

Changing
Lives

NHS

South London
and Maudsley
NHS Foundation Trust

South London and Maudsley 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

South London and Maudsley NHS Foundation Trust wish to commemorate the people who have died during the Covid-19 pandemic.

We express our deepest sympathies for all families who have been affected by coronavirus.

We also pay tribute to all healthcare workers who have led the response to this crisis; providing compassionate care in incredibly challenging circumstances.

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A view from Sir Norman Lamb, Chair; and David Bradley, Chief Executive

The year 2020 will be remembered as unprecedented for much of the world. Certainly, in its existence, the NHS has never known anything like it. In the midst of a global pandemic, with the support of the incredible people who work for the Trust, we have continued to strive to ensure everything we do benefits the people and communities we serve in these challenging times. Covid-19 has impacted people across the globe and London has been significantly affected. We want to express our deepest sympathies for those who have been affected by the pandemic.

We are so proud and thankful to every staff member at the Trust, who helped pull together and have worked tirelessly to keep the people we serve safe and well. There have been so many examples of people going above and beyond. Thank you for all that you have done and continue to do.

We are also immensely grateful for the continued support of the people who use our services and their carers, who have adapted to new ways of receiving care and treatment in line with government guidelines on Covid-19.

Improving the quality of our care for people

Covid-19 meant we had to adapt to a rapidly changing environment. We created space to support our colleagues across the local healthcare system, providing King's College Hospital NHS Foundation Trust with the temporary use of one of our ward blocks. With the assistance of our teams in Digital Services, we were able to support clinical staff in providing treatment via other methods than traditional face-to-face sessions. This was only done when it was appropriate, and to minimise the risk of infection. Alternative methods of communication were supported by The Maudsley Charity who provided tablets and mobile phones to assist people who use our services in keeping in touch. We also provided enhanced crisis services, increasing capacity on our dedicated crisis lines and setting up Crisis Assessment Units to allow people in need to get urgent help.

Despite what has been a challenging year the Trust has continued to meet or exceed targets in all national standards. Our performance and quality reporting enables robust challenge and mitigations of risks and issues in clinical care. This system ensures information is communicated consistently and accurately between front line services and the Board. Services hold regular safety huddles resulting in sustained improvement and a reduction in violence, restraint and/or self-harm. Staff proactively share lessons learnt from previous incidents and discuss immediate risks.

Co-production with patients, service users and people with lived experience of mental health issues is a key part of our approach, contributing to community transformation programmes, Quality Centre reference groups, PCREF (Patient and Carer Race Equality Framework) developments and the development of the Trust's new strategy.

Equality, diversity and inclusion

Our organisation cannot provide quality care without equality. Black Lives Matter. This is such a significant movement that highlights the urgency of tackling racism, discrimination and inequality. We want our organisation to be the best mental health trust in the country – known not only for the excellent services we deliver to people but for how staff support and value each other as equals. There is no room for racism or discrimination in our organisation. The Trust has made some progress, but we know that there is still more for us to do.

This is why we are striving to improve experiences at work for our staff from diverse ethnic backgrounds. We are proud to be one of four national pilot sites in developing the Patient and Carer Race Equality Framework (PCREF). Over the next two years, we are evolving our partnership to bring together people from ethnic minority communities, service users and their carers, with our staff, to reimagine our mental health services. This will be a challenging and necessary journey to transform our services to be anti-racist and deliver equity for citizens.

We understand that change needs to start at the top, and our Board have embraced that challenge. In December 2020 we developed and launched a new reverse mentoring programme where Board members are mentored by staff from an ethnic minority background. Values-based recruitment has been introduced to help managers recruit staff who share our values and to support making the Trust an employer of choice and an exemplar for promoting equality, diversity and inclusion. Aspirational goals have been set for proportionate staff at bands 7 and above from Black, Asian and minority ethnic backgrounds within five years.

Following two successful years, we offered two further cohorts of coaching for ethnic minority staff seeking to develop their careers and progress into more senior roles within the Trust. This programme is part of the ongoing work associated with the Trust's Workforce Race Equality Implementation plan which sets out to improve the experience of different staff groups.

Following the 2019 NHS Staff Survey we agreed action plans to progress activity in four key areas of focus. These areas are staff engagement; equality, diversity and inclusion; health and wellbeing; bullying and harassment. Despite Covid-19, progress has been made in each of our focus areas with action plans set out later in the Annual Report. Even with these improvements, we fully recognise that much more remains to be done in the year ahead. We will continue to focus on these areas to drive further and faster improvement.

Over 1,000 of our staff have signed up to be Rainbow Champions and help improve our services for lesbian, gay, bisexual, transgender and non-binary (LGBT+) people. The Trust is proud to fly the Pride flag at its main Maudsley Hospital site.

Partnerships

During the Covid-19 pandemic, we embedded our partnerships with the communities we serve and ensure we are a trusted local health partner. We are improving patient care by linking with other organisations in the community and improved information sharing with GPs and joint working between staff and local agencies to ensure online services and support are available. The Trust is also implementing a new Right Care Community Transformation Programme over the next three years, thanks to £2.2 million investment in each of the boroughs we work in. This will help transform services in partnership with Primary Care Networks and support reducing waiting times for patients.

Working jointly with local authorities in Croydon, Lambeth, Lewisham and Southwark; in June the Trust hosted an Urgent Mental Ill-Health Prevention Summit to address how we can work together to protect our communities' mental health as a result of Covid-19. We are working on a programme of prevention with our partners, which includes creating a mental ill-health prevention and recovery task force and developing a programme of mental health community capacity building across South London. In November we launched the four-month South London Listens campaign to hear directly from our communities about what mattered most to them. Over 5,700 people took part including those for whom English is not their first language to help shape this work. We will launch a two-year action plan in summer 2021 to help tackle the issues

identified using our community's solutions.

We are proud that our Trust serves diverse communities. This diversity is reflected in the profile of the people who use our services and our workforce, bringing many benefits. This is why the Trust is committed to improving access to services, and inclusive learning and employment opportunities.

The Trust is entering a period of change and we are well placed to respond and become a system leader in an increasingly integrated system. We are part of a unique partnership of three South London mental health trusts, bringing together clinical expertise, experience and innovation to benefit patients – the South London Mental Health and Community Partnership. We work alongside Oxleas NHS Foundation Trust and South West London and St George's NHS Trust, to transform outcomes for people with specialist, sometimes complex, mental health conditions which can be more effectively delivered across South London.

Using proposals set out in NHS England/Improvement's policy paper on the further development of Integrated Care Systems, and the Trusts' collective response to this consultation in collaboration with its Integrated Care System partners in South East and South West London is an example of the benefits of partnership working, displaying a real commitment to providing a voice for the communities and citizens. Integrated Care Systems involve partnership working across health and social care, and other organisations all to improve interrelated pathways of care.

Capital projects and modernisation

We recognise that for inpatients creating a safe and therapeutic environment is closely linked to the condition of the buildings and environment we operate in. The Trust and its partners are investing £140 million in a modernisation programme to improve and deliver state of the art mental health services and facilities.

The £68 million Pears Maudsley Centre for Children and Young People will bring together, under one roof, world-leading experts in clinical care and research to create an exceptional centre of care for young people with a focus on the potential of research to identify mental health problems early and transform the treatment and care of children and young people in the boroughs we serve and across London, the UK and the globe. The population of South East London will have a world-class facility embedded in the community in 2023 when it opens.

Many of the Trust's buildings are no longer fit for 21st century mental healthcare. Our new facilities will provide better purpose-designed facilities for patient care and recovery and for our staff. We will develop our Lambeth Hospital site along with parts of the Maudsley site, as new housing.

This will help meet the need for more local homes. Our proposals, which are now with Lambeth Council, include over 500 much needed new homes, half of which will be affordable, and a new community space. These new homes will help those on the local authority waiting lists while providing investment to help us fund our new, better mental healthcare facilities and services.

The redeveloped Douglas Bennett House, due to be completed in 2023, will include most of the Lambeth Hospital wards and services. CAMHS inpatient and outpatient services will move into the new Pears Maudsley Centre for Children and Young People.

Financial and operational performance

NHS finances remain tight, we are committed to the Trust maintaining a grip on finances while planning for recovery after Covid-19. There remains a strong national and regional commitment to investment in Mental Health over the coming years through the Mental Health Investment Standard (MHIS) and other Service Development Funding (SDF). In 2021/22 the Trust is expected to receive more than £20 million in new funding to transform our services and accelerate recovery. We are committed to maximising the benefit of these funds for the people we serve whilst driving for productivity to ensure the Trust remains financially sustainable. We will ensure, through careful financial stewardship, that the Trust has the necessary financial

resources to care for our patients now and in the future.

We are pleased the Trust has been awarded a contract to improve the quality of care for young people with autism, as well as a four-year £2.2 million contract to design and deliver an Eating Disorders Service for Adults training programme to every community team in the country.

Last September, the Care Quality Commission (CQC) rated our mental health services for children and young people 'Good', reflecting the care and compassion of our staff who work very hard to support the children and young people who use our services, their families or carers. There is always more to be done but we are very proud of our Children and Adolescent Mental Health Services (CAMHS) for this rating, particularly given the challenges posed by the pandemic this year.

We were pleased that CQC inspectors commended the commitment and enthusiasm of staff and recognised that people who use our services are treated with the compassion and kindness they deserve. Inspectors also praised the creative ways our staff work with young people to improve the quality of care they receive.

Developing our vision and strategy

Our strategy, Changing Lives, has been in place since 2018. So much has changed since then, not only the impact of Covid-19, but our growing ambitions for the people who use our services. As a result, we are reviewing our strategy and ambitions to ensure we offer each and every person outstanding treatment and support to enable their recovery and to live a fulfilling life. The emphasis will be on prevention, early intervention and excellent care in the community.


This is about creating a positive change to help us focus the efforts of the organisation on a small number of big ambitions, and better equip our staff to deliver on these goals and deliver better outcomes for people. Achieving new ambitions means changing how we do things, as much as what we do. It means understanding where we have been able to make a sustainable change before and to learn from where we might have fallen short. We are working in partnership with staff, people who use our services, carers, and our local communities to shape those ambitions where we would like to make a significant impact over the next five years.

Developing our Trust's strategy is so much more than producing a document that sits on a shelf – it is about everything we do and, using staff, patient and public feedback, will be published during Autumn 2021. For these reasons we are looking forward to the future.

Trust leadership

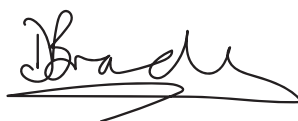
There have been a number of changes on the Board and thanks to June Mulroy, formerly interim Chair and who has since completed her tenure as Non-Executive Director. Her wise counsel over the years has been much appreciated. There is more about the team in place in the Director's Report.

Thank you for taking the time to read our Annual Report – you can find more detailed information on how we have performed throughout the document. We are grateful to have such involved and engaged Governors and encourage everyone to become a member of the Trust.



Sir Norman Lamb

Chair



David Bradley

Chief Executive



Performance Report

Performance overview

South London and Maudsley NHS Foundation Trust provide the widest range of NHS mental health services in the UK. We also provide substance misuse services for people who are addicted to drugs and alcohol. In partnership with the Institute of Psychiatry, Psychology and Neuroscience, King's College London, we host the UK's only specialist National Institute for Health Research (NIHR) Biomedical Research Centre for mental health and a Biomedical Research Unit for Dementia.

Our history dates back to 1247, with the foundation of the Bethlem Royal Hospital. We are the oldest psychiatric institution in the world. In 1948 Bethlem Royal Hospital and Maudsley hospital merged, with the medical school becoming the Institute of Psychiatry. In 2006, South London and Maudsley became the 50th Foundation Trust. As an NHS foundation trust, we are accountable to Parliament and regulated by Monitor, now part of NHS Improvement. We remain part of the NHS and must meet national standards and targets. Our Governors, elected to represent the views of our members and other stakeholders, ensure that we are accountable and listen to the needs and views of the communities we serve.

Statement from the Chief Executive

This overview will provide a summary of our vision, purpose and how we have performed over the past year. It will also provide information on how we are preparing ourselves for the future and we will look to be a responsible partner alongside the communities we serve. The principal risks to our organisation are set out at the end of this section.

Our vision

Everything we do is to improve the lives of the people and communities we serve and to promote mental health and wellbeing for all.

Our five commitments

Our staff work in ways that build mutual, respectful relationships with each other, with people when they use our services, and their families, friends and carers, in accordance with our five commitments:

- be caring, kind and polite
- be prompt and value your time
- take time to listen to you
- be honest and direct with you
- do what I say I am going to do

Our strategy - Changing Lives

To achieve our vision we must deliver outstanding services, but we cannot do this sustainably without also attending to other priorities. Accordingly, our strategic aims are:

Quality	We will get the basics right in every contact and keep improving what matters to service users
Partnership	We will work together with service users, their support networks and whole populations to realise their potential
A great place to work	We will value, support and develop our managers and staff
Innovation	We will strive to be at the forefront of what is possible, exploiting our unique strengths in research and development, with everyone involved and learning
Value	We will make the best use of our assets, resources, relationships and reputation to support the best quality outcomes

Our strategy, Changing Lives, has been in place since 2018. A lot has changed since then, and as a result we will review our strategy and ambitions in 2021/22. We have commenced this work, holding a number of focus groups and workshops with staff and stakeholders.

Quality Priorities

Following extensive consultation with all our stakeholders in 2018/19 the Trust agreed a set of priorities for the following three years, through to March 2021. Many of the subsequent Trust Quality Priorities complemented the previous five-year strategic plan and reflected national and local priorities as well as expectations of service users, carers, staff, commissioners and regulators. These areas have continued to be priorities for 2020/21. They incorporated the broader quality domains of patient safety, clinical effectiveness, and both patient and staff experience, and is covered in more detail in our Quality Report, which is published separately.

We are currently in the process of reviewing our strategy, therefore we have decided to focus on our existing Quality Priorities until the new strategy is in place and revised priorities can then be aligned.

Performance against the chosen Quality Priorities is detailed below. It is important to note that we opened a Psychiatric Intensive Care Unit and Peak Ward, a bespoke inpatient unit specially created for a young adult from South London who has highly complex needs, after the 2018 benchmarks. Therefore, the priorities regarding violence and restraint are not measuring like-for-like.

Priority Headline	Measure	Benchmark (2018)	2019	2020	Target 2021	Actual 2021
Reducing violence	Reduce prone restraint to zero within three years.	708	549	574	619	570
	Reduction in restraint by 50% over the next three years.	1716	1789	2973	858	3160
	Reducing violence by 50% over three years.	4158	3039	2741	2079	2157
	Reduction in use of rapid tranquilisation by 25% in three years.	840	772	995	630	1010
Right care, right time	Reduction of crisis readmissions by 10%.	311	295	330	280	311
	Reduction in the amount of waiting time from referral to first assessment across all community settings and all care pathways.	45 days	47.8 days	41.6 days	<45 days	40.4

Service user and carer involvement	Increase the number of identified carers, friends, family for a person in receipt of care.	50.3%	51.1%	61.2%	>50.3%	69.2%
	Increase number of care plans devised collaboratively with service users over the next 3 years.	54.30%	78%	86%	90%	95%
	Increase to 90% the number of patients who would recommend the service to friends and family if they needed similar care or treatment.	85%	85.36%	87%	90%	86%
Staff experience	Over the next 3 years, increase to 65% the number of positive responses from staff who would recommend the organisation as a place to work.	60%	59%	59%	75%	65%
	Reduce turnover of staff by 10% in a rolling year over next 3 years.	18.6%	18.9%	16.43%	16.70%	12.33%
	Increase to 75% the number of positive responses from staff reporting they would be happy with the standard of care provided by the organisation to family/ friends.	61.3%	58.7%	58.6%	75%	62.7%

Performance against national standards

Our performance data is publicly available and published as part of the papers for meetings of the Trust Board. The papers can be accessed [here](#). Performance indicators are reviewed at a service level and aggregated to produce overarching dashboards for performance and quality across the Trust.

The Trust's performance and quality reporting utilises the STEEEP Quality Indicator Framework (Safe, Timely, Effective, Efficient, Equitable and Patient-centred) to enable robust and patient-focused mitigations of risks and issues in patient care. This system ensures information is communicated consistently and accurately between front line services and the Board.

Despite what has been a challenging year the Trust has continued to meet or exceed targets in all national standards.

Performance in Improving access to psychological therapies (IAPT) continues to be good achieving 99% of people seen within 18 weeks of referral against a target of 95% and achieving 53% of people moving into recovery on completion of treatment against a target of 50%.

Whilst slightly lower than last year the Trust has exceeded the higher target of 60% for Early Intervention in psychosis with 67.9% of people beginning a NICE recommended treatment package within two weeks of referral.

As last year in 2020/21 dementia diagnosis rates continue to meet the national standard that a minimum of 67% of the expected population have access to the right dementia diagnosis across all boroughs.

Metric	Target	19/20	20/21
People with a first episode of psychosis begin treatment with a NICE-recommended package of care within 2 weeks of referral	56%	70%	67.9%
Improving access to psychological therapies (IAPT): proportion of people completing treatment who move to recovery	50%	52.2%	53%
Improving access to psychological therapies (IAPT): patients seen within 6 weeks of referral	75%	93.5%	91%
Improving access to psychological therapies (IAPT): patients seen within 18 weeks of referral	95%	99.1%	99%
Dementia Diagnosis Rate	67%	75.3%	71%

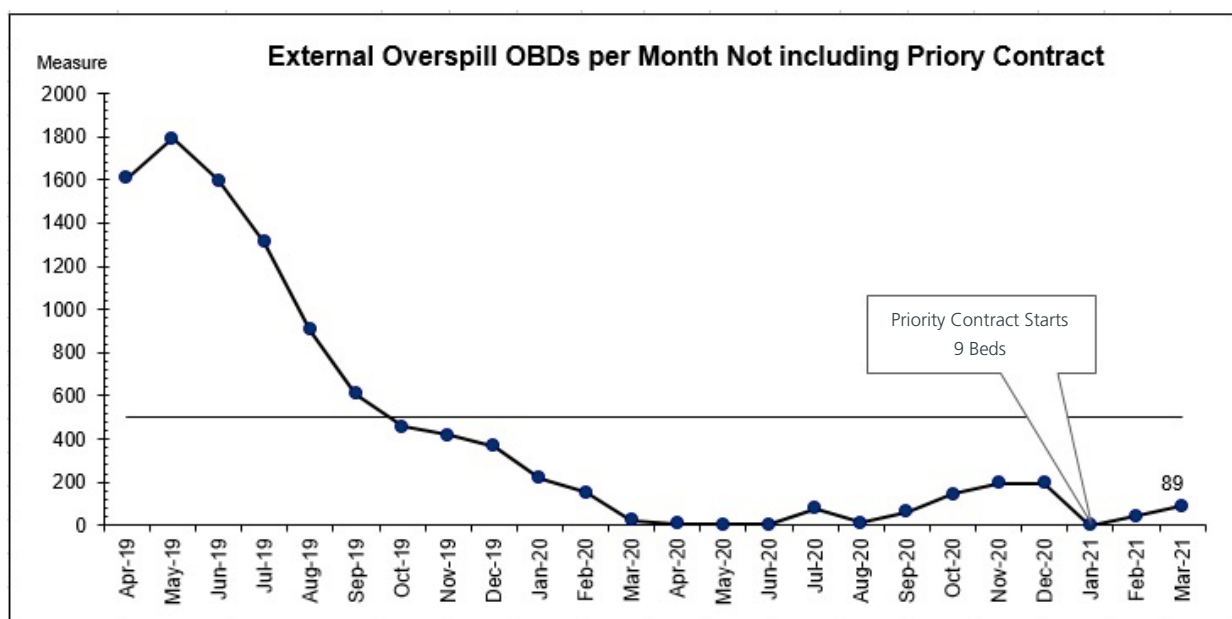
Right Care

The delivery of Right Care for people who use our services has seen significant improvements across the last year despite the challenge of implementing changes to our inpatient pathways in response to the Covid-19 pandemic.

In April 2020 the Trust adjusted our adult inpatient wards following updated infection prevention and control guidance, this then led to our opening Covid-19 isolation wards. Despite the impact that this had on bed management we achieved a 30% reduction in our volume of people in crisis breaching their 12-hour decision to admit (DTA) pathway from emergency department admissions. The average length of stay on our adult wards was also reduced as part of our long-term goal of meeting 32 days average length of stay and delivering 85% bed occupancy.

Right Care in the community remained a core focus and our community service redesign programmes continued at pace with the development and implementation of community teams and services in line with the NHS Long Term Plan and in doing so achieve greater integrated working with local care networks and primary care networks.

In March 2020 we achieved a significant milestone of reaching our target of zero out of area inpatient placements (OAPs) 12 months ahead of schedule. During 2020/21 we maintained strong performance in minimising OAPs. As part of winter 2020/21 preparedness and the predicted second wave impact of Covid-19 we signed a planned contract with the Priory to provide 9 local OAP beds to support local system pressures following our discussions with NHS England/Improvement.



