

ANNUAL REPORT AND ACCOUNTS

2020-2021



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Sussex Partnership NHS Foundation Trust Annual Report and Accounts 2020/21

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PART 1: Performance Report

1.1 Overview

This section of the Annual Report provides an overview of key achievements and challenges during 2020/21.

Statement from CEO

Introduction

This last year has seen unprecedented challenges across the NHS and the demand for mental health services has been evident across our services.

As we begin to emerge from the toughest 12 months the NHS and care services have ever experienced, I want to start by thanking our wonderful staff for their commitment, compassion and care for the patients, carers, families and local communities.

There is no vaccine for mental health. Our local communities - including our health and care staff - will need support, kindness and understanding to recover and help move forward. Some will need access to specialist mental health treatment.

Our focus for the year ahead is centred around our organisational strategy, which focuses on our 'three P's'; people, prevention and partnerships.

- We are committed to making sure that people feel valued, supported and cared for. This includes people who use our services and their families, who work in partnership with us and work within our organisation.
- Rather than expecting people to fit in with how we work, we will do everything possible to fit our services around the needs of our local communities.
- We recognise how important it is for us to continue to work with people who have lived experience of mental illness to determine how we can best help people manage their mental health and wellbeing.

As we look forward with hope for brighter times ahead, it is important to pause, reflect and pay tribute to the collective compassion, commitment and teamwork that have helped us through the dark times we have experienced.

We hope aspects of our community response to the pandemic - including the way people have pulled together, the heightened awareness that we can all be vulnerable when it comes to mental health, and the light that has been shone on inequalities within our society - can blossom into a positive force for future change within our society.

Covid-19

As I write this piece for the Annual Report, there is no doubt the shadow cast by Covid-19 has not yet passed. Health and care services continue to respond to huge levels of need. Families, businesses, schools and people of all ages have all been affected in different ways. The sense of loss, anxiety and hardship so many have sadly experienced during this pandemic will take time to heal.

As a Trust, we have adapted quickly to the changes that the pandemic has brought. Our staff have worked so hard over the last year to get used to working from home, being exposed to unprecedented demands on their time and energy, whilst still continuing to deliver our services to those who have so badly needed it. As well as coping with an increase in referrals, we have also been able to look after our existing patients and service users, and my appreciation goes out to our entire workforce, and their achievements will be highlighted throughout this report

As we look back on the last 12 months, it's also important to look towards the future. It has always astonished me how adaptable we can be to new situations, and so many of our teams have had a terrific 'can do' attitude. Among the positives to come from the pandemic are our Positive Practice in Extraordinary Times award ceremony, our MySPFT staff app which launched last summer to keep all our staff up to date, and our Learning for the Future report, which was commissioned by our Research and Development team. Some of the questions we are asking ourselves are: what changes have we made that would be valuable for us to hold onto? Are there things we've done differently - in relation to issues like how we make decisions, work with each other and communicate - that we should continue? It's equally important to think about what has worked less well.

There seemed to be a sense of collective ownership of the story of our journey through the pandemic; a story that is ongoing, as is the case with the pandemic. Having learnt some broad lessons and disseminated them through a back-and-forth process, we are paying attention to presenting the findings in a way that can most helpfully inform conversations and decision-making within local contexts.

Our staff achievements

There are too many achievements to describe in full within this report. I have focused on some examples which demonstrate the creativity, commitment and compassion of our staff and teams across Hampshire and Sussex.

Aspirant nurses stepping up in Hove

Early on in the Covid-19 outbreak, student nurses in their third year of study were called to join NHS colleagues in the fight against coronavirus.

Sussex Partnership NHS Foundation Trust welcomed 44 Aspirant nurses to its team to provide care to patients at this challenging time, and now 38 of these nurses will be staying on as qualified members of staff in permanent roles.

Millie Fairweather, a student nurse from Brighton, also took the brave step to join the NHS as a mental health nurse at this critical time. Millie joined Regency Ward at Mill View Hospital in Hove.

Abby Jelley, a student nurse from London, chose to opt in to an extended placement as an Aspirant nurse midway through writing her dissertation in May.

Of the 44 nurses who joined Sussex Partnership as Aspirant nurses, all were offered permanent roles following their outstanding work as Aspiring nurses.

NHS marathon man runs New York Marathon

A man who ran five marathons in five days has now run the New York Marathon virtually to raise money for local NHS mental health services Covid-19 Relief Fund.

Ian Puttock, Sussex Partnership's Head of Project Management, was inspired by runners who virtually took part in the Brighton and London Marathons and put on his running shoes to complete the equivalent of the New York Marathon in November.

Ian gave the marathon a bit of a twist by running the distance on the running track at Worthing Leisure Centre, which means he completed over 100 laps of the 400m track to make up the 42km (26.2miles) marathon distance.

Worthing children's psychiatrist in the running for prestigious national award

In October, a children's psychiatrist based in Worthing was nominated for a prestigious national award for the second year running.

Dr Ramya Mohan, Consultant Psychiatrist at Sussex Partnership NHS Foundation Trust's Child and Adolescent Mental Health Service (CAMHS) and Qualified Educational Supervisor with the Kent, Surrey and Sussex Deanery, has been shortlisted in the Psychiatric Communicator of the Year category at the 2020 Royal College of Psychiatrists Awards.

Ramya is an accomplished composer, musician, performer, artist, speaker and writer, who uses music and the arts in innovative ways to support children and young people through mental health challenges. She creatively communicates mental health awareness with communities worldwide, on prestigious platforms such as the UK Houses of Parliament, TEDx and High Commission of India Culture.

Taking on the Iron Hog Challenge to raise funds to support veterans

Major Tony Finch, Sgt Major Jack Hargreaves and Major Warren Mahoney visited all 30 Harley Davidson dealerships across the UK in just 60 hours.

They took on the challenge to raise awareness and funds for the Sussex Armed Forces Veterans Breakfast Club, part of the Sussex Armed Forces Network which is supported by Sussex Partnership NHS Foundation Trust and its charity, Heads On.

Martin Diver, Armed Forces Lead for Sussex Partnership NHS Foundation Trust explained: “The breakfast clubs provide peer support to ex members of the Armed forces who may have fallen on difficult and challenging times.”

Local NHS staff given the first class treatment

Pilots and cabin crew boosted the morale of NHS mental health workers in Hove by offering them a first class airline lounge experience.

Volunteers from Project Wingman, which gives furloughed, grounded or redundant UK airline personnel a chance to support the wellbeing of local NHS staff during the Covid-19 pandemic, visited Mill View Hospital in Hove to offer staff some much needed rest and relaxation.

The lounges were open for any staff member to enjoy, and offer a safe, quiet space away from the wards for people to have a break and reflect.

Heartsmiths duo back together to sing for our fantastic NHS

A community mental health nurse has got back together with his singing partner to share their version of The Beatles track 'All my loving', as a thank you to the fabulous NHS.

The Heartsmiths, a legendary musical duo who used to pack out pubs, clubs and restaurants in Mid Sussex, includes Steve Smith and Paul Hartley.

Paul is a talented singer/songwriter/composer and musical arranger and Steve is a community mental health nurse, who works in the dementia team in Worthing, part of Sussex Partnership NHS Foundation Trust.

The popular duo quit regular gigging but continue to play, write and sing as a hobby and collaborate on a number of projects close to their hearts.

Florence Nightingale's relatives celebrate International Nurses Day in Sussex

Two local NHS mental health nurses with the last name Nightingale, one with historical family links to the legendary Florence Nightingale, celebrated International Nurses Day last May.

International Nurses Day is celebrated each year to mark Florence Nightingale's birthday and in 2020 it marked the 200th anniversary of her birth.

The two Nightingale nurses, Rachel and Alastair, work at Sussex Partnership NHS Foundation Trust. Rachel Nightingale is a Team Leader in the Assertive Outreach Team in West Sussex, a

small team that works closely to support clients with psychosis who often find it difficult to engage with mental health services. Rachel, a Nightingale by marriage, has historical family links to the one and only Florence Nightingale.

Alastair Nightingale is a Registered Mental Health Nurse in the Brighton and Hove Wellbeing Service who comes from a nursing background dating back to his great grandmother who was a midwife.

