Oxford University Hospitals

NHS Foundation Trust

Annual Report and Accounts

2020-2021

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

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Message from the Chief Executive Officer

Welcome to the Annual Report of Oxford University Hospitals NHS Foundation Trust for the period 1 April 2020 to 31 March 2021.

I would like to reflect on a year of unprecedented challenges for the NHS, both locally and nationally, as we responded to the COVID-19 pandemic.

On behalf of the Trust Board, I want to thank all staff working at Oxford University Hospitals NHS Foundation Trust (OUH) for everything that they have done to provide the best possible care for all our patients and to demonstrate compassionate excellence over the past 12 months. 2020/21 was a year like no other for all of us working in the NHS and I am proud of the way in which our staff have worked together to care for and protect the communities we serve.

When we reflect on the events of the last year, #OneTeamOneOUH is the cornerstone of all that we have achieved together – our shared purpose enabled us to come together during the highs and the lows and will continue to do so as we look ahead. Our #OneTeamOneOUH also includes those with whom we have worked closely and those who have supported our staff – our brilliant volunteers, Oxford Hospitals Charity, medical and nursing students from the University of Oxford and Oxford Brookes University, all those involved in the groundbreaking COVID-19 research which has taken place in Oxford, and many more.

There have been times of great sadness over the past 12 months, particularly when we have lost staff colleagues to COVID-19, and I want to pay tribute to them. Our thoughts are with their loved ones, friends and close work colleagues who have been deeply affected by this loss. Our #OneTeamOneOUH is a family and, when we lose one member of this family, it impacts on us all.

We observed a minute's silence on 23 March 2021 to mark the anniversary of the start of the first national lockdown in response to the COVID-19 pandemic. The charity Marie Curie instigated this National Day of Reflection to encourage people to remember those who have lost their lives, support those they have left behind who are grieving, and hope for a brighter future together.

We can be extremely proud of our achievements in the past year, including the many lives which our staff saved by providing excellent and compassionate care, our staff testing and vaccination programmes, our role in the Oxford-AstraZeneca vaccine development, and our role in clinical trials to identify effective treatments for COVID-19.

A common thread is our unique partnership with the University of Oxford which has never been more important than during the COVID-19 pandemic – Oxford has been at the heart of global research into COVID-19, including the development of the Oxford-AstraZeneca vaccine, the RECOVERY treatment trial (the world's biggest COVID-19 treatment clinical trial) and testing of healthcare workers. This research has directly benefited our patients and staff, as well as the wider world.

We were privileged and proud on 4 January 2021 when the rollout of the Oxford-AstraZeneca vaccine began in our Vaccination Centre at the Churchill Hospital in Oxford. Brian Pinker, 82, who has been having dialysis for kidney disease at OUH for many years, was the first person in the world to receive it from our Chief Nursing Officer, Sam Foster. You can read more about this and the many other achievements and experiences of our staff in our e-Book, '*Stories*

from the COVID-19 pandemic - #OneTeamOneOUH', which we published in April 2021. The e-Book is available to read online and download at issuu.com/ouhtrust/docs/covid-19-stories.

Despite the COVID-19 pandemic, 2020/21 was a year of exciting developments across the Trust as we continue to build for the future.

- Katharine House Hospice in North Oxfordshire is now part of the Trust, following a partnership agreed by the Trust Board during 2020/21, and we look forward to working with colleagues at Katharine House and at Sobell House Hospice on the Churchill Hospital site in Oxford so that more families can benefit from their nationally-recognised palliative and end of life care.
- A major project to modernise and expand the Emergency Department at the John Radcliffe Hospital in Oxford has been completed.
- Expansion of the Emergency Department at the Horton General Hospital in Banbury has provided a much-improved environment for patients and staff alike, in particular a new dedicated area for children.
- Development of our new Oxford Haemophilia and Thrombosis Centre on the Nuffield Orthopaedic Centre site in Oxford is due to be completed by the end of 2021.
- Work on a new 48 bed critical care building at the John Radcliffe Hospital is also now well underway – the £29m development, which is supported by Department of Health and Social Care financing, will improve the environment for our critical care patients and the staff who look after them.
- Patients with respiratory conditions are benefiting from enhanced inpatient care following the opening of the new Osler Respiratory Unit on Level 5 at the John Radcliffe Hospital in March 2021 – two wards have been completely renovated to provide a single respiratory unit with 24 beds, including 22 side rooms.

Looking ahead, 2021/22 promises to be another busy and eventful year as we implement our Recovery Plan to restore elective activity post-COVID-19, embed new ways of working which have proved successful during the COVID-19 pandemic, and develop our *Growing Stronger Together – Rest, Reflect, Recover* Programme, a wide-ranging programme of work which aims to support every single member of our #OneTeamOneOUH workforce.

I look forward to working with our staff, patients, Foundation Trust members and Governors, health and care system partners in Oxfordshire and across the Buckinghamshire, Oxfordshire and Berkshire West Integrated Care System (BOB ICS), GPs, Healthwatch Oxfordshire, MPs and local authority colleagues, and many others over the next 12 months.

Signed:

Dr Bruno Holthof
Chief Executive Officer
15 June 2021

Performance Report

The Performance Report provides information about Oxford University Hospitals NHS Foundation Trust, its main objectives and an overview of how the Trust performed during the year 2020/21.

About Oxford University Hospitals NHS Foundation Trust

Oxford University Hospitals NHS Foundation Trust is one of the largest NHS teaching hospital Trusts in the UK, with a national and international reputation for the excellence of its services and its role in education and research.

Oxford University Hospitals NHS Trust was formally established on 1 November 2011 when the Nuffield Orthopaedic Centre NHS Trust merged with Oxford Radcliffe Hospitals NHS Trust. On the same date, a formal Joint Working Agreement between the Trust and the University of Oxford came into effect. This agreement was built on existing working relationships between the two organisations. The Trust became a Foundation Trust on 1 October 2015.

Oxford University Hospitals NHS Foundation Trust is an acute hospital Trust providing local, regional and some national hospital services to the population of Oxfordshire and beyond. It is registered with the Care Quality Commission and licensed to provide regulated activities by NHS Improvement.

The Trust provides local hospital services to the population of Oxfordshire, South Northamptonshire and South Warwickshire and provides tertiary services to the surrounding counties of Buckinghamshire, Berkshire, Gloucestershire, Northamptonshire, Warwickshire and Wiltshire.

The Trust provides a wide range of clinical services and specialist services including emergency care, trauma and orthopaedics, maternity, obstetrics and gynaecology, newborn care, general and specialist surgery, cardiac services, critical care, cancer, renal and transplant, neurosurgery, maxillofacial surgery, infectious diseases and blood disorders. The Trust normally draws patients from across the country for specialist services and leads networks in areas including trauma and vascular.

Most of our services are provided in our hospitals, but over 6% are delivered from 44 other locations across the region, which include outpatient peripheral clinics in community settings, satellite services in a number of surrounding hospitals and some in patients' homes. The Trust also delivers services from community hospitals in Oxfordshire, including midwifery-led units, and is responsible for a number of screening programmes, including those for bowel cancer, breast cancer, diabetic retinopathy and chlamydia.

Our collaboration with the University of Oxford underpins the quality of the care that is provided to our patients, from the delivery of high-quality research, bringing innovation from the laboratory bench to the bedside, to the delivery of high-quality education and training of doctors. Our partnership with Oxford Brookes University means that we are also able to lead in nursing research and to help train the next generation of nurses and allied health professionals as well.

Our Hospitals

The Trust consists of four hospitals, the John Radcliffe Hospital, the Churchill Hospital and the Nuffield Orthopaedic Centre, all located in Oxford, and the Horton General Hospital in Banbury, North Oxfordshire.

*The **John Radcliffe Hospital*** in Oxford is the largest of the Trust's hospitals. It is the site of Oxfordshire's main Emergency Department and the Major Trauma Centre for the Thames Valley region, and provides acute medical and surgical services, intensive care and women's services. Oxford Children's Hospital, Oxford Eye Hospital and the Oxford Heart Centre are also part of the John Radcliffe Hospital. The site has a major role in teaching and research and hosts many of the University of Oxford's Medical Sciences Division's departments. The Trust headquarters are located on the John Radcliffe Hospital site.

*The **Churchill Hospital*** in Oxford is the centre for the Trust's cancer services and a range of other medical and surgical specialties. These include renal services and transplant, clinical and medical oncology, dermatology, haemophilia, palliative care and sexual health. It also incorporates the Oxford Centre for Diabetes, Endocrinology and Metabolism (OCDEM). Maggie's Centre Oxford and Sobell House Hospice are located on the Churchill Hospital site.

The University of Oxford's Old Road Campus, which is adjacent to the Churchill Hospital, is a major centre for healthcare research, and hosts some departments of the University of Oxford's Medical Sciences Division and other major research centres such as the Oxford Cancer Research UK Centre, a partnership between the Cancer Research UK, Oxford University Hospitals NHS Foundation Trust and the University of Oxford.

*The **Nuffield Orthopaedic Centre*** in Oxford has been treating patients with bone and joint problems for more than 80 years and has a worldwide reputation for excellence in orthopaedics, rheumatology and rehabilitation. The hospital also undertakes specialist services such as children's rheumatology, the treatment of bone infection and bone tumours and limb reconstruction. Oxford Centre for Enablement (OCE) is based on the hospital site and provides rehabilitation to those with limb amputation or complex neurological or neuromuscular disabilities suffered, for example, through stroke or head injury. The Trust's Clinical Genetics department is also hosted here. The site also houses the University of Oxford's Nuffield Department of Orthopaedics, Rheumatology and Musculoskeletal Sciences (NDORMS).

*The **Horton General Hospital*** in Banbury serves the people of North Oxfordshire and surrounding counties. Services include an Emergency Department, acute general medicine and elective day case surgery, trauma, maternity services and gynaecology, paediatrics, critical care and the Brodey Centre offering treatment for cancer.

The hospital has inpatient beds and outpatient clinics, with the outpatient department running clinics with specialist consultants from Oxford in dermatology, neurology, ophthalmology, oral surgery, paediatric cardiology, radiotherapy, rheumatology, oncology, pain rehabilitation, ear nose and throat (ENT) and plastic surgery. The Horton also has a medical assessment unit, a day hospital as part of specialised elderly care rehabilitation services and a cardiology service. Other clinical services include dietetics, occupational therapy, pathology, physiotherapy and radiology.

More information on Oxford University Hospitals NHS Foundation Trust and its services is available on the Trust website at www.ouh.nhs.uk.

Our partnerships

World-class universities

- We partner with the University of Oxford to deliver world-leading scientific research, pioneering discoveries that transform care for millions of people worldwide, alongside working together through a world-leading medical school.
- We partner with Oxford Brookes University to deliver nursing, midwifery, allied health professional and management education and research to train and equip the healthcare leaders of the future.

Networks and collaboration

- We play a leadership role, hosting and contributing to multiple regional and national clinical networks to deliver and improve specialist clinical services. These include but are not limited to the:
  - Thames Valley Cancer Alliance
  - South 4 Pathology Network
  - Thames Valley Trauma Network (for which, our John Radcliffe Hospital is the dedicated Major Trauma Centre)
  - Thames Valley and Wessex Paediatric Critical Care Operational Delivery Network.
- We are a member of the Shelford Group, a collaboration of 10 of the largest teaching hospitals in England, learning from each other and collectively influencing national policy.
- In February 2021, we signed the Zero Carbon Oxford (ZCO) Charter and joined other major organisations and businesses working together to achieve net zero carbon emissions in the city of Oxford by 2040.

BOB Integrated Care System and Oxfordshire Integrated Care Partnership

- We are working closely with health, social care and voluntary sector partners across Buckinghamshire, Oxfordshire and Berkshire West Integrated Care System (BOB ICS) to deliver joined-up and integrated care for our populations.
- We also collaborate across Oxfordshire Integrated Care Partnership (ICP), working with colleagues in local government, primary care and other healthcare and community organisations to improve the coordination and delivery of care for our local population.

Oxford Hospitals Charity

The Oxford Hospitals Charity supports the work of the Trust's hospitals by providing added extras that make the difference, funding the very latest medical equipment, innovative research and specialist training, as well as providing staff support. The charity also helps to improve the hospital environment for patients and staff by improving wards, waiting rooms, play areas and staff areas. The Charity works closely and strategically alongside the Trust and clinical colleagues, under the guidance of our dedicated charity trustees, to ensure donations are well spent and have the maximum impact for patients and staff. The Trust is very grateful to the support of the Charity and to the many thoughtful and generous individuals, families, groups and other institutions who donate and fundraise to make a difference in their local community. This year has been like no other, and the Charity's support for our staff and patients has been outstanding. A few highlights of the Charity's support to the Trust during 2020/21 include but are not limited to:

- providing funding for 20 respite spaces in staff areas across the Trust
- funding specialist equipment to support monitoring at home for patients, including lung function monitors and heart monitors
- coordinating and helping to deliver over 100,000 meals, snacks and care packs to boost staff wellbeing during the COVID-19 pandemic
- funding meals for parents in the Oxford Children's Hospital, and for staff staying in temporary lodgings, while facilities in the hospitals and local area were closed
- funding 2,000 activity packs for patients unable to have visitors as well as virtual activities including online music
- helping fund a staff support role for Black, Asian and Minority Ethnic staff at the Trust.

Volunteers

The Trust has a Voluntary Services Department which manages volunteer recruitment and first day induction. It continues to identify, increase and enhance volunteering opportunities across our four hospital sites, working in conjunction with managers and departments. The Trust's volunteers always provide a wide range of support to our patients, staff and visitors, helping to enhance their experience at Oxford University Hospitals NHS Foundation Trust. These roles include but are not exclusive to:

- wayfinding
- reassurance and companionship to patients
- general administration to wards and other services
- supporting regular fundraising events
- running the highly successful weekly book stall.

During the last 12 months, the Trust received over 300 enquiries from a wide range of individuals to join our family of volunteers and support the Trust's COVID-19 response. These volunteers have assisted the Trust in numerous ways, including volunteering as marshals at hospital entrances to ensure everyone's safety with masks, hand gel and social distancing; providing administrative support to the Bereavement and Physiotherapy teams; and delivering wellbeing charitable donations to frontline services. The volunteers have provided overwhelming support to Oxford Hospitals Charity.

The Voluntary Services Department has been working to on-board the additional volunteers and ensure that our volunteers who have been shielding receive regular updates on our COVID-19 response, as they eagerly wait to safely return.

The Trust has over 1,100 dedicated volunteers, and whilst our volunteering numbers remain stable and show a small growth, we are always looking for additional support to our volunteering family, #OneTeamOneOUH.

Ministry of Defence support during COVID-19

To provide additional support during this unprecedented time, the Trust also received a cohort of Ministry of Defence volunteers to support in ward areas. Working alongside doctors and nurses, military staff helped us manage the high number of seriously unwell COVID-19 patients cared for on our wards. 42 personnel undertook clinical functions as well as more general logistical and administrative work such as stock management. We are incredibly grateful for the support of the military staff during this very challenging time.

Trust Strategy 2020 - 2025

During 2019/20, over 2,000 of our staff, patients and partners worked together to develop a new strategic vision for Oxford University Hospitals NHS Foundation Trust (OUH) and how we will work with our wider health and care system. We were in the final stages of pulling this strategy together when the COVID-19 pandemic shifted our focus, requiring us to quickly reshape our hospitals and services so we could safely meet the needs of our patients and protect and support our staff. Whilst the experience of COVID-19 has changed our context, it has also underlined the importance of many of the strategic changes outlined below and given us much to build on in the months and years ahead.

Our Strategy sets out our focus on three Strategic Objectives.

- We will make OUH a great place to work by delivering the best staff experience and wellbeing for all **Our People**, supported by a sustainable workforce model and a compassionate culture.
- We will improve the access, quality and experience of care for all **Our Patients** by focusing on patient safety and working with patients to improve their health, care and experience.
- We will work with partners to improve the health and wellbeing of **Our Populations**, working collaboratively to provide integrated care close to home, reduce health inequalities, tackle our environmental impact and deliver financially sustainable services.

To support us to achieve our objectives, we are focusing on five themes.

- **Close to Home**. We will support patients to manage their own health and will work together with partners to deliver joined-up services, close to home.
- **Digital by Default**. We will be digital by default, scaling up digital outpatient appointments, virtual clinics and digital ways of working.
- **#OneTeamOneOUH**. We will be #OneTeamOneOUH, working together to create an inclusive culture and make OUH a great place to work for all.
- **Getting the Basics Right**. We will get the basics right across our key enablers such as our estates, governance and key processes to support all our teams.
- **World-Class Impact**. We will celebrate and strengthen our unique world-class research, education and innovation so that we can continue our global impact in improving health and care.

Our Strategic Objectives and Themes are underpinned by Our Values:

Learning, Respect, Delivery, Excellence, Compassion and Improvement

and founded in Our Vision:

Delivering Compassionate Excellence for Our People, Our Patients and Our Populations.

Our changing context

Through the Trust's COVID-19 response, we saw amazing local initiative and flexibility across our services, with teams adapting the ways they worked, creating extra capacity and finding new ways to care for our patients. As the weeks went on, it became clear that across the Trust we had in fact started to put in place many of the longer-term strategic shifts that we had hoped to achieve in the next five years.

During the pandemic, the changes made in line with our strategy included the following.

- **38,000 video consultations**. In the first 14 weeks of the COVID-19 response, the OUH digital teams worked closely with our clinical teams to deliver outpatient care virtually, allowing thousands of patients to be seen in their homes. 38,000 video consultations and more than 127,000 telephone or telemedicine consultations took place during the year.
- **Remote monitoring**. To support patients to continue to receive care close to home, hundreds of patients across services including diabetes, maternity and cystic fibrosis were monitored remotely in their homes. For example, patients with diabetes can now share blood glucose data remotely via digital technology to support their self-management and care. Oxford Hospitals Charity funded 120 lung function monitors to help children and young people with cystic fibrosis, as well as cardiac monitors for young people to support them to receive care at home.
- **560 students stepped up**. 560 amazing nursing, medical, midwifery, radiography, physiotherapy, occupational therapy, speech and language therapy, dietetics and operating department practitioner students joined OUH to support our COVID-19 response. They supported hundreds more redeployed OUH colleagues from across the Trust, who stepped into often unfamiliar surroundings and specialties to deliver outstanding care in challenging circumstances.
- **61 clinical research studies**. Researchers and clinical teams at OUH worked in close partnership with University of Oxford colleagues to carry out a wide range of clinical research into COVID-19, including the Oxford Vaccine trials, diagnostic antibody testing and the RECOVERY treatment trial. Over 5,000 participants have been recruited into these studies at OUH, including the first patient to participate in the national RECOVERY trial.
- **95 new local partnerships**. Our Procurement team and Oxford Hospitals Charity set up 95 new local partnerships with Oxfordshire businesses and community groups to provide food, supplies and accommodation, and ensure the basics were in place to support patients and staff. Oxford Hospitals Charity, worked with local businesses, community groups and volunteers to deliver over 100,000 meals and care packs and create Respite Rooms for hardworking OUH staff in the immediate response to the COVID-19 pandemic.

Looking forward

We will now take our Strategy 2020 - 2025 forward, embedding and translating our Objectives and our Strategic Themes into our:

- Clinical Strategy
- Sustainability Strategy
- Horton General Hospital: Fit for the Future Redevelopment Plan
- Business Planning
- Team and Personal Objectives
- Five-year Delivery Plans e.g. Digital, Capital and People.

Operational Performance

This section provides a summary of Oxford University Hospitals NHS Foundation Trust's operational performance and outlines the activities that have been employed to enable the Trust to deliver care to patients across emergency and elective services. This has involved adopting new ways of working using technology, Personal Protective Equipment (PPE) and working with system and independent sector partners to deliver care to patients and support to staff.

Performance management arrangements in 2020/21 were altered to help support the NHS' response to the unprecedented challenges caused by the COVID-19 pandemic and the emergency response. Although performance reporting on national standards continued, as outlined below, the contractual sanctions were suspended within the revised arrangements for NHS contracting and payment during the COVID-19 pandemic.

Oxford University Hospitals NHS Foundation Trust (OUH) has delivered on initiatives which provide equality of service delivery to different groups, including adherence to national guidance, with robust local processes in place to ensure that patients waiting on elective pathways have been risk-assessed and clinically prioritised, in addition to undertaking clinical harm reviews for patients waiting over 40 weeks. Within cancer services specifically, the Trust has worked with the Oxfordshire Clinical Commissioning Group (OCCG) on raising awareness of specific cancer symptoms and encouraging early referral of patients. The Trust is also implementing all elements of the personalised care agenda, which includes offering newly-diagnosed cancer patients a holistic needs assessment and care plan.

Operational performance in 2020/21 should, when interpreting the monthly performance of the national standards, be seen within the context of the three phases of the NHS response to COVID-19. This included *Phase 1* of the NHS response, issued on 30 January 2020, following the declaration of a level 4 National Incident by NHS England and NHS Improvement (NHSE&I), and the national instruction to pause routine planned care from mid-March 2020. The commencement of *Phase 2,* on 29 April 2020, involved NHS local systems and organisations increasing non-COVID-19 urgent services and a request to make local judgements on providing capacity for some routine non-urgent elective care following the easing of COVID-19 pressures. *Phase 3*, issued on 31 July 2020, identified priorities for the remainder of 2020/21. This involved accelerating the return of non-COVID-19 health services, preparation for winter alongside possible COVID-19 resurgence, and embedding lessons learned from the first COVID-19 peak. In December 2020, a national instruction was received to once again pause non-urgent elective operating as part of the NHS response to the second peak of COVID-19.

Urgent and emergency care

Across the two years (2019/20 and 2020/21), the urgent care programme has focused on the following priorities.

- Urgent assessment of patients in the most appropriate setting (*NHS 111 First*)
- Rollout of vaccination programmes for flu and COVID-19
- Same Day Emergency Care (SDEC)
- Reducing length of stay across all bed bases within Oxfordshire
- Patients who frequently attended the Emergency Departments and assessment areas

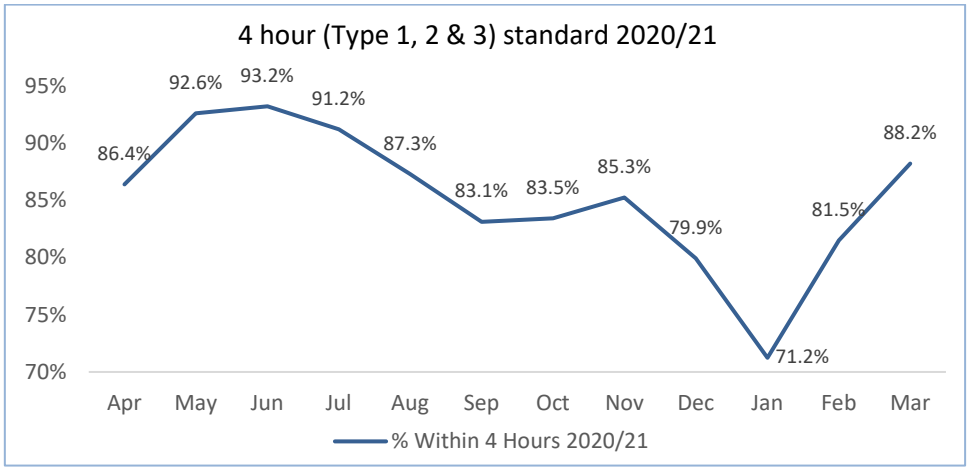
Emergency care

During the last year, the Trust invested in significant estate improvements in the Emergency Departments at both the John Radcliffe Hospital and Horton General Hospital. Expansion work at the John Radcliffe Hospital site was completed in June 2020; the new extension provided a better use of space, more diagnostic equipment and improved privacy and dignity for patients. Oxford Hospitals Charity supported the new extension by funding the dedicated computerised tomography (CT) scanner for the Emergency Department, and furnishings for the bereavement and relatives' rooms.

During the building works, measures were put in place to maintain patient safety and to minimise the impact on patient experience; however, there were times when the works had an impact on the Trust's performance of the 4 hour urgent care standard. The COVID-19 pandemic throughout the year exacerbated the need to continually adjust services to address the changing acuity and demand within the hospital.

At the John Radcliffe Hospital, in order to accommodate the acute respiratory presentations for COVID-19 patients during March and April 2020, the Emergency Department provided a dedicated Respiratory Emergency Department and displaced the Emergency Assessment Unit (EAU; Amber pathway) to the short stay medical wards.

Performance for the 4 hour standard saw a significant improvement over May, June and July 2020 achieving over 91% across both the John Radcliffe and Horton Emergency Departments.



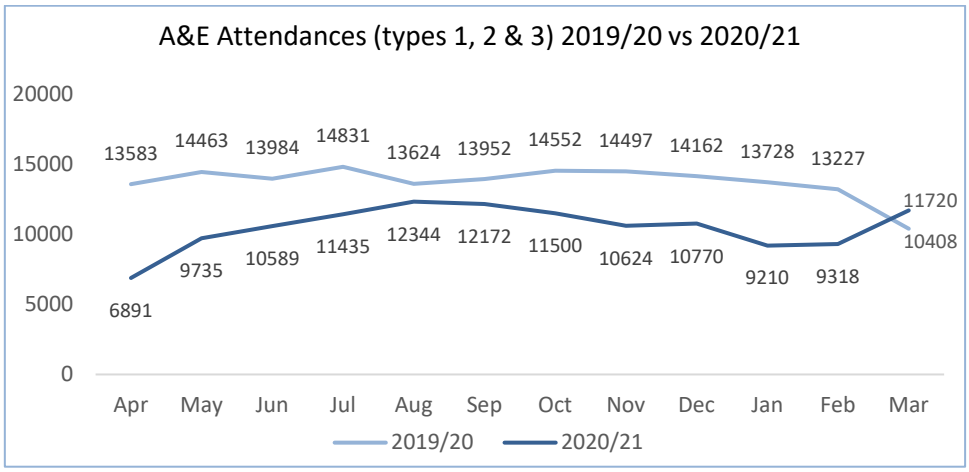
The Trust prepared for the anticipated second wave of the COVID-19 pandemic and upgraded the Emergency Assessment Unit (EAU) at the John Radcliffe Hospital site as a potential Respiratory High Care Unit (HCU). This required engineering works to be undertaken and resulted in a phased closure of the EAU beds which again compromised assessment space during December 2020. The Respiratory HCU opened at the beginning of January 2021 to support the rise in COVID-19 admissions; during this time, performance of the 4 hour standard decreased significantly due to the reduction of capacity in the EAU. Improvements in performance were seen across February and March 2021 as the Trust started to recover from the peak of the second wave of the COVID-19 pandemic.

At the Horton General Hospital, refurbishment of the Emergency Department took place in 2020/21 to provide dedicated space for children and an expansion of capacity for the assessment of more seriously unwell patients. This work was supported by funding from the

Horton General Hospital Charity. The services responded flexibly as demands on capacity fluctuated throughout the COVID-19 pandemic. Despite the challenges, the Horton Emergency Department regularly achieved the 4 hour urgent care standard throughout the year.

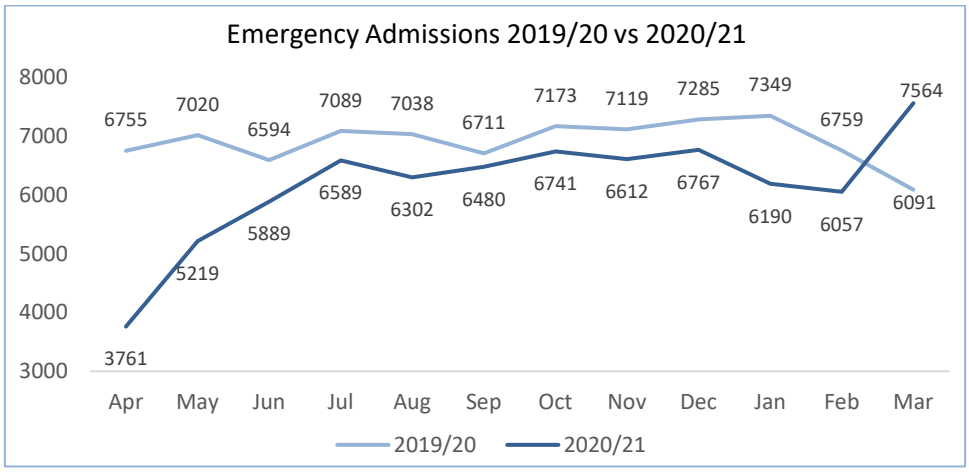
Emergency attendances

Attendances at the Trust's Emergency Departments were significantly lower throughout 2020/21 when compared to the previous year, mainly due to the COVID-19 pandemic. For the full year, there was a reduction of 38,703 (23.5%) attendances compared to 2019/20.



Emergency admissions

Emergency admissions in 2020/21 through the Trust's Emergency Departments were 11% less than in 2019/20. Monthly emergency admissions were significantly lower than the previous year due to the COVID-19 pandemic and the lockdown measures that were put in place across the country, except in March 2021. Whilst admissions were lower, the Trust was faced with complex challenges in its response to the pandemic, in particular the need to reconfigure inpatient wards to support the ever-changing demand for patients with COVID-19.



Same Day Emergency Care (SDEC)

The Acute Ambulatory Unit (AAU) at the John Radcliffe Hospital site was relocated in December 2019, following which a two-phased programme of refurbishment took place, which was completed by the end of March 2020. The AAU has shown increased attendances over the year and has been instrumental in supporting patients away from the Emergency Department and reducing admissions into the hospital.

The OUH's 'Acute Hospital at Home' service, which is run from the Department of Geratology, was at the forefront of innovative care delivery during the pandemic, contributing to NHS England guidance on the management of COVID-19 pneumonitis outside hospital settings.

NHS 111 First

NHS 111 First was implemented in the autumn of 2020 across Oxfordshire, with time slots being made available for patients of all ages to book into prior to attending the Emergency Departments via *NHS 111*. Engagement with Opthalmology resulted in a decline in the number of patients needing to attend an Emergency Department and instead attending Eye Casualty directly. The service is being closely monitored to ensure the changes introduced are embedded, and regular reviews of audits are undertaken and shared across the wider system to support improvements to pathway dispositions.

Through the winter, additional pathways have been developed, including early pregnancy, gynaecology, urology and children to support patients to go directly to specialty units instead of the Emergency Department.

Improving mental health services for those who require an emergency assessment

Over the course of the last year, there has been 24/7 support from mental health specialists who were based in *NHS 111*. Their work has expanded to support 999 crews and Thames Valley Police, in addition to further work across Minor Injuries and First Aid Units. This has supported people who do not require an assessment in an Emergency Department to have an assessment, if required, in a more appropriate setting. Even though the Trust has continued to see an increase in people attending the Emergency Department with mental health presentations, there has been a reduction in the number of patients who do not require assessment in the Emergency Department.

Planned care

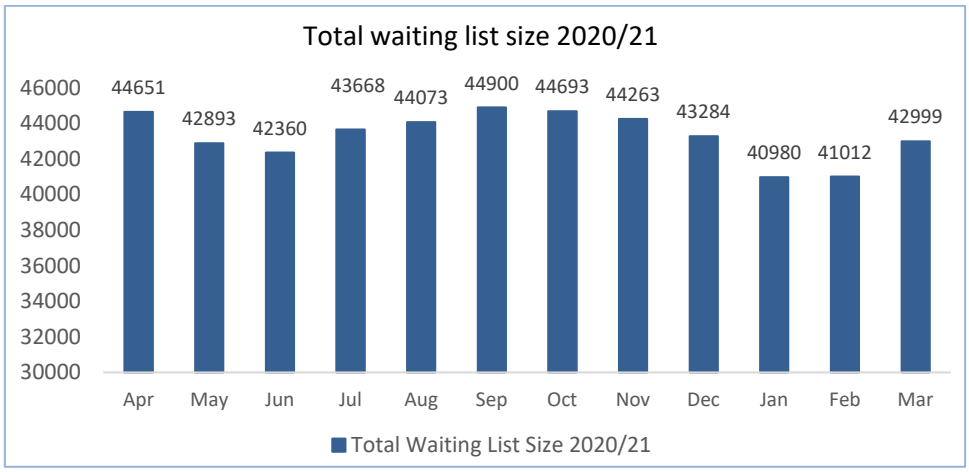
Referral to Treatment (RTT) performance

In common with most Trusts, the impact of the COVID-19 pandemic was felt most significantly across elective, cancer and diagnostic waiting times throughout 2020/21 and contributed to the profile of the Trust's waiting list, as patients continued to wait for treatment in a period where activity had been severely curtailed. This had a considerable impact on the ageing profile of the waiting list, the volume of patients breaching the 18 week *RTT* waiting time standard, and the number of patients waiting in excess of 52 weeks.

In July 2020, NHS England and NHS Improvement set out a range of priorities as part of the Phase 3 response to COVID-19, during the remaining months of 2020/21.

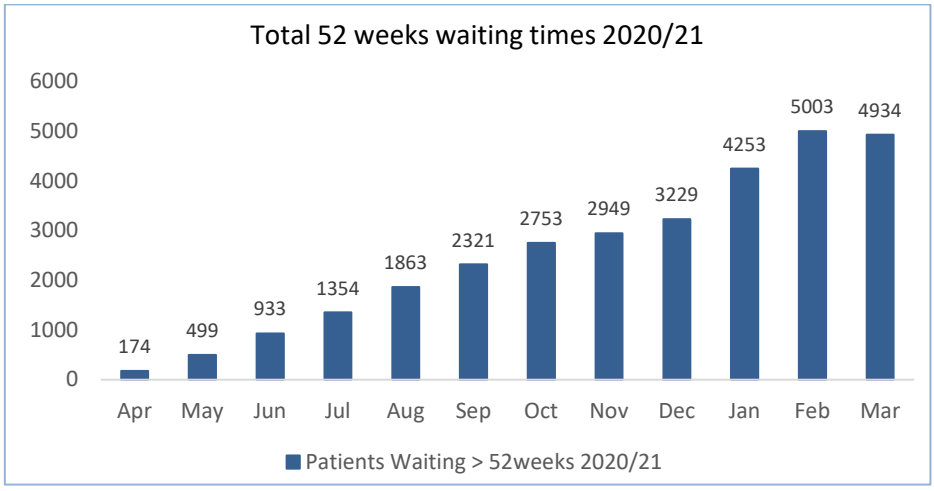
Waiting lists

The waiting list at OUH at the onset of COVID-19 already included large numbers of patients with extended waiting times beyond 18 weeks. At the end of July 2020, over half the patients on the waiting list had waited more than 18 weeks. The reduction in elective activity during COVID-19 resulted in many of these patients waiting for more than 52 weeks. In line with national guidance, the Trust closed services to new outpatient referrals during the first wave of the pandemic, with the exception of urgent and suspected cancer referrals. As shown in the graph below, the Trust's total waiting list slightly reduced by the end of year due in part to the reduction in outpatient referrals.



52 week waiting times

The reduction in elective activity as a result of the Trust response to the pandemic had a considerable impact on the number of patients waiting over 52 weeks. The number of patients waiting in excess of 52 weeks during 2020/21 can be seen in the graph below.



Prioritisation of the elective care waiting list

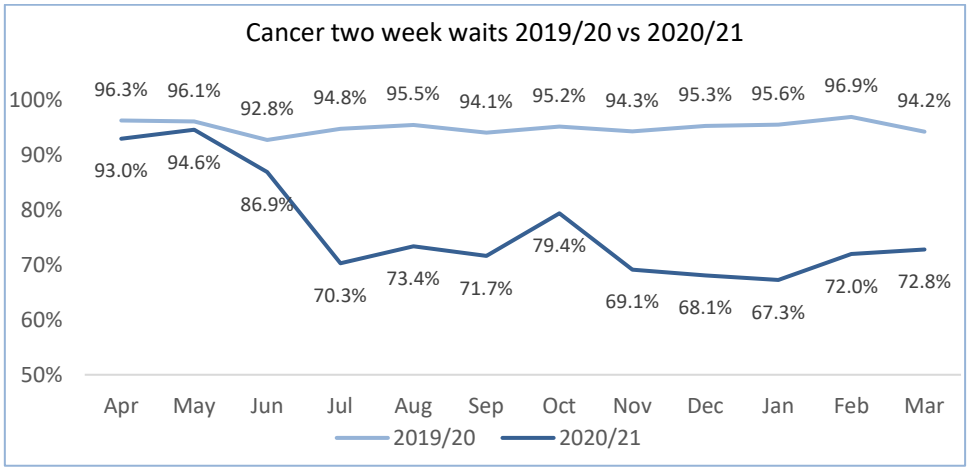
In response to COVID-19, the Royal College of Surgeons developed a guide for surgical prioritisation of patients on the inpatient waiting list. This approach was introduced into OUH in the autumn of 2020 with consultants undertaking reviews of patients and classifying them within six groups, with priorities ranging from patients who require an emergency operation within 24 hours, to those patients whose procedure can be deferred for three months.