Working in partnership

During the year we continued to develop our strategic partnerships in support of community transformation and our role as an anchor institution for mental health within South London. Our strategic housing partnerships with Certitude and Turning Point resulted in the opening of 24 step down flats in Croydon and further additional capacity of 9 flats in Lewisham to support our pandemic response in freeing up bed capacity. We will continue to develop housing partnerships and are now working with The Richmond Fellowship to open up two crisis houses in 2021/22 to support delivery of a calm and therapeutic alternative to emergency services for both adults and young people. These strategic partnerships are fully funded via transformation income the Trust has secured to improve and diversify the mental health offer across our four Boroughs.

Innovation

Working closely with our partners, the Trust is a world-leader in mental health research, and we are constantly striving to improve population health and wellbeing on an international scale. Our research partners set the standard in terms of new ideas and innovations that continue to make significant improvements to both our understanding and treatment of mental health and the quality of life for those impacted.

Research is at the heart of improving clinical care. Our aim is to put this at the core of everything that we do by giving people who use our services the opportunity to take part in research. We also want to give our staff every chance to play a role in developing or delivering studies that might offer new treatments or improved services.

We have a long, shared history with the Institute of Psychiatry, Psychology and Neuroscience (IoPPN) at King's College London. Our very close partnership includes a statement of common purpose to work together to establish the best possible care for people who experience mental health problems. The IoPPN is at the forefront of mental health care, redefining mental illness, its treatment and its place in society. Alongside world class research, it provides education and training across a wide range of undergraduate, postgraduate and PhD courses, study and programmes.

Together with Institute of Psychiatry, Psychology and Neuroscience (IoPPN), the Trust hosts the NHR Maudsley Biomedical Research Centre (BRC). The BRC is researching new tests, treatments and theories in mental health, neurology, and dementia. Its aim is to accelerate the translation of the latest scientific discoveries into early phase clinical trials in people and other well-designed studies. The findings from these studies can then be developed and implemented to produce new tests and treatments for people with mental and neurological disorders.

Sustainability

A sustainable healthcare system is achieved by delivering high quality care and improved public health, without exhausting natural resources or causing severe ecological damage. We are committed to improving the delivery of sustainable healthcare services and reducing the Trust's wider impact on the environment. 2020/21 was a year in which there were a number of positives in terms of environmental performance.

Carbon

The headline Trust emissions figure for scope 1 (direct gas consumption and excluding transport) and 2 (purchased electric) is 6,811 tonnes of carbon dioxide equivalent, which is a 9% reduction on the revised total electric and gas emissions figure for 2019/20. Gas consumption reduced by 6% and consumption of electricity reduced by 7%, compared to previous year. Notably, the large reduction is mainly attributed to community staff and to a lesser degree non-frontline staff (based on hospital sites) working from home due to the Covid-19 pandemic. We have worked with an external consultancy to develop projects to address decarbonisation at the Bethlem and Maudsley sites.

Green space

We recognise the importance of maintaining the quality of green spaces across all sites, to maximise the benefits to both people and biodiversity. We maintain green space across the estate and have received 200 trees from NHS Forest to plant on the Bethlem site. In addition, the Occupational Therapy team continue to provide spaces for the growth and cultivation of food and have engaged staff and patients in local sustainable food sourcing.

Waste

The first milestone of the NHS Plastic Pledge is to reduce single-use plastic in catering services. We have removed single use plastic items (including stirrers, straws and cutlery) from the canteens and replaced with plastic-free products. Other waste improvement projects have included improving the segregation of different waste streams.

Transport

We have sought to support and promote the use of cycling by staff with the commissioning of a new shower and cycle parking facility at Maudsley Hospital, along with new cycle secure parking at Bethlem Royal Hospital and Marina House. Notably, a Bike User Group (BUG) has been established to support and promote green travel.

Sustainable engagement

Estates held workshops with department leads and the Sustainable Champions to identify sustainable priorities for next five years in the Green Plan. Discussions in the workshops were informed by recent transport and sustainability surveys.

The Trust participated in NHS Sustainability Day on 19 March 2021 and we hope to make next year's event larger when Covid-19 restrictions have eased.

Reducing inequality, promoting diversity and inclusion

During 2020/21, the Trust continued to put its commitment to reducing inequality and promoting diversity and inclusion into practice. Some examples of the work undertaken to achieve this include:

- In common with other Mental Health Trusts, our data shows consistently that people of Black African, Caribbean, Mixed and Other census categories are more likely to have poorer access, experience and outcomes. In July 2019 the Board decided to adopt the PCREF approach (Patient and Carer Race Equality Framework) with the aim of eliminating racial disparity. At that time the PCREF programme was under development at a national level. It is now part of the Reforming the Mental Health Act White Paper and is likely to be a requirement of all Trusts from 2022. Led by the Chief Executive and Board, we, alongside our partners, Lambeth Black Thrive and Croydon BME Forum, are proud to be one of four national pilot areas working with NHSE to develop PCREF prior to its national roll out. Partnership working is at the core of the PCREF and work is underway with all three constituencies – Black communities, Black Service Users and their carers and Trust staff – to build capacity and energise involvement in the deep-rooted work required to design and deliver improvement programmes across all the required organisational competencies.
- Our partners, Lambeth Black Thrive and Croydon BME Forum, have said they are happy to be in Partnership with the Trust to deliver on the PCREF programme with the primary aim of eliminating racial disparity.
- The Trust's Ethnicity Data Matters campaign introduced monthly performance management of ethnicity recording increasing recording of ethnicity from 56.9% to 76.3% in the last six months of 2020/21. The campaign also promoted a video of a [service user perspective](#) on why asking about ethnicity is important. Business Intelligence also developed data dashboards to make ethnicity data on service delivery easier to access and analyse by staff.

- The Trust continued monthly performance management of NHS Accessible Information Standard monitoring increasing recording of accessible communication needs of disabled service users from 60.3% to 80.4% during 2020/21.
- The Trust continued to promote its Rainbow Champion Campaign with around 1,000 members of staff volunteering to be part of championing improvements in service delivery for lesbian, gay, bisexual and transgender service users, carers and family members.
- The ONTRAC Project developed a video to encourage greater integration between mental health services and Black Faith Communities. The project virtually delivered its Spiritual and Pastoral Care Mental Health to around 30 members of faith communities. The graduates engaged with around 500 people in their respective faith organisations.
- The Trust supported the development of the BME staff network, Diverse-Ability network, LGBT+ staff network, Lived Experience Network and Women's Network.
- The Trust has continued to deliver workforce race equality programmes such as Diversity in Recruitment Champions, mentoring scheme and has initiated a reverse mentoring scheme twinning members of the Executive Leadership Team with staff within the organisation.
- The Trust developed gender and ethnicity pay gap reports and action plans to reduce these gaps.
- During the year, Trust promoted communication channels for staff to raise awareness, promote discussions and understanding of various topics of interest. This included Time to Talk sessions on racism, sessions on talking about sexual orientation and Autism awareness sessions. Communications have also been promoted to celebrate important equality dates throughout the year such as International Women's Day, Black History Month, Pride and LGBT History Month.

Being inclusive – service user and carer involvement

The Trust has continued to have widespread involvement activity from people who use our services and their carers. We have overarching committees for Family and Carers and Service Users, both of which meet every other month. They have representation from patient and public involvement leads and service users and carers from each of the operational directorates. The operational directorates have many and varied opportunities for involvement in their structures. We have recently included service user and carer representation on the Trust's Strategic and Transformation Executive, a monthly meeting of the Trust's senior managers, and are looking to include service users and carer on all the work streams of the Right Care Transformation programme. Service users and carers contribute extensively to the community transformation programmes, the reference groups within the Quality Centre, PCREF (Patient and Carer Race Equality Framework) developments and the development of the Trusts new strategy.

Recovery College

A total of 5,650 students have now benefited from our Recovery College since its launch with Maudsley Charity funding in 2013. Students historically consisted of:

- People who use our services
- Supporters (carers, family and friends) of people who use our services
- People who have been discharged from our services within the last six months and their supporters
- Anyone working with us as a volunteer or peer supporter or who is on the Involvement Register

- **Trust staff (not including students on clinical placement).**

Since the beginning of the year, the Recovery College moved online to adapt to changing circumstances; courses are now available to anyone in the world, with no eligibility criteria. As a result, it has been the busiest year ever for the Recovery College, with over 1,600 people attending courses. This was recognised with an award from King's Health Partners Education Academy for innovation. The workshops and courses aim to provide the tools for recovery through a learning approach that complements the existing services provided by the Trust. Every course and workshop is co-designed and co-run by trainers with lived experience working alongside trainers from the mental health profession. The Recovery College continues to offer staff development and course support to the Forensic Recovery College Hub and Oxleas Forensic Recovery College.

The Trust's equality performance

The Trust reviews its service delivery and workforce equality performance on an annual basis and reports progress to the Equalities and Workforce Committee each July. The Trust publishes a suite of reports on the [Public sector equality duty](#) page of our website to demonstrate accountability and comply with its Equality Act 2010 obligations. This equality information includes the following:

- **Trustwide service delivery equality report:** This provides data on service user access experience for all protected characteristics as well as data on the Trust's volunteers, membership and its use of language services.
- **Workforce equality report:** This provides data on the demographic profile of the Trust's workforce and key workforce indicators such as Workforce Race Equality Scheme (WRES) data.
- **Local ethnicity reports for Croydon, Lambeth, Lewisham and Southwark:** These provide ethnicity data on access, experience and outcomes of key services in each borough.

Equality reporting

The Trust regularly monitors and reports on equality objectives and Public Sector Equality Duty performance, this information can be accessed on the Trust's website at <https://slam.nhs.uk/about-us/equality/>.

Digital

Digital Services are committed to providing digitised IT & services, building opportunities to connect processes and people. Our cross-functional team approach is to continuously enhance Digital services, adding value by supporting and giving staff back time by releasing them from manual, frequently undertaken, and repeatable tasks.

We are a Global Digital Exemplar - this means that we are cited by NHS England as amongst the most digitally advanced organisations in the NHS. We continue to build on this achievement and are focused on leading the way in which Digital can be used to improve all aspects of our services, from front-line clinical services to administrative functions across the NHS.

At the commencement of national lockdown, we rapidly scaled the support to our staff, and ensured we had sufficient capacity through the rapid increase in remote working across the trust. During the pandemic we provided over 1,900 devices to staff to enable them to work effectively from home or other locations. We supported people to use our services to maintain contact with others, providing over 100 tablets towards so that inpatients could receive video calls from relatives. We also, with the assistance of The Maudsley Charity, provided mobile phones to people in need if their appointments were switching from face-to-face due to infection control.

Capital plans and progress

The Trust and its partners are investing £140 million in a modernisation programme to improve our mental health services and facilities for local people. Part of the transformation will be the redevelopment of outdated buildings which are no longer fit for modern mental healthcare. Lambeth Hospital and Mapother House, Michael Rutter Centre, Professorial Building at the Maudsley site will be redeveloped as housing - helping fund better mental health care and services and meeting our communities need for more local homes.

Two major developments are underway at the Maudsley Hospital site.

Construction of the Pears Maudsley Centre for Children and Young People has commenced and is due to be completed summer 2023. The Centre will combine improved mental health services for local children and young people with world-leading research all under one roof. It will bring together frontline clinicians and academics to transform mental health outcomes for young people locally and globally. The centre will include inpatient, outpatient and crisis care, as well as a new home for the Bethlem and Maudsley Hospital School.

Construction of Douglas Bennett House (DBH) has commenced and is due to be completed spring 2023. DBH will provide eight new, modern, fit for purpose wards providing accommodation for Lambeth inpatient services, eating disorders inpatients and neuropsychiatry in patient services.

The Lambeth Hospital site along with Mapother House, the Michael Rutter Centre and Professorial Building at the Maudsley site will then be released for redevelopment to provide much needed housing, 50% of which will be affordable. The redevelopment proposals are currently being taken through the local authority planning process ahead of progressing commercial arrangements for redevelopment.

A business case is also being developed to support the replacement of our 114 bed Ladywell Unit at Lewisham. The replacement of the Ladywell unit is a strategic priority for the Trust and the wider NHS Integrated Care System (ICS).

The Trust is also reviewing its wider estate provision considering the impact of the Covid-19 pandemic including its use of community and corporate accommodation going forward.

Principal risks

Our principal risks are identified as part of our Board Assurance Framework and are listed below. For more information regarding the monitoring and assurance process around the Board Assurance Framework, see the Directors' Report later.

Workforce: If the trust cannot attract, recruit and retain enough highly skilled staff, in the right settings with the ability to respond to organisational change the risk is that the quality of care may not be acceptable or consistent across services.

Informatics: Failure to develop Trust informatics systems and ensure they are consistently and effectively used by data literate staff may result in inaccurate, misinterpreted or under-utilised data that could adversely impact the quality of care, staff experience and our ability to improve or meet contract requirements.

Service user and carer involvement and experience: If the Trust fails to actively engage with or listen to the experience of service users and carers there is a risk that we will not learn and improve the safety and experience for people that use our services.

Quality & statutory compliance: There is a significant risk that the quality and safety of care provided to people across inpatient and community services varies or is not adequately monitored or addressed and at times falls below acceptable standards. This variance in standards could adversely impact the experience and safety of patients and staff and risk breaching regulatory, legal and statutory duties as set by the CQC, HSE and other regulators.

Estates strategy: The Trust's estate strategy will be delivered over the next 5 years and is dependent on significant capital investment. During the five years services will continue to be delivered from buildings of differing age, quality and standards and there is a risk that the experience of staff and patients is adversely affected and that safety is compromised. With the infrastructure of the Ladywell unit close to reaching its useful life, there is a concentrated, localised risk that the ability to deliver quality care with safe and effective therapeutic services in Ladywell is detrimentally impacted resulting in an unacceptably negative impact on staff, patient experience and statutory compliance. The risk of major new developments being unfit for purpose, delayed or going over budget remains; and resources needed may compromise planned and reactive maintenance needs despite planning accordingly.

Right Care (inpatient services): In the context of current capacity and demand, if there is a lack of integrated working by internal and external stakeholders, there is a risk of delay in delivery of the Right Care to patients requiring inpatient care, that may negatively affect patient outcomes and experience, staff experience and morale and the Trust financial position and reputation.

Right Care (community redesign): If the Trust does not deliver the working age community redesign programme, there is a risk that people are subject to duplication of assessment, not receiving timely intervention, may be subject multiple hand offs between services and at risk of avoidable admissions, which overall leads to people not receiving the right care that impact on their experience and prevents the trust from optimising current and future resources.

Covid-19 Business Continuity Management: Inability to deliver core functions and systems to support the maintenance of clinical services in the event of a major incident or emergency, such as extreme weather conditions, and in an ongoing situation such as flue pandemic or similar. Currently the focus is on a pandemic of Covid-19.

Mental Health Act compliance: If the Trust fails to effectively implement Mental Health Act, its policies and procedures, or adequately monitor performance there is a risk of breaching Human Rights, Mental Health Act legislation and our duty of care to service users resulting in enforcement action, litigation and reputational harm.

Finance - ongoing sustainability: If the Trust and its services, operating within the new ICS governance structure, cannot secure the necessary funding and deliver services within capacity on a long-term basis, whilst delivering required levels of efficiency, there is a risk that the financial position will become unsustainable, putting quality, patient services and delivery of the wider trust strategy at risk.

Going concern disclosure

After making enquiries, the Directors have a reasonable expectation that the services provided by the NHS Foundation 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.

Signed



David Bradley

Chief Executive

21 June 2021



Accountability Report

Directors' report

The Board of Directors is collectively responsible for the Trust's strategic direction, its day-to-day operations and performance. Their powers, duties, roles and responsibilities are set out in the Trust's Constitution. The Board of Directors brings a wide range of experience and expertise to its stewardship of the Trust, a summary biography of each voting member of the Board is provided below.

As a unitary Board, all Executive Directors and Non-Executive Directors have joint responsibility for every decision of the Board of Directors and share the same liability. This does not impact on the responsibilities of the Chief Executive as the Accounting Officer. Non-Executive Directors are responsible for determining appropriate levels of remuneration of Executive Directors and have a key role in appointing and, where necessary, removing Executive Directors and in succession planning.

The Board of Directors meets in public and actively encourages Governors, members and the public to attend. The Board also holds private sessions when these are required. There is also a regular programme of Board development and self-assessment. There are meetings between the Governors and the Non-Executive Directors before every public Board, to provide an additional opportunity for Governors to ask questions of the Non-Executive Directors. Meetings of the Board have been held online since March 2020, this will remain under review.

All of the Board of Directors meet the standards of the 'Fit and Proper Persons Requirement'. There have been no declarations of donations to political parties. The Trust produces a register of the interests of Board members, this is included as part of the papers of Board meetings, which can be accessed [here](#).

The Directors consider 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 Trust's performance, business model and strategy.

Sir Norman Lamb - Non-Executive Director (Chair)

A long-standing and active campaigner for mental health, Sir Norman Lamb has worked to challenge stigma around mental health and to ensure people with mental health issues are treated with the same priority as patients with physical health needs. A former Health Minister from 2012-2015, Sir Norman introduced the first access and waiting time standards in mental health care for the treatment of mental health problems like depression and anxiety, and for patients experiencing a first episode of psychosis. Prior to this he was also a Minister in the Department for Business, Innovation and skills.

In 2019, Sir Norman received a knighthood in the Queen's Birthday Honours for his public and political service, notably his contribution to mental health.

David Bradley – Chief Executive

David Bradley joined the Trust as Chief Executive in July 2019. He has extensive NHS operational experience in mental health, acute and community services. David began his career in the NHS in 1980 and has over 20 years' experience at board level across different NHS trusts in London, Oxford and Surrey including nine years as a Chief Executive Officer. He is a board member of King's Health Partners, a Trustee on Maudsley Charity (the largest mental health charity in the UK) and on the advisory board of Mindful Healthcare.

Before joining the Trust, David was Chief Executive at South West London and St Georges NHS Trust. Through several award-winning change programmes, he transformed the organisation, improving the quality of services and care provided to patients. He led one of London's most significant successful mental health development schemes with a new £180 million state of the art hospital and overall £1 billion redevelopment of the existing site.

David is one of the founders of the South London Mental Health and Community Partnership, a unique partnership of three London NHS trusts that, after being established in 2017, has transformed outcomes for people with specialist, often complex mental health problems. This was one of the first effective provider collaboratives to be set up in the NHS and redesigned services that have resulted in over £9 million of savings reinvested in new services. The model regarded is widely regarded as a national blueprint for partnership working at a system level.

David completed his MBA at Henley Business School in 2001 and was selected to be on the NHS Top Leaders programme in 2011. He is passionate about tackling deep-rooted health inequalities and providing the best care for the people who use mental health services.

Béatrice Butsana-Sita – Non-Executive Director

Béatrice Butsana-Sita brings a wealth of experience in commercial strategy and leadership from a series of high-profile senior roles. She was Managing Director at Capita IT & Networks until late 2018. She is currently CEO of Greenhouse Sports, a London-based charity that uses sport to engage young people and improve their life chances.

She began her career at KPMG in Belgium, then moved to New York to pursue her career in consultancy. Her roles have also included running her own software business and working as a managing director at British Telecom (BT).

Béatrice has previous experience as a Non-Executive Director in the NHS, at Newham Primary Care Trust in London. She represented BT at the World Economic Forum in Davos in 2014 and appeared on the list of the 100 women to watch published by Cranfield University.

Helen Edwards CB CBE – Non-Executive Director

Helen Edwards is Chair at Recovery Focus, a national partnership of charities operating nationwide to provide mental health and substance misuse, and is also a board member and trustee of Peabody Housing Trust and Social Finance. Helen was a Non-Executive Director at Central and North West London NHS Foundation Trust and a Trustee of Lloyds Bank Foundation.

From 2013 to 2016 Helen held the position of Deputy Permanent Secretary/Director General of Local Government and Public Services, and was previously Acting Permanent Secretary at the Ministry of Justice and the CEO of National Offender Management Services at the Home Office.

Helen was also Chief Executive at NACRO, the national crime reduction agency where she received a CBE for her services to offenders, and was awarded the honour of Companion of the Order of the Bath for her contribution in the field of Justice and Offender Management in 2012.

Professor Ian Everall – Non-Executive Director

Professor Ian Everall was appointed Executive Dean of the Institute of Psychiatry, Psychology and Neuroscience (IoPPN) in September 2017. He has been the forefront of research into cellular, molecular and genetic changes in the brain in major psychiatric disorders for more than 20 years.

Professor Everall trained in psychiatry at the Bethlem Royal and Maudsley Hospitals. Previously Cato Chair of Psychiatry and Head of the Department of Psychiatry at the University of Melbourne, he obtained his MBChB at Leicester University School of Medicine.

In 1989 he obtained Membership of the Royal College of Psychiatrists and a MRC Clinical Research Training Fellowship, followed in 1992 by an advanced MRC Clinician Scientist Fellowship in the Department of Neuropathology, Institute of Psychiatry.

Professor Everall gained his PhD in 1992 and in 1993 was appointed Senior Lecturer at the Institute of Psychiatry and Honorary Consultant Psychiatrist at The Maudsley Hospital. He was appointed Professor of Experimental Neuropathology at the Institute of Psychiatry in 1999 and in 2004 became Professor of Psychiatry at the University of California, San Diego. In 2009 he was appointed Cato Professor and Head of the Department of Psychiatry, University of Melbourne.

