NHS
Surrey and Borders Partnership
NHS Foundation Trust

Annual Report and Accounts

1 April 2020 - 31 March 2021

For a better life

Surrey and Borders Partnership NHS Foundation Trust

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

Contents

Performance Report

This section provides an overview of the Trust's performance in 2020/21

Foreword from the Chairman and Chief Executive

Last year, our opening words to the Annual Report were written in May 2020. We wrote then how the successes of the year felt totally overshadowed by the arrival of Coronavirus, as around 1,000 people had, at that time, died from the illness in Surrey and north east Hampshire.

A year on, nearly 2,500 people in Surrey alone have died of Covid. As a community, we have endured a year of lockdown, with widespread isolation, grief, disruption, redundancy and financial loss. Of course, there has been a heavy impact on the state of national mental health.

The knock-on to our services is being felt. For some months now, our crisis services have seen a rising tide of people who need urgent and potentially life-saving assistance. At the other end of the spectrum, we would like to see more people coming forward for low-level intervention services - and there is plenty of capacity in that part of the system. We have a determination to act to address this. The benefits of early intervention in mental health services are less demonstrable than in, say, cancer services, but we strongly suspect that there is relationship and are working with partners to make clear our offer to the population.

Over the course of the year, we became sadly expert at working within the constraints of Covid. Our staff who needed to work with people face-to-face managed the demands of personal protective equipment ('PPE'), hand hygiene and distancing in a manner that minimised outbreaks. Our Estates team has worked hard to maintain and adapt environments to ensure safety for all, while other colleagues have endured trying and uncomfortable work environments because of the need to work from home. Our huge thanks go to all of them who have produced such high-quality work in such trying conditions.

Thanks is also due to our Chief Operating Officer, Lorna Payne, who has now chaired our Gold command group, in line with our emergency protocols, for considerably more than a year. This group has taken responsibility for directing, coordinating and communicating all of our Covid response work. A notable success has been seen with our vaccination programme – at the time of writing, nearly 90% of our operational staff have taken up a vaccination, protecting themselves, their colleagues and the people who use our services and carers. Gold has been supported at various times by Silver and Bronze commands and our Clinical Reference Group, chaired by our Chief Medical Officer, Dr Justin Wilson and our Chief Nursing Officer, Heather Caudle.

With Covid still a threat at the time of publishing, we remain vigilant, but are glad that our staff's efforts meant that the impact of the virus was minimised in our wards and care

homes. We were devastated that five people with definite diagnosis of Covid died; each of them is a tragic loss to the person's family and the staff who knew them. As a Trust we marked their deaths and others, and gave thanks that our losses were not greater in a moving 'Day of Reflection' ceremony in March 2021, led by our chaplain, Reverend Josiah Anyinsah.

We were also shocked during the year in review by the sudden death of our friend and colleague Dave Hill OBE, Surrey County Council's Executive Director of Children, Lifelong Learning and Culture. His passion and drive in supporting children to realise their full potential from the most challenging circumstances knew no bounds. For many of us, he was not just a colleague, but a friend and a real ally and he will be greatly missed.

Set against that background, it feels difficult to turn our attention to reviewing the other aspects of the year. Nonetheless, despite the challenges we have faced, it has been another year of excellence, achievement and forward steps for the organisation and it is right to document that here.

The Care Quality Commission's methodology has changed in that we are no longer subject to an annual inspection in the way we were. Nonetheless, we retain the 'Good' status, which we first achieved in 2017, and remain 'Good' for all five domains assessed by the CQC and for every one of our ten services.

Despite the Coronavirus pandemic, our Community Hubs programme, which see us bringing our community services for people of all ages together into improved accommodation, has made significant progress.

Bramdean was due to open in April 2020, but due to the Coronavirus pandemic this was delayed; it opened in September 2020. Located in Staines, it allows us to meet the needs of people who use our services in the Spelthorne area. Many of our services now operate clinics from this location including the Community Mental Health Recovery Service (CMHRS) and the Older Adults' Community Mental Health Team (CMHT) for Runnymede and Spelthorne.

In the central Surrey region, our new community hub in Epsom is due to open in summer 2021. This new hub will provide a more central location for services in a modern and welcoming environment.

In December 2020, we vacated our Trust HQ, 18 Mole Business Park, to allow essential refurbishment to commence and moved into a temporary location, Leatherhead House. When we move back in, this hub will provide both community services and corporate office facilities.

Progress on our next two mental health hospitals continues at pace. In January 2021, we made a crucial decision to build the new Abraham Cowley Unit (ACU), on St. Peter's Hospital campus in Chertsey in one phase, rather than two.

This is excellent news and it has a significant impact: by building the ACU in a single construction phase, we will be able to close dormitories approximately 12-14 months faster than we previously planned, and will be able to fully vacate the site in March 2022. We will also be able to build the hospital approximately six months quicker, with our new hospital scheduled to open in May 2024. This decision was enabled by careful work through 2020, culminating in a clinically-led Quality Impact Assessment, which showed that due to changes in market provision and suitable options, there would now be sufficient bed capacity of a high enough standard for our inpatients to stay in while the works take place.

For east Surrey, our preferred option remains to co-locate on East Surrey Hospital's site, as both Trusts jointly recognise the importance of this opportunity to deliver integrated physical and mental healthcare. In October 2020, over 40 experts from Surrey and Sussex Healthcare NHS Trust (SASH) and Surrey and Borders came together for a clinical integration workshop to plan how services can improve both now and in the future.

Our NHS Staff Survey results were extremely good, with improvements almost across the board. In a difficult year for the NHS, many other Trusts experienced declining scores, but we were able to buck this trend. As a result, we are now counted as one of the 'best performing' Trusts. The Health Service Journal's coverage of the results focused on the proportion of staff recommending their organisation as a place to work, in which we were inside the top ten, and we also achieved the ninth best improvement, year-on-year.

Other headline results included:

- Our response rate increased to 65%, compared with 59% in 2019 - the average response for Trusts of our type was 49%
- We improved our score or remained the same for ten 'themes' measured
- We scored joint top for all Mental Health and Learning Disability Trusts on the theme of 'Immediate Managers'

Needless to say, we won't rest on our laurels. The overall excellent picture of course masks areas where we can and should continue to work hard to improve, notably on equality, diversity and inclusion. Our newly-appointed Director of Workforce, Cheryl Newsome, will lead our efforts to look in-depth at the overall results to see where we can do even better, working with directors, teams and of course our wonderful Staff Networks, who represent a large number of members of staff with diverse needs and interests.

We were so pleased to see such a swathe of rising scores, across such a broad range of topics that the success could only have been achieved by a great many people all being determined to do better. Despite very difficult times, we really pulled together.

Our clinical strategy, focusing on partnerships and prevention was, in many ways, ahead of its time. In light of the government's plans for enhanced partnership working across Integrated Care Systems (ICSs) it looks almost like prophecy. There are exciting times

ahead for us, as we balance the emergence from Covid and the NHS long term planning, which blatantly puts mental health provision at the forefront.

Following a Mental Health Summit in November 2020, we and our local partners (chiefly the Surrey Heartlands Integrated Care System (ICS) and Surrey County Council) decided to create a Mental Health Partnership Board to help us build a better understanding of mental health services across Surrey.

The Partnership Board Chair, Alan Downey, has led and authored an independent report on the state of mental health services in Surrey which was published just after the end of the year in review. The partners have all accepted the recommendations and we have already begun working to implement them as part of our annual Operational Plan for the year ahead to achieve better outcomes and improved services for Surrey residents.

It is our custom to end this message with thanks, and there are many to whom we owe our gratitude, especially in such difficult times. We extend warm wishes to our many partners, volunteers, people who use our services and carers. We also acknowledge our diligent non-Executive Directors and Governors for their support and encouragement, in particular our new lead Governor, Michele Amoah Powponne. But as ever, it is our staff who deserve our greatest thanks, for their devotion, care, determination and wholehearted efforts, always to do their best for people who use our services.

Dr Ian McPherson
Chairman

Fiona Edwards
Chief Executive

Ian McPherson has asked to add the following comment:

In the days immediately following the end of the financial year that is the topic of this report, some very significant changes took place.

Fiona Edwards, our Chief Executive, has taken a secondment to cover the full time role of Interim Chief Executive Officer (CEO) and Accounting Officer (AO) of the newly formed Frimley Clinical Commissioning Group (CCG) together with her position as Frimley Integrated Care System (ICS) Lead. This change is expected to last until April 2022.

Fiona has been asked to take up this role by NHS Improvement / England, which is both a huge testimony to Fiona's significant achievements as one of the longest serving NHS Trust Chief Executives and all we have achieved at Surrey and Borders to date, as well as the very high esteem with which Fiona and her personal leadership is held across the local and national systems.

The Board and I were delighted to be able to support Fiona's move in the knowledge we are in the very fortunate position of having a Deputy Chief Executive of Graham Wareham's calibre to take up the role as Chief Executive and Accountable Officer (AO) for Surrey and Borders Partnership, in whom we have full confidence. While these events are evidently slightly out of scope for this Annual Report, it would be remiss not to mention them, not least because in his role as AO, Graham is responsible for this document.

Introducing Surrey and Borders

This section gives an overview of Surrey and Borders Partnership NHS Foundation Trust, its purpose, the key risks to the achievement of its objectives and how it has performed during the year.

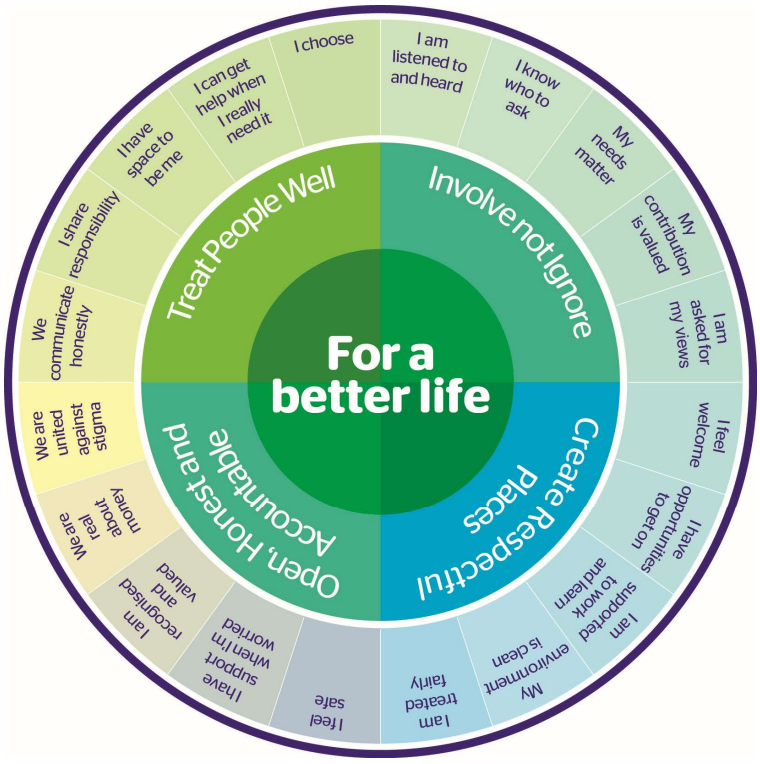
We are ambitious providers of mental health, drug and alcohol and learning disability services for people of all ages.

We provide a broad range of community services, integrated health and social care, early intervention and detection programmes, as well as highly specialised therapy and treatment. Our high-quality care focuses on enabling people to live well with their conditions and to work towards recovery.

2,605 people on average work with us substantively at Surrey and Borders Partnership to provide our services, which equates to an average 2,541 whole time equivalent (WTE) staff. Many of these are highly-skilled professionals who work with a variety of partners in the private, public and voluntary sectors to ensure we deliver high quality care to our local population of 1.3 million. We seek to involve and engage people who use our services and their families in our community, and we have just over 7,000 public members of our Foundation Trust.

In April 2005 we were established as a health and social care partnership Trust and, in May 2008, we became an NHS Foundation Trust; the first mental health and learning disability Trust in the South East Coast NHS region to gain this status.

Our overall Trust income for the 2020/21 financial year was £271 million. In previous years we reported the income for Children and Family Health Surrey, this service now trades within the Trust.



Our Strategy

Our core purpose is: "To work with people and lead communities in improving their mental and physical health and wellbeing for a better life; through delivering excellent and responsive prevention, diagnosis, early intervention, treatment and care."

The ultimate benefit we aim to deliver is to improve the health and wellbeing of people who use our services and carers to help them achieve a better life. Our approach is to develop a plan for each person using our services that connects mind and body, family and friends, community and the environment.

Our services offer:

- Earlier intervention and prevention and health promotion
- Mind and body approach
- Targeted expertise
- Training and equipping others
- Consultancy and advice, as well as treatment
- Ready access to experts when needed

Our Services in Detail

We provide a wide range of health and social care and treatment through our community, hospital, rehabilitation and residential services offering:

- Early detection, assessment and diagnostic services
- Urgent and unplanned hospital and home treatment services
- Personal support and treatment programmes for health and social care
- Specialist advice and liaison services
- Integrated care pathway and system support
- Registered residential care homes

These are provided to the following communities:

Services	Surrey	Hampshire	East Berkshire
Children and young people's learning disabilities	✔	✔ *	
Adult learning disabilities	✔	✔ *	
Adult autism and ADHD	✔	✔	
Improving access to psychological therapies	✔		
Children and young people's mental health	✔	✔ *^	✔ #
Working age adult mental health	✔	✔ *	✔
Older people's mental health	✔	✔ *	✔
Forensic mental health	✔		
Eating disorders	✔	✔ *	
Drug and alcohol	✔		

* North East Hampshire only; ^ Early Intervention in Psychosis, and Crisis only; # CAMHS Crisis only

Principal Risks and Uncertainties

A thematic review of the Trust risk register highlights the following highest clinical risks within our major operational risk themes at the end of the year:

➢ **Lack of high-quality therapeutic environments for all inpatients –** the limitations of our inpatient hospital facilities, where there is a lack of privacy and dignity for people being admitted at our Abraham Cowley Unit, Chertsey (serving north west and east and mid Surrey) due to the out-dated dormitory environments.

➢ **Developing our capacity, including the recruitment and retention of colleagues, to manage well the demand for services alongside the pace and scale of change –** ensuring we manage our resources, capacity safely, well and capably, including the recruitment and retention of sufficient skilled, motivated and adaptable colleagues, so that we can to meet the current needs of our communities safely and develop and transform their ways of working to realise the ambitions of the Long Term Plan and our clinical strategy for improvement in the emotional and mental health and wellbeing of local people.

➢ **Health and wellbeing of our colleagues –** the need to lead, manage and support our staff well and look after their health and well-being, so we can retain them, after a challenging year of unprecedented change in ways of working and demands, at work and at home, as a result of the pandemic; so that they can in turn provide high quality services.

➢ **Demand and Waiting times pressures –** pressures arising in both community services and acute assessment and treatment services. This is especially the case with increased demand for services, particularly crisis services for all ages, and our children and young people's services especially in those presenting with eating disorders and requiring and inpatient admission, and those with neuro-development disorders, reflecting the continued negative impact of the pandemic and its after-effects on our communities.

➢ **Harnessing learning –** ensuring we learn from when things work well for people in our services and when they do not e.g. complaints and serious incidents; and also ensuring we do not lose the benefits from what has worked well, as a result of our new ways of working and culture development, and made a positive difference to people's lives (those of the people and their families who depend on our services as well as our colleagues) as a result of the pandemic and harness these for the future.

Summary of Performance

This has been another year of strong performance for our organisation overall with improvements in the safety and quality of our services as well as sustained financial performance.

The quality of the care we provide continues to improve. The Care Quality Commission reconfirmed our Trust-wide rating of 'Good'.

We ended the year with an operating surplus of £2.241 million, this position included £19.1 million of Covid-related expenditure which was managed within the NHS finance

regimes. The Trust surplus was in line with planning and aided the ICS to meet its control total.

Going Concern Basis

After making enquiries, the Directors have a reasonable expectation that the NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts. Analysis of our financial performance can be found in the full accounts from page 84.

Graham Wareham
Chief Executive

9 June 2021

Accountability Report

Directors' Report

Board of Directors

The Directors for the reporting period were:

Non-Executive Directors

- Ian McPherson, Chair
- Stephen Firn, Deputy Chair
- Andrew George[1]
- Vivek Govil
- Leslie Morphy[2]
- Rahul Jaitly
- Susan Scholefield
- Jennifer Seeley

Executive Directors

- Fiona Edwards, Chief Executive
- Graham Wareham, Deputy Chief Executive and Chief Finance Officer
- Heather Caudle, Chief Nursing Officer
- Lorna Payne, Chief Operating Officer
- Helen Rostill, Chief Innovation Officer & Director of Therapies
- Justin Wilson, Chief Medical Officer

[1] Commenced 1 July 2020
[2] Until 30 June 2020

Register of Interests
We maintain a Register of Interests for Directors that is published as part of our Board papers which can be found published on our website at https://www.sabp.nhs.uk/aboutus/public-board-meetings

Service Quality Governance

At Surrey and Borders, we have robust arrangements in place to govern service quality, to ensure the safety of people using our services, their carers and our staff. Our system of internal control is designed to manage risk to a reasonable level, with the Trust Board taking overall responsibility for strategic risks, whilst the Executive Board manages high level risks and ensures efficient and effective mitigation measures and controls are in

place for all identified risks.

We hold weekly Safety Huddle meetings, initially introduced in 2015, for Executive Board members to receive progress updates against high level risks and to raise awareness of new risks or emerging issues. Over the years, this meeting has become highly valued and a large group of senior managers and clinicians routinely attend. Emphasis is placed on anticipating and addressing serious incidents. The meetings moved to a virtual basis at the start of the pandemic and have continued to be prioritised.

The Care Quality Commission regulates our health care services. We retain our existing 'Good' rating and remain 'Good' for all five domains and across all ten services assessed.

Further details on our quality governance arrangements can be found in the Annual Governance Statement on page 70.

Quality Improvement

Quality Improvement (QI) is a central part of all that we do. This year, we have been using our improvement skills to support our Trust's response to the pandemic, through support to Gold and Silver command and with PCR (swab) testing, antibody testing and lateral flow testing.

We are striving to embed a culture of continuous improvement, with improvement tools and methods being used to assist strategic, project level and system wide changes. Our core improvement approach is based on the IHI (Institute of Healthcare Improvement) principles and Model for Improvement framework. We have a well-established improvement team that includes a number of qualified Improvement Advisors and Improvement Coaches with a vast amount of improvement expertise and experience.

Our team is led by our Director of Quality Improvement & Medicine Optimisation and our Chief Innovations Officer & Director of Therapies. Our improvement culture encourages and empowers frontline teams to lead improvement projects, and our QI Foundations and Champions course provides them with tools and knowledge needed to lead a project. Our QI Leads are aligned to our different divisions and provide improvement expertise, support and coaching to these projects and divisions.

We have a number of improvement strategic priorities including Joy in Work, inpatient safety (with an inpatient safety collaborative in place to support this work), suicide prevention and improving physical health. We are working with senior colleagues and leaders to collectively strengthen the connection between improvement priorities and organisation priorities including learning from serious incidents and connecting with annual planning work.

We have been working more strategically with divisional Quality Assurance Groups to improve the success of divisional priority improvement projects by ensuring they are more visible to the leadership and that project teams get the support they need to be successful.

Learning is shared through each divisional Quality Assurance Group and the Inpatient Improvement Board, where teams share their experiences and developments. We also share learning from our divisions and priority areas at our Quality Risk and Safety Committee, where we also use SPC (Statistical Process Control) charts to help us spot trends and intervene early.

Building improvement capability and expertise in all groups, levels and services is a priority for our central QI Team. We deliver a variety of different improvement courses including Trust induction sessions, Foundation level training, Project level training and more recently we have started introducing a series of masterclasses. In addition, we developed and delivered the QI training offer for the global Nightingale challenge.

We support our Trust's senior leaders with the use of improvement tools including SPC tools. We are working closely with our Digital colleagues on standardising our SPC chart presentation and on developing safety dashboards to provide teams the data they need for improvement.

Whilst the IHI's Model for Improvement is our main approach, we are also exploring other improvement methods to ensure that we are able to provide the most appropriate improvement tools and approach to different types of problems for example members of our team are trained in Lean and Agile.

We have lots of different teams that support project work and we are working more collaboratively so we can help services apply the right tools/approach to the area of work, and help embed and spread improvement and innovation cultures and ideas across the organisation working closely with operational and clinical leads.

In addition to the work we have been doing across the organisation, we have been actively involved in developing an Improvers Network in Surrey. We are supporting the Surrey-wide Improvement Collaborative, which will include an improvement course which will be available to our system partners. We continue to be part of the South of England Mental Health Improvement Collaborative, and have a seat on the Faculty.

Service Developments

We have continued to develop our services in line with our strategic and service plans throughout the year, to improve the experiences of people who use services, their carers and staff, whilst also managing unprecedented demand on services. Some of these were in response to Covid. Notable amongst service changes and new services have been:

- Changes to and additional routes for accessing crisis services, to make it easier in lockdown. This included the launch of virtual Safe Havens, the expansion of our crisis line to cover under 18s at night time, and a temporary alternative site for mental health A&E when the hospitals were busiest with Covid.
- The Surrey Wellbeing Hub, a directory of virtual support groups from coffee mornings to Zumba classes, designed to help people cope with lockdown, launched

in partnership with Surrey Heartlands Health and Care Partnership and Surrey County Council.

- An expanded bereavement counselling offer from Mind Matters, who also extended their service into the teenage years, with those 17+ now able to refer themselves or be referred to the service.
- A new personality disorder pathway ("SUN"), an easy to access community-based service for adults experiencing difficulties with complex emotions often associated with personality disorder.
- The launch of our "TIHM" (Technology Integrated Health Management) monitoring service, a free of charge remote monitoring service, available to people in Surrey of any age who have been diagnosed with dementia or mild cognitive impairment and people aged 65 and over who have a diagnosis of depression and/or anxiety.
- A Staff Resilience Hub, created in partnership with a raft of other organisations, offering free, confidential and anonymous wellbeing support for all staff and volunteers working in Surrey and NE Hants health and social care, including third sector and voluntary partners.

We also continued to make changes to the way in which services are delivered as a result of the Coronavirus pandemic:

- Services which do not require face-to-face contact were offered on a virtual basis, with our staff engaging with people who use our services and carers by video call or phone.
- Extensive use of the Attend Anywhere app, which offers appointment times and private 'waiting rooms'.
- Improved infection prevention and control through use of personal protective equipment (PPE), social distancing and regular hand washing, as well as enhanced cleaning in our buildings.
- As well as vaccinating our staff against Coronavirus, we also arranged a successful vaccination programme for people in our inpatient beds and care homes.

In addition to the above, a significant change to the Surrey children's system began to take effect from 1 April 2021, with the launch of a new alliance to transform emotional wellbeing and mental health support for Surrey's children and young people. While this is nominally out of scope for this report, an enormous amount of work took place during the year in review, with this service very much delivered in partnership.

Working alongside other NHS and national and local voluntary organisations, the alliance will provide a new and broader range of services for children and families. Furthermore, in the new approach children and young people will have a central voice in decisions about their care, and goals identified by them and their families will drive what they may choose. There will be a greater emphasis on providing support earlier and more opportunity to access a range of services in many different ways and settings.

The NHS Long Term Plan for mental health provides dedicated investment into Mental Health services and we are developing Community Transformation and Crisis Transformation as a result:

- The Community Transformation work focuses on supporting people with serious mental health issues. We are working with Surrey Heartlands Health and Care Partnership and Frimley Health and Care to deliver this pilot service. It is known as 'GPimhs' (GP integrated mental health service) in Surrey Heartlands Integrated Care Service (ICS) area, and 'MHICS' (mental health integrated community services) in the Frimley ICS.

  People in Surrey and North East Hampshire with significant mental health issues can now benefit from this ground-breaking new community mental health service, which provides better access to a wide range of specialist support. This new approach means people will, where appropriate, be offered extended appointments with mental health specialists from the NHS or third sector organisations. They will also have access to therapies, physical health checks and pharmacists in their local GP practice and in the community.

  We are one of the first Trusts in the country to develop this new model, providing the service in two of the 12 areas selected to pilot the work nationally. In the second phase, we are rolling the service out across the region and integrating it with the other community based mental health services to provide a holistic, seamless service. Also, we have developed specialist services to support people with personality disorder and will further develop services for people with eating disorders.
- In 2020/21 there was planned investment into three areas of Community Crisis Care in Surrey Heartlands:
  - Appointment of three Nurse Practitioners to be part of the SHIPP Project Team supporting people who are most frequently in contact with us and emergency services. SHIPP was a highly commended project at the HSJ Awards in 2021 and offers intensive support to reduce people's interactions with emergency services when in crisis. Shortly after the end of the year in review, the Trust reflected on national debate about similar models around the country. We have decided to commission an independent review to assess the current service against NICE guidelines and the strategic direction of the long-term plan, work that will be conducted in 2021/22.
  - Enhanced staffing for Home Treatment Teams, to provide additional multi-disciplinary team leadership, additional capacity for evening visits and employ people with lived experience (peer support workers). Although there was some recruitment into these posts, staff turnover meant that this work will need to continue in 2021/22.
  - We provided Trauma Informed Awareness training for a wide range of stakeholders, through online sessions and workshops, which will be extended next year.

  In addition to the Community Crisis Care Transformation work enabled through the Mental health Long Term Plan investment, some additional winter discharge money enabled us to trial a 24/7 Safe Haven (February – May 2021).

Health and Safety

During a difficult year, the Health, Safety and Security Committee has gained assurance from robust reports created from its various sub-groups and committees. These include Water Safety Group, Asbestos Steering Committee, Fire Safety Committee, CAS (Central Alert System) Alerts and Medical Devices Group. Membership of the committee is working well, with a good mix across all Divisions, which give the committee a better understanding of operational issues and how best we can support them with their compliance.

We have endured a year of Coronavirus outbreak and spent much of that time in lockdown. This has led to developing new ways of working to maintain assurance and compliance with health and safety legislation and supporting the Divisions. We continue to complete health, safety and security audits using Microsoft Teams and are in the process of piloting a new bi-annual health and safety audit tool so that managers can self-audit, saving them valuable time. If this proves successful, we plan to develop a similar security audit tool.

A complete review of all Asbestos Risk Assessments is underway, with 22 completed, along with 88 Fire Risk Assessments during the year. Both are ongoing rolling programmes.

Central Alert System Alerts ('CAS Alerts') changed ownership and is now managed by the Medicines and Healthcare products Regulatory Agency (MHRA), who send alerts to Trusts. We have reviewed how we cascade these alerts through the Trust and a much-improved process is now in place to ensure all alerts are actioned in a timely manner.

In October 2020, safety improvement works began at the Abraham Cowley Unit (ACU), in response to feedback from the Care Quality Commission (CQC). This high-priority project saw work carried out across all of our Working Age Adult wards and was primarily focused on key items within bedrooms and bathrooms, such as providing anti-barricade doors with a built-in alarm and the removal of known ligature points for all bedrooms and bathrooms. We have also introduced new air locks for every ward. Clare ward was successfully completed at the end of 2020 and Anderson ward in February 2021. Work began on Blake ward in February 2021 and was completed shortly after the close of the year in review, at the end of April 2021.

The development of the role of Incident Controller continues and we are in the process of creating and piloting Incident Response Cards as aids to those who will be an Incident Controller.

Work continues with Surrey Police on reducing the numbers of people absconding from our services. This has led to a significant reduction in such incidents from our inpatient facilities. The Respect Programme continues to prove effective in reducing unacceptable behaviour towards our staff and others within our services.

The 2020/21 year saw the launch of a pilot scheme for the use of body-worn cameras. The pilot, for which we were not charged by the supplier, ended in December 2020 and the

cameras and equipment were returned. Our Quality Improvement team are assessing the data collated and we plan to submit a business case in the hope of securing funding for a project to cover all wards, initially for one year.