Positive progress on clinical prioritisation has been made, with over 70% of the inpatient waiting list being completed. Work will continue through 2021/22 with further expansion of this approach expected to include outpatients and diagnostic waiting lists.

Cancer performance standards

Whilst cancer services have experienced significant challenges during the last year in light of the COVID-19 pandemic, services have remained available and open for patients who required diagnosis and treatments. National guidance has been followed to ensure individuals have been risk-assessed as to the appropriateness of tests and treatment. Respecting patient choice to defer appointments and supporting treatment decision-making when it was imperative to continue treatment despite the risk of COVID-19, has been considered on an individual basis by our clinical teams.

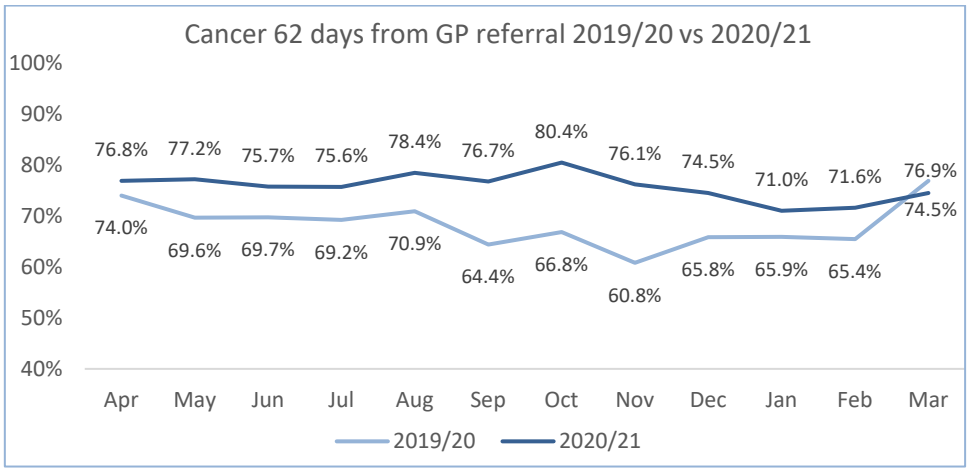
Spring of 2020 saw a significant drop in referrals on the *two week wait* (*2WW*) suspected cancer pathway. Referrals have since recovered to pre-pandemic levels. From June 2020 the Trust has not met the *2WW* referral to first seen standard. Challenged services include breast (both *2WW* suspected cancer and breast symptomatic) and Lower Gastrointestinal (LGI).



During 2020/21, we have been reporting adherence to the 28 day faster diagnosis standard (patients being advised whether a cancer is confirmed or cancer is excluded by day 28). During the 12 months reported, we have achieved the standard in 11 out of the 12 months.

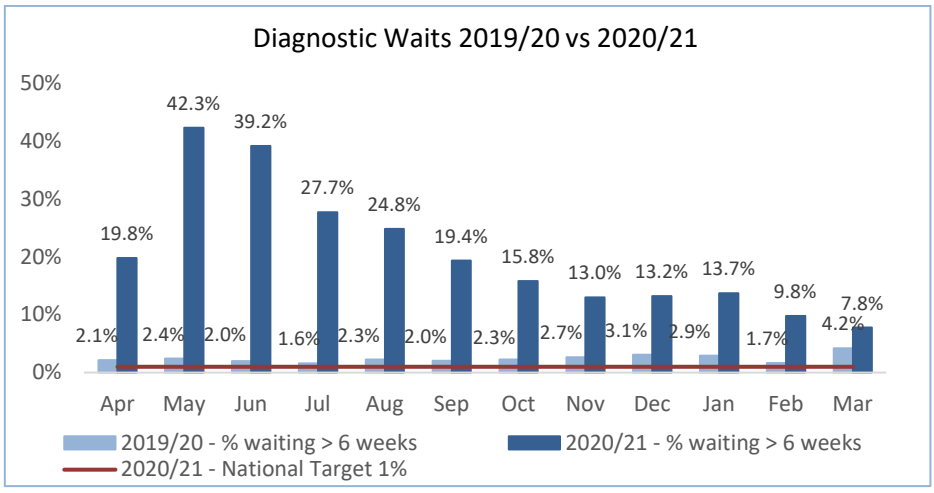
The 31 day first seen standard was achieved in four out of the 12 months reported with other months narrowly missing the 96% standard. Subsequent treatment standards for chemotherapy and radiotherapy were achieved.

The 62 day referral to treatment standard remains the Trust's greatest cancer performance challenge. The Trust has not met this standard in 2020/21. Improvement work continues within tumour services to reduce waiting times: this includes reviewing access to intensive care beds for major cancer resections, theatre staffing and capacity and adoption of best practice pathways. However, during this period, the breast service has met the 62 day standard for those diagnosed with cancer in 10 out of the 12 months reported.



Diagnostic waits

In the first quarter of 2020/21, the Trust saw a significant rise in the number of patients waiting over six weeks for diagnostic tests, directly due to the impact of COVID-19 and the national requirement to stop all routine diagnostic tests. Magnetic Resonance Imaging (MRI) and endoscopy services were the most challenged services, but the impact of ceasing all routine tests was felt across all modalities. In the spring of 2020, and as part of the Trust's elective and diagnostic recovery approach, a phased re-opening of services began. The number of patients waiting over six weeks for a diagnostic test began to slowly reduce as services started to re-open; within five months from the peak of the first wave of the COVID-19 pandemic, the Trust had reduced the number of patients waiting over six weeks from 42.3% down to 15.8%. Recovery plans will continue to be in place across the forthcoming year to support services to reduce the number of patients waiting. The graph below shows the Trust's diagnostic performance by month, which indicates that the Trust did not meet the national target. This pattern is similar to that seen across the country during the pandemic.



Financial Performance

Introduction

2020/21 was a year in which Oxford University Hospitals NHS Foundation Trust (OUH), and the wider NHS, faced unparalleled challenges due to the COVID-19 pandemic. Despite this, the Trust managed to meet its major financial objectives and make significant investment in the Trust estate.

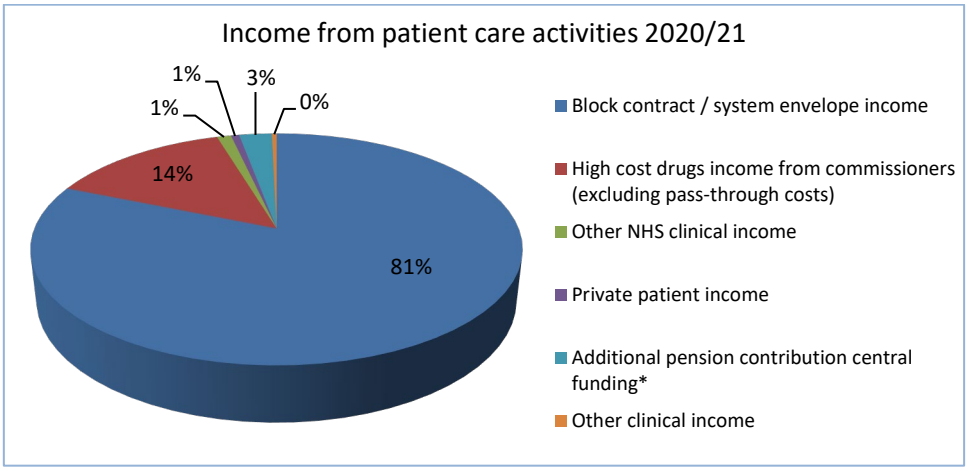
A simplified financial regime operated in the NHS in 2020/21, with block contract payments for NHS activity and the suspension of the usual Payment by Results national tariff reimbursement. All costs were reimbursed in the first half of the financial year (Phase 2) and a fixed funding envelope allocated at a system level in the second half (Phase 3), with the expectation that financial performance would reach breakeven. Financial performance was managed at a system level, that being the Buckinghamshire, Oxfordshire and Berkshire West Integrated Care System (BOB ICS) for OUH.

In-year performance

The change in financial arrangements for 2020/21, as a result of the COVID-19 pandemic, meant that operational and financial planning was suspended. This meant that the Trust had no financial plan or 'control total' target required by NHSE&I, unlike in previous financial years, other than to contribute to the system financial target of breakeven. The Trust delivered a year-end surplus in 2020/21 of £3.1m, using the NHSE&I performance measure, and represents an improvement on the deficit of £12.8m achieved in 2019/20.

Operating income

The Trust receives the majority of its income for the delivery of patient care services. In the 12 months to 31 March 2021, £1,054m was received, representing 81% of the total income for the period. The vast majority of this comes from the commissioners of NHS services, predominately Oxfordshire Clinical Commissioning Group and NHS England. The chart below shows an analysis of income by source.



(Source: note 3.1 of Annual Accounts)

** 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 the Annual Accounts.*

Other operating income

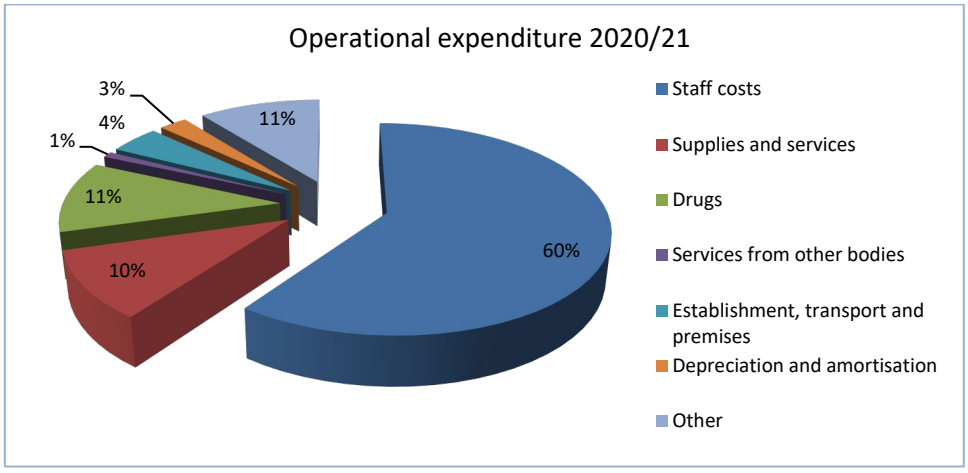
In 2020/21, the Trust received £270m for the delivery of non-patient care services, with £51.6m to fund research and £45.4m to support the costs of providing education and training to NHS staff. Also included within other income during the year is £101m in respect of reimbursement and top-up funding following the introduction of the COVID-19 funding arrangements described earlier. Other sources of income include the provision of non-patient care services to other organisations and charitable contributions to expenditure. Research and development, and education and training activities are core objectives of the Trust, and are generally delivered on a breakeven basis after making a fair contribution to Trust overheads. Equally, the Trust provides some infrastructure (e.g. digital services) to other NHS bodies on the same basis.

NHS legislation states that the Trust should primarily deliver NHS-funded healthcare, which is measured by testing that non-NHS activity (including research and development, and education and training) is no more than 49% of total income. Our analysis shows that the Trust has met this requirement with NHS healthcare activities comprising 81% of total income. NHS legislation also requires that the Trust tests that this activity does not significantly interfere with NHS activity. The Trust has concluded there is no significant interference based on the surpluses generated and the lack of any direct conflicts between commercial activities and NHS activities.

Operating expenses

The Trust spends on average just under £3.6m every day, or just under £25m per week. The Trust employs in excess of 12,200 whole time equivalent (WTE) staff and expenditure on pay costs is the single largest item of expenditure for the Trust with £780m spent during the 12 months to 31 March 2021, representing 60% of total operating expenses. Of the non-pay related expenditure, the two biggest items are clinical and general supplies costs, which account for £135m or 10% of operating expenses, and expenditure on drugs at £144m or 11% of operating expenses. Included in these amounts was an estimated £73m of additional expenditure for the cost of COVID-19 related activities, on top of the costs of existing capacity redirected to support it.

The chart below sets out the major headings of operating expenses for the Trust.



(Source: note 6.1 of Annual Accounts)

Balance sheet – cash

The cash balance at the end of the year was £83.8m, compared with £36.3m at the end of March 2020. Whilst this increase in cash of just over £47m in the year is welcome, a significant proportion is due to increased capital payables, accruals and COVID-19 related inventories. Both capital payables and accruals will lead to cash outflows when relevant invoices are paid.

Balance sheet – land, buildings and equipment

There was a new regime for capital expenditure in 2020/21 which introduced capital spending envelopes. These were managed by each system responsible for determining the allocation to each individual organisation. The BOB ICS allocated £27.9m to the Trust for 2020/21.

In addition to this, the Trust received a number of allocations from funds held centrally for national priorities. These include the Critical Care Unit programme and certain diagnostic equipment. In total, the Trust was able to attract additional central funding of £47.8m for 2020/21.

At the end of the year, the Trust reported spending £27.8m against the ICS allocation of £27.9m. In respect of the £47.8m allocated from central funding, the spend was £45.9m. This was predominantly due to lower spend on the Critical Care Unit programme, partly offset by increased spend in brought-forward equipment purchases.

A look forward

Prior to the unique challenges placed upon the Trust, and the wider NHS, as a result of COVID-19, the Trust was facing a difficult financial outlook. OUH has underlying deficit, which was successfully mitigated through one-off means in previous years. NHS England has set an expectation of recovery to breakeven while several financial and management of resources issues remain. These are principally associated with the costs of additional clinical capacity being added while non-COVID-19 funding is constrained.

Combined with the ongoing uncertainty of COVID-19, including the lack of national financial arrangements from October 2021 onwards, these challenges will create an additional financial risk to the Trust in 2021/22. The impact of COVID-19 on the Trust's cost base and operational productivity has been significant, in particular the segregation of pathways, patient testing, infection prevention and Personal Protective Equipment (PPE). The Trust will need to reduce the impact of these measures as COVID-19 patient numbers reduce, both in staffing and use of space, to meet the performance expectations.

The NHS financial system for the first half of 2021/22 (H1) will be a continuation of arrangements in place in the second half (H2) of 2020/21, with an efficiency requirement and payment for elective activity above targeted levels.

Despite the continued short-term focus of the NHS on in-year financial performance, and the ongoing financial uncertainty and impact of COVID-19, the Trust Board continues to be committed to taking a medium-term assessment of financial sustainability. This will be done by maintaining a commitment to quality and safety, collaborating with our partners and attracting and retaining our workforce. Together, this will enable the most efficient and high-quality care to be delivered.

Going concern disclosure

The Directors have considered the application of the going concern concept to the Trust, based upon the continuation of services provided by the Trust.

The Financial Reporting Manual (FReM) emphasises that the anticipated continuation of the provision of a service in the future, as evidenced by inclusion of financial provision for that service in published documents, is normally sufficient evidence of going concern. This is based on the assumption that upon any dissolution of a Foundation Trust, the services will continue to be provided.

The Directors consider that there will be no material closure of NHS services currently run by OUH in the next business period (considered to be 12 months) following publication of this Annual Report and Annual Accounts.

After making enquiries, the Directors have a reasonable expectation that the services provided by the Trust will continue to be provided by the public sector for the foreseeable future. For this reason, the Directors have adopted the going concern basis in preparing the Annual Accounts, following the definition of going concern in the public sector adopted by HM Treasury's Financial Reporting Manual.

Patient Experience

Oxford University Hospitals NHS Foundation Trust is fully committed to the NHS Constitution[1] which states that 'the patient will be at the heart of everything that the NHS does'. Understanding their thoughts and observations, and what matters to our patients, their families, carers and friends is central in achieving this aim. The link between patient and staff experience is also well known, and well cared for staff will positively impact on patient experience.

This section is aimed at providing a summary of the Trust's efforts and activities carried out to improve patient experience.

Learning from you

Listening to stories from patients can be very powerful. They provide an opportunity to understand and reflect on an experience and learn for future services. The Chief Nursing Officer shared patient stories with the Trust Board throughout the year. This year, COVID-19 has shaped the stories that were presented.

The Friends and Family Test (FFT)

Since 2013, the Friends and Family Test (FFT) has been the primary measure of patient experience across NHS services in England. To make the FFT more effective for patients and services, the main question in the survey was changed in April 2020 to 'Overall, how was your experience of our service?'.

The Trust is delighted that, across the year, an average of 93.4% patients told us, via the FFT, they would describe their experience of our service as 'Very good' or 'Good'. Patients can also provide comments. These are themed for the Trust Board giving a rich and balanced view of patient experience.

Increasingly, the FFT is completed digitally by SMS texting and online. SMS is used for the Emergency Department, Outpatients, Day Case and Children's Inpatients. A digital trial is underway across seven adult wards in the Trust, and the results will inform wider developments of how we gather feedback.

The National Patient Survey Programme

The Care Quality Commission (CQC) coordinates a national patient survey programme. They use the surveys to find out what people think of the NHS healthcare services that they use. The results are also used to help assess NHS performance and for regulatory activities such as registration, monitoring ongoing compliance and reviews.

The following is an overview of the Trust's results in the National Patient Survey Programme:

Annual National Inpatient Survey 2019

The results of the National Inpatient Survey 2019[2] were received in 2020/21. The response rate was 45.6% for the core sample (an increase from 42.9% in the 2018 survey). There was an improvement in three questions and a reduction in one question. The CQC analysis showed

[1] The NHS Constitution can be found at the GOV.UK website. Visit www.gov.uk and search for 'NHS Constitution'.
[2] The National Inpatient Survey 2019 report can be found at the Trust website. Visit www.ouh.nhs.uk and type 'TB2020.63' into the search field.

that the Trust performed better than most other Trusts in eight questions; about the same as most other Trusts on 55 questions; and was not worse than other Trusts for any questions. More detailed analysis indicated that the Trust scored highly in three areas; confidence and trust in doctors and nurses; help, support and information giving by staff; and overall experience of being in hospital.

National Children and Young People's Inpatient and Day Case Survey 2020

The survey has been running since 2014 and is undertaken every two years. Results from the 2020 survey are expected in November 2021.

Under 16 Cancer Patient Experience Survey 2020

All children aged 16 years and under at the time of their care, with a confirmed primary diagnosis of cancer or a non-malignant brain, other central nervous system or intracranial tumour, are invited to take part in this survey. Results from the 2020 survey are expected in the summer 2021.

Patient and Public Engagement

The Trust has continued engagement with local and national health and social care partners. The emphasis on understanding the lived experience of receiving services has influenced the development of the following services and reviews; the Home Assessment Reablement Team (HART), the new *NHS 111 First* and use of the Emergency Departments, the Oxfordshire Homelessness Safeguarding Adult Review (SAR) and Learning Disabilities Mortality Review (LeDeR).

Supporting patients with a learning disability

The Trust employs four Learning Disability Nurses, who work across the Trust supporting people with learning disability and autism. They work closely with people and their families, paid support services, Oxford Health NHS Foundation Trust, Oxford Family Support Network, Carers Oxfordshire, My Life My Choice and primary care.

The Trust is a committed member of the Vulnerable Adults Mortality (VAM) group which oversees the Learning Disabilities Mortality Review (LeDeR) process. In Oxfordshire, this multi-agency process is led by the Oxfordshire Clinical Commissioning Group (OCCG) on behalf of Oxfordshire Safeguarding Adults Board (OSAB). The VAM group reviews the services involved and received by every person with a learning disability who sadly dies, to establish good practice and lessons to be learned to inform improved practice. During the pandemic, the county has undertaken rapid reviews to enable lessons to be learned quickly.

The emphasis over the last year has been to support people with learning disabilities with COVID-19. The team uploaded 400 hospital passports on to people's Electronic Patient Record (EPR). Passports provide clear information on communication, support systems and additional health needs to enable clinical staff to support people with learning disabilities in an emergency or in critical care.

Supporting patients with dementia

Throughout the year, 'Twiddlemuffs' and 'knitted octopuses' continued to be donated by volunteers, and were provided to inpatients with dementia. They are knitted muffs with items attached and provide visual, tactile and sensory stimulation, and keep hands warm at the same time.

Equality of service delivery to different groups

Oxford University Hospitals NHS Foundation Trust strives to ensure that its activities are inclusive for all patients, their families and carers. To increase the Trust's ability to reach all local communities, we have been developing relationships with partners in the local healthcare system and other organisations, including Healthwatch and the Academic Health Science Network (AHSN), so that a coordinated approach can be taken to patient and public engagement across the county. The Trust is also developing a Patient Inclusion Network to provide opportunities for patients to feed into the Trust's Equality, Diversity and Inclusion (EDI) Strategy.

Within the last year, an EDI Peer Review tool has been developed and piloted to develop our understanding of EDI at a service level for both staff and patients. This will enable improvements to be made and good practice to be shared. This tool is aligned to both the Care Quality Commission (CQC) domains, as well as the NHS Equality Delivery System (EDS2). When fully implemented, the EDI Peer Review tool will support staff in developing assurance and driving improvement.

The Trust also has an equality impact assessment procedure. This means that all Trust policies are required to consider the impact that they have on those with protected characteristics and demonstrate due regard to the Public Sector Equality Duty.

The national survey programme asks detailed demographic data to establish people's experiences of healthcare both locally and nationally. The Friends and Family Test collects data by age and gender. Across the year, an average of 94% of 18-24 year olds and 97% of 55 year olds and over reported 'Very Good' or 'Good' experience, and an average of 95% of women and 96% of men reported 'Very Good' or 'Good' experience. In response to national concerns identified about health inequalities, the Trust started collecting information relating to ethnicity and long-term health conditions.

In addition to the other activities that have been described earlier in this Patient Experience section, current examples of activities to promote equality of service delivery include the following.

- BrowseAloud software on the Trust's website: enabling people with visual impairment to access the website independently
- Easy Read health information leaflets for people with learning disability
- Lotus Team: a midwifery service for vulnerable women
- Frailty Team based in the Emergency Department
- Rose Clinic: for women at risk or victims of Female Genital Mutilation (FGM)
- Psychological support throughout the pandemic and now the 'Growing Stronger Together - Rest, Reflect, Recover' Programme to enable staff to emotionally move on from the pandemic

Patient Participation Groups and Patient Forums

The Trust has several Patient Participation Groups (PPG) led by staff to encourage patients to share their experiences and to provide feedback for service improvements. Our Young People's Executive (YiPpEe) is a group of young people aged 11-18 years, currently with 15 members. The group's activities over 2020/21 have been limited due to the pandemic; however, they have continued to meet virtually. Their activities have included:

- working with the Royal College of Paediatricians and Child Health
- involvement in commissioning the installation of a new wheelchair swing by Oxford City Council in the playground next to the John Radcliffe Hospital (the first of its kind in Oxford)
- contributing to an initiative to provide meals for parents whose children are inpatients.

Clinical patient information leaflets

The Trust's library of clinical patient information leaflets continues to grow with 1,425 patient information leaflets available for use. These Trust-approved leaflets support patients and carers with clear information enabling them to make informed choices about treatment. The Trust shares many of our leaflets with other Trusts and healthcare providers around the world. We receive regular positive feedback on the quality of our leaflets from patients, carers and other healthcare providers.

Interpreting and translation services

Improvements for availability of interpreters continue to be made. Communication cards, which are available in 28 different languages, are available for patients to use to convey their needs. The Trust has produced leaflets in other languages, as well as translating patient letters and notes both to and from English. The introduction of virtual consultation and meetings has enabled greater access to face-to-face interpreters, by increasing availability at short notice through negating the need to come into the hospitals.

NHS England Accessible Information Standard

The NHS Accessible Information Standard (AIS)[3] is a requirement for health and social care providers to meet the information and communication support needs of patients. The Trust's Electronic Patient Record (EPR) system has been developed to capture patient communication needs, enabling staff to recognise when patients need information in other formats and plan how to meet their needs. This system is currently being piloted prior to wider implementation.

Advancing multi-faith support

The COVID-19 pandemic brought considerable challenges for all teams in the Trust, including the Chaplaincy team. They overcame the challenge of delivering a Chaplaincy service both from the hospitals and home using Zoom and WhatsApp calls. The team provided resources via the staff intranet, Trust website and Radio Cherwell including the weekday 12 noon candle service, advent readings, carol service, Christmas Day message from the Lead Chaplain and the Chair of the Trust and weekly Lent blessings. The contact list was updated for smaller faith groups so that there were people who could respond quickly.

[3] www.england.nhs.uk/ourwork/accessibleinfo

Patient Advice and Liaison Service (PALS) and Complaints

The Patient Advice and Liaison Service (PALS) provides patients, service users, relatives and carers with an impartial and confidential service aiming to help resolve issues by addressing them as quickly as possible. PALS is an integral part of the Complaints team and works closely with the clinical and non-clinical teams to provide a comprehensive service to patients and their families.

During the COVID-19 pandemic, the service remained open with the PALS officers taking enquiries over telephone and email instead of face-to-face meetings. NHS England issued guidance offering the opportunity to 'pause' the complaints process, to allow clinical staff to focus solely on patient care. Nevertheless, due to the strong working relationships between the Complaints team and the clinical teams, the Trust was able to continue investigations and respond accordingly to all complaints received.

During the year, the team dealt with 789 recorded requests, compliments and informal concerns. We also received 757 formal complaints, which is a reduction of 382 from the previous year's total. Similar to last year, in 2020/21, the Trust had no complaint fully upheld by the Parliamentary and Health Services Ombudsman (PHSO). This demonstrates the Trust's robust, thorough and effective investigation and response methods to complaints.

Other endeavours during the COVID-19 pandemic

Patient assessment, treatment and care felt very different throughout the COVID-19 pandemic. Therefore, capturing patient and staff experience to recognise and act on the challenges faced by everyone in the delivery and receipt of healthcare was an important factor. This resulted in: introducing a Keep in Touch scheme[4], providing support for patients who are unable to wear masks due to hidden disabilities, implementation of the 'Rule of One' to support inpatient visiting, and introducing questionnaires to understand experiences of receiving healthcare services during the pandemic. The Trust also supported the carers during the pandemic through its Carers' Project, by:

- allowing carers to visit or accompany patients
- holding virtual meetings with the Oxford Family Support Network, Carers Oxfordshire and clinicians to enable families and carers to ask about the care their relative could expect and the role carers could play in their care
- providing a Family Liaison Service which ensured families were updated on the wellbeing of their relative in hospital.

Further reading

- **OUH Quality Report**. The Quality Report of the Trust incorporates all the requirements of the Quality Account Regulations (which include detailed reporting on a number of Quality Indicators) as well as a number of additional reporting requirements set by NHS England and NHS Improvement. It is expected to be published on the Trust website at www.ouh.nhs.uk/about/publications/#accounts in July 2021.
- **Stories from the COVID-19 pandemic.** The Trust's response to the COVID-19 pandemic, including the experiences of staff and their achievements, has been published in the e-Book 'Stories from the COVID-19 pandemic - #OneTeamOneOUH'. The e-Book is available to read online and download at issuu.com/ouhtrust/docs/covid-19-stories.

[4] Further details can be found at ouh.nhs.uk/covid-19/#visitors

Statement on Performance from the Chief Executive Officer

In our #OneTeamOneOUH response to COVID-19, we have seen teams transforming the way in which they work in order to care for our patients. The COVID-19 pandemic required us to reshape our services to safely meet the needs of our patients and to keep our staff safe.

We have maintained urgent and emergency care throughout the pandemic, and we have also maintained cancer care as a regional centre of excellence at our Churchill Hospital in Oxford.

On behalf of the Trust Board, I want to thank all staff working at OUH for the flexibility and creativity they have shown in order to find new ways to care for our patients. For example, the introduction of a day case total hip replacement pathway by a team based at the Nuffield Orthopaedic Centre in Oxford is shortlisted in the Post-COVID Sustainable Transformation Award category of the *Health Service Journal (HSJ)* Value Awards 2021.

A new home monitoring service, launched in September 2020, has benefited more than 160 extremely vulnerable patients with interstitial lung diseases (ILD). It allows patients to carry out lung function testing (spirometry) in their own home to detect progression in their lung disease or response to treatment, without the need to attend hospital.

The rapid development of 'virtual' appointments has enabled our teams to offer outpatient appointments through both video consultations on the Attend Anywhere platform and telephone consultations. During 2020/21 we provided 38,000 video consultations and more than 127,000 telephone or telemedicine consultations.

As we look ahead, our focus for 2021/22 is to restore and restart elective services which were impacted by the COVID-19 pandemic and the necessity to concentrate our efforts on urgent and emergency care, and cancer care. Planning for the recovery of services started during the final quarter of 2020/21 with our approach focusing on the health and wellbeing of our staff alongside a phased re-opening of elective services. As the COVID-19 demand started to subside, we have re-opened the vast majority of outpatient services, with services running a combination of face-to-face consultations and virtual appointments. Our theatre complexes across all four main hospital sites are operating at full capacity across weekdays and weekends focusing on treating patients with the highest clinical need, and those patients who have experienced extended waiting times. In the early months of 2021/22, we have opened two additional wards on the John Radcliffe Hospital site to accommodate patients requiring isolation and respiratory care. We will continue to work closely with Oxfordshire Clinical Commissioning Group (OCCG) and other health and social care partner organisations in Oxfordshire and the wider Buckinghamshire, Oxfordshire and Berkshire West Integrated Care System (BOB ICS) geography as this system working is key to the success of our Recovery Plan.

Signed:

Dr Bruno Holthof
Chief Executive and Accounting Officer
15 June 2021

Accountability Report

The Accountability Report of Oxford University Hospitals NHS Foundation Trust's Annual Report 2020/21 comprises the following reports.

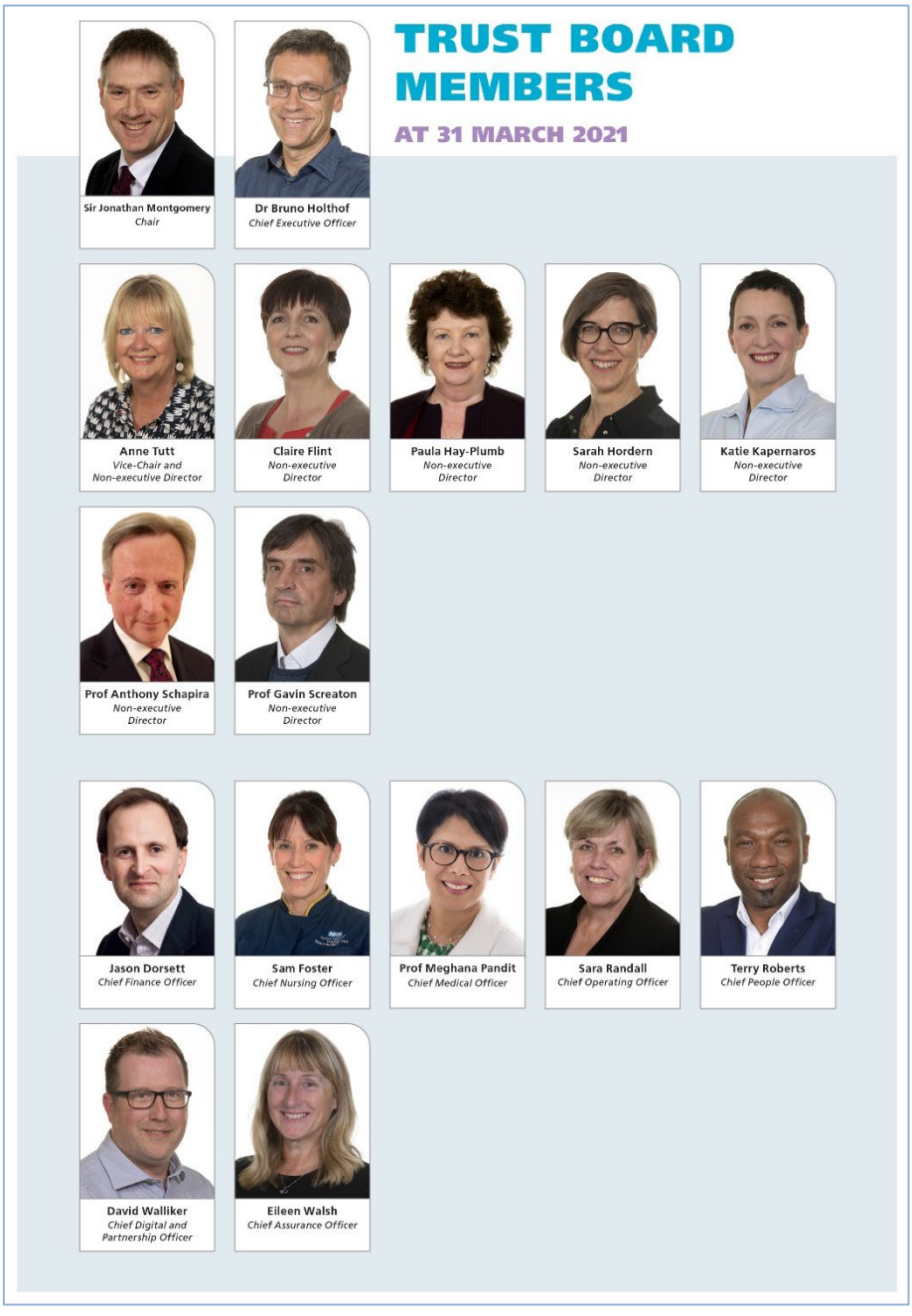
- Directors' Report
- Trust Membership and Council of Governors
- Remuneration Report
- Staff Report
- NHS Foundation Trust Code of Governance Compliance
- NHS Oversight Framework
- Statement of Accounting Officer's Responsibility
- Annual Governance Statement

Directors' Report

Oxford University Hospitals NHS Foundation Trust's Board has the overall responsibility for the vision, strategy and performance of the Trust and ensuring that proper standards of corporate governance are maintained. It attaches great importance to making sure that the Trust adheres to the principles set out in the NHS Constitution and NHS Improvement's NHS Foundation Trust Code of Governance, and other related publications such as Quality Governance in the NHS. The Trust is working hard to ensure that it operates to high ethical and compliance standards.

Board Membership

The Board of Directors of Oxford University Hospitals NHS Foundation Trust comprised the following individuals during the year 2020/21.



Non-Executive Directors

Professor Sir Jonathan Montgomery, *Trust Chair*
Ms Anne Tutt, *Vice-Chair and Senior Independent Director*
Ms Claire Flint
Ms Paula Hay-Plumb
Ms Sarah Hordern
Ms Katie Kapernaros
Professor Anthony Schapira
Professor Gavin Screaton

Executive Directors

Dr Bruno Holthof, *Chief Executive Officer*
Mr Jason Dorsett, *Chief Finance Officer*
Ms Sam Foster, *Chief Nursing Officer*
Professor Meghana Pandit, *Chief Medical Officer*
Ms Sara Randall, *Chief Operating Officer*
Mr Terry Roberts, *Chief People Officer*
Mr David Walliker, *Chief Digital and Partnership Officer*
Ms Eileen Walsh, *Chief Assurance Officer*

All members of the Board of Directors are voting members of the Board. The current periods of office of the Non-Executive Directors and their terms since the Foundation Trust (FT) status are provided below:

Name	Date of Initial Appointment	Period of Office	Term since FT Status
Professor Sir Jonathan Montgomery[1]	01/04/2019	01/04/2019 to 31/03/2022	1
Ms Anne Tutt[2,3]	01/10/2015	01/12/2020 to 30/11/2021	3
Ms Claire Flint	01/05/2019	01/05/2019 to 30/04/2022	1
Ms Paula Hay-Plumb	04/09/2017	04/09/2020 to 03/09/2023	2
Ms Sarah Hordern	28/10/2019	28/10/2019 to 27/10/2022	1
Ms Katie Kapernaros	28/10/2019	28/10/2019 to 27/10/2022	1
Professor Anthony Schapira	01/12/2019	01/12/2019 to 30/11/2022	1
Professor Gavin Screaton	01/09/2018	01/09/2018 to 31/08/2021	1

Notes:

1. *Re-appointed for a further three-year term by the Council of Governors on 31 March 2021.*
2. *Held office as a Non-Executive Director of Oxford University Hospitals NHS Trust when the Trust became a Foundation Trust.*
3. *Re-appointed for a further two-year term by the Council of Governors on 31 March 2021.*

Further details of the Trust's Board and the biographies of the Board members are available on the Trust website at www.ouh.nhs.uk/about/trust-board.