Mike Franklin – Non-Executive Director

Mike Franklin is a former Commissioner with the Independent Police Complaints Commission. He was also HM Assistant Inspector of Constabulary and has acted as a Specialist Assistant Inspector, Race and Diversity across 43 police forces in England and Wales. Mike was Chair of the Community Policy Consultative Group for Lambeth and also served on the TUC race relations Committee. Having grown up in Lambeth and Southwark, Mike is passionate about engaging with diverse local communities. He was also a Non-Executive Director at Guy's and St Thomas' NHS Foundation Trust.

Duncan Hames – Non-Executive Director

Duncan Hames is a Director of Policy at Transparency International UK, a charity which seeks to reduce corruption in the UK and around the world.

He was previously a Member of Parliament for five years from 2010, during which time he served as the parliamentary aide to the Deputy Prime Minister, attending the Government's weekly Cabinet. He was also a board member of the Great Britain China Centre and a member of the Policy Advisory Board of the Social Market Foundation.

He is a Chartered Management Accountant and has over 10 years of prior experience as a management consultant. For six years, he also served on the board of the South West of England Regional Development Agency, chairing its Audit Committee.

Duncan took up the role of Senior Independent Director in January 2018 and chairs the Audit Committee.

Gus Heafield – Chief Financial Officer

Gus Heafield is a Chartered Accountant with more than 25 years' experience at Board level in the NHS with a passion for continuously improving the delivery of high quality, safe and patient-centred services. As Chief Financial Officer, Gus is responsible for leading the trust finances, procurement and digital services. Together with board colleagues, Gus has played a key role in developing and leading the Trust's financial, estates and commercial strategies and annual planning processes.

With a wealth of experience across the NHS and respected for his extensive knowledge and sound counsel, Gus is frequently invited to join local, London-wide and national NHS steering groups providing strategic advice to deliver improvements in financial and non-financial outcomes.

Dr Michael Holland – Medical Director

Michael Holland is our Medical Director and works as a liaison psychiatrist at Guy's Hospital. He was previously Deputy Medical Director and Chief Clinical Information Officer, leading the Trust's implementation of revalidation.

A non-executive director at Recovery Focus, Michael is also a visiting senior fellow at London School of Economics where he teaches a course on quality management in healthcare. He was a fellow at the NHS Institute for Innovation and Improvement. He has also worked as an improvement advisor to the improvement programmes delivered in NHS South West and NHS South.

Michael was first appointed as a consultant psychiatrist in rehabilitation at the Trust in 2003, having completed his specialist registrar training within the Trust.

Altaf Kara – Director of Strategy and Commercial

Altaf Kara joined South London and Maudsley NHS Foundation Trust in June 2016 and was appointed as an Executive Director on the Trust's board from November 2017. Apart from responsibility for commercial and strategic activities, he has Board responsibility for estates, and external partnerships.

Prior to joining the Trust, he was a partner in corporate finance at Deloitte where he specialised in hospital turnarounds, operational impact and health economy restructuring within the NHS.

With over 20 years' experience in professional services covering a range of issues in the public and private sector, including retail, consumer products, media and entertainment and healthcare, Altaf brings a depth of commercial and strategic experience and skills to the Trust both in the UK and overseas.

James Lowell – Chief Operating Officer

From January 2021.

James Lowell joined the Trust as Chief Operating Officer in January 2021. James has worked in a range of director-level roles within the NHS and has over 24 years' experience of working in health, most recently leading the co-ordination of the Kent and Medway system recovery from Wave 1 of the Covid-19 pandemic. His previous roles include Director of System Transformation for the Medway and Swale Integrated Care Partnership and Director of Planning and Partnerships at Medway NHS Foundation Trust. He has also managed clinical and patient support services at Guy's and St Thomas' NHS Foundation Trust.

June Mulroy MBE - Non-Executive Director

Until December 2020.

June Mulroy is a chartered accountant with over 35 years' experience including at main board level in both the private and public sectors in the UK and overseas. For over 15 years, June has also served as a non-executive governor/director in higher and further education, and in restorative justice and has been audit chair for most of that time.

June's working experience has been principally in financial services in the UK, Switzerland, Ireland and France. There have also been substantial projects in the NHS and in UNESCO (Paris). Her seven-year appointment as an executive director in the Pensions Regulator, where she was tasked with changing UK Pensions Policy and Regulation, resulted in her being awarded an MBE.

June took up the role of Deputy Chair from January 2018. She was appointed Interim Chair from 1 May 2019 to 29 February 2020.

Beverley Murphy - Director of Nursing; Interim Chief Operating Officer

Until March 2021.

Beverley Murphy joined the Trust as Director of Nursing in April 2017, taking up the role of interim Chief Operating Officer in July 2019. She was previously Director of Nursing at West London Mental Health Trust and before that Chief Nurse at Leeds & York Partnership NHS Foundation Trust. Beverley has worked as a mental health nurse for 36 years and has led significant improvements in quality of care in the NHS.

Beverley left the Trust on secondment in June 2020.

Neil Robertson - Acting Chief Operating Officer (from June 2020)

From June 2020 to January 2021.

Following Beverley Murphy's secondment, Neil Robertson was appointed as Acting Chief Operating Officer. Neil has worked for the Trust in a number of key roles, most recently as Managing Director for Lambeth Living Well Network Alliance and as Operational Director for Lambeth.

Vanessa Smith - Interim Director of Nursing

Vanessa Smith was appointed as Interim Director of Nursing in August 2019. She has worked at the Trust for 28 years and began her career here as a student nurse. As Service Director for the Psychological Medicine and Older Adults directorate she oversaw significant achievements in patient safety, experience and involvement, and strengthened quality governance and assurance. In March 2019 Vanessa was appointed as Deputy Director of Nursing.

Dr Geraldine Strathdee - Non-Executive Director

Geraldine Strathdee's roles have included NHS England's National Clinical Director for Mental Health and consultant psychiatrist at Oxleas NHS Foundation Trust from 2013-2016. For over 20 years Geraldine has held senior roles in mental health policy, regulation and clinical management, at national and London regional levels, and advises internationally on mental health service design and quality improvement, while working as a practising clinician.

Clinically, Geraldine has worked in a wide range of primary care, inpatient and community services, and latterly with people with complex and multiple needs, as a Consultant Psychiatrist for the Bromley Assertive Community Treatment team in Oxleas. Geraldine's research interests have included the fields of primary care mental health, evaluation of community services and dual diagnosis.

Anna Walker CB - Non-Executive Director

Anna Walker has a wealth of experience on performance improvement, regulation and user involvement in the public, private and charity sectors. She is passionate about improving services for those who use them. She currently chairs St George's Hospital Charity, is a lay member of the Nursing and Midwifery Council and sits on the Competition Appeals Tribunal. She was CEO of the Healthcare Commission (the predecessor of the Care Quality Commission); Chair at Young Epilepsy; Chair at the Office of Rail and Road; a Non-Executive Director at Welsh Water; and a Deputy Chair of the consumer watchdog, Which? She was also Director General, Energy at the Department of Trade and Industry, Director General, Rural Policy at the Department for Environment, Food and Rural Affairs and Deputy Director General at the Office of Telecommunications.

Attendance at Boards and Committees

Name	Board of Directors attendance	Audit Committee attendance	Remuneration Committee attendance
Norman Lamb (Chair)	6/6		4/5
David Bradley (Chief Executive)	6/6		3/5
Béatrice Butsana-Sita	6/6		0/5
Helen Edwards	6/6		3/5
Ian Overall	5/6	4/5	5/5
Mike Franklin	5/6		1/5
Duncan Hames (Senior Independent Director)	6/6	5/5	4/5
Gus Heafield	6/6		
Michael Holland	5/6		
Altaf Kara	6/6		
James Lowell	2/2		
June Mulroy	4/4		3/3
Beverley Murphy	1/1		
Neil Robertson	4/4		
Vanessa Smith	6/6		
Geraldine Strathdee	6/6		2/5
Anna Walker	6/6	4/5	4/5

The Chief Financial Officer, while not a member of the Committee, has a standing invitation to attend the Audit Committee.

Well-led framework

The Trust has taken regard to NHS's quality governance framework in arriving at its overall evaluation of the organisation's performance, internal control and board assurance framework.

Board Assurance Framework

The Board Assurance Framework (BAF) focuses on the significant risks that might compromise the Trust's strategic objectives, mapping out the key controls that should be in place to manage those risks and providing assurance about the effectiveness of these controls.

Each BAF risk is assigned to an Executive Director (ED) as the risk owner with the responsibility to monitor the existing controls and assurances and oversee the implementation of further mitigations deemed necessary.

The Board has delegated authority to the Audit Committee to provide oversight of the overall BAF process and in turn to the Board Committees to provide closer oversight and scrutiny of specific allocated BAF risks.

Each BAF risk is reviewed monthly by the Trust Executive Leadership Team and subject to a detailed risk focus review at least every 6 months at the relevant Board Committee with Board reviewing the full BAF twice per year. The BAF is publicly available as part of Board papers.

The BAF currently holds risks relating to workforce, informatics, patient involvement and experience, quality and compliance, estates strategy, right care, community service re-design, Covid-19, Mental Health Act compliance and Finance. They are summarised within the Performance Report as principal risks, and provided in full as part of the Annual Governance Statement.

Patient care

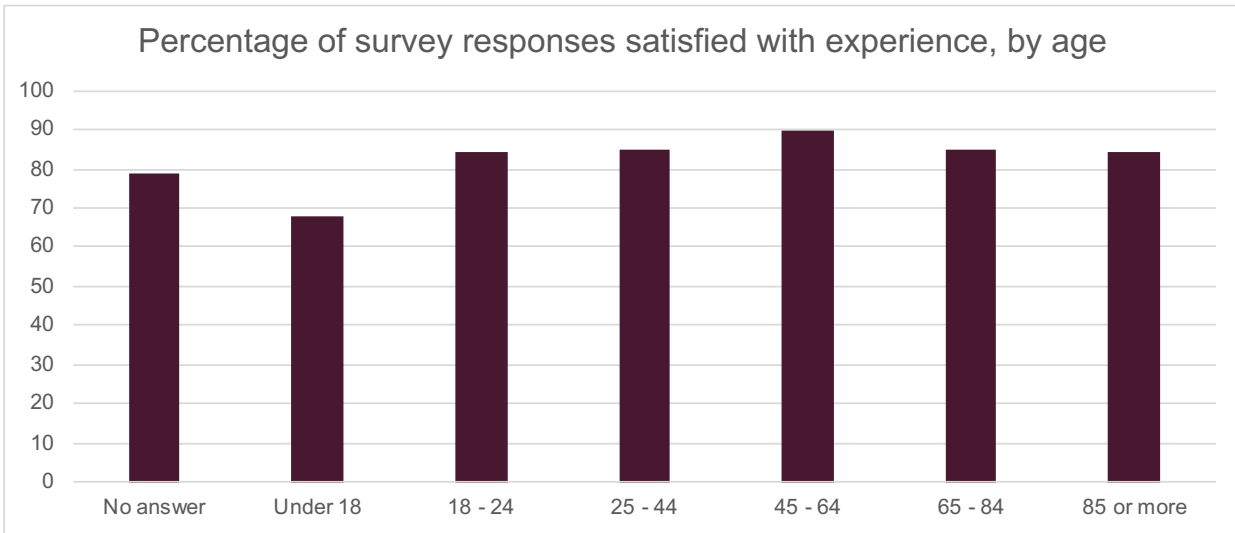
Performance against targets and selected metrics is presented to the Trust Board at every meeting as part of the performance and quality report, a summary of performance is provided in the Performance Report.

Co-production is strong within the Trust. The Recovery College co-produces all of its courses from development through to delivery. There is a great deal of involvement which is co-produced as well as co-designed and consulted with service users and carers. The Involvement Register provides the opportunity for people who use our services to be involved on things such as interview panels, focus groups and a wide range of Trust developments.

The new Family and Carer Strategy highlights the importance of involving families and carers and as part of its implementation has registered for the Triangle of Care, an initiative which assesses to what extent services involved carers and family members in their loved ones care. It aims to ensure service users, carers and staff all contribute on an equal basis.

The Trust is in the process of co-producing a new Service User Involvement Strategy.

Clinical teams are encouraged to ask service users (patients and carers) whether they are satisfied with the level of care we provide. We have received approximately 2,600 survey responses. The vast majority of our service users (86%) view their experience with us as positive. However, there are differences in the level of satisfaction when taking into account ages, genders and ethnicities of the people who use our services; and responses reporting the lowest satisfaction rates are less likely to declare demographic characteristics. Responses indicate that service users identifying that they are Mixed Race or Black report lower levels of satisfaction overall. Satisfaction also varies by age.



We provide survey data to all teams via our service dashboards (Deming). We will continue to learn lessons from the feedback we are provided and work with staff to improve services for all groups.

We seek direct feedback on how to improve our services, our Patient Advice and Liaison Service provides information and will assist in resolving any problems service users or carers have with our services. We take complaints very seriously as they form a crucial part of our learning. Information is available in leaflets produced in multiple languages, and available on our public website. These detail additional recourses of action such as the NHS Complaints Advocacy Service, and also the Parliamentary and Health Service Ombudsman.

Stakeholder relations

The Trust continues to engage and work with our staff, people who use our services, their carers, partner organisations and local communities on a variety of topics and in a range of ways, from face to face to digital, through social media channels and printed format.

This year, we have continued a programme of engagement with our service users, carers, communities and staff to gather views that will be the heart of our ambitions going forward.

We are also developing important partnerships and alliances in each the boroughs we serve. We are remodelling our community services, working in partnership with our local boroughs, and are ensuring that each supports a core, evidence-based model for community mental health teams. We convene a quarterly meeting with colleagues from the four Healthwatch organisations that work across Lambeth, Southwark, Lewisham and Croydon. These meetings enable all the organisations to share information and identify opportunities to work collaboratively.

We are part of a unique partnership of three South London mental health trusts, bringing together clinical expertise, experience and innovation to benefit patients – the South London Mental Health and Community Partnership. Working alongside Oxleas NHS Foundation Trust and South West London and St George’s NHS Trust, we can transform outcomes for people with specialist, sometimes complex, mental health conditions. We aim to be transformational in developing new ways of working; implement consistent best practice clinical pathways; and commission the right services to meet local population health needs.

Cost allocation

The Trust has complied with the cost allocation and charging guidance issued by HM Treasury.

Better Payments Practice Code

Better Payments Practice Code is a target of paying 95% of bills within contract terms or 30 days where no terms have been agreed. The code requires the Trust to aim to pay undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later. We paid 97% of non-NHS invoices within this period (99% in terms of value) and 95% of NHS invoices within this period (99% in terms of value).

Fees and charges (income generation)

Foundation trusts should disclose the income and full cost associated with fees and charges levied by the trust where the full cost exceeds £1 million or the service is otherwise material to the accounts. If this disclosure is included in the accounts (per DHSC GAM chapter 5) it need not be repeated in the annual report

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

The Trust confirms that it has met the requirement under Section 43 (2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) that:

- Income from the provision of goods and services for the Health Service in England is greater than its income from the provision of goods and services for any other purposes;
- There is no impact from other income received on its provision of goods and services for the purposes of the health service in England.

Signed



David Bradley

Chief Executive

21 June 2021

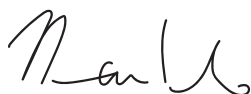
Remuneration report

Annual statement on remuneration

As Chair of the Remuneration Committee I am pleased to present the report on remuneration for 2020/21.

There were no changes to the Trust's remuneration policy in 2020/21. The salaries of the most senior managers are based on a market comparison benchmark data at the time of the appointment. The Medical Director is employed under Medical and Dental terms and conditions which are agreed nationally.

An opinion is sought from NHS Improvement where salaries for senior staff exceed £150,000. Salaries over £150,000 are benchmarked to the market. No appointment is confirmed until an opinion has been received.



Sir Norman Lamb

Chair

21 June 2021

Senior managers' remuneration policy

The salaries of the most senior managers are based on a market comparison benchmark data at the time of the appointment. The Medical Director is employed under Medical and Dental terms and conditions which are agreed nationally.

The total remuneration for each Executive Director comprise the following elements:

Salary + Pension = Total remuneration

Salary:

To provide a reward for the role. This is set at an appropriate level in light of benchmarking and market conditions. The experience of an individual and the nature of the role contribute to determining the salary. The salary is linked to the delivery of the strategic objectives of the Trust and measurement of performance is determined through achievement of an individual's objectives in meeting Trust objectives and strategic aims. The salary incorporates the High Cost Area Supplement and any increases are in line with cost of living increases for other NHS staff groups. Salary levels may be increased in light of additional responsibilities and in such circumstances, will be approved by the Remuneration Committee. Salaries are spot rates and do not include an incremental pay increase on a periodic basis.

Pension:

All NHS staff are eligible to join the NHS Pension Scheme operated through NHS Business Services Authority, unless already in receipt of NHS pension. All new appointments from April 2015 will join the 2015 Pension Scheme. There are a range of benefits covered by the pension scheme and details of these can be seen on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Under pension scheme membership rules an employee contributes up to a maximum of 14.5% of salary depending on salary level and the employer contributes 14.3%. There are no performance standards or measures associated with the NHS Pension scheme.

Annual report on remuneration

The Remuneration Committee is appointed and authorised by the Trust to develop and implement reward management strategies and systems that attract, retain and motivate staff at all levels in the Trust. This

includes reward and recognition for Executive Directors, the Executive Leadership Team and those staff not covered by nationally agreed terms and conditions.

The Committee takes due regard to the Trust's Equal Opportunities Policy in its decision making and recognises the importance of promoting equality, diversity and inclusion within the workforce which is a central feature of the Trust's strategy and monitored through workforce reports with oversight by the Equalities and Workforce Committee.

The remuneration and expenses for the Trust Chair and Non-Executive Directors are determined by the Council of Governors, taking account of the guidance issued by organisations such as the NHS Confederation and NHS England/Improvement.

Remuneration Committee

The Remuneration Committee decides the pay, allowances and other terms and conditions of Executive Directors and other senior managers, including compensation in the event of early termination of contracts. All Non-Executive Directors are members of the Committee, chaired by Sir Norman Lamb.

The Chief Executive and the Director of Human Resources and Organisational Development act as advisors to the Committee.

During the reporting period, the Committee met five times. Attendance is recorded in the Director's report. Other individuals may also be invited to attend Remuneration Committee meetings during the year. Executive Directors and other attendees are not involved in any decisions, and are not present at any discussions regarding their own remuneration.

Service contracts

All Executive Directors are substantive employees of the Trust with contracts of employment. All contracts are open-ended and subject to contractual notice periods by either party. Termination of employment and calculation of payment would be in accordance with contractual notice periods. The contracts contain clauses relating to the adherence of Trust policies. All senior manager positions are subject to the same employment policies as all other employees and consistent with the arrangements under Agenda for Change, including performance, disciplinary and redundancy arrangements. Details of the actual remuneration packages for each senior manager is outlined in the table below.

Name	Role	Start Date	Term of Office	Notice Period
Sir Norman Lamb	Chair	3 March 2020	3 Years (renewable)	N/A
Duncan Hames	Non-Executive Director	12 May 2016	3 Years (renewable)	N/A
June Mulroy (to 1/1/21)	Non-Executive Director	12 January 2015	3 Years (renewable)	N/A
Geraldine Strathdee	Non-Executive Director	1 January 2018	3 Years (renewable)	N/A
Professor Ian Everall	Non-Executive Director	1 September 2017	3 Years (renewable)	N/A
Mike Franklin	Non-Executive Director	23 May 2016	3 Years (renewable)	N/A
Beatrice Butsana-Sita	Non-Executive Director	14 December 2018	3 Years (renewable)	N/A

Anna Walker	Non-Executive Director	1 July 2016	3 Years (renewable)	N/A
Helen Edwards	Non-Executive Director	3 March 2020	3 Years (renewable)	N/A
David Bradley	Chief Executive	1 August 2019	Open-ended	6 months
Dr Michael Holland	Medical Director	6 September 2016	Open-ended	12 weeks (medical terms and conditions)
Gus Heafield	Chief Financial Officer	1 April 1996	Open-ended	6 months
Vanessa Smith	Interim Director of Nursing	12 August 2019	Open-ended	6 months
Altaf Kara	Commercial and Strategy Director	28 November 2017	Open-ended	6 months
James Lowell	Chief Operating Officer	1 January 2021	Open-ended	6 months
Neil Robertson	Acting Chief Operating Officer	From 1 June 2020 to 31 January 2021	Open-ended	6 months
Beverley Murphy (on secondment from 1/6/20 to 31/3/21)	Director of Nursing; Interim Chief Operating Officer	From 1 April 2020 to 31 May 2020	Open-ended	6 months

Salary and benefits of senior employees (audited)

2020/21

Name and title	(a)	(b)	(c)	(d)	(e)	(f)
	Salary	Expenses	Performance pay and bonuses	Long-term performance pay and bonuses	All pension-related benefits	TOTAL (a-e)
	(bands £5k)	to nearest £100	(bands £5k)	(bands £5k)	(bands £2.5k)	(bands £5k)
	£000	£000	£000	£000	£000	£000
Sir Norman Lamb Chair	60-65	-	-	-	-	60-65
Duncan Hames Non-Executive Director	20-25	-	-	-	-	20-25
June Mulroy Non-Executive Director (to 1/1/21)	10-15	-	-	-	-	10-15
Geraldine Strathdee Non-Executive Director	15-20	-	-	-	-	15-20
Professor Ian Overall Non-Executive Director	0-5	-	-	-	-	0-5
Mike Franklin Non-Executive Director	15-20	-	-	-	-	15-20

Beatrice Butsana-Sita Non-Executive Director	15-20	-	-	-	-	15-20
Anna Walker Non-Executive Director	15-20	-	-	-	-	15-20
Helen Edwards Non-Executive Director	15-20	-	-	-	-	15-20
David Bradley Chief Executive	200-205	-	-	-	82.5-85	285-290
Dr Michael Holland Medical Director	180-185	-	-	-	182.5-185	360-365
Gus Heafield Chief Financial Officer	150-155	-	-	-	15-17.5	165-170
Vanessa Smith Acting Director of Nursing	130-135	-	-	-	167.5-170	300-305
Altat Kara Commercial and Strategy Director	165-170	-	-	-	-	165-170
James Lowell Chief Operating Officer (from 01/01/21)	30-35	-	-	-	50.52.5	85-90
Neil Robertson Acting Chief Operating Officer (01/06/20-31/01/21)	75-80	-	-	-	182.5-185	260-265
Beverley Murphy Director of Nursing; Interim Chief Operating Officer (from 1/4/20 to 31/5/20) – secondment from 1/6/20 to 31/3/21	20-25	1	-	-	0-2.5	20-25

Kristen Dominy, Chief Operating Officer, left the Trust on 27 April 2020. Prior to that, Kristen was on secondment to another organisation. There have been no payments made by the Trust in this financial year, hence no inclusion in the above table.