Information for people who use our services and carers

During the pandemic, we have published around 225 YouTube videos covering a range of themes, from guides to referrers on Eating Disorders, to techniques for managing stress for people with emerging difficulties. Many of these videos have been very well received and we have had requests from across the country to use various resources in other regions. Our YouTube channel currently generates an average of 11,000 views per month, and this is growing month on month.

We are in the process of updating our information for people who use services and carers policy with an overall aim of ensuring high quality, accessible and up to date Trust leaflets that do not duplicate existing materials. This revised version will be updated to include guidance around producing information via video format.

We have worked closely with public health colleagues to create new sections on mental wellbeing during Coronavirus for the Healthy Surrey website (https://www.healthysurrey.org.uk) – our local go-to place for local health information.

We have also continued to develop the leaflet library on our website at www.sabp.nhs.uk/leaflets, which enables people to view and download key Trust leaflets. This means that people who use our services, carers and professionals can access our latest public information leaflets online and at any time. This has proved invaluable since Coronavirus led to so many interactions becoming virtual.

Compliments, Complaints and PALS Contacts

The pandemic made this unprecedented year for not just our Complaints and PALS (Patient Advice and Liaison) staff, but those for all Trusts. NHS England recognised this at the start of the year in review, and they recommended that all NHS Trusts suspend most governance functions (including complaints) between April and August 2020. As such, we suspended formal complaints processes during this period.

The rationale for this decision can be understood when the time required from operational colleagues is considered. When responding to a formal complaint, operational managers are frequently required to piece together detailed accounts of what has occurred. With operational needs to the forefront and with so much pressure on services, this was clearly inappropriate. We therefore paused our formal complaints response process during that period.

However, we were not content to leave complainants waiting for (what was then) an indefinite period. During this period, when we received formal complaints, we asked the complainant if they would agree to us treating their complaint as an informal one, a simpler process, dealt with via local resolution. Many complainants who would have ordinarily requested the formal complaint process were receptive to following the informal approach - not only did they receive much faster responses, but they relieved the build-up of pressure on our operational teams.

We also ensured that people were advised that the impact of Coronavirus meant that the investigation of complaints was paused or delayed whilst resources were focused on frontline services. We did receive feedback that people appreciated and understood the pressures on the services and that the team was working in a different manner. More information about the speed of responses is below (see 'Responsiveness').

Statistically, we saw less correspondence during 2020/21. The team recorded 488 compliments and 78 formal complaints, compared with 485 compliments and 133 formal complaints in the previous year. We also received 188 informal complaints, compared with 279 in 2019-20.

Our analysis of these figures suggests that in the context of a year in which overall correspondence fell by 15%, we feel that the slight increase in compliments received is a recognition of the efforts of staff supporting people using our services from across the organisation during a very difficult year.

During the complaint investigations, we contacted every complainant to ensure all issues of concern were identified and incorporated into an agreed comprehensive plan. We also ensured that the complainant's preferences regarding communication were agreed and documented. A full response detailing the outcome of the investigation and, where appropriate, changes made to service provision were provided to every complainant. We worked with Advocacy Services when complainants required support and assistance and offered several resolution meetings to enable their voice to be heard.

PALS contacts

We experienced a further decrease in PALS contacts made during the year, with 297 PALS queries logged in 2020/21, compared with 360 in 2019/20. The decrease in numbers of PALS is likely an indication that people were only contacting services in extreme situations or in a crisis as many services had virtual services available during the first lockdown and during the early summer period.

Themes

The main themes arising from complaints were concerns about how our services share important information related to care, clinical treatment, care planning, the progression of assessments and management of diagnostic tools, and the values and behaviours of our staff.

There were also some issues identified with length of time families were waiting for referrals and the level of information they received from first contact until an appointment offered and the quality of the communication from services initially, which did not always help them to understand the pathways to appropriate services.

Responsiveness

The objective of the PALS and Complaints service is to respond to enquiries as quickly as possible and support the completion of any formal investigations within 40 working days (if possible).

The team acknowledge all formal complaints within three working days. This was achieved 100% of the time during the year in review. As described above, we paused formal complaints handling for some months, creating a backlog. As a result, we did not achieve our target for resolving cases within 40 working days as often as we would have liked during 2020/21. However, for the many people who agreed to their complaint being handled informally, resolution was achieved far more quickly - the target for informal is within 15 working days.

PALS has done much to identify and address barriers to prompt resolution of complaints for example, increased training of staff in required procedures, streamlining quality assurance processes and a purposeful promotion of handling complaints initially in partnership with frontline services. Nonetheless, we recognise that some complainants waited too long for responses in 2020/21.

The team is working hard to support investigators and complainants and has started to consider ways to improve the time taken to complete complaint investigations in the coming year.

The PALS & Complaints Team had a full complement of staff during the year, and this aided us. Concentrating our efforts on tackling concerns to be addressed effectively locally, enabling the people using our services to build and improve relationships with the services they receive has been a positive result of the adjustment to our approach during a period of uncertainty and high demand on operational services.

The team aim to contact people with PALS queries within 24 business hours of receiving the query by telephone. This objective is always achieved and in many cases the contact leads to immediate resolution.

Learning from Complaints

PALS & Complaints team recognises that complaints should be used to improve our services and that they provide insights into how to do things better. Lessons learned through local resolution and formal complaints are important to the Trust as they can be used to address an array of issues, especially improvements in communication between practitioners or clinicians and people who use our services, which can lead to improved health and wellbeing in general.

Changes to processes and procedures have been made during the year across all service areas as a direct result of concerns raised by complainants.

Some examples include:

- Panel Meetings have been introduced to address complex complaints which cross divisions. In complex cases, where a number of services are involved, we bring them together to discuss proposed resolution and ensure a cohesive approach, rather than siloed working.
- An improvement was made to procedures that ensures that adequate lead-in periods are in place for young people transitioning from Children Services to Adult Services, especially for those with complex needs and eating disorders.
- We fed back to relevant teams that a common cause for complaint was poor or minimal conversation, and/or lack of introductions at the 'first contact' with people who use our services. Improvements to communication from the start enhance the chances of positive relationship building.
- Ensuring that the families of older people with dementia on our wards are better involved in care and discharge planning, something that has been a theme of a number of complaints over some years.
- Review of our local administration processes to improve communication with families within our CAMHS Community teams.
- We updated a pack used for local induction, to give staff a way to record training that they have received or are required to obtain, and helpful information about their service.
- Information gathered from complaints was fed back to inpatient ward doctors, in particular comments related to communication skills.
- We worked with our Community Mental Health Recovery Services teams to help make sure that correct discharge procedures are followed.

Parliamentary and Health Service Ombudsman

During 2020/21, the Trust had no complaints investigated by the Parliamentary Health Service Ombudsman (PHSO). During this period, we received several enquiries from the PHSO office requesting clarity on complaints we had completed. We continue to liaise with the PHSO to ensure our complaints are handled in line with best practice principles.

Community Engagement and Involvement

We particularly ensure we involve people in our service changes and developments, and we have been developing our People Participation and Experience Strategy in partnership with people who use our services and carers. We now have a dedicated People Participation and Experience Team in place who are incredibly passionate about ensuring that people who use services and carers are at the heart of all we do.

Our People Participation and Experience team facilitate our Working Together Group and also attend each of the local FoCUS (Forum of Carers & People who use our Services) area groups. This work has led to the development of Core Principles for Participation, a document that was approved by the FoCUS Committee.

As a Trust, we are committed to supporting volunteers and providing lots of different volunteering opportunities. Over the past 12 months, people have volunteered in a variety of different roles, including volunteering in the Quality Improvement Team, Recovery College, Volunteer Peer Mentors in IAPT services and Pastoral and Spiritual Care volunteers. A number of new volunteers joined us during the Coronavirus pandemic. Their efforts were invaluable in helping across a variety of different services and roles especially helping our Digital Team.

Over the year, we have been working with members of our Carers Action Group, our Carers Governors, partner organisations and carers themselves to develop our Trust's Carers Strategy. We are continuing to use the Triangle of Care Framework and have embedded this throughout our services. We have also developed a Staff Carers Policy and we are committed to further supporting and increasing the opportunities to work in partnership with people who use services and carers.

Looking ahead, we will continue to involve people in the development of our new hospitals at the Abraham Cowley Unit and in East Surrey, as well as in the development of our Epsom and Mole Valley hubs, and we will continue to involve people in our transformation programmes.

Disclosures

During 2020/21, the Trust met the requirements of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) that state our income from the provision of goods and services for the purposes of the health service in England is greater than our income from the provision of goods and services for any other purposes. Sources of other income are detailed in Note 4 of the accounts. This income is reinvested in our health services.

We have complied with the cost allocation and charging guidance issued by HM Treasury.

Better Payment Practice Code

The Better Payment Practice Code requires the Trust to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is the later. Performance on all measures has shown significant improvement in 2020/21, this is reflective of the finance regime put in place during the Covid pandemic, whereby cashflow to Trusts was largely dictated centrally and received earlier than in a normal year. In addition, there is an expectation that onward providers are also supported in a similar way.

	2020/21		2019/20	
	Number	**£000**	**Number**	**£000**
Total non-NHS trade invoices paid in the period	15,940	128,907	13,954	100,050
Total non-NHS trade invoices paid within target	15,203	126,432	12,885	96,091
Percentage of non-NHS trade invoices paid within target	**95.4%**	**98.1%**	**92.3%**	**96.0%**
Total NHS invoices paid in the period	799	14,260	697	9,832
Total NHS invoices paid within target	753	13,838	583	8,710
Percentage of NHS invoices paid within target	**94.2%**	**97.0%**	**83.6%**	**88.6%**

Directors' Opinion

The operating and financial information presented in this Annual Report covers the year from 1 April 2020 to 31 March 2021. The Directors of the Trust are responsible for ensuring that the annual report and accounts have been prepared following a direction issued by NHS Improvement, in exercising the statutory functions conferred on Monitor, under the National Health Service Act 2006. They consider the annual report and accounts, taken as a whole, to be fair, balanced and understandable and provide the information necessary for people who use services, regulators and other key stakeholders to assess the NHS Foundation Trust's performance, business model and strategy.

Graham Wareham
Chief Executive

09 June 2021

Remuneration Report

Annual Statement on Remuneration

Reviews of Executive Directors' salaries were undertaken in July 2020 and January 2021. We refer to the NHS England / Improvement Guidance on pay for very senior managers in NHS Trusts and Foundation Trusts (March 2018). In 2020/21, we moved into the 'medium sized Trust' bracket, so refer to the established pay ranges for a medium sized mental health Trust. This formed the basis of the salary recommendations in the papers to our Remuneration and Terms of Service Committee.

This guidance sets out to provide:

- an analysis of the roles and existing salaries of the Board Executive Directors in relation to the 'established' pay ranges in different sized Mental Health NHS Foundation Trusts and NHS Trusts.
- guidance to the Remuneration and Appointments Committee by benchmarking the salaries of our Directors in a way that ensures we can demonstrate prudent use of public sector budgets and our adherence to the VSM guidance.

The committee looks at the remuneration of all voting Board Directors including the Chief Executive Officer and those reporting to the Chief Executive Officer. The Non-Executive Directors' remuneration is agreed and approved by the Council of Governors, based on recommendations put before them by the Nominations Committee, following discussion at the Committee.

When considering our Executive Pay the committee are mindful of their responsibilities in relation to equality of opportunity and creating a Trust Board which is diverse and representative of the community it serves. We are guided by our Equality and Human Rights Policy. We want to be overt and transparent in our consideration of equality, diversity and inclusion issues and pay attention to our WRES, WDES and Gender pay gap data during committee discussions.

Senior Managers' Remuneration Policy

There remain some Senior Managers who are on spot salaries and are reviewed annually by a committee. The Trust's aim is to transfer these staff back to NHS terms and conditions and therefore there were no pay uplifts awarded this year. Offers to return to NHS terms and conditions were made and taken up.

Total remuneration includes salary. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

Executive Director Remuneration

Remuneration component	Application	Comment	Strategic objective
Salary	All Directors	Subject to annual review Subject to terms and conditions; those on NHS terms and conditions are subject to pay progression policy Executive Directors on VSM contracts are subject to agreement at RATS Committee and are guided by NHSE/I Guidance on established pay ranges based on size of Trust Appraisal process and capability process can influence uplift Remuneration is directly linked to performance. The appraisal process has a minimum performance threshold for entitlement to a pay uplift and the appraiser has to confirm whether an uplift would be appropriate, given performance, if the Remuneration and Terms of Service Committee agrees an uplift is applicable for Directors' pay	To attract and retain outstanding leaders
Pension contribution	All Directors	13.5-14.5% employer contribution (depending on salary) made for those Directors in the NHS Pension Scheme paid for by SABP, the DHSC increased these percentages up to 20.6%	To attract and retain outstanding leaders
Travel expenses	All Directors	Expenses need to be claimed within three months of travel and receipts provided for parking or other work-related expenses	To ensure the appropriate use of public money and effective allocation of resources
Other	All Directors	There are no other allowances payable in line with Directors' salaries A supplement is paid to the CFO for their Deputy CEO responsibilities and the CEO for their system responsibilities as ICS Lead	To be open, honest and accountable in our appropriate use of public money
Loss of office payment	All Directors	If redundancy is appropriate, the Remuneration and Terms of Service Committee uses principles informed by NHS Terms and Conditions to apply to our Directors, with the cap of £160K maximum payment	To ensure we have the right capacity and capability to realise our strategy from Board to ward

As part of our formal appraisal process, all Directors are required to deliver to a set of agreed objectives, which support service delivery of our quality improvement plan and our strategic aims. Uplift to salary may not be paid to a Director, if they have not achieved a rating above two for performance against their objectives, their leadership responsibilities

or their professional duties and behaviours in the execution of their role. This is assessed and provides a score, as part of their appraisal, in accordance with our appraisal policy. Similarly, if they are being formally performance managed, they are not entitled to receive a salary uplift.

The CEO received an allowance for their system leadership role which is 10% of their salary. The Deputy CEO role attracts a £20k (per annum) payment. No other bonuses were paid.

All Board Directors are required to confirm their compliance with the Fit and Proper Person Test requirements for Directors.

Non-Executive Director Remuneration

Remuneration component	Application	Comment	Strategic objective
Fee £13,000 pa Chairman fee set at £47,100pa Chair of Audit Committee fee set at £15,000 pa Senior Independent Director fee set at £15,000 pa	All Non-Executive Directors	Subject to review as required by the Nominations Committee Annual appraisal process, over three-year term for Non-Executives including the Chairman, agreed by the Nominations Committee	To attract and retain outstanding leaders
Travel expenses	All Non-Executive Directors	Expenses from home to place visited need to be claimed within three months of travel and receipts provided for parking or other work-related expenses	To ensure the appropriate use of public money and effective allocation of resources throughout the year
Other	All Non-Executive Directors	No other payments are made to our Non-Executive Directors	To be open, honest and accountable in our appropriate use of public money

Policy on Payments for Loss of Office

Our Executive Directors have three months' notice written into their contracts of employment. This would not be payable should a Director be summarily dismissed. The Chief Executive's notice period is six months. If they were to be dismissed on the grounds of capability, notice would be paid. Similarly, if there were to be a conflict of interest or a failure to meet the Fit and Proper Person Regulation, then our contract is clear that a Director would be required to resign with no payment due by our Trust in these respects.

Consideration of Employment Conditions

The Executive Directors' salary review is undertaken once the national pay awards are announced so that there is an awareness of the fairness of any awards compared to the workforce as a whole. We also consider our Executive Directors' salaries, including the

Chief Executive Officer's, relative to that of the median of our workforce. Directors' terms and conditions are informed by NHS terms and conditions, apart from some key elements, as stipulated in the contracts of employment.

We do not have a separate remuneration policy and, therefore, have not consulted with our employees in this respect. Our Remuneration and Terms of Service Committee agrees the policy framework within which decisions on Executive Directors' remuneration are made. Our appraisal policy includes a set of principles that are applicable to the remuneration of Senior Managers and Directors. This Policy was consulted upon with our staff.

Annual Report on Remuneration

Remuneration and Terms of Service Committee
The Remuneration and Terms of Service Committee is responsible for making recommendations to the Board on the Trust's remuneration policy and, within the terms of the agreed policy, determining the total individual remuneration package of the Executive Directors.

During the year, the Committee was chaired by Stephen Firn, Non-Executive Director. The membership comprised of all of the Non-Executive Directors. Further details of the membership and attendance of the Remuneration and Terms of Service Committee is included on page 61 of this Annual Report.

The Chief Executive Officer attends all meetings of the Committee but is not present for discussions about their own remuneration.

The Committee reviews:

- The remuneration and terms of service of the Chief Executive Officer and of those Executive Directors who report directly to the Chief Executive Officer.
- The performance of those Executive Directors who report directly to the Chief Executive, through reports submitted by the Chief Executive Officer. The Chair will similarly report on the performance of the Chief Executive Officer.
- Guidance on pay for very senior managers in NHS Trusts and Foundation Trusts in order to ensure that appropriate arrangements have been made for the salaries of the aforementioned Directors.
- Appropriate contractual arrangements for the staff, including the proper calculation and scrutiny of termination payments, taking account of such national guidance as appropriate

The Committee meets annually, as a minimum, but may meet on other occasions as required. The Chief Executive Officer holds annual appraisal meetings with each Executive Director to assess progress against objectives.

Nominations Committee
The Non-Executive Directors' remuneration is agreed and approved by the Council of Governors, based on recommendations put before them by the Nominations Committee, following discussion at the Committee.

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

The banded remuneration of the highest paid Director in Surrey and Borders Partnership NHS Foundation Trust in the financial year 2020/21 was £210k - £215k (2019/20 was £195 - £200k). This was 6.85 times higher at the midpoint than the median actual remuneration of the workforce, including high cost living allowance, which was £30.4k. The 2019/20 comparative was 6.56 times higher. Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

There are no employees who received remuneration in excess of the highest-paid Director.

Three individuals were paid more than £150,000 (the threshold used in the Civil Service by the Chief Secretary to the Treasury, equating to the Prime Minister's ministerial and parliamentary salary). Analysis from Total Reward Solutions, a company that has previously undertaken benchmarking of our Executive salaries, indicates that these salaries are broadly consistent with the market, below some of the salaries recently advertised by very similar Trusts and commensurate with the level of remuneration needed for retention. They are, therefore, deemed reasonable.

Payments for Loss of Office
There were no payments for loss of office in year.

Expenses of the Governors and Board Directors
The Trust had a total of 31 Governors in office during 2020/21 (23 in 2019/20). Of these, 1 received expenses in 2020/21, totalling £1,216 (7 in 2019/20: aggregate total £3,065).

The Trust had eight Non-Executive Directors in office in 2020/21, noting that one left, one joined and two were reappointed for a second term (seven in 2019/20 over seven roles). Of the eight individuals, two received expenses in 2020/21, totalling £254.99 between them (five in 2019/20: aggregate total £2,058.81).

The Trust employed six Executive Directors roles during the year (seven in 2019/20 over six roles). Of the six individuals, four received expenses in 2019/20 totalling £1,901.85 between them (seven in 2019/20, aggregate total £10,229.49).

In line with the 2020/21 FT ARM (Foundation Trust Annual Reporting Manual), the Trust is required to disclose in its Remuneration Report the salaries and pension benefits of those

persons in senior positions having authority or responsibility for directing or controlling the major activities of the Trust. This means those who influence the decisions of the Trust as a whole. It is the responsibility of the Chief Executive to confirm the senior managers to whom this relates. The Chief Executive has confirmed that, for Surrey and Borders NHS Foundation Trust, disclosure applies only to those senior managers who are voting members of the Board.

KPMG, our external auditors, audited the table of salaries and allowances of senior managers on page 38 and the table of pension benefits of senior managers on page 40 as part of their audit of the 2020/21 financial statements.

Signed

Graham Wareham
Chief Executive

09 June 2021

Pension Related Benefits
The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20 less the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights. This value does not represent an amount that will be received by the individual. It is a calculation that is intended to convey to the reader of the accounts an estimation of the benefit that being a member of the pension scheme could provide.

The Senior Manager Pensions Disclosure on page 40 provides further information on the pension benefits accruing to individuals.

Applicable Inflation
The inflation applied to the accrued pension, lump sum (if applicable) and CETV is the percentage by which the Consumer Prices Index (CPI) for the September before the start of the tax year (September 2019) was higher than it was for the previous September. The difference in CPI between September 2018 and September 2019 was 1.7%. Therefore, for benefit and CETV calculation purposes for the 2020/21 reporting period, CPI is 1.7%.

Lump Sum
No lump sum will be shown for senior managers who only have membership in the 2015 Scheme or 2008 Section, unless they chose to move their 1995 Section benefits to the 2008 Section under the Choice exercise.

Cash Equivalent Transfer Values
A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme.

The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. However, real increases in pension, lump sum and CETV relate to the number of days that the senior manager was in post during the year.

The CETV figures and the other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. The CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

No CETV will be shown for senior managers over Normal Pension Age (NPA). NPA is age 60 in the 1995 Section, age 65 in the 2008 Section or State Pension Age (SPA) or age 65, whichever is the later, in the 2015 Scheme.

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

1. Senior Manager Remuneration

Name and title		Salary and fees (in bands of £5,000)	Taxable benefits (rounded to nearest £100)	Annual performance related bonuses (in bands of £5,000)	Long-term performance related bonuses (in bands of £5,000)	Pension related benefits (in bands of £2,500)	Total remuneration (in bands of £5,000)
For the Period 01 April 2020 to 31 March 2021		**£000**	**£**	**£000**	**£000**	**£000**	**£000**
Ian McPherson	Chairman	44 - 45	0	0	0	0	44 – 45
Andrew George	Non-Executive Director (from 01 July 2020)	10 – 15	0	0	0	0	10 – 15
Jennifer Seeley	Non-Executive Director	10 – 15	0	0	0	0	10 – 15
Rahul Jaitly	Non-Executive Director	10 – 15	0	0	0	0	10 – 15
Leslie Morphy	Non-Executive Director (left 30 June 2020)	0 – 5	0	0	0	0	0 – 5
Stephen Firn	Non-Executive Director	10 – 15	0	0	0	0	10 – 15
Susan Scholefield	Non-Executive Director	15 – 20	0	0	0	0	15 – 20
Vivek Govil	Non-Executive Director	10 – 15	0	0	0	0	10 – 15
Fiona Edwards	Chief Executive	195 - 200	0	0	0	0	195 – 200
Heather Caudle	Chief Nursing Officer	120 - 125	0	0	0	10 - 12.5	155 - 160
Dr Justin Wilson	Chief Medical Officer	210 - 215	0	0	0	20 - 25	230 – 235
Lorna Payne	Chief Operating Officer	130 - 135	0	0	0	32.5 - 35	165 -170
Graham Wareham	Chief Finance Officer & Deputy Chief Executive	160 - 165	0	0	0	35 – 37.5	195 – 200
Prof Helen Rostill	Chief Innovation Officer & Director of Therapies	125 - 130	0	0	0	42.5 - 45	165 – 170

Justin Wilson receives a total package that reflects Clinical Excellence Awards, a geographical allowance, a benefit in lieu of annual leave not taken and a responsibility payment for undertaking the Chief Medical Officer role

Name and title		Salary and fees (in bands of £5,000)	Taxable benefits (rounded to nearest £100)	Annual performance related bonuses (in bands of £5,000)	Long-term performance related bonuses (in bands of £5,000)	Pension related benefits (in bands of £2,500)	Total remuneration (in bands of £5,000)
For the Period 01 April 2019 to 31 March 2020		**£000**	**£**	**£000**	**£000**	**£000**	**£000**
Ian McPherson	Chairman	35 - 40	0	0	0	0	35 – 40
Jennifer Seeley	Non-Executive Director	10 – 15	0	0	0	0	10 – 15
Rahul Jaitly	Non-Executive Director	10 – 15	0	0	0	0	10 – 15
Leslie Morphy	Non-Executive Director	10 – 15	0	0	0	0	10 – 15
Stephen Firn	Non-Executive Director	10 – 15	0	0	0	0	10 – 15
Susan Scholefield	Non-Executive Director	10 – 15	0	0	0	0	10 – 15
Vivek Govil	Non-Executive Director (From 1 May 2019)	10 – 15	0	0	0	0	10 – 15
Fiona Edwards	Chief Executive	170 - 175	0	0	0	0	170 - 175
Sharon Spain	Acting Chief Nursing Officer (to 02 August 2019)	45-50	0	0	0	25 – 27.5	70 - 75
Heather Caudle	Chief Nursing Officer (From 19 August 2019)	70 - 75	0	0	0	85 - 87.5	155 - 160
Dr Justin Wilson	Chief Medical Officer	195 - 200	0	0	0	15 - 17.5	215 - 220
Lorna Payne	Chief Operating Officer	125 - 130	0	0	0	30 - 32.5	155 -160
Graham Wareham	Chief Finance Officer & Deputy Chief Executive	150 - 155	0	0	0	37.5 - 40	190 - 195
Prof Helen Rostill	Chief Innovation Officer & Director of Therapies	120 - 125	0	0	0	72.5 - 75	195 - 200

Sharon Spain received a salary enhancement for the role of Chief Nursing Officer.

Justin Wilson receives a total package that reflects Clinical Excellence Awards, a geographical allowance and a responsibility payment for undertaking the Chief Medical Officer role.

2. Senior Manager Pensions Disclosure

Name and title		Real increase in pension at pension age (bands of £2,500)	Real increase in pension lump sum at pension age (bands of £2,500)	Total accrued pension at pension age at 31 March 2021 (bands of £5,000)	Lump sum at pension age related to accrued pension at 31 March 2021 (bands of £5,000)	Cash equivalent transfer value at 1 April 2020	Cash equivalent transfer value at 31 March 2021	Real increase in cash equivalent transfer value	Employer's contribution to stakeholder pension
01 April 2020 to 31 March 2021		**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Fiona Edwards	Chief Executive	0	0	0	0	0	0	0	n/a
Heather Caudle	Chief Nursing Officer	0 - 2.5	0	35 - 40	75 -80	638	677	11	n/a
Justin Wilson	Chief Medical Officer	0 – 2.5	0 - 2.5	20 - 25	10 -15	319	352	14	n/a
Lorna Payne	Chief Operating Officer	2.5 - 5	0	15 - 20	0	271	328	34	n/a
Graham Wareham	Chief Finance Officer & Deputy Chief Executive	2.5 - 5	0	15 - 20	0	157	198	17	n/a
Helen Rostill	Chief Innovation Officer & Director of Therapies	2.5 - 5	0 - 2.5	40 - 45	110 - 115	881	965	51	n/a

Fiona Edwards opted out of the NHS pension scheme from 01 April 2016

Justin Wilson opted into the NHS pension scheme from 01 December 2019 and opted out from 01 February 2020.