Board development

During 2020/21 the Board has continued to participate in Board Seminars which include the provision of Board training and development as well as opportunities to explore specific issues in more detail than is possible in the context of formal Board meetings. The level of development activities has been adjusted to reflect the need for the enhanced Board focus on the pandemic response. The Board is currently undertaking the Affina Programme, a development programme that aims to improve performance through team-based working.

The performance of all Board members has been appraised during the 2020/21 financial year. The Trust Chair was appraised by the Vice Chair in her capacity as Senior Independent Director (for the remainder of this Annual Report, the Vice-Chair and Senior Independent Director will be referred to as the Vice-Chair and Non-Executive Director), via a process that was agreed with the Governors' Remuneration, Nominations and Appointments Committee, involving a wide range of key stakeholders.

Board meetings

The Board met six times in public during the year 2020/21 and all meetings were held virtually, following government guidelines due to the COVID-19 pandemic.

The table below shows the attendance of the Board members at Board meetings.

Board Member	Position	BoD Attendance
Professor Sir Jonathan Montgomery	Trust Chair	6/6
Dr Bruno Holthof	Chief Executive Officer	6/6
Ms Anne Tutt	Vice-Chair and Non-Executive Director	6/6
Ms Claire Flint	Non-Executive Director	6/6
Ms Paula Hay-Plumb	Non-Executive Director	6/6
Ms Sarah Hordern	Non-Executive Director	5/6[1]
Ms Katie Kapernaros	Non-Executive Director	5/6[1]
Professor Anthony Schapira	Non-Executive Director	5/6[1]
Professor Gavin Screaton	Non-Executive Director	6/6
Mr Jason Dorsett	Chief Finance Officer	6/6
Ms Sam Foster	Chief Nursing Officer	6/6
Professor Meghana Pandit	Chief Medical Officer	6/6
Ms Sara Randall	Chief Operating Officer	6/6
Mr Terry Roberts	Chief People Officer	5/6[2]
Mr David Walliker	Chief Digital and Partnership Officer	6/6
Ms Eileen Walsh	Chief Assurance Officer	6/6

Notes:

1. *Apologies for absence were given.*
2. *Represented by a nominated deputy.*

Board Committees

In order to discharge the Board's duties effectively, the Trust is required to have Board Committees in place. The Terms of Reference define the purpose, duties and membership of each committee. All Board Committees are chaired by a Non-Executive Director.

A description of each of the Board Committees and their activities during 2020/21 is included in the Annual Governance Statement of this Annual Report. Attendance at each committee is noted as follows.

Audit Committee

The Audit Committee was chaired by Paula Hay-Plumb and met five times during 2020/21. The attendance of core members is listed below.

Committee Member	Title	Attendance
Ms Paula Hay-Plumb (Chair)	Non-Executive Director	5/5
Ms Anne Tutt	Vice-Chair and Non-Executive Director	5/5
Ms Katie Kapernaros	Non-Executive Director	5/5

Investment Committee

The Investment Committee was chaired by Anne Tutt and met eight times during 2020/21. The attendance of core members is listed below.

Committee Member	Title	Attendance
Ms Anne Tutt (Chair)	Vice-Chair and Non-Executive Director	8/8
Ms Sarah Hordern	Non-Executive Director	7/8[1]
Professor Anthony Schapira	Non-Executive Director	7/8[1]
Mr Jason Dorsett	Chief Finance Officer	8/8
Professor Meghana Pandit	Chief Medical Officer	6/8[2]
Mr David Walliker	Chief Digital and Partnership Officer	7/8[1]

Notes:

1. *Apologies for absence were given.*
2. *Apologies for absence were given for one meeting and nominated deputy present for another.*

Integrated Assurance Committee

The Integrated Assurance Committee was chaired by Professor Sir Jonathan Montgomery and met six times during 2020/21. The attendance of core members is detailed below.

Committee Member	Title	Attendance
Professor Sir Jonathan Montgomery (Chair)	Trust Chair	6/6
Dr Bruno Holthof	Chief Executive Officer	5/6[1]
Ms Anne Tutt	Vice-Chair and Non-Executive Director	6/6
Ms Claire Flint	Non-Executive Director	5/6[2]
Ms Paula Hay-Plumb	Non-Executive Director	6/6
Ms Sarah Hordern	Non-Executive Director	6/6
Ms Katie Kapernaros	Non-Executive Director	6/6
Professor Anthony Schapira	Non-Executive Director	6/6
Professor Gavin Screaton	Non-Executive Director	6/6
Mr Jason Dorsett	Chief Finance Officer	6/6
Ms Sam Foster	Chief Nursing Officer	4/6[3]
Professor Meghana Pandit	Chief Medical Officer	6/6
Ms Sara Randall	Chief Operating Officer	6/6
Mr Terry Roberts	Chief People Officer	5/6[1]
Mr David Walliker	Chief Digital and Partnership Officer	5/6[2]
Ms Eileen Walsh	Chief Assurance Officer	5/6[1]

Notes:

1. *Represented by a nominated deputy.*
2. *Apologies for absence were given.*
3. *Apologies for absence given for one meeting and nominated deputy present for another.*

Board Registers

Board of Directors' Register of Interests

Any declarations of interests made by members of the Trust Board are confirmed at each meeting of the Board and its committees and recorded in the minutes of the relevant meetings. The Board of Directors' Register of Interests is open to the public and is published on the Trust website at www.ouh.nhs.uk/about/trust-board. Any enquiries on the Board of Directors' Register of Interests should be made to the Head of Corporate Governance, Level 3, Academic Corridor, John Radcliffe Hospital, Headington, Oxford OX3 9DU or by email to company.secretary@ouh.nhs.uk.

Board of Directors' Register of Interests 2020/21									
Board member	**Post**	**Directorships, including Non-Executive Directorships**	**Business, partnership or consultancies**	**Majority or controlling shareholdings**	**Charity or voluntary organisations**	**Voluntary or other organisation contracting for NHS services**	**Research funding/ grants**	**Pooled funds**	**Royalties, licence fees or similar**
Professor Sir Jonathan Montgomery	Trust Chair	University College London - Professor Health Data Research UK - NED (until 1 April 2021)			CIS'ters - patron All Saints, Botley, Hampshire Parish Church - PCC Member and Trustee Chair of Trustees for the Portsmouth Diocesan Council for Social Responsibility (with effect from 1 January 2021)				
Dr Bruno Holthof	Chief Executive Officer	Tristel PLC - Chair Tubize Financiere - Board Member		Member of Executive of Oxford University Clinic					
Ms Anne Tutt	Vice-Chair and Non-Executive Director	The International Network for Advancing Science and Policy Ltd - NED and Chair of Audit Committee Member of DFID Audit & Risk Assurance Committee - Ended August 2020	Ownership of a private business - A Tutt Associates	Member of Executive of Oxford University Clinic	Director and Trustee of Oxford Hospitals Charity Board Member of IASAB (the internal Audit Standard Advisory Board), government body advising on the				

Board of Directors' Register of Interests 2020/21									
Board member	**Post**	**Directorships, including Non-Executive Directorships**	**Business, partnership or consultancies**	**Majority or controlling shareholdings**	**Charity or voluntary organisations**	**Voluntary or other organisation contracting for NHS services**	**Research funding/ grants**	**Pooled funds**	**Royalties, licence fees or similar**
		Co-opted lay member of Council for Swansea University			application of Internal Audit Standards in the public sector Member of the Advisory Board - The Episcopal Churches of South Sudan & Sudan University Partnership				
Ms Claire Flint	Non-Executive Director	National Nuclear Laboratory (BEIS arm's length body) - NED			Vice Chair - Scope				
Ms Paula Hay-Plumb	Non-Executive Director	The Crown Estate - Commissioner and NED Hyde Housing Association – NED, ended 31 Dec 2020 Aberforth Smaller Companies Trust PLC - NED Trustee of Calthorpe Estates and Director of						Small investment in Aberforth Smaller Companies Trust PLC	

Board of Directors' Register of Interests 2020/21									
Board member	**Post**	**Directorships, including Non-Executive Directorships**	**Business, partnership or consultancies**	**Majority or controlling shareholdings**	**Charity or voluntary organisations**	**Voluntary or other organisation contracting for NHS services**	**Research funding/ grants**	**Pooled funds**	**Royalties, licence fees or similar**
		associated Calthorpe property companies Michelmersh Brick Holdings PLC – NED, from 18 June 2020							
Ms Sarah Hordern	Non-Executive Director	NED Newbury Building Society	CFO and Group Development Director at Modulous Projects Ltd and Modulous (Lewisham) Ltd	Director and sole shareholder of Perspicio Ltd					
Ms Katie Kapernaros	Non-Executive Director	January 2019 - present NED, The Property Ombudsman February 2019 - present (Will end 30 June 2021) NED, BPDTS April 2020 - present NED, The Pensions Regulator							

Board of Directors' Register of Interests 2020/21									
Board member	**Post**	**Directorships, including Non-Executive Directorships**	**Business, partnership or consultancies**	**Majority or controlling shareholdings**	**Charity or voluntary organisations**	**Voluntary or other organisation contracting for NHS services**	**Research funding/ grants**	**Pooled funds**	**Royalties, licence fees or similar**
		November 2021 - present NED, Manx Care January 2019 - present Trustee, Wallingford Rowing Club							
Professor Anthony Schapira	Non-Executive Director	University College London, Professor and Head of Department		Member of Executive of Oxford University Clinic		NHS Independent Reconfiguration Panel	Medical Research Council Parkinson's UK Cure Parkinson's Trust Michael J Fox Foundation		Wiley Oxford University Press Elsevier Cambridge University Press
Professor Gavin Screaton	Non-Executive Director	Vaccine Scientific Advisory Board, GSK Consultant University College Oxford - Fellow		Member of Executive of Oxford University Clinic					

Board of Directors' Register of Interests 2020/21									
Board member	**Post**	**Directorships, including Non-Executive Directorships**	**Business, partnership or consultancies**	**Majority or controlling shareholdings**	**Charity or voluntary organisations**	**Voluntary or other organisation contracting for NHS services**	**Research funding/ grants**	**Pooled funds**	**Royalties, licence fees or similar**
		Head of Division Member of Council - Medical Sciences Division, Oxford University							
Mr Jason Dorsett	Chief Finance Officer	Director of OUH Commercial Partners Limited Member of OUH Ventures LLP							
Ms Sam Foster	Chief Nursing Officer								
Professor Meghana Pandit	Chief Medical Officer	Professor of Practice Warwick University							
Ms Sara Randall	Chief Operating Officer								
Mr Terry Roberts	Chief People Officer	Director of Transform Consultancy Limited							
Mr David Walliker	Chief Digital and Partnership Officer								
Ms Eileen Walsh	Chief Assurance Officer	Director in Health Governance Consulting Limited	Partner in Kirby and Kirby						

Board of Directors' Register of Gifts, Hospitality and Sponsorship

Following is the gifts, hospitality and sponsorship record of the members of the Board for the year 2020/21.

Board Register of Gifts, Hospitality and Sponsorship 2020/21		
Board member	**Position**	**Details/Return**
Professor Sir Jonathan Montgomery	Trust Chair	Nil
Dr Bruno Holthof	Chief Executive Officer	Nil
Ms Anne Tutt	Vice-Chair and Non-Executive Director	Nil
Ms Claire Flint	Non-Executive Director	Nil
Ms Paula Hay-Plumb	Non-Executive Director	Nil
Ms Sarah Hordern	Non-Executive Director	Nil
Ms Katie Kapernaros	Non-Executive Director	Nil
Professor Anthony Schapira	Non-Executive Director	Nil
Professor Gavin Screaton	Non-Executive Director	Nil
Mr Jason Dorsett	Chief Finance Officer	Nil
Ms Sam Foster	Chief Nursing Officer	Nil
Professor Meghana Pandit	Chief Medical Officer	Nil
Ms Sara Randall	Chief Operating Officer	Nil
Mr Terry Roberts	Chief People Officer	Nil
Mr David Walliker	Chief Digital and Partnerships Officer	Nil
Ms Eileen Walsh	Chief Assurance Officer	Nil

Directors' Responsibility for the Annual Report and Accounts

The Directors take the responsibility for preparing the Annual Report and Accounts of the Trust. The Directors consider that 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 Trust's performance and strategy.

NHS Improvement's Well-Led Framework disclosures

Throughout the year, the Trust continued to build on the actions taken in 2019/20 to strengthen compliance with the framework.

To maintain a well-led organisation and ensuring staff and patients remain safe during the COVID-19 pandemic, the Trust Board reviewed all available guidance and advice in managing capacity and introduced revised, responsive Board governance arrangements to support the management of the Trust's response.

Actions taken during the course of 2020/21 included, but were not limited to:

- the review and updating of the Trust's quality priorities
- the further embedding of the Board governance processes, including the implementation of the Board Integrated Assurance Committee and introduction of the Trust-wide Risk Committee
- the running of a recruitment process for two Non-Executive Directors, who are due to take up post shortly
- the use of a quality impact assessment process for COVID-19 changes, where required
- the continued development of the Integrated Performance Report.

Further information on the governance structure that supports the organisation can be found in the Annual Governance Statement of this Annual Report.

There were no material inconsistencies between the Annual Governance Statement, the Corporate Governance Statement and the Annual Report, and no new reports have been received from the Care Quality Commission.

Regulatory Rating

At 31 March 2021, the Trust had an overall rating of 'Requires Improvement' from the Care Quality Commission (CQC). The CQC last carried out checks on services provided by the Trust during the year 2018/19 and the results were published in June 2019. The issues in the CQC inspection report resulted in a detailed action plan. The majority of actions included in that action plan have been completed. Following the completion of this work, the national Staff Survey for 2019/20 and 2020/21 showed positive changes in areas related to the CQC category of 'Well-Led'. Details of the Trust's National Staff Survey results are available in the Staff Report of this Annual Report.

However, there are a range of areas that will remain the subject of continuous review and focus. These include statutory and mandatory training, appraisal rates, medicines management and infection control. These relate to the current 'Requires Improvement' (RI) rating provided by the CQC against their category of 'safe'.

In addition, the Trust has a programme of work to drive improvements in relation to the national waiting time standards, which relate to the current RI rating provided by the CQC in their 'Responsive' category.

Overall evaluation of the organisation's internal control, risk management and Board Assurance Framework, and the principal risks faced during the year together with how they have been mitigated are detailed in the Annual Governance Statement of this Annual Report.

Other disclosures

The Trust is required to make the following disclosures.

Cost allocation and charging requirements

The Trust has complied with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information guidance.

Political donations

The Trust made no political donations during the financial year.

Better Payment Practice Code

The Trust has responsibility to pay its suppliers in line with the payment terms agreed at the time of purchase. Failure to do this harms the reputation of the Trust and the wider NHS, as well as damaging supply sources and straining relationships with suppliers. The national Better Payment Practice Code requires the Trust to aim to pay all valid invoices by the due date or within 30 days of receipt, whichever is the later. For the 12 months ending 31 March 2021, the Trust's detailed performance against this target is set out in the table below. During this period, the Trust did not pay any money arising from claims made under The Late Payment of Commercial Debts (Interest) Act 1998.

Better Payment performance declined in 2020/21 due to implementing a new financial system which meant that invoices arrived into the Accounts Payable team faster than they would have previously. Adjusting to the new system and associated processes took some time, and a backlog in invoice processing arose which delayed processing and payment.

Non-NHS payables	**Number**	**£000**
Total non-NHS trade invoices paid in the period	154,656	765,944
Total non-NHS trade invoices paid within the target	93,039	449,790
Percentage of non-NHS trade invoices paid within the target	60.2%	58.7%
NHS payables	**Number**	**£000**
Total NHS trade invoices paid in the period	4,728	68,823
Total NHS trade invoices paid within the target	2,352	51,512
Percentage of NHS trade invoices paid within the target	49.7%	74.8%

Income disclosures as required by section 43(2A) of the NHS Act 2006

Details of how the Trust has met the requirements of the Act are included in the Performance Report of this Annual report. The Trust has a number of income-generating activities, and the surplus these activities generate is used by the Trust to fund the provision of goods and services for the purposes of the health service in England.

Investments

The Trust has a number of investments in associates and joint venture entities. Further information is available in notes 20 to 22 of the Annual Accounts section.

Overseas operations

The Trust has no overseas operations.

Important events since balance sheet date

There have been no material events after the reporting dates which require disclosure.

Trust Membership and Council of Governors

This report provides information on the membership of Oxford University Hospitals NHS Foundation Trust and its Council of Governors.

Trust Membership

All NHS Foundation Trusts have a statutory duty to engage with their local communities and staff to encourage people who use their services to become members of their Trust. Oxford University Hospitals NHS Foundation Trust aims to recruit and develop a membership which fairly represents people living in the communities served by the Trust.

This includes patients, former patients, carers and members of the public; not only in Oxfordshire but also from our surrounding counties of Berkshire, Buckinghamshire, Northamptonshire, Warwickshire, Gloucestershire and Wiltshire, as well as the rest of England and Wales.

Our membership strategy aims to build an engaged and representative membership, supporting our members to be well-informed and motivated; and to provide them with opportunities to help shape how our services develop. Delivering these aims supports Oxford University Hospitals NHS Foundation Trust in meeting its objectives, by being a responsive organisation with a good understanding of the needs of its patients and the communities it serves.

Our membership is broadly in line with the ethnic breakdown of the population of Oxfordshire and the geographic reach of our patient base, and is disproportionately balanced towards older age groups with the majority of our members aged over 50. The Membership Team works with colleagues to maximise opportunities to recruit from hard-to-reach groups and actively encourage younger people to become members of the Trust.

During 2020/21, we continued to invite our patients and the public to become members of the Trust to help us shape the way we operate and deliver our health services. However, due to the COVID-19 pandemic, we have not been able to undertake any face-to-face recruitment, but continued to promote membership via our Governors, members and social media to encourage people to join as members.

Membership Constituencies

The Trust has two membership constituencies; Public and Staff.

Staff Constituency

An individual who is employed by the Trust under a permanent contract of employment, or has been continuously employed for at least 12 months, may become or continue as a member of the Trust. The Staff constituency is divided into two areas; Clinical and Non-Clinical. The Staff constituency had 15,227 members as at 31 March 2021 (14,760 as at 31 March 2020).

Public Constituency

Anyone aged 16 or over living in England and Wales can become a member of the Trust. Our Public membership is divided into eight constituencies. During 2020/21, we saw a drop in the membership due to the COVID-19 pandemic. As at 31 March 2021, we had just under 7,550 public members. The figures in total are given below.

Public Constituency	2020/21	2019/20
Cherwell	1190	1,216
Oxford City	1,781	1,832
South Oxfordshire	781	813
Vale of White Horse	1,088	1,133
West Oxfordshire	888	910
Buckinghamshire, Berkshire, Gloucestershire and Wiltshire	1,046	1,095
Northamptonshire and Warwickshire	426	441
Rest of England and Wales	541	537
Total	**7,741**	**7,977**

More information on Oxford University Hospitals NHS Foundation Trust's membership is available at www.ouh.nhs.uk/ft.

Council of Governors

As a Foundation Trust, we have a Council of Governors which is composed of Governors elected by the public and staff members as well as appointed representatives from local organisations that we work with. The Trust is accountable through our membership and Council of Governors to our local communities. The Governors play a valuable role by holding the Trust's Non-Executive Directors to account for the performance of the Board and ensuring that the interests of the Trust's members (staff, patients and the wider public) and also the views of the organisations that the Appointed Governors represent, are taken into account, in shaping Trust's forward plans.

Our Council of Governors has now completed its fifth full year of operation following our authorisation as a Foundation Trust. Over that time, there has been regular and increasing engagement with the Board, within the context of which concerns may be raised by the Council as a whole, or by individual Governors. The Chair of the Trust is also the Chair of the Council of Governors and has the responsibility of updating the Board regularly on matters arising from the Council of Governors, Trust's members and membership strategy.

More information of our Council of Governors is available on the Trust website at www.ouh.nhs.uk/about/governors.

Composition of the Council of Governors

In January 2021, the Council of Governors agreed changes to the Trust's Constitution so that the Buckinghamshire, Berkshire, Gloucestershire and Wiltshire constituency increased its representation by one. Hence, with effect from 13 January 2021, the Council of Governors comprises 30 Governors and the Chair. In addition to the Trust Chair, the Council is made up of 16 elected Governors representing the Public constituencies, six elected Governors from the Staff constituencies, and a total of eight appointed Governors from partner organisations as shown in the table below. All elected and appointed Governors hold a term of office of up to three years.

Elected Governors	Seats
Public Constituencies	**16**
Cherwell	2
Oxford City	2
South Oxfordshire	2
Vale of White Horse	2
West Oxfordshire	2
Buckinghamshire, Berkshire, Gloucestershire and Wiltshire	3
Northamptonshire and Warwickshire	2
Rest of England and Wales	1
Staff Constituencies	**6**
Clinical	4
Non-Clinical	2
Appointed Governors	**Seats**
Required by Statute	**2**
Oxfordshire County Council	1
University of Oxford	1
Nominated	**6**
Oxford Brookes University	1
Oxford Health NHS Foundation Trust	1
Oxfordshire Clinical Commissioning Group	1
Oxfordshire Local Medical Committee	1
Specialist Commissioner (nominated by NHS Commissioning Board)	1
Young person (nominated by Young People's Executive)	1

Council of Governors' Meetings

The Council of Governors holds a minimum of four general meetings a year, which the Board of Directors are also invited to observe, and at the request of Governors, to speak on particular matters. The general meetings are open to the public for observation.

The Council held six general meetings in 2020/21. Due to the COVID-19 pandemic, all the meetings took place virtually, which made it easier for the Council members and the Board members to attend. We ensured that all Governors were able to access virtual meetings so that no Governors were disadvantaged by not being able to attend the meetings. These virtual meetings, however, were not open to the public due to logistical reasons.

Annual Public Meeting

The Trust holds an Annual Public Meeting for the Council of Governors and members of the Trust which is also open to the public. In 2020/21, this event was held virtually, and it has been viewed on 950 occasions either live or afterwards.

In addition, the Annual Report and Annual Accounts of the Trust were formally presented to the Council of Governors at one of its meetings. At this meeting, the external auditors also presented their Audit Report to the Governors including the audit of financial statements and value for money conclusion, and the Chief Executive Officer provided an overview of key points in relation to the Annual Report.

The electronic version of the Annual Report and Accounts 2019/20 was published online at www.ouh.nhs.uk/about/publications/#accounts.

Members of the Council of Governors

The Governors who were in post during the period 1 April 2020 to 31 March 2021 and their attendance in the Council's general meetings are shown below.

Elected Governors - Public Constituencies				
Name	**Constituency**	**Tenure**	**Term**	**Attendance**
Ruth Barrow[1,2]	Cherwell	22/10/2019-30/09/2020	2	5/6
Anita Higham	Cherwell	01/10/2018-30/09/2021	2	6/6
Cecilia Gould	Oxford City	01/10/2018-30/09/2021	2	6/6
John Harrison[1]	Oxford City	01/10/2017-30/09/2020	1	5/6
Arthur Boylston[1]	South Oxfordshire	01/10/2017-30/09/2020	1	6/6
Janet Knowles	South Oxfordshire	01/10/2018-30/09/2021	1	6/6
Martin Havelock	Vale of White Horse	01/10/2018-30/09/2021	2	6/6
Jill Haynes[1]	Vale of White Horse	01/10/2017-30/09/2020	2	5/6
David Heyes[2]	West Oxfordshire	22/10/2019-30/09/2021	1	6/6
Graham Shelton[1]	West Oxfordshire	01/10/2017-30/09/2020	1	6/6
Sally-Jane Davidge[1]	Buckinghamshire, Berkshire, Gloucestershire and Wiltshire	01/10/2017-30/09/2020	2	5/6
Sue Woollacott	Buckinghamshire, Berkshire, Gloucestershire and Wiltshire	01/10/2018-30/09/2021	2	6/6

Name	Constituency	Tenure	Term	Attendance
Vacancy	Buckinghamshire, Berkshire, Gloucestershire and Wiltshire	Since 13/01/2021		
Anthony Bagot-Webb[1]	Northamptonshire and Warwickshire	01/10/2017-30/09/2020	1	6/6
Rosemary Herring	Northamptonshire and Warwickshire	01/10/2018-30/09/2021	2	6/6
Jonathan Wyatt	Rest of England and Wales	01/10/2018-30/09/2021	1	6/6
Elected Governors - Staff Constituencies				
Name	**Constituency**	**Tenure**	**Term**	**Attendance**
Simon Brewster[1]	Clinical	01/10/2017-30/09/2020	1	4/6
Shahab Khan	Clinical	01/10/2018-30/09/2021	1	4/6
Shing Law[2]	Clinical	23/10/2019-30/09/2021	1	6/6
Julie Stockbridge[1]	Clinical	01/10/2017-30/09/2020	2	5/6
Rebecca Cullen	Non-Clinical	01/10/2018-30/09/2021	1	5/6
Thomas Snipe[1]	Non-Clinical	01/10/2017-30/09/2020	1	4/6
Appointed Governors				
Name	**Constituency**	**Tenure**	**Term**	**Attendance**
Vacancy	Berkshire, Buckinghamshire and Oxfordshire Local Medical Committees	Since 05/07/2017		
David Radbourne[3]	NHS England	05/01/2018-04/01/2021	1	0/6
Vacancy	NHS England	Since 05/01/2021		
Astrid Schloerscheidt	Oxford Brookes University	03/07/2020-02/07/2023	2	5/6
Stuart Bell	Oxford Health NHS Foundation Trust	16/10/2020-15/10/2023	1	3/3
Gareth Kenworthy	Oxfordshire Clinical Commissioning Group	05/01/2021-04/01/2024	2	1/6
Lawrie Stratford	Oxfordshire County Council	01/11/2020-31/10/2023	2	1/6
Helen Higham	University of Oxford	16/10/2020-15/10/2023	1	1/3
Emma[4]	Young People's Executive	01/09/2019-31/08/2020	1	0/3
Ruby	Young People's Executive	01/09/2020-31/08/2021	1	3/3
Sara[4]	Young People's Executive	01/09/2019-31/08/2020	1	0/3

Notes:

1. *Co-opted as a non-voting member of the Council until 31 March 2021, following the deferral of the Governor Elections in the summer of 2020 due to the COVID-19 pandemic*
2. *Unexpired term of the previous Governor*
3. *Stood down at end of term*
4. *Resigned mid-way through tenure*

The current list of members of the Council of Governors is available on our Trust website at www.ouh.nhs.uk/about/governors.

Lead Governor

In line with NHS Improvement's guidance, the Council of Governors appoints a Lead Governor on an annual basis. The selection of the Lead Governor takes place by an electronic secret ballot following self-nomination to be seconded by one other Governor.

Cecilia Gould, a Public Governor for the Oxford City constituency, was re-elected by the Council of Governors as the Lead Governor on 1 December 2019 for a one-year term. Since the Governor Elections were deferred until 2021 due to the COVID-19 pandemic, the Council of Governors approved a six-month extension to Cecilia Gould's Lead Governor term of office until 1 June 2021.

Board attendance at Council of Governors' meetings

Board members (with the exception of the Trust Chair) are not members of the Council of Governors and are not formally required to attend the Council's general meetings. However, Non-Executive Directors regularly attend the Council of Governors' meetings, and Executive Directors will be in attendance to comment when issues relevant to their portfolio are on the agenda. The table below shows the attendance of the Board members at the Council of Governors' (CoG) general meetings that took place during the year.

Board Member	Position	CoG Attendance
Professor Sir Jonathan Montgomery	Trust Chair	6
Dr Bruno Holthof	Chief Executive Officer	5
Ms Anne Tutt	Vice-Chair and Non-Executive Director	6
Ms Claire Flint	Non-Executive Director	6
Ms Paula Hay-Plumb	Non-Executive Director	6
Ms Sarah Hordern	Non-Executive Director	6
Ms Katie Kapernaros	Non-Executive Director	6
Professor Anthony Schapira	Non-Executive Director	6
Professor Gavin Screaton	Non-Executive Director	4
Mr Jason Dorsett	Chief Finance Officer	5
Ms Sam Foster	Chief Nursing Officer	1
Professor Meghana Pandit	Chief Medical Officer	4
Ms Sara Randall	Chief Operating Officer	5
Mr Terry Roberts	Chief People Officer	2
Mr David Walliker	Chief Digital and Partnership Officer	2
Ms Eileen Walsh	Chief Assurance Officer	5

Council of Governors' Election

The Trust operates a three-yearly cycle for elections to the Council of Governors with half of the seats elected in year one, half in year two and no elections in the third year, for the vacant seats of the Public and Staff constituencies. In 2020/21, the elections for year one were due to take place in summer 2020. Due to the COVID-19 pandemic, the Council of Governors agreed to defer the elections until spring 2021. Governors whose term of office ended on 30 September 2020 were co-opted back into the Council of Governors until 31 March 2021 as non-voting members of the Council.

The Trust commenced the Council of Governors' election process by publication of the Notice of Election on 21 January 2021 for 11 seats from all Public and Staff Constituencies apart from the Rest of England and Wales, as its election takes place in year two. The results of the election were publicised on 26 March 2021. The newly elected Governors began their term of office on 1 April 2021.

Remuneration, Nomination and Appointments Committee

The Council of Governors' Remuneration, Nomination and Appointments Committee is constituted as a standing committee of the Council of Governors. The Committee consists of Governors appointed by the Council of Governors, and only the members of the Committee have the right to attend Committee meetings. The Committee is authorised by the Council of Governors to act within its Terms of Reference. The Committee is chaired by the Trust Chair. Where the Chair has a conflict of interest, the Committee is chaired by the Senior Independent Director. The Committee meetings are held as required, but at least twice in each financial year.

The Committee's role includes receiving assurance regarding the process of appraisal of the Non-Executive Directors and the Trust Chair. Appraisal of the Trust Chair is undertaken by the Senior Independent Director with Governors contributing to the process and the Committee receiving the outcome. Appraisals of other Non-Executive Directors are undertaken by the Trust Chair and outcomes reported to the Committee.

During the year 2020/21, the key business undertaken by the Committee included the following.

- Received assurance regarding the process of appraisal of the Non-Executive Directors and the Trust Chair
- Re-appointment of the Non-Executive Director Anne Tutt for a period of one year and subsequently re-appointing for a further two-year term, which will end on 30 November 2023
- Re-appointment of the Non-Executive Director Paula Hay-Plumb for a three-year term, which will end on 3 September 2023
- Re-appointment of the Trust Chair for a three-year term, which will end on 31 March 2025
- Undertaking the recruitment process of two new Non-Executive Directors who will join the Trust Board in 2021/22

Governors' Register of Interests

The Council of Governors' Register of Interests is reviewed throughout the year. Any enquiries about the Governors' Register of Interests should be made to the Head of Corporate Governance, Level 3, Academic Corridor, John Radcliffe Hospital, Headington, Oxford OX3 9DU or by email to governors@ouh.nhs.uk.

Contacting the members of the Council of Governors

The public are able to contact a member of the Council of Governors through the Corporate Governance Department by writing to the Head of Corporate Governance, Level 3, Academic Corridor, John Radcliffe Hospital, Headington, Oxford OX3 9DU or by email to governors@ouh.nhs.uk.

Remuneration Report

The Trust is required to disclose its Remuneration Policy and its application in relation to Executive Directors' and Non-Executive Directors' remuneration, as defined in the NHS Foundation Trust Code of Governance; in Sections 420 to 422 of the Companies Act 2006 in the context of Foundation Trusts; Regulation 11 and Parts 3 and 5 of Schedule 8 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) ("the Regulations") in the context of NHS Foundation Trusts; and Parts 2 and 4 of Schedule 8 of the Regulations.

Annual Statement on Remuneration from the Chair of the Committee

The majority of Oxford University Hospitals NHS Foundation Trust's staff are covered by national pay and conditions arrangements, Agenda for Change or Medical and Dental contracts. The exceptions to this are our Very Senior Managers (VSMs), who include Executive Directors and other senior staff, whose pay is determined by a committee of the Trust Board, the Remuneration and Appointments Committee. The remuneration and appointment of our Non-Executive Directors, including the Trust Chair, are determined by the Council of Governors' Nominations, Remuneration and Appointments Committee.

We are required to report specific information in relation to 'senior managers' who have the authority and responsibility to direct or control the major activities and influence the decisions of the Trust as a whole, rather than the individual directorates or services. For the purpose of this Annual Report, the description of 'senior managers' refers to the Executive Directors (including the Chief Executive Officer), and the Non-Executive Directors (including the Trust Chair) who all hold positions in the Trust Board of Directors. There were eight Executive Directors and eight Non-Executive Directors in office during the year 2020/21.

The Remuneration and Appointments Committee is composed of all Non-Executive Directors and is responsible for determining and agreeing, on behalf of the Board, policies for the remuneration and terms and conditions of service for all VSMs (Executive Directors and other managers on VSM contracts) and for our four Divisional Directors. Where the Divisional Directors are on national terms and conditions, e.g. Medical and Dental contracts, the Committee determines any local elements of their contractual arrangements. The Committee is also responsible for considering the performance of the Chief Executive Officer, Executive Directors and Divisional Directors, for setting their objectives and for agreeing arrangements for termination of contracts, including severance payments at or above £100,000 paid to any member of staff. The Committee's workload was substantial in 2020/21, including:

- agreeing the retire and return arrangements for staff within its remit
- agreeing the extension of the Pension Contribution Alternative Award Policy
- appointment and contractual arrangements (retire and return) for one Divisional Director post
- annual individual and team objective setting and performance appraisals for Executive Directors and Divisional Directors
- earn-back scheme review
- annual reports on a range of issues including diversity and top earners at the Trust
- consideration of drafts of new policies
- taxation of pensions issues.

- agreeing a one-off additional responsibility payment to the Chief Finance Officer for the Estates and Facilities portfolio and putting in place a bonus payment for the Chief Nursing Officer in relation to this portfolio
- agreeing a cost of living uplift for 2020/21 for Executive Directors and VSMs.

There were no changes agreed to the Trust's Remuneration Policy for senior managers in 2020/21.

Signed:

Ms Claire Flint
Chair of Remuneration and Appointments Committee
15 June 2021

Senior Managers' Remuneration Policy

The Trust applies a rigorous approach to the remuneration of the Trust's senior managers. In doing so, it aims to ensure a balance between a number of factors; the appropriate use of public money; fair and proportionate remuneration packages which reflect the responsibilities of leading and working in a complex and pressurised environment; and the application of pay levels which promote the long-term success of the organisation by recruiting and retaining high calibre individuals in a competitive marketplace. In making its decisions regarding senior managers' remuneration, the Remuneration and Appointments Committee takes into account a wide range of local and national factors and information, including the pay and conditions of the Trust's employees, and incorporating any recommended annual NHS pay award. As these are considered the most relevant matters for the Committee to consider, there was no local consultation with the Trust's employees in 2020/21 regarding the senior managers' remuneration.

*The **Non-Executive Directors*** of the Trust are considered 'office holders' and not employees. The remuneration and terms and conditions of service for Non-Executive Directors are set by the Council of Governors on the recommendation of their sub-committee, the Remuneration, Nominations and Appointments Committee (RNAC). National guidance from NHSE&I is taken into account when reviewing Non-Executive Directors' pay and conditions. The Chair's and Non-Executive Directors' pay is composed of an annual allowance with three posts (Vice Chair, Senior Independent Director and Chair of the Audit Committee) attracting an additional annual payment. Non-Executive Directors can also claim appropriate expenses in line with Trust policies.