Volunteers travel 6,000 miles delivering vital equipment to mental health units

Dedicated charity volunteers have travelled more than 6,000 miles, which is the equivalent of heading from Sussex to Japan, to deliver vital supplies to Sussex Partnership NHS Foundation Trust's mental health sites.

Sussex 4x4 Response is a group of more than 90 individuals from all around the county, who freely give their time, expertise and enthusiasm to help the community. During the Coronavirus pandemic they have been travelling from Chichester to Hastings, and as far north as Crawley to deliver stocks of PPE to Sussex Partnership staff working on the frontline, who are dealing with patients who require mental health treatment at this time.

Occupational Therapy is keeping people well

Occupational therapists in Worthing and Brighton & Hove have been playing a pivotal role supporting people with their mental health and wellbeing during the coronavirus outbreak.

The Occupational Therapy (OT) Team at Shepherd House in Worthing and Mill View Hospital in Hove have come up with new and innovative ways to provide vital support during the pandemic.

As well as garden activities, arts and crafts groups continued to run as well as quiz and movie nights and organised personalised relaxation sessions. People have also been able to use the gym facilities when they like and are using their allocated leave to enjoy their daily exercise along the seafront.

The team have put together information packs to help service users who are having to keep separate. The packs include self-care items, treats and mindful activities.

Positive Practice Awards

It wasn't a straightforward decision to have an awards event this year. As a Trust, we were extremely aware how difficult this last year has been - how hard our staff have worked, the difficulties they've faced and the loss and sense of isolation that so many people have experienced. As a result, we chose not to single out any individual or team and the idea of celebrating did not feel right given everything we've all been through.

We made the decision to hold our very first virtual awards ceremony in March 2021 which was streamed online to all staff. We also made a point of not having 'winners' for each category, given

the amazing contribution all our staff have made. Instead, we had three commended nominees across eight categories and one of those who was chosen as highly commended.

Covid response team of the year (clinical) - Clinical teams who have demonstrated incredible adaptability, receptiveness and leadership in their response to the pandemic, ensuring patients were safe and would continue to receive the care they need.

- Highly Commended: Adult mental health services in Hastings
- Commended: Sussex Eating Disorder Services (SEDS) adults
- Commended: The Haven

Covid response team of the year (non-clinical) - Non-clinical teams who have demonstrated incredible adaptability, receptiveness and leadership in their response to the pandemic, ensuring patients were safe and would continue to receive the care they need.

- Highly Commended: All IT Operations and Digital Teams
- Commended: Estates and Facilities Teams
- Commended: Covid Vaccination Centre Admin Team

Patient Support Champion - An individual or team who went above and beyond to support the overall health and wellbeing of patients and service users in response to the Coronavirus pandemic.

- Highly Commended: Physiotherapists and Speech and Language therapists in Learning disability
- Commended: Sussex Mental Health Line
- Commended: Sophie Gale, Chichester CRHT

Staff Support Champion - An individual or team who went above and beyond to support the overall health and wellbeing of staff in response to the Coronavirus pandemic.

- Highly Commended: Caroline Brett and Jarod Newbury, The Selden Centre
- Commended: Theo Minter, IT Engineer
- Commended: Jo Fry, Clinical Health Psychology Service Manager

Pandemic Partnership - Awarded to an individual or team who have found exceptional ways of working collaboratively, building relationships and finding new ways to work with others for the benefit of patients and service users during the pandemic.

- Highly Commended: The Neurodevelopmental Service
- Commended: North West Sussex CRHT & Citizens Advice Bureau
- Commended: Primary Care and Wellbeing / Staff in Mind team

Innovation and Learning for the Future - An individual or team who have facilitated innovative ways of working or made significant changes to training and working practices to adapt to the

Covid environment, which will inform future work and benefit patients and service users going forward.

- Highly Commended: Lorna-Belle Harty, Tamzin Steward, Christopher Knight, Kirsten Iles and Caroline Henn, Peer Support in Sussex online
- Commended: Therapists and Assistants at the Sussex Voices Clinic
- Commended: Lindsay Evans, Graeme Banks. Elea Drews-Windeck and Digital STEPPS-EI Project Group including Experts by Experience and STEPPS-EI Facilitators

Equality and Inclusion - This new award recognised and celebrate an individual or team who has made an outstanding contribution to our work to promote inclusion and equality of experience for people who use or work within our services.

- Highly Commended: Night Team - Mill View Hospital
- Commended: Jacqueline Clarke-Mapp, Leadership of the Ethnic Minority Staff Network
- Commended: Rebecca Simmons and Pete Bull, Neurodivergent staff network

Heads On Heroes - Lockdown Edition - Awarded for an individual or team who has made an outstanding contribution to patient care and mental health during the pandemic through fundraising or volunteer work, including staff who have volunteered above and beyond their usual roles.

- Highly Commended: Eleanor Taylor, Out of hours A&E Diversion line
- Commended: Amber Perrin, HCA Pavilion Ward
- Commended: Rachael Duke, Heads On team

So, it really has been an extraordinary year. None of us could have envisaged a year like it. It's been tough. But, at the same time, it has shown the very best of our public, third sector and voluntary services.

There may be key names mentioned above, but I don't want to forget everyone else that was nominated for our Positive Practice award, and certainly not forget the thousands of dedicated staff that come into work every day, who have made their key roles more than just a job

Everything they have done throughout the pandemic has helped us stay true to our vision – to improve the quality of life for the communities we serve through People, Prevention and Partnerships.

The real test of our values – individually, as teams and as an organisation – is whether we stay true to them when we are under pressure. I've seen so many examples throughout this pandemic where staff have used our values to put people first, embraced change, stayed future focused, worked together and made sure that everyone counts.

Celebrating developments across Sussex Partnership

The Trust has continued to evolve over the last 12 months and adapt to changes we have all had to make. Our focus on people, prevention and partnerships is now being embraced by staff, and

our long-standing values remain; putting people first, working together where everyone counts, embracing change, being future focussed.

I wanted to take this opportunity to celebrate some of the major developments at the Trust over the last year.

New dementia unit welcomes first patients

A newly refurbished dementia intensive care unit opened its doors in Worthing after four years in the planning, specifically designed with the needs of people living with dementia and their families and carers in mind.

The Forget Me Not Unit is situated on the Swandean Hospital site in Worthing and replaces the Trust's existing dementia wards in West Sussex, which had become unsuitable for the people that they served. The Unit was formally opened on 1 March 2021.

Staff Survey results

The results of the 2020 Sussex Partnership NHS Foundation Trust (SPFT) staff survey have been published demonstrating strengths, improvements and areas that need focus.

A strong majority of staff (69%) said they would recommend SPFT as a place to work, 82% agreed that the care of patients/services users is the organisation's top priority and 88% said the organisation acts fairly in terms of career progression.

The feedback indicated several areas where there have been improvements compared to last year's results. More staff said the organisation takes positive action on health and wellbeing (40%), there has been a decrease in the number of staff who have experienced bullying or harassment from patients/service users, their relatives or members of the public (31%), and more staff compared to last year said if a friend or relative needed treatment they would be happy with the standard of care provided by the organisation (65%).

Staff feedback highlighted areas that require focus. 43% of staff said they were unable to meet conflicting demands on their time at work, 60% said they were not able to provide the care they aspired to, and the health and well-being results (see above) suggest there is more work to do in this area.

52% of staff completed the survey, which is consistent with recent years.

New mental health service launched to support Sussex health and care staff

A new mental health service is launched in January for health and care staff across Sussex who are supporting our local communities during the Covid-19 pandemic.

Staff in Mind is a confidential NHS service for health and care staff who may be experiencing emotional or psychological difficulties. It has been developed by Sussex Partnership NHS Foundation Trust on behalf of Sussex Health and Care Partnership, an alliance that brings together all the NHS organisations and local councils that look after public health and social care across the county. The service is also available for staff employed by Sussex Partnership who work within Hampshire Child and Adolescent Mental Health Services.