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Name and title		Real increase in pension at pension age (bands of £2,500)	Real increase in pension lump sum at pension age (bands of £2,500)	Total accrued pension at pension age at 31 March 2020 (bands of £5,000)	Lump sum at pension age related to accrued pension at 31 March 2020 (bands of £5,000)	Cash equivalent transfer value at 1 April 2019	Cash equivalent transfer value at 31 March 2020	Real increase in cash equivalent transfer value	Employer's contribution to stakeholder pension
01 April 2019 to 31 March 2020		**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Fiona Edwards	Chief Executive	0	0	0	0	0	0	0	n/a
Sharon Spain	Acting Chief Nursing Officer (from 01 April to 02 August 2019)	0 - 2.5	0 - 2.5	5 - 10	20 -25	119	145	18	n/a
Heather Caudle	Chief Nursing Officer (from 19 August 2019)	2.5 - 5	5 – 7.5	35 - 40	75 -80	541	638	72	n/a
Justin Wilson	Chief Medical Officer	0 - 2.5	0 - 2.5	20 – 25*	10 -15	285*	319*	14	n/a
Lorna Payne	Chief Operating Officer (from 1 April 2018)	0 - 2.5	0	15 - 20	0	219	271	29	n/a
Graham Wareham	Chief Finance Officer & Deputy Chief Executive	2.5 – 5	0	10 -15	0	117	157	15	n/a
Helen Rostill	Chief Innovation Officer & Director of Therapies	2.5 - 5	5 – 7.5	35 - 40	105 -110	766	881	79	n/a

Fiona Edwards opted out of the NHS pension scheme from 01 April 2016
Justin Wilson opted into the NHS pension scheme from 01 December 2019 and opted out from 01 February 2020.
*Justin Wilson's prior year disclosure has been restated due to a previous overstatement

Signed Graham Wareham, Chief Executive, 09 June 2021

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Staff Report

Our Workforce

We seek to create an environment in which our staff can develop in satisfying jobs and rewarding careers. We strive fully to consult and involve our staff in the improvement and development of our services.

2,605 people on average work with us substantively at Surrey and Borders Partnership to provide our services, which equates to an average 2,541 whole time equivalent (WTE) staff. The breakdown of directly-employed staff groups by professional group is provided below.

Staff group by WTE (average No of staff)	Total	Permanent	Other	Total cost £000	Total	Permanent	Other	Total cost £000
	2020/21	2020/21	2020/21	2020/21	2019/20	2019/20	2019/20	2019/20
Medical and dental	173	155	18	25,710	167	151	16	24,508
Administration and estates	712	677	35	39,509	635	598	37	28,539
Healthcare assistants and other support staff	805	586	219	23,166	784	572	212	21,721
Nursing, midwifery and health visiting staff	743	592	151	40,265	714	573	141	37,244
Scientific, therapeutic and technical staff	538	531	7	27,834	510	500	11	26,345
Total average number of staff	**2,971**	**2,541**	**430**	**156,484**	**2,810**	**2,394**	**416**	**138,357**
Of which, employed on capital projects	29	26	3	1639	22	20	2	1376

In line with the guidance, the above table is expressed as average whole-time equivalents relevant to pay received for the period. Costs relating to the apprentice levy (488k) are excluded.

The following table, showing the breakdown of directly employed Surrey and Borders Partnership male and female staff by average whole time equivalent, is expressed as at 31 March 2021. The Whole-time equivalent reported is relevant to contracted hours only and excludes staff on secondment or break from employment.

Category by Average Whole Time Equivalent	Female	Male	Grand Total	Female	Male	Grand Total
Executive Director	4.00	2.00	6.00	66.7%	33.3%	100%
Senior Manager	205.87	97.23	303.10	67.9%	32.1%	100%
Employees	1649.25	513.78	2163.03	76.2%	23.8%	100%
Grand Total	**1859.12**	**613.01**	**2472.13**	**75.2%**	**24.8%**	**100%**

The same Executive Directors are in post as were in 2019/20 so there have been no changes in the gender percentages. In the Senior Manager category, the percentage of female staff has increased slightly from 67.5% in 2019/20. Female employees increased by 0.4% in the general employees' category.

For 2020/21 our sickness absence rates can be found at https://digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates

Staff turnover averaged at 14.9% from April 2020 to March 2021. Turnover has decreased during the pandemic from 16.6% in April 2020 to 13.6% in March 2021.

Staff Policies and Actions Applied During the Year

All our policies are available on our website and available to our staff. We consult with our staff on HR policies and procedures upon renewal of the policy or if we need to make changes prior to three-yearly renewal. Policies are shared with our staff networks, our Staffside officers and our staff to ensure they have had opportunity to review and make comment prior to approval.

Our organisational change policy requires us, as managers, to ensure we actively engage and consult with our employees on all matters that affect their work environment or terms and conditions of employment. We hold monthly Joint Consultative Committees with our recognised trade unions, where all consultation documents are shared in advance of any consultation occurring, for discussion and debate.

We share all our consultation documents personally with those directly affected and we also put them on our staff intranet, in order to reach the wider workforce for their comment. We usually consult for 30 days but often longer, if the implication of a change is Trust wide. We seek to avoid redundancies whenever we can and to redeploy all our employees subject to change.

In addition to our formal consultative processes, we informally communicate with staff on a weekly basis via an electronic bulletin. This provides a variety of information and topics to keep our staff engaged with the work of our Trust and its progress. We hold staff

conversations on a regular basis to update our colleagues on priorities and areas of importance nationally, regionally and locally. Over the past year we have sent out daily communications to update our staff on key messages in relation to the pandemic, as well as holding regular virtual meetings to ensure we were able to respond quickly to concerns.

Involvement

A wide range of events to involve staff in the work of the Trust has continued this year, such as professional conferences and leadership forums. The latter were moved from being bi-monthly, in-person sessions to monthly Teams meetings. They have been shortened and the style altered, to make them much more responsive to the needs driven by the ongoing pandemic, and into a format that allows more free discussion, rather than agenda-driven.

We hold staff conversations on a regular basis to update our colleagues on priorities and areas of importance nationally, regionally and locally. Over the past year we have sent out daily communications to update our staff on key messages in relation to the pandemic, as well as holding regular virtual meetings to ensure we were able to respond quickly to concerns.

We have involved staff with our key change programmes and service developments in the year. This included representation on the working group for the decant of our Trust Headquarters, the decant of one of our inpatient wards to undertake safety improvements, and our new Epsom community hub. This has meant that our colleagues have been able to shape the decisions affecting them helping us decide on the design, location, and operating models. Staff also managed the logistics of the moves locally for their services / sites and have continued to inform snagging and improvements to aid working together and the working environment.

The programme to re-provide 24/7 inpatient services at the Abraham Cowley Unit has involved a User Group that meets fortnightly in full or in targeted subgroups. Its purpose is to help formulate design and model. It represents clinicians, managers, people who use the services and carers.

In the previous financial year, we received 172 nominations for a revamped Staff Awards, with categories to recognise the achievements of individual staff members, teams and volunteers. The nominations period fell within some of the most challenging weeks of responding to the onset of the pandemic, so the volume of entries was a huge success. With the workload of Covid and the national mood, it was felt that spending the time judging the awards and holding an Awards ceremony were both inappropriate. In spring 2021, with lockdown restrictions easing, the process was restarted and an Awards ceremony held in May. We want to ensure that the hard – and in many cases, exceptional - work of our staff during 2020 is not overlooked and hope to run a second Awards process later in 2021.

NHS Staff Survey

Overall, the results of the 2020 Staff Survey were very positive. Of the 78 evaluative core questions, 22 had shown significant improvements, 1 had shown a significant decline and 55 showed no significant change since 2019.

All of the overall theme scores are better than the sector averages; some significantly so. Many of the scores improved by 0.2 from 2019 and no scores have declined.

There is a very encouraging theme around immediate managers with a 9.38% positive increase in staff believing communication between senior management and staff is effective and 6.3% of staff saying that senior managers involve staff in important decisions. Health and wellbeing also had positive increases nationally and within our Trust with an increase of 11.32% of staff believing that the Trust takes positive action on health and wellbeing

Staff engagement also increased with an increase of 8.19% of staff saying they would recommend our Trust as a place to work and an increase of 4.02% of staff saying that they would be happy with the standard of care provided if a friend or relative needed treatment. Those thinking about leaving the Trust or looking for a new job in the next 12 months also reduced.

Source	2020/2021		2019/2020		2018/19	
NHS Staff Survey 2020 Benchmark Reports (nhsstaffsurveyresults.com)	Trust	Bench-marking Group	Trust	Bench-marking Group	Trust	Bench-marking Group
Equality, diversity and inclusion	9.2	9.1	9.2	9	9.2	8.8
Health and wellbeing	6.7	6.4	6.3	6	6.3	6.1
Immediate managers	7.6	7.3	7.6	7.3	7.4	7.2
Morale	6.6	6.4	6.4	6.3	6.2	6.2
Quality of care	7.7	7.5	7.6	7.4	7.4	7.3
Safe environment - bullying and harassment	8.4	8.3	8.3	8	8.3	7.9
Safe environment - violence	9.5	9.5	9.5	9.3	9.4	9.3
Safety culture	7.1	6.9	7	6.8	6.9	6.7
Staff engagement	7.4	7.2	7.3	7	7.1	7
Team Working	7.3	7	-	-	-	-

Summary of Performance – Response Rates

	Trust	National average (mental health)	Trust	National average (mental health)	Trust	National average (mental health)
Response Rate	65%	49%	59%	54%	59%	54%

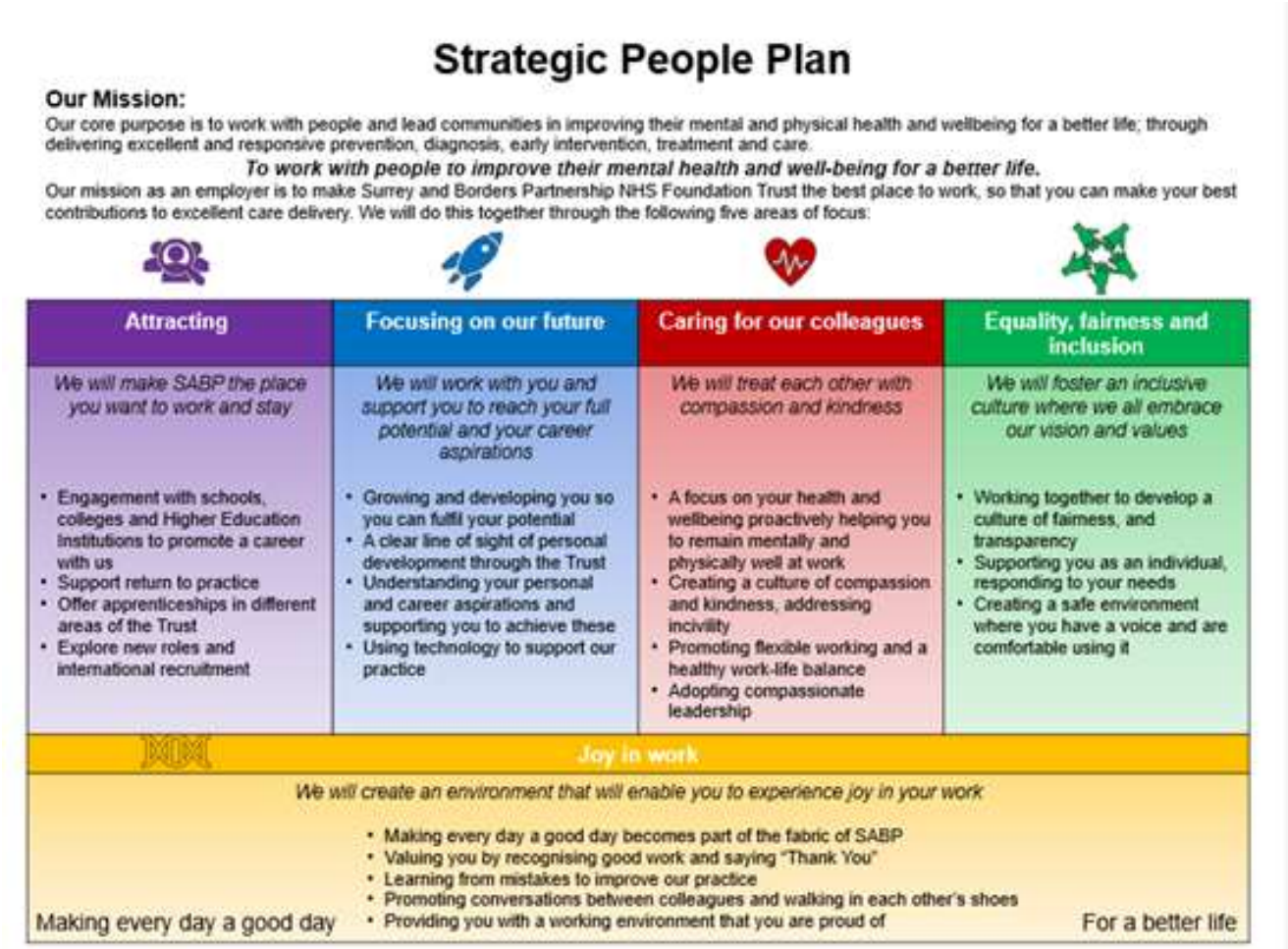
Engaging with staff

Our Staff Survey results are very important to us. We share them at our Executive and Trust Boards and via our leadership forum, staff networks and through conversations with staff. Results are provided by division, so it is relevant to the services and these are shared with individual teams. Teams discuss whether the results accurately reflect how staff feel and the team agrees a focus for change in the coming year. The People Committee will agree overarching areas to focus on which are shared with the organisation and monitored by the committee.

Future Priorities and Targets

Individual Divisions and Directorates are expected to consider the results for their specific areas of responsibility and work with colleagues to make improvements where necessary.

We continue to focus on improving staff satisfaction as this underpins all areas of the staff survey. Our Strategic People Plan provides the framework to do this and is underpinned by our ongoing commitment to our Joy in Work initiative. The Strategic People Plan adopts four key pillars which focus on attracting staff, supporting their career aspirations, creating a culture of caring and one which embraces equality, fairness and inclusion. We discuss these areas in our People Committee to ensure our focus is on the right areas to improve the experience of our staff.



Trade Union Facility Time

The tables below show the required disclosures as set out in the Trade Union (Facility Time Publication Requirements) Regulations 2017. There is fixed facilities time for the Staffside Chair of 15 hours per week to carry out the responsibilities of their office.

The Staffside Secretary will be allocated 15 hours per week facility time for carrying out the responsibilities of their office.

Table 1 - Relevant Union Officials	
Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
9	8.8

Table 2 - Percentage time spent on facility time	
Percentage of time	Number of employees
0%	0
1-50%	8
51-99%	1
100%	0

Table 3 - Percentage of pay bill spent on facility time	
	Cost
Total cost of facility time	£33,146.80
Total pay bill	£9,609,805.00
Percentage of the total pay bill spent on facility time (total cost of facility time divided by total pay bill) x 100	0.34%

Table 4 - Paid trade union activities	
	Hours
Time spent on paid trade union activities as a percentage of the total paid faciility time (total hours spent on paid trade union activities by relevant union officials during the relevant period divided by total paid facility time hours) x 100	Hours spent on paid facility time: 1916 Hours spent on paid trade union activities: 1916 Percentage of total paid facility time hours spend on paid TU activities: 100%

Expenditure on Consultancy

We spent £2.38m on consultancy in 2019/20 (2018/19: £0.95m). The year-on-year increase relates to the Trust's Covid response.

Off-Payroll Arrangements

As of 31 March 2021, the Trust has engaged with a small number of highly paid and/or senior off-payroll staff for longer than six months. Details of these engagements are provided below.

Highly paid off-payroll engagements are only entered into on an exceptional basis and are subject to senior manager review.

1. Off-payroll engagements as of 31 March 2021, for more than £245 per day, and that last for longer than six months

No of existing engagements as of 31 March 2021	6
Of which...	

No that have existed for less than one year at time of reporting	4
No that have existed for between one and two years at time of reporting	2
No that have existed for between two and three years at time of reporting	0
No that have existed for between three and four years at time of reporting	0
No that have existed for four or more years at time of reporting	0

We have three additional engagements to report at year-end compared to last year. All engagements at year-end were less than two years in duration.

All existing off-payroll engagements, outlined above, have at some point been subject to a risk based assessment as to whether assurance needs to be sought that the individual is paying the right amount of tax and, where necessary, that assurance has been sought. All contractors have needed to comply with the IR35 process since April 2017.

2. New off-payroll engagements, or those that reached six months in duration, between 1 April 2020 and 31 March 2021, for more than £245 per day and that last for longer than six months

No of new engagements, or those that reached six months in duration, between 1 April 2020 and 31 March 2021 of which	**7**
Of which...	
Number assessed as within the scope of IR35	6
Number assessed as not within the scope of IR35	1
Number engaged directly (via PSC contracted to Trust) and are on Trust's payroll	0
Number of engagements reassessed for consistency/assurance purposes during the year	7
Number of engagements that saw a change to IR35 status following the consistency review	0

Where appointments are through an approved agency provider, we have been explicit with the agencies we use as to their duty to undertake checks of income tax and National Insurance obligations.

3. Off-payroll engagements of Board members and/or senior officials with significant financial responsibility, between 1 April 2020 and 31 March 2021

The Trust had no Board member off-payroll engagements during 2020/21 and no senior members of staff with significant financial responsibility (nil in 2019/20)

The total number of individuals on or off-payroll deemed to have significant financial responsibility, including those detailed above, was 40, a slight increase on 37 last year.

Off-payroll engagements	
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 should include both off-payroll and on-payroll engagements	40

Exit Packages

There was a total of 6 exit packages during the year. There was one compulsory redundancy, totalling £9,595.00 (compared with two in 2019/20, with a total value of £44,631). The redundancies were as a result of service redesign. It was not possible to identify roles at the same level for redeployment.

Total Exit Packages

Exit package cost band	Number of compulsory redundancies 2020/21	Number of other departures agreed 2020/21	Total number of exit packages by cost band 2020/21
<£10,000	0	5	5
£10,001 - £25,000	1	1	2
£25,001 - £50,000	0	0	0
£50,001 - £100,000	0	0	0
£100,001 - £150,000	0	0	0
£150,001 - £200,000	0	0	0
Total number of exit packages by type	**1**	**6**	**7**
Total resource cost £000s	**£10k**	**£46k**	**£56k**

Exit Payments – Other Departures

	Agreements number	Total value of agreements £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	7	£46k
Exit payments following employment tribunals or court orders	0	0
Non-contractual payments requiring HMT approval*	0	0
Total	**7**	**£46k**
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

* Includes any non-contractual severance payment made following judicial mediation and amounts relating to non-contractual payments in lieu of notice, of which there were none.

As single exit packages can be made up of several components, each of which will be counted separately in the above table, the total number above will not necessarily match the total numbers in the previous table, which represents the number of individuals. The Remuneration Report on page 29 provides details of exit payments, if applicable to individuals named in that Report.

Code of Governance

Surrey and Borders Partnership 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.

Board of Directors

On 31 March 2021, Surrey and Borders Partnership had seven Non-Executive Directors (including the Chair) and six Executive Directors (including the Chief Executive) who are members of the Trust Board. One voting Non-Executive Director left the Trust on 30 June 2020, and another voting Non-Executive Director was appointed from 1 July to fill this vacancy. The Board has had its full complement of seven voting Non-Executive Directors for the whole reporting period from 1 April 2020 to 31 March 2021. Three additional senior Directors regularly attended Board meetings during the year but are non-voting.

The Board of Directors is responsible for the management of the Trust and for ensuring corporate governance, performance and operational standards are upheld. Risks to the delivery of our strategic objectives are monitored through a Board Assurance Framework that identifies the controls, the gaps in the controls, where assurances can be found and the gaps in assurances. Surrey and Borders Partnership complies with the provisions of the NHS Foundation Trust Code of Governance. The Board has conducted a review of the effectiveness of its system of internal controls.

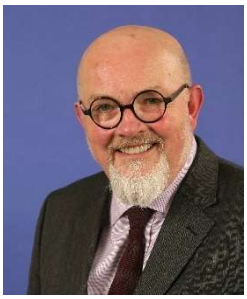
The performance of the Executive Directors and Directors reporting to the Chief Executive is managed through our appraisal and supervision policy and is reported for discussion at the Remuneration and Terms of Service Committee. The Council of Governors appoints a Nominations Committee which undertakes the same function of performance evaluation for the Non-Executive Directors, including the Chair. The Board of Directors is held to account by the Council of Governors.

The Board of Directors consults on its future strategy and develops its annual plans with the close involvement of its Council of Governors. Twice yearly, joint workshops with the Board and Governors are held to reflect on progress against plans and to discuss priorities for the coming year. The key role of the Council of Governors is to influence our strategic direction, taking into account the needs and views of the members, stakeholders and partners. Any disagreements between the Council of Governors and Board of Directors are resolved by the Chair in the first instance. If necessary, the Chair will appoint a joint special committee with a view to resolving any disagreements. If this is unsuccessful, the Chair may refer the issue back to the Board of Directors for a final decision.

The membership of the Board of Directors will continue to be regularly reviewed by the Board of Directors and members of the Remuneration and Terms of Service Committee and the Nominations Committee, which includes Trust Governors, to ensure that it is well balanced and covers the full range of expertise required by a Foundation Trust. Through self-assessment, the Board believes that it currently has a good mix of commercial and financial knowledge, management and clinical experience, public sector expertise and community engagement. Terms of office for Non-Executive Directors may be ended by resolution of the Council of Governors, following a procedure laid down in the Foundation Trust's constitution.

The Board commissioned an independent developmental review of leadership and governance using the Well Led framework Well Led Review in October 2020, to ensure our governance arrangements continue to meet the needs of the organisation and our regulators.

Non-Executive Directors



Dr Ian McPherson, Chair
Appointed in March 2017, initial term of office three years, and reappointed for a second three-year term in March 2020. A clinical psychologist by professional background who has held senior clinical, managerial and policy implementation roles in a career working across many aspects of health and social care. Since finishing full-time employment, Ian has been involved with a number of organisations in the statutory and voluntary sectors. This includes Non-Executive Director at another mental health NHS Foundation Trust, where he was also Vice Chair, and being a Trustee of the Centre for Mental Health and of the International Initiative in Mental Health Leadership. **Qualifications:** MA in Psychology, University of Glasgow; MSc in Clinical Psychology, University of Birmingham; PhD in Psychology, University of Birmingham; Fellow of the British Psychological Society. Awarded the OBE for services to mental health in 2012.

Stephen Firn, Non-Executive Director / Deputy Chair
Stephen was appointed in May 2018 for a term of three years. He is the Chair of the Quality Assurance Committee (from November 2018) and was appointed as Deputy Chair in December 2019. Stephen trained as a mental health nurse and has worked in the NHS for 37 years. Most recently he was Programme Director for New Care Models in Mental Health at NHS England. Prior to this he spent 20 years on the Board of Oxleas NHS Foundation Trust, with 14 years as CEO. **Qualifications**: BSc Sociology (First Class Honours), MSc Nursing, RMN, Honorary Doctorate (Christ Church Canterbury University). OBE for services to healthcare.

Andrew George, Non-Executive Director (from 1 July 2020)
Andrew was appointed in July 2020 for a 3 year term. Professor Andrew George MBE began his career at Tenovus Research Laboratories in 1987 as a Beit Memorial Fellow, before becoming a Research Fellow at the Experimental Immunology Branch in 1990, which he held for 12 years.

Between 1992 and 2013, Andrew was employed at Imperial College London/Royal Postgraduate Medical School in various roles including Senior Lecturer (1996), Reader (1999), Professor of Molecular Immunology (2002), and Head of Section and Department (2002 – 2006). In 2010, Andrew was promoted to both Director: Graduate School of Life Sciences and Medicine and Director: School of Professional Development, before being promoted again to Director: Graduate School in 2011.

Andrew moved to Brunel University London in 2013 to become the Deputy Vice-Chancellor, Education and International and Strategic Projects and Global Engagement. In his five-year tenure, he led their developments and improvements in employability, student recruitment, and portfolio review, developed an international student strategy, and led the annual planning round for the University.

Since 2018, Andrew has been Director and Consultant of AJTG Ltd, currently undertaking project and consultancy work in healthcare, ethics and education, as well as being an executive coach. He is also currently Chair of Imperial College Health Partners, Non-Executive Director of the Health Research Authority, Board member of Health Education England, and Trustee of Epilepsy Society. **Qualifications:** MA in Natural Sciences from the University of Cambridge, PhD from the University of Southampton, DSc from Imperial College London. He is a Fellow of the Royal College of Pathologists, the Higher Education Academy, the Royal Society of Arts and the Royal Society for Biology. He was awarded an MBE for services to research participants and research ethics.

Vivek Govil, Non-Executive Director
Vivek was appointed in May 2019 for a term of 3 years. He has over 30 years of experience in senior roles across a range of sectors, including Education, Hospitality and Consumer Products. He is the Managing Director for U.K. Education at Oxford University Press. Vivek was born and raised in India, and moved to the UK in 2011. He has been the governor of a special needs school and a private online school. He is the Chairman of CRY UK, a charity focused on child rights in India. **Qualifications:** MBA (Indian Institute of Management), BComm (Sydenham College of Commerce and Economics).

Dr Rahul Jaitly, Non-Executive Director
Rahul was appointed in June 2017, for an initial term of office of three years, and was reappointed for a second three-year term from June 2020. Rahul has over 20 years' experience working across a number of industry sectors providing global IT leadership and digital transformation management. Most recently Group Chief Information Officer at L&Q Group, one of the UK's foremost developers of new homes and a leading

housing association. Rahul's earlier career included technology related roles at Kuoni Group, Universal Music Group, GlobalNetFinancial.com and the Financial Times. **Qualifications:** BA Hons Electrical & Electronic Engineering, University of East London; MBA; PhD in Electronic & Electrical Engineering, King's College, University of London.

Leslie Morphy, Non-Executive Director (until 30 June 2020) **/ Senior Independent Director** (until 31 March 2020)
Appointed in April 2015, initial term of office three years, and reappointed for a second term in 2018. Leslie stepped down during her second term, and left the Trust on 30 June 2020. Leslie's career is in the not-for-profit sector, including in a social enterprise, charities and a non-departmental government body. She was formerly Chief Executive of homeless charity Crisis UK and Director of The Prince's Trust. Since leaving Crisis UK in 2014, she has held Non-Executive posts in organisations involved in health, housing and education. Chair of Governors of Oxford Brookes University; Non-Executive Director for the Home Group Housing Association; and Chair of Pathway, a charity working to provide better healthcare for homeless people. **Qualifications:** BSc in Economics, London School of Economics; MSc, Birkbeck University of London. Awarded an OBE for services to homelessness in 2011.

Susan Scholefield, Non-Executive Director / Senior Independent Director (from 1 April 2020)
Susan was appointed in May 2018, term of office three years and became Senior Independent Director from 1 April 2020. Susan was the Secretary and Chief Legal Officer at the London School of Economics and Political Science until September 2014. She had an early academic career at the University of California, then joined the Civil Service in 1981 and held senior roles in the Balkans Secretariat, Northern Ireland Office, Communities Department and the Cabinet Office as Head of the Civil Contingencies Secretariat. Most recently, she was Director General, Human Resources and Corporate Services, at the Ministry of Defence. She is currently Chair of the Competition Appeal Tribunal and Competition Service, a magistrate and an appointed independent member of the Sussex Police and Crime Panel. **Qualifications**: BA Hons (First Class) and MA in classical literature and philosophy, respectively from the Universities of Oxford and California at Berkeley and is a Fellow of the Chartered Institute of Personnel and Development and a Chartered Public Finance Accountant. Ecole Nationale d'Administration in Paris from 1985 to 1986 and, in 1999, was awarded a CMG in the New Year's Honours for her work on Bosnia.

Jennifer Seeley, Non-Executive Director
Jennifer was appointed in June 2017, for an initial term of office of three years, and was reappointed for a second three-year term from June 2020. Jennifer is Chair of the Audit Committee. She has worked in senior roles across local councils in London, Kent and the Midlands. She is now a tutor in public finance. Jennifer was a Non-Executive for the South East Coast Strategic Health Authority and member of the audit committees of the Open

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University and General Dental Council. **Qualifications:** BA Hons in Economics and Social Policy & Administration; MBA; Fellow of the Chartered Institute of Public Finance and Accountancy; and Fellow of the Chartered Institute of Procurement and Supply.

Executive Directors

Fiona Edwards, Chief Executive
Appointed to post in April 2005 and Chief Executive-designate since November 2004. Fiona has led the Trust through a successful merger, becoming a Foundation Trust and forging innovative partnerships to deliver our clinical strategy. Her health service career began in 1994 at West Berkshire Priority Care Services NHS Trust, where she was Executive Director responsible for human resources and major change programmes. Fiona's private sector career spanned 10 years within the manufacturing sector as a human resources professional. **Qualifications:** MA in English, University of St Andrews. Post-graduate professional qualifications in Personnel Management. INSEAD Advanced General Management.