*The **Executive Directors***' total remuneration is composed of base pay, pension-related benefits and any taxable benefits. The Trust complies with NHSE&I guidance on pay for VSMs, including an earn-back clause for Executive Directors, under which, up to 10% of salary is placed at risk, dependent on performance. Performance appraisals for Executive Directors are conducted annually using the Trust's Values Based Appraisal system, which is applicable to all

staff, with the Trust Chair conducting the Chief Executive Officer's appraisal and the Chief Executive Officer appraising all of the remaining Executive Directors. The Remuneration and Appointments Committee reviews the individual and team performance reports and conducts earn-back assessments. Individual and team objectives for the year ahead, which are linked to the Trust's strategic goals, are also reviewed by the Committee.

When determining the starting salaries or pay increases for the Executive Directors, the Remuneration and Appointments Committee takes into consideration a range of factors including, prevailing market rates assessed against benchmarking data, including NHSE&I and that for relevant peer organisations such as the Shelford Group, responsibilities and duties of the post, internal relativities, and national guidance including VSM pay advice from NHSE&I.

In 2020/21, the Remuneration and Appointments Committee agreed to strengthen its approach and that an objective external job evaluation system should be implemented for Executive posts. This is to ensure that there is a clear rationale for the remuneration of staff that is defendable and justifies any salary differentials. The external provider, consulting firm Korn Ferry, has been commissioned to implement the job evaluation system in 2021/22.

The Remuneration and Appointments Committee applies Trust-wide policies and procedures in relation to equality and diversity in its considerations. An annual analysis of VSMs' pay by gender was presented to the Committee in 2020/21, with additional information provided across the Trust as a whole. The proposed measures to address the pay disparity for VSMs were also presented to the Committee.

Future Policy Table

The future policy table below gives a description of each of the components of the remuneration package for senior managers, which comprise the senior managers' Remuneration Policy.

Remuneration Package				
Pay component	**Base salary**	**Benefits**	**Earn-back scheme**	**Pension related benefits**
How does this support the short and long-term strategic objectives of the Foundation Trust	Ensures the recruitment and retention of Executive Directors of sufficient calibre to deliver the Trust's objectives.	Facilitates the recruitment and retention of Executive Directors of sufficient calibre to deliver the Trust's objectives.	Supports the individual and team performance of Executive Directors.	Ensures the recruitment and retention of Executive Directors of sufficient calibre to deliver the Trust's objectives.
How does the component operate	Determined by the Remuneration and Appointments Committee using a range of data and criteria as set out in the Senior Managers' Remuneration Policy. Paid monthly.	See the Salary and Pension Entitlements of Senior Managers table available later in this Remuneration Report for details of taxable benefits. The Trust operates a number of salary sacrifice schemes for all staff, in which the individual foregoes an element of base pay in return for a defined non-cash benefit. Alternative Shared Payment scheme Policy extended until March 2022.	Up to 10% of annual salary is put at risk dependent on performance for all Executive Directors with new contracts of employment.	Contributions paid by both employee and employer, except for any employee who has opted out of the scheme, in line with national regulations.
Maximum payment	As set out in the Salary and Pension Entitlements of Senior Managers table available later in this Remuneration Report, eight	Dependent on type of benefit.	No payments are made, but pay may be deducted up to 10% of salary.	Contributions are made in accordance with the NHS Pension Scheme for all employees who are members of the Scheme.

Remuneration Package				
Pay component	**Base salary**	**Benefits**	**Earn-back scheme**	**Pension related benefits**
	senior managers were paid in excess of the threshold of £150,000[1].			
Framework used to assess performance	The Trust's Values Based Appraisal and objective setting process is used for all staff including Executive Directors, together with specific measures agreed for the Executive Team by the Remuneration and Appointments Committee.	Not applicable.	As set out in national guidance and as agreed by the Remuneration and Appointments Committee.	Not applicable.
Performance period	Concurrent with the financial year.	Not applicable.	Concurrent with the financial year.	Not applicable.
Provision for recovery of sums paid to Directors, or provisions for withholding payments	Any sums paid in error may be recovered, including in relation to Mutually Agreed Resignation Scheme (MARS) or payments where individuals are subsequently employed in another role in the NHS.	Any sums paid in error may be recovered.	Contractual provisions in place for the application of the earn-back process incorporate recovery of up to 10% of salary.	Any sums paid in error may be recovered.

Note:

1. *The Trust has taken the following steps to satisfy themselves that the remuneration paid in excess of the threshold of £150,000 is reasonable:*
   - *The Remuneration and Appointments Committee sets the pay for senior managers.*
   - *The Committee comprises all the Trust Non-Executive Directors providing objective scrutiny of pay.*
   - *The 1.03% cost of living agreed by the Committee for 2020/21 moved two senior managers above the £150,000 threshold and guidance was sought from NHSE&I on this to ensure appropriate approvals were in place.*
   - *The Committee is satisfied that, where individuals are paid above £150,000 per annum, this is justified in order to recruit and retain high calibre staff.*

Service Contracts Obligations

There are no special contractual compensation issues for the early termination of Executive Director Contracts or any obligations that would give rise to, or impact on, remuneration payments or payments for loss of office.

Policy on Payment for Loss of Office

Senior Managers' contracts primarily stipulate a minimum notice period of six months. There are no special contractual compensation provisions for the early termination of Executive Directors' contracts. However, payment in lieu of notice, as a lump sum payment, may be made at the Trust's discretion, subject to approval from the Remuneration and Appointments Committee and in line with government limits.

Early termination by reason of redundancy is subject to the normal provisions of the NHS Terms and Conditions of Service Handbook (section 16). Staff above the minimum retirement age, early termination by reason of redundancy or 'in the interests of efficiency of the service' is in accordance with the NHS Pension Scheme. Employees above the minimum retirement age, who themselves request termination by reason of early retirement, are subject to the normal provisions of the NHS Pension Scheme.

Annual Report on Remuneration

Service Contracts

A summary of the key provisions of service contracts and terms of office for Executive Directors is set out below.

Name	Post	Date of Contract as Executive Director	Contract Type	Notice Period
Dr Bruno Holthof	Chief Executive Officer	01/10/2015	Permanent	6 months
Mr Jason Dorsett	Chief Finance Officer	03/10/2016	Permanent	6 months
Ms Sam Foster	Chief Nursing Officer	04/09/2017	Permanent	6 months
Professor Meghana Pandit	Chief Medical Officer	01/01/2019	Permanent	6 months
Ms Sara Randall	Chief Operating Officer	01/07/2019	Permanent	6 months
Mr Terry Roberts	Chief People Officer	10/02/2020	Permanent	6 months
Mr David Walliker	Chief Digital and Partnership Officer	28/10/2019	Permanent	6 months
Ms Eileen Walsh	Chief Assurance Officer	01/05/2011	Permanent	6 months

No Senior Manager has a contract of employment with a notice period greater than six months. Details of terms of office for Non-Executive Directors are available in the Directors' Report of this Annual Report.

Remuneration and Appointments Committee

The Remuneration and Appointments Committee is constituted as a standing committee of the Trust Board. The Committee is a Non-Executive Committee and has no executive powers, other than those specifically delegated in the Terms of Reference. The Committee is authorised by the Trust Board to investigate any activity within its Terms of Reference.

For the purpose of assisting with its business and informing its decision-making, the Committee may commission external expert advice, as necessary, from specialist agencies. In 2020/21, the consulting firm Korn Ferry has been commissioned to support the Committee in relation to job evaluation of Executive roles.

The Committee was chaired by Ms Claire Flint and met four times in 2020/21. Core membership of the Committee and their attendance at meetings are shown in the table below.

Committee Member	Title	Attendance
Ms Claire Flint (Chair)	Non-Executive Director	4/4
Professor Sir Jonathan Montgomery	Trust Chair	4/4
Ms Anne Tutt	Vice-Chair and Non-Executive Director	4/4
Ms Paula Hay-Plumb	Non-Executive Director	4/4
Ms Sarah Hordern	Non-Executive Director	2/4[1]
Ms Katie Kapernaros	Non-Executive Director	4/4
Professor Anthony Schapira	Non-Executive Director	4/4
Professor Gavin Screaton	Non-Executive Director	4/4

Note:

1. *Apologies for absence were given.*

In addition to the members of the Committee, the Chief Executive Officer and the Chief People Officer of the Trust are in attendance at the meetings of the Remuneration and Appointments Committee and provide relevant advice to the Committee to support decision-making. Neither of them is present during discussions regarding their own pay.

Salary and Pension Entitlements of Senior Managers 2020/21 *(this information is subject to audit)*

Salary and Pension Entitlements of Senior Managers 2020/21 (12 months to 31 March 2021)									
Name	**Title**	**Effective dates if not in post full year**	**Salary (bands of £5,000)** **£000**	**Taxable benefits (£s to the nearest £100)** **£**	**Annual performance related bonuses (bands of £5000)** **£000**	**Long-term performance related bonuses (bands of £5000)** **£000**	**Payment in lieu of pension[1] (bands of £5,000)** **£000**	**All pension related benefits (bands of £2,500)** **£000**	**Total including all pension related benefits (bands of £5,000)** **£000**
Non-Executive Directors[2,3]									
Professor Sir Jonathan Montgomery	Trust Chair		50-55						50-55
Ms Anne Tutt	Vice-Chair and Non-Executive Director		15-20	100					15-20
Ms Claire Flint	Non-Executive Director		10-15						10-15
Ms Paula Hay-Plumb	Non-Executive Director		15-20	1,600					15-20
Ms Sarah Hordern	Non-Executive Director		10-15						10-15
Ms Katie Kapernaros	Non-Executive Director		10-15						10-15
Professor Anthony Schapira	Non-Executive Director		10-15						10-15
Professor Gavin Screaton	Non-Executive Director		10-15						10-15
Executive Directors[4]									
Dr Bruno Holthof[5]	Chief Executive Officer		285-290	8,300					295-300
Mr Jason Dorsett[6]	Chief Finance Officer		185-190				30-35		215-220
Ms Sam Foster[7,8,]	Chief Nursing Officer		160-165		5-10		20-25	15-17.5	205-210
Professor Meghana Pandit	Chief Medical Officer		235-240				40-45		275-280

Salary and Pension Entitlements of Senior Managers 2020/21 (12 months to 31 March 2021)									
Name	**Title**	**Effective dates if not in post full year**	**Salary (bands of £5,000)** **£000**	**Taxable benefits (£s to the nearest £100)** **£**	**Annual performance related bonuses (bands of £5000)** **£000**	**Long-term performance related bonuses (bands of £5000)** **£000**	**Payment in lieu of pension[1] (bands of £5,000)** **£000**	**All pension related benefits (bands of £2,500)** **£000**	**Total including all pension related benefits (bands of £5,000)** **£000**
Ms Sara Randall[8]	Chief Operating Officer		165-170				15-20	265-267.5	450-455
Mr Terry Roberts[8]	Chief People Officer		150-155					212.5-215	360-365
Mr David Walliker	Chief Digital and Partnership Officer		165-170				25-30		195-200
Ms Eileen Walsh	Chief Assurance Officer		150-155				20-25		170-175

Notes:

1. *Applications for Alternative Shared Payments (ASP) in line with the Pension Contribution Alternative Award Policy were received in 2020/21, however, they were back dated to November and December 2019. The amounts include any back payments that were paid as lump sum amounts and are included in the amounts shown in the column 'Payment in lieu of pension'.*
2. *The basic annual remuneration of Non-Executive Directors (excluding the Trust Chair) is within the band of £10-15,000.*
3. *The annual remuneration of Non-Executive Directors who discharge additional responsibilities is within the band of £15-20,000.*
4. *Following discussion with auditors, the salary figures are shown as the gross amount prior to any salary sacrifice deductions.*
5. *A life assurance and income protection premium are also paid in respect of the CEO, as shown in the 'Taxable benefits column'.*
6. *Received a non-consolidated additional responsibility payment until August 2020 in relation to additional responsibilities in respect of the Estates function (this is shown under the salary column), as agreed by the Remuneration and Appointments Committee.*
7. *A one-off cash bonus for the achievement of objectives in 2019/20 was paid in 2020/21, and a regular bonus payment has been introduced for achievement of objectives in relation to the Estates and Facilities portfolio from September 2020.*
8. *The 'all pension related benefits' figure is calculated including the cash value of payments (whether in cash or otherwise) in lieu of retirement benefits and all benefits in year from participating in pension schemes. As mandated in the guidance produced by the NHS Business Services Authority – Disclosure of Senior Managers' Remuneration (Greenbury) 2015, the annual pension figure is calculated using legislated relevant valuation factor of 20 on annual pension at pension age, plus lump sum at pension age. These are the aggregate input amounts calculated using the method set out in section 229 of the Finance Act 2004 and any employee contributions are excluded from the figure arrived at to reach the amount which is disclosed. This does not reflect an increase in remuneration during 2020/21 but an annual pension value multiplied by a notional value of 20 which may be realised following retirement. The pension benefit table sets out the Cash Equivalent Transfer Values.*

Salary and Pension Entitlements of Senior Managers 2019/20 *(this information is subject to audit)*

Salary and Pension Entitlements of Senior Managers 2019/20 (12 months to 31 March 2020)									
Name	**Title**	**Effective dates if not in post full year**	**Salary (bands of £5,000)** **£000**	**Taxable benefits (£s to the nearest £100)** **£**	**Annual performance related bonuses (bands of £5000)** **£000**	**Long-term performance related pay (bands of £5000)** **£000**	**Payment in lieu of pension (bands of £5,000)** **£000**	**All pension related benefits (bands of £2,500)** **£000**	**Total including all pension related benefits (bands of £5,000)** **£000**
Non-Executive Directors[1,2]									
Professor Sir Jonathan Montgomery	Trust Chair		50-55	5,700					60-65
Ms Anne Tutt	Vice-Chair and Non-Executive Director		15-20	1,700					15-20
Ms Claire Flint	Non-Executive Director	01/05/2019-31/03/2020	10-15	100					10-15
Mr Christopher Goard	Non-Executive Director	01/04/2019-12/10/2019	5-10						5-10
Ms Paula Hay-Plumb	Non-Executive Director		15-20	2,000					20-25
Ms Sarah Hordern	Non-Executive Director	28/10/2019-31/03/2020	5-10						5-10
Ms Katie Kapernaros	Non-Executive Director	28/10/2019-31/03/2020	5-10	200					5-10
Professor David Mant	Non-Executive Director	01/04/2019-12/10/2019	10-15						10-15
Professor Anthony Schapira	Non-Executive Director	01/12/2019-31/03/2020	0-5						0-5
Professor Gavin Screaton	Non-Executive Director	01/09/2019-31/03/2020	10-15						10-15
Executive Directors[3]									
Dr Bruno Holthof[4,5]	Chief Executive Officer		285-290	8,000			195-200		485-490

Salary and Pension Entitlements of Senior Managers 2019/20 (12 months to 31 March 2020)									
Name	**Title**	**Effective dates if not in post full year**	**Salary (bands of £5,000)** **£000**	**Taxable benefits (£s to the nearest £100)** **£**	**Annual performance related bonuses (bands of £5000)** **£000**	**Long-term performance related pay (bands of £5000)** **£000**	**Payment in lieu of pension (bands of £5,000)** **£000**	**All pension related benefits (bands of £2,500)** **£000**	**Total including all pension related benefits (bands of £5,000)** **£000**
Mr Jason Dorsett[6]	Chief Finance Officer		190-195					62.5-65	255-260
Mr John Drew	Director of Improvement and Culture	01/04/2019-27/09/2019	45-50					2.5-5	45-50
Ms Sam Foster	Chief Nursing Officer		170-175					70-72.5	240-245
Ms Jane Nicholson	Interim Chief People Officer	10/06/2019-14/02/2020	85-90						85-90
Professor Meghana Pandit	Chief Medical Officer		225-230						225-230
Ms Sara Randall[7]	Chief Operating Officer		160-165					95-97.5	260-265
Mr Terry Roberts	Chief People Officer	14/02/2020-31/03/2020	20-25					2.5-5	20-25
Mr David Walliker	Chief Digital and Partnership Officer	28/10/2019-31/03/2020	70-75						70-75
Ms Eileen Walsh	Chief Assurance Officer		165-170					260-262.5	430-435

Notes:

1. *The basic annual remuneration of Non-Executive Directors (excluding the Trust Chair) is within the band of £10-15,000.*
2. *The annual remuneration of Non-Executive Directors who discharge additional responsibilities is within the band of £15-20,000.*
3. *Following discussion with auditors, the salary figures are shown as the gross amount prior to any salary sacrifice deductions.*
4. *A life assurance and income protection premium are also paid in respect of the CEO, as shown in the 'Taxable benefits column'.*
5. *Received a payment of £197,500 in 2019/20, in lieu of outstanding contractual pension contributions covering the period 6 October 2015 to 31 March 2020.*
6. *Received a non-consolidated additional responsibility payment in-year in relation to additional responsibilities in respect of the Estates function (this is shown under the salary column), as agreed by the Remuneration and Appointments Committee.*
7. *Acting Chief Operating Officer from 1 April 2019 to 30 June 2019.*

Pension Benefits of Senior Managers 2020/21 *(this information is subject to audit)*

Pension Benefits of Senior Managers 2020/21 (12 months to 31 March 2021)									
Name	**Title**	**Real increase in pension at pension age (bands of £2,500)** **£000**	**Real increase in pension lump sum at pension age (bands of £2,500)** **£000**	**Total accrued pension at pension age at 31/03/2021 (bands of £5,000)** **£000**	**Lump sum at pension age related to accrued pension at 31/03/21** **£000**	**Cash Equivalent Transfer Value at 01/04/21** **£000**	**Real increase in Cash Equivalent Transfer Value** **£000**	**Cash Equivalent Transfer Value at 31/03/20** **£000**	**Employer's contribution to stakeholder pension** **£000**
Ms Sam Foster	Chief Nursing Officer	0-2.5	0-2.5	45-50	95-100	779	27	734	-
Ms Sara Randall	Chief Operating Officer	10-12.5	35-37.5	75-80	230-235	0	0	1,559	-
Mr Terry Roberts	Chief People Officer	10-12.5	22.5-25	45-50	95-100	798	177	590	-

Notes:

- *Non-Executive Directors do not receive pensionable remuneration (2019/20: nil).*
- *The Trust did not contribute to a Director's stakeholder pension scheme (2019/20: nil).*
- *Pension details have only been disclosed for those Directors in post during the last 12 months up to 31 March 2021. Balances for those in post during 2019/20 are available in the 2019/20 Annual Report.*
- *A number of Executive Directors opted out of the NHS Pension Scheme in 2019/20 due to the pension taxation issues described in last year's Annual Report and requested the alternative payment in lieu of the employer contribution.*
- *A 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 member's accrued benefits and any contingent spouse's (or other allowable beneficiary's) pension payable from the scheme. CETVs are calculated in accordance with SI 2008 No.1050 Occupational Pension Schemes (Transfer Values) Regulations 2008.*
- *Real increase in CETV reflects the increase in CETV funded by the employer. It does not include the increase in accrued pension due to inflation or contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement).*

Disclosures

Expenses

Expenses of the Council of Governors

Governors are not remunerated but are entitled to claim expenses for costs incurred while undertaking duties for the Trust as a Governor.

	2020/21	2019/20
Total number of Governors in office	30	32
Number of Governors who received expenses	0	7
Aggregate sum of expenses paid	0	£2,287

Expenses of the Board of Directors

	2020/21	2019/20
Total number of Directors in office	16	20
Number of Directors who received expenses	3	6
Aggregate sum of expenses paid	10,000	17,700

Fair Pay Multiple *(this information is subject to audit)*

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

The banded remuneration of the highest paid Director within Oxford University Hospitals NHS Foundation Trust in the financial year 2020/21 was £295,000-£300,000 (2019/20: £285,000-£290,000). This was 8.9 times (2019/20: 8.8 times) the median remuneration of the workforce, which was £33,394 (2019/20: £32,581). In 2020/21, no (2019/20: no) employees received remuneration in excess of the highest-paid Director. Remuneration ranged from £1,000 to £297,000 (2019/20: £9,000 to £288,000).

Total remuneration includes salary, non-consolidated performance related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the Cash Equivalent Transfer Value of pensions. The median and the ratio include bank and locum staff but do not include agency staff.

	As at 31/03/2021	As at 31/03/2020
Band of highest-paid Director's total remuneration (£'000)	295-300	285-290
Median total remuneration (£)	33,394	32,581
Ratio - Fair Pay Multiple	8.9	8.8

Payment for Loss of Office

No payments for Loss of Office were made to senior managers in 2020/21 (2019/20: no).

Payments to past Senior Managers

The Trust has not made any payment to any person who was not a Director at the time the payment was made, but who had been a Director of the Trust previously. This excludes any payments of regular pension benefits which commenced in previous years, payments in respect of employment for the Trust other than as a Director, and sums disclosed in the single total remuneration disclosure or the disclosure of compensation for early retirement or loss of office.

Signed:

Dr Bruno Holthof
Chief Executive Officer
15 June 2021

Staff Report

In the Oxford University Hospitals NHS Foundation Trust (OUH) Strategy for 2020 - 2025, one of the three strategic objectives is to 'make OUH a great place to work', by delivering the best staff experience and wellbeing for all 'Our People', supported by a sustainable workforce model and a compassionate culture.

The Trust will deliver this objective by:

1. Looking after our people
   - enabling safe and healthy lives
   - including and valuing everyone as part of #OneTeamOneOUH
   - retaining our people and working more flexibly.
2. Supporting personal and professional development
   - embedding Values Based Appraisals
   - developing our leaders
   - fostering great teams.
3. Growing our team and developing new ways of working
   - growing our team
   - building a fit for the future team
   - collaborating across our local health and care system.

Our Workforce

The Trust employed over 14,000 people in the year 2020/21 across both full-time and part-time roles. This equates to a whole time equivalent (WTE) average of 12,246 WTE. Workforce numbers have increased during the year as turnover during the pandemic has decreased and recruitment has taken place to help assist with unprecedented demands. Likewise, pay costs have also risen as a result of the increased number of staff employed by the Trust.

The gender distribution of our workforce as at 31 March 2021 is shown in the table below.

Category	Female	Male	Total
Directors[1]	9	7	16
Senior Managers[2]	-	-	-
Other Staff[3]	10,738	3,484	14,222
Total[4]	10,747	3,491	14,238

Notes:

1. *Defined as all members of the Board.*
2. *Defined as those persons in senior positions having authority or responsibility for directing or controlling the major activities of the Trust. Within OUH, all such staff are members of the Board.*
3. *Everyone else in the organisation.*
4. *Everyone in the organisation including the Board.*

In addition, the Trust is supported by a flexible temporary workforce working either directly for us on our Staff Bank or through appropriate use of external agencies. This workforce has also been essential to meeting the pandemic response and we recognise the invaluable contribution they have made.

Analysis of Average Staff Numbers as at 31 March 2021 ***(this information is subject to audit)***

The average number of staff employed by the Trust as at 31 March 2021 is set out in the table below on whole time equivalent (WTE) basis (the number for Administrative and Estates Staff includes all Corporate Support Services).

Staff Category	2020/21 Average WTE			2019/20 Average WTE
	Permanent Contract	Other Staff	Total Number	Total Number
Medical and Dental	1,945	48	1,993	1,901
Ambulance Staff	-	-	-	-
Administration and Estates	2,608	99	2,707	2,589
Healthcare Assistants and Other Support Staff	1,521	240	1,761	1,691
Nursing, Midwifery and Health Visiting Staff	3,864	514	4,378	4,014
Nursing, Midwifery and Health Visiting Learners	-	-	-	-
Scientific, Therapeutic and Technical Staff	1,457	72	1,529	1,425
Healthcare Science Staff	791	10	801	782
Social Care Staff	-	-	-	-
Other	60	-	60	63
Total Average Numbers	12,246	983	13,229	12,465
Of which				
Number of employees (WTE) engaged on capital projects	11	12	23	67

Analysis of Staff Costs ***(this information is subject to audit)***

The table below sets out an analysis of staff costs during the year 2020/21, split between permanently employed staff and others.

Cost	2020/21			2019/20
	Permanently Employed[1] £000	Other Staff[2] £000	Total £000	Total £000
Salaries and wages	562,534	10,345	572,879	519,252
Social security costs	50,913	-	50,913	46,133
Apprenticeship levy	2,529	-	2,529	2,311
Employer's contributions to NHS pensions	87,789	-	87,789	80,780
Pension cost – other	60	-	60	45
Other post-employment benefits	-	-	-	-
Other employment benefits	-	-	-	-
Termination benefits	4	-	4	284
Temporary staff	-	65,862	65,862	58,545
Total Gross Staff Costs	703,829	76,207	780,036	707,350
Recoveries in respect of seconded staff	-	-	-	-
Total Staff Costs	703,829	76,207	780,036	707,350
Of which	-	-	-	-
Costs capitalised as part of assets	235	560	785	2,335

Notes:

1. *Staff with a permanent (UK) employment contract directly with the Trust (this includes Executive Directors but excludes Non-Executive Directors).*
2. *Staff engaged on the objectives of the Trust that do not have a permanent (UK) contract directly with the Trust. This includes employees on short-term contracts of employment, agency/temporary staff, locally engaged staff overseas and inward secondments from other Trusts.*

Staff Policies and Actions Applied during the Financial Year

Supporting staff with disabilities

Oxford University Hospitals NHS Foundation Trust has an ongoing commitment to the employment of disabled people and to supporting our disabled employees. The Trust participates in the Department for Work and Pensions' Disability Confident Scheme. As a Level 2 'Disability Confident Employer', the Trust takes positive action to ensure that our recruitment processes do not disadvantage disabled applicants. This includes operating a guaranteed interview scheme for those who meet the minimum criteria for the role. The Trust's commitment to this scheme was renewed for a further three years in November 2020.

We also aim to actively support employees who have a disability and help employees who become disabled to stay in employment. We do this by supporting disabled staff in the workplace via our dedicated Occupational Health Service with a range of support options that can be accessed by staff. The Trust has a Disability Passport Procedure which aims to facilitate employees and their managers to have meaningful discussions about how their health and impairments may impact them in the workplace and identify appropriate adjustments and the support they require to enable them to thrive at work.

The Trust's Chief Assurance Officer is the Executive Sponsor for the Disabled Staff Network, which has been re-launched, providing an opportunity for disabled employees to access peer support whilst supporting the Trust to deliver disability equality. We review our plans and activities in support of disabled people annually as part of the Workforce Disability Equality Standard (WDES), and ensure disability awareness for all employees.

Health and wellbeing of staff

The Centre for Occupational Health and Wellbeing (COHWB) is the Trust's in-house service, providing a full range of services to staff as well as other organisations in the local area. The core business of COHWB is the maintenance of the health and wellbeing of employees of the Trust and its principal contractors. Key areas of work include:

- workplace assessments
- health surveillance
- seasonal flu vaccination
- health and wellbeing
- health and safety
- policy development.

COHWB had over 12,000 contact appointments across all appointment reasons in 2020/21. The team trained 200 vaccinators for this year's seasonal flu campaign and the programme closed with 78.2% of frontline staff having been vaccinated. This percentage of frontline staff vaccinated is the highest ever achieved. COHWB was also at the forefront of the Trust's response to COVID-19 in 2020/21 providing support to our staff and their managers. Over 6,000 symptomatic COVID-19 nasal/throat swabs have been undertaken on site during 2020/21. COHWB has also provided support for contact tracing and outbreak management.

A rapid access psychology clinic for staff experiencing severe issues in relation to COVID-19 was established by COHWB in conjunction with the Psychological Medicine team. The in-house psychology service provides rapid, Trust-specific expertise, and is able to feed into

future staff training and management. It is focused on supporting staff back into the workplace and has excellent integration with local services. With funding from Oxford Hospitals Charity, this service will remain available to staff for the next three years. In addition to this, COHWB has followed national guidance in providing risk assessments for our vulnerable staff and advising staff and managers on being on the front line, returning to work after shielding, specific anxieties for BAME staff, and specific advice for those suffering from long-term effects of COVID-19 (Long COVID).

Health and Safety

The Health and Safety Management Policy of the Trust sets out the standards of health, safety and welfare expected by the Trust, and the measures to be taken to ensure workplace risks are identified, assessed and addressed. During 2020/21, the major workplace risks were identified to include the risk from COVID-19 infection in addition to general workplace health and safety risks.

To support staff to assess and address these risks, the Health and Safety team collaborated with teams across the Trust to develop and implement three risk assessment templates.

- General Workplace Risk Assessment, including COVID-19 infection; slips, trips and falls, manual handling, falls from height, control of substances hazardous to health (COSHH), display screen equipment (DSE), musculoskeletal disorders (MSD), electrical equipment, fire, sharps and needles, and violence, aggression and abuse
- COVID-19 Secure Workplace Risk Assessment
- COVID-19 Personal Protective Equipment (PPE) Risk Assessment

All of the risk assessments were promoted to staff through Corporate Communications, with Staff Bulletins directing staff to the Health and Safety team intranet site's document library. This provided an opportunity for staff to be aware of additional health and safety related documentation.

The COVID-19 Secure Workplace Risk Assessment and the COVID-19 Personal Protective Equipment (PPE) Risk Assessment supported managers and staff to implement national and Trust guidelines for ensuring staff safety through COVID-19 Secure workplaces and for wearing appropriate PPE required for performing work in different areas.

The Health and Safety team supported the Infection Prevention and Control team, Face Fit Testing team and Divisional Education Leads to provide training to staff for donning and doffing PPE, for safe disposal of PPE, correct methods for user checks of face masks and for the correct storage of PPE.

Learning and Development

Oxford University Hospitals NHS Foundation Trust is a teaching Trust. Patient-centered teaching and education is one of its main activities and important to the delivery of Trust's strategic objectives. The Trust is the teaching hospital for the University of Oxford through the School of Clinical Medicine and the Postgraduate Medical and Dental Education (PGMDE) Centre. Approximately 75% of the Trust's junior doctors are in one of the University of Oxford's recognised training programmes. More than a third of its consultants and senior Trust doctors are recognised General Medical Council (GMC) trainers and there is an in-house continuous professional development programme available for them.

OUH is also a partner in the University of Oxford's School of Nursing and Midwifery alongside Oxford Health NHS Foundation Trust and Oxford Brookes University. In addition, the Trust is a placement partner of choice for a significant range of allied health professions as well as pharmacy and healthcare science.

The Trust delivers and supports education across all professional groups and services and has a highly competent internal education faculty. Over the last 12 months education and practice development roles have provided and continue to provide critical support to staff to enable them to deliver the quality of services and patient care the Trust is recognised for.

The COVID-19 pandemic has led to new and innovative ways of teaching and learning that have highlighted a range of challenges and opportunities. The Trust's education and training teams have risen to these challenges and are paving the way in ensuring continued proactive and sustainable solutions to enabling our staff to deliver the care they are proud of and our patients expect.

The Trust has invested in a new learning management system, My Learning Hub, which went live on 1 April 2021. This will improve access to training and development for all staff and will also support more effective values-based appraisal for everyone on an annual basis.

Staff communications

The Trust is committed to timely and transparent internal communications with staff so that all our people have the information they need to do their jobs. These include the following.

- Monthly virtual staff briefings led by the Chief Executive Officer and the rest of the Executive team
- Our 'OUHStaffText' initiative, which is a new internal communications channel providing OUH news and information updates via SMS messages for staff who sign up to receive these alerts. It was launched in January 2021 and more than 2,400 staff members now receive weekly messages
- Twice weekly Staff Bulletin emails sent to all staff with a range of news, events and other information
- Monthly, themed Freedom to Speak Up virtual listening events led by the Freedom to Speak Up Guardian with other key Trust staff depending on the theme
- Posters for those staff who do not have regular access to email
- Regularly updated messages on digital screens on all OUH hospital sites
- Posts on the official OUH social media channels, which many staff follow
- COVID-19 Staff FAQs and our Guide to Health and Wellness for staff, both hosted on the Trust website so they are accessible to all staff

Consulting staff and representatives on matters of concern and the performance of the organisation

Oxford University Hospitals NHS Foundation Trust works in partnership with staff through a number of mechanisms on matters of concern to staff and the performance of the organisation. The Trust Alliance Committee (TAC) and Local Negotiation Committee (LNC) are the two formal bodies for Trust-wide negotiation and consultation with union partners. The Committees include representation from Trust-recognised senior management and staff-side (trade union) representatives, and they meet bi-monthly. These two committees come together to foster partnership working, in order to positively impact staff experience and patient services.

The Trust has been working to promote the voice of its people from protected characteristic groups through the development of staff networks. The Trust currently has five staff networks:

- Black, Asian and Minority Ethnic (BAME) Network
- LGBT+ Network
- Disabled Staff Network
- Women's Network
- Young Apprentices Network.

The aim of these networks is to promote equality for, and provide support to, its members. Each network feeds into the Trust's Equality, Diversity and Inclusion Steering Group to inform decision-making and Trust strategy. Each network also has an Executive Sponsor who actively supports the development of the network and champions the network's voice at a senior level.

Equality, Diversity and Inclusion (EDI)

As a responsible employer and provider of healthcare services we actively recognise, value and support the diverse range of staff we employ and patients we care for. Our aim is to treat all patients, visitors and staff with dignity and respect and ensure that as an organisation we learn from occasions when our actions have fallen short of our high expectations.

Through adherence to the requirements of the Equality Act 2010, the public sector equality duty and the NHS Constitution provisions, the Trust strives to:

- eliminate unlawful discrimination, harassment and victimisation
- advance equality of opportunity between different groups
- foster good relations between people.

Policies and Procedures

All of our policies are equality impact assessed to ensure that no one impacted by a policy receives unjustifiably less favourable treatment on the grounds of protected characteristics such as age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, gender, and sexual orientation.

Reporting

The NHS Equality Delivery System (EDS2) was developed by the NHS England Equality and Diversity Council to improve equality and diversity practice in the NHS, as a tool to embed equality and diversity practice to meet public sector equality duty.

The Workforce Race Equality Standard (WRES) and Workforce Disability Equality Standard (WDES) are reporting requirements that support the Trust to identify the barriers that Black, Asian and Minority Ethnic (BAME) staff and disabled staff face in terms of their employment within the Trust. The Trust also undertakes reporting on its gender pay gap on an annual basis. We use this exercise to enable us to identify differences in the experience of men and women working within the Trust and plan actions to mitigate them.

Our 2020 Combined Equality Standards Report contained the following key findings.

- We have made improvements on a number of WRES and WDES metrics, which is partially attributable to a greater organisational awareness of EDI
- COVID-19 has disproportionately impacted a number of different communities, and whilst there has been a focus on supporting BAME staff, attention also needs to be paid to disabled staff
- COVID-19 has also generated some opportunities for advancing EDI. This includes opportunities around increased resource on health and wellbeing and increased infrastructure to enable people to work flexibly

The findings from our Combined Equality Standards Report have been used to support upcoming work on refreshing our EDI Objectives and Delivery Plan; this will incorporate a four-year approach to addressing WRES, WDES and the gender pay gap.

The Trust has made progress on a number of the WRES and WDES metrics, with increases in diversity across the Trust, and increases in positive scores on the Staff Survey from both BAME and disabled staff. Whilst these gains are not consistent across the whole of the Trust, for example there is a greater proportion of BAME staff in senior clinical roles as compared with senior non-clinical roles, this trend is positive.

Our most recent WRES, WDES and gender pay gap data can be found on the Trust website: visit www.ouh.nhs.uk and type 'TB2020.75' into the search field on the home page.

Initiatives

The equality, diversity and inclusion function has been embedded within the newly created Culture and Leadership Service. This move better enables EDI to be integrated into the Trust's cultural change initiatives, reflecting the Trust's strategic objective to create a compassionate and inclusive culture.

During 2020/21, work has been undertaken to develop and strengthen staff networks and support their activities. Each staff network has an identified Executive Sponsor with whom the networks can engage and escalate issues to. Additionally, a Non-Executive Director sponsors the Trust's EDI Steering Group. Consultation with our staff networks ensures that the Trust develops actions that address barriers and which aim to improve the experience of BAME and disabled staff, as well as the experience of the workforce as a whole.

In November 2020, the Trust successfully recruited a Health and Wellbeing Lead (BAME focus) following receipt of grant funding through a joint bid to the NHS Charities Together Fund with Oxford Hospitals Charity.