Funded by NHS England and Improvement, the service offers an independent, confidential and rapid mental wellbeing assessment. It also provides priority access to treatment for people who - for whatever reason - may be less likely to seek help or who may prefer not to access the occupational health and wellbeing support that is available where they work.

New role for Acosia Nyanin, Chief Nursing Officer

Acosia Nyanin, Chief Nursing Officer at Sussex Partnership NHS Foundation Trust, has been appointed Chief Nurse for the NHS England and Improvement South East region. She will start her new role on a full-time basis from 5 July 2021, working one day a week in the meantime with the South East region team.

Acosia joined Sussex Partnership as Chief Nurse in December 2018 and has worked in mental health and social care services for 17 years. Her previous roles include Director of Quality (South region) and Professional Lead for Acute Mental Health and Addictions with Priory Group, and Head of Inspection for Adult Social Care at the Care Quality Commission.

New Chief Nurse appointed

Dr Jane Padmore has been appointed to the Board level position of Chief Nurse at Sussex Partnership NHS Foundation Trust with effect from 16th August 2021.

Jane is currently Executive Director of Quality and Safety (Executive Nurse) at Hertfordshire Partnership NHS Foundation Trust, a position she has held since 2016.

Jane has worked in mental health and learning disability services since 1990, initially as a healthcare assistant. She has experience across learning disability and adult and child mental health as well as forensic services. Jane has been involved in clinical, service development and academic work throughout her career. She joined Hertfordshire Partnership in 2014 as Deputy Director of Nursing Quality and Safety before being appointed to her current role of Executive Nurse.

Study explores benefits of sharing mental health recovery stories

Trials were carried out in Sussex to look into the effect that reading, watching or listening to the recovery stories of others can have on people who are affected by mental health difficulties.

It was part of a national trial led by a team at Nottingham University and supported by researchers at Sussex Partnership NHS Foundation Trust.

The trials were open to people experiencing a range of mental health difficulties, including people living with psychosis, depression and anxiety. One trial was also open to families and carers.

The online narratives form the world's largest collection of recovery stories and are part of a research project called NEON. First person accounts described struggles people have had with mental health and their strength, survival and recovery experiences.

Learning Disability Improvement Standards Review goes live

Sussex Partnership NHS Foundation Trust was among several NHS Trusts who took part in a national survey to fully understand the extent of Trust compliance with recently published NHS Learning Disability Improvement Standards, and also to identify improvement opportunities.

Sussex Partnership provides specialist mental health and learning disability services across Sussex and Hampshire.

The review saw patients who have a diagnosis of learning disabilities or autism, who are currently seen in either acute or community adult mental health services, receive questionnaires through the post.

Occupational Therapy Week comes to Sussex

Occupational therapists and students at Sussex Partnership NHS Foundation Trust took to social media to raise the profile and to attract new people to their profession. The event was part of this year's Occupational Therapy Week in November 2020, organised by the Royal College of Occupational Therapists (RCOT).

The theme was 'Choose OT' building on the RCOT's call for its members to promote the profession and the value they add to the lives of hundreds of thousands of people every week.

Occupational therapists have been described as the health and care system's 'secret weapon'. They are a registered profession qualified to work across mental and physical health and in NHS and social care settings. This means that they are uniquely placed to take into consideration the individual needs of each person.

Black History Month at Sussex Partnership

Our Ethnic Minority Staff Network led our Black History Month celebrations last year with their first Black History Month online festival, led by this year's director Jacqueline Clarke-Mapp.

The team worked hard to share inspiring and challenging interviews with staff from ethnic minority backgrounds talking about their experiences of how their own cultural backgrounds have positively shaped their work and impacted their relationships with service users. You can catch the interviews on our [Black History Month YouTube playlist here](#).

With 12.8% of our staff and so many of our service users coming from ethnic minority backgrounds it's important that we recognise and celebrate our cultural differences.

World Mental Health Day 2020

People were urged to get involved in a mental health campaign to help promote 10 ways to mental wellbeing, which already has the backing of several organisations.

Sussex Partnership NHS Foundation Trust was behind the campaign on World Mental Health Day 2020 on 10 October.

The initiative saw hundreds of people and local organisations simultaneously tweet a mental health message at 10am on 10 October promoting 10 ways to wellbeing. There was an invitation to social media users to play their part in this digital event, joining organisations including Southern Rail, Sussex Cricket and Brighton & Hove Albion FC.

Experts issue mental health advice as children go back to school

Specialists from Sussex Partnership's Child and Adolescent Mental Health Service (CAMHS) offered online tips and guidance to parents and children about going back to school, and how to manage the new feelings and emotions experienced during time away from the classroom.

Advice has been published to help parents communicate with their children, and for teachers and pupils to better understand the situation last summer.

A list of top tips includes advice such as monitoring excessive worry or sadness, unhealthy eating or sleeping habits, and difficulty with attention and concentration.

Mental health trust leads the way for remote patient appointments

A mental health and learning disability NHS trust covering Sussex and Hampshire is the best performing trust within England (as of September 2020) for providing digital appointments for patients during the coronavirus lockdown, ensuring those that need extra support continue to receive it.

Sussex Partnership NHS Foundation Trust rolled out remote appointments through Attend Anywhere software on 16 March 2020. In the first nine weeks, the total number of digital consultations has topped 10,000.

More than 800 clinicians have already used digital software to interact with patients, across 131 of the Trust's services. The technology has been adopted by a full range of clinical services including adult and children's services, learning disability services, dementia care and forensic services, reducing the need for physical attendance at sites, protecting both patients and staff.

New wellbeing website launches for children and young people

A new e-wellbeing website launched to support children and young people with their mental health across Sussex. It provides self-help information, handy toolkits and a directory of local services and Covid-19 advice.

YMCA Downlink and Sussex Partnership NHS Foundation Trust, which provide CAMHS (Child and Mental Health Services) across Sussex, launched e-wellbeing – a website to support children and young people with their mental health.

The website provides self-help information, handy toolkits, a directory of local services and Covid-19 advice. e-wellbeing is different to other websites, in that it poses a series of questions to help guide young people to the appropriate content. It provides young people with self-help guidance and information about different aspects of mental health difficulties and supports them to make the decision about whether they may need help from a professional service.

Funding has been provided by Sussex Partnership NHS Foundation Trust, alongside support from the NHS Sustainability & Transformation Plan, to ensure young people across Sussex can get the help they need.

Foundations for our Future

The number of children and young people needing help and support for their emotional health and wellbeing across Sussex grows every year. This is likely to have increased further, and at a faster rate, due to the ongoing crisis we are all facing with Coronavirus.

The NHS and local authorities across Sussex are committed to working together to improve the experience and lives of all local children and young people who are vulnerable and need support. We have dedicated staff working in health, social care, education and the voluntary and community sector who work extremely hard together to try to ensure children, young people and their families get the help they need.

However, feedback we have received from those using services, their families, carers and staff have highlighted that the current system is not working as well as it should. They are telling us that the needs of children, young people and their families and carers must be more at the centre of how we plan, pay for and deliver services. They are telling us that it is not always clear what support is available, from whom or how to access it.

This is something that all partners have collectively agreed needs to rapidly change as we know how difficult and distressing it is for children, young people and families affected by emotional health or wellbeing issues.

Our commitment to driving real improvement is the reason we commissioned an independently led review called *Foundations for Our Future*. This allowed us to hear from those that know best how we can provide the right care and support to local children and young people, what works well and what could be improved. This has given us a greater understanding around what needs to change and now means we are able to work together to take bold and ambitious action to make change happen.

The ongoing coronavirus pandemic has meant we have not been able start implementing some of the changes we want to make as we had planned. This is due to urgent need for us to focus on helping to ensure our populations get the care they need at this time of national emergency. As a result, the publication of the report into the review has been delayed as it has not been possible to gain formal approval across all partners through the statutory governance arrangements.

The organisations* that commissioned the report have now made immediate arrangements to receive the report and to endorse the 20 recommendations it includes. Senior leaders from those organisations have created an Oversight Group to take the 20 recommendations forward and will identify where improvements and plans can be accelerated over the summer months. The receipt of the report signals the partner organisations' continued commitment to improving the emotional health and wellbeing of children and young people in Sussex, and supporting our workforce in this field, and confirms this as a priority for us.