There were no benefits-in-kind received by senior employees. There were no performance related bonuses and there are no long term performance related bonuses.

Individuals have been informed of the intention to disclose information about them, invited to review the information and given the opportunity to object under the General Data Protection Regulation (GDPR).

There were no payments made to past Directors. Payments for loss of office is outlined above and is in line with standard loss of office processes for all staff.

Salary and benefits of senior employees (audited)

2019/20

Name and title	(a)	(b)	(c)	(d)	(e)	(f)
	Salary	Expenses	Performance pay and bonuses	Long-term performance pay and bonuses	All pension-related benefits	TOTAL (a-e)
	(bands £5k)	to nearest £100	(bands £5k)	(bands £5k)	(bands £2.5k)	(bands £5k)
	£000	£000	£000	£000	£000	£000
Sir Norman Lamb Chair (from 3/3/20)	0-5	-	-	-	-	60-65
Roger Paffard (1/3/19 – 30/4/20)	10-15	-	-	-	-	10-15
Duncan Hames Non-Executive Director/ Chair of Audit Committee	20-25	-	-	-	-	20-25
June Mulroy Non-Executive Director (acting Chair 1/5/19 – 2/3/20)	50-55	-	-	-	-	50-55
Geraldine Strathdee Non-Executive Director	15-20	-	-	-	-	15-20
Helen Edwards Non-Executive Director (from 3/3/20)	0-5	-	-	-	-	
Professor Ian Everall Non-Executive Director	0-5	-	-	-	-	0-5
Mike Franklin Non-Executive Director	15-20	-	-	-	-	15-20
Beatrice Butsana-Sita Non-Executive Director	15-20	-	-	-	-	15-20
Anna Walker Non-Executive Director	15-20	-	-	-	-	15-20
David Bradley Chief Executive (from 1/8/19)	130-135	-	-	-	125-127.5	255-260
Dr Matthew Patrick Chief Executive (from 1/4/19 – 30/9/19)	60-65	-	-	-	-	60-65
Gus Heafield Chief Financial Officer	145-150	-	-	-	0-2.5	145-150
Dr Michael Holland Medical Director	170-175	-	-	-	0-2.5	170-175
Beverley Murphy Director of Nursing; (1/4/19 – 31/7/19)/ Acting Chief Operating Officer (from 1/8/19)	135-140	-	-	-	0-2.5	135-140
Vanessa Smith Acting Director of Nursing (from 12/8/19)	115-120	-	-	-	195-200	310-315

Kristin Dominy Chief Operating Officer (secondment from 1/8/19)	140-145	-	-	-	-	140-145
Altat Kara Commercial and Strategy Director	155-160	-	-	-	50.52.5	155-160

Pension of senior employees (audited)

2020/21

Name and title	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	Real increase in pension at pension age	Real increase in pension lump sum at pension age	Total accrued pension at pension age at 31 March 2021	Lump sum at pension age related to accrued pension at 31 March 2021	Cash Equivalent Transfer Value at 1 April 2020	Real increase in Cash Equivalent Transfer Value	Cash Equiv- alent Transfer Value at 31 March 2021	Employer's contribu- tion to stakeholder pension
	(bands £2.5k) £000	(bands £2.5k) £000	(bands £5k) £000	(bands £5k) £000	£000	£000	£000	£000
David Bradley	5-7.5	5-7.5	75-80	220-225	1,650	112	1,819	-
Michael Holland	7.5-10	17.5-20	55-60	120-125	818	159	1,014	-
Gus Heafield	0-2.5	5-7.5	45-50	130-135	976	100	1,114	-
Vanessa Smith	7.5-10	20-22.5	55-60	165-170	1,014	170	1,220	-
James Lowell	2.5-5	0-2.5	35-40	70-75	518	13	544	-
Neil Robertson	7.5-10	17.5-20	35-40	75-80	478	152	654	-
Beverley Murphy	0-2.5	0-2.5	65-70	205-210	1,491	-	1,533	-

Median remuneration and Fair Pay Multiples (audited)

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

The banded remuneration of the highest paid Director in the Trust in the financial year 2020-21 was £200k-205k (2019-20 was £200k-£205k). This was 5.07 times (2019-20, 5.19 times) the median remuneration of the workforce, which was £39,905.55 (2019-20, £38,471). Remuneration ranged from £16,318.46 to £202,060.00 (2019-20, £49 to £200,000).

There are no staff paid more than the highest-paid director. Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind, but not severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

Signed



David Bradley

Chief Executive

21 June 2021

Staff report

The Trust aims to provide the best possible care to the people it serves and to continually review the workforce profile to maintain a skilled, adaptable and efficient workforce that is able to deliver efficient high-quality services and fulfil the Trust's contractual, regulatory and statutory obligations.

Our workforce profile (audited)

South London and Maudsley has more than 230 services including inpatient wards, outpatient and community services, and have over 5,000 staff working for us across a range of different professional groups. The figures below are based on the average number (whole time equivalent) of staff we have employed through the year.

Average staff numbers	Permanent employees	Other	2021 total	2020 total
Medical staff	448	16	464	506
Nursing and health visiting staff	1,379	343	1,722	1,700
Healthcare Assistants and other support workers	664	417	1,081	1,107
Scientific, Therapeutic and Technical staff	1,190	176	1,366	1,221
Administration staff	1,075	140	1,215	1,157
Social Care staff	0	4	4	3
Total	4,756	1,096	5,852	5,694

Staffing costs (audited)

Average staff numbers	Permanent employees	Other	Year ended 31 March 2021 Total	Year ended 31 March 2020 Total
	£000	£000	£000	£000
Salaries and wages	223,985	9,823	233,808	214,449
Social security costs	22,492	0	22,492	20,346
Apprenticeship levy	792	0	792	977
Pension cost – employers contribution to NHS Pension scheme	28,134	0	28,134	25,686
Pension cost – employer contributions paid by NHSE on provider's behalf (6.3%)	12,232	0	12,232	11,191
Pension cost - other	36	0	36	0
Other post-employment benefits	0	0	0	0
Termination benefits	0	0	0	0
Temporary staff – external NHSP bank	0	34,051	34,051	31,831
Temporary staff - agency/contract staff	0	21,581	21,581	23,296
Total	287,671	65,455	353,126	327,776

Policies and initiatives applied during the year

The Trust applies the Recruitment and Selection policy ratified by the Joint Staff Committee, to applications for employment made by disabled persons including shortlisting any candidate with a disability who meets the essential criteria and ensuring reasonable adjustments are made to accommodate candidates with a

disability to attend interviews. The Trust is accredited as a 'Disability Confident Committed employer' with the Department of Works and Pensions. As a result of this commitment, the Trust agreed to take actions over the next three years of its membership as detailed below:

- Ensure our recruitment process is inclusive and accessible
- Communicate and promote vacancies
- Offer an interview to disabled people
- Anticipate and provide reasonable adjustments as required
- Support any existing employee who acquires a disability or long-term health condition, enabling them to stay in work

The Trust's Supervision Policy sets out the minimum requirements for all staff to be in receipt of regular and meaningful supervision. Our Training and Development policy for all non-medical staff aims to equip staff with the skills to further improve the quality of services we provide and to support staff to progress in their chosen career path, whilst our revised Appraisal Policy supports staff to meet any development needs which may have been identified. These policies all aim to support our staff and to encourage them to develop their careers within the Trust, by providing consistent and fair access to opportunities to all staff with any protected characteristics.

We have a mechanism in place for ensuring that organisational changes are managed in line with our policies with early engagement with our trade union representatives and in consultation with our joint staff consultation committee – which is a group represented by staff side and management representatives. Our Joint organisational Change policy has been developed and approved.

Regardless of the scope of change, staff are adequately consulted and involved in change management programs on informal and formal basis and provided with opportunities to contribute to proposals and suggest alternative options as appropriate.

Equality, diversity and inclusion

We are proud to serve diverse communities in Croydon, Lambeth, Lewisham and Southwark. This diversity is reflected in the profile of the people we care for and our workforce, and brings many benefits. The Trust is committed to providing access, services, and learning and employment opportunities that are inclusive.

LGBT

We are now members of Stonewall's Diversity Champion programme, Stonewall is the largest lesbian, gay, bisexual and transgender (LGBT) rights charity in Europe. This programme recognises employers in the UK and beyond which choose to make a positive commitment to ending discrimination in the workplace and improving the lives of LGBT+ people both at work and in the wider community. Over 1,000 of our staff have now signed up to be Rainbow Champions and help improve our services for lesbian, gay, bisexual, transgender and non-binary (LGBT+) service users, carers and family members. The Trust was very proud to fly the Pride flag at Maudsley Hospital.

The Trust have used the Listening into Action (LiA) programme to action more inclusivity for LGBT+ colleagues. Throughout June the Trust promoted several LGBT+ health and wellbeing seminars.

Race - Workforce Race Equality Standard (WRES)

As an employer employing a large number of staff of different ethnicities, we have set aspirational goals for proportionate Black, Asian and other ethnic minority staff at bands 7 and above which must be achieved within five years.

We understand that change needs to start at the top, and our Board have embraced that challenge. In December 2020 we developed and launched a new Reverse Mentoring programme. In Cohort 1 all Board members were matched with an Mentor from an ethnic minority. Cohort 2 was launched in March 2021.

The Trust has a thriving Ethnic Minority staff Network, which is well embedded across the Trust. Sessions are held bi-monthly to discuss staff concerns, challenges and share ideas on how to accomplish their aspirations. The Ethnic Minority Network also ran fortnightly sessions entitled "Time To Talk"; These sessions provided a safe space for all staff to address race, inequalities and the trauma associated as a result of some of the issues faced by Black, Asian and other ethnic minority staff within the Trust.

Following two successful years, we offered two further cohorts of coaching for Ethnic Minority staff seeking to develop their careers and progress into more senior roles within the Trust. This programme is part of the ongoing work associated with the Trust's Workforce Race Equality Implementation plan which sets out to improve the experience of our Black, Asian and ethnic minority workforce.

Staff were invited to join the third cohort of a leadership programme for Black, Asian and minority ethnic nursing staff in Band 3-8a roles. Developed as part of the South London Mental Health and Community Partnership's (SLP) Nursing Development Programme, it aims to help Ethnic minority nursing colleagues progress their careers.

We have declared our commitment to reduce ethnic inequalities in mental health care as part of a UK national pledge. A 'Statement of Intent', the pledge is spearheaded by the Synergi Collaborative Centre in response to the lack of progress made over the past 30 years to tackle ethnic inequalities for those diagnosed with a severe mental illness, and the disproportionate risks Black, Asian and minority ethnic communities face in mental health services.

The horrifying and callous killing of George Floyd left us feeling deeply shocked and upset. We tried to support staff through some of the emotions experienced. We held Time to Talk Sessions – listening sessions open to all staff; we also held Black Lives Matter Schwartz Rounds, which provided a structured forum for people to explore their emotions.

Workforce Disability Equality Standard (WDES)

The Workforce Disability Equality Standard (WDES) is a set of specific measures (metrics) that will enable NHS trusts to compare the experiences of disabled and non-disabled staff. This information will be used by trusts to develop local action plans and demonstrate progress against the indicators of disability equality. The implementation of the WDES will enable us to better understand the experiences of our disabled staff. It will support positive change for our staff and enable a more inclusive environment for disabled people working at the Trust.

The Workforce Disability Equality Standard is made available on the Trust's [website](#).

Other initiatives

We know that the past year has been extremely challenging for all staff. As our biggest asset, we need to support them so that they are able to provide the best care for our communities. A comprehensive range of services to support staff health and wellbeing is available and will continue to be revised and expanded.

Part of our support offer during Covid-19 has been a series of risk assessments for all staff. We have developed a risk assessment template; managers are required to have a sensitive and comprehensive conversation with all staff in particular with their members of their team from different backgrounds or additional risk factors to ensure they have all the necessary support in place.

We are currently working on a programme specifically targeting tackling bullying called 'Beyond Bullying'. Workshops were held to look at the root causes of bullying, how best to support those affected and encourage more positive and values-led behaviours at work.

Listening into Action provided funding for a launch event to provide an inclusive culture for new parents. Funding was also provided for improving support networks for pregnant colleagues and new parents returning to work after maternity, adoption or parental leave and also holding a launch event to spread the message that support is available for all parents.

We have continued to recruit Diversity in Recruitment champions, we now have over 110. We have revised our recruitment and selection training in order that all recruitment panel chairs must complete Recruitment and selection training which also includes unconscious bias training. We held a values-based recruitment workshop to support making the Trust an employer of choice and an exemplar for promoting equality, diversity and inclusion. We have introduced values-based recruitment, which will support managers to recruit staff who share our values.

Mike Franklin, Non-Executive Director, is Chair of our Equality and Workforce Committee. In July 2020 Mike Franklin was appointed Joint Director of Equality and Inclusion at NHS England and NHS Improvement.

Staff sickness absence

Sickness absence figures are published by NHS Digital, using data from the Electronic Staff Record data warehouse. The latest version can be found on the NHS Digital website at: [NHS Sickness Absence Rates - NHS Digital](#)

Staff turnover

Turnover figures are published by NHS Digital, using data from the Electronic Staff Record data warehouse. The latest version can be found on the NHS Digital website at: [NHS Workforce Statistics - NHS Digital](#)

Staff engagement

The most successful organisations are those where staff feel engaged, empowered and valued. Our staff are at the heart of everything we do. Listening to their ideas and suggestions is important to us so that we can improve how individuals and teams work together, whilst modelling our commitments and therefore improving services. Much of this is carried out through our Great Place to Work Programme and subgroups aligned to this.

Through our culture change programmes (Great Place to Work) and Freedom to Speak up Guardian, we continue to develop our engagement framework not just as a series of events but as an ongoing relationship with our staff. We see staff engagement as a constant process within the Trust. We have designed and implemented a number of staff engagement initiatives to improve our culture and aid retention.

During 2019/20, we have:

- Seen a decline in turnover for all staff groups across the Trust from the highest level of 21% in 2019 to 12% in November 2020. Key to achieving this, has been a focus on staff engagement activities over the last year
- A project plan for staff engagement to be in the upper quartile of Mental Health trusts, for the overall staff attitude survey, staff engagement score by 2022
- Run weekly live broadcasts with the Trust's Chair, Chief Executive and alternating members of Leadership Teams and staff providing live updates and Q&As all of which have been extremely well received. Broadcasts have been a positive way of recognising staff and teams with high performance
- Launched Stay interviews in November 2020 which now form part of the new starter pack received by new managers to be used in local inductions. Stay interviews include questions for managers to ask their new starters on their experience during the first, third and 6 months in post to ensure they have the relevant support required to allow them to flourish during their employment with us
- Exit interview guidelines for staff were updated with the option for staff to request an exit interview/discussion with a member of the Executive team
- Launched Beyond Bullying guides, offering informal support and guidance for staff in these scenarios
- Launched our Values Based Recruitment process so that we recruit those who share our values

The Trust has 5 Staff Networks Ethnic Minority, Disability, Lesbian Gay Bisexual Transgender (LGBT+) and Women's. These are formal networks which are set up internally in organisations to represent specific groups of employees. Staff Networks are widely accepted as an effective way of improving diversity and promoting inclusion and helping the employee voice to be heard.

Our Women's Staff network was launched in March 2021. As part of our International Women's Day celebrations, the network linked with the Bethlem Museum of the Mind to ensure a weekly article in the Trust e-newsletter on Women in SLAM history was produced.

Staff survey

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

The response rate to the 2020 survey among trust staff was 51.7% (2019: 51.8%). Scores for each indicator together with that of the survey benchmarking group (Mental Health & Learning Disability and Mental Health, Learning Disability & Community Trusts) are presented below. The response rate was slightly lower than the 2019 response rate, but this does not mark a significant decline.

The staff survey results are published by the Survey Coordination Centre at: [NHS Staff Survey Results](#).

Based on the 2019 survey, we identified the four key areas of focus. These were:

- Staff Engagement
- Equality, Diversity and Inclusion
- Health and Wellbeing
- Bullying & Harassment

Following the 2019 survey we had agreed action plans to progress activity in our key areas of focus. Due to Covid-19, some activity was refocused to ensure it was appropriate for the challenges that we were facing. Despite this, progress was made in each of our focus areas, year on year. However, more needs to be done to ensure that we are surpassing the benchmark average.

Most questions have seen a significant improvement on results from 2019 and a large portion of questions have seen no significant difference. Only three questions are significantly worse this year. We have seen improvements in staff perceptions on health and wellbeing, and senior management communication. With regards to least improved, this relates to perceptions around work related pressures, as well as other areas for improvement.

Summary of performance

Category	2020		2019		2018	
	Trust	Benchmarking Group	Trust	Benchmarking Group	Trust	Benchmarking Group
Equality, diversity and inclusion	8.5	9.1	8.4	9.1	8.3	9.0
Health and wellbeing	6.2	6.4	5.8	6.1	5.7	6.1
Immediate managers	7.3	7.3	7.2	7.3	7.1	7.2
Morale	6.2	6.4	6.0	6.3	5.9	6.2
Quality of appraisals	Not measured in the 2020 staff survey		5.6	5.8	5.5	5.7
Quality of care	7.4	7.5	7.4	7.4	7.3	7.3
Safe environment – bullying and harassment	7.9	8.3	7.8	8.2	7.7	8.2
Safe environment – violence	9.2	9.5	9.2	9.4	9.2	9.4
Safety culture	6.8	6.9	6.6	6.8	6.6	6.8

Staff engagement	7.1	7.2	6.9	7.1	6.9	7.0
Team working	7.0	7.0	6.8	6.9	6.8	6.9

Action plans to address areas of concerns

Our four areas of focus remain our priorities for the forthcoming year

Area of focus	Action plan
Staff Engagement	<p>Activity for 2021/22 will focus on improving our reputation of being a great place to work as well as increasing opportunities for staff involvement and recognition. We will also continue to work on embedding our values and culture work, as well as supporting teams in fostering a values-led culture. Themes of activities will include:</p> <ul style="list-style-type: none"> • Agreement on Trust wide action plans for our key areas of focus • Continued governance of local directorate staff survey action plans • Implementation of 'You Said, We Did' monthly campaigns to promote Trust activity in our areas of focus and celebrate teams that are doing well • Review of information on intranet pages in order to create a 'hub' of best practice and promotion of activity • Values into behaviours work through the Trust's LiA programme • Promotion of existing staff recognition processes in efforts to aid retention
Equality, Diversity and Inclusion	<p>Activity for 2021/22 will primarily be governed and driven by the delivery of WRES and WDES action plans, as well as work via our staff networks which we intend to strengthen. However, there will be the continued assurance of a link to other Trust action plans for Staff Engagement, Health and Wellbeing and Bullying and Harassment. We will incorporate ED&I activity into other Trust staff survey action plans and report on the demographic profile of those involved. The themes of activities will include:</p> <p>The focus in 2020/21 will be as follows:</p> <ul style="list-style-type: none"> • Producing the Gender Pay Gap Reporting and Action Plan. • Increase the percentage of ethnic minority and disabled staff who believe that the trust provides equal opportunities for career progression or by raising awareness of leadership development and inhouse training programmes aimed at ethnic minority staff. • Continuation of diversity in the recruitment programme, increasing the percentage of diverse interview panels (band 8a and above) and service users represented. • Reduce the percentage of ethnic minority staff as a proportionate of white colleagues from entering the formal disciplinary process. • Increase the percentage of disabled staff saying the trust has made adequate adjustments to enable them to carry out their work by reviewing guidelines and procedures and raising awareness of Access to Work.