Graham Wareham, Deputy Chief Executive and Chief Finance Officer
Appointed to his Finance role in February 2016, Graham was promoted to Deputy Chief Executive in April 2019. Previously Graham was Chief Finance Officer at Leonard Cheshire Disability, where he worked closely with the Chief Executive to develop future plans and manage day to day performance. Graham started his career in 1995 with British Airways and then food retailer Safeway, working across a wide number of finance roles, including supply chain, retail and change management, and has played a significant role in implementing efficiency projects. **Qualifications:** BA in Economics, Leeds University; MA in Transport Economics, Leeds University. Member of the Chartered Institute of Management Accountants.

Heather Caudle, Chief Nursing Officer
Heather Caudle joined the Trust in August 2019. She has worked for over 23 years as a registered nurse, systemic psychotherapist and strategic leader in mental health as well as acute health. Her previous roles include Executive Chief Nurse of Ashford and St. Peter's NHS Foundation Trust, as well as her role at a national level as the Director of Nursing for Improvement in NHS England. **Qualifications**: Dip RN 1995; MSc Syst Psych 2002.

Lorna Payne, Chief Operating Officer
Appointed to post in April 2017, previously Divisional Director at Central and North West London NHS Foundation Trust. Lorna comes from Australia with a background in health and adult social care and commenced her UK career in adult social care in 2006. Working in the Victorian Department of Health, she was responsible for policy and commissioning for mental health, older people and primary care, overseeing the review of the Mental Health Act, the implementation of clinical outcome measures and a new clinical information system for mental health Trusts. **Qualifications:** Maitrise es Lettres, Paris V, Sorbonne University; Master of Arts (Honours), Melbourne University; Cycle International Court, Ecole Nationale d'Administration.

Prof Helen Rostill, Chief Innovations Officer & Director of Therapies
Appointed to post in December 2014 after joining the Trust in October 2012 as Director of Innovation and Therapies. Helen is a consultant clinical psychologist and began her career in learning disability services, followed by roles in the National Schizophrenia Fellowship and a multi-agency child, young people and family service. She was a senior lecturer in clinical psychology at the University of Birmingham for 10 years. **Qualifications:** BSc (First Class Hons) in Psychology, University of Birmingham. Awarded Clinical Doctorate (Clin PsyD) in 1997, Postgraduate Diploma in Strategic Management and Leadership.

Dr Justin Wilson, Chief Medical Officer
Appointed to post in November 2016, following a year with the Trust as Co-Medical Director. Previously Medical Director of Berkshire Healthcare NHS Foundation Trust, a mental health and community Trust, for over six years. He has worked as a consultant psychiatrist in a variety of NHS and independent settings, particularly within learning disability services. **Qualifications:** MBBS 1996. MRCPsych 2000. Studied medicine at Charing Cross and Westminster Medical School and trained in psychiatry in Oxford and London.

Governance Committees

Our Governance Committees provide assurance and focus to key work programmes for the Board during the year. The Trust Board keeps its governance arrangements under constant review to ensure they remain fit for purpose. A formal review is undertaken at least on an annual basis.

Audit Committee

The Audit Committee, chaired by and comprising non-executive directors, is charged with making sure the Trust governs itself well by monitoring the effectiveness of the Trust's

activities, controls and assurance processes. This effectiveness can be described in five main categories: integrated governance, performance, controls, value for money and probity.

These responsibilities include:

- Governance: Scrutinising external reviews and risk management and reviewing the assurance framework
- Performance: Reviewing the financial outturn and the integrity of the financial statements of the Trust and its accounting policies
- Controls: Monitoring the Trust's internal financial controls, SFIs (Standing Financial Instructions) and Reservation of Powers and the internal control and risk management systems
- Value for Money: Monitoring the value for money of the Trust's activities and its achievement of its strategic goals
- Probity: Scrutinising the independence and effectiveness of External Audit and considerations of business ethics, public sector values and conflicts of interest

The Committee is responsible for all aspects of the Trust's operations, including charitable funds and wholly owned subsidiaries. The Committee reviews its terms of reference annually.

The Audit Committee considered the valuation of our property and land, in light of the ongoing pandemic, to be a ongoing audit risk for the year, but recognised that income recognition and management override of controls remain as significant audit risks, in terms of their impact on our financial statements.

Our main source of income is the provision of healthcare services to the public under contracts with NHS commissioners – NHS clinical commissioning groups, other providers and NHS England. This income is captured through the Agreement of Balances exercises, performed at months 6, 9 and 12. The Agreement of Balances exercise identifies mismatches between income and expenditure and receivable and payable balances recognised by the Trust and its commissioners and all differences are investigated by the finance team.

In the public sector, auditors also consider the risk that material misstatements due to fraudulent financial reporting may arise from the manipulation of expenditure recognition (for instance by deferring expenditure to a later period). This may arise due to expenditure being manipulated to meet externally set targets. As most public bodies are net spending bodies, then the risk of material misstatement due to fraud related to expenditure recognition may in some cases be greater than the risk of material misstatements due to fraud related to revenue recognition.

The Committee receives a regular progress report from Counter Fraud and has received updates on seven investigations throughout the year and a number of enquiries. The relationship between Counter Fraud and HR has improved during the year following work to ensure disciplinary action can be taken as promptly as is appropriate.

During 2016/17 the work of our internal auditors moved to a more risk-based approach, which has continued throughout 2019/20. From quarter 4 of 2017/18 and going forward, it was agreed by both Internal Audit and the Audit Committee that the audit reports should now reflect the outcome of both the design of controls and the operation of these controls. Two levels of assurance are now being assigned for each audit report. There has been good progress in implementing internal audit recommendations and the Head of Internal Audit has provided a reasonable assurance opinion in his annual report, in line with the previous year.

The Council of Governors reappointed KPMG as our external auditors in 2017, following a renewed tender process, for a further three years with the option of a one or two-year extension.

The external auditors have attended the Council's Audit Panel during the year to discuss their annual audit letter and provide assurance on the action taken in response to recommendations.

Nominations Committee

The Nominations Committee advises the Council of Governors about appropriate appointment and remuneration for the Non-Executive Directors. In relation to the remuneration and terms of appointment for the Chairman and Non-Executive Directors, recommendations are made to the Council of Governors to ensure they are in line with our reward strategy. The Committee also receives reports on behalf of the Council of Governors on the process and outcome of the appraisal of the Chairman and Non-Executive Directors.

Remuneration and Terms of Service Committee

The Remuneration and Terms of Service Committee is responsible for making recommendations to the Board of Directors on the Trust's remuneration policy and, within the terms of the agreed policy, determining the total individual remuneration package of the Executive Directors and those other directors who report directly to the Chief Executive. The Committee also receives reports on their appraisals.

Quality Assurance Committee

The Quality Assurance Committee provides assurance to the Board of Directors that there is an effective system of quality improvement, planning and control across our clinical activities. Three of our Governors serve on our Quality Assurance Committee.

Finance, Investment and Development Committee

The Investment and Development Committee was introduced in 2019/20 to provide assurance to the Board of Directors regarding significant developments and investments, in particular those requiring Board of Directors and/or Council of Governors approval. In

2020/21 the Committee's responsibilities were reviewed and updated to include the additional responsibility to provide assurance regarding our financial plans and performance in the context of the relevant financial regulations. The Committee changed its name to Finance, Investment and Development Committee to reflect its new Terms of Reference.

People's Committee

The People's Committee was introduced in 2020/21 to provide assurance to the Board of Directors on the implementation of the Strategic People Plan to enable our colleagues to make their best contributions to excellent care delivery. The Committee will help us to deliver on our ambitions as an employer for how we will work and care for our colleagues by focusing on the four pillars of the People Plan, to:

- be the employer of choice across Surrey and the surrounding areas, where colleagues know they are supported to be the best professionals they can be
- ensure we create an open and inclusive organisational culture, where all colleagues' individual needs are supported so everyone can thrive and grow
- ensure we have a productive workforce with a focus on people effectiveness
- oversee our work to "Make every day, a good day" through our Joy in Work programme

Attendance at Meetings 1 April 2020 – 31 March 2021

Name	Trust Board 12 meetings	Audit Committee 6 meetings	Remuneration Committee 2 meetings	Nominations Committee 4 meetings	Quality Assurance Committee 6 meetings	Finance, Investment & Development Committee 6 meetings	Mental Health Act / Mental Capacity Act 4 meetings	People's Committee 2 meetings
Ian McPherson	12 /12 (Chair)		2 / 2	4 / 4 (Chair)				1 / 1 (Chair)
Rahul Jaitly	12 /12		2 / 2			6 / 6 (Chair)		
Leslie Morphy [1]	4 / 4							
Jennifer Seeley [2]	12 / 12	6 / 6 (Chair)	2 / 2		3 / 3	4 / 4		
Stephen Firn	12 / 12		2 / 2 (Chair)		6 / 6 (Chair)			
Susan Scholefield	12 / 12	6 / 6	2 / 2	4 / 4			4 / 4 (Chair)	
Vivek Govil	12 / 12	6 / 6	2 / 2		5 / 6	6 / 6		1 / 1
Andrew George [3]	6 / 8		2 / 2		2 / 4			1 / 1
Fiona Edwards	11 / 12							1 / 1
Lorna Payne	11 / 12				6 / 6	4 / 6		1 / 1
Helen Rostill	11 / 12							1 / 1
Graham Wareham	11 / 12	6 / 6			5 / 6	6 / 6		1 / 1
Justin Wilson	11 / 12				6 / 6			0 / 1
Fiona Edwards	11 / 12							1 / 1
Governors								
Penny Burnett				2 / 4				
Margaret Hicks				4 / 4				
Janice Clark					6 / 6			
Michele Amoah-Powponne				2 / 4	5 / 6			
Andrew Jackman[4]				2 / 2				
Leanda Hargreaves[5]					4 / 4			

[1] Until 30 June 2020
[2] Left Quality Assurance Committee at end of September 2020 / joined Finance, Investment and Development Committee from August 2020
[3] Commenced 1 July 2020 / Quality Assurance Committee from August 2020 and Charitable Funds Committee from September 2020
[4] Joined Committees from 4 August
[5] Joined Committees from 4 August

Council of Governors

Our Council of Governors has 31 Governors, 24 of whom are elected. These are made up from the following constituencies:

All Governors are elected for a three-year period. They can hold office for up to nine years, subject to being re-elected after each three-year period.

In 2020 we held public elections to fill the vacant seats in all our public constituencies. These included North West and South West Surrey, East and Mid Surrey, Hampshire and the Rest of England, People who use Learning Disability services and People who use other Trust services. These elections were necessitated due to Governors coming to the end of their completed terms of office and vacant seats.

We also had four vacant staff Governor seats, due to people coming to the end of their terms. Three seats were filled: Qualified Nursing, Therapies and Health & Social Care. We are currently seeking a new appointment to our Governor seats to represent Social Work and other County Council employees.

Governors have been represented in our key development programmes this year, including our New Hospitals Programme (formerly known as our 24/7 Programme), the Lived Experience Group and Carers' Forums.

Our Governors continue to represent and canvass the opinion of the Trust's members and the public at our regular members' events and annual members' meeting; at our quarterly Council of Governors meetings; and through the wider networks that they are part of within their local communities.

The Board of Directors attends all Council of Governor meetings and Annual Members' Meetings to develop an understanding of the views of Governors and members.

Composition of Council of Governors for the Period 2020/21[1]

Class	Name
Public Constituency – People who live in the communities we serve	
East & Mid Surrey	Ana Brisbar *(newly elected on 1 May 2020)*
East & Mid Surrey	Karen Hamilton *(newly elected on 1 May 2020)*
East & Mid Surrey	Margaret Hicks *(re-elected on 1 May 2020)*
East & Mid Surrey	Jacqueline Clark (*term of office ended 30 April 2020)*
NW & SW Surrey	Jim Poyser *(newly elected on 1 May 2020)*
NW & SW Surrey	Lyn Day
NW & SW Surrey	Raj Chhetri
NW & SW Surrey	Darren Ayres (*term of office ended 30 April 2020)*
Hampshire & Rest of England	Andrew Jackman *(newly elected on 1 May 2020)*
Hampshire & Rest of England	Tikendra Dal Dewan
Hampshire & Rest of England	Steve Forster (*term of office ended 30 April 2020)*
Public Constituency – People who use services and carers	
Learning Disability	Darren Power *(re-elected on 1 May 2020)*
Learning Disability	Vacant *(from 1 May 2020)*
Learning Disability	David Muir (*term of officed ended 30 April 2020)*
Other Services	Michele Amoah-Powponne – Lead Governor
Other Services	Paul Graham *(newly elected on 1 May 2020)*
Other Services	Vacant *(from 1 May 2020)*
Other Services	Vacant *(from 1 May 2020)*
Other Services	Vacant *(from 1 May 2020)*
Other Services	Vacant *(from 1 May 2020)*
Carers	Penny Burnett – Deputy Lead Governor *(re-elected on 1 May 2020)*
Carers	Janice Clark *(re-elected on 1 May 2020)*
Carers	Leanda Hargreaves *(newly elected on 1 May 2020)*
Staff Constituency	
Medical and Dental	Vacant *(from 1 May 2020)*
Medical and Dental	Dr Sean Fernandez *(term of office ended 30 April 2020)*
Qualified Nursing	Oneil Osbourne *(newly elected on 1 May 2020)*
Qualified Nursing	Phil Boulter *(term of office ended 30 April 2020)*
Health and Care Assistants	Katharine Nurse *(re-elected on 1 September 2020)*
Therapies	Mary Champkins *(newly elected on 1 May 2020)*
Admin, Managerial and Facilities	Martin Clark
Appointed Governors	

Surrey County Council	Cllr Bill Chapman
	Cllr Chris Botten *(appointed 1 June 2020)*
Hampshire County Council	William Withers
Social Worker and other County Council employees (from 01.01.20)	Vacant
Borough Councils	Cllr Claire Malcomson *(appointed March 2021)*
Borough Councils	Sharon Galliford *(left in October 2020)*
Action for Carers	Hasu Ramji
Surrey Police	Carwyn Hughes *(appointed October 2020)*

[1]Our Constitution changed with effect from 1 January 2020 to create a new nominated governor constituency for Social Worker and other County Council employees when they became ineligible to be considered as a Staff constituency, following the end of integrated working arrangements with Surrey County Council. This change was approved by our Trust Board and Council of Governors at their meetings in December 2019.

Composition of Council of Governors and Attendance at Council of Governor Meetings for the Period 1 April 2020 – 31 March 2021

Class	Name	No of council meetings eligible	No of council meetings attended
Public Constituency – People who live in the communities we serve			
East & Mid Surrey	Ana Brisbar	4	2
East & Mid Surrey	Karen Hamilton	4	4
East & Mid Surrey	Margaret Hicks	5	5
East & Mid Surrey	Jacqueline Clark	1	1
Public Constituency – People who live in the communities we serve			
NW & SW Surrey	Jim Poyser	4	4
NW & SW Surrey	Lyn Day	5	5
NW & SW Surrey	Raj Chhetri	5	3
NW & SW Surrey	Darren Ayres	1	1
Hampshire & Rest of England	Andrew Jackman	4	4
Hampshire & Rest of England	Tikendra Dal Dewan	4	4
Hampshire & Rest of England	Steve Forster	1	1
Public Constituency – People who use services and carers			
Learning Disabilities	Darren Power	4	3
Learning Disabilities	Vacant		
Learning Disabilities	David Muir	1	1
Other Services	Michele Amoah Powponne – Lead Governor	5	5
Other Services	Paul Graham	4	3
Other Services	Vacant		
Other Services	Vacant		
Other Services	Vacant		
Other Services	Vacant		

Carers	Penny Burnett – Deputy Lead Governor	5	5
Carers	Janice Clark	5	5
Carers	Leanda Hargreaves	4	4
Staff Constituency			
Medical and Dental	Vacant	3	3
Medical and Dental	Dr Sean Fernandez	1	1
Qualified Nursing	Oneil Osbourne	4	3
Qualified Nursing	Phil Boulter	1	1
Health and Care Assistants	Katharine Nurse	5	5
Therapies	Mary Champkins	4	4
Admin, Managerial and Facilities	Martin Clark	5	3
Appointed Governors			
Surrey County Council	Cllr Bill Chapman	5	4
	Cllr Chris Botten	4	3
Hampshire County Council	William Withers	5	4
Borough Councils	Cllr Claire Malcomson *(joined March 2021)*	1	1
Borough Councils	Sharon Galliford *(left in October 2020)*	1	1
Social Work and other County Council employee	Vacant		
Action for Carers	Hasu Ramji	5	4
Surrey Police	Carwyn Hughes	2	0

Director Attendance at Council of Governor Meetings

1 April 2020 – 31 March 2021

Name	No of council meetings eligible	No of council meetings attended
Non-Executive Directors		
Ian McPherson	5	5
Leslie Morphy[1]	2	2
Jennifer Seeley	5	4
Rahul Jaitly	5	5
Stephen Firn	5	5
Susan Scholefield[2]	5	5
Vivek Govil	5	4
Andrew George[3]	3	1
Executive Directors		
Fiona Edwards	3	3
Lorna Payne	3	1
Helen Rostill	3	1
Graham Wareham	3	3
Justin Wilson	3	1
Heather Caudle	2	2

[1] Until 30 June 2020

[2] Senior Independent Director from 1 April 2020

[3] From 1 July 2020

Membership

We offer Foundation Trust membership as an opportunity for people to understand and get involved with the work we do, particularly local people with an interest in mental health and learning disability services across Surrey, Hampshire, and neighbouring counties. On 31 March 2021, the public membership total stood at 7,002. The membership is largely representative of the communities we serve.

Constituency	Eligibility	Number of members
Public Constituency – People who live in the communities we serve		
NW & SW Surrey	Resident of NW or SW Surrey	2,824
East & Mid Surrey	Resident of East or Mid Surrey	1,400
Hampshire & Rest of England	Resident of Hampshire or residing in England	1,892
Public Constituency – People who use services and carers		
Learning Disability	Someone who uses learning disability services	184
Other Services	Someone who uses other Trust services	277
Carers	A carer or family member of someone who uses services	425

There are six classes within the staff constituency and staff are aligned to one of these classes dependent upon their role. All staff employed by the Trust continuously or on a fixed-term contract of more than 12 months automatically become members unless they choose to opt out. When a staff member leaves the Trust, they are asked if they wish to become a public member.

On 31 March 2021, the staff membership total stood at 2,567.

Although we have seen our membership reduce by 341 in the past year, it continues to meet our original target of 7,000 public members. Due to the Coronavirus pandemic, recruitment opportunities have been very limited; furthermore, a data cleanse and an exercise to encourage postal members to provide an email address where possible, resulted in a loss of members. An updated guide for membership recruitment for Governors was produced in April 2020; this gives an overview of Trust membership and supports Governors in the active recruitment of new members when opportunities arise.

Most of our members' events were put on hold this year due to the Trust's focus being on essential work around the pandemic. We held our Annual Members' Day online, as well as one other virtual event explaining the role of Child Wellbeing Practitioners in schools. Our aim is to reschedule our cancelled events and plan new ones for this coming year.

Members who wish to communicate with either a Trust Governor or Director can do so by contacting the Director of Governance and Planning in the first instance.

NHS England and Improvement's Oversight Framework

NHS Improvement's Single 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

The Trust is rated in segment 1, reflecting the highest level of autonomy within the Single Oversight Framework.

This segmentation information is the Trust's position as at 31 March 2021. Current segmentation information for NHS Trusts and Foundation Trusts is published on the NHS Improvement website.

Statement of Accounting Officer's Responsibilities

Statement of the Chief Executive's responsibilities as the Accounting Officer of Surrey and Borders Partnership NHS Foundation Trust

The National Health Service 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 England and Improvement, in exercise of the powers conferred on Monitor by the National Health Service Act 2006, has given Accounts Directions that require Surrey and Borders Partnership 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 Surrey and Borders Partnership NHS Foundation Trust and of its income and expenditure, items of other comprehensive income and cash flows for the financial year.

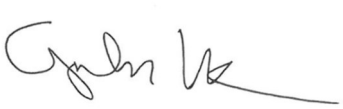
In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Department of Health Group Accounting Manual and, in particular, to:

- Observe the Accounts Direction issued by NHS England and 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 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 Trust's performance, business model and strategy.
- Prepare the financial statements on a going concern basis.

The Accounting Officer is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the NHS Foundation Trust and enable him/her 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.

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



Graham Wareham
Chief Executive

09 June 2021

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Annual Governance Statement

Scope of Responsibility
As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS Foundation Trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I am also responsible for ensuring that the NHS Foundation Trust is administered prudently and economically and that resources are applied efficiently and effectively. I 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 Surrey and Borders Partnership 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 Surrey and Borders Partnership NHS Foundation Trust for the year ended 31 March 2021 and up to the date of approval of the annual report and accounts.

Capacity to Handle Risk
The Trust Board has overall responsibility for strategic risks. It defines risk tolerance levels, approval of the process to manage the risks and the assessment and the monitoring of the efficiency of the risks, to ensure the public interest is protected.

The Chief Executive (as Accounting Officer) chairs and leads the Executive Board, which defines the Risk Management Strategy and supporting policies and has full control of the risk management system. The Executive Board makes strategic decisions regarding possible further implementation and development, identifies and manages high level risks and ensures the existence of efficient and effective risk mitigation measures and controls.

The Quality Assurance Committee is chaired by a Non-Executive Director and has delegated authority from the Board to help us to deliver our strategy and quality improvement ambition by providing assurance to the Board of Directors that there is an effective system of quality improvement, planning and control across our clinical activities within the risk appetite of the Trust and in line with regulatory compliance. Three Governors sit on the Committee. The Terms of Reference for the Committee specify that we must ensure that two of these Governors represent our Public constituencies with at least one of these Governors having lived experience as a person who uses our services and one as a carer. This helps to enhance the ability of Governors to hold the Board to account through the Council for managing issues and risks associated with the quality and safety of our services on behalf of the people we serve.

The Audit Committee is formed of three Non-Executive Directors and has delegated authority from the Board to review the establishment and maintenance of an effective system of integrated governance, risk management and internal control across the whole of the organisation's activities (both clinical and non-clinical). Additionally, the Committee reviews the work of the external auditor and considers the implications and management responses from their work.

Our Quality, Risk and Safety Committee is a sub-committee of the Executive Board. It is chaired by the Chief Nursing Officer and is attended by the senior quality, risk and safety function leaders and operational leads. It helps us by focusing on risks to quality, within the risk appetite of the Trust, learning from when things go wrong, as well as good practice, and proactively championing quality improvement. Any report presented to our key governance meetings are accompanied by a standard front sheet summarising the report including the considerations of any Data Impact Assessments (DIA) and Equality Impact Assessments required.

Risk Management Training

Throughout 2020/21 there was a training programme for all appropriately qualified staff. There is a comprehensive rolling three-year process to ensure a constant supply of up-to-date programmes.

Clinical risk training is available at corporate induction for all new recruits and staff who are already in post who require the programme are also encouraged to attend. The Clinical Risk and Safety Team disseminates lessons learnt from serious incident investigations to all staff through our weekly eBulletin staff newsletter and by attending directorate Quality Action Groups in addition to delivering bi-monthly lessons learnt sessions for staff. Our Suicide Prevention Information Network events continue to be held, to share wider learning from inquests and suicides in Surrey and nationally.

The Risk and Control Framework

Our Risk Management Strategy and Policy are based on the principle that it is impossible to eradicate risks, so they must be identified and minimised in a manner that provides staff with the confidence that the organisation seeks to learn and not to blame when incidents occur.

The Risk Management Strategy is underpinned by policies and processes that allow all staff to proactively identify and manage risks, incidents and near misses as they occur and to ensure learning from these takes place and is embedded. Our current Risk Management Strategy 2017-2020 is under review, having been delayed due to accommodating our pandemic response, to reflect updates that will enable us to strengthen governance processes for the management, review and monitoring of risks from ward to Board. The Trust Board held a Development Session on 10 March 2021 that will inform this review.

The Incident Management Policy, including serious incidents, was updated and approved July 2019 and is aligned to the national Serious Incident Framework. The Incident Management Policy clearly outlines the process of reporting incidents electronically through the Trust's electronic risk management system.

During 2020/21, we participated as one of only nine Trusts in the first tranche of the Royal College of Psychiatry's Serious Incident Review Accreditation Network (SIRAN) scheme. Recommendations from the Review will help us to develop further our practice and learning during 2021/22.

We have a fully paperless incident reporting and risk escalation process, which allows for tracking of outcomes from action taken following the reporting or escalation of a clinical and corporate incident or risk, including data security risks. Real-time reporting has enabled prompt resolution of risks escalated in clinical and corporate areas, including data security. Cyber security remains a risk for us, as it is nationally, with a number of associated risks to the confidentiality, integrity and availability of both corporate and patient data.

We recognise that the Trust is at constant threat and a successful cyber-attack has the potential to disrupt and delay care and general service provision. We have continued our work to improve our security foundations and to achieve Cyber Essentials Plus (CE+) accreditation, however shifting standards and Coronavirus response have unfortunately delayed progress. We now expect to achieve this accreditation by the end of the second quarter of 2021/22, subject to ongoing Coronavirus response requirements. It should be noted that NHS Digital are merging the CE+ requirements into the Data Security Protection Toolkit (DSPT) so we may not be required to gain accreditation against CE+ as a separate item in the future, however we will consider this during 2021/22. During 2020/21 we have provisioned NHS Secure Boundary, which offers an additional layer for perimeter security which is compliant and improves our DSPT and CE+ position.

Over the last year we have participated in Cyber Operational Readiness, a programme sponsored by NHS Digital, with a view to improving our cyber security position. This has included additional training opportunities for key staff members and Board awareness training, as well as ongoing communication exercises and raised awareness.

Board Assurance

The Board Assurance Framework is developed by the Trust's Executive Board and the Trust Board. Its purpose is to ensure that the Board focuses on the risks to delivery of the strategic objectives.

The Board Assurance Framework format was reviewed by the Audit Committee to ensure it remains relevant and effective for this organisation at its meeting in September 2020. The Board Assurance Framework is informed by, and linked to, the Trust's High Level Risk Register. The Framework is reviewed regularly by the Board to ensure reporting to the Board continues to provide sufficient assurance on the mitigation of risks to its strategic objectives. In addition, since the Board's agreement in October 2020 each risk is reviewed by the relevant Board sub-committee to provide further assurance to the Board on the level of risk they represent and the adequacy of the controls and assurance and any actions to mitigate gaps.

The Trust Board identifies the risks to the delivery of its strategic objectives through its Annual Operational planning activities. These are reflected in the Board Assurance

Framework 2020/21. During the year the Trust has been discussing and developing a Controls and Assurance Map to complement the Board Assurance Framework overseen by the Audit Committee.

Our Council of Governors consists of elected and appointed (nominated) Governors who represent those stakeholders who share our ambition to be the best we can be for the communities we serve. The Council works with the Board to help develop and inform the development of our annual Operational Plan. This includes the risks to the delivery of our strategic objectives in our plans for the year. Our Council meetings include a standing agenda item for Governors to raise issues of concern and interest. The Council also receives a Performance Update at each meeting. This brings to their attention areas of success but also areas where improvement or risks are emerging for discussion and oversight.

In addition, our Forum of Carers and people who Use Services (FoCUS) and a Carers Action Group (CAG), both raise any issues of concern and have a work programme that holds the Trust to account for any improvements. We also have integrated arrangements with Surrey CAMHS Youth Advisors (CYA) who provide feedback and get involved on all aspects of our children's mental health services.