We would like to thank everyone who took part in the review. We have listened, we have learned and we will now take action to make sure real improvements are made for our children and young people.

* The independent review was commissioned by: Brighton and Hove City Council, East Sussex County Council, NHS Brighton and Hove Clinical Commissioning Group, NHS East Sussex Clinical Commissioning Group, NHS West Sussex Clinical Commissioning Group, Sussex Partnership NHS Foundation Trust, West Sussex County Council

- **Useful documents**

- [Our summary narrative](#) gives more details of the review, the recommendations and next steps.
- [Read the report in full.](#)

Improving mental health services in West Sussex

In January 2018, Sussex Partnership and the local West Sussex Clinical Commissioning Groups (CCGs) began developing proposals to improve mental health services in West Sussex for adults and older people, including those with dementia. These proposals were put forward in July 2019.

In February 2021, final proposals were announced which will help shape the way we operate in the years to come. It gives us the chance to move old and poor-quality wards in Chichester and Horsham to more modern wards in Worthing and Crawley.

These plans also provided the opportunity to create single-sex wards across West Sussex to meet national guidelines and develop a Centre of Excellence for dementia care in Worthing.

Following a public consultation on the plans between July and October 2019, these original proposals were reviewed in light of the responses received from hundreds of people, including service users, carers, families, representative groups, charities and politicians.

Our revised proposals give us a unique opportunity to establish a Centre of Excellence for Dementia - a move widely supported by people who responded to the consultation.

We believe this will improve outcomes for people with dementia who have physical health problems and those with long-term physical health conditions who have cognitive difficulties. The improvements also go hand-in-hand with improvements to community mental health services to help people stay in their own homes rather than go to hospital.

The new proposals address the following issues:

- Revised approach to single sex wards - all wards, except dementia wards, will now remain mixed-sex but will have segregated areas between men and women. There will be mixed communal lounges alongside segregated female lounges. This acknowledges that mixed sex wards can better reflect real life environments for inpatients.

- Oaklands Ward in Chichester will become mixed-sex rather than male-only as originally planned. This will allay concerns that there would be no female inpatient beds in the Chichester area.
- Transport - people were concerned that they would need to travel further because of the moves. The revised proposals set out ways to help people who may be affected, including paying additional expenses.

These plans have been approved and assured by NHS England and NHS Improvement, the Sussex Partnership Board of Directors, West Sussex CCG Governing Body.

As the final part of the governance and assurance process, the plans were considered by the West Sussex Adult and Social Care Scrutiny Committee.

The Chairman recommended that the committee supported the proposals, in particular recognising how the NHS has responded to the issues raised during consultation and noting the development of the centre of excellence for dementia.

However, requested that the NHS report back later in the year to assure the committee regarding services for older people with mental health needs in west of the county, measures to continue to address identified transport issues and implementation of plans.

Developing mental health proposals in East Sussex

As well as the work in West Sussex, we have also been working in partnership with the East Sussex Clinical Commissioning Group (CCG) to improve mental health inpatient services in East Sussex for adults, older people and those living with dementia.

At the start of 2020, we established a joint Programme Board to take forward this major piece of work. The Board initially oversaw the development of a Case for Change which set out the challenges we face and confirmed that our existing adult inpatient facilities in East Sussex are not fit-for-purpose.

This means that, while we work hard to make sure patients receive the right quality of care at all times, we are very aware that we need to make bigger improvements so that we will be able to deliver that care to an even higher standard in the future.

Therefore, a significant change is required to improve the quality of our services currently being delivered across four sites in East Sussex, including Department of Psychiatry in Eastbourne, Woodlands Centre at Conquest Hospital in Hastings, Beechwood Unit at Uckfield Hospital and Amberstone Hospital near Hailsham.

We publicly announced our intentions in October 2020 and began a period of early engagement with stakeholders, particularly service users, carers and their representatives, senior clinicians, members of staff and those people who are seldom heard.

This helps us make sure that not only are we listening to the views of people as early in the process as possible but also that any proposals are co-produced and co-designed.

To help us with this, we established an Assurance Group consisting of Experts by Experience as well as an Advisory Group consisting of Trust Governors. These two groups will act as critical friends to provide challenge or support for our proposals, as appropriate.

Following the engagement activity – which included interactive online workshops, one-to-one interviews, meetings with staff and service user groups and an online questionnaire – we arrived at options for taking forward this Programme.

These options are summarised below.

We propose building new state-of-the-art facilities on a single campus which will meet all the mental health inpatient needs of the people of East Sussex, now and in the future.

The preferred way forward is to deliver this campus in phases.

This will enable us to attract and keep the best staff as it will be a leading centre for mental health provision, with excellent research and teaching and where patient outcomes are outstanding.

However, our first priority is to take advantage of national funding available to eradicate dormitories. This will enable us to move the services we provide at the Department of Psychiatry on to a new site within the next three years.

We have identified three sites in Bexhill, Eastbourne and Hailsham and we will be assessing their viability over the coming months.

This early outcome will form the foundation for future expansion and provide the momentum to carry through our long-term plans, in conjunction with other initiatives such as the Community Transformation Programme.

A number of meetings have already taken place to discuss these plans further.

They are then likely to be subject to a formal public consultation which, at present, we envisage taking place for 12 weeks during summer 2021.

This is an exciting opportunity for us to deliver modern and high-quality services which will serve our communities for years to come - and provide an environment where staff can develop and flourish.

Provider Collaboratives

Sussex Partnership NHS Foundation Trust is lead provider for a new partnership for adult low and medium secure mental health care in South East England.

The Kent, Surrey and Sussex Secure Care Provider Collaborative launched on 1 April 2021 and consists of a number of providers of low and medium secure hospital services across Sussex, Kent and Surrey.

NHS-led Provider Collaboratives aim to improve patient experience through better partnership working. They involve responsibilities previously held by NHS England and Improvement being transferred to a partnership of specialist health providers.

Working better together will enable us to commission services to meet the needs of patients and make sure discussions about funding don't become a distraction.

By pooling our expertise, we can reduce the time that people with complex needs spend in hospital receiving specialist care. This will give us the flexibility to make savings and reinvest in community services which are less restrictive.

We will also continue reduce the number of people being placed in services outside the local area, making it easier for their families and friends to continue supporting them while they are in hospital.

Sussex Partnership is also the leading provider of the Dorset and Wessex Child and Adolescent Mental Health Services (CAMHS) Tier 4 Provider Collaborative which went live on 1 May 2021, with the Kent and Sussex CAMHS Tier 4 Provider Collaborative due to go live later in 2021/22.

Integrated Care System (ICS)

The NHS and local councils have come together in 44 areas across England to develop proposals to improve health and care. They have formed new partnerships – known as Integrated Care Systems – to plan jointly for the next few years.

The Sussex Health and Care Partnership brings together 21 organisations all working together to meet the changing needs of all the people who live in our area. We want to offer better health, better care and to ensure we make the most efficient use of our resources.

Mental health is one of the priorities of our Integrated Care System (ICS). Work in this area is being led by a Mental Health Collaborative chaired by myself and involving a wide range of partners.

In 2017, our Sustainability and Transformation Partnership commissioned a review of how mental health services are planned, commissioned, funded and delivered in our area.

The aim was to help determine how the voluntary sector, local authorities and NHS can work better together to meet the needs of the patients, carers, families and local communities we serve.

The review was carried out with the involvement of all partners and involved clinicians, patients and carers. It is the most detailed analysis of the current picture of local mental health services that we have ever undertaken, and it lays bare the scale of challenge that we face.

The outcomes experienced by local people with mental health problems are often poor. Crisis care, in particular, could be much better. There are strong arguments for increasing the funding available for mental health services and for using the resources that are available more effectively.

The review also identified a wide range of opportunities for addressing these challenges and for making real improvements to services and wellbeing for local people. Warm words about mental health are not enough. This review highlights the need for real changes in the ways that mental health services are commissioned and provided and working together in partnership through the ICS offers us the best chance to achieve this.