Health and Wellbeing	<p>During the pandemic, health and wellbeing was a priority for the Trust and many initiatives were put in place to support staff during this time. Activity in 2021/22 will continue to support staff through this challenging time and beyond. Themes of activities will include:</p> <ul style="list-style-type: none"> • Full utilisation of the Health and Wellbeing Project Manager role • Aiding retention by reviewing the exit interview processes and data to make this an effective tool for identifying areas of improvement • Review and roll out of stress assessment work • Review of where health and wellbeing information is held on our intranet Maud pages • Promotion of flexible working • Increasing awareness and communications surrounding MSK • Supporting and running health and wellbeing campaigns throughout the year
Bullying and harassment	<p>Activity for 2021/22 will be driven through the Beyond Bullying workstream, which has a newly established task and finish group. The Beyond Bullying workstream is closely aligned to both the NHS People Plan and more locally the Joint Trust Workforce and OD Strategy. Themes of activity will include:</p> <ul style="list-style-type: none"> • Continued promotion and delivery of refreshed B&H training • Increased communication and awareness of guides and resources • Refresh of Beyond Bullying intranet pages • Delivery of Beyond Bullying masterclasses • Enhancing support mechanisms for leadership skills on difficult conversations • Providing tools and support for all staff on conflict resolution

Gender pay gap

The Trust publishes data on the gender pay gap on an annual basis, this can be accessed on the [Trust website](#). The [Cabinet Office website](#) also contains information.

Gender	Male	Female	Total
Directors	9	5	14
Other senior managers	89	145	234
Employees	1,538	3,647	5,185
Total	1,636	3,797	5,433

Trade Union Facility Time

The following information is published in accordance with The Trade Union (Facility Time Publication Requirements) Regulations 2017. The relevant period is 1 April 2020 to 31 March 2021.

Relevant union officials	
Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
3	3.0

Percentage of time spent on facility time	
Percentage of time	Number of employees
0%	0
1-50%	3
51-99%	0
100%	0

Percentage of pay bill spent on facility time	
Total cost of facility time	22,664
Total pay bill	353,126,000
Percentage of the total pay bill Calculated as: (total cost of facility time ÷ total pay bill) x 100	0.006%

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 HM Treasury, definitions the following tables outline the number of off-payroll payments for more than £245 per day, which have been in excess of 6 months. These relate to contractors undertaking fixed term projects for the Trust, or where skills required are not available within the Trust. It is the usual practice to employ substantive employees through the payroll but there may be exceptions to this.

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	187
Of which...	
Number that have existed for less than one year at time of reporting.	68
Number that have existed for between one and two years at time of reporting.	16
Number that have existed for between two and three years at time of reporting.	17
Number that have existed for between three and four years at time of reporting.	7
Number that have existed for four or more years at time of reporting.	0

Table 2: All highly-paid off-payroll workers engaged at any point during the year ended 31 March 2021	
Number of off-payroll workers engaged during the year ended 31 March 2021	68
Of which...	
<ul style="list-style-type: none"> Not subject to off-payroll legislation * 	0
<ul style="list-style-type: none"> Subject to off-payroll legislation and determined as in-scope of IR35 * 	0
<ul style="list-style-type: none"> Subject to off-payroll legislation and determined as out-of-scope of IR35 * 	68

Number of engagements reassessed for consistency/assurance purposes during the year	0
Of which: number of engagements that saw a change to IR35 status following review	0

* A worker that 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.	6

Staff exit packages (audited)

All staff exit packages are in accordance with contracts of employment. There have been no exit packages which did not comply with contractual notice periods under a contract.

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	2	0	2
£10,000 – £25,000	0	0	0
£25,001 – £50,000	0	0	0
£50,001 – £100,000	0	0	0
£150,001 – £200,000	0	0	0
>£200,000	0	0	0
Total number of exit packages by type	2	0	2
Total resource cost	£10,000	0	£10,000

	Agreements Number	Total Value £000
Voluntary redundancies including early retirement contractual costs	0	0
Mutually agreed resignations (MARS) contractual costs	0	0
Early retirements in the efficiency of the service contractual costs	0	0
Contractual payments in lieu of notice	0	0
Exit payments following Employment Tribunals or court orders	0	0
Non-contractual payments requiring HMT approval	0	0
Total	0	0
Of which: non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months of their annual salary	0	0

There were no special severance payments in the year.

Code of Governance disclosures

South London and Maudsley 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 integrates governance principles and procedures within its operations and management arrangements. The Board of Directors has reviewed the Trust's compliance with the NHS Foundation Trust Code of Governance and considers that the Trust has complied in all material respects.

Council of Governors

The Trust has Joint Lead Governors, Brian Lumsden and Sue Scarsbrook. James Canning is Deputy Lead Governor.

There is a register of Governor interests, held by Corporate Affairs. This can be obtained by writing to CorporateAffairs@slam.nhs.uk.

Roles and responsibilities of the Council of Governors

The responsibilities of Council of Governors are as set out in the NHS Act 2006 as amended and reflected in the Trust's Constitution. They include:

- Supporting the Board in setting the longer-term vision for the Trust, to influence proposals to make changes to services and to act in a way that is consistent with NHS principles and values and the terms of the Trust's authorisation;
- Engaging in dialogue with, and provide advice to, the Board regarding the Trust's future vision and strategy, and to act as a source of ideas about how the Trust can provide its services in ways that meets the needs of the communities it serves;
- Reviewing annually the extent to which the Trust is meeting its objective of delivering high-quality services;
- Working with the Board of Directors on such other matters for the benefit of the Trust as may be agreed between them;
- Exercising other functions at the request of the Board of Directors; Responding as appropriate when consulted by the Board of Directors; Exercising such other powers and to discharge such other duties as may be conferred on the Council of Governors under the Constitution.

The legislation relating to NHS Foundation Trusts lists further responsibilities for the Council of Governors as follows:

- Appointing the Chair and their Non-Executive Directors of the NHS Foundation Trust at a general meeting;
- Removing, where it is deemed necessary by three-quarters of the Council of Governors, the Chair or Non-Executive Directors of the NHS Foundation Trust at a general meeting;
- Approving, by a majority, the appointment of the Chief Executive by the Non-Executive Directors; appointing or removing the auditor at a general meeting of the Council; and
- Receiving a presentation of the Annual Report and Accounts at a general meeting.

The Board has a duty to consult and pay due regard to the views of the Council of Governors in relation to forward planning. The Council of Governors is not responsible for the day-to-day running of the Trust. Legislation provides that all powers of the NHS Foundation Trust are to be exercisable by its Directors.

The Council of Governors cannot veto decisions made by the Board.

All Directors regularly attend meetings of the Council of Governors as a means of both gaining an understanding of the issues being considered and to respond directly to questions or issues raised during the meeting. There is a dedicated slot for Non-Executive Directors to provide a presentation at the Council meetings, followed by a question and answer session. A report on the Council of Governors activity is a standing item on the agenda for the meeting of the Board. There is a formal procedure for Governors to log questions with the Non-Executives and there are regular slots scheduled between Governors and Non-Executive Directors for the former to ask questions in person. Governors attend as observers at Board Committee meetings.

The Council of Governors has the power to remove the Chair or any Non-Executive Director, but this should only be exercised after exhausting all means of engagement with the Board. In the first instance, the Council should raise any issues with the Chair and the Senior Independent Director.

As stated in the 2016 Constitution, the Trust has established appropriate Dispute Resolution Procedures, relating to matters such as eligibility, disqualification, disagreements between the Board and the Council of Governors and termination of tenure.

Meetings of the Council of Governors

Governors were kept informed of the Trust's response to Covid-19 as it developed and were first briefed on the EPRR (Emergency Preparedness, Resilience and Response) plan regarding Covid-19 early in March 2020. As the situation evolved and more comprehensive guidance was received from bodies such as NHS England, Public Health England and NHS Providers, further information was sent to Governors outlining the advice to defer face-to-face meetings and seeking Governor views on alternative methods. Guidance was provided on how to attend virtual meetings along with advice and training sessions. Governors agreed that, with the inclusion of the option to attend by phone, this was a suitable way of holding Governor meetings. Coaching sessions continued to be offered immediately before meetings until all Governors felt confident. Governors have continued performing their statutory role, and approved the reappointment of Grant Thornton as external auditor for a further year.

During this initial period as alternative ways of working were sought, a key Governor communication channel, the weekly newsletter, was expanded to include a dedicated Covid-19 update briefing encompassing areas such as Personal Protective Equipment (PPE), Covid-19 testing, ward reconfiguration, Mental Health emergency departments and access to help, inpatient and community services, the Coronavirus Act 2020 and staff support. It was also recognised that there needed to be a mechanism by which Governors could be provided with further assurance and enable them to provide appropriate challenge where necessary, so a Q&A section was included as an annex to Covid-19 briefings. and this has resulted in nearly 80 questions being submitted and answered. This in turn has impacted on the volume and diversity of information being provided in weekly newsletters. The Governor questions prompted the inclusion of links to live staff broadcasts by the Chair and Chief Executive as well as access to all-staff update emails and staff FAQs.

The following table sets out the details of our Governors, their attendance at Council of Governor meetings and their term of office. The Council of Governors meets quarterly.

Name	Constituency	Council of Governors meeting attendance	Period of service
Edith Adejobi	Staff	2/2	From December 2020
Cllr Danial Adilypour	Appointed	2/4	Full year
Ermias Alemu	Staff	4/4	Full year
Mothosir Sid Ali	Public	2/2	From December 2020
Cllr Jane Avis	Appointed	0/1	To July 2020
Ray Baker	Service user (local)	0/1	To June 2020
Maisie Barrett	Carer	0/4	Full year
Pádraig Belton	Public	2/2	From December 2020
Adam Black	Service user (local)	0/0	To May 2020
Abraham Blay	Staff	2/4	Full year
Cllr Maggie Browning	Appointed	1/2	To October 2020
Cllr Janet Campbell	Appointed	0/3	From July 2020
James Canning	Public	2/4	Full year
Handsen Chikowore	Public	0/2	To November 2020
David Clugston	Service user (local)	4/4	Full year
Jenny Cobley	Public	2/2	To November 2020
Dr Giles Constable	Staff	2/2	To November 2020
Rhoda Dakar	Service user (local)	3/4	Full year
Simon Darnley	Staff	2/4	Full year
Cllr Ed Davie	Appointed	1/1	To September 2020
Tim Dee	Service user (local)	1/4	Full year
Cllr Helen Dennis	Appointed	2/2	From October 2020
Angela Flood	Carer	3/4	Full year
Heather Gilmour	Appointed	0/3	To December 2020
Dr Charles Gostling	Appointed	0/0	To April 2020
Dr Harpal Harrar	Appointed	0/0	To April 2020
Bert Johnson	Appointed	4/4	Full year
Professor Michael Kopelman	Public	3/4	Full year
Dr Nancy Kuchemann	Appointed	3/4	Full year
Philippa Lalor	Service User (local)	0/4	Full year
Brian Lumsden	Public	4/4	Full year
Milton Moore	Public	2/2	From December 2020
Professor Ian Norman	Appointed	0/3	To December 2020
Jann Oliver	Public	2/4	Full year
Modupe Oluwapowale	Service user (local)	0/4	Full year
Rawle Ragoobar	Staff	1/4	Full year
Torie Robinson	Service user (local)	3/3	From August 2020
Dr Christina Rogers	Public	2/2	From December 2020
Susan Scarsbrook	Carer	4/4	Full year
Gillian Sharpe	Public	2/2	To November 2020
Dr Vaishali Shetty	Appointed	1/4	Full year
Cllr Luke Sorba	Appointed	4/4	Full year
Ingrid Tennessee	Public	0/2	To November 2020
Tutiette Thomas	Service user (local)	1/4	Full year
Zoe Thomas	Service user (local)	1/2	From December 2020
Emma Williamson	Staff	3/4	Full year

Name	Council of Governors attendance
Norman Lamb (Chair)	4/4
David Bradley (Chief Executive)	4/4
Béatrice Butsana-Sita	3/4
Helen Edwards	4/4
Ian Everall	4/4
Mike Franklin	3/4
Duncan Hames (Senior Independent Director)	3/4
Gus Heafield	3/4
Michael Holland	2/4
Altaf Kara	1/4
James Lowell	1/1
June Mulroy	1/2
Beverley Murphy	0/0
Neil Robertson	1/2
Vanessa Smith	1/4
Geraldine Strathdee	4/4
Anna Walker	4/4

Governor recruitment and development

Ten new Governors have joined the Council of Governors this year. New Governors were offered a virtual induction upon joining the Trust. Governors have been given in-house training on the use of virtual platforms and Teams meeting protocols, and this has been imperative to their continued engagement during the Covid-19 pandemic (see below). Developmental activities included access to GovernWell training courses, run by NHS Providers, and an in-depth session at one of the Council of Governors' meetings to aid Governors in their understanding of the Performance and Quality Report.

Nominations Committee

The Nominations Committee makes recommendations to the Council of Governors on the appointment, reappointment and remuneration of the Chair and Non-Executive Directors. The Committee also considers the appraisals of Non-Executive Directors.

In 2020/21 the Nominations Committee met twice.

Name	Constituency	Council of Governors attendance
Ermias Alemu	Staff	2/2
Simon Darnley	Staff	0/2
Brian Lumsden	Public	2/2
Ian Norman	Appointed	0/1
Susan Scarsbrook	Carer	2/2
Gill Sharpe	Public	1/1
Zoe Thomas	Service user (local)	1/1

Our membership

The Trust's membership is an essential and valuable asset, and well represented by our Council of Governors. Through the Council is Governors and engagement events, our membership helps guide our work, decision making and adherence to NHS values. We have five categories of membership

- **Patient: Service user (living within the boroughs of Croydon, Lambeth, Lewisham and Southwark)**
- **Patient: Service user (living elsewhere in England)**
- **Patient: Carer**
- **Public**
- **Staff**

We have 18,094 members, comprising 1,378 patient members, 11,007 public members and 5,709 staff members. Members receive regular communications and are invited to our Annual Members' Meeting. They can additionally attend public meetings such as meetings of the Board of Directors or the Council of Governors; we also hold seminars for members to attend. The Members' Bulletin continued to be circulated monthly after a single month's pause at the beginning of the first Covid-19 lockdown.

Governors have continued to attend virtual events in the community. We have encouraged them to attend the Urgent Mental Ill-Health Prevention Summit and be part of the South London Listens events.

The Annual Members Meeting was held virtually, with members invited to submit questions in advance. More than 120 people registered in advance to attend, and others joined on the day.

Membership engagement

Governor engagement this year has been affected by the Covid-19 pandemic, necessitating change, flexibility and innovation. We are enabling Governors to fulfil their role of engaging with, and representing the views of, the membership. In total, Governors submitted a total of 97 questions through the written briefings, the established NED/Governor meeting format and the all-Governor virtual briefing in the past year – a testament to Governor engagement on behalf of their constituents at a uniquely challenging time.

Equally significantly, as the year progressed Governors expressed a desire to build on their Covid-19 engagement and become further involved with Trust members, recognising that the pandemic has highlighted both the significant challenges faced by local service users, carers and communities and pre-existing inequalities. To facilitate this, Governors have driven a refresh of the Trust's Membership Engagement Strategy.

The revised strategy will be aligned to the Trust's pilot of the Patient and Carer Race Equality Framework (PCREF) and its major Mental Ill-Health Prevention community outreach work and will identify specific community engagement events from these programmes which Governors can attend and thereby fulfil their core duty of representing and feeding back the views of their constituents and the wider public that the Trust serves.

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

This segmentation information is the Trust's position as at 31 March 2020. Current segmentation information for NHS trusts and foundation trusts is published on the NHS Improvement website. The Trust is in segment 2.

Statement of accounting officer's responsibilities

Statement of the chief executive's responsibilities as the accounting officer of South London and Maudsley 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 [name] 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 [name] NHS foundation trust and of its income and expenditure, other items of comprehensive income and cash flows for the financial year.

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

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

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

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

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

Signed

A handwritten signature in black ink, appearing to read 'Bradley', with a long horizontal flourish underneath.

David Bradley

Chief Executive

21 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 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 South London and Maudsley 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 South London and Maudsley 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

Risk management is the responsibility of all staff. Ultimately all who work at the Trust have a responsibility for the delivery of high quality, safe care. The Chief Executive is the Accountable Officer for the South London & Maudsley NHS Foundation Trust and is accountable for ensuring that the Trust can discharge its legal duty for all aspects of risk. As Accountable Officer, the Chief Executive has overall responsibility for maintaining a sound system of internal control, as described in the Annual Governance Statement.

The Trust Board Assurance Framework aligns with national guidance and reflects assurance on the strategic high-level risks that are deemed the most significant through the year. These strategic risks are examined in detail by Committees assigned responsibility for the risk. The Trust Board and Audit Committee also review the Board Assurance Framework periodically, in its entirety.

The risk and control framework

The Trust's Risk Management Policy sets out the structures, roles, responsibilities and processes to systematically identify, assess analyse the Trust's risks, whether clinical or non-clinical, and put in place robust plans for mitigation.

Systems are in place to ensure the identification, analysis, quantification and recording of individual risks, and the consequences of their potential impact, and these form the basis of the Trust's risk register. Risk Registers are maintained at each level in the organisation with the assurance that the risks are being managed appropriately being monitored through the tiers of governance. The Trust ensures that risks are managed at each level and in each locality and within corporate services. All significant risks are escalated and reviewed by the senior management team to consider whether further mitigation and moderation may take place. Where these risks could impact on the delivery of corporate objectives and business plan, they are mapped on to the board assurance framework. The Board Assurance Framework is reviewed by the Executive Leadership Team and Board of Directors who discuss and set the Trust's appetite for BAF risks.

The Trust's Quality Committee provides assurance to the Board on quality across the Trust. It does this predominantly by:

- Ensuring there is a shared and communicated understanding of quality, monitoring the delivery of the Trust's quality priorities, the national mandatory requirements and professional regulators' standards and its annual national and local quality priorities, incentives and targets
- Focussing on the Trust's overarching system of quality, patient and staff safety and risk governance ensuring this covers the Trust as a whole, its organisational and clinical units, patient pathways and arrangements / partnerships / contractual arrangements with the local healthcare economy
- Having oversight of the Trust's mechanisms for involving people who use our services and their carers in all aspects of their care and at all levels of decision-making
- Examining service failures and ensuring action plans are in place and lessons learned
- Reviewing the information which underpins the monitoring of the Trust's quality strategy and approach and ensuring it is timely, accurate and fit for purpose

The Quality Committee also receives Care Quality Commission reports following planned and responsive reviews of the Trust, monitoring and scrutinising action and sustainability plans arising from them. For more information, please see the Quality Accounts published separately.

The Trust continues to identify opportunities for learning, including the introduction of Serious Incident (SI) discussions at the Board, as well as implementing a Trust-wide Serious Incident Review Group to increase the scrutiny and oversight of Duty of Candour for serious incident investigations.

Data security risks are managed by the Information Security Committee which is Chaired by the Trust Senior Information Risk Officer. Newly identified risks are discussed when identified and mitigation is provided. The risk is then added to the Digital Services risk register and also added to the overall Trust risk register as appropriate. Existing risks are monitored and discussed at each committee meeting to determine whether there is any change to the risk, this is also highlighted on the risk register.

