Property

Humber Teaching NHS Foundation Trust held no investment property in 2020/21 (2019/20: £Nil).

Note 19 Investments in associates and joint ventures

Humber Teaching NHS Foundation Trust held no investments in associates or joint ventures in 2020/21.

Note 20 Disclosure of interests in other entities

Humber Teaching NHS Foundation Trust owns by control, Humber Primary Care Limited. Humber Primary Care Limited is a limited company, set up in November 2017. It holds the GMS contract for Peeler House, Princes Medical Centre and in 2019/20 it aquired Manor House Surgery. It has not been consolidated in the accounts of Humber Teaching NHS Foundation Trust on the basis of materiality. In 2020/21 the company suffered a loss of £341k (2019/20 £125k).

Humber Teaching NHS Foundation Trust is the Corporate Trustee of the Humber Teaching NHS Foundation Trust Charitable Funds - Registered charity number 1052727. The Charitable Funds have not been consolidated into the accounts of Humber Teaching NHS Foundation Trust on the basis of materiality. The balance of the funds at 31 March 2021 is £713k. (2019/20 £682k).

Note 21 Inventories

	31 March 2021	31 March 2020
	£000	£000
Consumables	155	150
Total inventories	**155**	**150**

Inventories recognised in expenses for the year were £3,309k (2019/20: £1,137k). Write-down of inventories recognised as expenses for the year were £0k (2019/20: £0k).

In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2020/21 the Trust received £1,477k 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 22.1 Receivables

	31 March 2021	31 March 2020
	£000	£000
Current		
Contract receivables	4,835	10,140
Allowance for impaired contract receivables / assets	(1,499)	(1,197)
Prepayments (non-PFI)	861	758
PDC dividend receivable	168	-
VAT receivable	545	202
Other receivables	121	-
Total current receivables	**5,031**	**9,903**
Of which receivable from NHS and DHSC group bodies:		
Current	1,151	5,833

Note 22.2 Allowances for credit losses

	2020/21	2019/20
	Contract receivables and contract assets £000	Contract receivables and contract assets £000
Allowances as at 1 April – brought forward	**1,197**	**969**
Allowances as at 1 April – restated	**1,197**	**969**
New allowances arising	406	258
Utilisation of allowances (write offs)	(104)	(635)
Allowances as at 31 Mar 2021	**1,499**	**1,197**

Note 22.3 Exposure to credit risk

	31 March 2021	31 March 2020
	£000	£000
Non NHS Invoices	2,314	2,633
NHS Invoices	1,216	4,294
	3,530	**6,927**
Credit Risk	42.46%	17.28%
Loss Provision	(1,499)	(1,197)
Net Carrying Amount	**2,031**	**5,730**

All credit losses apply to contract receivables and assets.

Note 23 Other assets

This note is not applicable to the Trust.

Note 24.1 Non-current assets held for sale and assets in disposal groups

	2020/21	2019/20
	£000	£000
NBV of non-current assets for sale and assets in disposal groups at 1 April	**990**	**2,145**
NBV of non-current assets for sale and assets in disposal groups at 1 April – restated	**990**	**2,145**
Assets classified as available for sale in the year	599	-
Impairment of assets held for sale	(49)	-
Assets no longer classified as held for sale, for reasons other than sale	-	(1,155)
NBV of non-current assets for sale and assets in disposal groups at 31 March	**1,540**	**990**

At 31st March 2021 there were 3 assets held for sale, Victoria House, Westend and Hallgate. A contract for the sale of Victoria House has been agreed and disposal is expected to be completed in April 2021/22. Hallgate is currently under offer and the sale is also expected to completed in 2021/22. Westend is currently being marketed for sale and a sale expected during 2021/22.

Note 24.2 Liabilities in disposal groups

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

Note 25.1 Cash and cash equivalents movements

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

	2020/21	2019/20
	£000	£000
At 1 April	**15,110**	**14,935**
Net change in year	24,826	175
At 31 March1 April – restated	**39,936**	**15,110**
Broken down into:		
Cash at commercial banks and in hand	286	292
Cash with the Government Banking Service	39,650	14,818
Total cash and cash equivalents as in SoFP	**39,936**	**15,110**
Total cash and cash equivalents as in SoCF	**39,936**	**15,110**

The level of cash and cash equivalents at 31 March 2021 is substantially higher than at 31 March 2020, and reflects the high level of payables at 31 March 2021 compared to 31 March 2020.