We are working with our partners on how we use this review to shape the future of mental health services in our area. This will include decisions on where investment is needed and where services need to change or be developed. We will want to have a much broader conversation about these issues with patients, carers and others with an interest in mental health.

Heads On

This past year has been a year like no other, with staff, patients, carers and our local communities pulling together to support each other through the crisis. Key to this at Sussex Partnership has been our official charity, Heads On, who have played a vital role throughout the pandemic, keeping us connected and supported as we all face our own challenges.

From care packages for staff to hardship bursaries for service users facing financial hardship, from Make for Tomorrow (our Covid-19 arts and health programme) to co-produced research into how Black Asian Minority Ethnic (BAME) patients experience our services, Heads On has risen to the challenge of Covid-19, ensuring that charity is at the heart of our response to the pandemic and supporting staff and service users where it is needed most.

We are in awe of the amazing fundraising efforts of our local community to support people using mental health services, from fancy dress runs to virtual marathons, zumbathons to the support of our police forces and local businesses supporting care packages for carers. Every single act of kindness and generosity has made the biggest difference to people when they are having a truly tough time.

The team have worked closely in partnership with NHS Charities Together, and we are hugely grateful for the support we have received from the national NHS Charities Together fundraising campaign which has enabled us to fund kit and equipment for inpatients to keep in touch with loved ones; mental health first aid boxes for patients across our communities; our 2020/21 winter isolation fund supporting service users during the most recent lockdown; staff support to show our appreciation for how hard our teams are working and that recognises that staff wellbeing is key to caring for patients; and a programme of initiatives to improve BAME staff and service users' experience of Sussex Partnership.

At the heart of Heads On's work is a growing focus on health inequalities, as the charity works to make a genuine contribution towards addressing the systemic inequality that many people with mental health problems or learning disabilities face. As lead charity for the distribution of NHS Charities Together Community Partnership Grants in Sussex, working on behalf of all seven NHS charities in Sussex, the team have brought a focus on health inequalities to this funding and particularly to ensuring that support reaches ethnic minority communities who can face many systemic challenges in accessing grant funding. As Heads On moves forwards with us through the restoration and recovery stages of the pandemic, this focus will remain key to their work, as they continue the development of both national and local partnerships.

During these challenging times Heads On has also been able to continue with key projects that are more important now than ever. The suicide prevention work in partnership with Albion In The Community and the Movember Foundation has been hugely successful in reaching young men to promote positive mental health. Securing funding from the Health Foundation has enabled the charity to develop work in partnership with the University of Sussex and Oxford Health NHS

Foundation Trust that will enable us to test whether artificial intelligence can accurately predict length of stay on adult inpatient wards. The charity secured an emergency Covid-19 Relief Fund grant from the National Lottery through Arts Council England to enable us to deliver a programme of arts participation opportunities for service users across the Trust.

We are proud of the Heads On's team's passion, drive and commitment to making every penny of fundraised income count. By working in partnership with staff, service users and our local communities and national partners the charity have risen to the challenge of Covid-19, bringing hope and optimism in the most challenging of times. On behalf of everyone at Heads On and SPFT, thank you, from the bottom of our hearts, to everyone who has supported the charity this year. Your donations have made the world of difference to people whose mental health has struggled during the pandemic. We could not have achieved everything we have without you.

Learning for the Future

In April 2020 I commissioned a project to capture the ongoing learning from the organisation's response to the Covid-19 pandemic. This has included changes to service provision - specifically in relation to urgent care and use of digital technology - and new working practices, with a particular focus on the need to introduce remote working where possible.

The project was led by the Trust's Research and Development team. I took the decision to identify a diverse team from across the organisation to form the project team, under the leadership of the Trust's Director of Research. Each member of the project team was not directly involved with the Trust's incident command structure and was selected on this basis. The team was set a high-level objective and given a stretching timescale. They had the authority to design their methodology and go anywhere across the organisation to learn. The research was undertaken using a mixed methodology to elicit quantitative and qualitative feedback.

The outcomes of the project have been published on the Trust's public website and discussed with staff via a series of webinars. The project feedback has also informed the development of our 'Learning for the Future' framework, which sets out the core principles and expectations we expect teams to use to inform their ongoing discussions and decisions about future working practices.

Each of these principles / expectations relates to staff feedback received via the project:

1. The opportunity to genuinely embrace flexible working practices that support staff wellbeing and which promote work / life balance.
2. The importance of staff having manageable workloads, clear roles, regular breaks and annual leave and support to make sure they do not work unreasonable hours.
3. The needs of the service in directly providing care to patients, families and carers, or in supporting this in the case of non-clinical teams.
4. The requirement of line managers / leaders to be accessible and visible to staff through formal, planned supervision, appraisals and team meetings, as well as informal check-ins (both virtually and face-to-face).

5. The importance of engaging staff, listening to feedback and constructively exploring issues of potential conflict / disagreement with respect, empathy and kindness.

6. Our Trust values: putting people first, being future focused, embracing change, working together and ensuring everyone counts.

Learning from Covid – our breakthrough objectives

There are 4 breakthrough objectives for 2020/21 which are our highest priority objectives.

These are:

- delivering 24/7 crisis and urgent care services
- delivering a new model for adult community services
- developing a Learning System
- delivering the Digital Adoption Programme

Delivering 24/7 crisis and urgent care services

Though challenged by recruitment across all projects, the urgent care workstream has delivered significant improvements in 2020/21. People in Sussex can now access 24/7 mental health support and triage via the Sussex Mental Health Line and where needed, be directed to a range of local urgent care services. Around 90% of calls to the Sussex Mental Health Line are managed over the phone, with the remaining 10% being directed onto local services. This means the vast majority of callers are successfully supported to stay at home and utilise existing care plans where they are in place.

Adult community services

A comprehensive model has been developed which will transform community services across Sussex with no wrong front door for all people in need. A bid for Community Transformation funding was submitted during Q3 2020/21.

Revised workstream governance structure is to be in place from Q4 2020/21. We have responded to the challenges of the Covid pandemic to develop blended models of support for service users and carers i.e. face-to-face and digital and online support.

Developing a learning system

The Trust's Learning System, designed to be the cultural enabler for the Trust to realise its strategy now consists of seven "inclusive practices" with the inclusion of equality, diversity and inclusion:

- Talent Management
- Leadership & Management Development
- Human Resources (HR) Practices
- People Participation
- Workforce Race Equality Standard (WRES) & Workforce Disability Equality Standard (WDES)
- Succession Planning
- Equality, Diversity and Inclusion (EDI)

Plans around talent management and succession planning have been included in the Developing the Trust's EDI ambitions action plan which was agreed by the Trust Board in September 2020. Since then, work has also commenced across the Integrated Care System (ICS) on talent management and the Trust is actively participating in this.

Digital Adoption Programme

In January 2021, we received our final £1m Global Digital Exemplar (GDE) funding allocation. This marks the final year of our successful GDE programme. The allocation will mainly fund the continued work on our Electronic Prescription and Medicines Administration system (EPMA) and PowerBI projects, as the remainder of the projects come to their scheduled end. Despite Covid, the programme has achieved its stated aims and we will continue to monitor the benefits of this programme for the next 10 years.

Conclusion

There is no doubt this has been an incredibly difficult year. Whilst we need to remain absolutely focused on Infection Prevention and Control measures - including social distancing and use of Personal Protective Equipment - we can now start looking ahead and planning for the future. The vaccine rollout and reduced levels of infection are very welcome grounds for hope for the year ahead.

In the light of our pandemic experience, and in response to the feedback staff gave us through our Learning for the Future project, we have developed a framework to help inform team discussions and decisions about future ways of working.

These core principles and expectations underpin this framework:

- The opportunity to genuinely embrace flexible working practices that support staff wellbeing and which promote work / life balance. The importance of staff having manageable workloads, clear roles, regular breaks and annual leave and support to make sure they do not work unreasonable hours.
- The needs of services in directly providing care to patients, families and carers, or in supporting this if you are a non-clinical team.
- The requirement of line managers / leaders to be accessible and visible to staff through formal, planned supervision, appraisals and team meetings, as well as informal check-ins (both virtually and face-to-face).
- The importance of engaging staff, listening to feedback and constructively exploring issues of potential conflict / disagreement with respect, empathy and kindness.
- Our Trust values: putting people first, being future focused, embracing change, working together and ensuring everyone counts.