The Trust's major risks are all held on the Board Assurance Framework and are summarised in the table below:

Risk	How they are/will be managed and mitigated	How outcomes are/will be assessed
Workforce (in year and future)	<p>Updated Workforce and OD strategy.</p> <p>Targeted actions to improve: -</p> <ul style="list-style-type: none"> • staff engagement and career development opportunities • a diverse leadership • "growing our own" through apprenticeship • succession planning and talent management • recruitment programmes to address hard to fill vacancies • number of student nurses • the lives of our ethnic minority workforce <p>Workforce Race Equalities Standard and Workforce Disability Equality Standard action plans</p> <p>Staff survey action plan</p>	<p>Regular workforce & equalities strategy action plan progress report</p> <p>Recruitment & retention KPIs, annual national staff survey, quarterly staff friends & family test</p> <p>Deep dive reports eg to CCG</p>

Right care-inpatient services	<p>Right Care Director and local right care teams embedded Partners/stakeholders relationships. Inpatient and community care process model implementation. Acute Referral Centre enhanced Enhanced assessment and liaison in EDs Daily bed state report. Twice daily bed management conference calls Daily surge calls. Ring fenced Borough beds Ring fenced male PICU beds by Borough Weekly review of medically fit for discharge cohort Right Care QI projects overseen by QI team and Quality Centre Community step forward housing provision</p>	<p>Weekly ELT oversight Quality Committee oversight. Daily dashboard. Focus on flow at weekly Executive safety huddle Performance & Quality report. Sitrep at COVID Silver Command includes bed status (availability & demand) across the Trust</p>
Right Care-community redesign	<p>Community Redesign Programme QIA processes Weekly Reshaping workstream meetings Care process models developed, reviewed and being embedded with Quality Centre oversight. Qualitative audit programme of risk assessments. Community care process will be embedded in the next six months. Operational Directorates monitor individual “front door” referral rates for early warning of changes to prevent bottlenecks. Step down beds (Croydon & Lambeth) that are underpinned by reablement model. Utilising learning from NHS Benchmarking of community services Established relationships with alliance boards Alliance contract ‘red lines’ assessment process</p>	<p>Right Care Programme Board Workstream reshaping meeting Monthly Performance and Quality Reports Quality Committee oversight New community indicators:</p> <ul style="list-style-type: none"> • 12 week+ waiting times • Waiting time to assessment • Waiting time to treatment • Levels of contact by a community team post inpatient discharge • Crisis readmissions • Method of contacts (face to face, telephone/virtual)
Finance	<p>Monthly Performance & Quality meetings for all Operational Directorates where the financial positions are monitored with regular escalated to ELT and FPC. The Trust has been able to step up and down the Finance Portfolio Board meetings as required allowing decisions to be made in an agile way. These meetings seek to consider, finance in the context of performance and quality. Financial Governance: Financial performance (incl. CIP and QIPP) are reported routinely to the FPC, Trust Board, NHSI and ELT. Quality Impact Assessments are in place for all required CIPs to ensure patient care and safety are assured. New Operational delivery units are now embedded and will allow better cost control now they are fully developed. PMO and BI Resource that works closely with Finance and Operational teams. A number of data source are available to assist in identifying areas for improved efficiency. Benchmarking and Analysis: The trust is starting to use the outputs of the model hospital and the national corporate benchmarking exercise to drive its future CIP plans. Regulator Transparency: The Trust continues to keep an open and positive relationship with the ICSs and NHSI our regulator and keeps them briefed on the risks and underlying pressures.</p>	<p>Regular Monitoring: Year to date performance and forecasts are regularly monitored (monthly Finance and Performance report to the Board). Internal audit reviews of systems and processes (audit reports). External audit review (year end audit opinion). Review meetings with commissioners and ICS (reports and meetings). Regular informal and formal benchmarking analysis and comparisons (Model Hospital and NHS Benchmarking reports) Further recurrent and one-off opportunities being reviewed to mitigate risks (monthly position analysis). Mental Health Investment Standard has been agreed with commissioners (Commissioner contracts and alliance agreements).</p>

<p>Quality & compliance</p>	<p><u>Internal:</u> Established, well led Board of Directors experienced Service and Clinical Directors, clear operational and professional structure, quality governance, operational performance management, and recruitment of sufficient high-quality staff.</p> <p>Good knowledge of regulatory standards and best practice. Quality Centre coordinating CAG input to operational services leading on developing best practice guidance. Clinical Ethics Forum. CQC improvement plan in place with mechanisms for tracking delivery incorporated into Perfect Ward.</p> <p>Bi monthly Quality Committee meetings and regular Board discussions with clear agreement as to the governance structure on quality and the flow of information from Board to floor so as to allow challenge/ exploration of variances and an appropriate level of Board assurance. Risk assessed Operational Directorate Performance & Quality Governance Compliance meeting embedded. Risk management strategy and incident reporting structure in place. Established health safety and fire management procedures and governance arrangements.</p> <p>Ligature anchor point audit and management procedures and annual risk reduction programme. CQC preparation meetings. Mitigations in place to address issues accessing beds - multi-agency discharge events (MADE) events, waiting lists etc. Standardised Directorate governance structures and arrangements. Increase in the number of Matron positions.</p> <p>E-roster and Safe Care implemented to enable right resources in right place where needed. Quality and patient care central principle of the Reshaping our Services programme.</p> <p><u>External:</u> Established relationships with commissioners, full engagement with alliance boards, engagement / leadership of transformation programmes (locally and nationally). CQRG clinical quality review group chaired by CCG. Well established relationship with CQC including formal bi monthly engagement meetings and informal fortnightly telephone contact.</p>	<p>Performance & Quality report. Learning lessons reports. Compliance reports. Progress reports of delivery of CQC inspection improvement actions. QUEST scores, safer staffing reviews. QI progress reports. Reported progress on delivery of strategy. Monthly performance & quality compliance committees with Operational Directorates embedded and Quality matters governance meetings embedded. Quality Portfolio Board with oversight of CQC implementation plan and Community redesign programme. E-roster and Safe Care. Perfect Ward CQUINN reports.</p>
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<p>Estates</p>	<p><u>Strategic:</u> Monthly strategic developments forum, The Capital Steering Group – CSG (chaired by the Chief Executive whose membership includes the CFO, DoN, COO, DSC) to oversee large scale capital developments such as Douglas Bennett House).</p> <p>Robust change management procedures applied by operations and estates and embedded through the CRG. A capital works programme which is informed and prioritised by clinical need, signed off and monitored by the CRG. An enhanced capital project management process that enables works to be signed off both technically and clinically at the appropriate points in the project lifecycle. DBH and PMCYP project plan in place with own risk register with escalation process to CEF Directorate risk register (and ELT Board if required) – PMCYP planning permission granted in November</p> <p><u>Existing estates not fit for purpose:</u> Risk escalated to ELT Director of Estates leading recovery plan with UHL. SLaM Estates supporting clinical services with additional maintenance resource. UHL & SLaM CEO and SLaM Director of Strategy and Commercial meetings. Health Planner developed options paper being finalised into SOC/OBC STP alerted to funding needs Steering group being formed</p> <p><u>Day to day compliance and maintenance:</u> Monitoring of achievement against demanding targets for responsiveness - particularly for statutory and urgent needs and progression capital and strategic projects in the CEF Executive meeting with the Director of Strategy & Commercial. Six facet survey on maintenance needs identifies the areas of concern and those areas to be prioritised for works for owned estate.</p> <p>The Estates Team ensure robust systems and processes are in place to monitor the condition of the estate and reportable incidents (Planet FM; Datix). Follow through of escalation processes into corporate risk registers. Continuous health and safety workplace assessments, including for those buildings where the service is occupying a building under third party ownership. Reports on the implementation of the action plan from internal audit reports of estate and property and capital processes. Ligature anchor point assessment and associated work plan implementation and regularly assessed in conjunction with operational and clinical colleagues. A formal monthly contract management meeting with ISS, our key cleaning and catering service provider.</p>	<p>Quarterly Estates and Facilities reports to Finance and Performance Committee and the Trust Board. Issues based updates to the Quality Committee on specific concerns relating to services or functions. Topic based updates to the Audit Committee based on commissioned reports. Estates Service delivery & compliance monthly review by CEF Executive. DBH & CYP development plans progress reviews.</p>
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<p>Mental Health Act compliance</p>	<p>Leadership and Governance: Oversight by the Trust Mental Health Law Committee into which the six local MHA operational meetings. Gradual progress of the work of the committee to include Strategies to identify prevention opportunities to the use of the MHA and to restrictive practices.</p> <p>Oversight of the MHA practice, processes, and outcomes by the six Operational Directorate Mental Health Law Committees chaired by the Associate Medical Directors.</p> <p>Mental Health Law Action Group (MHLAG) established during the COVID-19 pandemic</p> <p>MHA administrative expertise</p> <p>Weekly reminder tables for all MHA actions including section expiry, consent to treatment due, non-completion of s132 information, MHT and AHM hearing reports not received are sent to the Operational Directorates.</p> <p>CQC MHA Monitoring visits to services where feedback is given to the Trust where improvements are required.</p> <p>New co-produced MHA e-learning package launched April 2020.</p> <p>MHA policies</p> <p>Good relationship with partner IMHA services</p> <p>Participation in the PAN London Mental Health Law Managers Network</p> <p>Well established relationship with CQC including formal bi monthly engagement meetings and informal fortnightly telephone contact.</p> <p>Good links with national AMHPs network, and DHSC Mental Health Social Work transformation programme.</p>	<p>Quarterly MHA compliance reports provided to the Operational Directorates.</p> <p>Quarterly MHA reports provided by the Operational Directorates to the Trustwide Mental Health Law Committee.</p> <p>Quality Improvement (QI) MHA projects to improve processes around managing AHM hearings MHA data to be included in monthly Performance and Quality meetings</p> <p>MHA Dashboard providing data on use of the MHA</p> <p>BI MHA hearing dashboard provides data for both Mental Health Tribunals and Associate Hospital Managers hearings including late reports, discharge from section by responsible clinician (RC) before a hearing.</p> <p>Perfect Ward includes information about s132 information to detained patients</p> <p>Clinical audits examining MHA practice</p> <p>Co-produced patient information leaflets for the MHA and how to appeal</p>
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<p>COVID Business Continuity Management</p>	<p>Business continuity & wave 2 plans remain in place Focused delivery of essential community care services. Virtual contacts continue where possible with patient zoning to track clinical risk & identify necessary face to face contacts. Robust governance via gold, silver and bronze command. Weekly ELT update and oversight. Change control procedures via Mental Health Law Sub Group or Ethics Forum for adjustments to clinical practice & policies. Regular staff COVID-19 update comms & week-ly. CEO/Chair update broadcast to all staff. Co-ordinated working with acute partners to develop localised assessment units to divert from main ED. 7 day leadership on each site, who are overseen by Service Directors at the weekend.</p> <p>IPC continued close monitoring of national guidance with local procedures and guidance re-viewed and updated via IPC Strategy Group. Clear PPE use protocols in accordance with National Guidance, updated as necessary and regularly communicated to staff. Daily stock monitoring & top up procedures – Bronze/Silver monitoring & escalations. Directorates implementation of infection control and PPE procedures and monitoring via Bronze/Silver commands. Face masks & social distancing implemented. Staff working from home wherever possible. Pre-admission/re-testing operationalised with protocols & cohorting arrangements in place. Discharge testing process operationalised. Safe working environment assessments – safe room occupancy levels & operational protocols implemented. Visiting policy. COVID vaccination programme Staff at risk identified as per national guidance – individual assessment process, updated for minority groups. Staff COVID testing. Staff support in place, with resources focussed on localised model.</p>	<p>COVID19 sitrep reporting to London Region & NHSE as required. NHS Infection prevention and control board assurance framework Robust internal governance:-</p> <ul style="list-style-type: none"> • old, silver, bronze commands and ELT oversight • Gold/silver/bronze TORs & action logs • Daily dashboards • ELT weekly sit rep reports • NHS Infection prevention and control board assurance framework <p>Reporting consistently against standards set by DoN and MD</p>
<p>Informatics</p>	<p>Data strategy overseen by Data Strategy Oversight Board chaired by COO Business Intelligence Improvement Task and Finish Group (BI TaFG) Global Digital Exemplar / QI Programme Board overseeing the GDE and QI programmes and delivery of benefits Data Matters Improvement work programme - priority focus areas; ethnicity data; access and waiting times; outcomes and diagnosis Deming Design Authority oversees dashboard prioritisation and access to data to support Trust Quality Priorities; clinical decision making and Trust strategy Digital Me programme to ensure staff have access to the necessary hardware and data and coaching to maximise benefits of systems An independent review of our shared data platform commissioned to ensure the trust makes best use of current technologies Information Asset Register in place to collate data sources</p>	<p>Oversight through regular updates to Trust ELT BI TaFG progress reports Quarterly BI assurance report Quality Centre oversight of Data Strategy progress The Global Digital Exemplar GDE programme include NHS EI Digital and rigorous assessment of progress Data driven discussions at ELT, safety huddles, Board and committees' challenges completeness and reliability of data</p>

<p>Service user and carer involvement & experience</p>	<p>Board approved Family Carer strategy with suite of measures. Significant Involvement of service users and carers in Operational Directorate governance via PPI Service User and Carer Groups meetings.</p> <p>Monthly Operational Directorate Performance & Quality Governance Compliance meeting embedded and includes PPI Quality priorities that have been developed in consultation with service user and carers.</p> <p>Patient voice at Board (patient story).</p> <p>Service user and carer appointed as full members of the Quality Committee.</p> <p>Service user and a carer involvement manager recruited to QI team.</p> <p>Service users and carers Quality improvement methodology training established as routine.</p> <p>Peer Worker development role recruited to work with Services to create internal jobs for peers.</p> <p>Annual verbal report to Quality Committee by co-chairs of Service User Committee and Family and Carers Committee.</p> <p>Family and Carer Listening event.</p> <p>Service users and carers involved in Trust estates and facilities consultations.</p> <p>Quality Centre – every workstream required to co-produce outputs with service users and carers and evidence how achieved – active support and oversight by PPI leads.</p> <p>Teams receive and review monthly PEDIC reports.</p> <p>Annual PEDIC themes feedback reports presented to both service user and family and carer committees on an annual basis.</p> <p>Patient experience audits included in Perfect ward.</p> <p>Healthwatch supported SU surveys.</p>	<p>Reports on PPI strategy by Operational Directorates into the trust wide involvement committee and annual update report to QC and Board.</p> <p>Quality Committee with Quality priority measures.</p> <p>Quality Portfolio Board</p> <p>Service User Committee.</p> <p>Family and Carers Committee.</p> <p>Involvement register.</p> <p>National Community Mental Health Patient Experience Survey.</p> <p>Performance & Quality reports</p>
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The Trust has given due regard to NHS Improvement’s well-led framework in arriving at its overall evaluation of the organisation’s governance, leadership, vision and capacity to deliver high-quality, sustainable services.

Compliance with the NHS Foundation Trust condition 4 requires trusts to “apply those principles, systems and standards of good corporate governance which reasonably would be regarded as appropriate as a supplier of healthcare services”.

The principal risk to non-compliance with this condition is for the trust to fail to have in place effective Board and Committee structures that have clear terms of reference and lines of accountability.

The existing Board Committees are well-established.

Each Committee is chaired by a Non-Executive Director who is assisted by at least one other Non-Executive. This enables rigorous and constructive challenge to be given to the Executive Directors about the performance of the Trust and to provide strategic leadership. The Terms of Reference of each Committee are reviewed on an annual basis and improvements are regularly identified and implemented. The outcomes of the Committee discussions are reported to the Board every month, enabling key points to be escalated and risks and areas of assurance to be highlighted.

The Board receives and discusses a report bi-monthly on performance and quality, and financial performance of the Trust. This provides key information about compliance with NHSI indicators. The Board identifies any areas of concern and areas where further information is required, or action needs to be taken. Committees with responsibilities for key areas e.g. Quality or Finance, receive reports between Board meetings.

The Audit Committee’s key objectives include monitoring, reviewing and reporting to the Board of Directors on whether the Trust’s processes regarding internal control and risk management are efficient and effective.

The Audit Committee has reported to the Board of Directors and where scope for improvement was found, has noted these for the senior management team's attention.

In accordance with NHS Internal Audit Standards, the Head of Internal Audit (HoIA) provides an annual opinion, based on and limited to the work performed, on the overall adequacy and effectiveness of the organisations risk management, control and governance processes. This is achieved through a risk based plan of work, agreed with management and approved by the Audit Committee, which includes an annual review examining the effectiveness of the Board Assurance Framework (rated as substantial assurance for 2020/21).

Risk management is embedded into routine performance and quality meetings, there is an open no blame culture to the reporting and recording of incidents and risks and all policies are subject to equality impact and human rights assessments as part of their approval process. The Trust has a range of mechanisms to facilitate close working with key partners including the performance management of contracts by commissioners, regular attendance at Local Authority Scrutiny Committees, Health and Wellbeing Boards (where applicable), Local Safeguarding Boards, Service User and Carer Groups, Health Watch, and meetings with Chief Officers and Directors of Social Care.

In addition, the Trust has extensive involvement activity from people who use our services and carers. In terms of their involvement in Trust wide committees, we have an overarching Trust wide Family and Carers and a Service User committee. Both of whom meet bimonthly. They have representation from PPI leads and service users and carers from each of the operational directorates. The operational directorates have many and varied opportunities for involvement in their operational directorate committee structures. We have recently secured service user and carer representation on the Trusts Strategic and Transformation Executive.

Staffing levels, absence and vacancy rates are reported as part of the Performance and Quality Report which goes to the Board and the Quality Committee. The Performance and Quality Report is also discussed on a monthly basis with operational teams; there are also regular reports regarding recruitment and retention which are discussed by the Executive Leadership Team. The Trust utilises electronic rostering and job planning systems to ensure staffing levels are appropriate and staff are working effectively. Safer staffing levels are a source of assurance within the Board Assurance Framework.

The Trust's Workforce Strategy contains five workstreams which look to provide a robust and resilient workforce over the short and medium term; including looking into succession planning, talent management and we have begun the process of exploring new roles to meet changing demands. Progress is monitored through the Equalities and Workforce Committee.

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

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 with reference to the guidance) within the past twelve months as required by the Managing Conflicts of Interest in the NHS guidance.

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in

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

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

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

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

The Board has overall responsibility for the use of public resources. The Board, and Finance and Performance Committee, receive regular reports on finances. There are additional levels of assurance provided by internal and external audit.

Internal audit statement

I have considered all of the work conducted by internal audit and counter fraud staff covering the period 1st April 2020 to the date of this opinion. Internal Audit set out a work plan in May 2020 and has completed 16 projects.

I have also considered reactive and proactive work conducted by the local counter fraud specialists. This includes oversight of all fraud investigations and personal conduct of specific projects during the year.

The majority of reviews undertaken resulted in substantial assurance. However, the review of the system for administering patient funds resulted in a nil assurance. This followed the investigation of a fraud concerning the misappropriation of patient funds. Although this affected a small number of patients, in my view it represents a significant control issue.

Management have responded appropriately and quickly to the recommendations made to improve controls in this area and there is oversight at the most senior levels within the Trust. With the exception of the 'nil' assurance report on patient monies and those areas in which limited assurance reports have been issued as reported to the committee during the year, the controls in the areas reviewed are adequate and effective. Where control processes were changed due to the pandemic, these were properly documented and authorised. Where weaknesses have been identified as a result of audit or counter fraud reviews these have or are being addressed by management and actions have been confirmed through follow up work by internal audit.

I am satisfied that the Board Assurance Framework contains the key risks currently faced by the organisation and that the Board gives due consideration to emerging risks for inclusion in the framework. The Board/ relevant responsible committee has effective oversight of the key risks.

The five yearly external quality assessment for internal audit was due in 2020. This has been commissioned and is due to complete in 2021. I confirm that I have monitored compliance with the Public Sector Internal Audit Standards. In my view, Internal Audit complies with those standards that are applicable to the public sector.

Simon Lane IPFA
Associate Director of Finance – Head of Internal Audit
10 June 2021

Information governance

The Caldicott Committee (chaired by the Caldicott Guardian) is responsible for overseeing the Trust's compliance with confidentiality, information sharing and clinical records policies, developing awareness of Caldicott and confidentiality issues throughout the Trust, implementing policies and strategies to improve service user experience in relation to fair, lawful and secure use of their personal confidential information, leading and overseeing the implementation of controls and receiving assurance to maintain service user confidentiality whilst enabling effective and lawful sharing of information.

The Freedom of Information Committee (chaired by the Director of Corporate Affairs and Trust Secretary) is responsible for awareness of and overseeing the Trust's compliance with the Freedom of Information Act 2000 and implementation of an open culture to improve transparency.

The Information Security Committee (chaired by the Senior Information Risk Owner) is responsible for protecting the Trust from data security threats and delivers improved data security through the review of incidents, policy development, education of users, highlighting risks and developing risk mitigation action plans.

Due to Covid-19, a number of services transitioned rapidly to remote working. The use of Microsoft Teams was supported and expanded, and use of other platforms discouraged due to security concerns. Clinical teams were also provided resources on how to hold private remote appointments. Due to the increase in staff working from home, Digital Services provide a 'device amnesty' programme where personal equipment that may contain patient data will be securely disposed of at the Trust.

The Data Security and Protection Toolkit is an updated annual online national self-assessment process overseen by NHS Digital, which enables the Trust to measure its compliance against the National Data Guardian's data security standards. The Trust provides evidence to demonstrate compliance with each of the standards in the toolkit, which is independently audited by Internal Audit. Following the independent audit and sign-off by the Trust Caldicott Guardian and the Senior Information Risk Owner, The Data Security and Protection Toolkit assessment is usually submitted on 31 March each year however due to Covid-19 this was extended to 30 September 2020. The Trust submitted and received a substantive rating for this financial year.

Serious incidents requiring investigation involving personal data as reported to the Information Commissioner's Office in 2020/21 are:

Date of Incident	Nature of Incident	Nature of Data Involved	Number of Data Subjects Potentially Affected	Notification Steps
May 2020	Supplier breach	Supplier recording phone recordings	0	Escalated internally to senior responsible officers and reported to the ICO. ICO deemed incident not reportable. Fully investigated internally and actions completed.
July 2020	Theft of Digital Assets	Potential data held on device	0	Escalated internally to senior responsible officers and reported to the ICO. Fully investigated and actions completed. ICO required no further detail and closed the case.
August 2020	Theft of Digital Assets	Potential data held on device	0	Escalated internally to senior responsible officers and reported to the ICO. ICO deemed the incident not reportable and no further follow up was required. Incident was fully investigated internally and action completed

Data quality and governance

The Data Strategy Delivery (DSD) Board was started in August 2020 and meets monthly, to oversee the delivery of the Trust data Driven Strategy, and this group has ownership of the processes implemented to ensure robust reporting. The DSD is chaired by the Chief Operating Officer and membership includes leads from the Quality Centre, Performance and Quality team, Clinical Systems and DS Informatics. The DSD reviews identified data quality issues and formulates plans to resolve these, which may involve Operational Transformation – including the introduction of standard operating procedures, system changes, metric definition and monitoring.