The Trust Risk Register

We have a simplified process in place for the escalation of risks through our risk management system. This simplification and access to the risk module electronically has enhanced the ability for clinical teams to escalate risks to the Board. There is greater openness and transparency in the escalation and scrutiny of risks logged.

The high-level risks are reviewed weekly at the Safety Huddle, formed of senior managers and clinical leads as well as members of the Executive Board, to ensure a focus on rapid mitigation of risks. The Trust Board receives a risk report on a regular basis, thus demonstrating an embedded continuous risk review process. Since 2019 we have enhanced further this report to provide the Board with more detailed information drawn from our High-Level Risk Register. Mitigating actions to address high-level risks are also discussed on a weekly basis at the Safety Huddle meeting, to provide regular oversight and ensure actions are delivered.

Specific actions to mitigate strategic risks were identified as part of the annual Operational Planning process. Progress against these in 2020/21 was monitored and reported to the Executive Board and Trust Board through the Board Assurance Framework. The Framework considers the level of risk, considering both potential likelihood and impact, and reflects this in an "alert map" which awards a Red/Amber/Green rating to each risk. Following the assessment of residual risk (after mitigating controls, assurance and action plans have been applied) two risks to our strategic objectives have been identified as 'High' or 'Red' at year-end. These are:

- Property, to reflect the priority to improve further the environment at the Abraham Cowley Unit whilst our New Hospitals Programme (formerly known as our 24/7 Programme) delivers the redevelopment programme to replace the facility following feedback through our recent CQC inspection. This interim improvement work completed on 30 April as planned. We expect to eliminate dormitories as part of our

New Hospitals Programme by Spring 2022 and to complete the construction of the new Abraham Cowley Unit by Summer 2024.

- Our People, due to the increased risk to the health and wellbeing of our staff as a result of the demands of the continuing pandemic and surge in demand for our services. Our People Plan includes a focus on the health and wellbeing of our staff which will be a continued priority for us in 2021/22 together with tackling inequalities in the experience of colleagues.

A thematic review of the Trust risk register highlights the following highest clinical risks within our major operational risk themes at the end of the year:

➢ **Lack of high-quality therapeutic environments for all inpatients** – the limitations of our inpatient hospital facilities, where there is a lack of privacy and dignity for people being admitted at our Abraham Cowley Unit, Chertsey (serving north west and east and mid Surrey) due to the out-dated dormitory environments.

➢ **Developing our capacity, including the recruitment and retention of colleagues, to manage well the demand for services alongside the pace and scale of change** – ensuring we manage safely and well our resources, capacity and capability, including the recruitment and retention of sufficient skilled, motivated and adaptable colleagues, so that we can to meet the current needs of our communities safely and develop and transform their ways of working to realise the ambitions of the Long Term Plan and our clinical strategy for improvement in the emotional and mental health and wellbeing of local people.

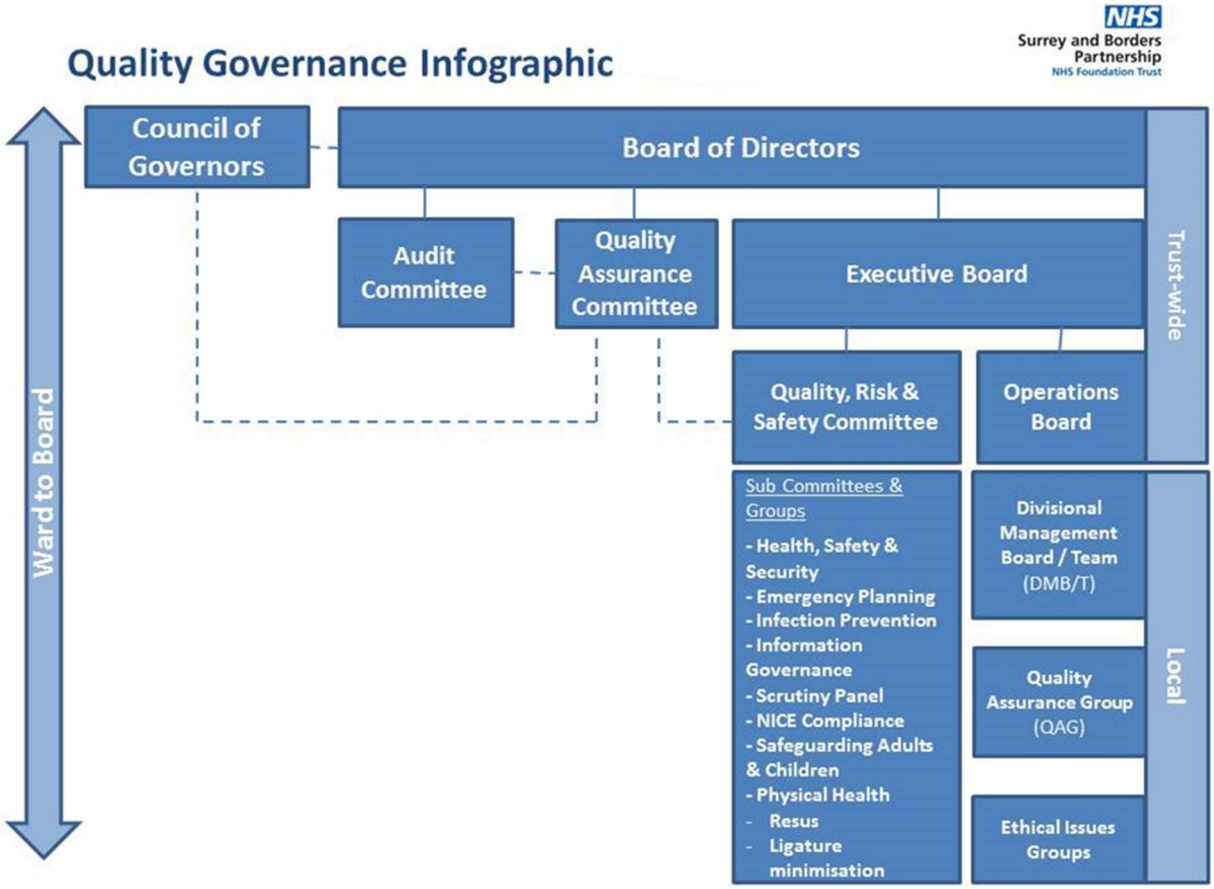
➢ **Health and wellbeing of our colleagues** – the need to lead, manage and support our staff well and look after their health and wellbeing, so we can retain them, after a challenging year of unprecedented change in ways of working and demands, at work and at home, as a result of the pandemic; so that they can in turn provide high quality services.

➢ **Demand and Waiting times pressures –** pressures arising in both community services and acute assessment and treatment services. This is especially the case with increased demand for services, particularly crisis services for all ages, and our children and young people's services especially in those presenting with eating disorders and requiring and inpatient admission, and those with neuro-development disorders, reflecting the continued negative impact of the pandemic and its after-effects on our communities.

➢ **Harnessing learning** – ensuring we learn from when things work well for people in our services and when they do not e.g. complaints and serious incidents; and also ensuring we do not lose the benefits from what has worked well, as a result of our new ways of working and culture development, and made a positive difference to people's lives (those of the people and their families who depend on our services as well as our colleagues) as a result of the pandemic and harness these for the future.

Quality improvement and learning is sustained and protected by assurance and good governance. Our quality assurance processes operate from our Board, supported by our Quality Assurance Committee and Executive Board through our Quality, Risk and Safety

Committee, Operations Board, Directorate Management Teams and Divisional Quality Assurance Groups to our front line and back. These are shown in the following infographic:



Short, Medium and Long-Term Workforce Strategies and Staffing Systems
We seek to create an environment in which our staff can develop in satisfying jobs and rewarding careers. We are focused on continuing to enhance our culture, leadership and equality, ensuring the consistent availability of excellent staff to meet current and future needs including driving increased productivity and effectiveness. Our ambition is to inspire people to want to work for us, and to be the best they can be in their roles, by making our Trust a great place to work and achieve your potential.

Our Strategic People Plan provides the framework to do this and is underpinned by our ongoing commitment to our Joy in Work initiative. The Strategic People Plan adopts four key pillars which focus on attracting staff, supporting their career aspirations, creating a culture of caring and embracing equality, fairness and inclusion.

We have a number of key governance and reporting arrangements which provide assurance to the Board that our staffing processes are safe, sustainable and effective in keeping with the Developing Workforce Standards. These include notably:

➢ **Quality, Risk and Safety report** – this draws together Statistical Process Control (SPC) charts to track our key performance indicators for quality, safety and experience. It includes a number of key indicators relating to our workforce e.g. absence, and

comments on safe staffing levels, rostering and vacancies.

➢ **Guardian of Safe Hours report** - which follows a set format highlighting the set areas of Guardian concern: Exception reports, Work Schedule reviews and the Trust's use of locums to cover the junior doctor rota in each of the localities.

➢ **Safe Staffing report** - this report helps us, twice a year, to monitor whether we have the right staff with the right skills in the right place at the right time. It provides an overview of our skill mix and use of temporary nurse and support staff in our inpatient settings across all our services. It shows how our staffing establishments have been adjusted to respond to staff absence and increases in acuity and dependency e.g. risk of falls, 1:1 nursing, as indicated through our safe-staffing establishment tool.

➢ **Value for Money report** - which provides information monthly on our agency spend. In addition, our annual budget setting processes support the review and reset as necessary of nursing skill mix and establishments in line with experience over the year and anticipated developments and demand.

➢ **Workforce and Human Resources report** - which comments on vacancies, agency use, sickness, turnover and plans for addressing areas of concern.

➢ **Nurse Recruitment and Retention group -** this is underpinned by the STAAAY Strategy (Supervision, Training, Appraisal, Acknowledging Achievement, Advancement in your career, Investing in You) for recruiting and retaining nursing staff to our Trust.

➢ **Recruitment and Retention group** - this agrees strategies for recruiting and retaining professional staff to our Trust.

➢ **Operations Board and Divisional Management Groups** - have oversight on our workforce data and discuss plans to support areas of concern at a Divisional level.

➢ **Early Warning Signs (EWS) indicators** - our EWS indicators identify services that may require extra help prior to there being significant harm and a Circle of Support is implemented which is a task and finish group to immediately address the issues.

➢ **Daily Safety Calls (hospital services)** - provide the opportunity for immediate issues to be raised across services and teams on key safety issues for urgent action and support. This includes the deployment of additional resources including staff.

➢ **Healthroster** - Nurse Rostering team has been implementing the NHS Professionals (NHSP) interface with Healthroster and this will be live for all teams in 2020.

➢ **SafeCare Pilot** - We are moving to the evaluation stage of the SafeCare pilot with the four teams who have been piloting this new approach. This was paused due to the impact of Coronavirus. Once we are satisfied that SafeCare is working as it should be, a roll out for the rest of the rostered teams will be established.

In addition, over the last year our safer staffing approach has been further strengthened by updating our terms of reference and governance structure. We undertook safer staffing reviews in collaboration with operational services through spring 2020 using the assessment tools of the National Quality Board. In March 2021 we launched our Safety Attitude Survey. The outcome of this survey will give us real insight into frontline experience of teamwork, colleagues' attitudes to patient safety and learning from patient safety incidents. The survey data will help us identify things that are going well and things that need improvement giving us a snapshot of what life at the frontline is really like so we can target our support to these areas.

Our People Committee was created as a new Board sub-committee in 2020 to focus on our workforce. The aim of this subcommittee is to provide additional focus on implementation of our Strategic People Plan, including Workforce Race Equality Standards (WRES) and Workforce Disability Equality Standards (WDES) progress and annual plans for improvements.

Each year, our annual Operational Plan sets out how we will progress our overall Strategy, including our workforce priorities, over the next year. Our Plan is developed and approved by the Board, informed by discussions with our Governors.

Our Board reviews its governance arrangements each year to ensure they remain fit for purpose. In 2020/21, the Board commissioned the Good Governance Institute (GGI) to undertake its Independent Developmental Review of Leadership and Governance (using the Well Led Framework) in line with expectations these are undertaken by all organisations every 3 to5 years. The recommendations from the Review will inform the Board Development programme in 2021/22.

CARE Excellence Accreditation

We continue to aspire to be best in class as Our CARE Excellence Accreditation process is our internally developed process to improve the quality of our care through challenging our services to become 'Outstanding'. Following the last Care Quality Commission (February 2020) inspection they highlighted our accreditation process as being an area of outstanding practice.

Foundation Standards reviews are the first step towards Accreditation. Each year the Foundation standards tool is refreshed to reflect changes in practice, ensure it is aligned to the Care Quality Commission's standards and to add focus in areas we want to improve on. All services have undertaken a Foundation Standards self-assessment and peer review and have subsequently been given a rating which reflects the CQC rating process. The key is as follows:

Rating	Scoring
Outstanding	CARE Excellence Accreditation
Good	Score of 95% and achieved all mandatory standards

Requires Improvement	Score of below 95% and above 84% or score of 95% or above but not achieving all the mandatory standards
Requires Significant Improvement	Score of below 85%

The rationale for the ratings is to ensure that key mandatory standards are given a higher weighting. Although a service might have scored high for the other standards, they can only achieve a 'Good' rating if they meet all the mandatory areas too. All services have an action plan following their Foundation Standards reviews to help focus their attention.

Once a service achieves a GOOD rating in their peer review, they can move on to the next step of the accreditation process.

Through the pandemic period, we paused our Accreditation programme and took the opportunity to review our Foundation Standards tool. The revised 2020/21 tool is being launched in April 2021 for teams to complete their self-assessment. Due to the gap since the last schedule all services (excluding accredited teams) will complete the self-assessment in the same time frame to get a fresh picture of assurance.

Data Security (Information Governance)

Our Caldicott Guardian is our Chief Nursing Officer and the Chief Digital and Information Officer is the Senior Information Risk Owner (SIRO), both on the Trust Board. The Information Governance Steering Group (IGSG), which meets monthly, oversees and ensures performance in all components of Data Security. With the onset of Coronavirus IGSG is meeting twice monthly in response to the high volume of change required to support frontline services, working with national guidance to streamline processes and enable rapid deployment of digital solutions and new or changed services.

Information governance risks are managed by staff through the use of information governance policies and procedures, supported by a process of in-depth training, training on induction courses and support materials available on our intranet. The information Governance function continues to engage with regional and national bodies to ensure best practice is adhered to and that the Trust is at the forefront of understanding and assessing itself against developing standards for cyber security and information governance.

Surrey and Borders Partnership NHS Foundation Trust is progressing well with the Data Security and Protection Toolkit for 2020/21 with an expected status of 'Standards Met'. This was confirmed by the Internal (TIAA) Audit in February 2021. However, in response to Coronavirus the deadline for submission has been extended until 30 June 2021 we therefore have not yet submitted the 2020/21 toolkit. Thus, all compliance requirements including staff IG training, are not due until 30 June 2021. The Staff IG training compliance rate is 91% as of 31 March 2021.

There have not been any serious information governance related incidents that were deemed to be reportable to the Information Commissioner's Office (ICO) and Department of Health and Social Care (DHSC) during 2020/21.

Care Quality Commission
The Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission (CQC).
The CQC undertook its last annual inspection of our five core services during 2019/20. These focused on the care pathway for Adults of Working Age. We have held an overall Trust rating of 'Good' for the quality of our mental health and learning disability services since July 2017.

The Trust was rated as 'Good' for all five domains: Safe, Effective, Caring, Responsive and Well-led during 2019/20. The retention of our Good overall rating was confirmed in the report published in May 2020 following the annual inspection in January / February 2020.

From our 2020 inspection we were issued with three requirements notices as listed below:
• Regulation 12: safe care and treatment in the mental health crisis services and health-based places of safety. We were told we must make improvements to the medicine's management in our home treatment teams.
• Regulation 17: good governance in acute wards for adults of working age and psychiatric intensive care units (PICUs). We were told we must make improvements to the environment of the Abraham Cowley Unit to improve patient experience.
• Regulation 10: in mental health crisis services and health-based places of safety. We were told that our staff working in the service must understand how to provide care to people with a learning disability and autism.

The improvement actions to close these regulation breaches are complete.

In 2020, we were issued 13 'should do's' from our core service inspections. These did not result in the issuing of requirement notices but were to help us to focus on quality improvements within our core services.

We took immediate action based on the verbal feedback at the time of inspection in many of the areas for improvement. We submitted our action plan to CQC in response to the three Requirement Notices by 1 June 2020. However, the Care Quality Commission undertook an unannounced inspection on 26 June 2020. The CQC visited two wards at the Abraham Cowley Unit (ACU) following the two serious incidents which resulted in the tragic deaths of two people whilst in our care in April and May.

Following their inspection, the Care Quality Commission wrote to us in July to advise that they were concerned we were not moving swiftly enough to implement the improvements we said we would, to our practice and environments, relating to ligature harm minimisation and observations. The CQC advised us that, if these actions were not taken, they may have chosen to take enforcement action. We immediately responded to the CQC concerns and developed a further action plan to monitor and track our progress in making these changes across all our wards. The Care Quality Commission wrote to us to confirm they were satisfied with the steps we took and would not be taking any further action in relation to these matters. Our work to deliver priority improvements to the environment at the ACU, our ACU CQC Improvement Plan, has been led by Lorna Payne, Chief Operating Officer, and Heather Caudle, Chief Nursing Officer has overseen the improvement as well as the quality and safety assurances. This has included extensive refurbishment works alongside the introduction of

new practices and supported by new technology. The programme is on-track to complete on time by the 30 April deadline we set ourselves.

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 12 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 that 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 ensures economy, efficiency and effectiveness through a variety of means, including:

➢ A robust pay and non-pay budgetary control system, including monthly meetings with budget managers across the divisions to review spend and monthly reporting to the Executive Board on finances and value for money

➢ A range of effective and consistently applied financial controls

➢ Effective tendering and waiver procedures

➢ Robust workforce and establishment control processes

➢ Continuous review of service activity and improvements, service delivery and modernisation

➢ A robust cost improvement programme ensuring that corporate and operational units are effectively delivering the savings required and the best allocation of resources. The Board ensures services are efficient and effective through its CARE Excellence Accreditation process and by ensuring our services maintain our registration. We have also improved the frequency of direct feedback from people using our services, to further improve care provision, through our patient experience tracker, *Your Views Matter*.

The Trust Board uses a walk-around programme for Directors and Governors to regularly visit our services by invitation to support the development of our Qi culture. This has been paused during 2020/21 due to the pandemic and the need to ensure any activity is able to support Covid safety measures and precautions for services, people who use our services, staff and visitors. We have kept this under review with the aim of restarting the programme

at the earliest opportunity once the demands and restrictions of the pandemic ease sufficiently.

Our capital disposal programme prioritises sites that can be sold to fund future service needs. We prioritise for health and safety, ligature minimisation and environmental improvement, before strategic developments are undertaken.

The Joint Surrey and Borders and Integrated Care System Serious Incident Scrutiny Panel analyses any serious incidents to ensure lessons can be learnt and appropriate remedial action plans are implemented. We launched our integrated approach in March 2020 to promote shared learning and oversight.

Internal Audit ensures constant review of effective control processes are in place to deliver best value for money. An annual work plan is agreed with the Audit Committee to ensure areas of concern are addressed.

Information Governance

Data quality and governance

In 2020/21, the Board and Council of Governors received regular exception reports highlighting performance against the indicators set for the year. In addition, our Quality Assurance Committee received a mid-year review of performance against key clinical quality indicators and considered work on priority improvement areas during the year.

Learning from incidents is one of the many ways of ensuring continued improvement in the quality of what the Trust does. Others include:

- Adaptation of 'Your Views Matters' surveys, providing people with an opportunity to
- feedback about their experiences in alternative accessible versions
- Implementation of our in-house quality assessment tool, CARE Excellence
- Accreditation, to increase the standards expected from all clinical teams
- And, once pandemic restrictions are lifted walk-arounds by members of the Trust Board and Governors to services, to provide opportunities for staff, people who use our services and carers to tell Directors and Governors how things are from their perspective

Throughout 2020/21, we continued to develop our processes for scrutiny, investigation and reporting of people's deaths led by our Chief Nursing Officer and Chief Medical Officer.

This includes:

- Continued development of our mortality case note review approach
- Strengthened our approach to immediate learning from incidents through a weekly Unexpected Death Mortality Review Meeting chaired by our Chief Medical Officer
- Reviewing deaths of individuals who have been discharged from our care but who had engaged with our services within six months to ensure continuous learning
- Maintaining our learning disability mortality case note review approach which includes a wide range of stakeholders involved in the life and care of the person
- Our Mortality Assurance Coordinator's complete focus on our mortality surveillance approach

- Reports to the Trust Board identifying learning and themes to inform our practice development and, in some cases, those of system partners

Our approach, together with our focus on near misses, high level incidents and serious incidents, is helping to ensure we are taking every opportunity to learn what further steps we can take to prevent harm or death amongst people who use our services.

During 2020/21 our Digital Health team was continued its approach, through bringing together our data quality and digital intelligence and analytics approaches under the leadership of our Chief Clinical Information Officer to further our digitally enabled practice. This is improving our use and the quality of our decision-making and performance monitoring data. For example, the increased use of benchmarking information through our membership of the NHS Benchmarking forum.

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

My review is also informed by detailed reports from both internal and external audit and feedback from NHS Improvement, the Care Quality Commission and NHS Resolution. The Trust has maintained the registration of all its health and social care services. This is closely monitored by the Executive Board. The essential standards are monitored through our Care Excellence Accreditation process.

Maintenance and review of the effectiveness of the system of internal control has been provided by the comprehensive mechanisms already referred to in this Statement. These include:

- Regular reports to the Trust Board including our risk theme report
- Annual Quality Accounts
- Receipt of reports from key Trust forums and processes, including the Trust's Audit Committee and Quality Assurance Committee
- Monitoring of compliance against the essential standards of quality and safety
- Our internal, external and clinical audit programmes
- The ongoing development of the Assurance Framework and associated action plans including the provision of exception reports to the Trust Board

As a result, the following outcomes have been achieved:

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➢ Regular review of the Board Assurance Framework and the High Level Risk Register to ensure appropriate action plans are identified and implemented to minimise the impact of risk across the Trust

➢ Embedded importance of the roles and relationships of the Quality Assurance and Audit Committees in providing assurance to the Board, to reflect the organisation's development and enhance our ability to review trends and target the internal and clinical audit plans, to review the processes and procedures to manage key risks within the Trust

Internal audit completed 12 reviews in 2020/21 (inclusive of 2 advisory reviews) compared to 12 in 2019/20. As with the previous three years, the opinions assigned to each report reflect the outcome of the testing of both the design of the controls and the operational effectiveness of the controls. From the final assurance reports issued as at end March 2021, reasonable or substantial levels of assurance were achieved for all reviews completed.

None of the reviews were assessed with a 'No Assurance' or Limited assurance opinion.

Conclusion

No significant internal control issues have been identified in the Annual Governance Statement.

Graham Wareham
Chief Executive
09 June 2021

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Annual Accounts for the year ended 31 March 2021

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF SURREY AND BORDERS PARTNERSHIP NHS FOUNDATION TRUST

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Surrey and Borders NHS Foundation Trust ("the Trust") for the year ended 31 March 2021 which comprise the Trust Statement of Comprehensive Income, Trust Statement of Financial Position, Trust Statement of Changes in Taxpayers Equity and Trust Statement of Cash Flows, and the related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 March 2021 and of the Trust's income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Accounts Direction issued under paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006 and the Department of Health and Social Care Group Accounting Manual 2020/21.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of, the Trust in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Directors have prepared the financial statements on the going concern basis as they have not 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. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Directors' conclusions, we considered the inherent risks to the Trust's business model and analysed how those risks might affect the Trust's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified, and concur with the Directors' assessment that there is not a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Trust will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management, the Audit Committee and internal audit as to the Trust's high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Assessing the incentives for management to manipulate reported financial performance as a result of the need to achieve control totals delegated to the Trust by NHS Improvement
- Reading Board and Audit Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.
- Reviewing the Trust's accounting policies.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we performed procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risks that additional funding was claimed inappropriately through the extra resources made available as a result of Covid-19, that revenue is recorded in the wrong period, and the risk that Trust management may be in a position to make inappropriate accounting entries.

In line with the guidance set out in Practice Note 10 Audit of Financial Statements of Public Sector Bodies in the United Kingdom we also recognised a fraud risk related to expenditure recognition, particularly in relation to year-end accruals and provisions.

We did not identify any additional fraud risks

In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of Trust-wide fraud risk management controls.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included journals posted to seldom used accounts, unusual postings with cash or revenue and the last five journals posted in the period.
- Assessing significant estimates for bias.
- Assessing the completeness of disclosed related party transactions and verifying they had been accurately recorded within the financial statements.
- Agreeing a sample of year end accruals to relevant supporting documents, including actual invoices received post year end, where applicable.
- Performing cut-off testing of income and expenditure in the period before and after 31 March 2021 to determine whether amounts have been recorded in the correct period

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience and through discussion with the directors and other management (as required by auditing standards), and

from inspection of the Trust's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Trust is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Trust is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Trust is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information in the Annual Report

The Directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information; and
- in our opinion the other information included in the Annual Report for the financial year is consistent with the financial statements.

Annual Governance Statement

We are required to report to you if the Annual Governance Statement has not been prepared in accordance with the requirements of the NHS Foundation Trust Annual Reporting Manual 2020/21. We have nothing to report in this respect.

Remuneration and Staff Reports

In our opinion the parts of the Remuneration and Staff Reports subject to audit have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2020/21.

Accounting Officer's responsibilities

As explained more fully in the statement set out on page 68, the Accounting Officer is responsible for the preparation of financial statements that give a true and fair view. They are also responsible for: such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they have 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.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

Report on 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 if we identify any significant weaknesses in the arrangements that have been made by the Trust to secure economy, efficiency and effectiveness in its use of resources.

We have nothing to report in this respect.

Respective responsibilities in respect of our review of arrangements for securing economy, efficiency and effectiveness in the use of resources

The Trust is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of resources.

Under Section 62(1) and paragraph 1(d) of Schedule 10 of the National Health Service Act 2006 we have a duty to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in the 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 the use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice and related statutory guidance having regard to whether the Trust had proper arrangements in place to ensure financial sustainability, proper governance and the use of information about costs and performance to improve the way it manages and delivers its services. Based on our risk assessment, we undertook such work as we considered necessary.

Statutory reporting matters

We are required by Schedule 2 to the Code of Audit Practice to report to you if:

- any reports to the Regulator have been made under paragraph 6 of Schedule 10 of the National Health Service Act 2006.
- any matters have been reported in the public interest under paragraph 3 of Schedule 10 of the National Health Service Act 2006 in the course of, or at the end of the audit.

We have nothing to report in these respects.

THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

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 and the terms of our engagement by the Trust. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust, as a body, those matters we are required to state to them in an auditor's report, and the further matters we are required to state to them in accordance with the terms agreed with the Trust, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust, as a body, for our audit work, for this report, or for the opinions we have formed.

CERTIFICATE OF COMPLETION OF THE AUDIT

We certify that we have completed the audit of the accounts of Surrey and Borders NHS Foundation Trust for the year ended 31 March 2021 in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice.