Each of these areas involves a programme of work which will have a significant impact on what we do as an organisation to continue improving care and treatment for the local communities we serve.

However, the 'breakthrough objectives' do not represent an exhaustive list of all our plans for the year ahead. Colleagues within each Care Delivery Service and support service will have their own, specific local plans that set out the objectives linked to our three strategic goals: people, prevention and partnerships.

Purpose and activities of Trust

Sussex Partnership NHS Foundation Trust (Sussex Partnership) is a large NHS organisation that offers clinical services to children, young people, adults and older people who have mental health problems or learning disabilities.

We support people with conditions such as psychosis, depression, anxiety disorders, eating disorders, dementia and personality disorders.

Through our learning disability, neurobehavioural, forensic healthcare and Care Home Plus services, we provide community and inpatient care for people with complex health needs that cannot be met elsewhere.

We employ about 5,000 staff across services based in Sussex, Kent, Medway and Hampshire.

Our services are aimed at children, young people and adults of all ages and many are provided in partnership with other organisations. We provide care in people's homes, in specialist clinics, hospitals and GP surgeries.

Brief history of Trust

Sussex Partnership was formed in April 2006 as an NHS Trust and established as an NHS Foundation Trust with teaching Trust status in August 2008.

We work closely with Brighton and Sussex Medical School, a partnership between the Universities of Brighton and Sussex. In 2015, we became a member of the Association of UK University Hospitals, the representative body for university hospitals with major teaching and research interests across the UK and internationally.

Leadership of our clinical services is provided through Care Delivery Services (CDS). This model of providing services has helped us:

- move away from central 'command and control' to more devolved leadership
- provide services that flex to local needs
- improve clinical leadership
- encourage clinical engagement within services
- promote more local accountability
- develop new partnerships with local third sector organisations, and
- make more decisions taken closer to where patients are treated.

Key issues of concern to risk and quality

Demand and capacity

Adult and children's mental health services have experienced growing waiting times a result of the additional surge in demand as a result of the Covid-19 pandemic.

Waiting times performance

The Hampshire Child and Adolescent Mental Health Service has recently agreed an investment of circa £6.6m with Hampshire Commissioners. This will support the reduction of waiting lists as a result of Covid-19, support eating disorders services, community crisis care, psychiatric liaison, early help services and a digital waiting list team. Sussex CAMHS services are working with commissioners towards additional investment in services.

Adult Services are investing in community services in 2021/22 in line with the improvements described in the long-term plan for mental health services.

Children and young people eating disorders waiting times

There has been increased demand for Children and Young People Eating Disorder services during Covid-19, across both Hampshire and Sussex and this has impacted on the services' ability to deliver the waiting time standard. Demand and capacity modelling work has been completed for the Sussex service and a recovery trajectory is under development. Additional funding has been secured to increase capacity within the service during 2020/21.

Inpatient flow

The Trust has experienced significant increases in demand for acute inpatient beds as a result the Covid-19 pandemic. The use of out of area placements has increased over the year. At the end of March 2021, there were 71 patients in out of area placements, compared to 3 in March 2020. In response to the increase in demand, the system has undertaken a bed modelling exercise. This has resulted in 45 independent sector beds being purchased to support keeping patients who require an acute mental health admission within Sussex. The Trust has a trajectory in place to eliminate inappropriate out of area placements by 1st October 2021, in line with national guidance.

Annual appraisals (74% of all staff) and regular supervision (77% of all staff)

Clear reporting is available across the Trust to enable individuals and managers to review performance. Each CDS has plans in place to improve performance. Additional functionality has been added to enable managers to capture the supervision of their teams to improve recording.

Complaints

In the last quarter of the year, 78% of complaints were responded to within 25 days compared to a target of 85%. In April 2020, NHSE/I guidance was to pause complaints to allow Trusts to concentrate their resources on the Covid-19 pandemic. As a Trust, the decision was made not to pause complaints but to ensure patients and their families had a vehicle to raise concerns. The Trust is recruiting a permanent complaints manager who is due to start in July 2021, and a recovery plan has been put in place to improve response times.

Physical Health Assessments

During the last three months of 2020/21, 68% of patients received a physical health assessment in the required timeframe against a target of 95%. Covid-19 has impacted on the Trusts ability to carry out face to face physical health checks, especially for patients who are shielding. A physical health action plan has been developed for adult services which describes the trajectory for reducing the number of those waiting to below the target level by the end of July 2021.

Objectives for 2020/21

We have four *Breakthrough objectives.

These are marked below and are our highest priority objectives for 2020-21.

| Objective | Deliverables and measures |
|--|---|
| People | |
| Expand our crisis services* | Deliver Core 24, crisis cafes, Havens and single point of access. |
| Improve inpatient services | Complete West Sussex inpatient transformation and develop a programme to improve East Sussex inpatient services. |
| Develop new roles | Expand the number of new roles by at least 10%. |
| Listen and respond to patient experience | Have a robust process in place for collecting and responding to experience feedback. |
| Prevention | |
| Children and young people and Perinatal | Agree a youth services model, enhance Early Intervention in Psychosis services and expand perinatal to 6.4% of births. |
| Suicide prevention | Train 95% of staff at Sussex Partnership in suicide prevention. |
| Partnerships | |
| Improve Triangle of care assessments | 100% of community teams to complete self-assessments, 100 % of inpatient teams to review their self-assessments by June 2021. |
| Improve community services* | Engagement, sign off and begin our implementation plan. |
| Develop provider collaboratives | Take on delegated commissioning from NHSE for adult secure and CAMHS specialist services (circa £120M per annum). |

| | |
|---|--|
| Develop Integrated Care System | Sussex Partnership to be an anchor organisation for mental health and learning disability services. |
| Expand our research | 60% of research participants aware that we are a research trust. |
| Culture, values and behaviours | |
| Improve our learning system* | Develop a new learning system for the Trust. |
| Reduce bullying and harassment | Develop a suite of interventions and support. |
| Improve leadership development | Develop and implement a leadership programme. |
| Use of resources | |
| Implement a digital adoption programme* | Deliver a transformation in the use of digital technology to improve care, treatment and efficiency. |

Going concern

After making enquiries, the directors have a reasonable expectation that Sussex Partnership 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.

1.2 Performance analysis

How we measure performance

The Board of Directors receives an integrated performance report at each of its public meetings. The report provides a summary of performance in relation to key national standards and covers the five Care Quality Commission quality domains. These are safety, effectiveness, responsiveness, caring and well led. A narrative is included to provide assurance of the actions being taken if areas are not meeting the standards required.

It is noted that a revised integrated assurance framework has been developed during Q4 2020/21. This approach will provide an integrated approach to quality, performance, people and financial oversight. It will also oversee progress with the delivery of the organisational breakthrough objectives. The revised framework is being introduced iteratively and this process started in February 2021. In line with this framework, meetings will be held monthly with each of the CDS teams, and the Executive team will be in attendance. It is proposed that quarterly meetings are held with corporate departments.

The existing CDS Assurance process, that we are in the process of changing, is described in the paragraphs below.

2020/21 CDS assurance process

Each month the CDSs prepare a quality assurance report. These reports are informed by the charts and dashboard prepared by the clinical care intelligence team.

The CDS quality assurance reports are reviewed by a panel which include the chief operating officer, the director of performance, a senior finance manager, and the head of workplace and organisational development/employee relations. The review panel checks that the appropriate level of assurance is provided, reviews areas of positive performance and areas for improvement/investigation. It also acts as a means of communicating issues to other support services where required.

The chief operating officer formally writes to the CDSs after the review meeting to provide feedback (positive feedback, to ask for further assurance or to acknowledge where further support is requested by the CDS).

Each quarter, every CDS attends a review meeting. This is an opportunity to review their quality and performance, their financial position (including service improvement plan schemes) and progress in meeting the annual objectives of the CDS in detail. The meeting is attended by the chief operating officer, the performance director and/or the chief medical officer and chief nursing officer as well as various support services representatives including finance and HR.