The Trust successfully applied to be part of the NHS Leadership Academy's Reciprocal Mentoring for Inclusion Programme. This programme seeks to partner staff from protected characteristic groups with senior leaders for an 18-month period to support learning and development on issues relating to EDI. The Trust is currently in the scoping stages with the Leadership Academy to develop how the programme will be delivered within the Trust.

The Trust aims to increase the representation of BAME staff within leadership positions as part of aspirational goals set by NHS England and NHS Improvement. The aim is for BAME staff to be equally represented across all levels within the NHS by 2028. The table below shows our progress against this for 2020 as well as the number of BAME staff that we need to successfully recruit to achieve equal representation by 2028.

	2020 Ambition	2020 Actual	2020 Gap	Total BAME Staff in AfC[1] band by 2028 to reach equity[2]	Additional BAME recruitment to 2028 to reach equity[2]
Band 8a	33	46	+13	64	18
Band 8b	11	11	0	27	16
Band 8c	4	5	+1	14	9
Band 8d	2	1	-1	4	3
Band 9	0	2	+2	2	0
VSM	2	5	+3	7	2

Notes:

1. *Agenda for Change - NHS Terms and Conditions of Service.*
2. *By 2028, this figure may have changed.*

We are currently exceeding the planned trajectory, demonstrating that steps taken to enable greater diversity within senior positions are having a positive impact.

The Trust also believes that it is important that the Board is representative of our workforce and our local community, and has taken action to facilitate this. In the past year, the Trust worked to increase the diversity of applicants to Board-level positions. As part of this, a video featuring the Chief People Officer and Chief Medical Officer was produced to encourage applications from candidates with diverse backgrounds to vacant Non-Executive Director positions. This led to increased diversity in the applicant pool, including an increased proportion of shortlisted candidates from BAME backgrounds. This video also received national attention from NHSE&I.

Freedom to Speak Up

The Freedom to Speak Up (FtSU) team is led by the Lead Guardian and comprises two Guardians and four Champions. To ensure that Freedom to Speak Up is represented at Board level, the FtSU team is supported at Executive level by Eileen Walsh, Chief Assurance Officer and at Non-Executive level by Claire Flint, Non-Executive Director.

The FtSU team supports staff who want to raise concerns which ultimately have the potential to affect the safety of our patients. Oxford University Hospitals NHS Foundation Trust is fully committed to its responsibility to ensure all our people feel confident to speak up and be assured their concerns are taken seriously.

Strategy and Implementation Plan

During 2020/21, the team has taken opportunities to promote the FtSU Strategy to staff following its launch in December 2019. The Strategy is supported by an implementation plan and the Freedom to Speak Up - Raising Concerns (Whistleblowing) Policy which is based on the template produced by the National Guardian Office.

The implementation plan was produced and approved by the Trust Board in early 2020 and provides a focus for the FtSU team and the Executives around the speaking up agenda. A Freedom to Speak Up Annual Report and six-monthly update reports were presented to the Trust Management Executive (TME) and the Trust Board.

Freedom to Speak Up during COVID-19

During the COVID-19 pandemic, the FtSU team played a key role in supporting staff. The FtSU team in collaboration with the Executive and Non-Executive Directors held a series of listening events throughout the year to provide a forum for staff to ask questions, raise any concerns and highlight positive stories.

A total of 33 events have been held in 2020/21. Topics raised included:

- homeworking
- civility saves lives
- risk assessments for Black, Asian and Minority Ethnic (BAME) staff
- support for staff working on site.

Actions to address concerns were implemented after the event as appropriate. A 'You said, we did' document highlighting the topics and actions taken was produced and was published on the FtSU intranet site. These events have been very well received by staff attending the sessions and fully supported by the Board.

Further events and activities to promote speaking up and listening are planned for the year 2021/22 to continue to promote the Strategy and to continue to foster a culture of learning and improvement.

Staff recognition

In December 2020, the Trust announced to all staff that they will receive an extra day's annual leave as a 'recognition day' in 2021/22. This is to say thank you for their remarkable response to the COVID-19 pandemic. While the Trust Board recognises that a price cannot be put on the hard work and personal sacrifices made by so many, the 'recognition day' is a sign of everyone's appreciation. It is also in line with the Trust's focus on the wellbeing of its staff and encouraging the importance of taking a break for good mental and physical health.

As part of the Trust's ongoing commitment to recognition, the Trust has a number of ways that staff can be nominated, recognised and thanked for their delivery of compassionate excellence. These include the following.

- *DAISY Foundation® Awards*, which is an international scheme that allows patients, their families as well as colleagues to nominate a nurse or midwife who has made a real difference through the provision of outstanding clinical care. This scheme is championed by our Chief Nursing Officer.
- *Reporting Excellence*, which is a recognition scheme that helps the Trust to learn from positive events that happen every day in the delivery of excellent care to our patients and service to our staff, and improve patient care as a result. This scheme is championed by our Chief Medical Officer.
- *OUH Junior Doctors' Awards*, which is a recognition scheme that was launched in 2020 to recognise the outstanding contribution our junior doctors make in delivering compassionate excellence. There were 100 nominations across five key categories that recognised excellence in leadership, teaching and medical education, quality improvement, going the extra mile, commitment to multidisciplinary team working and the patient choice award. This scheme is championed by our Chief Nursing Officer.
- *Oxford Scheme for Clinical Accreditation (OxSCA)*, which is a national initiative that has been adapted locally at OUH. It celebrates the positive impact of strong multidisciplinary practice environments and partnership working through cohesive and proactive team working. It recognises how staff groups work well and effectively together for the benefit of our patients, our staff and our populations. This initiative is championed by our Chief Nursing Officer, Chief Medical Officer and Chief Assurance Officer.

Policy on Counter Fraud and Corruption

Oxford University Hospitals NHS Foundation Trust is committed to providing a zero-tolerance culture to fraud, bribery and corruption whilst maintaining an absolute standard of honesty and integrity in dealing with our assets. We are committed to the elimination of fraud and illegal acts within the Trust. We ensure the rigorous investigation of reported matters of fraud, bribery or corruption and the pursuance of redress for financial losses stemming from such acts, and the application of disciplinary sanctions or other actions as appropriate. We adopt best practice procedures to tackle fraud, bribery and corruption, as recommended by the NHS Counter Fraud Authority (NHS CFA).

Counter Fraud is accountable to the Chief Finance Officer and the Audit Committee. All matters relating to fraud are investigated by our Counter Fraud Team. In April 2020, TIAA was appointed as the new Counter Fraud Service provider of the Trust. The Trust undertook a programme of awareness-raising activity providing advice to staff on how to raise concerns about fraud and bribery issues during the year, and this work is ongoing. We have anti-fraud and anti-bribery policies in place. The Trust complies with the NHS CFA Requirements which set the standards for countering fraud in adherence with the 'Government Functional Standards GoVs 013: Counter Fraud'.

An annual assessment against the Government Functional Standards was undertaken by TIAA on behalf of the Trust for the work conducted during the period 1 April 2020 to 31 March 2021 inclusive and confirmed that the Trust has met the NHS requirements as set by the NHS CFA.

NHS Staff Survey 2020

Recognised as being an important intervention in supporting the delivery of the NHS Constitution, the annual NHS Staff Survey is a mandatory undertaking for all NHS Trusts in England. NHS England sets the framework and questions for the survey. Oxford University Hospitals NHS Foundation Trust (OUH) commissioned Picker Institute to manage the survey for 2020, along with 128 other Acute, and Acute and Community Trusts. This provides valuable benchmarking data.

The survey results are primarily intended for use by local organisations to help them review and improve staff experience, which is accepted as having a direct impact on the quality of care and the patient experience.

The survey questionnaire covers four key themes relating to the working environment and individuals' experience within the workplace, namely: 'Your Job', 'Your Managers', 'Your Health, Wellbeing and Safety', and 'Your Organisation'. The results from the questions were grouped into 10 indicators and given an overall score per indicator on a scale of 1-10 (with 10 being the highest), with the indicator score being the average of those. In 2020, the NHS Staff Survey did not include the 'Quality of Appraisals' theme. Instead, it included six new questions relating to staff experience of working through the COVID-19 pandemic. Therefore, the 2020 staff survey had 10 indicators rather than the 11 indicators in 2019.

Summary of results

The Trust's NHS Staff Survey 2020 response rate of 53.1% was its best ever, with an increase of 1,045 completions when compared to the Trust's 2019 response rate of 48.2%. This is also 7% higher than the average for Acute, and Acute and Community Trusts. The survey had 78 questions. Compared with 2019, the Trust scored significantly better on 23 questions, 51 questions had no significant change, and one question, concerning staff experiencing stress at work, scored worse.

Scores for each indicator, together with that of the survey benchmarking group, are presented in the table below.

	2020/21		2019/20		2018/19	
	Trust	Benchmarking Group	Trust	Benchmarking Group	Trust	Benchmarking Group
Equality, diversity and inclusion	9.1	9.1	9.0	9.0	8.9	9.1
Health and wellbeing	6.3	6.1	5.9	5.9	5.7	5.9
Immediate managers	7.0	6.8	6.9	6.8	6.7	6.7
Morale	6.3	6.2	6.2	6.1	5.9	6.1
Quality of appraisals			5.6	5.6	5.3	5.4
Quality of care	7.5	7.5	7.5	7.5	7.3	7.4
Safe environment - bullying and harassment	8.1	8.1	8.0	7.9	7.9	7.9
Safe environment - violence	9.5	9.5	9.5	9.4	9.5	9.4
Safety culture	6.9	6.8	6.8	6.7	6.6	6.6
Staff engagement	7.2	7.0	7.1	7.0	6.9	7.0
Team working	6.6	6.5	6.5	6.6		

These results show an overall improvement in the Trust's 2020/21 scores compared to 2019/20. Furthermore, the Trust was slightly above the national average on six indicators, and in line with the average on four indicators.

From the 10 indicators in 2020/21, out of a score of 10, 'Safe Environment - Violence' was the Trust's highest (9.5 – consistent with 2019), and 'Health and Wellbeing' and 'Morale' were the lowest (6.3 – up from 5.9 in 2019 for 'Health and Wellbeing' and 6.3 – up from 6.2 in 2019 for 'Morale').

The main indicator showing significant improvement was 'Health and Wellbeing', with a 0.4 increase in staff who feel that the Trust definitely takes positive action on health and wellbeing.

The main area of concern from the results was a 2% increase in staff experiencing work-related stress.

Employee engagement

The Trust's employee engagement index (EEI) score in the NHS Staff Survey 2020 saw a positive improvement from 7.1 in 2019 to 7.2, and is above the national average of 7.0.

With respect to the two key advocacy questions associated with the annual NHS Staff Survey, compared with both 2019 scores and the 2020 national average, the Trust saw improvements in both of these areas as follows.

Question	National Average 2020/21	OUH 2020/21	OUH 2019/20	OUH 2018/19
I would recommend our organisation as a place to work	66.9%	70.1%	64%	57%
If a friend/relative needed treatment I would be happy with the standard of care provided by our organisation	74.3%	83.3%	78%	74%

Future priorities and targets

From the Staff Survey findings, the Trust aims to encourage change that is locally owned and embedded within teams, as well as identifying cross-cutting themes that will be driven forward corporately to support organisational development. Local discussions and action planning would be undertaken to enable implementation during 2021/22.

Initial areas of organisational action which will be led forward in 2021/22 as part of the Trust's People Recovery Programme include the following.

- Building on the improvements seen in relation to 'Health and Wellbeing'
- Designing and implementing a leadership behaviours framework
- Embedding the principles of a 'Just Culture' and 'Civility Saves Lives' into our policies, procedures and working practices
- Implementing pulse surveys to capture engagement levels on an ongoing basis rather than once a year

Disclosures

Staff sickness absence

The Trust is required to disclose details of staff sickness absences in a centrally prescribed format. Data is usually supplied by the Department of Health and Social Care, and our 2020/21 data can be found on the NHS Digital website: visit digital.nhs.uk and search for 'NHS Sickness Absence Rates'.

Staff turnover

Staff turnover throughout the financial year has fallen across the Trust. At the start of the period, it was 12.4%, and at year end this figure was 9.4%. All staff groups, with the exception of medical staff, are displaying in-year reductions in turnover levels, the likely cause being COVID-19. In March 2021, Additional Clinical Services Staff group (Clinical Support Staff) had the highest levels of turnover at 12.4%, down from 16.6% in April 2020. The largest staff group within the Trust is Nursing and Midwifery and its turnover rate was 10.6% at year end, which has also fallen from start of the financial year position, which was 11.6%. Further information on our staff turnover in 2020/21 can be found on the NHS Digital website: visit digital.nhs.uk and search for 'NHS workforce statistics'.

Gender pay gap

Gender pay gap reporting legislation requires organisations to publish figures relating to their gender pay gap on an annual basis, and against a prescribed methodology which looks at mean and median gender pay gaps. The gender pay gap is different to equal pay, which is a legal requirement. Further information on gender pay gap is available online at gender-pay-gap.service.gov.uk.

The gender pay gap is the percentage difference between average hourly earnings for men and women. The Trust is committed to addressing this issue.

The key points relating to the Trust's gender pay gap as of 31 March 2020, as reported to the Trust Board in September 2020, included the following.

- Ordinary pay – there has been a decrease in the mean pay gap of 1.63% and an increase in the median pay gap of 3.44%, which indicates a decreased proportion of women within higher paid roles
- There has been a significant decrease in the mean bonus gap, with the primary factor being an increase in the mean bonus pay for women
- Overall the proportion of women receiving a bonus has decreased, with this decrease likely to be a key contributing factor in the reduction in the mean bonus pay gap. There has been a slight increase in men receiving bonuses

The Trust's full Gender Pay Gap Report can be found on the Trust website as part of the Combined Equality Standards Report for 2020: visit www.ouh.nhs.uk and type 'TB2020.75' into the website's search field. This provides an analysis of the Trust's position along with a summary of initiatives that were either being undertaken or planned to be undertaken to reduce the gender pay gap.

Trade union facility time 2020/21

The Trade Union (Facility Time Publication Requirements) Regulations 2017 came into effect on 1 April 2017. Under the Regulations Oxford University Hospitals NHS Foundation Trust is legally required to publish the following information annually.

Relevant union officials

What was the total number of your employees who were relevant union officials during the relevant period?

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
29	25.98

Percentage of time spent on facility time

How many of your employees who were relevant union officials employed during the relevant period spent a) 0%, b) 1%-50%, c) 51%-99% or d) 100% of their working hours on facility time?

Percentage of time	Number of employees
0%	17
1-50%	10
51%-99%	0
100%	2

Percentage of pay bill spent on facility time

What was the percentage of the total pay bill spent on paying employees who were relevant union officials for facility time during the relevant period?

Total cost of facility time	£91,046
Total pay bill	£779,415,465
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.01%

Paid trade union activities

As a percentage of total paid facility time hours, how many hours were spent by employees who were relevant union officials during the relevant period on 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	100%

Off-payroll arrangements

In accordance with the HM Treasury annual reporting guidance, the Trust is required to report the number of off-payroll engagements where an individual is paid £245 or more per day. From April 2017, the government has reformed the legislation associated with off-payroll payments so that public sector bodies are responsible for deducting and paying all employment taxes and national insurance contributions from the individuals concerned. The Trust has worked hard to eliminate the off-payroll arrangements that were in place in previous years and has implemented a policy that no individuals are paid off-payroll unless the employing manager submits evidence from HM Revenue and Customs (HMRC) that they are certified as self-employed.

Table 1: Highly-paid off-payroll worker engagements as at 31 March 2021 earning £245 per day or greater

Number of existing engagements as of 31 March 2021	1
of which…	
Number that have existed for less than one year at time of reporting	1
Number that have existed for between one and two years at time of reporting	
Number that have existed for between two and three years at time of reporting	
Number that have existed for between three and four years at time of reporting	
Number that have existed for four or more years at time of reporting	

Table 2: All highly-paid off-payroll workers engaged at any point during the year ended 31 March 2021 earning £245 per day or greater

Number of off-payroll workers engaged during the year ended 31 March 2021	0
of which…	
Not subject to off-payroll legislation*	
Subject to off-payroll legislation and determined as in-scope of IR35*	
Subject to off-payroll legislation and determined as out-of-scope of IR35*	
Number of engagements reassessed for compliance or assurance purposes during the year	
of which…	
Number of engagements that saw a change to IR35 status following review	

**A worker who provides their services through their own limited company or another type of intermediary to the client will be subject to off-payroll legislation and the Trust must undertake an assessment to determine whether that worker is in-scope of Intermediaries legislation (IR35) or out-of-scope for tax purposes.*

Table 3: For any off-payroll engagements of Board members, and/or, senior officials with significant financial responsibility, between 1 April 2020 and 31 March 2021

Number of off-payroll engagements of Board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
Number of individuals that have been deemed 'Board members and/or senior officials with significant financial responsibility' during the financial year. This figure must include both off-payroll and on-payroll engagements.	16

Staff exit packages ***(this information is subject to audit)***

The table below discloses the total of all staff exit packages agreed in the 12 months to 31 March 2021. Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Scheme. Exit costs in this note are accounted for in full in the accounting period of departure. Where the Trust has agreed early retirements, the additional costs are met by the Trust and not by the NHS Pension Scheme. Ill-health retirement costs are met by the NHS Pension Scheme and are not included within this table.

Exit packages

	2020/21			2019/20		
Exit package cost band	**Number of compulsory redundancies**	**Number of other departures agreed**	**Total number of exit packages**	**Number of compulsory redundancies**	**Number of other departures agreed**	**Total number of exit packages**
<£10,000	1	-	1	1	-	1
£10,000 - £25,000	-	-	-	-	-	-
£25,001 - £50,000	-	-	-	3	-	3
£50,001 - £100,000	-	-	-	2	-	2
£100,001 - £150,000	-	-	-	-	-	-
£150,001 - £200,000	-	-	-	-	-	-
>£200,000	-	-	-	-	-	-
Total number of exit packages by type	1	-	1	6	-	6
Total resource cost £k	4	0	4	283	0	283

Exit packages: other non-compulsory departure payments

There were no exit packages in either 2020/21 or 2019/20 which were classed as non-compulsory departure payments.

Expenditure on consultancy

Reporting bodies are required to disclose the expenditure on consultancy. The consultancy expenditure incurred by the Trust in 2020/21 can be found within our Annual Accounts in note 6.1.

NHS Foundation Trust Code of Governance Compliance

We are required to disclose information relating to the NHS Foundation Trust's Code of Governance requirements.

Oxford University Hospitals 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 issued in 2012.

The Trust considers that it complies with the specific disclosure requirements as set out in the NHS Foundation Trust Code of Governance and NHS Foundation Trust Annual Reporting Manual (FT ARM).

The Code of Governance reference (Code Ref) of the main items that are required to be disclosed, summary of its requirement, and the location of the Annual Report where the disclosure has been made or any responses are shown in the table below. 'FT ARM' indicates a requirement that is not of the Code of Governance, but of the NHS Foundation Trust Annual Reporting Manual issued by NHS Improvement.

Code Ref	Summary of Requirement	Annual Report Reference/Response
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.	The Scheme of Delegation agreed by the Board in January 2020 includes a statement of the roles and responsibilities of the Council of Governors. The Trust's Constitution, initially agreed in October 2015, sets out a dispute resolution procedure, and is available on the Trust website at www.ouh.nhs.uk/about/foundation-trust/documents/constitution.pdf.
A.1.2	The annual report should identify the chairperson, the deputy chairperson (where there is one), the chief executive, the senior independent director 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.	This information is available in the Directors' Report and the Remuneration Report of this Annual Report.
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	This information is available in the Trust Membership and Council of Governors Report of this Annual Report.

Code Ref	Summary of Requirement	Annual Report Reference/Response
	their appointments. The annual report should also identify the nominated lead governor.	
FT ARM	The annual report should include a statement about the number of meetings of the council of governors and individual attendance by governors and directors.	This information is available in the Trust Membership and Council of Governors Report of this Annual Report.
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.	All the Non-Executive Directors of the Trust are considered to be independent in accordance with the *NHS Foundation Trust Code of Governance* with the exception of Professor Gavin Screaton who was appointed by the University of Oxford.
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.	The Directors' Report refers to the Trust website for details of the skills, expertise and experience of each of our Board members, and are available at www.ouh.nhs.uk/about/trust-board.
FT ARM	The annual report should include a brief description of the length of appointments of the non-executive directors, and how they may be terminated.	Length of appointments of Non-Executive Directors are available at the Directors' Report of this Annual Report. The Council of Governors at a general meeting of the Council of Governors has the power to appoint or remove the Chair of the Trust and the other Non-Executive Directors. The removal of the Chair or another Non-Executive Director shall require the approval of three-quarters of the members of the Council of Governors.
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.	Work of the Council of Governors' Remuneration, Nomination and Appointments Committee is available in the Trust Membership and Council of Governors Report, and the work of the Board committee on Remuneration and Appointments is available in the Remuneration Report of this Annual Report.
FT ARM	The disclosure in the annual report on the work of the nominations committee should include an explanation if neither an external search consultancy nor open advertising has been	This information is available in the Remuneration Report of this Annual Report.

Code Ref	Summary of Requirement	Annual Report Reference/Response
	used in the appointment of a chair or non-executive director.	
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.	Other significant commitments of the Trust Chair have been declared and listed in the Board of Directors' Register of Interests, available in the Directors' Report of this Annual Report and on the Trust website at www.ouh.nhs.uk/about/trust-board
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.	This information is available in the Trust Membership and Council of Governors Report of this Annual Report.
FT ARM	If, during the financial year, the Governors have exercised their power* under paragraph 10C** of schedule 7 of the NHS Act 2006, then information on this must be included in the annual report. This is required by paragraph 26(2)(aa) of schedule 7 to the NHS Act 2006, as amended by section 151 (8) of the Health and Social Care Act 2012. * Power to require one or more of the directors to attend a governors' meeting for the purpose of obtaining information about the foundation trust's performance of its functions or the directors' performance of their duties (and deciding whether to propose a vote on the foundation trust's or directors' performance). ** As inserted by section 151 (6) of the Health and Social Care Act 2012)	Not applicable. Board members attend the Council of Governors meetings by choice and have not been required to attend by Governors. More information is available in the Trust Membership and Council of Governors Report of this Annual Report.
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.	The Annual Governance Statement of this Annual Report gives details of all Board committees, their Terms of Reference and the key areas that have been of focus for the year for the committees.

Code Ref	Summary of Requirement	Annual Report Reference/Response
		Performance evaluation of the Board is discussed in the Remuneration Report and the Trust Membership and Council of Governors Report of this Annual Report.
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.	Where applicable, this information is available in the Annual Governance Statement of this Annual Report.
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).	This has been fulfilled in the Directors' Report and the Annual Governance Statement of this Annual Report. During 2020/21 there has not been an external evaluation of the board, with the exception of the Trust's Internal Auditors.
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.	This has been fulfilled in the Annual Governance Statement of this Annual Report.
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.	This has been fulfilled in the Annual Governance Statement of this Annual Report.
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.	Not applicable for 2020/21.

Code Ref	Summary of Requirement	Annual Report Reference/Response
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.	This has been fulfilled in the Annual Governance Statement of this Annual Report. The Trust's External Audit Provider changed for the 2018/19 financial year-end with the award of a three-year contract following a competitive tender process. The expenditure on external audit services is shown within the Annual Accounts and the effectiveness of the service is monitored by the Audit Committee.
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.	The Chief Executive Officer holds Non-Executive appointments, as declared in the Register of Interests, and it is confirmed that he is entitled to retain the earnings under his contract.
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.	This has been fulfilled in the Trust Membership and Council of Governors Report of this Annual Report.
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.	This has been fulfilled in the Trust Membership and Council of Governors Report of this Annual Report.
E.1.4	Contact procedures for members who wish to communicate with governors and/or directors should be made clearly available to members on the NHS foundation trust's website and in the annual report.	This information is available in the Directors' Report and the Trust Membership and Council of Governors Report of this Annual Report.

Code Ref	Summary of Requirement	Annual Report Reference/Response
FT ARM	The annual report should include: • a brief description of the eligibility requirements for joining different membership constituencies, including the boundaries for public membership; • information on the number of members and the number of members in each constituency; and • a summary of the membership strategy, an assessment of the membership and a description of any steps taken during the year to ensure a representative membership, including progress towards any recruitment targets for members.	This information is available in the Trust Membership and Council of Governors Report of this Annual Report.
FT ARM	The annual report should disclose details of company directorships or other material interests in companies held by governors and/or directors where those companies or related parties are likely to do business, or are possibly seeking to do business, with the NHS foundation trust. As each NHS foundation trust must have registers of governors' and directors' interests which are available to the public, an alternative disclosure is for the annual report to simply state how members of the public can gain access to the registers instead of listing all the interests in the annual report.	This has been fulfilled in the Directors' Report and the Trust Membership and Council of Governors Report of this Annual Report.

NHS Oversight Framework

NHS England and NHS Improvement's NHS Oversight Framework provides the framework for overseeing providers and identifying potential support needs. The framework looks at five themes:

- quality of care
- finance and use of resources
- operational performance
- strategic change
- leadership and improvement capability (well-led).

Based on information from these themes, providers are segmented from 1 to 4, where '4' reflects providers receiving the most support, and '1' reflects providers with maximum autonomy. A Foundation Trust will only be in segments 3 or 4 where it has been found to be in breach or suspected breach of its licence.

Segmentation

Oxford University Hospitals NHS Foundation Trust has been segmented into category 3 – mandated and targeted support. This segmentation information is the Trust's position as at 31 March 2021. This outcome relates to NHS Improvement's continuing enforcement notice in relation to Finance, which has been in place from 2018. The Trust has commissioned an independent review of financial governance to highlight any areas of potential learning. However, this has been delayed as a result of the COVID-19 pandemic and is due to be completed in 2021/22.

Current segmentation information for NHS Trusts and NHS Foundation Trusts is published on the NHS Improvement website at www.england.nhs.uk.

Statement of Accounting Officer's Responsibilities

Statement of the Chief Executive's Responsibilities as the Accounting Officer of the Oxford University Hospitals 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 the Oxford University Hospitals 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 the Oxford University Hospitals 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
- 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:

Dr Bruno Holthof
Chief Executive and Accounting Officer
15 June 2021

Annual Governance Statement

Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the 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 the 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 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 Oxford University Hospitals 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 Oxford University Hospitals NHS Foundation Trust for the year ended 31 March 2021 and up to the date of approval of the Annual Report and Accounts.

Capacity to handle risk

The Trust has a Risk Management Strategy which sets out the agreed protocol for the management of risk and the individual responsibilities and accountabilities for risk.

Operationally, responsibility for the implementation of risk management has been delegated to Executive Directors as follows.

- The Chief Assurance Officer has delegated authority for the risk management framework, and is the executive lead for maintaining the Board Assurance Framework and its supporting processes
- The Chief Finance Officer has responsibility for financial risk and control
- The Chief Medical Officer has responsibility for quality, clinical governance and clinical risk, including incident management, and joint responsibility with the Chief Nursing Officer for patient safety
- The Chief Nursing Officer has responsibility for patient experience and joint responsibility with the Chief Medical Officer for patient safety
- All Executive Directors have responsibility for the management of strategic and operational risk within their individual portfolios. These responsibilities include the maintenance of a risk register and the promotion of risk management training to staff within their directorates

Risk management training is available to staff based on the nature of their role and position within the organisation. This includes risk awareness training which is provided to all new staff as part of their corporate induction programme. The Risk Management Strategy describes the

roles and responsibilities of all staff in relation to the identification, management and control of risks, and encourages the use of risk management processes as a mechanism to highlight areas they believe require improvement.

The Risk and Control Framework

Approach to risk

The Trust's risk and control framework consists of:

- Risk Management Strategy
- Board Assurance Framework
- Risk registers and assessment processes
- The Trust's governance structure.

The Risk Management Strategy sets out an integrated approach to the management of risk across the organisation. The aim is to encourage considered risk-taking within authorised limits, and in line with the Trust Board's risk appetite, but to reduce those risks that impact on patient and staff safety, or have an adverse effect on the Trust's reputation as well as its financial and operational performance.

The Risk Management Strategy describes how risks are linked to one or more of the Trust's strategic themes or operational objectives. It provides the framework for the proactive risk identification and management of risks, through risk registers, risk assessment and the Board Assurance Framework. The strategy describes the process which the Board takes in relation to the Board's risk appetite statement: this work has progressed during the year but has yet to be published due to the COVID-19 pandemic. In addition, it describes the reactive mechanisms in place to encourage learning from incidents.

The Risk Management Strategy describes how to consider a full range of risks including the assessment and consideration of risks to our patients, people and populations. The Trust's Risk Management Policy provides information on the range of sources used to inform risk assessment and identification, including the following public stakeholder sources; quality engagement conversations, feedback from the Council of Governors, patient feedback, patient surveys and patient experience groups.

The Board Assurance Framework provides the mechanism for the Trust Board to monitor risks, controls and the outputs of its assurance processes. During the course of the year the content and use of the Board Assurance Framework has been reviewed with a view to improving the assurance derived from it.

The Board Assurance Framework and the Corporate Risk Register are independently reviewed annually by Internal Audit and were considered to provide 'Significant Assurance with minor improvement opportunities'.

The Trust's risk assessment process covers all of its activities – clinical services, clinical support services and business support functions. Each Division and directorate is responsible for maintaining its own risk register in accordance with the Risk Management Strategy. These risk registers are reviewed regularly by directorate and Divisional forums, and they are required to escalate risks, where their ratings warrant this, for inclusion on the Corporate Risk Register. During the course of the year the Board Committees have reviewed the Corporate Risk Register. This included high-scoring (principal) risks relating to:

- the delivery of key national access targets (including 18 week referral to treatment waiting list target, diagnostic wait target, cancer waiting targets and Emergency Department waiting time targets)
- the ability of the Trust to manage post COVID-19 waiting list delivery and the impact on patients waiting longer for care
- the ability to recruit, retain and engage staff during the COVID-19 pandemic
- the tracking of financial activity and financial risk during the COVID-19 pandemic.

These were the principal risks considered to be relevant for 2020/21. The review of effectiveness section describes the key actions taken in relation to these risks. This includes the submission of timely and accurate information to assess risks to compliance with the Trust's Provider Licence.

Risk management is embedded within the organisation in a variety of ways. All members of staff have a duty to report incidents, hazards, complaints and near misses in accordance with the relevant policies. Utilisation of the Trust's electronic incident reporting system has continued to improve throughout the year. This utilisation is demonstrated by an increase in the number of incidents reported. Information on incident management, serious incidents and 'never events' was reported to the Clinical Governance Committee and is presented to the Integrated Assurance Committee in a standing agenda item. To embed risk management further, a new Risk Committee was introduced reporting to the Trust Management Executive during 2020/21.

Within the context of the COVID-19 pandemic national emergency preparedness arrangements, significant operational changes were assessed for their impact on quality. During this year, this has included the need to conduct a quality impact assessment process resulting in Quality Impact Assessments (QIAs), risk assessments or SBARs (Situation Background Assessment Recommendations) of certain COVID-19 changes, as required. Where potential negative impact is identified, mitigating actions are identified and progressed. In addition, all policies are equality impact assessed to ensure that they do not negatively impact one or more groups of staff, patients or the public.

The Board has overall responsibility for the performance of the Trust and is accountable to its NHS Foundation Trust members and Governors, through its Chair. The Board's role is largely supervisory and strategic, and it has the following functions to:

- set strategic direction, define objectives and agree plans for the Trust
- delegate the achievement of objectives and planned outcomes to the Chief Executive Officer
- monitor performance and ensure appropriate corrective action is taken
- ensure financial probity and stewardship
- ensure high standards of corporate and clinical governance
- appoint, appraise and remunerate Executives
- ensure dialogue with external stakeholders such as statutory bodies and the local community.

In 2020/21 the Board had five committees: Integrated Assurance, Audit, Remuneration and Appointments, Investment, and the Trust Management Executive. These committees were established to mitigate the principal risks to compliance with the NHS Foundation Trust Licence; the licence sets out conditions that healthcare providers must meet to help ensure

that the health sector works for the benefit of patients. Condition 4, relating to Foundation Trust Governance, has governance processes to:

- enable the Board to discharge its duties and to govern the Trust effectively, including extending its ability to monitor, review and revise its strategic direction and the achievement of agreed outcomes
- support the Non-Executive Directors in their scrutiny and challenge of Executive management action
- maximise the value of Non-Executive Directors' time
- support the Board's assessment of evidence so as to enable the Board to make evidence-based unitary decisions
- support the more detailed development of background work that might not otherwise be possible at Board meetings alone.

The Trust has assessed compliance with the NHS Foundation Trust Licence Condition 4 (8) (b) (certification of adequacy of Foundation Trust governance arrangements) and the Board of Directors is able to assure itself of the validity of its Corporate Governance Statement.

The Chairs of the Board Committees present written reports to the Trust Board after each meeting, highlighting significant issues of interest to the Trust Board, including key risks identified, other matters considered and decisions made at their meetings. In addition, the Board and each of its committees undertakes an annual review of their performance, effectiveness and constitution, taking into account the practices set out in the NHS Foundation Trust Code of Governance (the Code). These reviews are used to produce an annual committee report to the Trust Board, including a summary of the activities of the committee in terms of the risks and assurances considered. These annual reports have been used to provide additional evidence in formulating the Board's consideration of its compliance with the Code.

The Trust applies the principles of the Code on a 'comply or explain' basis, and for the reporting period 2020/21, the Board considers the Trust to have complied fully with the Code.

Work of the Board Committees

The ***Audit Committee*** exists to oversee the establishment and maintenance of an effective system of internal control throughout the organisation, by means of independent and objective review of financial and corporate governance, and risk management arrangements including compliance with law, guidance and regulations governing the NHS. It ensures there are effective Internal Audit arrangements in place that meet mandatory NHS Internal Audit Standards and provide independent assurance to the Board.

The Committee reviews the work and findings of External Audit and provides a conduit through which their findings can be considered by the Trust Board. It also reviews the Trust's annual statutory accounts before they are presented to the Trust Board, ensuring that the significance of figures, notes and important changes are understood. The Committee maintains oversight of the Trust's Internal Audit and Counter Fraud arrangements.

The Audit Committee has received regular reports from the Trust's Local Counter Fraud Specialist (LCFS) TIAA. The Counter Fraud Progress Report has focused on highlighting key fraud, bribery and corruption risks and trends, receiving intelligence from Trust management, staff, the police, the NHS Counter Fraud Authority (NHSCFA) and external third parties. This

intelligence has allowed the LCFS to create a profile of risks for the Trust and illustrate the level of risk, also recommending the Trust to add these risks to relevant Trust Risk Registers. LCFS has assessed the Trust's exposure to key fraud risks and developed key deliverables for the year which were reviewed at each meeting of the Audit Committee.

The Audit Committee receives a range of assurance from Executive Directors during the course of the year. This has included detailed reviews of Counter Fraud, progress against the internal audit programme, insurance arrangements and assurance on various aspects of financial governance. In addition, the Audit Committee was regularly updated on progress with the development of the Board Assurance Framework and Corporate Risk Register, and the review of the compliance with accreditation, legislation and regulation.

For the year 2020/21 the Audit Committee received Internal Audit opinions rated 'Significant Assurance with minor improvement opportunities'. These included:

- Board Assurance and Risk Management
- Key Financial Systems
- Data Quality
- COVID-19 Digital Expenditure
- Digital Procurement
- Divisional Governance
- Corporate Governance

The following Internal Audits were rated 'Partial Assurance with improvements required':

- Statutory and Mandatory Training
- COVID-19: Cyber and Information Security
- Data Security Protection (DSP) Toolkit

Internal Audit issued high priority recommendations for the Statutory and Mandatory Training and the DSP Toolkit partial assurance rated reports as follows.

- **Statutory and Mandatory Training**. One high priority recommendation was raised, relating to the completeness and accuracy of data held within e-LMS (e-Learning Management System) to support reporting within the Integrated Performance Report.
- **DSP Toolkit**. Two high priority recommendations were raised relating to the timely completion of new starter information governance training, and the Trust's review of approved applications to ensure that users with administrative privileges should not be able to install applications that are unsigned or have invalid signatures on laptops and desktops.