Joanne Lees
for and on behalf of KPMG LLP
Chartered Accountants
15 Canada Square
London
E14 5GL

15 June 2021

Surrey and Borders Partnership NHS Foundation Trust

Annual accounts for the year ended 31 March 2021

Foreword to the accounts

Surrey and Borders Partnership NHS Foundation Trust

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

Signed

Name	**Graham Wareham**
Job title	**Chief Executive**
Date	**09 June 2021**

Consolidated Statement of Comprehensive Income

	Note	Trust 2020/21 £000	Group 2019/20 £000 Restated*	Trust 2019/20 £000 Restated*
Operating income from patient care activities	3	235,574	208,014	195,888
Other operating income	4	35,715	20,493	20,493
Operating expenses	7, 9	(269,075)	(225,016)	(212,890)
Operating surplus/(deficit) from continuing operations		**2,214**	**3,491**	**3,491**
Finance income	12	11	221	221
Finance expenses	13	66	(36)	(36)
PDC dividends payable		(1,603)	(3,309)	(3,309)
Net finance costs		**(1,526)**	**(3,124)**	**(3,124)**
Other gains / (losses)	14	(11)	12,434	12,434
Share of profit / (losses) of associates / joint arrangements	24	-	214	214
Surplus / (deficit) for the year from continuing operations		**677**	**13,015**	**13,015**
Surplus / (deficit) on discontinued operations and the gain / (loss) on disposal of discontinued operations	16	-	-	-
Surplus / (deficit) for the year		**677**	**13,015**	**13,015**
Other comprehensive income				
Will not be reclassified to income and expenditure:				
Impairments	8	1,097	-	-
Revaluations	22	263	351	351
Share of comprehensive income from associates and joint ventures	24	-	-	-
Total comprehensive income / (expense) for the period		**2,037**	**13,366**	**13,366**
Surplus/ (deficit) for the period attributable to:				
Non-controlling interest, and		-	-	-
Surrey and Borders Partnership NHS Foundation Trust		677	13,015	13,015
TOTAL		**677**	**13,015**	**13,015**
Total comprehensive income/ (expense) for the period attributable to:				
Non-controlling interest, and		-	-	-
Surrey and Borders Partnership NHS Foundation Trust		2,037	13,366	13,366
TOTAL		**2,037**	**13,366**	**13,366**
Adjusted financial performance (control total basis):				
Surplus / (deficit) for the period		677	13,327	13,327
Remove net impairments not scoring to the Departmental expenditure limit		(527)	(413)	(413)
Remove net impact of inventories received from DHSC group bodies for COVID response		(141)	-	-
Adjusted financial performance surplus / (deficit)		**9**	**12,914**	**12,914**

* See note 50 for details regarding the restatement.

Statements of Financial Position

	Note	Trust 31 March 2021 £000	Group 31 March 2020 £000 Restated*	Group 1 April 2019 £000 Restated*	Trust 31 March 2020 £000 Restated*	Trust 1 April 2019 £000 Restated*
Non-current assets						
Intangible assets	17	12,048	9,135	7,782	9,135	7,782
Property, plant and equipment	19	86,631	80,246	87,883	80,246	87,883
Receivables	29	7,008	6,947	13,183	6,947	13,183
Total non-current assets		**105,687**	**96,328**	**108,848**	**96,328**	**108,848**
Current assets						
Inventories	28	225	72	71	72	71
Receivables	29	17,107	50,417	35,126	50,417	33,852
Non-current assets held for sale	31.1	294	308	308	308	308
Cash and cash equivalents	32	89,212	41,893	24,359	41,893	24,359
Total current assets		**106,838**	**92,690**	**59,864**	**92,690**	**58,590**
Current liabilities						
Trade and other payables	33	(40,016)	(29,242)	(26,001)	(29,242)	(24,727)
Provisions	38	(5,547)	(4,299)	(3,317)	(4,299)	(3,317)
Other liabilities	34	(9,860)	(3,167)	(1,919)	(3,167)	(1,919)
Total current liabilities		**(55,423)**	**(36,708)**	**(31,237)**	**(36,708)**	**(29,963)**
Total assets less current liabilities		**157,102**	**152,310**	**137,475**	**152,310**	**137,475**
Non-current liabilities						
Provisions	38	(11,939)	(12,563)	(11,794)	(12,563)	(11,794)
Total non-current liabilities		**(11,939)**	**(12,563)**	**(11,794)**	**(12,563)**	**(11,794)**
Total assets employed		**145,163**	**139,747**	**125,681**	**139,747**	**125,681**
Financed by						
Public dividend capital		195,725	192,346	191,646	192,346	191,646
Revaluation reserve		14,006	13,202	19,081	13,202	19,081
Other reserves		(13,391)	(13,391)	(13,391)	(13,391)	(13,391)
Income and expenditure reserve		(51,177)	(52,410)	(71,655)	(52,410)	(71,655)
Total taxpayers' equity		**145,163**	**139,747**	**125,681**	**139,747**	**125,681**

* See note 50 for details regarding the restatement.

The notes on pages 98 to 152 form part of these accounts.

Name **Graham Wareham**
Position **Chief Executive**
Date **09 June 2021**

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

Trust	Public dividend capital	Revaluation reserve	Financial assets reserve	Other reserves	Merger reserve	Income and expenditure reserve	Charitable fund reserves	Non-controlling interest	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2020 - brought forward	**192,346**	**13,202**	**-**	**(13,391)**	**-**	**(52,410)**	**-**	**-**	**139,747**
Surplus/(deficit) for the year	-	-	-	-	-	677	-	-	**677**
Impairments	-	1,097	-	-	-	-	-	-	**1,097**
Revaluations	-	263	-	-	-	-	-	-	**263**
Transfer to retained earnings on disposal of assets	-	(41)	-	-	-	41	-	-	**-**
Share of comprehensive income from associates and joint ventures	-	-	-	-	-	-	-	-	**-**
Public dividend capital received	3,379	-	-	-	-	-	-	-	**3,379**
Taxpayers' and others' equity at 31 March 2021	**195,725**	**14,006**	**-**	**(13,391)**	**-**	**(51,177)**	**-**	**-**	**145,163**

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

Group	Public dividend capital	Revaluation reserve	Financial assets reserve	Other reserves	Merger reserve	Income and expenditure reserve	Charitable fund reserves	Non-controlling interest	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2019 - brought forward	**191,646**	**19,081**	**-**	**(13,391)**	**-**	**(68,076)**	**-**	**-**	**129,260**
Prior period adjustment *	-	-	-	-	-	(3,579)	-	-	**(3,579)**
Taxpayers' and others' equity at 1 April 2019 - restated	**191,646**	**19,081**	**-**	**(13,391)**	**-**	**(71,655)**	**-**	**-**	**125,681**
Surplus/(deficit) for the year	-	-	-	-	-	13,015	-	-	**13,015**
Other transfers between reserves	-	(639)	-	-	-	639	-	-	**-**
Impairments	-	-	-	-	-	-	-	-	**-**
Revaluations	-	351	-	-	-	-	-	-	**351**
Transfer to retained earnings on disposal of assets	-	(5,591)	-	-	-	5,591	-	-	**-**
Share of comprehensive income from associates and joint ventures	-	-	-	-	-	-	-	-	**-**
Public dividend capital received	700	-	-	-	-	-	-	-	**700**
Taxpayers' and others' equity at 31 March 2020	**192,346**	**13,202**	**-**	**(13,391)**	**-**	**(52,410)**	**-**	**-**	**139,747**

* See note 50 for details regarding the restatement.

Information on reserves

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

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

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

Other reserves
A negative other reserve was created in 2007/08, which related to the 2004/05 revaluation of property plant and equipment

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

Non-controlling interest reserve
The Children and Family Health Surrey reserve for the year ended 31 March 2021 is nil

Statements of Cash Flows

	Note	Trust 2020/21 £000	Group 2019/20 £000 Restated*	Trust 2019/20 £000 Restated*
Cash flows from operating activities				
Operating surplus / (deficit)		2,214	3,491	3,491
Non-cash income and expense:				
Depreciation and amortisation	7.1	8,479	7,649	7,649
Net impairments	8	128	(413)	(413)
(Increase) / decrease in receivables and other assets		3,664	14,979	13,705
(Increase) / decrease in inventories		(153)	(1)	(1)
Increase / (decrease) in payables and other liabilities		14,278	4,386	5,660
Increase / (decrease) in provisions		690	965	965
Net cash flows from / (used in) operating activities		**29,300**	**31,056**	**31,056**
Cash flows from investing activities				
Interest received		43	189	189
Purchase of intangible assets		(6,016)	(2,196)	(2,196)
Purchase of PPE and investment property		(7,337)	(9,052)	(9,052)
Sales of PPE and investment property		30,341	184	184
Net cash flows from / (used in) investing activities		**17,031**	**(10,875)**	**(10,875)**
Cash flows from financing activities				
Public dividend capital received		3,379	700	700
PDC dividend (paid) / refunded		(2,391)	(3,561)	(3,561)
Cash flows from (used in) other financing activities		-	214	214
Net cash flows from / (used in) financing activities		**988**	**(2,647)**	**(2,647)**
Increase / (decrease) in cash and cash equivalents		**47,319**	**17,534**	**17,534**
Cash and cash equivalents at 1 April - brought forward		**41,893**	**24,359**	**24,359**
Prior period adjustments			-	-
Cash and cash equivalents at 1 April - restated		**41,893**	**24,359**	**24,359**
Cash and cash equivalents at 31 March	32	**89,212**	**41,893**	**41,893**

* See note 50 for details regarding the restatement.

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2020/21 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts

Accounting convention

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

Note 1.2 Going concern

The Foundation Trust's annual report and accounts have been prepared on a going concern basis. Non-trading entities in the public sector are assumed to be going concerns where the continued provision of a service in the future is anticipated, as evidenced by inclusion of financial provison for tht service in published documents.

Note 1.3 Consolidation

From 30th August 2019 all trading activities and balances within the Group belong to the Trust, therefore for the reporting year ending 31st March 2021 an unconsolidated poisition for the Trust is being reported, with the Trust and Group positions being reported for the comparitive year ended 31st March 2020.

Other 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. The income, expenses, assets, liabilities, equity and reserves of subsidiaries are consolidated in full into the appropriate financial statement lines. The capital and reserves attributable to minority interests are included as a separate item in the Statement of Financial Position.

The amounts consolidated are drawn from the published financial statements of the subsidiaries for the year [except where a subsidiary's financial year end is before 1 January or after 1 July in which case the actual amounts for each month of the trust's financial year are obtained from the subsidiary and consolidated.

Where subsidiaries' accounting policies are not aligned with those of the trust (including where they report under UK FRS 102) then amounts are adjusted during consolidation where the differences are material. Inter-entity balances, transactions and gains/losses are eliminated in full on consolidation.

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

The Trust entered into a Limited Liability Partnership (LLP) called Surrey Healthy Children and Families, incorporated on 19 December 2016 (partnership number OC415159), in which Surrey and Borders Partnership NHS Foundation Trust and Central Surrey Health CIC are partners, each holding a 50% interest. Under clause 17.1 of the Partnership Agreement that governs the LLP, the Trust will provide a guarantee on demand to commissioners that the Trust will guarantee the provision of services to be provided by the LLP under the service contract. The Trust has assessed its relationship with the LLP in the light of this guarantee and judged that the materiality of losses incurred by LLP partners means that, whilst the Trust has not triggered its additional rights, it would be justified in doing so and, on that basis, the Trust is accounting for its relationship with the LLP as a subsidiary consolidated into Group accounts with a 50% non-controlling interest. The accounts of the LLP are coterminous with those of the Trust. The LLP's period end is 31 March 2021. Surrey Healthy Children and Families LLP ceased trading on 30th August 2019, at which time all activities were continued by the Trust.The Trust also owns SABP Care Ltd, incorporated on 9 May 2014, a dormant company.Subsidiaries which are classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

NHS Charitable Fund
The charitable fund's statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on UK Financial Reporting Standard (FRS) 102.

The NHS Foundation Trust is the corporate Trustee to Surrey and Borders Partnership NHS Foundation Trust General Purposes Charity and Related Charities (Charity number 1126477). The Trust had previously assessed its relationship to the charitable fund and, determining it to be a subsidiary, had consolidated the charitable fund's statutory accounts into the Trust. However, in 2016/17, the Trust considered the definition in IAS 1, which requires materiality to be judged 'in the surrounding circumstances', and determined that, from the viewpoint of both the Trust and the charitable fund, consolidation no longer aids the users of the accounts. The value of the funds at 31 March 2021 was £1.14m.
DH Group bodies are required to disclose as a related party all linked charities (unless formally consolidated), including the nature of the relationship and details of material transactions between the Trust and the linked charity. Refer to Note 48.

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

Surrey and Borders Partnership NHS Foundation Trust is a 25% partner in the Collaborative Procurement Partnership LLP (CPP LLP), with three other NHS foundation Trusts. The partnership was registered at Companies House on 18 January 2017 and began implementation on 8 November 2017, following a successful tender process to deliver services to the Department of Health from 8 May 2018. For the year ended 31 March 2021, the Trust has not received a dividend.

The Trust is accounting for its relationship with CPP as an investment in an associate. Movement in the value of the investment is recognised in the Statement of Comprehensive Income.
Associates which are classified as held for sale are measured at the lower of their carrying amount and "fair value less costs to sell".

Note 1.4 Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS).

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

In respect of the Trust's Non-NHS commissioner block contracts, invoices are paid in advance or in arrears, as specified within each contract, and recognised each month as an equal twelfth. Non-contracted income is invoiced and recognised on a cost and volume basis in arrears on satisfaction of the performance. Payment from Local Authorities is received in arrears on a 4-weekly basis and the revenue recognised in the month of the performance.

Revenue from NHS contracts

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

2020/21

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

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

Comparative period (2019/20)

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

Revenue is recognised to the extent that collection of consideration is probable. Where contract challenges from commissioners are expected to be upheld, the Trust reflects this in the transaction price and derecognises the relevant portion of income.

Where the Trust is aware of a penalty based on contractual performance, the Trust reflects this in the transaction price for its recognition of revenue. Revenue is reduced by the value of the penalty.

The Trust receives income from commissioners under Commissioning for Quality and Innovation (CQUIN) schemes. The Trust agrees schemes with its commissioner but they affect how care is provided to patients. That is, the CQUIN payments are considered distinct performance obligations in their own right.

Revenue from research contracts

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

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

In 2019/20 the PSF and FRF enable providers to earn income linked to the achievement of financial controls and performance targets. Income earned from the funds is accounted for as variable consideration.

Revenue from Health Education England (HEE)

The Trust receives funding for the salaries of trainee junior doctors, student nurses, occupational therapists, clinical psychologists and clinical placements. This revenue is recognised monthly in line with salary payments to the individuals concerned. Other funding for medical and non-medical education is recognised only to the extent that a performance obligation is satisfied. HEE has specified that such income may not be deferred.

Note 1.5 Other forms of income

Grants and donations

Government grants are grants from government bodies other than income from commissioners or trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. Where the grants is used to fund capital expenditure, it is credited to the consolidated statement of comprehensive income once conditions attached to the grant have been met. Donations are treated in the same way as government grants.

Apprenticeship service income

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider from the Trust's Digital Apprenticeship Service (DAS) account held by the Department for Education, the corresponding notional expense is also recognised at the point of recognition for the benefit.

Other Income

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

Note 1.6 Expenditure on employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Both schemes are unfunded, defined benefit schemes that cover NHS employers, general practices and other bodies, allowed under the direction of Secretary of State for Health and Social Care in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as though it is a defined contribution scheme: the cost to the trust is taken as equal to the employer's pension contributions payable to the scheme for the accounting period. The contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the trust commits itself to the retirement, regardless of the method of payment.

The schemes are subject to a full actuarial valuation every four years and an accounting valuation every year.

Note 1.7 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

Note 1.8 Discontinued operations

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

Note 1.9 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

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

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

Subsequent expenditure

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

Measurement

Valuation

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

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

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

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

For specialised assets, current value in existing use is interpreted as the present value of the asset's remaining service potential, which is assumed to be at least equal to the cost of replacing that service potential. Specialised assets are therefore valued at their depreciated replacement cost (DRC) on a modern equivalent asset (MEA) basis. An MEA basis assumes that the asset will be replaced with a modern asset of equivalent capacity and meeting the location requirements of the services being provided. 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.

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

A full revaluation was carried out as at 31 December 2017. The valuation was carried out by Montagu Evans, professionally qualified valuers, in accordance with the Royal Institution of Chartered Surveyors (RICS) Appraisal and Valuation Manual.

For 2020/21, Montagu Evans carried out an interim valuation exercise prepared on a desktop basis as at 31 March 2021. This valuation has been undertaken as a ‘full’ valuation that has included an inspection of the assets, inspecting significant parts of each property for the purpose of providing the valuatio, which in many cases was limited to an external inspection. Whilst the valuers have undertaken previous asset valuations for the Trust, they have revalued all assets having regard to a review of all base data and not relied upon, or indexed, any previous valuation that were completed.

Their valuation is prepared under International Financial Reporting Standards which requires the statement of assets at Fair Value. The operational buildings owned by the Trust are specialised assets which we have valued on a 'depreciated replacement cost' approach assuming modern equivalent assets, but replacement buildings extending to the same operational floor area as those existing and offering the same service potential. Land has been valued on an Existing Use Value (comparative) basis, with the Trust’s residential staff accommodation assessed in line with the principles of Existing Use Value for Social Housing (EUV-SH). Assets which have been declared as surplus to the Trust’s requirements or have a third party agreement, have been valued using the Market Value basis.

Depreciation

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

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

Revaluation gains and losses

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

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

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

Impairments

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

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

De-recognition

Assets intended for disposal are reclassified as ‘held for sale’ once the criteria in IFRS 5 are met. The sale must be highly probable and the asset available for immediate sale in its present condition.
Following reclassification, the assets are measured at the lower of their existing carrying amount and their ‘fair value less costs to sell’. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met.

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

Donated and grant funded assets

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

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

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

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

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

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

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

Surrey and Borders NHS Foundation Trust has no PFI or LIFT arrangments

Useful lives of property, plant and equipment

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

	Min life Years	Max life Years
Land	-	-
Buildings, excluding dwellings	15	80
Dwellings	3	38
Plant & machinery	5	15
Transport equipment	2	7
Information technology	2	8
Furniture & fittings	2	25

Finance-leased assets (including land) are depreciated over the shorter of the useful life or the lease term, unless the trust expects to acquire the asset at the end of the lease term in which case the assets are depreciated in the same manner as owned assets above.

Note 1.10 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the trust and where the cost of the asset can be measured reliably, and where the costs is at least £5,000.
Internally generated intangible assets

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

Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred.
Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:
the technical feasibility of completing the intangible asset so that it will be available for use
the intention to complete the intangible asset and use it
the ability to sell or use the intangible asset
how the intangible asset will generate probable future economic benefits or service potential
the availability of adequate technical, financial and other resources to complete the intangible asset and sell or use it, and
the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Expenditure on development is capitalised where it meets the requirements set out in IAS 38.

Software

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

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management. Intangible assets acquired separately are initially recognised at cost. The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria for recognition are initially met.

Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred and is held at historic cost to reflect the opposing effects of increases in development costs and technological advances.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Intangible assets held for sale are measured at the lower of their carrying amount or fair value less costs to sell.

Amortisation

Intangible assets are amortised over their expected useful lives in a manner consistent with the consumption of economic or service delivery benefits.

Useful lives of intangible assets

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

	Min life Years	**Max life Years**
Information technology	2	5
Development expenditure	2	5
Websites	2	5
Software licences	2	8
Licences & trademarks	2	5
Patents	2	5
Other (purchased)	2	5
Goodwill	2	10

Note 1.11 Inventories

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

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

Note 1.12 Investment properties

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

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

Note 1.13 Cash and cash equivalents

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

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

Note 1.14 Financial assets and financial liabilities

Recognition

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

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

Classification and measurement

Financial assets and financial liabilities are initially measured at fair value plus or minus directly attributable transaction costs except where the asset or liability is not measured at fair value through 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.
Financial liabilities classified as subsequently measured at amortised cost.

Financial assets and financial liabilities at amortised cost

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

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

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income and a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

Impairment of financial assets
For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

Financial assets held in the Trust books are to collect contractual cashflows and are, therefore, measured at amortised cost. The Trust does not have any financial assets for the purpose of selling these assets. A detailed review of financial assets is carried out by the Trust on an annual basis for expected credit losses. Local knowledge and intelligence from the Contracts team is used to establish the probability of the non-recovery of any of the balances included in financial assets. This probability then forms the basis for calculating credit losses allowance or provisions, in relation to the risk of non-collection.

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

Derecognition

Financial assets are de-recognised when the contractual rights to receive cash flows from the assets have expired or the Trust has transferred substantially all the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Note 1.15 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

The trust as a lessee

Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The implicit interest rate is that which produces a constant periodic rate of interest on the outstanding liability.

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for an item of property plant and equipment.

The annual rental charge is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to finance costs in the Statement of Comprehensive Income.

Operating leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially in other liabilities on the statement of financial position and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

Leases of land and buildings

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

The trust as a lessor

Finance leases

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the trust's net investment outstanding in respect of the leases.

Operating leases

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Note 1.16 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective for 31 March 2021:

		Nominal rate
Short-term	Up to 5 years	Minus 0.02%
Medium-term	After 5 years up to 10 years	0.18%
Long-term	Exceeding 10 years	1.99%

HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates. The following inflation rates are set by HM Treasury, effective 31 March 2021:

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

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

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. The contribution is charged to expenditure. 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 38.2 but is not recognised in the Trust’s accounts.

Non-clinical risk pooling

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

Note 1.17 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in note 39 where an inflow of economic benefits is probable.
Contingent liabilities are not recognised, but are disclosed in note 39, unless the probability of a transfer of economic benefits is remote.

Contingent liabilities are defined as:

• possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or

• present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

Note 1.18 Public dividend capital

Public dividend capital is a type of public sector equity finance, which represents the Department of Health and Social Care's investment in the trust. HM Treasury has determined that, being issued under statutory authority rather than under contract, 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.

An annual charge, reflecting the cost of capital utilised by the trust, is payable to the Department of Health and Social Care as PDC dividend. The charge is calculated at the real rate set by the Secretary of State with the consent of HM Treasury (currently 3.5%) on the average relevant net assets of the trust. Relevant net assets are calculated as the value of all assets less all liabilities, except for:

donated assets and grant funded assets
charitable funds
average daily cash balances held with the Government Banking Service (GBS) and National Loans Fund (NLF) deposits (excluding cash balances held in GBS accounts that relate to a short-term working capital facility)
approved expenditure on COVID-19 capital assets
assets under construction for nationally directed schemes
any PDC dividend balance receivable or payable.

The average relevant net assets are calculated as a simple average of opening and closing relevant net assets.

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

Note 1.19 Value added tax

Most of the activities of the trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

Note 1.20 Corporation tax

Section 148 of the Finance Act 2004 amended S519A of the Income and Corporation Taxes Act 1988, to provide power to the Treasury to make certain non-core activities of Foundation Trusts potentially subject to corporation tax. This legislation became effective in the 2005/06 financial year.
In determining whether or not an activity is likely to be taxable, a three-stage test may be employed:

• The provision of goods and services for purposes related to the provision of healthcare authorised under Section 14(1) of the Health and Social Care Act 2003 (HSCA) is not treated as a commercial activity and is, therefore, tax exempt
• Trading activities undertaken in house which are ancillary to core healthcare activities are not entrepreneurial in nature and not subject to tax. A trading activity that is capable of being in competition with the wider private sector will be subject to tax
• Only significant trading activity is subject to tax. Significant is defined as annual taxable profits of £50,000 per trading activity

The majority of the Trusts activities are related to core healthcare and are not subject to tax.

Note 1.21 Climate change levy

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

Note 1.22 Foreign exchange

The functional and presentational currency of the trust is sterling.

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

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

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

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

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

Note 1.23 Third party assets

Assets belonging to third parties in which the Trust has no beneficial interest (such as money held on behalf of patients) are not recognised in the accounts. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's *FReM*.

Note 1.24 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the Trust not been bearing its own risks (with insurance premiums then being included as normal revenue expenditure).

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

Note 1.25 Gifts

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

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

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

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

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

Note 1.27 Early adoption of standards, amendments and interpretations

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

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

IFRS 16 Leases

IFRS 16 Leases will replace *IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease* and other interpretations and is applicable in the public sector for periods beginning 1 April 2022. The standard provides a single accounting model for lessees, recognising a right of use asset and obligation in the statement of financial position for most leases: some leases are exempt through application of practical expedients explained below. For those recognised in the statement of financial position the standard also requires the remeasurement of lease liabilities in specific circumstances after the commencement of the lease term. For lessors, the distinction between operating and finance leases will remain and the accounting will be largely unchanged.

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

On transition to IFRS 16 on 1 April 2022, the trust will apply the standard retrospectively with the cumulative effect of initially applying the standard recognised in the income and expenditure reserve at that date. For existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000, a lease liability will be recognised equal to the value of remaining lease payments discounted on transition at the trust's incremental borrowing rate. The trust's incremental borrowing rate will be defined by HM Treasury. Currently this rate is 0.91% but this may change between now and adoption of the standard. The related right of use asset will be measured equal to the lease liability adjusted for any prepaid or accrued lease payments. For existing peppercorn leases not classified as finance leases, a right of use asset will be measured at current value in existing use or fair value. The difference between the asset value and the calculated lease liability will be recognised in the income and expenditure reserve on transition. No adjustments will be made on 1 April 2022 for existing finance leases.

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

Note 1.29 Critical judgements in applying accounting policies

Note 1.2.1 Critical Judgements in Applying Accounting Policies
There are no material judgements, apart from those involving estimations (which are disclosed below). Management has made two judgements in the process of applying the Trust's accounting policies (as required by IAS 1.122), which are not material to the financial statements:

• Provision for expected credit losses: For all financial assets measured at amortised cost, the Trust recognises an allowance (provision) for expected credit losses, measuring expected losses as at an amount equal to lifetime expected losses. Refer to Note 29.2.

• Annual leave accrual: The Trust usually does not allow staff to carry over any annual leave, however due to NHS response to COVID-19 Pandemic the Trust changed its policy to allow staff to carry over annual leave up to 5 days. This has amounted to an annual leave accrual of £467k (2019/20: £12k) which is part of 'Other Payables' balance in the 'Trade and other payables' Note 33.1

Note 1.30 Sources of estimation uncertainty

The following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year, as required by IAS 1.125: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.

Valuation of land and buildings: The Trust considers the value of its non-current assets each year. Asset valuations are provided by independent, qualified valuers. Valuations are subject to general price changes in property values across the UK. Asset values might vary from their real market value when assets are disposed of. The Trust's non-current assets were revalued at 31 December 2017; as appropriate, therefore, as an interim exercise, the value of the Trust's land and property portfolio was determined through an indexation based assessment as at 31 March 2020. Refer to Note 22. Estimated useful lives for the Trust's assets are based on common, widely used assumptions for each asset type, except where specialist information is available from professional bodies. The Trust reviews these lives on a regular basis as part of the process to assess whether assets have been impaired, which would impact on the value of the assets. Refer to Note 1.9 .

Other Considerations which do not have a Material Effect on the Financial Statements
The Trust has also considered economic certainty in making provisions but it has been deemed that there is no material effect on the financial statements. Provisions for pension and legal liabilities are based on the information provided from NHS Pension Agency, NHS Resolution and the Trust's own sources. The Trust's early retirement provision is based on the life expectancy of the individual pensioner, as stated in the ONS (Office of National Statistics) life expectancy tables, which change annually. All provisions are estimates of the actual costs of future cash flows and are dependent on future events. Any differences between expectation and the actual future liability will be accounted for in the period when such determination is made. Refer to Note 38.

Note 2 Operating Segments

IFRS 8 'Operating Segments' requires disclosure of the results of the significant operating segments. A business or operating segment is a group of assets and operations engaged in providing core or non core services that are subject to risks and returns that are different from those of other business or operating segments. In line with the standard, based on the internally reported activities, the Trust identifies that all activity is healthcare related and a large majority of the Trust's revenue is received from within UK government departments.

The Trust operates as a single operating segment. The Board of Directors, led by the Chief Executive is the Chief Operating Decision Maker within the Trust. It is only at this level that revenues are fully reported and the overall financial and operational performance of the Trust is assessed. As all decisions affecting the foundation Trust's future direction and viability are made based on the overall total presented to the board, the Trust is satisfied that the single segment of healthcare is appropriate and consistent with the principles of IFRS 8.