Note 25.2 Third party assets held by the trust

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

	31 March 2021	31 March 2020
	£000	£000
Bank balances	421	370
Total third party assets	**421**	**370**

Note 26.1 Trade and other payables

	31 March 2021	31 March 2020
	£000	£000
Current		
Trade payables	12,334	5,621
Capital payables	3,250	1,551
Accruals	9,668	6,256
Social security costs	1,362	1,188
Other taxes payable	963	781
PDC dividend payable	-	91
Other payables	4,528	1,162
Total current trade and other payables	**32,105**	**16,650**

The increase in trade payables is due to the timing difference between funding received towards the end of the year, and invoices being received from suupliers. This primarily for non recurrent items.

Of which payables from NHS and DHSC group bodies:		
Current	3,673	932

All payables in 2020/21 and 2019/20 are current.

Note 26.2 Early retirements in NHS payables above

Humber Teaching NHS Foundation Trust made no payments for early retirements in the year 2020/21 (2019/20: £Nil).

Note 27 Other liabilities

	31 March 2021	31 March 2020
	£000	£000
Current		
Deferred income: contract liabilities	4,822	1,969
Total other current liabilities	**4,822**	**1,969**
Non-current		
Net pension scheme liability	3,497	1,216
Total other non-current liabilities	**3,497**	**1,216**

Note 28.1 Borrowings

	31 March 2021	31 March 2020
	£000	£000
Current		
Loans from DHSC	280	366
Total current borrowings	**280**	**366**
Non-current		
Loans from DHSC	3,565	3,838
Total non-current borrowings	**3,565**	**3,838**

Note 28.2 Reconciliation of liabilities arising from financing activities – 2020/21

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

Note 28.3 Reconciliation of liabilities arising from financing activities – 2019/20

	Loans from DHSC	Total
	£000	£000
Carrying value at 1 April 2019	**4,392**	**4,392**
Carrying value at 1 April 2018 – restated	**4,392**	**4,392**
Cash movements:		
Financing cash flows – payments and receipts of principal	(219)	**(219)**
Financing cash flows – payments of interest	(100)	**(100)**
Non-cash movements:		
Application of effective interest rate	131	**131**
Carrying value at 31 March 2020	**4,204**	**4,204**

Note 29 Other financial liabilities

There are no Other financial liabilities (2019/20 £nil)

Note 29 Provisions for liabilities and charges analysis

	Pensions: early departure costs £000	Pensions: injury benefits £000	Legal claims £000	Other £000	Total £000
At 1 April 2020	**254**	**470**	**79**	**303**	**1,106**
Arising during the year	-	-	134	1,191	**1,325**
Utilised during the year	(76)	(32)	-	-	**(108)**
Reclassified to liabilities held in disposal groups	-	-	-	-	**-**
Reversed unused	-	-	(62)	(303)	**(365)**
Unwinding of discount	(2)	(4)	-	-	**(6)**
At 31 March 2021	**176**	**434**	**151**	**1,191**	**1,952**
Expected timing of cash flows:					
- not later than one year;	77	37	151	1,158	**1,423**
- later than one year and not later than five years;	99	126	-	-	**225**
- later than five years.	-	271	-	33	**304**
Total	**176**	**434**	**151**	**1,191**	**1,952**

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

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

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

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

Note 29.1 Clinical negligence liabilities

At 31 March 2021, £17k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Humber Teaching NHS Foundation Trust (31 March 2020: £49k).

Note 30 Liabilities

	31 March 2021	31 March 2020
	£000	£000
Value of contingent liabilities		
NHS Resolution legal claims	(17)	(49)
Gross value of contingent liabilities	**(17)**	**(49)**
Amounts recoverable against liabilities	-	-
Net value of contingent liabilities	**(17)**	**(49)**
Net value of contingent assets	**-**	**-**

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

Note 31 Contractual capital commitments

	31 March 2021	31 March 2020
	£000	£000
Property, plant and equipment	1,363	-
Intangible assets	-	-
Total	**1,363**	**-**

Note 32 Other financial commitments

Humber Teaching NHS Foundation Trust is not committed to making payments under non-cancellable contracts (which are not leases, PFI contracts or other service concession arrangement) in 2020/21 (2019/20: £Nil).

Note 33 Defined benefit pension schemes

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

Humber Teaching NHS Foundation Trust's obligations in respect of pension liabilities for the transferring staff.

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

In the financial year 2019/20 Humber Teaching NHS Foundation Trust contributed £639k to the fund (2019/20: £582k).

A pension deficit of £3,497k is included in the Statement of Financial Position as at 31 March 2021 (2019/20:£1,216k).