The Trust Management Executive (TME) retains the responsibility for ensuring all actions from Internal Audit reports are complete and provides assurance to the Trust Board on matters arising from the actions. The Audit Committee has maintained oversight of overdue recommendations and timeliness of management responses to audit reports. Any concerns are escalated to TME for further focus and expeditious resolution.

As part of their annual audit plan, the Trust's internal auditors provide an Annual Head of Internal Audit Opinion (HIAO) based on the work conducted throughout the year. Conclusions are made available to the Trust and presented to the Audit Committee. This year the HIAO provided the Trust with a rating of 'significant assurance with minor improvements required'. Their work confirmed that there is generally a sound system of internal control which is

designed to meet the Trust's objectives and that controls in place are being consistently applied in all key areas reviewed.

The ***Integrated Assurance Committee*** was a new committee that was implemented fully during 2020/21. The Committee is responsible for receiving, scrutinising and triangulating the main sources of evidence across the Trust to enable the Board to assess its level of confidence in the assurances provided regarding:

- the Trust's values and culture
- the organisation's financial and operational performance
- the quality of services (including clinical effectiveness, patient experience and safety) across the organisation
- the appropriate identification, assessment and management of risks.

During the year, the Committee has received assurance on the following:

- COVID-19 response and recovery, including the clinical aspects of safe care, infection control and training
- Estates and Health and Safety compliance
- Provider Licence self-certification
- The continued development of the Integrated Performance Report.

The ***Investment Committee*** is responsible for advising the Trust Board in relation to investments. The Committee advises on the annual capital investment plan, reviews capital business cases prior to Board consideration, and ensures that there are appropriate monitoring arrangements in place for investments. The Committee also monitors the Trust's commercial activities including significant leases, joint ventures and the development of surplus land. During the course of 2020/21, the Committee also considered the lessons learned from previous projects and investment activity.

The ***Remuneration and Appointments Committee*** is responsible for determining the policy on executive remuneration, approving contracts of employment for executives and agreeing arrangements for termination of contracts. The Committee ensures that appropriate performance management arrangements are in place for Executive Directors.

On behalf of the Trust Board the ***Trust Management Executive (TME)*** is responsible for the achievement of the outcomes set out in the Trust's Annual Business Plan, and for ensuring compliance with regulatory and legislative requirements. TME is supported to fulfil this function by its management groups. These groups are constituted with clear Terms of Reference and are required to report to TME regularly.

Key areas discussed by TME and reported to the Trust Board for information included:

- workforce and organisational development matters, such as:
  - recruitment of international nurses to continue following recognition for best practices
  - oversight of Workforce Race Equality Standard (WRES) and Workforce Disability Equality Standard (WDES)
- approval of the performance and accountability framework in setting out performance management for both clinical and corporate Divisions
- risks and opportunities to maintain productivity through workforce and the oversight of risks related to COVID-19 response and recovery

- supporting key investment opportunities such as:
  - the replacement of the Brainlab Navigation system within Neurosurgery
  - purchase of the CT scanner for the Swindon Radiotherapy Centre.

TME has also focused on the development of a digital plan and the implementation of the Digital Oversight Group to oversee and deliver the strategy by enhancing the use of technology, integrating technological systems and operating through a robust approach to cyber security.

Trust Board membership

The Trust Constitution states that the Board shall comprise between five and nine members from both the Executive Directors and the Non-Executive Directors. To maintain balanced unitary decision-making, all Board members hold voting positions.

During the reporting year, Board membership consisted of eight Executive Directors, including the Chief Executive Officer, and eight Non-Executive Directors, including the Trust Chair, with two Non-Executive Director positions vacant.

Following a delay that was necessitated by the COVID-19 pandemic, a recruitment process was completed, and two new Non-Executive Directors were successfully appointed to commence in post in the reporting year 2021/22. Notwithstanding the vacancies in year and given that the Board did not need to hold a vote on any matter, it was considered that the membership of the Board was fully compliant with the terms of the Trust's Constitution for the 2020/21 year.

The Executive team consists of:

- Chief Executive Officer
- Chief Finance Officer
- Chief Nursing Officer
- Chief Medical Officer
- Chief Operating Officer
- Chief Assurance Officer
- Chief People Officer
- Chief Digital and Partnership Officer

Working alongside the Board of Directors is the Council of Governors, which is composed of Governors elected by public and staff members as well as appointed representatives from local organisations with which the Trust works. The Non-Executive Directors are accountable to the local community for the performance of the Board through the Council of Governors. Governors appoint the Non-Executive Directors. Details of the Constitution, purpose and role of the Council of Governors are available on the Trust website at www.ouh.nhs.uk/about/governors.

Discharging statutory functions

The Trust has arrangements to ensure that it discharges its statutory functions and complies with legislative requirements. These include, but are not limited to:

- use of Internal Audit to consider the systems and processes which support the management of the Trust's functions

- monitoring compliance with Care Quality Commission requirements and reporting this to the Board and its Committees
- monitoring compliance with quality, operational and financial performance standards, including the standards set out in the NHS Foundation Trust Constitution
- consideration of the implication of any proposed service changes, taking legal advice as required
- access to external, independent legal and audit advice to all Board members, should they require this in line with undertaking their role
- oversight of the internal control systems within the Trust by the Audit Committee, with a particular focus on the management of risk
- assurance provided to the Board by the work of the Board Committees
- use of external, independent reviewers to provide assurance of the Trust's systems where possible issues have been identified.

Developing workforce safeguards

The Board Committees review and challenge all workforce plans undertaken in different work streams so as to align workforce planning to the triangulated approach defined by the National Quality Board (NQB) and escalate any risks associated with staffing to the Trust Board for consideration.

Over the past year, the Workforce Committee, a sub-committee of TME, has established groups to monitor and provide assurance on the delivery of safe staffing that is financially sustainable while providing high quality and compassionate care to patients, both short-term and long-term.

The Trust's five-year Strategy (2020-2025) refocused resources on Our Patients, Our People, and Our Populations. NHS Improvement and NHS England have identified staffing as one of the key risks impacting NHS Trusts. The Trust recognises that workforce is a key priority to underpin the achievement of clinical and financial performance. Workforce planning and making the Trust a great place to work are at the heart of the revised People Plan. Progress on this objective is reported to TME.

The Trust has engaged in activities throughout the year to ensure compliance with the 'developing workforce safeguards' objective through:

- monthly staff briefing sessions led by Executive Directors, involving all staff and providing updates on ongoing workforce matters and staff support during the pandemic
- regular TME and Trust Board's blogs which aim to improve the link between the Board and staff by sharing information about what was discussed and decided during meetings
- a Strategy Refresh which received input from all Divisions, directorates and corporate teams (year one of the strategy was revised in the light of the COVID-19 pandemic)
- Freedom to Speak Up listening events, established to support staff during the pandemic, providing a two-way communication with staff working virtually and on the front line, with the Executive team and Non-Executive Directors.

COVID-19

The impact on the Trust of the COVID-19 pandemic over the year has been significant. The Trust has followed government guidance in dealing with the evolving pandemic. To maintain a well-led organisation, ensuring staff and patients remained safe, the Trust Board reviewed

all available guidance and advice in managing capacity and introduced revised, responsive Board governance arrangements to support the management of the Trust's response.

The Trust established an overarching governance structure to oversee the capacity, capability and preparedness of the Trust's response to COVID-19. An Incident Command and Control structure was developed and approved on 1 April 2020 and has remained in place for the year. This was to allow for greater scrutiny on all Trust-wide activity, including the provision of 'real-time' visibility of the clinical, operational and people response to the pandemic. The Trust Board modified the mode and timing of its meetings to enable Executive Directors to support and manage COVID-19 activity as their primary focus. For public, staff and patients, safety precautions have been adopted to allow virtual attendance at Trust Board and Committees.

The Trust continues to support social distancing, staff testing, vaccinations and remote working by:

- updating and introducing interim policies to support staff to work effectively and ensuring risk assessments were completed, and to identify health and safety risks associated with changes to working environments and patterns
- providing regular updates to support staff wellbeing, directing staff to government resources, and sharing Trust-wide plans in responding to the demands placed on resources by the virus
- providing specific resources to facilitate the vaccination programme in accordance with government guidance.

Regular activities continue to be conducted, including risk profiling, managing capacity and educating staff on Personal Protective Equipment (PPE) and Infection Prevention and Control.

The Trust has continued to review the position in relation to elective care, GP routine referrals, outpatients and other services which were initially paused or deferred. Emergency and urgent care, care for COVID-19 positive patients and critical care remain a high priority. It is expected that these impacts will extend into 2021/22.

Compliance with key mandated statements

The Trust is required to make the following mandatory statements each year.

- Care Quality Commission Compliance
- Estates Compliance
- Conflicts of Interests
- Pension Scheme
- Equality and Diversity
- Carbon Reduction

Care Quality Commission Compliance

The Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission (CQC).

The Trust is currently registered with the CQC without restrictions and has an overall 'Requires Improvement' rating based on inspections conducted during 2018/19.

During the year the Trust has continued to maintain regular meetings with the CQC and has responded to specific planned activities including:

- a review of the Infection Prevention and Control arrangements
- a review of, against the national 'Patient First' publication, the Emergency Department planning during the pandemic.

Estates Compliance

Further to the development of the Estates Compliance Action Plan in May 2020, progress continued to be made to address compliance risks with the Trust estate. In support of this work, the Trust was successful in receiving an additional £5.39m capital from NHS England and NHS Improvement (NHSE&I) as part of a national programme to reduce critical infrastructure risk. Key areas of focus in this programme included electrical infrastructure, medical gas infrastructure, lifts, ventilation, timber windows and multiple small individual compliance schemes. The review has also included identification of Trust-wide thematic risks, which are now captured in the estates compliance reporting discussed at Estates Compliance Committee and Health and Safety Committee. Both the Health and Safety and Assurance teams have supported a risk review process to ensure triangulation with Divisional teams and to ensure appropriate mitigations are in place.

To inform future estate planning and development of a Trust-wide backlog maintenance plan, the Trust commissioned a two-facet survey for all retained estate sites between March and June 2021.

The data will be combined with other sources of information to inform the plan, to include information from the annual asbestos reinspection survey. In order to comply with the Control of Asbestos Regulations 2012, a commitment must be made to provide adequate resources (financial and managerial) to carry out the required works. In line with the recommendations of the survey, a number of areas within the retained estate first require the removal and/or management of asbestos to enable the estates maintenance works to be carried out and a provision has been made in the 2020/21 Trust accounts.

Another area of focus throughout 2020/21 has been fire safety works in the Private Finance Initiative (PFI) owned and managed part of the estate at the John Radcliffe Hospital. Following extensive surveys that commenced in 2017 and were completed in 2019, the Trust was expecting fire remedial works to commence in May 2020. However, it became apparent in late April 2020 that there was a delay to the rectification programme due to increased project costs developed by The Hospital Company (Oxford John Radcliffe) Limited (THC), the PFI provider responsible for this part of the estate.

In August 2020, THC, which is an external company, was served an Enforcement Notice by Oxfordshire Fire and Rescue Service (OFRS) for failing to meet action plan milestones it agreed with OFRS to rectify the cladding and fire cavity barrier issues in the West Wing and Oxford Children's Hospital on the John Radcliffe site by February 2021. The Notice requires THC to complete the works by January 2023. The Trust is working closely with THC to support planning of the works, which are to be carried out in a phased approach and with a set of works protocols to enable the building to remain occupied throughout.

The plans include provision in the 2020/21 Trust accounts for the Trust to support decant options in the event that further mitigation is required whilst the works are undertaken.

Enabling works commenced on site in April 2021 and are due to complete from December 2022 to January 2023. In the interim, the Trust continues to work closely with THC and OFRS to provide assurance that the necessary mitigations are in place to enable the ongoing occupation of the building.

In addition to the capital programme of works on estates compliance, there has been a strong focus on critical estates work in response to COVID-19, which has been essential to the safety of staff and patients. Ventilation for COVID-19 wards provided a key area of focus, to ensure the safety of all patients and staff occupying the space. Where required, the team installed temporary ventilation systems to increase the number of air changes within the identified space. Oxygen infrastructure works to increase capacity and resilience have also been an area of significant focus and investment for the Trust in support of COVID-19 activity.

Conflicts of Interests

The Foundation Trust has published on its website an up-to-date register of interests, including gifts and hospitality, for decision-making staff (as defined by the Trust policy and with reference to the guidance) within the past 12 months as required by the *Managing Conflicts of Interest in the NHS guidance*.

Pension Scheme

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

Equality and Diversity

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

Carbon Reduction

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 use of resources in the Trust during 2020/21 has been fundamentally altered by the Trust's response to the COVID-19 pandemic. This response has been built on the Trust's existing well developed systems and processes for managing its resources.

The development of the Annual Business Plan for 2020/21 was paused in March 2020 following the NHSE&I declaration of a Level 4 National Incident. The Trust was instructed under the Phase 2 (April to September) COVID-19 response to suspend non-cancer elective activity. Normal contracting and payment mechanisms were also suspended. Funding was provided to the Trust on a block contract basis with a top-up to breakeven to cover COVID-19

costs and lost non-NHS income. These funding arrangements were in place from 1 April to 30 September 2020.

In July 2020, NHSE&I wrote to the Trust outlining the Phase 3 (October to March) COVID-19 response. In Phase 3 funding was via a block contract with additional funding for COVID-19 costs and growth. The Trust was required to restart non-cancer elective activity with a target of restoring elective procedures to 90% of pre-COVID-19 levels with a target of 90% for diagnostic procedures and 100% for outpatient activity. The Elective Incentive Scheme (EIS) was set up to incentivise over-performance and penalise under-performance. The Trust and Integrated Care System (ICS) were required to deliver this while achieving financial breakeven.

In the Phase 2 period, the Trust delivered a strong COVID-19 response, meeting the requirement of the national incident management and delivering excellent patient care with survival rates for COVID-19 patients in the Trust's intensive care units that benchmarked very well compared to other units nationally.

Phase 2 financial requirements were complied with. Accelerated approval routes for COVID-19 expenditure were put in place within the current limits of delegation, ensuring appropriate value for money assessment and governance was in place. COVID-19 digital expenditure was audited with no significant issues identified. No other COVID-19 expenditure has been subject to challenge by NHSE&I. Board and Committee reporting has tracked COVID-19 expenditure and reported on how Trust's expenditure aligns with NHSE&I published expectations. In Phase 2, the Trust set itself an internal objective that the top-up payments required to achieve breakeven should not exceed COVID-19 costs and this objective was achieved.

In the Phase 3 period, the Trust initially delivered in aggregate the required operational performance. The EIS was assessed at an ICS level and was ultimately suspended due to the third wave of COVID-19. However, our local calculations were that the Trust would have been due an incentive payment given the overall volume of elective work delivered on a price-weighted basis. In December 2020, COVID-19 admissions, and particularly critical care admissions, began to rise rapidly, ultimately peaking in late January 2021 but remaining high throughout February. The Trust again delivered a strong COVID-19 response. In the third wave, the Trust also offered significant mutual aid to other health and care systems in the South East and in other regions as part of its agreed status as a regional critical care surge centre.

Phase 3 financial requirements were complied with. The Trust has reported a surplus on the performance measure used by NHSE&I of £3.1m, and the ICS as a whole has delivered a surplus. Significant COVID-19 costs were incurred in Quarter 4 along with a liability for unused annual leave and contractual risks. A reasonable use of management judgements and estimates were made in preparing the accounts to reflect these items.

From January 2021 onwards, the Trust submitted monthly forecasts to NHSE&I of the year-end financial performance. These forecasts were discussed in advance of each month at the relevant Board and Board Committee meetings and with NHSE&I.

Information Governance

Serious incidents related to breaches in the Trust's information security processes are assessed against the NHS Digital reporting matrix and are reported via the Data Security Protection (DSP) Toolkit. Not all incidents meet the threshold for onward reporting to the Department of Health and Social Care and the Information Commissioner. Those that do not meet this threshold are investigated locally. Incidents that do meet the threshold are reported to the Oxfordshire Clinical Commissioning Group as Serious Incidents Requiring Investigation (SIRI). All incidents are discussed at the Information Governance and Data Quality Group, which is chaired by the Trust's Caldicott Guardian/Data Protection Officer. The table in the next page provides information in relation to serious incidents that met the threshold for onward reporting and the status of the incident.

Incident Date	Detail	Investigation Type	Status	Lessons Learned
11/06/2020	Letters sent to wrong patients.	Local	Closed – no action taken by ICO	Bar coding software being introduced so that correct cover sheet included with correct letter.
01/07/2020	Email addresses visible in email to patients about general service initiative.	Local	Closed – no action taken by ICO	Correct use of Bcc field safety bulletin sent to all staff concerning this.
01/07/2020	Message left by staff member on partner of patient's voicemail.	Local	Closed – no action taken by ICO	Don't leave messages on unanswered phone identifying that it is a message from a hospital department.
22/07/2020	Lost A4 note book containing information about safeguarding concerns.	Local	Closed – no further action taken by ICO	Note book found on hospital site. Only document personal information on secure media.
06/08/2020	Patient number incorrectly provided as number for transport by department.	Local	Closed – no further action by ICO	No personal information imparted. No further lessons learned.
14/08/2020	Changes to four patient names within EPR system.	Local	Closed – no further action by ICO	Smartcards should be kept securely on person when not being used.
31/03/2021	Letter sent to GP following hospital visit contrary to patient wishes.	Serious Incident Investigation	Threshold met – under investigation awaiting feedback from ICO	Under investigation. Final report due to be submitted on 14 June 2021.

Data Quality and Governance

Under Data Protection legislation, the Trust is a Data Controller and the organisation holds responsibility for the confidentiality, integrity and availability of data provided by patients and staff and generated as a result of the administration of the services provided.

The Chief Digital and Partnership Officer is the Trust's Lead Executive for digital technology, which includes the provision of digital hardware, software and digital systems, examples being the Trust's Electronic Patient Record (EPR) System and DrDoctor, an appointment and clinical care communication tool for patients and staff. The Chief Digital and Partnership Officer also act as the Trust's Senior Information Risk Owner (SIRO) and accept organisational responsibility for the assessment and management of information risk.

The Caldicott Guardian is the organisational lead responsible for protecting the confidentiality of health and care information and making sure it is used properly, i.e. that it is used lawfully, ethically and appropriately. They are also the Trust's Data Protection Officer (DPO) and act as an independent advisor ensuring that the organisation is aware of, and meets, their data protection responsibilities. They report directly to senior management.

The Trust's Information Governance and Data Quality Group is overseen by the Caldicott Guardian and has delegated responsibility for ensuring the Trust complies with its legal obligations for information governance and data quality: both aspects are subject to Internal Audit reviews.

Each year, the organisation makes an annual submission via the Data Security Protection Toolkit to demonstrate that it is achieving compliance with the National Data Guardian's 10 data security standards set out in the National Data Guardian's Review of Data Security, Consent and Opt-Outs published in 2016. Due to the COVID-19 pandemic the DSP Toolkit submission for 2019/20 was deferred until 30 September 2020. The Trust was initially rated as 'standards not met – plan agreed'. Following successful completion of outstanding actions, the organisation has been re-rated as 'standards met'. Similarly, the DSP Toolkit submission for 2020/21 has also been deferred with final submission taking place on 30 June 2021.

Data Quality is currently being led by the Data Quality team within digital services. This team is responsible for training staff in the usage of key systems, monitoring system usage to ensure accurate administration, sense-checking and correcting data before reporting, and system cleansing to ensure inaccurate and obsolete data is no longer used. The processes described include the monitoring of the quality and accuracy of elective waiting time data, and take into account the risks to the quality and accuracy of this data.

In addition to this, the Trust has a Data Quality Lead who is responsible for managing data quality across the Trust in conjunction with Divisions. This role is primarily focused on ensuring correct practice is followed in regard to recording data accurately. This is achieved through departmental audit and training. This post has been vacant for some time but has recently been advertised. It is anticipated that a new post-holder will be in place by May 2021.

Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on 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 Trust Board, the Audit Committee, and the Integrated Assurance Committee, and informed by plans to address weaknesses and ensure continuous improvement of the system are in place.

The effectiveness of the system of internal control has been reviewed by the Trust Board via its committees and by officers and managers at Executive and Divisional Director level.

Regular reports have been received from the Board Committees and senior managers in relation to key risks. Annual reports of the committees have been received by the Trust Board relating to all important areas of activity, and ad-hoc reports in-year wherever these were required, and as mentioned previously in this Annual Governance Statement, the annual review of effectiveness of the Board Committees has resulted in comprehensive reports on compliance to the Board. The reports demonstrated assurance that they have operated effectively in relation to their Terms of Reference.

The following issues were noted as sufficient to highlight within the statement as actions that had to be taken within the year. However, it was concluded that these issues, once reviewed, did not constitute a significant gap in control in relation to the delivery of the Trust's strategic objectives.

- Never Events – the Trust declared three Never Events during 2020/21, incidents were subject to thorough investigation and actions have been put in place to address the root causes identified as a result.
- Estates Compliance – this was an area of continued focus during 2020/21.
- Audit Qualification – a further consequence of the COVID-19 pandemic was that our external auditors would not attend our stock counts due to travel restrictions. As a result, the audit was limited in scope and the Annual Accounts have been qualified in that respect. The Trust carried out all its own normal stock count processes, and the qualification is due solely to the auditor's inability to attend the counts. The Trust Board does not consider the qualification to be a significant control failure. The Trust notes that several NHS providers had the same issue in 2019/20 and NHSE&I stated in its accounts that it also did not consider the resulting qualifications to be significant control issues.

Based on national guidance, the Trust Management Executive and the Audit Committee have reviewed a number of issues in advising myself and the Board as to the content of this Annual Governance Statement.

It is my view as Accounting Officer, as supported by the Trust Board and Audit Committee, that the issues reviewed did not constitute significant gaps in control.

Conclusion

The Trust has faced a number of challenges during the global pandemic over the course of the past year and has worked to maintain the quality of service provided to its patients and to continue to focus on developing the safety culture of the organisation.

Subject to the areas highlighted above, the Trust has concluded that no significant control issues have been identified.

Signed:

Dr Bruno Holthof
Chief Executive Officer
15 June 2021

Accountability Report Conclusion

This concludes the Accountability Report of Oxford University Hospitals NHS Foundation Trust for the year 1 April 2020 to 31 March 2021.

Signed:

Dr Bruno Holthof
Chief Executive and Accounting Officer
15 June 2021

Independent Auditor’s Report and Certificate

Independent auditor's report to the Council of Governors of Oxford University Hospitals NHS Foundation Trust

Report on the audit of the financial statements

Qualified opinion on the financial statements

We have audited the financial statements of Oxford University Hospitals 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, except for the possible effects of the matter described in the 'Basis for qualified opinion' section of our report, the financial statements:

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

Basis for qualified opinion

The carrying amount of the Trust's inventory balance held at 31 March 2021 is £31.939 million. Due to COVID-19-related travel restrictions we were unable to attend the year-end physical inventory counts and as a result we were unable to obtain sufficient appropriate audit evidence about the existence and condition of the inventory balance held by the Trust at 31 March 2021. We were unable to satisfy ourselves by alternative means concerning the existence and condition of inventory held by the Trust as 31 March 2021 by using other audit procedures.

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 qualified 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 qualified 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 considering whether there were any significant transactions outside the normal course of business.

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 Oxford University Hospitals 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 Surridge, Key Audit Partner
For and on behalf of Mazars LLP

2 Chamberlain Square
Birmingham
B3 3AX

15 June 2021

Audit Completion Certificate issued to the Council of Governors of Oxford University Hospitals NHS Foundation Trust for the year ended 31 March 2021

In our auditor's report dated 15 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 15 June 2021 that would have a material impact on the financial statements on which we gave our qualified 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 Oxford University Hospitals 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 Surridge, Key Audit Partner
For and on behalf of Mazars LLP

2 Chamberlain Square, Birmingham, B3 3AX

27 August 2021

Oxford University Hospitals

NHS Foundation Trust

Annual Accounts

for the year ended 31 March 2021

Foreword to the accounts

Oxford University Hospitals NHS Foundation Trust

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

Signed:

Dr Bruno Holthof
Chief Executive Officer
15 June 2021

Statement of Comprehensive Income

	Note	2020/21 £000	2019/20 £000
Operating income from patient care activities	3	1,054,113	959,536
Other operating income	4	269,847	179,999
Operating expenses	6, 8	(1,296,545)	(1,142,349)
Operating surplus/(deficit) from continuing operations		**27,415**	**(2,814)**
Finance income	11	22	632
Finance expenses	12	(21,324)	(20,263)
PDC dividends payable		(6,575)	(6,555)
Net finance costs		**(27,877)**	**(26,186)**
Other gains / (losses)	13	(1,118)	10,180
Share of profit / (losses) of associates / joint arrangements	20	(61)	7,163
Gains / (losses) arising from transfers by absorption	44	-	-
Corporation tax expense		-	-
Surplus / (deficit) for the year from continuing operations		**(1,641)**	**(11,657)**
Surplus / (deficit) on discontinued operations and the gain / (loss) on disposal of discontinued operations	15	-	-
Surplus / (deficit) for the year		**(1,641)**	**(11,657)**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	7	5,341	(3,168)
Revaluations	18	-	46,614
Share of comprehensive income from associates and joint ventures	20	-	-
Fair value gains / (losses) on equity instruments designated at fair value through OCI	21	7,256	(7,453)
Other recognised gains and losses		-	-
Remeasurements of the net defined benefit pension scheme liability / asset	37	-	-
Gain / (loss) arising from on transfers by modified absorption	44	-	-
Other reserve movements		-	-
May be reclassified to income and expenditure when certain conditions are met:			
Fair value gains/(losses) on financial assets mandated at fair value through OCI	21	-	-
Recycling gains/(losses) on disposal of financial assets mandated at fair value through OCI	13	-	-
Foreign exchange gains / (losses) recognised directly in OCI		-	-
Total comprehensive income / (expense) for the period		**10,956**	**24,336**
Adjusted financial performance* (control total basis):			
Surplus / (deficit) for the period		(1,641)	(11,657)
Remove net impairments not scoring to the Departmental expenditure limit	7	14,379	(811)
Remove (gains) / losses on transfers by absorption		-	-
Remove I&E impact of capital grants and donations		(3,017)	529
Prior period adjustments		-	-
Remove non-cash element of on-SoFP pension costs		-	-
Remove 2018/19 post audit PSF reallocation (2019/20 only)			(839)
Remove net impact of inventories received from DHSC group bodies for COVID response		(6,616)	
Adjusted financial performance surplus / (deficit)		**3,105**	**(12,778)**

* Note this table is additional information for readers of the accounts and doesn't form part of the primary statement

Statement of Financial Position

	Note	31 March 2021 £000	31 March 2020 £000
Non-current assets			
Intangible assets	15	14,671	11,706
Property, plant and equipment	16	608,913	569,374
Investment property	19	30,394	32,280
Investments in associates and joint ventures	20	13,045	13,206
Other investments / financial assets	21	10,588	2,707
Receivables	24	8,600	8,109
Other assets	25	-	-
Total non-current assets		**686,211**	**637,382**
Current assets			
Inventories	23	31,939	22,625
Receivables	24	55,822	76,408
Other investments / financial assets	21	-	-
Other assets	25	-	-
Non-current assets for sale and assets in disposal groups	26.1	-	-
Cash and cash equivalents	27	83,769	36,348
Total current assets		**171,530**	**135,381**
Current liabilities			
Trade and other payables	28	(165,270)	(144,342)
Borrowings	30	(11,443)	(6,381)
Other financial liabilities	31	-	-
Provisions	33	(6,609)	(4,146)
Other liabilities	29	(3,802)	(4,833)
Liabilities in disposal groups	26.2	-	-
Total current liabilities		**(187,124)**	**(159,702)**
Total assets less current liabilities		**670,617**	**613,061**
Non-current liabilities			
Trade and other payables	28	-	-
Borrowings	30	(239,303)	(245,154)
Other financial liabilities	31	-	-
Provisions	33	(9,033)	(5,561)
Other liabilities	29	(4,072)	(3,387)
Total non-current liabilities		**(252,408)**	**(254,102)**
Total assets employed		**418,209**	**358,959**
Financed by			
Public dividend capital		289,739	241,445
Revaluation reserve		141,648	148,235
Financial assets reserve		(84)	(7,340)
Other reserves		1,743	1,743
Merger reserve		-	-
Income and expenditure reserve		(14,837)	(25,124)
Total taxpayers' equity		**418,209**	**358,959**

The notes on pages 120 to 173 form part of these accounts.

Signed:
Dr Bruno Holthof
Chief Executive Officer
15 June 2021

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

	Public dividend capital	Revaluation reserve	Financial assets reserve	Other reserves	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2020 - brought forward	**241,445**	**148,235**	**(7,340)**	**1,743**	**(25,124)**	**358,959**
At start of period for new FTs	**-**	**-**	**-**	**-**	**-**	**-**
Surplus/(deficit) for the year	-	-	-	-	(1,641)	**(1,641)**
Gain/(loss) arising from transfers by modified absorption	-	-	-	-	-	**-**
Transfers by absorption: transfers between reserves	-	-	-	-	-	**-**
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	-	-	-	-	-	**-**
Other transfers between reserves	-	-	-	-	-	**-**
Impairments	-	5,341	-	-	-	**5,341**
Revaluations	-	-	-	-	-	**-**
Transfer to retained earnings on disposal of assets	-	(91)	-	-	91	**-**
Share of comprehensive income from associates and joint ventures	-	-	-	-	-	**-**
Fair value gains/(losses) on financial assets mandated at fair value through OCI	-	-	-	-	-	**-**
Fair value gains/(losses) on equity instruments designated at fair value through OCI	-	-	7,256	-	-	**7,256**
Recycling gains/(losses) on disposal of financial assets mandated at fair value through OCI	-	-	-	-	-	**-**
Foreign exchange gains/(losses) recognised directly through OCI	-	-	-	-	-	**-**
Other recognised gains and losses	-	-	-	-	-	**-**
Remeasurements of the defined net benefit pension scheme liability/asset	-	-	-	-	-	**-**
Public dividend capital received	48,294	-	-	-	-	**48,294**
Public dividend capital repaid	-	-	-	-	-	**-**
Public dividend capital written off	-	-	-	-	-	**-**
Other movements in public dividend capital in year	-	-	-	-	-	**-**
Other reserve movements	-	(11,837)	-	-	11,837	**-**
Taxpayers' and others' equity at 31 March 2021	**289,739**	**141,648**	**(84)**	**1,743**	**(14,837)**	**418,209**

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

	Public dividend capital	Revaluation reserve	Financial assets reserve	Other reserves	Income and expenditure reserve	Total
	£000	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2019 - brought forward	**227,037**	**104,980**	**113**	**1,743**	**(13,658)**	**320,215**
Prior period adjustment	-	-	-	-	-	**-**
Taxpayers' and others' equity at 1 April 2019 - restated	**227,037**	**104,980**	**113**	**1,743**	**(13,658)**	**320,215**
At start of period for new FTs	**-**	**-**	**-**	**-**	**-**	**-**
Surplus/(deficit) for the year	-	-	-	-	(11,657)	**(11,657)**
Gain/(loss) arising from transfers by modified absorption	-	-	-	-	-	**-**
Transfers by absorption: transfers between reserves	-	-	-	-	-	**-**
Transfer from revaluation reserve to income and expenditure reserve for impairments arising from consumption of economic benefits	-	-	-	-	-	**-**
Other transfers between reserves	-	-	-	-	-	**-**
Impairments	-	(3,168)	-	-	-	**(3,168)**
Revaluations	-	46,614	-	-	-	**46,614**
Transfer to retained earnings on disposal of assets	-	(191)	-	-	191	**-**
Share of comprehensive income from associates and joint ventures	-	-	-	-	-	**-**
Fair value gains/(losses) on financial assets mandated at fair value through OCI	-	-	-	-	-	**-**
Fair value gains/(losses) on equity instruments designated at fair value through OCI	-	-	(7,453)	-	-	**(7,453)**
Recycling gains/(losses) on disposal of financial assets mandated at fair value through OCI	-	-	-	-	-	**-**
Foreign exchange gains/(losses) recognised directly through OCI	-	-	-	-	-	**-**
Other recognised gains and losses	-	-	-	-	-	**-**
Remeasurements of the defined net benefit pension scheme liability/asset	-	-	-	-	-	**-**
Public dividend capital received	14,408	-	-	-	-	**14,408**
Public dividend capital repaid	-	-	-	-	-	**-**
Public dividend capital written off	-	-	-	-	-	**-**
Other movements in public dividend capital in year	-	-	-	-	-	**-**
Other reserve movements	-	-	-	-	-	**-**
Taxpayers' and others' equity at 31 March 2020	**241,445**	**148,235**	**(7,340)**	**1,743**	**(25,124)**	**358,959**

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
This reserve reflects historical balances formed when the Horton General Hospital became a part of the Trust.

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 / (deficit)		27,415	(2,814)
Non-cash income and expense:			
Depreciation and amortisation	6.1	31,665	27,950
Net impairments	7	15,322	(716)
Income recognised in respect of capital donations	4	(5,485)	(1,666)
Amortisation of PFI deferred credit		(86)	(86)
Non-cash movements in on-SoFP pension liability		-	-
(Increase) / decrease in receivables and other assets		24,715	(3,550)
(Increase) / decrease in inventories		(9,314)	1,265
Increase / (decrease) in payables and other liabilities		9,012	13,802
Increase / (decrease) in provisions		5,950	3,322
Tax (paid) / received		-	-
Operating cash flows from discontinued operations		-	-
Other movements in operating cash flows		-	-
Net cash flows from / (used in) operating activities		**99,194**	**37,507**
Cash flows from investing activities			
Interest received		22	632
Purchase and sale of financial assets / investments		(176)	-
Purchase of intangible assets		(4,941)	(2,913)
Sales of intangible assets		-	-
Purchase of PPE and investment property		(68,025)	(36,122)
Sales of PPE and investment property		393	11
Receipt of cash donations to purchase assets		1,031	73
Prepayment of PFI capital contributions		-	-
Investing cash flows from discontinued operations		-	-
Cash from acquisitions / disposals of subsidiaries		100	212
Net cash flows from / (used in) investing activities		**(71,596)**	**(38,107)**
Cash flows from financing activities			
Public dividend capital received		48,294	14,408
Public dividend capital repaid		-	-
Movement on loans from DHSC		5,700	-
Movement on other loans		(360)	(227)
Other capital receipts		-	-
Capital element of finance lease rental payments		(179)	(277)
Capital element of PFI, LIFT and other service concession payments		(5,973)	(2,813)
Interest on loans		(296)	(412)
Other interest		-	(28)
Interest paid on finance lease liabilities		(7)	(40)
Interest paid on PFI, LIFT and other service concession obligations		(21,035)	(19,875)
PDC dividend (paid) / refunded		(6,321)	(6,789)
Financing cash flows of discontinued operations		-	-
Cash flows from (used in) other financing activities		-	-
Net cash flows from / (used in) financing activities		**19,823**	**(16,053)**
Increase / (decrease) in cash and cash equivalents		**47,421**	**(16,653)**
Cash and cash equivalents at 1 April - brought forward		**36,348**	**53,001**
Cash and cash equivalents transferred under absorption accounting	44	-	-
Unrealised gains / (losses) on foreign exchange		-	-
Cash and cash equivalents at 31 March	27.1	**83,769**	**36,348**

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

After making enquiries, the directors have a reasonable expectation that the services provided by the Trust will continue to be provided by the public sector for the foreseeable future. For this reason, the directors have adopted the going concern basis in preparing the accounts, following the definition of going concern in the public sector adopted by HM Treasury's Financial Reporting Manual.

Note 1.3 Interests in other entities

The Trust holds interests in a number of other entities. These are accounted for using equity accounting to update the fair value of the Trust's investment.

Associates
Associate entities are those over which the trust has the power to exercise a significant influence. Associate entities are recognised in the trust's financial statement using the equity method. The investment is initially recognised at cost. It is increased or decreased subsequently to reflect the trust's share of the entity's profit or loss or other gains and losses (eg revaluation gains on the entity's property, plant and equipment) following acquisition. It is also reduced when any distribution, eg, share dividends are received by the trust from the associate.

Associates which are classified as held for sale are measured at the lower of their carrying amount and "fair value less costs to sell".