Information from the above is used to produce the assurance report for Executive Management Committee and the Trust Board.

Key performance issues for 2020/21

Key areas of improved performance and CDS Service Achievement

72 hours Follow up Performance

The Trust has consistently achieved the 72-hour follow up target in 2020/21. In Q4 the Trust achieved 89% against the 80% target. It is very important that patients are followed up after their discharge from an acute bed setting as this is a time of increased risk of suicide.

Safer Staffing

The Trust has achieved the local 85% target for registered mental health nurse fill rate across 2020/21. In March 2021, the Trust achieved 98%. There are variations in the fill rate across the Trust driven by vacancies, sick leave and annual leave. Ward managers and matrons ensure that any potential risks are managed accordingly.

Care Planning and Risk Assessments

The proportion of patients with a valid care plan has improved from 71% to 90% over the year and those with a valid risk assessment has improved from 86% to 92%. Improvements have been overseen by the chief operating officer in fortnightly meetings. These have also facilitated the sharing of best practice and learning across the CDSs. Areas that remain under target have action plans in place, with agreed recovery trajectories.

Waiting times for Early Intervention Services and IAPT

Waiting times performance for Early Intervention services and IAPT services have remained on target over the year.

Essential Training

83% was achieved against a target of 85% in March 2021. This target has been achieved throughout the year. The reduction in March 2021 relates to face to face training including Prevention and Management of Violence and Aggression (PMVA) training. External venues have been sourced to support training. The PMVA team has been doubled in size to manage the volume of staff that need to complete training.

Staff Turnover

Staff turnover has improved in the Trust over the year. In March staff turnover was at 12% against an agreed target of 15%.

Key issues of concern to risk and quality

Demand and capacity

The CDSs report that demand and capacity issues continue to impact on the delivery of key indicators including waiting times. A community workstream is in place as part of the Trust's clinical strategy. The workstream continues to deliver tangible changes to working practice and management of demand, these include:

- Digital leads working with community leads to look at core information they can pull and use from power BI (a data visualisation tool). This will include referral rates from GP practices/primary care networks in order to view and address variations at placed based whole system planning groups.
- Representation at each place-based planning group (East Sussex, West Sussex and Brighton and Hove). All areas have had their initial meetings.
- Working with Clinical Academic Group leads and Digital team to explore how we can use digital technology when introducing pathways into teams, to support thinking around targeted interventions and lengths of stay in secondary care.
- Submission of a proposed plan to review skills needed within teams and agree recruitment, retention and training needs.
- Working with nine primary care network accelerator teams identified and with third sector partners and commissioners on strengthening the core offer in primary care. This includes improving step up and step down in order to support a better pathway across the system and ensure people to get the right help first time – addressing the post-Improving Access to Psychological Therapies/pre-secondary care 'gap'.
- Continuing to work on multi agency triage hubs across the Trust, in order to work with partners in discussing routine referrals and which partner maybe best suited to make initial contact. One of the aims of this work is to reduce one-off assessment and signposting

(currently 30-40% of routine referrals have 1-2 contacts then discharge/signposted). The hub is set up across Brighton, in one area of East Sussex and developing in West Sussex.

- Submitted a bid for £3.5 million to deliver community transformation in line with the new national guidance, supporting whole system thinking and population need-based delivery.
- Developed business cases aimed at increasing capacity/skills development in personality disorder services, rehab services and neuro services. In addition, a bid for funding to explore eating disorder services and identify needs for future services, in preparation for a further bid for 2022/23 transformation funds.
- Working with Children and Young People's Service on opportunities for developing services for young people up to the age of 25 to improve the service offer to them and reduce crisis points.
- Submitted our referral guidance to the Integrated Care Service, to ensure there is clarity and consistency in the secondary care offer and working with partners on shared care and step up and down processes.

Waiting time performance in adult services

The areas most impacted in the last quarter of 2020/21 were Coastal West Sussex (91%) and Brighton and Hove (80%). The services have experienced a significant impact on adult waiting times in 2020/21 as a result of COVID-19. Pre-Covid, adult wait times were averaging 79% within four weeks for 2019/20. This dropped to approximately 70% in April/May due to the initial impact of the first lockdown. Lockdown also led to a reduction in referral rates from March 2020 to July 2020, which enabled services to reduce waiting lists and improve waiting times performance from June 2020 to December 2020 to an average of 90% within four weeks. The early part of 2021 has seen a reduction in waiting times performance to an average of 73%, which in part is due to the way that waiting times are measured and due to the impact of the January lockdown and staffing pressures resulting from redeployments, sickness and self-isolation.

The projected increases in activity resulting from potential future surges are being modelled so that plans can be put in place to respond to future demand and the impacts on waiting times. Each area has a comprehensive action plan in place to make improvements to waiting times; working alongside systems partners including primary care networks and third sector providers.

Organisational strategy: People Prevention and Partnerships

Our organisational strategy describes how we plan to improve the experience, wellbeing and health of people who use our services, their families and carers, our staff and the communities we serve.

Our Mission and Vision

Our mission is to champion the rights of people with mental health problems and learning disabilities. We will work with our partners to bring health and care services together for their benefit.

Our Vision is to improve the quality of life for the communities we serve.

Our Strategic Objectives are:

People will feel valued, supported and cared for. This applies to people who use our services, their families and our staff. It's an approach based on working with people as equal partners.

Prevention of ill health will promote community wellbeing. We will use population data to understand and anticipate the needs of our local communities and improve population health. We will challenge stigma, encourage people to seek help early and provide help to people earlier if they are at risk of ill health.

Partnerships will provide people with services to help them thrive. We will take a leading role in bringing partners together across health, housing, education, employment and social care to address the social factors which affect people's health. We will play a leadership role in shaping how the whole health and social care system works with other sectors.

What's Behind the Strategy

People are living longer. The NHS is treating an increasing number of patients with long-term conditions. Too often, however, people find it difficult to know how to get the help they need. The health and care system can feel difficult to understand, confusing to navigate and slow to respond.

At the same time, health and care services are facing sustained pressure and money is tight. It isn't realistic or reasonable to expect staff to keep absorbing extra demand indefinitely. This means we can't keep working the way we do now. There are outstanding examples of care and treatment across our services. Our staff are compassionate and committed to helping patients and families. We want to create the conditions where they are encouraged, supported and able to be innovative in finding ways to continue improving care and treatment for the communities we serve. Wherever possible, we want to prevent ill health.

Our organisational strategy is about defining how we can make the very best of our resources and work with others to improve the mental health and wellbeing of our local communities and their experience of mental health and learning disability services.

Our Strategic Objectives in more detail

People

We are committed to making sure that people feel valued, supported and cared for. This includes people who use our services and their families, who work in partnership with us and work within our organisation. People will receive evidence-based care and treatment which is easier to access. They will also receive immediate, specialist healthcare support if they experience a mental health crisis.

Wellbeing at work improves staff, patient and carer experience. We want to be experienced as an employer which prioritises the wellbeing of people who work here. This involves doing everything possible to make people's jobs enjoyable and providing them with excellent support, supervision

and training. We will provide opportunities for people to learn and develop in their roles, helping us develop our future workforce.

Looking after the wellbeing of our workforce is part of our wider ambition and responsibility to promote health and wellbeing within the communities we serve. This includes challenging the stigma and discrimination that remains associated with mental health and learning disabilities.

Prevention

Rather than expecting people to fit in with how we work, we will do everything possible to fit our services around the needs of our local communities. We will use population data to analyse, anticipate and respond to the needs of our local communities, and get help to people earlier when this is needed. This will help us make the shift away from being a healthcare provider that mainly responds and reacts to illness.

Our focus on prevention is about getting help to people at the earliest possible opportunity. It also involves working with people to help them move beyond the specialist services we provide by promoting wellbeing, self-management and recovery. This includes supporting people to gain and maintain employment.

By talking about inclusion, we believe people should be able to achieve their full potential regardless of age, disability, race, nationality, ethnic or national origin, gender, religion, sexual orientation, or domestic circumstances. We will help people lead lifestyles that promote physical and emotional wellbeing. This includes people with learning disabilities and long-term physical and mental health conditions. We will achieve this by working in partnership with others to develop and deliver a wellbeing strategy for our local communities. We will pay particular attention to the physical health of people with severe mental illness to address the lower life expectancy this group currently experiences.