Note 33.1 The main actuarial assumptions used at the date of the Statement of Financial Position in measuring the present value of the defined benefit scheme liabilities are:

Financial Assumptions

	31 March 2021	31 March 2020
Pension Increase Rate	2.85%	1.90%
Salary Increase Rate	3.75%	2.80%
Discount Rate	2.00%	2.30%

Note 33.2 The estimated Fund asset allocation is as follows:

	31 March 2021	31 March 2020
	£000	£000
Equities Securities	1013.3	886
Debt Securities	1458.7	1,293
Private Equity	633.6	491
Real Estate	1341	1,169
Investment Funds & Unit Trusts	6542.9	5,522
Cash & Cash Equivalents	297.5	279
	11,287	**9,640**

Note 33.3 Sensitivity Analysis

Change in assumptions at 31 March 2021	Approximate % increase to Defined Benefit Obligation	Approximate monetary amount £000
0.5% decrease in Real Discount Rate	11%	1,608
0.5% increase in the Salary Increase Rate	1%	190
0.5% increase in the Pension Increase Rate	9%	1,381

Note 33.4 Projected defined benefit cost for the period to 31 March 2021

Period Ended 31 March 2021	Assets	Obligations	Net (liability)/asset	
	£000	£000	£000	% of pay
Projected Current Service cost		540	(540)	(48.%)
Total Service Cost	**0**	**540**	**(540)**	**(48.%)**
Interest income on plan assets	227		227	20.20%
Interest cost on defined benefit obligation		300	(300)	(26.7%)
Total Net Interest Cost	**227**	**300**	**(73)**	**(6.5%)**
Total included in SoCI	**227**	**840**	**(613)**	**(54.5%)**

Note 33.1 Changes in the defined benefit obligation and fair value of plan assets during the year

	2020/21	2019/20
	£000	£000
Present value of the defined benefit obligation at 1 April	**(10,856)**	**(2,327)**
Prior period adjustment		-
Present value of the defined benefit obligation at 1 April – restated	**(10,856)**	**(2,327)**
Transfers by absorption	-	-
Current service cost	(386)	(521)
Interest cost	(253)	(61)
Contribution by plan participants	(73)	(74)
Remeasurement of the net defined benefit (liability) / asset:		
- Actuarial (gains) / losses	(3,378)	(8,007)
Benefits paid	162	134
Present value of the defined benefit obligation at 31 March	**(14,784)**	**(10,856)**
Plan assets at fair value at 1 April	**9,640**	**1,152**
Prior period adjustment		-
Plan assets at fair value at 1 April – restated	**9,640**	**1,152**
Interest income	223	30
Remeasurement of the net defined benefit (liability) / asset:		
- Actuarial gain / (losses)	1,313	8,299
Contributions by the employer	200	219
Contributions by the plan participants	73	74
Benefits paid	(162)	(134)
Plan assets at fair value at 31 March	**11,287**	**9,640**
Plan surplus/(deficit) at 31 March	**(3,497)**	**(1,216)**

Note 33.2 Reconciliation of the present value of the defined benefit obligation and the present value of the plan assets to the assets and liabilities recognised in the balance sheet

	31 March 2021	31 March 2020
	£000	£000
Present value of the defined benefit obligation	(14,784)	(10,856)
Plan assets at fair value	11,287	9,640
Net defined benefit (obligation) / asset recognised in the SoFP	**(3,497)**	**(1,216)**
Net (liability) / asset after the impact of reimbursement rights	**(3,497)**	**(1,216)**

Note 33.3 Amounts recognised in the SoCI

	2020/21	2019/20
	£000	£000
Current service cost	(386)	(521)
Interest expense / income	(30)	(31)
Total net (charge) / gain recognised in SOCI	**(416)**	**(552)**

Note 34 Financial instruments

Note 34.1 Financial risk management

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

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

Currency risk

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

Interest rate risk

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

Credit risk

The majority of income derives from contracts with other public sector bodies, and therefore there is low exposure to credit risk. The maximum exposures as at 31 March 2021 are in receivables from customers, as disclosed in the Trade and other receivables note. (See Note 21.1).

Liquidity risk

Humber Teaching NHS Foundation Trust's operating costs were incurred under contracts with Clinical Commissioning Groups in 2020/21. These entities are financed from resources voted annually by Parliament. Humber Teaching NHS Foundation Trust funds its capital expenditure from internally raised funds or by borrowing and therefore is not exposed to significant liquidity risks.