Note 3 Operating income from patient care activities

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4

Note 3.1 Income from patient care activities (by nature)	Trust 2020/21 £000	Group 2019/20 £000	Trust 2019/20 £000
Block contract / system envelope income*	210,182	156,471	157,902
Clinical partnerships providing mandatory services (including S75 agreements)	14,075	18,358	18,358
Other clinical income from mandatory services	3,467	22,616	9,059
Additional pension contribution central funding**	5,560	5,081	5,081
Other clinical income	2,290	5,488	5,488
Total income from activities	**235,574**	**208,014**	**195,888**

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

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

The variance between Group and Trust income is wholly related to the activities of Children and Family Health Surrey.

Note 3.2 Income from patient care activities (by source)

Income from patient care activities received from:	Trust 2020/21 £000	Group 2019/20 £000	Trust 2019/20 £000
NHS England	13,316	8,803	7985
Clinical commissioning groups	188,396	171,469	164699
Other NHS providers	1,851	1,482	1482
NHS other	-	10	10
Local authorities	31,670	24,112	18143
Non NHS: other	341	2,138	3569
Total income from activities	**235,574**	**208,014**	**195,888**

All income relates to continuing operations. The variance between Group and Trust income is wholly related to the activities of Children and Family Health Surrey .

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

The Trust has not received income from overseas visitors (where the patient is charged directly by the Trust) in excess of £100,000 during 2020/21.

Note 4 Other operating income (Group)	**2020/21**			**2019/20**		
	Contract income	**Non-contract income**	**Total**	**Contract income**	**Non-contract income**	**Total**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**
Research and development	683	-	**683**	1,064	-	**1,064**
Education and training	4,684	-	**4,684**	3,252	-	**3,252**
Non-patient care services to other bodies	1,888		**1,888**	394		**394**
Provider sustainability fund (2019/20 only)			**-**	1,433		**1,433**
Financial recovery fund (2019/20 only)			**-**	1,501		**1,501**
Reimbursement and top up funding	15,194		**15,194**			**-**
Income in respect of employee benefits accounted on a gross basis	8,841		**8,841**	7,965		**7,965**
Charitable and other contributions to expenditure		917	**917**		-	**-**
Rental revenue from operating leases		20	**20**		20	**20**
Other income	3,488	-	**3,488**	4,864	-	**4,864**
Total other operating income	**34,778**	**937**	**35,715**	**20,473**	**20**	**20,493**

Other operating income relates to Trust business. Other contract income predominately includes £1.426m of income relating to NHS Commercial Solutions.

Note 5.1 Additional information on contract revenue (IFRS 15) recognised in the period

	2020/21	2019/20
	£000	£000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	3,167	1,919
Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods	-	-

Note 5.2 Transaction price allocated to remaining performance obligations

The Trust has exercised the practical expedients permitted by IFRS 15 paragraph 121 in preparing this disclosure. Revenue from (i) contracts with an expected duration of one year or less and (ii) contracts where the trust recognises revenue directly corresponding to work done to date is not disclosed.

Note 5.3 Income from activities arising from commissioner requested services

Under the terms of its provider licence, the trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider licence and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	Trust	Group	Trust
	2020/21	2019/20	2019/20
	£000	£000	£000
Income from services designated as commissioner requested services	212,800	177,567	169,980
Income from services not designated as commissioner requested services	58,429	50,940	46,280
Total	**271,229**	**228,507**	**216,260**

Note 5.4 Profits and losses on disposal of property, plant and equipment
In 2020/21 The Trust did not complete the sale of any material properties.

Note 6 Profits and losses on disposal of property, plant and equipment
HM Treasury requires disclosure of fees and charges income. The following disclosure is of income from charges to service users where income from that service exceeds £1 million and is presented as the aggregate of such income. The cost associated with the service that generated the income is also disclosed.

The Trust had no fees and charges in this category

Note 7.1 Operating expenses

	Trust	Group	Trust
	2020/21	2019/20	2019/20
	£000	£000	£000
		Restated*	Restated*
Purchase of healthcare from NHS and DHSC bodies	2,240	3,187	3,187
Purchase of healthcare from non-NHS and non-DHSC bodies	51,515	36,704	24,676
Staff and executive directors costs	155,323	138,795	138,795
Remuneration of non-executive directors	167	140	140
Supplies and services - clinical (excluding drugs costs)	10,652	3,753	3,753
Supplies and services - general	3,055	3,357	3,357
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	3,934	4,652	4,652
Inventories written down	93	-	-
Consultancy costs	2,384	949	949
Establishment	2,422	2,141	2,043
Premises	16,540	13,046	13,046
Transport (including patient travel)	1,830	2,745	2,745
Depreciation on property, plant and equipment	6,075	5,986	5,986
Amortisation on intangible assets	2,404	1,663	1,663
Net impairments	128	(413)	(413)
Movement in credit loss allowance: contract receivables / contract assets	(166)	(1,002)	(1,002)
Increase/(decrease) in other provisions	1,263	304	304
Change in provisions discount rate(s)	473	771	771
Audit fees payable to the external auditor			-
audit services- statutory audit	72	79	67
other auditor remuneration (external auditor only)	-	4	4
Internal audit costs	129	143	143
Clinical negligence	1,010	782	782
Legal fees	465	266	266
Research and development	34	76	76
Education and training	1,102	1,296	1,296
Rentals under operating leases	5,558	4,691	4,691
Redundancy	10	26	26
Losses, ex gratia & special payments	4	-	-
Other services, eg external payroll	139	107	107
Other	220	768	780
Total	**269,075**	**225,016**	**212,890**

* See note 50 for details regarding the restatement.

Note 7.2 Other auditor remuneration

	Trust	Group	Trust
	2020/21	2019/20	2019/20
	£000	£000	£000
Audit Services - Statutory Audit			
Audit of the financial statements	60	56	56
Auditing of accounts of associates	-	10	-
Total	**60**	**66**	**56**

	Group		Trust
	2020/21	2019/20	2019/20
	£000	£000	£000
Other auditor remuneration paid to the external auditor:			
Audit-related assurance services	-	3	3
Total	**-**	**3**	**3**

Amounts shown in Note 7.2 are exclusive of VAT.

Note 7.3 Limitation on auditor's liability

The limitation on auditor's liability for external audit work is £0.5 million (2019/20: £0.5 million).

Note 8 Impairment of assets

	2020/21	2019/20
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Loss or damage from normal operations	655	-
Changes in market price	(527)	(413)
Total net impairments charged to operating surplus / deficit	**128**	**(413)**
Impairments charged to the revaluation reserve	(1,097)	-
Total net impairments	**(969)**	**(413)**

In 2020/21 The Trust upgraded its core reporting capability, this gave rise to an impairment of intangible assets relating to enhancements of the outgoing system totaling £645k. Included within this years impairment is £0.931m which relates to the land at the Fairmede site that was bought back into use this year.

Note 9 Employee benefits

	2020/21 Total £000	2019/20 Total £000
Salaries and wages	103,167	91,669
Social security costs	10,428	9,350
Apprenticeship levy	488	438
Employer's contributions to NHS pensions	18,335	16,751
Pension cost - other	29	24
Temporary staff (including agency)	24,525	21,965
Total gross staff costs	**156,972**	**140,197**
Recoveries in respect of seconded staff	-	-
Total staff costs	**156,972**	**140,197**
Of which		
Costs capitalised as part of assets	1,639	1,376

Employee benefits all related to the Trust. Children and Family Helath Surrey does not employ and staff

Note 9.1 Retirements due to ill-health

During 2020/21 there was 1 early retirement from the trust agreed on the grounds of ill-health (4 in the year ended 31 March 2020). The estimated additional pension liabilities of these ill-health retirements is £23k (£285k in 2019/20).

These estimated costs are calculated on an average basis and will be borne by the NHS Pension Scheme.

Note 10 Pension costs

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

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

a) Accounting valuation

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

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

b) Full actuarial (funding) valuation

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

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

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

Note 11 Operating leases

Note 11.1 Surrey and Borders Partnership NHS Foundation Trust as a lessor

This note discloses income generated in operating lease agreements where Surrey and Borders Partnership NHS Foundation Trust is the lessor.

	2020/21	2019/20
	£000	£000
Operating lease revenue		
Minimum lease receipts	20	20
Contingent rent	-	-
Other	-	-
Total	**20**	**20**

	31 March 2021	31 March 2020
	£000	£000
Future minimum lease receipts due:		
- not later than one year;	20	20
- later than one year and not later than five years;	41	41
- later than five years.	-	-
Total	**61**	**61**

Note 11.2 Surrey and Borders Partnership NHS Foundation Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where Surrey and Borders Partnership NHS Foundation Trust is the lessee.

	2020/21	2019/20
	£000	£000
Operating lease expense		
Minimum lease payments	5,558	4,691
Contingent rents	-	-
Less sublease payments received	-	-
Total	**5,558**	**4,691**

	31 March 2021	31 March 2020
	£000	£000
Future minimum lease payments due:		
- not later than one year;	5,154	5,229
- later than one year and not later than five years;	19,314	16,055
- later than five years.	44,737	44,072
Total	**69,205**	**65,356**
Future minimum sublease payments to be received	-	-

All leases relate to Trust business. Of the total operating lease payments, £5.038m (2019/20: £4.334m) relates to leases on property, from which the Trust provides its healthcare and corporate services. Property leases are for differing lease terms, the latest expiry date is March 2045

Equipment leases are for 3 years from date of agreement. Vehicle leases are for between 3 and 5 years from date of agreement

Note 12 Finance income

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

	2020/21	2019/20
	£000	£000
Interest on bank accounts	11	221
Total finance income	**11**	**221**

Note 13.1 Finance expenditure

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

	2020/21	2019/20 Restated*
	£000	£000
Interest expense:		
Loans from the Department of Health and Social Care	-	-
Overdrafts	-	-
Total interest expense	**-**	**-**
Unwinding of discount on provisions	(66)	36
Other finance costs	-	-
Total finance costs	**(66)**	**36**

* See note 50 for details regarding the restatement.

Note 13.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015

Neither the Trust nor Children and Family Health Surrey had any interest or costs payable under this legislation

Note 14 Other gains / (losses)

	2020/21	2019/20
	£000	£000
Gains on disposal of assets	-	12,434
Losses on disposal of assets	(11)	-
Total gains / (losses) on disposal of assets	**(11)**	**12,434**

Note 15 Trust income statement and statement of comprehensive income

In accordance with Section 408 of the Companies Act 2006, the Trust is exempt from the requirement to present its own income statement and statement of comprehensive income. However, it has elected to do so and has provided full disclosure in its primary income statement.

Note 16 Discontinued operations

	2020/21	2019/20
	£000	£000
Operating income of discontinued operations	-	-
Operating expenses of discontinued operations	-	-
Gain on disposal of discontinued operations	-	-
(Loss) on disposal of discontinued operations	-	-
Corporation tax expense attributable to discontinued operations	-	-
Total	**-**	**-**

Surrey Heathy Children and Families LLP (known as Children and Family Health Surrey) ceased trading on 30th August 2019, at which time all activities were continued by the Trust, The Group has no discontinued operations in 2020/21

Note 17.1 Intangible assets - 2020/21

Trust	Software licences	Licences & trademarks	Patents	Internally generated information technology	Development expenditure	Goodwill	Websites	Intangible assets under construction	Other (purchased)	Charitable fund intangible assets	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2020 - brought forward	**51**	**-**	**-**	**13,691**	**-**	**-**	**-**	**-**	**-**	**-**	**13,742**
Additions	-	-	-	5,972	-	-	-	-	-	-	**5,972**
Impairments	-	-	-	-	-	-	-	-	-	-	**-**
Reversals of impairments	-	-	-	-	-	-	-	-	-	-	**-**
Revaluations	-	-	-	(1,478)	-	-	-	-	-	-	**(1,478)**
Reclassifications	-	-	-	-	-	-	-	-	-	-	**-**
Valuation / gross cost at 31 March 2021	**51**	**-**	**-**	**18,185**	**-**	**-**	**-**	**-**	**-**	**-**	**18,236**
Amortisation at 1 April 2020 - brought forward	**46**	**-**	**-**	**4,561**	**-**	**-**	**-**	**-**	**-**	**-**	**4,607**
Provided during the year	5	-	-	2,399	-	-	-	-	-	-	**2,404**
Impairments	-	-	-	655	-	-	-	-	-	-	**655**
Reversals of impairments	-	-	-	-	-	-	-	-	-	-	**-**
Revaluations	-	-	-	(1,478)	-	-	-	-	-	-	**(1,478)**
Reclassifications	-	-	-	-	-	-	-	-	-	-	**-**
Amortisation at 31 March 2021	**51**	**-**	**-**	**6,137**	**-**	**-**	**-**	**-**	**-**	**-**	**6,188**
Net book value at 31 March 2021	**-**	**-**	**-**	**12,048**	**-**	**-**	**-**	**-**	**-**	**-**	**12,048**
Net book value at 1 April 2020	**5**	**-**	**-**	**9,130**	**-**	**-**	**-**	**-**	**-**	**-**	**9,135**

Note 17.2 Intangible assets - 2019/20

Group	Software licences	Licences & trademarks	Patents	Internally generated information technology	Development expenditure	Goodwill	Websites	Intangible assets under construction	Other (purchased)	Charitable fund intangible assets	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2019 - as previously stated	**105**	**-**	**-**	**11,192**	**-**	**-**	**-**	**87**	**-**	**-**	**11,384**
Prior period adjustments	-	-	-	-	-	-	-	-	-	-	**-**
Valuation / gross cost at 1 April 2019 - restated	**105**	**-**	**-**	**11,192**	**-**	**-**	**-**	**87**	**-**	**-**	**11,384**
Additions	-	-	-	2,914	-	-	-	102	-	-	**3,016**
Impairments	-	-	-	-	-	-	-	-	-	-	**-**
Reversals of impairments	-	-	-	-	-	-	-	-	-	-	**-**
Reclassifications	(54)	-	-	(415)	-	-	-	(189)	-	-	**(658)**
Valuation / gross cost at 31 March 2020	**51**	**-**	**-**	**13,691**	**-**	**-**	**-**	**-**	**-**	**-**	**13,742**
Amortisation at 1 April 2019 - as previously stated	**94**	**-**	**-**	**3,508**	**-**	**-**	**-**	**-**	**-**	**-**	**3,602**
Prior period adjustments	-	-	-	-	-	-	-	-	-	-	**-**
Amortisation at 1 April 2019 - restated	**94**	**-**	**-**	**3,508**	**-**	**-**	**-**	**-**	**-**	**-**	**3,602**
Provided during the year	6	-	-	1,657	-	-	-	-	-	-	**1,663**
Impairments	-	-	-	-	-	-	-	-	-	-	**-**
Reversals of impairments	-	-	-	-	-	-	-	-	-	-	**-**
Reclassifications	(54)	-	-	(604)	-	-	-	-	-	-	**(658)**
Amortisation at 31 March 2020	**46**	**-**	**-**	**4,561**	**-**	**-**	**-**	**-**	**-**	**-**	**4,607**
Net book value at 31 March 2020	**5**	**-**	**-**	**9,130**	**-**	**-**	**-**	**-**	**-**	**-**	**9,135**
Net book value at 1 April 2019	**11**	**-**	**-**	**7,684**	**-**	**-**	**-**	**87**	**-**	**-**	**7,782**

Note 18.1 Intangible assets - 2019/20

The Trust had no intangible assets distinct from the Group.

Note 19.1 Property, plant and equipment - 2020/21

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Charitable fund PPE assets	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2020 - brought forward	**24,038**	**56,753**	**-**	**3,496**	**591**	**27**	**12,025**	**2,136**	**-**	**99,066**
Transfers by absorption	-	-	-	-	-	-	-	-	-	**-**
Additions	-	5,509	-	3,526	-	-	1,535	-	-	**10,570**
Impairments	(2)	(139)	-	-	-	-	-	-	-	**(141)**
Reversals of impairments	947	291	-	-	-	-	-	-	-	**1,238**
Revaluations	341	(8,470)	-	-	-	-	-	-	-	**(8,129)**
Reclassifications	-	-	-	-	-	-	-	-	-	**-**
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-	**-**
Disposals / derecognition	-	(2,445)	-	-	-	-	(2,238)	-	-	**(4,683)**
Valuation/gross cost at 31 March 2021	**25,324**	**51,499**	**-**	**7,022**	**591**	**27**	**11,322**	**2,136**	**-**	**97,921**
Accumulated depreciation at 1 April 2020 - brought forward	**-**	**12,105**	**-**	**-**	**179**	**27**	**5,412**	**1,097**	**-**	**18,820**
Transfers by absorption	-	-	-	-	-	-	-	-	-	**-**
Provided during the year	-	4,321	-	-	68	-	1,468	218	-	**6,075**
Impairments	-	706	-	-	-	-	-	-	-	**706**
Reversals of impairments	(179)	(1,068)	-	-	-	-	-	-	-	**(1,247)**
Revaluations	179	(8,571)	-	-	-	-	-	-	-	**(8,392)**
Reclassifications	-	-	-	-	-	-	-	-	-	**-**
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-	**-**
Disposals / derecognition	-	(2,445)	-	-	-	-	(2,227)	-	-	**(4,672)**
Accumulated depreciation at 31 March 2021	**-**	**5,048**	**-**	**-**	**247**	**27**	**4,653**	**1,315**	**-**	**11,290**
Net book value at 31 March 2021	**25,324**	**46,451**	**-**	**7,022**	**344**	**-**	**6,669**	**821**	**-**	**86,631**
Net book value at 1 April 2020	**24,038**	**44,648**	**-**	**3,496**	**412**	**-**	**6,613**	**1,039**	**-**	**80,246**

Note 19.2 Property, plant and equipment - 2019/20

Group	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Charitable fund PPE assets £000	Total £000
Valuation / gross cost at 1 April 2019 - as previously stated	**31,346**	**57,360**	**-**	**974**	**538**	**27**	**9,325**	**2,136**	**-**	**101,706**
Prior period adjustments	-	-	-	-	-	-	-	-	-	**-**
Valuation / gross cost at 1 April 2019 - restated	**31,346**	**57,360**	**-**	**974**	**538**	**27**	**9,325**	**2,136**	**-**	**101,706**
Transfers by absorption	-	-	-	-	-	-	-	-	-	**-**
Additions	-	1,758	-	3,817	60	-	2,700	-	-	**8,335**
Impairments	-	-	-	-	-	-	-	-	-	**-**
Reversals of impairments	-	-	-	-	-	-	-	-	-	**-**
Revaluations	-	929	-	5	-	-	-	-	-	**934**
Reclassifications	-	1,300	-	(1,300)	-	-	-	-	-	**-**
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-	**-**
Disposals / derecognition	(7,308)	(4,594)	-	-	(7)	-	-	-	-	**(11,909)**
Valuation/gross cost at 31 March 2020	**24,038**	**56,753**	**-**	**3,496**	**591**	**27**	**12,025**	**2,136**	**-**	**99,066**
Accumulated depreciation at 1 April 2019 - as previously stated	**-**	**8,572**	**-**	**-**	**115**	**27**	**4,230**	**879**	**-**	**13,823**
Prior period adjustments	-	-	-	-	-	-	-	-	-	**-**
Accumulated depreciation at 1 April 2019 - restated	**-**	**8,572**	**-**	**-**	**115**	**27**	**4,230**	**879**	**-**	**13,823**
Transfers by absorption	-	-	-	-	-	-	-	-	-	**-**
Provided during the year	-	4,520	-	-	66	-	1,182	218	-	**5,986**
Impairments	-	-	-	-	-	-	-	-	-	**-**
Reversals of impairments	-	(413)	-	-	-	-	-	-	-	**(413)**
Revaluations	-	583	-	-	-	-	-	-	-	**583**
Reclassifications	-	-	-	-	-	-	-	-	-	**-**
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-	**-**
Disposals / derecognition	-	(1,157)	-	-	(2)	-	-	-	-	**(1,159)**
Accumulated depreciation at 31 March 2020	**-**	**12,105**	**-**	**-**	**179**	**27**	**5,412**	**1,097**	**-**	**18,820**
Net book value at 31 March 2020	**24,038**	**44,648**	**-**	**3,496**	**412**	**-**	**6,613**	**1,039**	**-**	**80,246**
Net book value at 1 April 2019	**31,346**	**48,788**	**-**	**974**	**423**	**-**	**5,095**	**1,257**	**-**	**87,883**

Note 20 Property, plant and equipment (Trust 2019/20)

The Trust had no property, plant and equipment distinct from the Group in the year 2019/20

Note 21 Donations of property, plant and equipment

In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. Details of these inventories are presented in Note 28

Note 22 Revaluations of property, plant and equipment

The Trust instructed Montagu Evans, independent valuers, to revalue its land and buildings as at 31 December 2017. This valuation was prepared in accordance with the Royal Institution of Chartered Surveyors (RICS) Red Book - the RICS Valuation, Global Standards 2017, which came into effect on 1 July 2017 - and in compliance with the following Standards:

• International Financial Reporting Standards published by the International Accounting Standards Board;
• International Valuation Standards 2017 published by the International Valuation Standards Committee;
• RICS Valuation – Professional Standards UK January 2014 (revised April 2015);
• HM Treasury Financial Reporting Manual; and,
• Department of Health Group Accounting Manual.

The standard requires the statement of assets at Fair Value. Assets have been valued at Market Value (MV), Existing Use Value (EUV) or, if no market exists for a property, which may be rarely sold or it is a specialised asset, an income or depreciated replacement cost (DRC) approach has been adopted.

The operational buildings owned by the Trust are specialised assets which were valued on a DRC approach assuming modern equivalent assets, with replacement buildings extending to the same operational floor area as those existing and offering the same service potential. Land was valued on an Existing Use Value (comparative) basis, with the Trust's residential staff accommodation assessed in line with the principles of Existing Use Value for Social Housing (EUV-SH). Assets which were declared as surplus to the Trust's requirements or had a third party agreement were valued using the Market Value basis.

For 2020/21, Montagu Evans carried out an interim valuation exercise prepared on a desktop basis as at 31 March 2021. This valuation has been undertaken as a 'full' valuation that has included an inspection of the assets, inspecting significant parts of each property for the purpose of providing the valuatio, which in many cases was limited to an external inspection. Whilst the valuers have undertaken previous asset valuations for the Trust, they have revalued all assets having regard to a review of all base data and not relied upon, or indexed, any previous valuation that were completed.

Their valuation is prepared under International Financial Reporting Standards which requires the statement of assets at Fair Value. The operational buildings owned by the Trust are specialised assets which we have valued on a 'depreciated replacement cost' approach assuming modern equivalent assets, but replacement buildings extending to the same operational floor area as those existing and offering the same service potential. Land has been valued on an Existing Use Value (comparative) basis, with the Trust's residential staff accommodation assessed in line with the principles of Existing Use Value for Social Housing (EUV-SH). Assets which have been declared as surplus to the Trust's requirements or have a third party agreement, have been valued using the Market Value basis.

The resulting movements in value have been applied separately to each class of asset in the financial statements.

Note 23.1 Investment Property

The Trust does not have any investment property.

Note 23.2 Investment property income and expenses

The Trust does not have any Investment property income and expenses

Note 24 Investments in associates and joint ventures

	Trust	Group	Trust
	2020/21	2019/20	2019/20
	£000	£000	£000
Carrying value at 1 April - brought forward	**-**	**-**	
Share of profit / (loss)	-	214	214
Disbursements / dividends received	-	(214)	(214)
Carrying value at 31 March	**-**	**-**	**-**

The Trust has a 25% interest in the Collaborative Procurement Partnership (CPP) LLP (see Note 1.3). The CCP LLP is a Joint Venture. There was no initial equity investment. In addition to the Trust, the other partners are Guys and St Thomas' NHS Foundation Trust, Leeds and York Partnership NHS Foundation Trust and West Suffolk NHS Foundation Trust. The LLP commenced buying goods on behalf of the NHS in May 2018. The Trust received no disbursement in respect of its interest in the CCP LLP for the year.

Note 25 Other investments / financial assets

The Trust has no Other investments / financial assets.

Note 26 Disclosure of interests in other entities

The Trust's principal subsidiary undertaking included in the consolidation at 31 March 2020 is the Surrey Healthy Children and Families Limited Liability Partnership (LLP) - trading as Children and Family Health Surrey (CFHS), which the Trust consolidated as a subsidiary with 50% non-controlling interest for the comparative year . The CFHS LLP stopped trading and became dormant with effect from 1 September 2020. From this date the activities previously provided by CFHS LLP are now provided by the Trust and therefore the CFHS LLP's turnover for the period ended 31 March 2021 was nil. As per note 1.3 for the year ended 31 March 2021 the Trust is reporting an unconsolidated position as no other trading took place within the Group.

In addition to its interest in Children and Family Health Surrey and its 25% interest in the Collaborative Procurement Partnership (CCP) LLP (see Note 24), the Trust also owns SABP Care Ltd, incorporated on 9 May 2014, a dormant company.

Childrens and Families Health Surrey LLP ceased trading on 30th August 2019, at which time all activities were continued by the Trust

The Trust no longer consolidates its Charitable Fund into its Group position. Refer to Notes 1.3 and 27

Note 27 Analysis of charitable fund reserves

The Trust has an interest in its unconsolidated Charitable Fund for which the Trust is the corporate Trustee. The Trust had, prior to 2016/17, previously assessed its relationship to the charitable fund and determined it to be a subsidiary because of the Trust's exposure or rights to variable returns and other benefits for itself, its staff or the people who use its services, from its involvement with the charitable fund, and its ability to affect those returns and other benefits through its power over the fund. It had, therefore, previously (prior to 2016/17) consolidated the charitable fund's statutory accounts into the Trust. However, the Trust considered the definition in IAS 1, which requires materiality to be judged 'in the surrounding circumstances', and determined that, from the viewpoint of both the Trust and the charitable fund, consolidation no longer aids the users of the accounts. Refer to Note 48 Related Parties

	31 March 2021 £000	31 March 2020 £000
Unrestricted funds:		
Unrestricted income funds	567	484
Revaluation reserve	-	-
Other reserves	-	-
Restricted funds:		
Endowment funds	2	2
Other restricted income funds	571	403
	1,140	**889**

Unrestricted income funds are accumulated income funds that are expendable at the discretion of the trustees in furtherance of the charity's objects. Unrestricted funds may be earmarked or designated for specific future purposes which reduces the amount that is readily available to the charity.

Restricted funds may be accumulated income funds which are expendable at the trustee's discretion only in furtherance of the specified conditions of the donor and the objects of the charity. They may also be capital funds (e.g. endowments) where the assets are required to be invested, or retained for use rather than expended.

Note 28 Inventories

	Trust	Group
	31 March 2021 £000	31 March 2020 £000
Drugs	67	71
Consumables	158	-
Other	-	1
Total inventories	**225**	**72**

Inventories recognised in expenses for the year were £2,602k (2019/20: £71k). Write-down of inventories recognised as expenses for the year were £93k (2019/20: £0k).

In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2020/21 the Trust received £896k of items purchased by DHSC.

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

Note 29.1 Receivables

	Trust 31 March 2021 £000	Group 31 March 2020 £000	Trust 31 March 2020 £000
Current			
Contract receivables	4,349	11,029	11,029
Contract assets	-	-	-
Capital receivables	6,592	36,933	36,933
Allowance for impaired contract receivables / assets	(323)	(498)	(498)
Prepayments (non-PFI)	4,732	2,005	2,005
Interest receivable	-	32	32
PDC dividend receivable	1,112	324	324
VAT receivable	509	565	565
Other receivables	136	27	27
Total current receivables	**17,107**	**50,417**	**50,417**
Non-current			
Contract receivables	-	-	-
Contract assets	-	-	-
Capital receivables	6,592	6,592	6,592
Allowance for impaired contract receivables / assets	-	-	-
Allowance for other impaired receivables	-	-	-
Other receivables	416	355	355
Total non-current receivables	**7,008**	**6,947**	**6,947**
Of which receivable from NHS and DHSC group bodies:			
Current	3,092	8,658	8,658
Non-current	416	355	355

The Trust has a current receivable (£6.6m) and a non current receivable (£6.6m) related to the Chertsey land sale agreement with payments due date of 28 March 2022 and 28 March 2023 respectively. The payment deferred from prior year was received in 2020/21 and this revised arrangement has been put in place as part of an ongoing mutually beneficial negotiations.