A data request process was implemented in September 2020, where requests are logged, and requirements gathered to fully understand the need, use and definitions for the request. Operational owners of all reports are identified and are required to review and sign off requirements and validate and sign off reports before these are promoted to general use. Clinical systems changes are also reviewed by the Digital Services Informatics team to assess impact on reporting and data quality.

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 Board, the Audit Committee and the Quality Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Board of Directors reviews the Annual Governance Statement as part of the draft annual report prior to submission.

Conclusion

Our approach to identifying and managing significant risks is explained earlier in the statement. A significant internal control issue has been highlighted through the work of our internal auditors, we have rapidly responded to improve controls in this area and continue to maintain senior oversight of this. Overall, my assessment is that South London and Maudsley NHS Foundation Trust has a generally sound system of controls that supports the achievement of its objectives and that identified control issues have been or are being addressed.

Signed



David Bradley

Chief Executive

21 June 2021

Glossary

Approved Mental Health Professionals (AMHP)	AMHPs are mental health professionals who have been approved by a local social services authority to carry out certain duties under the Mental Health Act. They are responsible for coordinating assessment and admission to hospitals.
Care Programme Approach (CPA)	The Care Programme Approach (CPA) is a type of support that a person might receive or be offered if they have mental health problems or complex needs. The Care Programme Approach is inclusive of an assessment of needs; a care plan, regular review of your needs and the care plan and a Care Co-ordinator.
Care Quality Commission (CQC)	The Care Quality Commission (CQC) is a health and adult social care regulator in England. The CQC inspects services based on five Key Lines of Enquiry, these are: safety, effectiveness, caring, responsiveness and well-led.
Chief Clinical Information Officer (CCIO)	Deputy Medical Director for Information.
Clinical Commissioning Groups (CCG) / Commissioner	A Clinical Commissioning Groups (CCG) (also known as Commissioners) "are clinically-led statutory NHS bodies responsible for the planning and commissioning of health care services for their local area." (About CCGs, NHS Clinical Commissioners). SLaM is commissioned by Croydon, Lambeth, Lewisham and Southwark CCG.
Control Objectives for Information and Related Technologies (CoBIT)	IT governance and management framework which covers risk management, assurance and audit, data security, governance and governance.
Commissioning for Quality and Innovation (CQUIN)	Commissioning for Quality and Innovation (CQUIN) is a payment framework whereby quality improvement goals are linked to financial reward.
Datix	Datix is the incident reporting system which SLaM uses for the recording of incidents and complaints.
Electronic Observation Solution (eOBs)	Electronic Observations Solution is the digitalisation of patient observations (vital signs) also known as early warning signs (MEWS) as opposed to the use of paper MEWS Charts.
Electronic Patient Journey System (ePJS)	ePJS is the electronic system that SLaM uses to document patient notes.
Health Service Journal (HSJ)	The Health Service Journal (HSJ) is a website and serial publication which covers topics relating to the National Health Service and Healthcare.
Hospital Episode Statistics (HES)	Hospital Episode Statistics is a data repository held by the Health and Social Care Information Centre (see Health and Social Care Information Centre entry) which stores information on hospital episodes i.e. admissions for all NHS trusts in England.

Local Care Record (LCR)	<p>A secure integrated portal between SLaM, GSTT, KCH and 90+ GP practices in Southwark and Lambeth electronic health records, which provides instant real-time access to health records to care professionals during direct care.</p>
Mental Health Minimum Data Set (MHMDS)	<p>Mental Health Minimum Data Set (MHMDS) is a regular return of data from providers of NHS funded adult secondary mental health services, produced during in the course of delivering services to patients.</p>
National Confidential Inquiry into Suicide and Homicide by People with Mental Illness (NCISH)	<p>NCISH is a National Confidential Inquiry into Suicide and Homicide by People with Mental Illness which collected suicide data in the UK from 2003-2013 (The National Confidential Inquiry into Suicide and Homicide by People with Mental Illness Annual Report 2015: England, Northern Ireland, Scotland and Wales July 2015. University of Manchester). It is commissioned by the Healthcare Quality Improvement Partnership (see Healthcare Quality Improvement Partnership entry).</p>
National Health Service England (NHSE)	<p>National Health Service England (NHSE) is a body of the Department of Health (see Department of Health entry) which leads and commissions NHS services in England.</p>
National Reporting and Learning Service (NRLS)	<p>The National Reporting and Learning Service (NRLS) is a system which enables patient safety incident reports to be submitted to a national database which is designed to promote understanding and learning.</p>
Operations Directorates (OD)	<p>In 2018/19, the services SLaM provides were reorganised into Operations Directorates. These directorates are largely organised by borough. This means that the trust can work in close partnership with local organisations and health and social care agencies across all mental health conditions to provide care closer to home. In some instances, our services are provided for national patients or are specialist for specific groups of our local population. In these instances, the care is best managed on a trust-wide basis so that we can concentrate expertise around smaller numbers of patients. Therefore, the new management model brings together Operations Directorates and previous research-focussed Clinical Academic Groups (CAGs) to ensure we have the expertise to offer patients the very best care and treatment, based upon reliable research evidence.</p> <p>The new Operations Directorates are:</p> <ul style="list-style-type: none"> • Child and Adolescent Mental Health Services • Croydon and Forensics • Lambeth • Lewisham • Psychological Medicine and Older Adults • Southwark and Addictions.
Prescribing Observatory for Mental Health-UK (POMH-UK Audits)	<p>The Prescribing Observatory for Mental Health UK audits are National Clinical Audits (see National Clinical Audit entry) which assess the practice of prescribing medications within mental health services in the United Kingdom.</p>



Auditor's Report

Independent auditor's report to the Council of Governors of South London and Maudsley NHS Foundation Trust

Report on the Audit of the Financial Statements

Opinion on financial statements

We have audited the financial statements of South London and Maudsley 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 a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Accounts Directions issued under Schedule 7 of the National Health Service Act 2006, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2020 to 2021.

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law, as required by the Code of Audit Practice (2020) ("the Code of Audit Practice") approved by the Comptroller and Auditor General. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

our report. However, future events or conditions may cause the Trust to cease to continue as a going concern.

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

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

In auditing the financial statements, we have concluded that the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. The responsibilities of the Accounting Officer with respect to going concern are described in the 'Responsibilities of the Accounting Officer and Those Charged with Governance for the financial statements' section of this report.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Other information we are required to report on by exception under the Code of Audit Practice

Under the Code of Audit Practice published by the National Audit Office in April 2020 on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not comply with the disclosure requirements set out in the NHS foundation trust annual reporting manual 2020/21 or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls. We have nothing to report in this regard.

Opinion on other matters required by the Code of Audit Practice

In our opinion, based on the work undertaken in the course of the audit:

- the parts of the Remuneration Report and the Staff Report to be audited have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Accounts Directions issued under Schedule 7 of the National Health Service Act 2006; and
- based on the work undertaken in the course of the audit of the financial statements and our knowledge of the Trust, the other information published together with the financial statements in the annual report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Under the Code of Audit Practice, we are required to report to you if:

- we issue a report in the public interest under Schedule 10 (3) of the National Health Service Act 2006 in the course of, or at the conclusion of the audit; or
- we refer a matter to the regulator under Schedule 10 (6) of the National Health Service Act 2006 because we have reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision which involves or would involve the incurring of unlawful expenditure, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency.

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

Responsibilities of the Accounting Officer and Those Charged with Governance for the financial statements

As explained more fully in the Statement of the Chief Executive's responsibilities as the Accountable Officer, the Chief Executive, as Accountable Officer, is responsible for the preparation of the financial statements in the form and on the basis set out in the Accounts Directions included in the NHS foundation trust annual reporting manual 2020/21, 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.

In preparing the financial statements, the Accounting Officer is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer has been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity.

The Audit Committee is Those Charged with Governance. Those Charged with Governance are responsible for overseeing the Trust's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Trust and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (international accounting standards and the National Health Service Act 2006, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2020 to 2021).
- We enquired of management and the Audit Committee, concerning the Trust's policies and procedures relating to:
 - the identification, evaluation and compliance with laws and regulations;
 - the detection and response to the risks of fraud; and
 - the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- We enquired of management, Internal Audit and the Audit Committee, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We assessed the susceptibility of the Trust's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls and fraudulent expenditure recognition. We determined that the principal risks were in relation to:
 - journal entries posted which met a range of criteria determined during the course of the audit
 - expenditure recognition given the challenges of operating during the pandemic.
- Our audit procedures involved:
 - evaluation of the design effectiveness of controls that management has in place to prevent and

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

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

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

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

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

Responsibilities of the Accountable Officer

The Chief Executive, as Accountable Officer, is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of the Trust's resources.

Auditor's responsibilities for the review of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under paragraph 1 of Schedule 10 of the National Health Service Act 2006 to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We undertake our review in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in April 2021. This guidance sets out the arrangements that fall within the scope of 'proper arrangements'. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

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

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

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

We cannot formally conclude the audit and issue an audit certificate for South London and Maudsley NHS Foundation Trust for the year ended 31 March 2021 in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Code of Audit Practice until we

have completed our work on the Trust's arrangements for securing economy, efficiency, and effectiveness in its use of resources.

Use of our report

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

Sarah L Ironmonger

Sarah Ironmonger, Key Audit Partner
for and on behalf of Grant Thornton UK LLP, Local Auditor
London

29 June 2021

Independent auditor's report to the Council of Governors of South London and Maudsley NHS Foundation Trust

In our auditor's report issued on 29 June 2021, we explained that we could not formally conclude the audit and issue an audit certificate for the Trust for the year ended 31 March 2021, in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Code of Audit Practice, until we had:

- Completed our work on the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources. We have now completed this work, and the results of our work are set out below.

Opinion on the financial statements

In our auditor's report for the year ended 31 March 2021 issued on 29 June 2021 we reported that, in our opinion the financial statements:

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

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

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

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

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

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

Responsibilities of the Accountable Officer

The Chief Executive, as Accounting Officer, is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of the Trust's resources.

Auditor's responsibilities for the review of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under paragraph 1 of Schedule 10 of the National Health Service Act 2006 to be satisfied

that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in April 2021. This guidance sets out the arrangements that fall within the scope of 'proper arrangements'. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

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

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

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

We certify that we have completed the audit of South London and Maudsley NHS Foundation Trust for the year ended 31 March 2021 in accordance with the requirements of Chapter 5 of Part 2 of the National Health Service Act 2006 and the Code of Audit Practice.

Use of our report

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

Sarah L Ironmonger

Sarah Ironmonger, Key Audit Partner
for and on behalf of Grant Thornton UK LLP, Local Auditor
London

14 September 2021



Accounts

Foreword to the accounts

South London and Maudsley NHS Foundation Trust

These accounts, for the year ending 31 March 2021, have been prepared in accordance with paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006 and are presented to Parliament pursuant to Schedule 7, paragraph 25 (4) (a) of the National Health Service Act 2006.

Signed

A handwritten signature in black ink, appearing to read 'Bradley', with a long horizontal flourish underneath.

David Bradley

Chief Executive

South London and Maudsley NHS Foundation Trust

28 June 2021

Statement of Comprehensive Income

For the year ended 31 March 2021

Notes	2021 £ 000's	2020 £ 000's
3 Operating income	502,811	460,393
4 Operating expenses	(512,194)	(453,867)
Operating (deficit) surplus	(9,383)	6,526
6 Finance costs	(34)	(53)
6 Finance income	-	478
8 Public Dividend Capital dividend	(4,526)	(6,613)
Net Finance cost	(4,560)	(6,188)
7 Gain on disposal of assets	16	67
Movement in fair value of investments	4	63
(Deficit) Surplus for the year	(13,923)	468
Other comprehensive income		
Revaluation loss on plant, property and equipment	(12,283)	(1,437)
Revaluation gains on plant, property and equipment	1,798	12,451
Total comprehensive income for the financial year	(24,408)	11,482

Statement of Financial Position

As at 31 March 2021

Notes	31 Mar 2021 £ 000's	31 Mar 2020 £ 000's
Non-current assets		
9 Intangible assets	562	520
10 Property, plant and equipment	238,650	245,599
Investment property	1,303	1,299
Other assets	231	232
	<u>240,746</u>	<u>247,650</u>
Current Assets		
Inventories	400	325
11 Trade and other receivables	13,283	37,643
15.3 Cash and cash equivalents	122,046	70,580
	<u>135,729</u>	<u>108,548</u>
Asset classified as held for sale	-	-
Total assets	<u>376,475</u>	<u>356,198</u>
Current Liabilities		
12 Trade and other payables	86,728	53,329
14 Provisions for liabilities and charges	2,899	2,018
13 Other liabilities	14,884	6,071
	<u>104,511</u>	<u>61,418</u>
Total Assets less Current Liabilities	<u>271,964</u>	<u>294,780</u>
Non-Current Liabilities		
14 Provisions for liabilities and charges	6,337	6,190
Total assets employed	<u>265,627</u>	<u>288,590</u>
Financed by		
Public dividend capital	190,208	188,763
Revaluation reserve	83,200	93,685
Income and expenditure reserve	(7,781)	6,142
Total taxpayers' Equity	<u>265,627</u>	<u>288,590</u>

Signed on behalf of the board



David Bradley

Chief Executive

South London and Maudsley NHS Foundation Trust

28 June 2021

Statement of changes in taxpayers' equity

For the year ended 31 March 2021

	Public dividend capital £ 000's	Revaluation reserve £ 000's	Income & expenditure reserve £ 000's	Total £ 000's
At 1 April 2019	187,273	85,961	2,384	275,618
Surplus for the year	-	-	468	468
Revaluation losses	-	(1,437)	-	(1,437)
Revaluation gains	-	12,451	-	12,451
Realised gains	-	(3,290)	3,290	-
PDC received during year	1,490	-	-	1,490
At 31 March 2020	188,763	93,685	6,142	288,590
At 1 April 2020	188,763	93,685	6,142	288,590
(Deficit) for the year	-	-	(13,923)	(13,923)
Revaluation losses	-	(12,283)	-	(12,283)
Revaluation gains	-	1,798	-	1,798
PDC received during year	1,445	-	-	1,445
At 31 March 2021	190,208	83,200	(7,781)	265,627

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 expenditure. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

Income & expenditure reserve

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

Statement of Cash Flows

For the year ended 31 March 2021

Notes	2021 £ 000's	2020 £ 000's
15 Net cash generated from operating activities	77,974	1,118
Cash flows from investing activities		
Interest received	-	478
Purchases of intangible fixed assets	(192)	(66)
Purchases of property, plant and equipment	(22,694)	(18,569)
Proceeds from disposals of property, plant and equipment	25	8,966
Net cash expended from investing activities	(22,861)	(9,191)
Cash flows from financing activities		
Public Dividend Capital received	1,445	1,490
Interest paid	-	(1)
8 Public Dividend Capital dividend paid	(5,092)	(6,850)
Net cash used in financing activities	(3,647)	(5,361)
Increase (Decrease) in cash and cash equivalents during the year	51,466	(13,434)
Cash and cash equivalents at 1 April	70,580	84,014
15 Cash and cash equivalents at 31 March	122,046	70,580

South London and Maudsley NHS Foundation Trust

Notes to the Accounts

1 Accounting policies

Accounting policies and other information

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.

1.1 Going concern

The definition of going concern in the public sector for NHS bodies focuses on the expected continued provision of services by the public sector rather than organisational form. As a result the financial statements of all NHS Foundation Trusts will be prepared on a going concern basis unless there are exceptional circumstances where the entity is being or is likely to be wound up without the provision of its services transferring to another entity in the public sector. The directors, having made enquiries, have a reasonable expectation that the Trust has adequate resources to continue its operations for the foreseeable future. As a result the accounts continue to be prepared on a going concern basis.

1.2 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.

1.3 Consolidation

Subsidiaries

Subsidiary entities are those over which the Trust is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Maudsley Commercial LLP (Partnership No. OC429642) was incorporated on 14th November 2019 and remains dormant.

Associates, Joint Ventures and Joint Operations

The Trust has no associates, joint ventures or joint operations.

1.4 Critical accounting judgements and key sources of estimation uncertainty

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

Critical judgements in applying accounting policies

There are no critical judgements apart from those involving estimations (see below) that management has made in the process of applying the Trust's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period not already included in the note above, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Property valuations

As described in Note 1.8, the Trust's properties are valued at either market value for existing use or depreciated replacement cost. Properties have been subject to an independent valuation at 31 March 2021 by the District Valuer on the basis set out in Note 1.8.

The useful economic life of each category of fixed asset is assessed when acquired by the Trust and for property this is reassessed on revaluation by the District Valuer. A degree of estimation is used in assessing the useful economic lives of assets.

The Trust has considered provisions in the Modern Equivalent Asset (MEA) valuation approach for whether the existing buildings and sites are optimal in terms of number, size, configuration and location. Where appropriate a modern equivalent asset has been valued at a notional alternative location within South London.

The Trust is required to review property, plant and equipment for impairment. In between formal valuations by qualified surveyors, management make judgments about the condition of assets and review their estimated lives.

1.5 Income

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.

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 a [Integrated Care System/Sustainability and Transformation Partnership] 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.

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.

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

Revenue from research and development contracts

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

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

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 employer, 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 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.

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.

1.8 Property, Plant and Equipment

Recognition

Property, Plant and Equipment is capitalised where:

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

Items forming part of the initial equipping and set-up cost of a new building, or refurbishment, and have a combined cost of at least £5,000

Valuation

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

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

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

Land and non-specialised buildings – market value for existing use

Specialised buildings – depreciated replacement cost

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 location requirements of the services being provided. Assets held at depreciated replacement cost have been valued on an alternative site basis where this would meet the location requirements.

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.

Equipment, vehicles, 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.

Subsequent expenditure

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

Depreciation

Items of Property, Plant and Equipment are depreciated straight-line over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Equipment is depreciated over a useful economic life of 5 to 10 years. The remaining useful economic lives of freehold and long leasehold buildings are reassessed during revaluation and range from 2 to 60 years. Capitalised improvements to other leasehold and rental properties are depreciated over the shorter of the primary lease term, or the useful economic life.

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' ceases to be depreciated upon the reclassification. Assets in the course of construction 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 all of the following criteria are met:

the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;

the sale must be highly probable i.e. ;

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

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

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's economic 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.

1.9 Cash and cash equivalents

Cash is cash at bank and in hand and deposits 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. The Trust has no cash equivalents.

Cash and bank are recorded at current values. There were no overdrafts.

1.10 Revenue - government and other 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 grant 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.

1.11 Financial assets and financial liabilities

Recognition

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

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

De-recognition

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.

Classification and Measurement

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

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described below. Financial assets are classified as subsequently measured at amortised cost, fair value through income and expenditure or fair value through other comprehensive income. Financial liabilities classified as subsequently measured at amortised cost or fair value through income and expenditure.

Financial assets and financial liabilities at amortised cost

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

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

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income and a financing income or expense.

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).

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.

1.12 Leases

Operating leases

Other leases are regarded as operating leases and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease. 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. Leased land is treated as an operating lease.

Rental income from 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.

1.13 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

Post employment benefits

Provisions for post employment benefits resulting from early retirements and injury benefits are discounted at the nominal rate of 1.25%

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 14.6 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.

1.14 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 14 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 14, 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.

1.15 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.

At any time, 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 in the PDC dividend policy issued 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 thus calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

1.16 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.

1.17 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.

1.18 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.

1.19 Accounting standards, amendments and interpretations in issue but not yet effective or adopted

The DH GAM does not require the following Standards and Interpretations to be applied in 2020/21. These standards are still subject to HM Treasury FReM adoption.

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 a rate 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.

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.

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.

1.20 Early adoption of standards, amendments and interpretations

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

Notes to the Accounts

2 Segmental analysis

The Foundation Trust does not consider that it has reportable segments as defined by IFRS 8 : Operating Segments. Financial information is reported as one segment for the Trust.

3 Operating Income	2021	2020
	£ 000's	£ 000's
3.1 Income from healthcare activities		
Cost and Volume Contract income	327	29,895
Block Contract income	355,680	290,807
Clinical Partnerships (including S31 agreements)	1,095	4,352
Additional income to fund increase in pension contribution	12,232	11,191
Other clinical income	46,131	46,673
	415,465	382,918
3.2 Non-mandatory clinical income		
Private patients	39	124
Income from healthcare activities	415,504	383,042
3.3 Other operating income		
Research and development	22,467	23,815
Education and training	26,013	25,251
Charitable and other contributions to expenditure	2,134	2,432
Non-patient care services to other bodies	429	917
Provider Sustainability Fund and Financial Recovery Fund	-	14,619
Reimbursement and top-up funding	24,458	-
Other income	11,806	10,317
	87,307	77,351
Total income	502,811	460,393

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. As part of this arrangement reimbursement and top-up funding was provided to cover pandemic specific costs, income shortfalls and general break-even target and in place of the Provider Sustainability Fund and Financial Recovery Fund

In 2019/20 NHS Improvement (NHSI), an arms length body of the DHSC awarded additional Provider Sustainability Fund and Financial Recovery Fund income to Trusts which had achieved or exceeded their assigned financial targets.