Note 34.2 Carrying values of financial assets

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

Carrying values of financial assets as at 31 March 2020	£000
Trade and other receivables excluding non financial assets	8,943
Cash and cash equivalents	15,110
Total at 31 March 2020	**24,053**

All financial assets are held at amortised cost.

Note 34.3 Carrying values of financial liabilities

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

Carrying values of financial liabilities as at 31 March 2020	£000
Loans from the Department of Health and Social Care	4,204
Trade and other payables excluding non financial liabilities	14,590
Total at 31 March 2020	**18,794**

All financial liabilities are held at amortised cost.

Note 34.4 Maturity of financial liabilities

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

	31 March 2021	31 March 2020 restated*
	£000	£000
In one year or less	30,184	15,007
In more than one year but not more than five years	1,894	1,942
In more than five years	2,617	2,976
Total	**34,695**	**19,925**

* The comparatives have been restated to reflect undiscounted values.

Note 34.5 Fair values of financial assets and liabilities

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

The variation in value of financial assets and liabilities between 31 March 2020 and 31 March 2021 reflect the higher levels of receivables and payables held on the statement of financial position.

Note 35 Losses and special payments

	2020/21		2019/20	
	Total number of cases	Total value of cases	Total number of cases	Total value of cases
Special payments	**Number**	**£000**	**Number**	**£000**
Ex-gratia payments	3	1	2	8
Total special payments	**3**	**1**	**2**	**8**
Total losses and special payments	**3**	**1**	**2**	**8**

There were no losses during the year (2019/20 £nil)

Note 36 Related parties

Humber Teaching NHS Foundation Trust is a body corporate established by order of the Secretary of State for Health.

During the year two Non Executive board members of Humber Teaching NHS Foundation Trust Board had a related party interest in entities which has undertaken transactions with Humber Teaching NHS Foundation Trust. Mike Smith provided services to The Rotherham NHS Foundation Trust as an Non Executive Director.

Mike Cooke is Chair of the Yorkshire Wildlife Trust.

Ms Michele Moran, Chief Executive was appointed as a Trustee for the RSPCA Leeds and Wakefield branch. Ms Moran is also Chair of Yorkshire & Humber Clinical Research Network.

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

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

Mrs Sharon Mays, Non Executive Director and Chair, is a Trustee of Ready Steady Read. Mrs Mays's sister is Head of Compliance Standards and Information at Tees Esk and Wear Valley NHS Foundation Trust.

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

Mr Mike Cooke, Non Executive Director is also a Trustee of Yorkshire Wildlife Trust, an Independent Executive Mentoring Coach and Chair of Cohrane Common Mental Disorder Advisory Board.

Mr Mike Smith, Non Executive Director is also (1) Director and sole owner of MJS Business Consultancy Ltd, (2) Director at Magna Trust, (3) Associate Hospital Manager at RDaSH, (4) Associate Hospital Manager at John Munroe Group, Leek and (5) Non Executive Director for the Rotherham NHS Foundation Trust.

Mr Francis Patton, Non Executive Director is also (1) Non Executive Chair at The Cask Marque Trust, (2) Treasurer at All Party Parliamentry Beer Group, (3) Industry Advisor at The BII - British Institute of Innkeeping, (4) Managing Director at Patton Consultancy, (5) Non Executive Director of SIBA Commercial - The Society of Independent Brewers and (6) Director at Fleet Street Consultancy Ltd.

Mr Dean Royles, Non Executive Director is also (1) Director and owner of Dean Royles Ltd, (2) Advisory Baord of Shefield Business School, (3) Startegic Advisor Skills for Health and (4) Associate for KPMG.

The Trust owns Humber Primary Care Ltd, a company registered in the United Kingdom. This has not been included in the accounts due to materiality. The company's main activity is Primary Care and owns 3 Primary Care practices.

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

- Health Education England
- Hull University Teaching Hospitals NHS Trust
- NHS East Riding Of Yorkshire CCG
- NHS England
- NHS Hull CCG
- NHS Pensions Agency
- NHS Property Services
- NHS North Yorkshire CCG
- The Rotherham NHS Foundation Trust
- Tees, Esk and Wear Valleys NHS Foundation Trust
- York Teaching Hospital NHS Foundation Trust

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

Note 37 Prior Period Adjustments

There were no prior period adjustments made during the year (2019/20 £nil)

Note 38 Events after the reporting date

There was nothing to report in relation to 2020/21 (2019/20 nil).

Quality Accounts

Quality accounts

Our 2020/21 Quality Account is available on our website here:

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

or via this link:

www.humber.nhs.uk/downloads/Annual%20Reports%20and%20Accounts/Quality%20Account%202020-2021.pdf

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