Joint ventures
Joint ventures are arrangements in which the Trust has joint control with one or more other parties, and where it has the rights to the net assets of the arrangement. Joint ventures are accounted for using the equity method.

Joint operations
Joint operations are arrangements in which the Trust has joint control with one or more other parties and has the rights to the assets, and obligations for the liabilities, relating to the arrangement. The Trust includes within its financial statements its share of the assets, liabilities, income and expenses.

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

2020/21

The main source of income for the Trust is contracts with commissioners for health care services. In 2020/21, the majority of the trust's income from NHS commissioners was in the form of block contract arrangements. During the first half of the year the trust received block funding from its commissioners. For the second half of the year, block contract arrangements were agreed at an Integrated Care System level. The related performance obligation is the delivery of healthcare and related services during the period, with the trust's entitlement to consideration not varying based on the levels of activity performed.

The Trust has received additional income outside of the block and system envelopes to reimburse specific costs incurred and other income top-ups to support the delivery of services. Reimbursement and top-up income is accounted for as variable consideration.

Comparative period (2019/20)

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

In 2019/20, the Provider Sustainability Fund and Financial Recovery Fund enabled providers to earn income linked to the achievement of financial controls and performance targets. Income earned from the funds is accounted for as variable consideration.

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.

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.

The grant provider recognises expenditure at the earlier of the following events:
a) When the grant provider has a present obligation to transfer resources; and
b) When the grant provider ceases to control the resource.

Note 1.8 Discontinued operations

Discontinued operations occur where activities either cease without transfer to another entity, or transfer to an entity outside of the boundary of Whole of Government Accounts, such as private or voluntary sectors. Such activities are accounted for in accordance with IFRS 5. Activities that are transferred to other bodies within the boundary of Whole of Government Accounts are ‘machinery of government changes’ and treated as continuing operations.

Note 1.9 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

• it is held for use in delivering services or for administrative purposes
• it is probable that future economic benefits will flow to, or service potential be provided to, the trust
• it is expected to be used for more than one financial year
• the cost of the item can be measured reliably
• the item has cost of at least £5,000, or
• collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, 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.

Assets are measured subsequently at valuation. Assets which are held for their service potential and are in use (ie operational assets used to deliver either front line services or back office functions) are measured at their current value in existing use. Assets that were most recently held for their service potential but are surplus with no plan to bring them back into use are measured at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

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

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

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. In agreement with the Trust's appointed expert valuer, the Trust has applied an 'optimal site' valuation where appropriate which recognises any efficiencies that could be obtained if the site/sites were to be rebuilt, whilst allowing the current level of service provision to be maintained. This valuation approach is based on a detailed review by qualified valuation staff of the land and buildings on the Trust's John Radcliffe, Churchill and Nuffield Orthopaedic Centre sites and Horton General Hospital site. This approach is consistent with the concepts provided under Depreciated Replacement Cost valuation based on modern equivalent assets. For non-operational buildings, including surplus land, the valuations are carried out at open market value.

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

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowings costs. Assets are revalued and depreciation commences when the assets are brought into use.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use.

Depreciation

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

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

Revaluation gains and losses

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

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

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

Impairments

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

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.
Other impairments are treated as revaluation losses. Reversals of ‘other impairments’ are treated as revaluation gains.

De-recognition

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

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

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

Donated and grant funded assets

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

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

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

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

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

The annual contract payments are apportioned between the repayment of the liability, a finance cost, the charges for services and lifecycle replacement of components of the asset. The element of the annual unitary payment increase due to cumulative indexation is treated as contingent rent and is expensed as incurred.

The service charge is recognised in operating expenses and the finance cost is charged to finance costs in the Statement of Comprehensive Income.

Lifecycle replacements are capitalised as per the accounting model unless the Trust is aware of specific items which, due to timing issues are yet to be completed to the original schedule. In those cases, a prepayment is carried forward to reflect the asset is yet to be lifecycled.

Useful lives of property, plant and equipment

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

	Min life Years	**Max life Years**
Land	Not applicable	Not applicable
Buildings, excluding dwellings	10	50
Dwellings	10	25
Plant & machinery	5	25
Transport equipment	7	7
Information technology	3	8
Furniture & fittings	5	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 1.10 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 economic or service delivery benefits.

Useful lives of intangible assets

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

	Min life Years	**Max life Years**
Information technology	5	8
Development expenditure	-	-
Websites	-	-
Software licences	3	8
Licences & trademarks	-	-
Patents	-	-
Other (purchased)	-	-
Goodwill	-	-

Note 1.11 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the first in, first out (FIFO) method.

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 1.12 Investment properties

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

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

Note 1.13 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 1.14 Financial assets and financial liabilities

Recognition

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

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

Classification and measurement

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

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

Financial assets are classified as subsequently measured at amortised cost, fair value through profit and loss or fair value through other comprehensive income depending on type.

Financial liabilities classified as subsequently measured at amortised cost or fair value through profit and loss.

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.

Financial assets measured at fair value through other comprehensive income

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

The Trust has irrevocably elected to measure the following equity instruments at fair value through other comprehensive income:
- Equity investment in one private company obtained by the Trust in recognition of its part in establishing the company. This is held as a strategic asset and the Trust is not able to liquidise the asset.

Financial assets and financial liabilities at fair value through profit and loss

Financial assets measured at fair value through profit or loss are those that are not otherwise measured at amortised cost or at fair value through other comprehensive income. This category also includes financial assets and liabilities acquired principally for the purpose of selling in the short term (held for trading) and derivatives. Derivatives which are embedded in other contracts, but which are separable from the host contract are measured within this category. Movements in the fair value of financial assets and liabilities in this category are recognised as gains or losses in the Statement of Comprehensive income.

Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets or assets measured at fair value through other comprehensive income, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. 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 credit losses are determined by reference to past experience within separate categories of debt, classified by level of risk. Judgement is also applied, where the expectation of future credit losses is anticipated to impact upon the recoverable amount of the asset. The age of a receivable is taken into account and the more overdue a receivable becomes, the higher the value of expected credit loss. A different risk classification has been applied to a specific group of private patient billing that is at higher risk of not being collected than usual.

HM Treasury has ruled that central government bodies may not recognise stage 1 or stage 2 impairments against other government departments, their executive agencies, the Bank of England, Exchequer Funds, and Exchequer Funds' assets where repayment is ensured by primary legislation. The Trust therefore does not recognise loss allowances for stage 1 or stage 2 impairments against these bodies. Additionally, the Department of Health and Social Care provides a guarantee of last resort against the debts of its arm's length bodies and NHS bodies (excluding NHS charities), and the Trust does not recognise loss allowances for stage 1 or stage 2 impairments against these bodies.

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 1.15 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 1.16 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	0.51%
Medium-term	After 5 years up to 10 years	0.55%
Long-term	Exceeding 10 years	1.99%

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

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

Early retirement provisions and injury benefit provisions both use the HM Treasury's pension discount rate of minus 0.95% 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 33.2 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 1.17 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 34 where an inflow of economic benefits is probable.
Contingent liabilities are not recognised, but are disclosed in note 34, 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 1.18 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 https://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 1.19 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 1.20 Corporation tax

The Trust's activities relate to the provision of goods and services relating to healthcare and the Trust is not registered as a limited company. On this basis the Trust is not liable for corporation tax.

Note 1.21 Climate change levy

Expenditure on the climate change levy is recognised in the Statement of Comprehensive Income as incurred, based on the prevailing chargeable rates for energy consumption.

Note 1.22 Foreign exchange

The functional and presentational currency of the Trust is sterling.

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

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

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

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

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

Note 1.23 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 1.24 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 1.25 Gifts

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

Note 1.26 Transfers of functions to / from other NHS bodies / local government bodies

For functions that have been transferred to the Trust from another NHS / local government body, the transaction is accounted for as a transfer by absorption. The assets and liabilities transferred are recognised in the accounts using the book value as at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition. The net gain / loss corresponding to the net assets/ liabilities transferred is recognised within income / expenses, but not within operating activities.

For property, plant and equipment assets and intangible assets, the cost and accumulated depreciation / amortisation balances from the transferring entity's accounts are preserved on recognition in the trust's accounts. Where the transferring body recognised revaluation reserve balances attributable to the assets, the Trust makes a transfer from its income and expenditure reserve to its revaluation reserve to maintain transparency within public sector accounts.

For functions that the Trust has transferred to another NHS / local government body, the assets and liabilities transferred are de-recognised from the accounts as at the date of transfer. The net loss / gain corresponding to the net assets/ liabilities transferred is recognised within expenses / income, but not within operating activities. Any revaluation reserve balances attributable to assets de-recognised are transferred to the income and expenditure reserve. Adjustments to align the acquired function to the trust's accounting policies are applied after initial recognition and are adjusted directly in taxpayers' equity.

Note 1.27 Early adoption of standards, amendments and interpretations

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

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

IFRS 16 Leases

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.

The implementation date for IFRS 16 in the NHS was revised to 1 April 2022 in November 2020. Due to the need to reassess lease calculations, together with uncertainty on expected leasing activity in from April 2022 and beyond, a quantification of the expected impact of applying the standard in 2022/23 is currently impracticable. However, the Trust does expect this standard to have a material impact on non-current assets, liabilities and depreciation.

From 1 April 2022, the principles of IFRS 16 will also be applied to the Trust's PFI liabilities where future payments are linked to a price index representing the rate of inflation. The PFI imputed lease liability will be remeasured when a change in the index causes a change in future imputed lease payments and that change has taken effect in the cash flow. Under existing accounting practices, amounts relating to changes in the price index are expensed as incurred. This is expected to increase the PFI liability on the statement of financial position upon transition to IFRS 16. The effect of this has not yet been quantified.

Other standards, amendments and interpretations

The following is a list of recently issued IFRS Standards and amendments that have not yet been adopted within the FReM, and are therefore not applicable to DHSC group accounts in 2019-20. The Trust is not yet in a position to be able to accurately estimate the impact of applying these standards

IFRS 14 Regulatory Deferral Accounts - Not EU-endorsed.* Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable to DHSC group bodies.
IFRS 17 Insurance Contracts - Application required for accounting periods beginning on or after 1 January 2021. Standard is not yet adopted by the FReM which is expected to be from April 2023: early adoption is not permitted.

Note 1.29 Critical judgements in applying accounting policies

The following are the judgements, apart from those involving estimations (see below) that management has made in the process of applying the trust accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

PFI and service concessions classification
The Trust has assessed the three PFI schemes, Welcome Centre, and Carbon Energy Scheme against the international financial reporting standards and relevant NHS accounting guidance and judges that all are capitalised under the IFRIC 12 criteria. Estimates for the assets, liabilities and amounts chargeable to the SOCI are determined as per the estimation paragraph above. The Welcome Centre has no economic outflow from the Trust so is reported under deferred income following the guidance.

Leases
New operating leases are considered against the criteria to determine whether substantially all the risks and rewards of ownership have been transferred to the Trust. More detail is contained in 1.15.

Capitalisation of staff costs
The Trust makes judgements about which of its staff costs are related to capital improvements that meet the definitions in 1.10. These judgements are based on timesheets and the Trust's understanding of what is being achieved by the individuals carrying out the work.

Valuation of Estate
The assessment of the optimal site for the market equivalent assessment (MEA) value.

Note 1.30 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:

1.30.1 Estimation of contract income
Achieving early closure of accounts means the accounts must be prepared before the normal cycle for contract income is complete. Contract income includes some estimated values and assessment of income risk based on actual activity for the first 10 months of the Financial Year. Actual amounts may differ from the estimate depending on actual activity levels, but not materially so. Included in the income figure in 2019/20 is an estimate for partially completed spells.

1.30.2 Estimation of payments for the PFI and service concession assets, including finance costs
The assets and liabilities relating to the three PFI schemes have been brought onto the statement of financial position based on estimations from the DH financial model as required by the Department of Health guidance. The models also provide estimates for interest payable and contingent rent. A similar model has been developed to estimate the accounting entries for the Trust's Carbon Energy Scheme which is capitalised under IFRIC12 as a service concession. A liability also exists for future commitments and the model estimates the interest payable.

1.30.3 Estimation of asset lives as the basis for depreciation calculations
Depreciation of equipment is based on asset lives, which have been estimated upon recognition of the assets. Managers have adjusted estimated lives at the end of the accounting period, where their estimate of useful life is significantly different to the original. The estimate of asset lives may differ to the actual period the trust utilises the asset but any difference would not be material.

1.30.4 Impairment of receivables
The trust is required to judge the level of credit loss anticipated following the requirements of IFRS9. It does this based on the aged profile and class of receivables. Different classes of receivables attract different rates of impairment depending on the trust's assessment of the level of risk associated with the collection of the debt. The trust adopts a prudent policy of increasing the expected credit loss the older the debt is. The Trust makes every effort to collect the debt, even when it has been impaired, and only writes off the debt as a final course of action after all possible collection efforts have been made. The actual level of debt written off may be different to that which had been judged as impaired, but not materially so.

1.30.5 Accruals and prepayments
Each year the trust sets detailed guidance for its managers in order to assist them in calculating accruals and prepayments including de-Minimis levels. The trust uses a number of techniques to calculate its best estimate for accruals. Techniques that are used include:-
• Trend analysis
• Expert judgement of Finance Managers
• Supplier statements
• Formulaic approach based on historical cost information
Prepayments are not normally sensitive to future events, and they can be reliably estimated. Accruals are a matter of judgement, based on past experience and information available at the time. Once realised, accruals can be different to the original estimate, but not materially so.

Note 2 Operating Segments

The nature of the Trust's services is the provision of healthcare. Similar methods are used to provide services across all locations and the appropriate policies, procedures and governance arrangements are Trust wide. As an NHS Foundation Trust, all services are subject to the same regulatory environment and standards set by external performance managers. The Trust operates one segment and in the period to 31 March 2021 reported to the Board in this format. No discrete activities of the business have individual revenue exceeding 10% of the total combined revenue or assets.

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 £000	2019/20 £000
Acute services		(restated)
Block contract / system envelope income*	856,221	755,048
High cost drugs income from commissioners (excluding pass-through costs)	148,682	142,696
Other NHS clinical income	11,585	16,838
Total acute services income	1,016,488	914,582
All services		
Private patient income	6,753	8,067
Additional pension contribution central funding**	26,944	24,707
Other clinical income	3,928	12,180
Total income from activities	**1,054,113**	**959,536**

*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)

Income from patient care activities received from:	2020/21 £000	2019/20 £000
NHS England	492,613	466,039
Clinical commissioning groups	543,291	472,098
Department of Health and Social Care	-	779
Other NHS providers	-	-
NHS other	161	177
Local authorities	6,654	7,688
Non-NHS: private patients	6,753	8,067
Non-NHS: overseas patients (chargeable to patient)	835	1,845
Injury cost recovery scheme	1,913	1,818
Non NHS: other	1,893	1,025
Total income from activities	**1,054,113**	**959,536**
Of which:		
Related to continuing operations	1,054,113	959,536
Related to discontinued operations	-	-

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

	2020/21	2019/20
	£000	£000
Income recognised this year	835	1,845
Cash payments received in-year	654	1,290
Amounts added to provision for impairment of receivables	182	259
Amounts written off in-year	-	213

Note 4 Other operating income

	2020/21			2019/20		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	51,619	-	**51,619**	58,310	-	**58,310**
Education and training	44,192	1,250	**45,442**	48,728	814	**49,542**
Non-patient care services to other bodies	28,733		**28,733**	23,115		**23,115**
Provider sustainability fund (2019/20 only)			**-**	2,989		**2,989**
Financial recovery fund (2019/20 only)			**-**	-		**-**
Marginal rate emergency tariff funding (2019/20 only)			**-**	15,958		**15,958**
Reimbursement and top up funding	101,053		**101,053**			**-**
Income in respect of employee benefits accounted on a gross basis	9,378		**9,378**	10,437		**10,437**
Receipt of capital grants and donations		5,485	**5,485**		1,666	**1,666**
Charitable and other contributions to expenditure		13,267	**13,267**		381	**381**
Support from the Department of Health and Social Care for mergers		-	**-**		-	**-**
Rental revenue from finance leases		-	**-**		-	**-**
Rental revenue from operating leases		1,909	**1,909**		2,318	**2,318**
Amortisation of PFI deferred income / credits		86	**86**		86	**86**
Other income	12,875	-	**12,875**	15,197	-	**15,197**
Total other operating income	**247,850**	**21,997**	**269,847**	**174,734**	**5,265**	**179,999**
Of which:						
Related to continuing operations			269,847			179,999
Related to discontinued operations			-			-

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	2,829	2,702
Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods	-	-

Note 5.2 Transaction price allocated to remaining performance obligations

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	1,046,525	949,624
Income from services not designated as commissioner requested services	7,588	9,912
Total	**1,054,113**	**959,536**

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

There have been no material disposals of property, plant and equipment during the year.

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.

	2020/21	2019/20
	£000	£000
Income	7,956	12,966
Full cost	(2,944)	(8,351)
Surplus / (deficit)	**5,012**	**4,615**

Note that this relates to private patient income of £6.8m (2019/20: £8.1m), car parking income of £1.2m (2019/20: £3.1m) and overseas patient income of £0.8m (2019/20: £1.8m). Overseas patient income is not required to be included in the current year figures because it generated less than £1m of income.

Note 6.1 Operating expenses

	2020/21	2019/20
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	6,163	6,680
Purchase of healthcare from non-NHS and non-DHSC bodies	5,465	8,326
Purchase of social care	-	-
Staff and executive directors costs	730,685	648,751
Remuneration of non-executive directors	168	169
Supplies and services - clinical (excluding drugs costs)	118,697	114,258
Supplies and services - general	13,626	7,199
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	143,938	128,502
Inventories written down	2,806	197
Consultancy costs	2,671	2,757
Establishment	7,709	12,344
Premises	40,095	31,082
Transport (including patient travel)	6,351	4,777
Depreciation on property, plant and equipment	29,638	26,065
Amortisation on intangible assets	2,027	1,885
Net impairments	15,322	(716)
Movement in credit loss allowance: contract receivables / contract assets	2,043	1,035
Movement in credit loss allowance: all other receivables and investments	-	-
Increase/(decrease) in other provisions	-	-
Change in provisions discount rate(s)	115	202
Audit fees payable to the external auditor		
audit services- statutory audit	90	90
other auditor remuneration (external auditor only)	-	-
Internal audit costs	229	266
Clinical negligence	32,483	29,127
Legal fees	946	900
Insurance	70	36
Research and development	46,753	52,466
Education and training	10,240	9,883
Rentals under operating leases	1,490	1,805
Early retirements	-	-
Redundancy	4	284
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT)	46,099	40,801
Charges to operating expenditure for off-SoFP PFI / LIFT schemes	-	-
Car parking & security	1,437	1,334
Hospitality	158	11
Losses, ex gratia & special payments	153	32
Grossing up consortium arrangements	-	-
Other services, eg external payroll	7,485	5,630
Other	21,389	6,171
Total	**1,296,545**	**1,142,349**
Of which:		
Related to continuing operations	1,296,545	1,142,349
Related to discontinued operations	-	-

Other expenditure includes a £11.5m grant to Oxford University.

Note 6.2 Statutory and other auditor remuneration

Gross statutory audit fees were £90k, net of VAT this was £75k.
There was no remuneration paid to the auditors other than for statutory audit services.

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:		
Loss or damage from normal operations	-	-
Over specification of assets	-	-
Abandonment of assets in course of construction	943	95
Unforeseen obsolescence	-	-
Loss as a result of catastrophe	-	-
Changes in market price	14,379	(811)
Other	-	-
Total net impairments charged to operating surplus / deficit	**15,322**	**(716)**
Impairments charged to the revaluation reserve	(5,341)	3,168
Total net impairments	**9,981**	**2,452**

There are two reasons for the impairments above:
i. impairment on revaluation to a modern equivalent asset basis when a new building or enhancement to an existing building is first brought into use
ii. changes in market price arising from the annual revaluation exercise which results in impairments and reverse impairments

Note 8 Employee benefits

	2020/21 Total £000	2019/20 Total £000
Salaries and wages	572,879	519,252
Social security costs	50,913	46,133
Apprenticeship levy	2,529	2,311
Employer's contributions to NHS pensions	87,789	80,780
Pension cost - other	60	45
Other post employment benefits	-	-
Other employment benefits	-	-
Termination benefits	4	284
Temporary staff (including agency)	65,862	58,545
Total gross staff costs	**780,036**	**707,350**
Recoveries in respect of seconded staff	-	-
Total staff costs	**780,036**	**707,350**
Of which		
Costs capitalised as part of assets	785	2,235

Note 8.1 Retirements due to ill-health

During 2020/21 there was 1 early retirement from the trust agreed on the grounds of ill-health (none in the year ended 31 March 2020). The estimated additional pension liabilities of these ill-health retirements is £25k (Nil 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% of pensionable pay. The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. In January 2019, the Government announced a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

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

Non-NHS Pension Scheme

By law all employers are required to automatically enrol certain workers in a pension scheme. If employees meet the scheme's eligibility criteria they will be enrolled in the NHS Pension Scheme. If an employee cannot be enrolled in the NHS Pension Scheme for whatever reason, they are automatically enrolled in an alternative qualifying pension scheme. For OUH employees this scheme is the National Employee's Savings Trust (NEST). At the present time there are very few employees (<1%) in this scheme.

Note 10 Operating leases

Note 10.1 Oxford University Hospitals NHS Foundation Trust as a lessor

This note discloses income generated in operating lease agreements where Oxford University Hospitals NHS Foundation Trust is the lessor.

The Trust has a number of areas within properties where it acts as a lessor. These are generally buildings or areas within buildings on the various hospital sites where space has been let to universities, charities or other organisations.

	2020/21	2019/20
	£000	£000
Operating lease revenue		
Minimum lease receipts	1,909	2,318
Contingent rent	-	-
Other	-	-
Total	**1,909**	**2,318**

	31 March 2021	31 March 2020
	£000	£000
Future minimum lease receipts due:		
- not later than one year;	1,906	1,159
- later than one year and not later than five years;	6,907	4,154
- later than five years.	19,863	16,269
Total	**28,676**	**21,582**

Note 10.2 Oxford University Hospitals NHS Foundation Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where Oxford University Hospitals NHS Foundation Trust is the lessee.

The Trust's operating leases fall into two categories:
a) Leases of items of plant and equipment which are not treated as finance leases. These are predominantly items of office equipment or motor vehicles. There is no material contingent rental, and the leases are for fixed terms. There are no restrictions in these leases other than those which would commonly be found in commercial leases of this kind.
b) Leases of property. Typically these are leases of space in other NHS facilities. These leases are negotiated for fixed terms.

	2020/21	2019/20
	£000	£000
Operating lease expense		
Minimum lease payments	1,490	1,805
Contingent rents	-	-
Less sublease payments received	-	-
Total	**1,490**	**1,805**

	31 March 2021	31 March 2020
	£000	£000
Future minimum lease payments due:		
- not later than one year;	955	1,000
- later than one year and not later than five years;	8	993
- later than five years.	-	-
Total	**963**	**1,993**
Future minimum sublease payments to be received	-	-

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	18	620
Interest income on finance leases	-	-
Interest on other investments / financial assets	-	-
Other finance income	4	12
Total finance income	**22**	**632**

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	-	-
Other loans	296	311
Overdrafts	-	-
Finance leases	7	40
Interest on late payment of commercial debt	-	28
Main finance costs on PFI and LIFT schemes obligations	13,666	13,921
Contingent finance costs on PFI and LIFT scheme obligations	7,370	5,954
Total interest expense	**21,339**	**20,254**
Unwinding of discount on provisions	(15)	9
Other finance costs	-	-
Total finance costs	**21,324**	**20,263**

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

	2020/21	2019/20
	£000	£000
Total liability accruing in year under this legislation as a result of late payments	-	-
Amounts included within interest payable arising from claims made under this legislation	-	28
Compensation paid to cover debt recovery costs under this legislation	-	-

Note 13 Other gains / (losses)

	2020/21	2019/20
	£000	£000
Gains on disposal of assets	143	13
Losses on disposal of assets	-	(200)
Total gains / (losses) on disposal of assets	**143**	**(187)**
Gains / (losses) on foreign exchange	-	-
Fair value gains / (losses) on investment properties	(1,711)	10,306
Fair value gains / (losses) on financial assets / investments	450	61
Fair value gains / (losses) on financial liabilities	-	-
Recycling gains / (losses) on disposal of financial assets mandated as fair value through OCI	-	-
Other gains / (losses)	-	-
Total other gains / (losses)	**(1,118)**	**10,180**

Note 14 Discontinued operations

The Trust does not have any operations that are classified as discontinued in the year ended 31 March 2021.

Note 15.1 Intangible assets - 2020/21

	Software licences	Patents	Internally generated and third party information technology	Intangible assets under construction	Total
	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2020 - brought forward	**3,985**	**-**	**25,467**	**3,144**	**32,596**
Transfers by absorption	-	-	-	-	**-**
Additions	12	-	1,138	3,791	**4,941**
Impairments	-	-	-	-	**-**
Reversals of impairments	-	-	-	-	**-**
Revaluations	-	-	-	-	**-**
Reclassifications	98	-	1,561	(1,608)	**51**
Transfers to / from assets held for sale	-	-	-	-	**-**
Disposals / derecognition	(181)	-	-	-	**(181)**
Valuation / gross cost at 31 March 2021	**3,914**	**-**	**28,166**	**5,327**	**37,407**
Amortisation at 1 April 2020 - brought forward	**2,095**	**-**	**18,795**	**-**	**20,890**
Transfers by absorption	-	-	-	-	**-**
Provided during the year	701	-	1,326	-	**2,027**
Impairments	-	-	-	-	**-**
Reversals of impairments	-	-	-	-	**-**
Revaluations	-	-	-	-	**-**
Reclassifications	-	-	-	-	**-**
Transfers to / from assets held for sale	-	-	-	-	**-**
Disposals / derecognition	(181)	-	-	-	**(181)**
Amortisation at 31 March 2021	**2,615**	**-**	**20,121**	**-**	**22,736**
Net book value at 31 March 2021	**1,299**	**-**	**8,045**	**5,327**	**14,671**
Net book value at 1 April 2020	**1,890**	**-**	**6,672**	**3,144**	**11,706**

Note 15.2 Intangible assets - 2019/20

	Software licences	Patents	Internally generated and third party information technology	Intangible assets under construction	Total
	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2019 - brought forward	**4,063**	**9**	**25,897**	**2,563**	**32,532**
Transfers by absorption	-	-	-	-	**-**
Additions	223	-	2,117	581	**2,921**
Impairments	-	-	-	-	**-**
Reversals of impairments	-	-	-	-	**-**
Revaluations	-	-	-	-	**-**
Reclassifications	-	-	-	-	**-**
Transfers to / from assets held for sale	-	-	-	-	**-**
Disposals / derecognition	(301)	(9)	(2,547)	-	**(2,857)**
Valuation / gross cost at 31 March 2020	**3,985**	**-**	**25,467**	**3,144**	**32,596**
Amortisation at 1 April 2019 - brought forward	**1,730**	**9**	**20,123**	**-**	**21,862**
Transfers by absorption	-	-	-	-	**-**
Provided during the year	666	-	1,219	-	**1,885**
Impairments	-	-	-	-	**-**
Reversals of impairments	-	-	-	-	**-**
Revaluations	-	-	-	-	**-**
Reclassifications	-	-	-	-	**-**
Transfers to / from assets held for sale	-	-	-	-	**-**
Disposals / derecognition	(301)	(9)	(2,547)	-	**(2,857)**
Amortisation at 31 March 2020	**2,095**	**-**	**18,795**	**-**	**20,890**
Net book value at 31 March 2020	**1,890**	**-**	**6,672**	**3,144**	**11,706**
Net book value at 1 April 2019	**2,333**	**-**	**5,774**	**2,563**	**10,670**

Note 16.1 Property, plant and equipment - 2020/21

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2020 - brought forward	**34,800**	**442,388**	**857**	**29,312**	**221,141**	**711**	**14,932**	**4,636**	**748,777**
Transfers by absorption	-	-	-	-	-	-	-	-	**-**
Additions	-	13,872	-	38,593	19,627	-	7,192	-	**79,284**
Impairments	(188)	(27,899)	-	(943)	-	-	-	-	**(29,030)**
Reversals of impairments	1,540	(1,758)	(37)	-	-	-	-	-	**(255)**
Revaluations	-	-	-	-	-	-	-	-	**-**
Reclassifications	175	11,881	-	(14,971)	3,037	-	2	-	**124**
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	**-**
Disposals / derecognition	-	-	-	-	(3,034)	-	(194)	-	**(3,228)**
Valuation/gross cost at 31 March 2021	**36,327**	**438,484**	**820**	**51,991**	**240,771**	**711**	**21,932**	**4,636**	**795,672**
Accumulated depreciation at 1 April 2020 - brought forward	**-**	**-**	**-**	**-**	**167,140**	**635**	**7,922**	**3,706**	**179,403**
Transfers by absorption	-	-	-	-	-	-	-	-	**-**
Provided during the year	-	19,321	53	-	7,380	17	2,640	227	**29,638**
Impairments	-	(5,526)	-	-	-	-	-	-	**(5,526)**
Reversals of impairments	-	(13,725)	(53)	-	-	-	-	-	**(13,778)**
Revaluations	-	-	-	-	-	-	-	-	**-**
Reclassifications	-	-	-	-	-	-	-	-	**-**
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	**-**
Disposals / derecognition	-	-	-	-	(2,978)	-	-	-	**(2,978)**
Accumulated depreciation at 31 March 2021	**-**	**70**	**-**	**-**	**171,542**	**652**	**10,562**	**3,933**	**186,759**
Net book value at 31 March 2021	**36,327**	**438,414**	**820**	**51,991**	**69,229**	**59**	**11,370**	**703**	**608,913**
Net book value at 1 April 2020	**34,800**	**442,388**	**857**	**29,312**	**54,001**	**76**	**7,010**	**930**	**569,374**

Note 16.2 Property, plant and equipment - 2019/20

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2019 - as previously stated	**42,144**	**405,404**	**855**	**7,732**	**212,929**	**707**	**14,353**	**4,088**	**688,212**
Prior period adjustments	-	-	-	-	-	-	-	-	**-**
Valuation / gross cost at 1 April 2019 - restated	**42,144**	**405,404**	**855**	**7,732**	**212,929**	**707**	**14,353**	**4,088**	**688,212**
Transfers by absorption	-	-	-	-	-	-	-	-	**-**
Additions	-	5,538	-	23,632	10,486	4	2,962	350	**42,972**
Impairments	(7,885)	(33,830)	-	-	-	-	-	-	**(41,715)**
Reversals of impairments	2,082	36,607	-	-	-	-	-	-	**38,689**
Revaluations	35	30,983	2	-	-	-	-	-	**31,020**
Reclassifications	(568)	(2,314)	-	(1,957)	797	-	5	198	**(3,839)**
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	**-**
Disposals / derecognition	(1,008)	-	-	(95)	(3,071)	-	(2,388)	-	**(6,562)**
Valuation/gross cost at 31 March 2020	**34,800**	**442,388**	**857**	**29,312**	**221,141**	**711**	**14,932**	**4,636**	**748,777**
Accumulated depreciation at 1 April 2019 - as previously stated	**-**	**2,374**	**7**	**-**	**160,815**	**619**	**7,722**	**3,487**	**175,024**
Prior period adjustments	-	-	-	-	-	-	-	-	**-**
Accumulated depreciation at 1 April 2019 - restated	**-**	**2,374**	**7**	**-**	**160,815**	**619**	**7,722**	**3,487**	**175,024**
Transfers by absorption	-	-	-	-	-	-	-	-	**-**
Provided during the year	-	13,838	44	-	9,360	16	2,588	219	**26,065**
Impairments	-	(669)	-	95	-	-	-	-	**(574)**
Reversals of impairments	-	-	-	-	-	-	-	-	**-**
Revaluations	-	(15,543)	(51)	-	-	-	-	-	**(15,594)**
Reclassifications	-	-	-	-	-	-	-	-	**-**
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	**-**
Disposals / derecognition	-	-	-	(95)	(3,035)	-	(2,388)	-	**(5,518)**
Accumulated depreciation at 31 March 2020	**-**	**-**	**-**	**-**	**167,140**	**635**	**7,922**	**3,706**	**179,403**
Net book value at 31 March 2020	**34,800**	**442,388**	**857**	**29,312**	**54,001**	**76**	**7,010**	**930**	**569,374**
Net book value at 1 April 2019	**42,144**	**403,030**	**848**	**7,732**	**52,114**	**88**	**6,631**	**601**	**513,188**

Note 16.3 Property, plant and equipment financing - 2020/21

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2021									
Owned - purchased	33,096	199,253	820	50,961	43,252	59	11,365	691	**339,497**
Finance leased	-	-	-	-	491	-	-	-	**491**
On-SoFP PFI contracts and other service concession arrangements	-	195,866	-	-	18,813	-	-	-	**214,679**
Off-SoFP PFI residual interests	-	-	-	-	-	-	-	-	**-**
Owned - donated/granted	3,231	43,295	-	1,030	6,673	-	5	12	**54,246**
NBV total at 31 March 2021	**36,327**	**438,414**	**820**	**51,991**	**69,229**	**59**	**11,370**	**703**	**608,913**

Note 16.4 Property, plant and equipment financing - 2019/20

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2020									
Owned - purchased	31,739	200,822	857	28,486	31,801	76	6,994	898	**301,673**
Finance leased	-	-	-	-	917	-	-	-	**917**
On-SoFP PFI contracts and other service concession arrangements	-	197,694	-	-	19,640	-	-	-	**217,334**
Off-SoFP PFI residual interests	-	-	-	-	-	-	-	-	**-**
Owned - donated/granted	3,061	43,872	-	826	1,643	-	16	32	**49,450**
NBV total at 31 March 2020	**34,800**	**442,388**	**857**	**29,312**	**54,001**	**76**	**7,010**	**930**	**569,374**

Note 17 Donations of property, plant and equipment

The donated assets acquired in the year were mostly donated by Oxford Hospitals Charity, and other trust funds associated with Oxford University Hospitals NHS Foundation Trust. There were no restrictions or conditions imposed by the donor on the use of the donated assets.

Note 18 Revaluations of property, plant and equipment

The Trust's land and buildings were revalued as at 31 March 2021 by the Trust's appointed expert valuer (Richard Waterson, MRICS, Carter Jonas LLP). The full movements as a result of revaulations are disclosed at note 17.

The valuation was an open market value using the modern equivalent asset basis of valuation. In assessing the value of the Trust's land it was assumed that should the existing buildings be replaced by a modern equivalent asset, certain buildings would be rebuilt on a more intensive basis, on an alternative 'optimal site'. Therefore a smaller landholding and buildings footprint is required while still maintaining the current level of service provision.

Asset lives of buildings are updated at the end of each statutory reporting period on the expert advice of the Trust's appointed expert valuer. The update does not affect depreciation in the current period of accounts and does not have a material impact on future accounting periods.

Note 19.1 Investment Property

	2020/21	2019/20
	£000	£000
Carrying value at 1 April - brought forward	**32,280**	**18,135**
Prior period adjustments		-
Carrying value at 1 April - restated	**32,280**	**18,135**
Transfers by absorption	-	-
Acquisitions in year	-	-
Movement in fair value	(1,711)	10,306
Reclassifications to/from PPE	(175)	3,839
Transfers to/from assets held for sale	-	-
Disposals	-	-
Carrying value at 31 March	**30,394**	**32,280**

Note 19.2 Investment property income and expenses

	2020/21	2019/20
	£000	£000
Direct operating expense arising from investment property which generated rental income in the period	(250)	(176)
Direct operating expense arising from investment property which did not generate rental income in the period	-	-
Total investment property expenses	**(250)**	**(176)**
Investment property income	1,697	1,496

Note 20 Investments in associates and joint ventures

	2020/21	2019/20
	£000	£000
Carrying value at 1 April - brought forward	**13,206**	**-**
Prior period adjustments		-
Carrying value at 1 April - restated	**13,206**	**-**
Transfers by absorption	-	-
Acquisitions in year	-	8,707
Share of profit / (loss)	(61)	7,163
Net impairments	-	-
Transfers to / from assets held for sale	-	-
Disbursements / dividends received	(100)	(2,500)
Disposals	-	(164)
Share of Other Comprehensive Income	-	-
Other equity movements	-	-
Carrying value at 31 March	**13,045**	**13,206**

Note 21 Other investments / financial assets (non-current)

	2020/21	2019/20
	£000	£000
Carrying value at 1 April - brought forward	**2,707**	**15,510**
Prior period adjustments		-
Carrying value at 1 April - restated	**2,707**	**15,510**
Transfers by absorption	-	-
Acquisitions in year	175	2,288
Movement in fair value through profit and loss	450	61
Movement in fair value through OCI*	7,256	(7,453)
Net impairments	-	-
Transfers to / from assets held for sale	-	-
Amortisation at the effective interest rate	-	-
Current portion of loans receivable transferred to current financial assets	-	-
Disposals	-	(7,699)
Carrying value at 31 March	**10,588**	**2,707**

*The revaluation of a share holding in Sensyne Health PLC, due to rising share price over the year

Note 21.1 Other investments / financial assets (current)

The Trust does not have any other investments or financial assets that would be classified as current.