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 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.

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

Revenue recognised in the reporting period included in contract liabilities at the previous year-end	3,429	6,528
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Notes to the Accounts

4 Operating expenses		2021	2020
		£ 000's	£ 000's
Notes	Operating expenses comprised:		
	Non-executive directors' costs	194	165
	Supplies & contracts:		
	healthcare from NHS and non-NHS bodies	31,783	30,708
	services from NHS bodies	9,781	6,069
	drugs	8,070	8,364
	other clinical	7,424	1,930
	general	14,648	13,074
	establishment	3,715	3,414
	premises	30,515	24,498
	transport	2,908	1,252
	research and development	15,291	15,701
	education and training	1,756	2,498
	consultancy and legal	3,306	4,444
5	Staff costs:		
	employed staff and directors	287,671	262,373
	NHS bank, agency, contract and seconded staff	65,455	65,403
10	Depreciation	10,894	9,827
	Amortisation	152	149
10	Fixed asset impairments:	14,073	999
	Reversal of fixed asset impairments	(498)	(1,787)
	Auditor's remuneration:		
	statutory audit	103	102
	other remuneration	6	1
	Other	4,947	4,683
		512,194	453,867
Other audit remuneration		2021	2020
		£ 000's	£ 000's
	Audit related assurance services - Quality Report	-	1
	Other non-audit services	6	-
		6	1
Auditor's remuneration includes irrecoverable VAT			
Limitations on auditor's liability		£ 000's	£ 000's
		2,000	2,000

5 Employees costs and pensions

	2021 £ 000's	2020 £ 000's
Emoluments of employees comprised:		
Other salaries and wages	223,985	204,173
Social security costs	23,284	21,323
Employer contributions to NHS Pensions Agency	40,366	36,877
Other pension costs	36	-
	287,671	262,373
Agency and contract staff	21,581	23,296
NHS Bank staff	34,051	31,831
Seconded-in staff	9,823	10,276
	353,126	327,776

Average staff numbers

	Directors	Permanent employees	Other	2021 Total	2020 Total
	No.	No.	No.	No.	No.
Medical staff	1	447	16	464	506
Nursing and health visiting staff	1	1,378	343	1,722	1,700
Healthcare assistants and other support and ancillary staff		664	417	1,081	1,107
Scientific, therapeutic and technical staff	3	1,187	176	1,366	1,221
Administration staff		1,075	140	1,215	1,157
Social care staff		-	4	4	3
	5	4,751	1,096	5,852	5,694

III-health retirement costs borne by the NHS Pension Scheme

	2021	2020
Number of cases	-	3
Estimate of additional pensions liabilities (£ 000's)	-	141

Staff exit packages

	Compulsory redundancy	Other	2021 Total	2020 Total
	£ 000's	No.	No.	No.
Number of staff exit packages by cost band				
0-10	2	-	2	1
10-25	-	-	-	2
25-50	-	-	-	1
50-100	-	-	-	1
	2	-	2	5
	£ 000's	£ 000's	£ 000's	£ 000's
Cost of staff exit packages	10	-	10	161

South London and Maudsley NHS Foundation Trust

Notes to the Accounts

5.1 Employees costs and pensions

Pensions

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2021, is based on valuation data as at 31 March 2020, updated to 31 March 2021 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

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

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

Notes to the Accounts

6 Net finance income		2021	2020
		£ 000's	£ 000's
Finance costs			
Unwinding of discount on provisions for liabilities and charges		34	52
Payments made under The Late Payment of Commercial Debts (Interest) Act 1998		-	-
Other		-	1
		34	53
Finance income			
Interest receivable: Government Banking Service		-	(431)
National Loans fund		-	(47)
		-	(478)
Net finance income		34	(425)

Notes to the Accounts

7 Gains and losses on disposal of property, plant and equipment	Property	Equipment	2021	2020
	<u>£000's</u>	<u>£000's</u>	<u>£ 000's</u>	<u>£ 000's</u>
Net book value of assets disposed	6	3	9	8,899
Net proceeds from sale	-	(25)	(25)	(8,966)
	<u>6</u>	<u>(22)</u>	<u>(16)</u>	<u>(67)</u>
Gains on disposal	-	25	25	67
Losses on disposal	(6)	(3)	(9)	-
	<u>(6)</u>	<u>22</u>	<u>16</u>	<u>67</u>

Notes to the Accounts

8 Public Dividend Capital dividend	2021	2020
	<u>£ 000's</u>	<u>£ 000's</u>
Accrued dividend (receivable) at start of year	(301)	(64)
Dividend provided in year	4,526	6,613
Accrued dividend receivable at end of year	867	301
Dividend paid	<u>5,092</u>	<u>6,850</u>

Notes to the Accounts

9 Intangible assets	Software £ 000's	2021 £ 000's	2020 £ 000's
Cost or valuation			
At 1st April	1,134	1,134	1,068
Additions	192	192	66
At 31st March	<u>1,326</u>	<u>1,326</u>	<u>1,134</u>
Amortisation			
At 1st April	(614)	(614)	(467)
Charged during the year	(150)	(150)	(147)
At 31st March	<u>(764)</u>	<u>(764)</u>	<u>(614)</u>
Net book value at 1st April	520	520	601
Net book value at 31st March	<u>562</u>	<u>562</u>	<u>520</u>

Notes to the Accounts

10 Property, plant and equipment	Land	Buildings	Plant and equipment	Assets under construction	Total
	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's
Cost or valuation					
At 1st April 2019	17,010	204,619	26,179	3,315	251,123
Revaluation	235	12,566	-	-	12,801
Additions	4	7,446	4,260	6,383	18,093
Reclassifications	-	(7,842)	-	-	(7,842)
Impairments	(129)	(869)	-	-	(998)
Cumulative depreciation transferred after revaluation	-	(7,112)	-	-	(7,112)
Disposals	-	-	(17)	-	(17)
At 31st March 2020	17,120	208,808	30,422	9,698	266,048
Revaluation	85	(10,072)	-	-	(9,987)
Additions	-	7,034	6,048	14,933	28,015
Impairments	-	(14,073)	-	-	(14,073)
Cumulative depreciation transferred after revaluation	-	(7,560)	-	-	(7,560)
Disposals	-	(6)	(9,976)	-	(9,982)
At 31st March 2021	17,205	184,131	26,494	24,631	252,461
Depreciation					
At 1st April 2019	-	-	(17,751)	-	(17,751)
Depreciation for the period	-	(7,112)	(2,715)	-	(9,827)
Disposals	-	-	17	-	17
Netted off cost/value following revaluation	-	7,112	-	-	7,112
At 31st March 2020	-	-	(20,449)	-	(20,449)
Depreciation for the period	-	(7,560)	(3,335)	-	(10,895)
Disposals	-	-	9,973	-	9,973
Netted off cost/value following revaluation	-	7,560	-	-	7,560
At 31st March 2021	-	-	(13,811)	-	(13,811)
Net book value at 31st March 2020	17,120	208,808	9,973	9,698	245,599
Net book value at 31st March 2021	17,205	184,131	12,683	24,631	238,650

Buildings were reclassified as Assets held for sale prior to disposal in 2019/20

Valuations

Property assets with a net book value of £198m were revalued as at March 2021 by the District Valuer (DVS) using modern equivalent asset (MEA) depreciation replacement cost for specialised buildings and existing use market value for land and non-specialised buildings. Improvements to leasehold buildings are held at depreciated cost and not revalued.

Asset lives

Building asset lives are reassessed by the District Valuer during revaluation. Leasehold improvements valued at cost are written down over the shorter of the useful life of the improvement and the remaining leasehold term Equipment assets are depreciated at between 5 and 10 years. Heritage assets are included within Equipment assets and are not depreciated.

	Land and buildings	Plant and equipment	Assets under construction	Total	
	£ 000's	£ 000's	£ 000's	£ 000's	
Donated assets					
Net book value of donated assets at 1st April 2020	17,636	1,012	-	18,648	
Net book value of donated assets at 1st April 2021	15,443	1,012	-	16,455	
Land and buildings					
	Existing use Modern equivalent asset value	Existing use Existing use value	Existing use Existing use Cost	Alternate use Open market value	Total
	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's
Analysis of net book value at 1st April 2020					
Freehold	97,738	25,286	2,573	-	125,597
Long leasehold	93,881	3,197	7,173	-	104,251
Short leasehold	-	-	5,778	-	5,778
	191,619	28,483	15,524	-	235,626
Analysis of net book value at 1st April 2021					
Freehold	77,448	25,517	7,905	-	110,870
Long leasehold	88,362	3,358	16,774	-	108,494
Short leasehold	-	-	6,603	-	6,603
	165,810	28,875	31,282	-	225,967
Capital commitments					£ 000's
Contracted for but not provided in the accounts 31 March 2020					6,505
Contracted for but not provided in the accounts 31 March 2021					72,198

Notes to the Accounts

11 Trade and other receivables	31 Mar 2021	31 Mar 2020
Amounts receivable within one year:	<u>£ 000's</u>	<u>£ 000's</u>
Contract receivables - NHS (NHS receivables)	2,336	21,497
Contract receivables - Other (Other receivables)	4,386	9,977
Allowance for credit losses	(4,283)	(4,940)
Prepayments	1,373	1,096
Accrued income	7,601	8,863
Other receivables	1,870	1,150
	<u>13,283</u>	<u>37,643</u>

Allowance for credit losses

	Contract receivables and contract assets	Other receivables	31 Mar 2021	31 Mar 2020
	<u>£ 000's</u>	<u>£ 000's</u>	<u>£ 000's</u>	<u>£ 000's</u>
At 1st April	4,660	280	4,940	2,868
New allowances	20	52	72	3,462
Utilisation of allowances - written off	(25)	(27)	(52)	(207)
Utilisation of allowances - cancelled	(97)	(16)	(113)	(398)
Reversal of allowances - paid	(506)	(58)	(564)	(785)
At 31st March	<u>4,052</u>	<u>231</u>	<u>4,283</u>	<u>4,940</u>

Notes to the Accounts

12 Trade and other payables	31 Mar 2021	31 Mar 2020
	<u>£ 000's</u>	<u>£ 000's</u>
Amounts falling due within one year:		
Payments received on account	1,085	251
Non-NHS trade creditors	10,634	5,912
Tax and social security costs	6,352	5,868
Pensions relating to staff and directors	4,721	3,821
Other payables	5,238	2,539
NHS payables	3,067	4,326
Accruals	55,631	30,612
Total payables	<u>86,728</u>	<u>53,329</u>

Notes to the Accounts

	31 Mar 2021	31 Mar 2020
	£ 000's	£ 000's
13 Other liabilities		
Other liabilities due within one year		
Deferred income	<u>14,884</u>	<u>6,071</u>
	14,884	6,071

Notes to the Accounts

14 Provision for liabilities and charges	14.1 Early retirements	14.2 Injury benefits	14.3 Pay and restructuring	14.4 Legal claims	14.5 Property	Total
	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's
At 1st April 2019	1,548	1,208	110	1,028	3,318	7,212
Change in the discount rate	110	102	-	-	-	212
Expenditure during the period	(193)	(88)	-	(383)	(146)	(810)
Arising during the period	110	162	36	979	426	1,713
Released unused	(55)	(24)	-	(64)	(28)	(171)
Unwinding of discount	28	24	-	-	-	52
At 31st March 2020	1,548	1,384	146	1,560	3,570	8,208
Change in the discount rate	(71)	(6)	-	-	-	(77)
Expenditure during the period	(190)	(90)	-	(457)	(144)	(881)
Arising during the period	69	100	-	375	1,656	2,200
Released unused	(7)	-	(45)	(130)	(66)	(248)
Unwinding of discount	17	17	-	-	-	34
At 31st March 2021	1,366	1,405	101	1,348	5,016	9,236
Expected timing of cash flows:						
Within one year	192	88	146	780	812	2,018
Within two - five years	768	352	-	780	1,342	3,242
Over five years	588	944	-	-	1,416	2,948
At 31st March 2020	1,548	1,384	146	1,560	3,570	8,208
Within one year	192	88	101	674	1,844	2,899
Within two - five years	768	352	-	674	1,951	3,745
Over five years	406	965	-	-	1,221	2,592
At 31st March 2021	1,366	1,405	101	1,348	5,016	9,236

14.1 Early retirements

Provisions are made for the estimated additional pension costs arising from early retirements. These costs are directly incurred by the NHS Pensions Agency, as pension payments are made, and the Agency seeks reimbursement from the Trust each quarter. There are no provisions for early retirements for former directors.

14.2 Injury benefits

Provision has been made for the expected value of the costs of NHS Injury Benefits claims. Claims are assessed and paid directly by the NHS Pensions Agency and reimbursement is sought from the Trust each quarter.

14.3 Pay and restructuring

Provision has been made for the estimate of cost for restructuring services associated with cost improvements and disinvestment plans.

14.4 Legal claims

The Foundation Trust provides for the estimated excess payments due to the NHS Resolution under the Liability for Third Parties insurance scheme resulting from non-clinical third party claims. The full costs of such claims is accounted for by NHS Resolution. The Trust provides against other legal claims and inquests.

14.5 Property

Provision is made for the estimate of outstanding repairing and reinstatement obligations arising from leasehold and rental property agreements.

14.6 Clinical negligence

The Trust belongs to the Clinical Negligence Scheme for Trusts (CNST) and pays an annual insurance premium to the NHS Resolution. Under the term of this agreement, since 1 April 2002, financial responsibility for clinical negligence claims transferred to NHS Resolution and the liability for claims is provided in their Accounts. At the 31st March 2021 the NHSLA were providing £11.6m on behalf of the Trust (£10.5m 2019/20).

There are no contingent assets or liabilities.

Notes to the Accounts

15 Cash flow statement	2021	2020
	£ 000's	£ 000's
15.1 Net cash inflow from operating activities		
Operating (deficit) surplus	(9,383)	6,526
Non-cash items:		
depreciation and amortisation	11,046	9,976
impairment of tangible fixed assets	14,073	999
impairment reversal of tangible fixed assets	(498)	(1,787)
Changes in operating working capital:		
(decrease) in inventories	(75)	(5)
decrease (increase) in receivables	24,926	(12,457)
increase (decrease) in payables	28,078	(1,368)
increase (decrease) in other liabilities	8,813	(1,710)
increase in provisions for liabilities and charges	994	944
Net cash inflow from operating activities	77,974	1,118
15.2 Reconciliation of net cash flow to movement in net funds		
	2021	2020
	£ 000's	£ 000's
Increase (decrease) cash during the period	51,466	(13,434)
Government bank services	51,467	(13,430)
Commercial banks	(1)	(4)
Movement in net funds in the period	51,466	(13,434)
Net funds at 1st April	70,580	84,014
Net funds at 31st March	122,046	70,580
15.3 Analysis of changes in net funds		
	31 Mar 2021	31 Mar 2020
	£ 000's	£ 000's
Cash at bank held with Government Banking Services	121,980	70,513
Cash at bank held within commercial banks	-	1
Cash in hand	66	66
	122,046	70,580

Notes to the Accounts

16 Lease commitments

Operating leases as lessee	Mar 2021	Mar 2020
Payments recognised as expenses	£ 000's	£ 000's
Property	5,790	3,456
Plant and equipment	110	117

Minimum annual lease payment commitments under operating leases were as follows:

	Property		Plant and equipment		Total	Total
	Mar 2021	Mar 2020	Mar 2021	Mar 2020	Mar 2021	Mar 2020
	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's
Within one year	2,062	2,297	110	117	2,172	2,414
Between one and five years	4,923	6,547	55	53	4,978	6,600
After five years	8,342	24,024	-	-	8,342	24,024
	15,327	32,868	165	170	15,492	33,038

Operating leases as lessor	Mar 2021	Mar 2020
Receipts recognised as income	£ 000's	£ 000's
Property	969	880

Minimum annual lease commitments under operating leases were as follows:

	Property		Total	Total
	Mar 2021	Mar 2020	Mar 2021	Mar 2020
	£ 000's	£ 000's	£ 000's	£ 000's
Within one year	969	990	969	990
Between one and five years	301	442	301	442
After five years	-	25	-	25
	1,270	1,457	1,270	1,457

Notes to the Accounts

17 Financial instruments

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

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's Standing Financial Instructions and policies agreed by the Board of Directors. 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 negligible overseas operations and therefore has low exposure to currency rate fluctuations.

Liquidity risk

The Trust's net operating costs are incurred under contracts with NHS commissioning organisations and other public sector bodies, which are financed from resources voted annually by Parliament. The Trust finances its capital expenditure from funds internally generated but has the ability borrow. The Trust is not, therefore, exposed to significant liquidity risks.

Interest-rate risk

The Trust financial assets and liabilities carry nil or fixed rates of interest and the Trust has no borrowings. The Trust is not, therefore, exposed to significant interest-rate risk. All financial assets and liabilities are held in sterling.

Credit risk

The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk.

	31 Mar 2021 £ 000's	31 Mar 2020 £ 000's
	At amortised cost	At amortised cost
	£ 000's	£ 000's
Financial assets		
NHS receivables	2,336	21,497
Other debtors	3,950	9,682
Allowances for credit losses	(4,283)	(4,940)
Accrued income	7,601	8,863
Cash	122,046	70,580
Total financial assets	131,650	105,682
	At amortised cost	At amortised cost
	£ 000's	£ 000's
Financial liabilities		
NHS payables	3,067	4,326
Other creditors	20,593	12,272
Accruals	55,631	30,612
Provisions under contract	7,888	6,648
Total financial liabilities	87,179	53,858

Provisions under contract fair value are not significantly different from book value since, in the calculation of book value, where applicable, the expected cash flows have been discounted by the Treasury discount rate for employee benefits of 1.25% nominal

The carrying book value of assets and liabilities is considered to be a reasonable approximation of fair value.

South London and Maudsley NHS Foundation Trust

Notes to the Accounts

18 Related party transactions

South London and Maudsley NHS Foundation Trust is a body corporate established by order of the Secretary of State for Health.

During the period none of the Board members, the Members Council or members of key management staff or parties related to them has undertaken any material transactions with the Trust. Remuneration of Board members is shown in the Remuneration report.

The Department of Health and Social Care's (DHSC) is regarded as a related party and the parent department. During the year the Trust had a number of material transactions with the DHSC and with other entities for which the DHSC is regarded as the parent as listed below:

- Department of Health and Social Care
- South East London Clinical Commissioning Group
- South West London Clinical Commissioning Group
- Other Clinical Commissioning Groups
- NHS England
- Health Education England
- Oxleas NHS Foundation Trust
- Other NHS Foundation Trusts
- NHS Trusts
- Special Health Authorities
- Other Department of Health and Social Care bodies

The Trust also had material transaction with other Whole of Government organisations including:

- Local Authorities
- HM Revenue & Customs
- NHS Pension Scheme
- NHS Professionals
- Other Government departments

The Trust is a member of Kings Health Partners (KHP), a federated Academic Health Sciences Centre. Membership comprises the Trust; Guy's and St Thomas' NHS Foundation Trust; Kings College Hospital NHS Foundation Trust; and Kings College London. The Trust had the following income and expenditure with Kings College London.

	2021 £ 000's	2021 £ 000's	2020 £ 000's	2020 £ 000's
	Income	Expenditure	Income	Expenditure
Kings College London	2,595	(21,765)	2,761	(23,266)

Ian Everall, Non-Executive Director, is Executive Dean of the Institute of Psychiatry, Psychology and Neuroscience at Kings College London

The Trust also works closely with Oxleas NHS Foundation Trust and South West London and St Georges Mental Health NHS Trust as part of the South London Mental Health Partnership (SLP).

David Bradley, Chief Executive Officer, and Béatrice Butsana-Sita, Non-Executive Director, are Trustees of the Maudsley Charity.

The Trust received revenue payments from Maudsley Charity £1.2m (£1.9m 2019/20).

Norman Lamb, Chair, is Vice President of the National Autistic Society. During the year the Trust spent £74k on services from the Society.

Geraldine Strathdee, Non-Executive Director, is a Non-Executive Director of Community Health Partnerships (CHP) a wholly owned subsidiary of the Department of Health and Social Care providing community health premises. During the year the Trust spent £732k (£529k 2019/20) on premises costs from CHP.

Notes to the Accounts

19 Losses and special payments	2021		2020	
	£ 000's	Claims	£ 000's	Claims
Losses				
Cash losses	16	4	8	9
Bad debts and claims abandoned	48	30	199	63
Damage to property and stores losses	81	214	47	1,834
	145	248	254	1,906
Special payments				
Compensation under legal obligation	82	2	-	-
Ex-gratia payments	97	43	90	58
Special severance payments	-	-	-	-
	179	45	90	58
	324	293	344	1,964

There were no individual losses exceeding £95k (£250k 2020)

Notes to the Accounts

20 Events after the statement of financial position date

There were no events after the statement of financial position date having a material impact on the accounts.

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King's Health Partners

Academic Health Sciences Centre: www.kingshealthpartners.org

Quality Report

This report was produced by the Communications and Media Department.

Please contact us if you would like a copy in large print, audio, braille or translated into another language.

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