The Trust's current receivables at 31 March 2020 (prior year) included a balance of £23.8m relating to the sale of various properties at West Park. This payment has been received in full during 2020/21 (current year)

Note 29.2 Allowances for credit losses - 2020/21

	Trust		
	Contract receivables and contract assets	All other receivables	Total
	£000	£000	£000
Allowances as at 1 Apr 2020 - brought forward	**498**	**-**	**498**
Transfers by absorption	-	-	-
New allowances arising	183	-	183
Changes in existing allowances	-	-	-
Reversals of allowances	(349)	-	(349)
Utilisation of allowances (write offs)	(9)	-	(9)
Allowances as at 31 Mar 2021	**323**	**-**	**323**

All allowances for credit losses relate to Trust receivables

Note 29.3 Allowances for credit losses - 2019/20

	Group		
	Contract receivables and contract assets	All other receivables	Total
	£000	£000	£000
Allowances as at 1 Apr 2019 - as previously stated	**1,583**	**-**	**1,583**
Prior period adjustments	-	-	-
Allowances as at 1 Apr 2019 - restated	**1,583**	**-**	**1,583**
Transfers by absorption	-	-	-
New allowances arising	504	-	504
Changes in existing allowances	-	-	-
Reversals of allowances	(1,506)	-	(1,506)
Utilisation of allowances (write offs)	(83)	-	(83)
Allowances as at 31 Mar 2020	**498**	**-**	**498**

Note 29.4 Exposure to credit risk

A detailed review of financial assets is carried out by the Trust on an annual basis for expected credit losses. Local knowledge and intelligence from the Contracts team is used to establish the probability of the non-recovery of any of the balances included in Financial Assets. This probability then forms the basis for calculating credit losses according to the risk of non collection.

Note 30 Other assets

The Trust has no other assets

Note 31.1 Non-current assets held for sale and assets in disposal groups

	Trust	Group
	2020/21	2019/20
	£000	£000
NBV of non-current assets for sale and assets in disposal groups at 1 April	**308**	**308**
Prior period adjustment		-
NBV of non-current assets for sale and assets in disposal groups at 1 April - restated	**308**	**308**
Impairment of assets held for sale	(14)	-
NBV of non-current assets for sale and assets in disposal groups at 31 March	**294**	**308**

Assets held for sale belong solely to the Trust, which had one property held for sale at 31 March 2021 - the former Dene Street Clinic, Dorking, with a net book value of £293,820. The asset held for sale at 31 March 2020 was also Dene Street Clinic, Dorking. This property is being actively marketed.

Note 31.2 Liabilities in disposal groups

The Trust has no liabilities in disposal groups

Note 32.1 Cash and cash equivalents movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	Trust	Group
	2020/21	2019/20
	£000	£000
At 1 April	**41,893**	**24,359**
Prior period adjustments		-
At 1 April (restated)	**41,893**	**24,359**
Transfers by absorption	-	-
Net change in year	47,319	17,534
At 31 March	**89,212**	**41,893**
Broken down into:		
Cash at commercial banks and in hand	56	191
Cash with the Government Banking Service	89,156	31,702
Deposits with the National Loan Fund	-	10,000
Other current investments	-	-
Total cash and cash equivalents as in SoFP	**89,212**	**41,893**
Bank overdrafts (GBS and commercial banks)	-	-
Drawdown in committed facility	-	-
Total cash and cash equivalents as in SoCF	**89,212**	**41,893**

The deposits held with the National Loan Fund (NLF) as at 31 March 2020 (prior year) have matured during the FY 2020/21. This facilty has been suspended by Her Majesty's Treasury (HMT) until furtuer notice due to the situation on COVID-19. Therefore, the cash balance is now held within Government Banking Service (GBS).

Note 32.2 Third party assets held by the trust

Surrey and Borders Partnership NHS Foundation Trust held cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	Trust	Group
	31 March 2021	31 March 2020
	£000	£000
Bank balances	539	353
Monies on deposit	599	634
Total third party assets	**1,138**	**987**

Note 33.1 Trade and other payables

	Trust	Group	Trust
	31 March 2021	31 March 2020	31 March 2020
	£000	£000	£000
Current			
Trade payables	9,310	9,847	9,847
Capital payables	5,133	1,944	1,944
Accruals	19,657	12,678	12,678
Receipts in advance and payments on account	-	-	-
PFI lifecycle replacement received in advance	-	-	-
Social security costs	1,508	1,400	1,400
VAT payables	-	-	-
Other taxes payable	1,255	1,121	1,121
PDC dividend payable	-	-	-
Other payables	3,153	2,252	2,252
NHS charitable funds: trade and other payables	-	-	
Total current trade and other payables	**40,016**	**29,242**	**29,242**
Of which payables from NHS and DHSC group bodies:			
Current	2,079	7,520	7,520
Non-current	-	-	-

The Trust does not have any non-current trade and other payables.

Note 33.2 Early retirements in NHS payables above

The Trust has not bought out any early retirements.

Note 34 Other liabilities

	Trust 31 March 2021 £000	Group 31 March 2020 £000
Current		
Deferred income: contract liabilities	9,860	3,167
Total other current liabilities	**9,860**	**3,167**

The year on year increase in deferred income primarily relates to NHS funding received in the year that remained unspent and being carried forward. The funds will be released in line with expenditure and in line with service provision the funds are inteded for.

All deferred income relates to Trust business. The Trust has no non-current liabilities.

Note 35 Borrowings

The Trust has no current or non-current borrowings.

Note 35.1 Reconciliation of liabilities arising from financing activities

The Trust has no liabilities arising from financing activities.

Note 36 Other financial liabilities

The Trust has no other financial liabilities

Note 37 Finance leases

The Trust has no receipts due or obligations under finance lease arrangements either as a lessor, or a lessee

Note 38.1 Provisions for liabilities and charges analysis - 2020/21

Trust	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Re-structuring	Equal Pay (including Agenda for Change)	Redundancy	Other	Charitable fund provisions	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
		Restated*							
At 1 April 2020	**8,986**	**4,140**	**109**	**-**	**-**	**-**	**3,627**	**-**	**16,862**
Transfers by absorption	-	-	-	-	-	-	-	-	**-**
Change in the discount rate	237	175	-	-	-	-	61	-	**473**
Arising during the year	11	125	67	-	-	-	1,765	-	**1,968**
Utilised during the year	(685)	(221)	(27)	-	-	-	(4)	-	**(937)**
Reclassified to liabilities held in disposal groups	-	-	-	-	-	-	-	-	**-**
Reversed unused	(121)	(158)	(39)	-	-	-	(496)	-	**(814)**
Unwinding of discount	(45)	(21)	-	-	-	-	-	-	**(66)**
Movement in charitable fund provisions	-	-	-	-	-	-	-	-	**-**
At 31 March 2021	**8,383**	**4,040**	**110**	**-**	**-**	**-**	**4,953**	**-**	**17,486**
Expected timing of cash flows:									
- not later than one year;	686	214	110	-	-	-	4,537	-	**5,547**
- later than one year and not later than five years;	2,744	856	-	-	-	-	-	-	**3,600**
- later than five years.	4,953	2,970	-	-	-	-	416	-	**8,339**
Total	**8,383**	**4,040**	**110**	**-**	**-**	**-**	**4,953**	**-**	**17,486**

* See note 50 for details regarding restatement

All provisions relate to the business of the Trust

Early departure costs include the Trust's historic liability to former staff in respect of early retirement. This liability ceases on demise of the beneficiary.

Injury benefits include the Trust's historic liability to former staff who have suffered a Permanent Loss of Earnings Ability (PLOEA) as a result of an Injury sustained or disease contracted wholly or mainly attributable to their NHS employment. The Injury benefit scheme operated in the NHS prior to 31st March 2013. This liability ceases on demise of the beneficiary.

Legal claims primarily include costs relating to legals claims brought against the Trust under the Liabilities to Third Parties Scheme (LTPS) and data forming the basis of the provision is provided by NHS Resolution.

Other include provisions relating to NHS Clinician's pensions tax liability (£0.4m), dilapidation provision on the Trust leased properties (£1.4m), Provision arising from sale of West site and West Park (£1.8m) and potential clawbak on Health Tech Accelerator funding (£1.3m).

Further detail on material provisions arising or released during the period are provided in the below tables

In 2020/21 the discount rate for Post-Employment Benefits recommended by HM Treasury was changed from -0.5% (minus) to -0.95% (minus).

The following material provisions were released during 2020/21:

	Utilised	Reversed Unused
	£000	£000
Dilapidations	4	496
NHS Resolution LTPS legal claims	27	39
Post-employment benefits - Pensions	685	121
Post-employment benefits - Injury Benefits	221	158
	937	**814**

The following provisions arose during 2020/21:

	£000
Dilapidations	416
Health Tech Accelerator (HTA)	1,349
NHS Resolution LTPS legal claims	49
Other legal claims	18
Clinician pension tax reimbursement	61
Post-employment benefits - Pensions Increase	248
Post-employment benefits - Injury Benefits Increase	300
	2,441

Note 38.2 Provisions for liabilities and charges analysis (Group) - 2019/20

Group	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Re-structuring	Equal Pay (including Agenda for Change)	Redundancy	Other	Charitable fund provisions	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
At 1 April 2019 - as previously stated	**8,802**	**314**	**194**	**-**	**-**	**-**	**2,222**	**-**	**11,532**
Prior period adjustment *	-	3,579	-	-	-	-	-	-	**3,579**
At 1 April 2020 - restated*	**8,802**	**3,893**	**194**	**-**	**-**	**-**	**2,222**	**-**	**15,111**
Transfers by absorption	-	-	-	-	-	-	-	-	**-**
Change in the discount rate	462	309	-	-	-	-	-	-	**771**
Arising during the year	429	148	88	-	-	-	1,505	-	**2,170**
Utilised during the year	(698)	(221)	(56)	-	-	-	(91)	-	**(1,066)**
Reclassified to liabilities held in disposal groups	-	-	-	-	-	-	-	-	**-**
Reversed unused	(34)	-	(117)	-	-	-	(9)	-	**(160)**
Unwinding of discount	25	11	-	-	-	-	-	-	**36**
At 31 March 2020	**8,986**	**4,140**	**109**	**-**	**-**	**-**	**3,627**	**-**	**16,862**
Expected timing of cash flows:									
- not later than one year;	696	222	109	-	-	-	3,272	-	**4,299**
- later than one year and not later than five years;	2786	888	-	-	-	-	-	-	**3,674**
- later than five years.	5504	3,030	-	-	-	-	355	-	**8,889**
Total	**8,986**	**4,140**	**109**	**-**	**-**	**-**	**3,627**	**-**	**16,862**

* See note 50 for details regarding the restatement.

Note 38.3 Clinical negligence liabilities

At 31 March 2021, £6,058k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Surrey and Borders Partnership NHS Foundation Trust (31 March 2020: £5,835k).

Note 39 Contingent assets and liabilities

The Trust has no contingent assets and liabilities for the year

Note 40 Contractual capital commitments

	Trust	Group
	31 March 2021	31 March 2020
	£000	£000
Property, plant and equipment	3,309	1,423
Intangible assets	318	8
Total	**3,627**	**1,431**

Contractual capital commitments relate to Trust business

Note 41 Other financial commitments

The Trust is committed to making payments under non-cancellable contracts (which are not leases, PFI contracts or other service concession arrangement), analysed by the period during which the payment is made:

For the year ended 31 March 2021, there were no other financial commitments.

Note 42 Defined benefit pension schemes

Past and present employees are covered by the provisions of the NHS Pension Scheme. The Trust does not operate a defined benefit pension scheme.

Note 43 On-SoFP PFI, LIFT or other service concession arrangements or obligations

The Trust has no on-SOFP PFI, LIFT or other service concession arrangements, obligations or commitments

Note 44 Off-SoFP PFI, LIFT or other service concession arrangement obligations

The Trust has no off-SOFP PFI, LIFT or other service concession arrangements, obligations or commitments

Note 45 Financial instruments

Note 45.1 Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the Trust has with commissioners and the way those commissioners are financed, the Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The Trust has limited powers to borrow or invest surplus funds, 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 Surrey and Borders NHS Foundation 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.

Credit Risk
Because the majority of the Trust's income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2021 are in receivables from customers, as disclosed in the receivables Note 29.

Liquidity Risk
The Trust's operating costs are incurred under contracts with commissioners, which are financed from resources voted annually by Parliament. The Trust funds its capital expenditure from funds obtained from government. The Trust is not, therefore, exposed to significant liquidity risks and tracks its cashflow daily.

Market RIsk
The Trust is not exposed to material risk in relation to Interest or Foreign Currency. Market risk in relation to property valuations have been assesed as described in Note 22, which following an assesment on market fluctuations in relation ot the COVID pandemic, the Trusts property valuation is reported as not being subject to 'material valuation uncertainty.

Foreign Currency Risk
The Trust is a wholly domestic organisation with all its transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations and, therefore, has low exposure to currency rate fluctuations.

Note 45.2 Carrying values of financial assets

Carrying values of financial assets as at 31 March 2021 (Trust)	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	17,346	-	-	**17,346**
Cash and cash equivalents	89,212	-	-	**89,212**
Total at 31 March 2021	**106,558**	**-**	**-**	**106,558**

Carrying values of financial assets as at 31 March 2020 (Group)	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	54,115	-	-	**54,115**
Cash and cash equivalents	41,893	-	-	**41,893**
Total at 31 March 2020	**96,008**	**-**	**-**	**96,008**

Note 45.4 Carrying values of financial liabilities

Carrying values of financial liabilities as at 31 March 2021 (Trust)	Held at amortised cost	Held at fair value through I&E	Total book value
	£000	£000	£000
Trade and other payables excluding non financial liabilities	37,253	-	**37,253**
Provisions under contract	4,647	-	**4,647**
Total at 31 March 2021	**41,900**	**-**	**41,900**

Carrying values of financial liabilities as at 31 March 2020 (Group)	Held at amortised cost	Held at fair value through I&E	Total book value
	£000	£000	£000
Trade and other payables excluding non financial liabilities	26,721	-	**26,721**
Provisions under contract	3,381	-	**3,381**
Total at 31 March 2020	**30,102**	**-**	**30,102**

Note 45.5 Fair values of financial assets and liabilities

The book value (carrying value) stated for Financial Assets and Liabilities above is a reasonable approximation of fair value. The Trust holds these Financial Assets in order to collect contractual cash flows and not for the purpose of selling these assets. All these Financial Assets are, therefore, measured at amortised costs. Financial Liabilities are also measured at amortised cost.

Note 45.6 Maturity of financial liabilities

The following maturity profile of financial liabilities is based on the contractual undiscounted cash flows. This differs to the amounts recognised in the statement of financial position which are discounted to present value.

	Trust	Group	Trust
	31 March 2021	31 March 2020	31 March 2020
	£000	£000	£000
In one year or less	41,900	30,102	30,102
In more than one year but not more than five years	-	-	
In more than five years	-	-	
Total	**41,900**	**30,102**	**30,102**

The prior year comparator figures in this note were previously prepared on a discounted cash flow basis. In line with the recommendations of the Group Accounting Manual this has been updated to be shown on an undiscounted basis. This has no impact on the value of the liabilities within the Statement of Financial Position.

Note 46 Losses and special payments

	2020/21		2019/20
Group and Trust	Total number of cases	Total value of cases	Total value of cases
	Number	£000	£000
Losses			
Cash losses	14	9	3
Fruitless payments and constructive losses	-	-	-
Bad debts and claims abandoned	6	3	81
Stores losses and damage to property	1	11	-
Total losses	**21**	**23**	**84**
Special payments			
Compensation under court order or legally binding arbitration award	1	-	-
Extra-contractual payments	-	-	-
Ex-gratia payments	2	1	1
Special severance payments	-	-	-
Extra-statutory and extra-regulatory payments	-	-	-
Total special payments	**3**	**1**	**1**
Total losses and special payments	**24**	**24**	**85**
Compensation payments received		-	1

The total losses disclosed here are higher than the amounts included in the line 'Losses, ex gratia & special payments' in note 7.1 as the Trust may include some losses in other lines within that note.

Note 47 Gifts

Disclosure of gifts is only required if the total value of gifts made exceeds £300,000. There were no gifts recorded of significant value.

Note 48 Related parties

This related parties note has been prepared in accordance with IAS 24 and paragraphs 5.179-5.183 of the GAM.

During the year 2020/21, with the exception of the instances listed below, there have been no material transactions or outstanding balances, including commitments, with any other parties related to Surrey and Borders Partnership NHS Foundation Trust.

Payments of £0.328m (2019/20: £0.434m) have been made and income of £29.523m (2019/20: £21.518m) have been received from Surrey County Council (SCC), a party related to two of our senior staff. In addition, the accounts include a debtor of £0.284m and a creditor of £1.625m relating to SCC.

Payments of £0.141m (2019/20 £0.133m) have been made to the Care Quality Commission (CQC), a body for whom two of our senior staff are National Professional Advisors for.

Payments of £0.169m (2019/20 £0.164m) have been made and income £0.733m (2019/20 £0.568m) to Frimley Health NHS Foundation Trust, a party related to the Chief Executive. In addition, the accounts include a debtor of £0.100m and creditor of £0.183m

Payments of £0.054m (2019/20 £0.121m) have been made to the Royal College of Psychiatrists, a party related to the Chief Medical Officer.

Payments of £1.286m (2019/20 £0.023m) have been made and income of £0 (2019/20 £0.057m) to Surrey University, a body for whom two of our senior staff are Visiting Professors for.

Payments of £0 (2019/20 £0.001m) have been made to the Chartered Association of Management Accountants, a party related to the Deputy Chief Executive & Chief Finance Officer.

Payments of £0.001m (2019/20 £0.001m) have been made to the National Mental Health Nurse Directors Forum, a party related to the Chief Nursing Officer.

Payments of £0.305 (2019/20 £0.020) have been made and income of £155.344m (2019/20: £27.948m) have been received from NHS Surrey Heartlands CCG, a party related to two of our senior staff. In addition, the accounts include a debtor of £4.417m creditor of £0.437m relating to NHS Surrey Heartlands CCG.

Payments of £0 (2019/20 £0.051m) have been made and income of £20.337m (2019/20 £7.572m) have been received from NHS England, a party related to a Non-Executive Director a voting member of the Trust Board. In additon, the accounts include a debtor of £0.932m creditor of £0.148m relating to NHS England.

Payments of £2.178m (2019/20 £0.507) have been received from Cygnet Healthcare Ltd, a party related to a Non-Executive Director a voting member of the Trust Board.

Income of £13.002m (2019/20 £11.247) have been received from Health Education England, a party related to a Non-Executive Director a voting member of the Trust Board. In addition, the accounts include a debtor of £0.008m and a creditor of £0.814m relating to Health Education England.

Income of £0.101m (2019/20 £0) have been received from Home Group Ltd, a party related to a Non-Executive Director, a voting member of the Trust Board.

Income of £0.058m (2019/20 £0) have been received from Change Grow Live, a party related to a Non-Executive Director, a voting member of the Trust Board.

	Expenditure to related party	Income from related party	Amounts owed to related party	Amounts due from related party
	£	£	£	£
Chief Executive, Fiona Edwards - Care Quality Commission	141,000	-	-	-
Chief Executive, Fiona Edwards - Frimley Health NHS Foundation Trust	169,000	733,000	100,000	183,000
Chief Innovation Officer and Director of Therapies, Helen Rostill - University of Surrey	1,286,203	430	-	-
Chief Innovation Officer and Director of Therapies, Helen Rostill - Surrey County Council	328,000	29,523,000	284,000	1,625,000
Chief Innovation Officer and Director of Therapies, Helen Rostill - NHS Surrey Heartlands CCG	305,000	155,344,000	4,417,000	437,000
Chief Nursing Officer, Heather Caudle - National Mental Health Nurse Directors Forum	950	-	-	-
Chief Medical Officer, Justin Wilson - The Royal College of Psychiatrists	53,787	-	-	-
Non-Executive Director, Andrew George - Health Education England	-	13,002,000	8,000	814,000
Non-Executive Director, Leslie Morphy - OBE Home Group Ltd	-	100,500	-	-
Non-Executive Director, Rahul Jaitley - Change Grow Live	-	57,574	-	-
Non-Executive Director, Stephen Firn - NHS England	-	20,337,000	932,000	148,000
Non-Executive Director, Stephen Firn - Cygnet Healthcare Ltd	2,177,900	-	-	-
Non-Executive Director, Susan Scholefield - University of Surrey	1,286,203	430	-	-
Director of CYPS - Care Quality Commission	141,000	-	-	-
ICS Director for Children's and LD - Surrey County Council	328,000	29,523,000	284,000	1,625,000
ICS Director for Children's and LD - NHS Surrey Heartlands CCG	305,000	155,344,000	4,417,000	437,000

The Department of Health and Social Care is regarded as the Trust's parent department but the Trust is an independent body not controlled by the Secretary of State. It is, therefore, considered that Government departments and agencies are not related parties. However, the main entities within the public sector that the Trust has had dealings with are listed below:

- NHS England
- NHS North Central London CCG
- NHS North East Hampshire and Farnham CCG
- NHS South West London CCG
- NHS Pension Scheme
- NHS Professionals
- NHS Property Services
- NHS Surrey Heath CCG
- NHS Surrey Heartlands CCG
- NHS West Sussex CCG
- Ashford and St Peter's Hospitals NHS Foundation Trust
- Royal Surrey County Hosp NHS Foundation Trust
- Frimley Park Hospital NHS Foundation Trust
- Sussex Partnership NHS Foundation Trust
- Epsom and St Helier University Hospitals NHS Trust
- South West London and St George's Mental Health NHS Trust
- South London and Maudsley NHS Foundation Trust
- Surrey And Sussex Healthcare NHS Trust
- Health Education England
- NHS Business Services Authority
- NHS Litigation Authority
- Croydon London Borough Council
- Surrey County Council

None of the Trust Board members or members of the key management staff received any form of short-term employee benefits; post-employment benefits; other long term benefits; termination benefits or share-based payments.

The Trust is the corporate trustee to Surrey and Borders Partnership NHS Foundation Trust General Purposes Charity and Related Charities (Charity number 1126477). The Charitable Fund has not been consolidated, on the basis of materiality, as described in Accounting Policies Note 1.3.2. During the period, the funds produced a surplus of £250,969 (2019/20: deficit of £68,000) and the value of the funds as at 31 March 2021 was £1.140m (2019/20: £0.889m).

The Trust holds a 50% interest in the Surrey Healthy Children and Families Limited Liability Partnership (LLP). The Trust is accounting for its relationship with the LLP as a subsidiary consolidated into Group accounts with a 50% non-controlling interest. Refer to Note 1.3 and to the financial statements.

The Trust is a 25% partner in the Collaborative Procurement Partnership LLP (CPP LLP), with three other NHS foundation trusts. For the year ended 31 March 2021, the Trust received a dividend of £0 (2019/20: £214k). Refer to Note 1.3.

Note 49 Transfers by absorption

There have been no transfers by absorption in the year where the Trust has been either the receiving or divesting party.

Note 50 Prior period adjustments

There has been a prior period adjustment relating to Permanent Injury Benefit pensions provision. This relates to some historical cases relating to an Injury benefit scheme operated in the NHS prior to 31st March 2013. Permanent Injury Benefit (PIB) can be awarded to NHS employees who have suffered a Permanent Loss of Earnings Ability (PLOEA) as a result of an Injury sustained or disease contracted wholly or mainly attributable to their NHS employment. The claimed Injury or disease must have occurred before 31 March 2013. PIB once awarded is payable for life. The scheme is administered by NHS Business Services Authority (NHS BSA).

The Trust is liable for 23 cases awarded by NHS BSA under the shceme over the years during the period 1 April 1997 to 31 March 2013 where most of the cases were transferred from predecessor organisations of Surrey & Borders Partnership NHS Foundation Trust. The eligible cases awarded by NHS BSA are paid by NHS BSA and recharged to the Trust on a quarterly basis. Although the costs were correclty charged to the Trust accounts, the Trust should have made a provision under IAS 37 to recognise the liabilities for these cases. They should have then been reviewed and re-evaluated on an annual basis.

It has come to light in a recent internal financial review that only a small number of cases were provided for on the Trust balance sheet, although the payments have been made via NHS BSA on a quarterly basis and the costs correclty charged to the Trust accounts, there was no review or evaluation conducted on the Provision. This has resulted in an understatment of Provison on injury benefits pensions in prior years.

An assessment of Injury Benefits Provision on these historic cases has now been carried out and prior period adjusment made to the carrying amounts of provisons for liabialities with an offset to the opening Income and expenditure reserve balance in the same accounting period. Total cumulative prior period adjustment affecting the I&E reserve is £3.891m and the accounts impacted are as detailed below;

Injury Benefit Provision 2019/20	£000
Prior year closing balance	
At 31 Mar 2020 - as previously stated	249
Prior period adjustment	3,891
At 31 Mar 2020 - restated	4,140
Prior year opening balance	
At 1 April 2019 - as previously stated	314
Prior period adjustment	3,579
At 1 April 2019 - restated	3,893
Current liabilities	
Provisions - prior year closing balance	
At 31 March 2020 - as previously stated	(4,142)
Prior period adjustment due to restatement on Injury benefit pensions provision	(157)
At 31 March 2020 - restated	(4,299)
Provisions - prior year opening balance	
At 1 April 2019 - as previously stated	(3,169)
Prior period adjustment due to restatement on Injury benefit pensions provision	(148)
At 1 April 2019 - restated	(3,317)
Non-current liabilities	
Provisions - prior year closing balance	
At 31 March 2020 - as previously stated	(8,829)
Prior period adjustment due to restatement on Injury benefit pensions provision	(3,734)
At 31 March 2020 - restated	(12,563)
Provisions - prior year opening balance	
At 1 April 2019 - as previously stated	8,363
Prior period adjustment due to restatement on Injury benefit pensions provision	(3,431)
At 1 April 2019 - restated	4,932

Income and expenditure reserve 2019/20

Prior year closing balance	
At 31 Mar 2020 - as previously stated	(48,519)
Prior period adjustment due to restatement on Injury benefit pensions provision	(3,891)
At 31 Mar 2020 - restated	(52,410)
Prior year opening balance	
At 1 April 2019 - as previously stated	(68,076)
Prior period adjustment due to restatement on Injury benefit pensions provision	(3,579)
At 1 April 2019 - restated	(71,655)

Statement of comprehensive income (SoCI):

Operating expenditure	
2019/20 - as previously stated	(224,714)
Prior period adjustment due to restatement on Injury benefit pensions provision	(302)
2019/20 - restated	(225,016)
Finance expense	
2019/20 - as previously stated	(26)
Prior period adjustment due to restatement on Injury benefit pensions provision	(10)
2019/20 - restated	(36)
Operating surplus/(deficit) for the year	
2019/20 - as previously stated	3,793
Prior period adjustment due to restatement on Injury benefit pensions provision	(302)
2019/20 - restated	3,491
Total Surplus/(deficit) for the year	
2019/20 - as previously stated	13,327
Prior period adjustment due to restatement of Injury benefit pensions provision	(312)
2019/20 - restated	13,015

Statement of Cash Flows

Increase/(decrease) in provisions	
2019/20 - as previously stated	663
Prior period adjustment due to restatement of Injury benefit pensions provision	302
2019/20 - restated	965

Note 51 Events after the reporting date

There have been no adjusting events after the reporting date

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