Note 22 Disclosure of interests in other entities

The Trust holds the following interests in key entities, as well as interests in a number of intermediary "shell" companies which are not trading. Further detail on financial performance is contained within the preceding notes.
Oxford Headington Holdings LLP - 50% voting rights, with priority access to the first £12m of profits, thereafter 75% profit/loss share.
Oxford University Clinic LLP - 50% voting rights, with 50% share of profits.

Note 23 Inventories

	31 March 2021 £000	31 March 2020 £000
Drugs	5,416	5,602
Work In progress	-	-
Consumables	24,957	15,710
Energy	377	218
Other	1,189	1,095
Total inventories	**31,939**	**22,625**
of which:		
Held at fair value less costs to sell	-	-

Inventories recognised in expenses for the year were £103.5m (2019/20: £92.4m). Write-down of inventories recognised as expenses for the year were £2.8m (2019/20: £0.2m).

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 £12.3m 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 24.1 Receivables

	31 March 2021 £000	31 March 2020 £000
Current		
Contract receivables	34,156	62,985
Contract assets	-	-
Capital receivables	-	-
Allowance for impaired contract receivables / assets	(9,600)	(7,466)
Allowance for other impaired receivables	-	-
Deposits and advances	-	-
Prepayments (non-PFI)	5,911	6,186
PFI prepayments - capital contributions	67	67
PFI lifecycle prepayments	15,687	10,830
Interest receivable	-	-
Finance lease receivables	-	-
PDC dividend receivable	-	237
VAT receivable	8,503	2,935
Corporation and other taxes receivable	-	-
Other receivables	1,098	634
Total current receivables	**55,822**	**76,408**
Non-current		
Contract receivables	4,387	4,318
Contract assets	-	-
Capital receivables	-	-
Allowance for impaired contract receivables / assets	-	-
Allowance for other impaired receivables	-	-
Deposits and advances	-	-
Prepayments (non-PFI)	6	2
PFI prepayments - capital contributions	936	1,003
PFI lifecycle prepayments	-	-
Interest receivable	-	-
Finance lease receivables	-	-
VAT receivable	-	-
Corporation and other taxes receivable	-	-
Other receivables	3,271	2,786
Total non-current receivables	**8,600**	**8,109**
Of which receivable from NHS and DHSC group bodies:		
Current	13,774	42,574
Non-current	3,271	2,786

Note 24.2 Allowances for credit losses

	2020/21		2019/20	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
Allowances as at 1 April - brought forward	**7,466**	**-**	**6,833**	**-**
Prior period adjustments			-	-
Allowances as at 1 April - restated	**7,466**	**-**	**6,833**	**-**
Transfers by absorption	-	-	-	-
New allowances arising	6,877	-	5,442	-
Changes in existing allowances	-	-	-	-
Reversals of allowances	(4,834)	-	(4,407)	-
Utilisation of allowances (write offs)	91	-	(402)	-
Changes arising following modification of contractual cash flows	-	-	-	-
Foreign exchange and other changes	-	-	-	-
Allowances as at 31 Mar 2021	**9,600**	**-**	**7,466**	**-**

Note 24.3 Exposure to credit risk

Because the majority of the Trust's revenue comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2021 are in receivables from customers, as disclosed in the trade and other receivables note.

Note 25 Other assets

The Trust does not hold any other assets.

Note 26.1 Non-current assets held for sale and assets in disposal groups

The assets sold during the year did not meet the criteria to be classified as assets held for sale.

Note 26.2 Liabilities in disposal groups

The Trust does not have any liabilities in disposal groups.

Note 27.1 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	**36,348**	**53,001**
Prior period adjustments		-
At 1 April (restated)	**36,348**	**53,001**
Transfers by absorption	-	-
Net change in year	47,421	(16,653)
At 31 March	**83,769**	**36,348**
Broken down into:		
Cash at commercial banks and in hand	33	30
Cash with the Government Banking Service	83,736	36,318
Deposits with the National Loan Fund	-	-
Other current investments	-	-
Total cash and cash equivalents as in SoFP	**83,769**	**36,348**
Bank overdrafts (GBS and commercial banks)	-	-
Drawdown in committed facility	-	-
Total cash and cash equivalents as in SoCF	**83,769**	**36,348**

Note 27.2 Third party assets held by the trust

The Trust does not hold any third party assets.

Note 28.1 Trade and other payables

	31 March 2021 £000	31 March 2020 £000
Current		
Trade payables	46,911	59,060
Capital payables	34,360	22,721
Accruals	55,194	38,417
Receipts in advance and payments on account	-	-
PFI lifecycle replacement received in advance	-	-
Social security costs	7,418	6,954
VAT payables	-	5
Other taxes payable	7,044	6,349
PDC dividend payable	17	-
Other payables	14,326	10,836
Total current trade and other payables	**165,270**	**144,342**
Non-current		
Trade payables	-	-
Capital payables	-	-
Accruals	-	-
Receipts in advance and payments on account	-	-
PFI lifecycle replacement received in advance	-	-
VAT payables	-	-
Other taxes payable	-	-
Other payables	-	-
Total non-current trade and other payables	**-**	**-**
Of which payables from NHS and DHSC group bodies:		
Current	8,318	11,940
Non-current	-	-

Note 28.2 Early retirements in NHS payables above

There are no early retirements in NHS payables above.

Note 29 Other liabilities

	31 March 2021 £000	31 March 2020 £000
Current		
Deferred income: contract liabilities	3,716	4,747
Deferred grants	-	-
Deferred PFI credits / income	86	86
Lease incentives	-	-
Other deferred income	-	-
Total other current liabilities	**3,802**	**4,833**
Non-current		
Deferred income: contract liabilities	1,629	858
Deferred grants	-	-
Deferred PFI credits / income	2,443	2,529
Lease incentives	-	-
Other deferred income	-	-
Net pension scheme liability	-	-
Total other non-current liabilities	**4,072**	**3,387**

Note 30.1 Borrowings

	31 March 2021 £000	31 March 2020 £000
Current		
Bank overdrafts	-	-
Drawdown in committed facility	-	-
Loans from DHSC	-	-
Other loans	391	360
Obligations under finance leases	24	85
Obligations under PFI, LIFT or other service concession contracts	11,028	5,936
Total current borrowings	**11,443**	**6,381**
Non-current		
Loans from DHSC	5,700	-
Other loans	6,522	6,913
Obligations under finance leases	355	452
Obligations under PFI, LIFT or other service concession contracts	226,726	237,789
Total non-current borrowings	**239,303**	**245,154**

Note 30.2 Reconciliation of liabilities arising from financing activities - 2020/21

	Loans from DHSC	Other loans	Finance leases	PFI and LIFT schemes	Total
	£000	£000	£000	£000	£000
Carrying value at 1 April 2020	**-**	**7,273**	**537**	**243,725**	**251,535**
Cash movements:					
Financing cash flows - payments and receipts of principal	5,700	(360)	(179)	(5,973)	**(812)**
Financing cash flows - payments of interest	-	(296)	(7)	(13,664)	**(13,967)**
Non-cash movements:					
Transfers by absorption	-	-	-	-	**-**
Additions	-	-	21	-	**21**
Application of effective interest rate	-	296	7	13,666	**13,969**
Change in effective interest rate	-	-	-	-	**-**
Changes in fair value	-	-	-	-	**-**
Early terminations	-	-	-	-	**-**
Other changes	-	-	-	-	**-**
Carrying value at 31 March 2021	**5,700**	**6,913**	**379**	**237,754**	**250,746**

Note 30.3 Reconciliation of liabilities arising from financing activities - 2019/20

	Loans from DHSC	Other loans	Finance leases	PFI and LIFT schemes	Total
	£000	£000	£000	£000	£000
Carrying value at 1 April 2019	**-**	**7,601**	**815**	**246,539**	**254,955**
Prior period adjustment	-	-	-	-	**-**
Carrying value at 1 April 2018 - restated	**-**	**7,601**	**815**	**246,539**	**254,955**
Cash movements:					
Financing cash flows - payments and receipts of principal	-	(227)	(277)	(2,813)	**(3,317)**
Financing cash flows - payments of interest	-	(412)	(41)	(13,922)	**(14,375)**
Non-cash movements:					
Transfers by absorption	-	-	-	-	**-**
Additions	-	-	-	-	**-**
Application of effective interest rate	-	311	40	13,921	**14,272**
Change in effective interest rate	-	-	-	-	**-**
Changes in fair value	-	-	-	-	**-**
Early terminations	-	-	-	-	**-**
Other changes	-	-	-	-	**-**
Carrying value at 31 March 2020	**-**	**7,273**	**537**	**243,725**	**251,535**

Note 31 Other financial liabilities

The Trust does not have any other financial liabilities.

Note 32 Finance leases

Note 32.1 Oxford University Hospitals NHS Foundation Trust as a lessor

The Trust does not have any finance lease receivables as a lessor.

Note 32.2 Oxford University Hospitals NHS Foundation Trust as a lessee

Obligations under finance leases where the Trust is the lessee.

	31 March 2021 £000	31 March 2020 £000
Gross lease liabilities	**395**	**553**
of which liabilities are due:		
- not later than one year;	30	91
- later than one year and not later than five years;	365	462
- later than five years.	-	-
Finance charges allocated to future periods	(16)	(16)
Net lease liabilities	**379**	**537**
of which payable:		
- not later than one year;	24	85
- later than one year and not later than five years;	355	452
- later than five years.	-	-
Total of future minimum sublease payments to be received at the reporting date	-	-
Contingent rent recognised as expense in the period	-	-

The Trust has a number of finance lease arrangements which have been typically used to acquire items of medical equipment. Often, these leases provide for an option to purchase at the end of the primary term. The leases do not include any escalation clauses, nor do they include any restrictions other than those which would be expected to apply in a normal lease contract on normal commercial terms.

Note 33.1 Provisions for liabilities and charges analysis

	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Re-structuring	Equal Pay (including Agenda for Change)	Redundancy	Other	Total
	£000	£000	£000	£000	£000	£000	£000	£000
At 1 April 2020	**987**	**1,998**	**105**	**-**	**-**	**-**	**6,617**	**9,707**
Transfers by absorption	-	-	-	-	-	-	-	**-**
Change in the discount rate	22	93	-	-	-	-	-	**115**
Arising during the year	57	44	42	-	-	-	7,853	**7,996**
Utilised during the year	(105)	(103)	(51)	-	-	-	(29)	**(288)**
Reclassified to liabilities held in disposal groups	-	-	-	-	-	-	-	**-**
Reversed unused	-	-	(6)	-	-	-	(1,867)	**(1,873)**
Unwinding of discount	(5)	(10)	-	-	-	-	-	**(15)**
At 31 March 2021	**956**	**2,022**	**90**	**-**	**-**	**-**	**12,574**	**15,642**
Expected timing of cash flows:								
- not later than one year;	105	103	90	-	-	-	**6,311**	**6,609**
- later than one year and not later than five years;	420	412	-	-	-	-	**6,263**	**7,095**
- later than five years.	431	1,507	-	-	-	-	**-**	**1,938**
Total	**956**	**2,022**	**90**	**-**	**-**	**-**	**12,574**	**15,642**

The Trust is reasonably certain about the amounts and timings of Pensions relating to staff and former Directors as the calculation is based on NHS Pension Agency payments and determined nationally on an actuarial basis.

The Trust is reasonably certain about the amounts and timings of legal claims as the information is provided by NHS Resolution.

Included within other provisions is a £3.3m back-to-back (i.e. fully funded and not a cost to the Trust) provision in respect of consultants who may take up the option to have their addditional tax charge, due as a result of work undertaken during 2019/20, paid for by the NHS Pension Scheme. This is known as a "Scheme Pays" arrangement. It has been estimated using headcount data and applying an average figure calculated by Government Actuary's Department the Business Services Authority and the Department of Health and Social Care.

Other provisions reflect commercial claims for which the value carries some uncertainty and the timing is dependent on final resolution.

Note 33.2 Clinical negligence liabilities

At 31 March 2021, £593.4m was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Oxford University Hospitals NHS Foundation Trust (31 March 2020: £559.9m).

Note 34 Contingent assets and liabilities

	31 March 2021	31 March 2020
	£000	£000
Value of contingent liabilities		
NHS Resolution legal claims	(53)	(46)
Employment tribunal and other employee related litigation	-	(689)
Redundancy	-	-
Other	-	-
Gross value of contingent liabilities	**(53)**	**(735)**
Amounts recoverable against liabilities	-	-
Net value of contingent liabilities	**(53)**	**(735)**
Net value of contingent assets	**-**	**-**

Contingent liabilities are the legal claims under the liability to third parties and property expenses schemes administered by NHS Resolution (formerly NHS Litigation Authority).

Note 35 Contractual capital commitments

	31 March 2021	31 March 2020
	£000	£000
Property, plant and equipment	41,470	4,515
Intangible assets	-	-
Total	**41,470**	**4,515**

Note 36 Other financial commitments

The Trust has non-cancellable contracts (which are not leases, PFI contracts or other service concession arrangement), payments are primarily made based upon usage as opposed to there being contractual commitments irrespective of goods or services provided.

Note 37 Defined benefit pension schemes

The Trust does not operate any material defined benefit pension schemes other than the statutory NHS Pension Scheme.

Note 38 On-SoFP PFI, LIFT or other service concession arrangements

The Trust has three PFI schemes being the John Radcliffe West Wing, Churchill Cancer Centre and the Nuffield Orthopaedic Centre. In addition the Trust has service concession arrangements in respect of the John Radcliffe Welcome Centre and the Trust's Carbon Energy Scheme.

The West Wing and Children's Hospital was built in 2006 at an overall cost of approximately £160m as part of a 30 year contract with The Hospital Company (Oxford John Radcliffe) Ltd who built these buildings and operate across most of the site. The West Wing and Children's Hospital are located on the John Radcliffe site and will revert to Trust ownership at the end of the contract period.

The Cancer Centre was completed in 2008 at an overall cost of approximately £150m at part of a 30 year contract with Ochre Solutions Limited who built and operate across most of the site. The Cancer Centre is located on the Churchill site and will revert to Trust ownership at the end of the contract period.

The Nuffield Orthopaedic Centre was built in 2006 at an overall cost of approximately £35m as part of a 30 year contract with Albion Healthcare (Oxford) Ltd who built and operate across most of the site. The Nuffield Orthopaedic Centre will revert to Trust ownership at the end of the contract period.

The John Radcliffe Welcome Centre opened in 2015 following an approximate build project of £3m as part of a 35 year lease with Larkstoke Properties Limited and is recognised as an asset with no liability as there are no payments being made by the Trust, instead a deferred income balance is recognised. The arrangement includes sub-leases where tenants pay rent to Larkstoke and a profit share element that entitles the Trust to an element of surpluses over and above a defined level.

The Trust's Carbon Energy Scheme which was built in 2017 as part of a 25 year lease with Vital Energi Solutions Limited is recognised as an IFRIC12 asset with corresponding liability. The overall cost was approximately £18m. The equipment reverts to Trust ownership at the end of the contract period.

Note 38.1 On-SoFP PFI, LIFT or other service concession arrangement obligations

The following obligations in respect of the PFI, LIFT or other service concession arrangements are recognised in the statement of financial position:

	31 March 2021 £000	31 March 2020 £000
Gross PFI, LIFT or other service concession liabilities	**373,386**	**392,964**
Of which liabilities are due		
- not later than one year;	24,259	19,596
- later than one year and not later than five years;	87,811	92,490
- later than five years.	261,316	280,878
Finance charges allocated to future periods	(135,632)	(149,239)
Net PFI, LIFT or other service concession arrangement obligation	**237,754**	**243,725**
- not later than one year;	11,028	5,936
- later than one year and not later than five years;	40,759	43,213
- later than five years.	185,967	194,576

Note 38.2 Total on-SoFP PFI, LIFT and other service concession arrangement commitments

Total future commitments under these on-SoFP schemes are as follows:

	31 March 2021 £000	31 March 2020 £000
Total future payments committed in respect of the PFI, LIFT or other service concession arrangements	**1,420,547**	**1,490,715**
Of which payments are due:		
- not later than one year;	69,740	68,144
- later than one year and not later than five years;	296,580	289,795
- later than five years.	1,054,227	1,132,776

Note 38.3 Analysis of amounts payable to service concession operator

This note provides an analysis of the unitary payments made to the service concession operator:

	2020/21	2019/20
	£000	£000
Unitary payment payable to service concession operator	**68,223**	**66,907**
Consisting of:		
- Interest charge	13,666	13,921
- Repayment of balance sheet obligation	5,973	2,813
- Service element and other charges to operating expenditure	31,245	30,301
- Capital lifecycle maintenance	4,854	3,285
- Revenue lifecycle maintenance	258	404
- Contingent rent	7,370	5,954
- Addition to lifecycle prepayment	4,857	10,229
Other amounts paid to operator due to a commitment under the service concession contract but not part of the unitary payment	14,596	10,096
Total amount paid to service concession operator	**82,819**	**77,003**

Note 39 Off-SoFP PFI, LIFT and other service concession arrangements

The Trust does not have any off-SoFP PFI, LIFT or other service concession arrangements.

Note 40 Financial instruments

Note 40.1 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 the NHS Trust has with commissioners and the way those commissioners are financed, the NHS 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. Financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS Trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the board of directors. Trust treasury activity is subject to review by the Trust's internal auditors.

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

Interest rate risk
The Trust borrows from government for capital expenditure, subject to affordability as confirmed by the Trust's regulators. The borrowings are for 1 – 25 years, in line with the life of the associated assets, and interest is charged at the National Loans Fund rate, fixed for the life of the loan.
The Trust's loan to support commercial activities has an interest rate linked to RPI.
The Trust therefore has low exposure to interest rate fluctuations.

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

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

Note 40.2 Carrying values of financial assets

Carrying values of financial assets as at 31 March 2021	Held at amortised cost	Held at fair value through P&L	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	33,312	-	-	**33,312**
Other investments / financial assets	792	-	9,796	**10,588**
Cash and cash equivalents	83,769	-	-	**83,769**
Total at 31 March 2021	**117,873**	**-**	**9,796**	**127,669**

Carrying values of financial assets as at 31 March 2020	Held at amortised cost	Held at fair value through P&L	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	63,257	-	-	**63,257**
Other investments / financial assets	-	-	2,707	**2,707**
Cash and cash equivalents	36,348	-	-	**36,348**
Total at 31 March 2020	**99,605**	**-**	**2,707**	**102,312**

Note 40.3 Carrying values of financial liabilities

Carrying values of financial liabilities as at 31 March 2021	Held at amortised cost	Held at fair value through P&L	Total book value
	£000	£000	£000
Loans from the Department of Health and Social Care	5,700	-	**5,700**
Obligations under finance leases	379	-	**379**
Obligations under PFI, LIFT and other service concession contracts	237,754	-	**237,754**
Other borrowings	6,913	-	**6,913**
Trade and other payables excluding non financial liabilities	150,791	-	**150,791**
Other financial liabilities	-	-	**-**
Provisions under contract	12,449	-	**12,449**
Total at 31 March 2021	**413,986**	**-**	**413,986**

Carrying values of financial liabilities as at 31 March 2020	Held at amortised cost	Held at fair value through P&L	Total book value
	£000	£000	£000
Loans from the Department of Health and Social Care	-	-	**-**
Obligations under finance leases	537	-	**537**
Obligations under PFI, LIFT and other service concession contracts	243,725	-	**243,725**
Other borrowings	7,273	-	**7,273**
Trade and other payables excluding non financial liabilities	131,034	-	**131,034**
Other financial liabilities	-	-	**-**
Provisions under contract	5,177	-	**5,177**
Total at 31 March 2020	**387,746**	**-**	**387,746**

Note 40.4 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	194,442	163,171
In more than one year but not more than five years	89,721	92,952
In more than five years	266,369	280,878
Total	**550,532**	**537,001**

* This disclosure has previously been prepared using discounted cash flows. The comparatives have therefore been restated on an undiscounted basis.

Note 40.5 Fair values of financial assets and liabilities

The book value (carrying value) is considered to be a reasonable approximation of fair value of the financial assets and liabilities the Trust has disclosed.

Note 41 Losses and special payments

	2020/21		2019/20	
	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000	Number	£000
Losses				
Cash losses	-	-	47	56
Fruitless payments and constructive losses	-	-	-	-
Bad debts and claims abandoned	4	(5)	201	360
Stores losses and damage to property	2	247	2	197
Total losses	**6**	**242**	**250**	**613**
Special payments				
Compensation under court order or legally binding arbitration award	-	-	-	-
Extra-contractual payments	-	-	-	-
Ex-gratia payments	49	56	57	18
Special severance payments	-	-	-	-
Extra-statutory and extra-regulatory payments	-	-	-	-
Total special payments	**49**	**56**	**57**	**18**
Total losses and special payments	**55**	**298**	**307**	**631**
Compensation payments received		-		-

Details of cases individually over £300k

There were no individual cases over £300k.

Note 42 Gifts

There were no gifts made over £300k.

Note 43 Related parties

During the accounting period none of the Department of Health Ministers, Trust board members or members of the key management staff, or parties related to any of them, has undertaken any material transactions with Oxford University Hospitals NHS Foundation Trust.The Department of Health is regarded as a related party. During the accounting period Oxford University Hospitals 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.

Related parties include but are not limited to:
Oxford Health NHS Foundation Trust and Royal Berkshire NHS Foundation Trust
Buckinghamshire Healthcare Trust
Oxfordshire CCG, NHS Buckinghamshire CCG and NHS England
Health Education England
NHS Resolution
NHS Business Services Authority

In addition, the Trust had a number of material transactions with other government departments and other central and local government bodies as set out below.

Statutory payments were made to NHS Pensions and HMRC in respect of payroll costs and an outstanding payable balance exists as at 31 March in line with normal business.

The Trust made payments to NHS Professionals in respect of temporary staffing and an outstanding payable balance exists as at 31 March in line with normal business.

Most of the trading-type transactions have been with Oxfordshire County Council and are for various services including Genito-Urinary Medicine services, salary recharges associated with social services and supported hospital discharges as well as sub-lease arrangements for rental of property space.

The Trust has also received revenue and capital payments from a number of charitable funds, none of these are material, certain of the trustees for which are also members of the Trust board.

Consolidated accounts to include Oxford Hospitals Charity are not prepared as this entity is a company limited by guarantee, independent from Oxford University Hospitals NHS Foundation Trust and therefore the charity is not controlled by the Trust.

Please see notes 21 to 23 for details of the Trust's joint ventures in partnership with a number of other entities and their corresponding accounting treatments. This includes details of the arrangements and key financial information related to OUH's joint ventures.

During the period none of the Board Members or members of the key management staff or parties related to them has undertaken any material transactions with Oxford University Hospitals NHS Foundation Trust.

Note 44 Transfers by absorption

The Trust did not have any transfers by absorption during the accounting period.

Note 45 Prior period adjustments

The Trust did not have any prior period adjustments.

Note 46 Events after the reporting date

There have been no material events after the reporting date which require disclosure.

Note 47 Final period of operation as a trust providing NHS healthcare

This is not the Trust's final period of operation as a provider of NHS healthcare.

Glossary

NHS terms and abbreviations

Academic Health Science Centre/Network (AHSC/AHSN)

An academic health science(s) centre (AHSC) or network (AHSN) is a partnership between one or more universities and healthcare providers focusing on research, clinical services, education and training. AHSCs are intended to ensure that medical research breakthroughs lead to direct clinical benefits for patients.

Acute care

Also known as secondary healthcare, where a patient receives active but short-term treatment for a severe injury or episode of illness, an urgent medical condition, or during recovery from surgery. Acute care services are generally delivered by teams of healthcare professionals from a range of medical and surgical specialties.

Acute Trust

A legal entity/organisation formed to provide health services in a secondary care setting, usually a hospital.

Annual Governance Statement

This is the mechanism by which the NHS Trust's Accounting Officer (in our case the Chief Executive Officer) provides assurance about the stewardship of the organisation in his capacity as Accounting Officer for the Trust.

The governance statement records the stewardship of the organisation to supplement the accounts. It will give a sense of how successfully it has coped with the challenges it faces and of how vulnerable the organisation's performance is or might be. This statement will draw together position statements and evidence on governance, risk management and control, to provide a more coherent and consistent reporting mechanism.

Assurance Framework

The Assurance Framework provides organisations with a simple but comprehensive method for the effective and focused management of the principal risks to meeting their objectives. It also provides a structure for the evidence to support the Annual Governance Statement.

Better Payment Practice Code

The Better Payment Practice Code requires the Trust to aim to pay all valid non-NHS invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later.

Breakeven (duty)

A financial target: in its simplest form it requires the Trust to match income and expenditure.

Capital

Expenditure on the acquisition of land and premises, individual works for the provision, adaptation, renewal, replacement and demolition of buildings, items or groups of equipment and vehicles, etc. In the NHS, expenditure on an item is classified as capital if its costs exceed £5000 and its useful life expectancy is greater than one year.

Care Quality Commission (CQC)

The Care Quality Commission was set up in April 2009 and replaced the Healthcare Commission. It is an independent regulator to help improve the quality of healthcare. It does this by providing an independent assessment of the standards of services, whether provided by the NHS, the private sector or voluntary organisations.

Clinical Commissioning Groups (CCGs)

Clinical Commissioning Groups are groups of GPs that are responsible for designing local health services in England. They do this by commissioning or buying health and care services, working with patients and healthcare professionals and in partnership with local communities and local authorities. On their governing body, groups have, in addition to GPs, at least one registered nurse and a doctor who is a secondary care specialist. Groups have boundaries that do not normally cross those of local authorities. All GP practices have to belong to a Clinical Commissioning Group.

Clostridium difficile (C difficile)

Clostridium difficile is a bacterium that can cause an infection of the gut and is the major infectious cause of diarrhoea that is acquired in hospitals in the UK.

Control Total

The Control Total is the figure which represents the minimum level of financial performance against which Trust boards, governing bodies and Chief Executives must deliver, and for which they will be held directly accountable.

Current assets

Debtors, stocks, cash or similar whose value is, or can be converted into, cash within the next 12 months.

Depreciation

The measure of the wearing out, consumption or other loss of value of a fixed asset whether arising from use, passage of time or obsolescence through technology, and market changes. The process of charging the cost of an asset over its useful life as opposed to recording its cost as a single entry in the income and expenditure records.

Elective inpatient activity

Elective activity is where the decision to admit to hospital could be separated in time from the actual admission, i.e. planned. This covers waiting list, booked and planned admissions.

Electronic Patient Record (EPR)

A system of recording patient notes digitally rather than paper.

Emergency inpatient activity

Emergency activity is where admission is unpredictable and at short notice because of clinical need.

Fixed assets

Land, buildings, equipment and other long-term assets that are expected to have a life of more than one year.

Foundation Trust (FT)

NHS Foundation Trusts have been created to devolve decision-making from central government control to local organisations and communities so they are more responsive to the needs and wishes of their local people. Foundation Trusts have a membership drawn from the community which they serve and an elected Council of Governors. They also enjoy some financial freedoms not available to NHS Trusts.

GP

A doctor (General Practitioner) who, often with colleagues in partnership, works from a local doctor's surgery, providing medical advice and treatment to patients.

Health Overview and Scrutiny Committee (HOSC)

A statutory committee of the local social services – in our Trust's case, Oxfordshire County Council. The NHS is obliged to consult HOSC on any substantial changes it wants to make to local health services.

Healthwatch Oxfordshire

Healthwatch Oxfordshire is an independent organisation that listens to people's views and experiences of health and social care in Oxfordshire.

Inpatient

A patient whose care involves an overnight stay in hospital.

Integrated Care Systems (ICS)

Integrated Care Systems are partnerships between the organisations that meet health and care needs across an area, to coordinate services and to plan in a way that improves population health and reduces inequalities between different groups.

International Financial Reporting Interpretations Committee (IFRIC) 12

The International Financial Reporting Interpretations Committee issued an interpretation – IFRIC 12 – on Service Concession Arrangements. These are arrangements whereby a government (or the NHS) grants a contract for the supply of public services to private operators. Hence for the Trust, the PFI is an example of a scheme that is subject to IFRIC 12.

International Financial Reporting Standards (IFRS)

The International Financial Reporting Standards provide a framework of accounting policies which the NHS has adopted since April 2009 and which replace the UK Generally Accepted Accounting Practice (UK GAAP) which was the basis of accounting in the UK before international standards were adopted.

Investors in People

The Investors in People Standard provides a framework that helps organisations to improve performance and realise objectives through the effective management and development of their people.

Market forces factor

An index used in resource allocation to adjust for unavoidable variation in input costs. It consists of components to take account of staff costs, regional weighting, land, buildings and equipment.

Methicillin resistant staphylococcus aureus (MRSA)

This is a strain of a common bacterium, which is resistant to an antibiotic called methicillin.

National Institute for Health and Care Excellence (NICE)

A body which evaluates drugs and treatments. NICE's role was set out in the 2004 White Paper ´Choosing health: making healthier choices easier´. In it the government set out key principles for helping people make healthier and more informed choices about their health. The government wants NICE to bring together knowledge and guidance on ways of promoting good health and treating ill health.

National Institute for Health Research (NIHR)

NIHR provides the framework through which the research staff and research infrastructure of the NHS in England is positioned, maintained and managed as a national research facility.

National service frameworks

National standards for the best way of providing particular services.

NHS England (NHSE)

NHS England (formally the NHS Commissioning Board) is the body which oversees the day-to-day operation of the NHS as set out in the Health and Social Care Act 2012. It oversees the Clinical Commissioning Groups and commissions certain specialist services directly. On 1 April 2019 it merged with NHS Improvement to create NHS England and NHS Improvement (NHSE&I).

NHS Digital

NHS Digital (formally the Health and Social Care Information Centre) is an executive non-departmental body, sponsored by the Department of Health. NHS Digital uses information and technology to improve health and care.

NHS Improvement

NHS Improvement and NHS England work together as a single organisation in the management of England's NHS. Prior to that NHS Improvement supported providers to give patients safe, high quality and compassionate care within local health systems that are financially sustainable.

NHS Resolution

NHS Resolution is the operating name of the NHS Litigation Authority, an arm's length body of the Department of Health. It changed its name in April 2017 from NHS Litigation Authority to NHS Resolution. It oversees the operation of a number of indemnity schemes (both clinical and non-clinical) on behalf of the members of the indemnity schemes.

NHS Trusts

NHS Trusts are hospitals, community health services, mental health services and ambulance services which are managed by their own Boards of Directors. NHS Trusts are part of the NHS and provide services based on the requirements of patients as commissioned by CCGs and NHS England.

Non-Executive Directors

Non-Executive Directors, including the Chair, are Trust Board members but not full-time NHS employees. They are people from other backgrounds who have shown a keen interest in helping to improve the health of local people. They have a majority on the Board and their role is to bring a range of varied perspectives and experiences to strategy development and decision-making, ensure effective management arrangements and an effective management team is in place and hold the Executive Directors to account for organisational performance.

Outpatient attendance

An outpatient attendance is when a patient visits a consultant or other medical outpatient clinic. The attendance can be a first or follow-up visit.

Oxford Biomedical Research Centre (BRC)

A partnership between the University of Oxford and Oxford University Hospitals, funded by the National Institute for Health Research (NIHR).

Patient Advice and Liaison Service (PALS)

A service providing support to patients, carers and relatives.

Private Finance Initiative (PFI)

The Private Finance Initiative (PFI) provides a way of funding major capital investments, without immediate recourse to the public purse. Private consortia, usually involving large construction firms, are contracted to design, build, and in some cases manage, new projects.

Primary care

Family health services provided by family doctors, dentists, pharmacists, optometrists and ophthalmic medical practitioners.

Provider Sustainability Funding (PSF)

The Provider Sustainability Fund (PSF) replaced the Sustainability and Transformation Fund (STF) in 2018 and its receipt is linked to the achievement of financial controls, with 30% of its value dependent on providers also meeting Trust-specific agreed performance trajectories – for A&E, RTT and 62 day cancer waiting standards.

Public Health England

Public Health England was established on 1 April 2013 to bring together public health specialists from more than 70 organisations into a single public health service. It is an executive agency of the Department of Health.

Risk register

A register of all the risks identified by the organisation, each of which is assessed to determine the likelihood of the risk occurring and the impact on the organisation if it does occur.

Secondary care

Services provided by medical specialists. Usually they do not have first contact with patients. Secondary care is mostly provided in hospitals or clinics and patients are generally referred to secondary care by their primary care provider (usually their GP).

Service Level Agreements

Service Level Agreements (SLA) are the main mechanism for service provision between NHS Trusts and the commissioners (CCGs and NHS England) for NHS services. An SLA is an agreement that sets out formally the relationship between service providers and customers for the supply of a service by one or another.

Thames Valley Local Education and Training Board (Health Education Thames Valley)

Local Education and Training Boards (LETBs) are responsible for workforce planning and development and education and training of the healthcare and public health workforce.

Online Resources

For further information on services at Oxford University Hospitals NHS Foundation Trust, please visit www.ouh.nhs.uk or follow developments at Oxford University Hospitals on Twitter **@OUHospitals.**

Useful websites

Association of Air Ambulances	www.associationofairambulances.co.uk
Buckinghamshire, Oxfordshire and Berkshire West Integrated Care System	www.bobstp.org.uk
Care Quality Commission	www.cqc.org.uk
Cherwell District Council	www.cherwell.gov.uk
Department of Health	www.gov.uk/dh
General Medical Council (GMC)	www.gmc-uk.org
Health Education England	www.hee.nhs.uk
Health Education Thames Valley	thamesvalley.hee.nhs.uk
Healthwatch Oxfordshire	www.healthwatchoxfordshire.co.uk
Medical Sciences at Oxford University	www.medsci.ox.ac.uk
National Institute for Health and Care Excellence	www.nice.org.uk
National Institute for Health Research	www.nihr.ac.uk
NHS website	www.nhs.uk
NHS Confederation	www.nhsconfed.org
NHS Counter Fraud Authority	www.cfa.nhs.uk
NHS Digital	www.digital.nhs.uk
NHS England	www.england.nhs.uk
NHS England South East	www.england.nhs.uk/south-east
NHS Health at Work – occupational health provider	www.nhshealthatwork.co.uk
NHS Providers	www.nhsproviders.org
NHS Resolution	www.resolution.nhs.uk
Oxford Academic Health Science network	www.oxfordahsn.org
Oxford Biomedical Research Centre	www.oxfordbrc.nihr.ac.uk
Oxford Brookes Faculty of Health and Life Sciences	www.brookes.ac.uk/hls
Oxford Brookes University	www.brookes.ac.uk
Oxford City Council	www.oxford.gov.uk
Oxford Health NHS Foundation Trust	www.oxfordhealth.nhs.uk

Oxfordshire Clinical Commissioning Group	www.oxfordshireccg.nhs.uk
Oxfordshire County Council	www.oxfordshire.gov.uk
Oxfordshire Healthcare Transformation Programme	
www.oxonhealthcaretransformation.nhs.uk	
South Central Ambulance Service	www.scas.nhs.uk
South Oxfordshire District Council	www.southoxon.gov.uk
The Patients' Association	www.patients-association.org.uk
University of Oxford	www.ox.ac.uk
Vale of White Horse District Council	www.whitehorsedc.gov.uk
West Oxfordshire District Council	www.westoxon.gov.uk