We recognise we have a particular responsibility to help children and young people get a start in life that protects them against later adversity and mental ill health. To help achieve this, we will expand our youth services and develop services for people from 0 – 25 years. We are also committed to working with others to implement our 'Towards Zero' suicide prevention strategy in order to safeguard people's health and wellbeing as best we can.

Partnerships

We recognise how important it is for us to continue to work with people who have lived experience of mental illness to determine how we can best help people manage their mental health and wellbeing. We will build on this work and continue to increase the number of people with lived experience employed as peer workers. At the same time, we believe there is more we can do to help bring people together from across the health, social care and third sector to meet people's emotional, physical and social care needs.

We will work with partners to develop a more joined up approach to care, so people get the help where and when they need it, and will reduce unwarranted variation in clinical practice and clinical services. We will work with social care, community groups, service user groups, housing

organisations, employment services and educational institutions so that people with mental health problems and learning disabilities can meet their goals.

Partnership means collaborating to make the very best use of public money, rather than operating in a silo and taking decisions on our own. It is about designing, delivering and leading new ways of working, sharing resources and being open to providing services differently. We will always approach this in the spirit of collaboration, rather than by assuming we know best. For us, the concept of integration is about thinking beyond organisational structures in health, and social care; focusing more on how we work with the housing, employment and education sectors to provide people with all round support.

Being flexible, open minded and innovative will help us improve the experience of people within our local communities who need to access health and care services. We will use our clinical expertise, influence and infrastructure as an NHS provider - and a University Teaching Trust - to make sure the whole system of care is more effective and easier to access. In doing so, we will work with others to improve the information, advice and support that is available to people to help them manage their individual health and care needs. We will conduct high quality research and teaching in partnership with our local and national higher education partners that translates directly into improved clinical practice.

Integrated care system

The Sussex Health and Care Partnership has a vision for 2025 that enables every individual living in Sussex to have access to the best health and care from the moment they are born, throughout their lives. It wants people to start their lives well, live their lives well and age well with a health and social care system that supports them in the very best way.

To do this it needs a cultural and behavioural shift which establishes and builds on new and innovative ways of working and thinking, changes to how organisations work and a change in our relationship with our communities. As a health and care partnership, it is committed to making its vision a reality. Over the last few years, it has built strong partnership working across health and social care organisations and this led to it becoming an Integrated Care system (ICS) in April 2020. This allowed it to progress and formalise further the collaborative ways of working and marked the start of our journey towards our vision for 2025.

Year One (2020-21) represented an unprecedented challenge as it tackled COVID-19 and the huge impact it had on health, public health and social care, both in the demands on it and the way it needed to operate. Its strong partnership working has been crucial in delivering health and care services to its population and supporting staff and patients throughout unprecedented times. It has been an enormous challenge, in which its people have gone above and beyond in a myriad of ways. It has built foundations and accelerated partnership working in a way which allows us to go into Year Two (2021-21) with renewed optimism.

Its priorities for year two will build on the work developed throughout the last year. They are; system management and recovery, developing more integrated care outside of acute hospitals, a focus on health inequalities, improving acute hospital services, health and wellbeing of staff,

developing our Integrated Care System, maximising the benefits of digital, data and technology and financial management.

We have a well-established ICS Mental Health Collaborative Board which is co-ordinating system-wide priorities and service transformation. This Collaborative includes representation from partner organisations including the voluntary sector.

Finance report

The Trust's Finance Report for 2020/21 is set in the context of an unprecedented financial year. In the first half of the year the emergency Covid-19 Financial Regime was established to support the response to the pandemic, with the second half set in delivering the Phase 3 Plan. The Phase 3 Plan allowing for block contract funding as well as system top-up for the Mental Health Investment Standard, growth funding to cover new services, capacity growth and funding to support restoration and recovery and additional funding to cover Covid-19 related costs.

In this context the Trust is reporting a total comprehensive income (surplus) for the year of £0.2m.

The headline results for the year are set out in the table below, with comparatives for the previous financial year.

| | 2020/21 | 2019/20 |
|--|------------|--------------|
| | £m | £m |
| Income | 337.2 | 302.4 |
| Operating Expenses | (331.7) | (292.3) |
| Operating Surplus | 5.5 | 10.1 |
| Net Finance Costs | (5.4) | (6.3) |
| Profit on disposal of assets | 0.0 | 0.1 |
| Revaluation Impairment Loss* | 0.0 | (8.3) |
| Share of (loss)/ profit of Joint Venture | 0.0 | 0.0 |
| (Deficit)/ Surplus for the year | 0.2 | (4.4) |
| Net (loss)/ gain on revaluation* | 0.0 | (2.4) |
| Total Comprehensive Income/ (Expense) | 0.2 | (6.8) |

*In 2019/20 there was an impairment loss of £8.3m shown within operating expenses within the annual accounts. The comprehensive income also included impairments of £5.7m and gains on revaluation of £3.2m charged directly to the revaluation reserve.

At 31 March 2021 the Trust carried out a review, considering the movement in relevant indices, to assess whether there was any indication of material movement in the value of the Trust's estate. The review took account of the Housing Price Index at 31 December 2020, the Build Cost Indices at the 31 December 2020 and the location factor at 31 March 2021 based on a 5 year regional mean. The review of these indices did not indicate a material movement in the value of the Trust's estate. The Trust is satisfied that the value of land and building assets reflected in the financial statements, calculated as fair value at the 01 April 2019 less depreciation, is a true and fair representation.

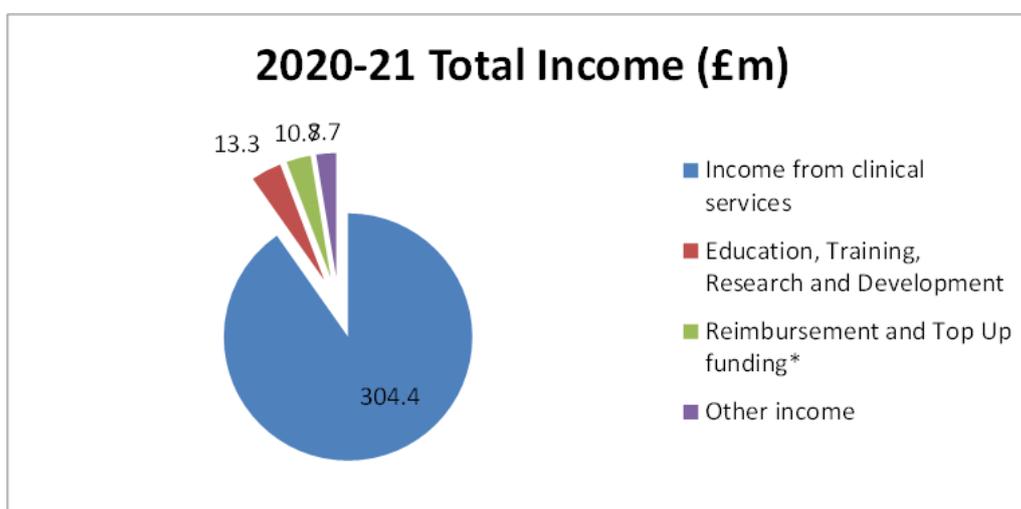
Total income for the year amounted to £337.2m (2019/20 £302.4m), which was a £34.8m (11.5%) increase compared to 2019/20. This increase was primarily due to growth and tariff funding, and

income for new services, as well as funding to cover the costs incurred by the Trust in its response to the Covid-19 pandemic.

An analysis of income is set out below.

| Income | 2020/21 | 2019/20 |
|---|--------------|--------------|
| | £m | £m |
| Income from clinical services | 304.4 | 277.1 |
| Education, Training, Research and Development | 13.3 | 12.2 |
| Reimbursement and Top Up funding* | 10.7 | 0.0 |
| Other income | 8.7 | 13.1 |
| Total Income | 337.2 | 302.4 |

*This income included Covid-19 top up funding received covering months 1 to 6.



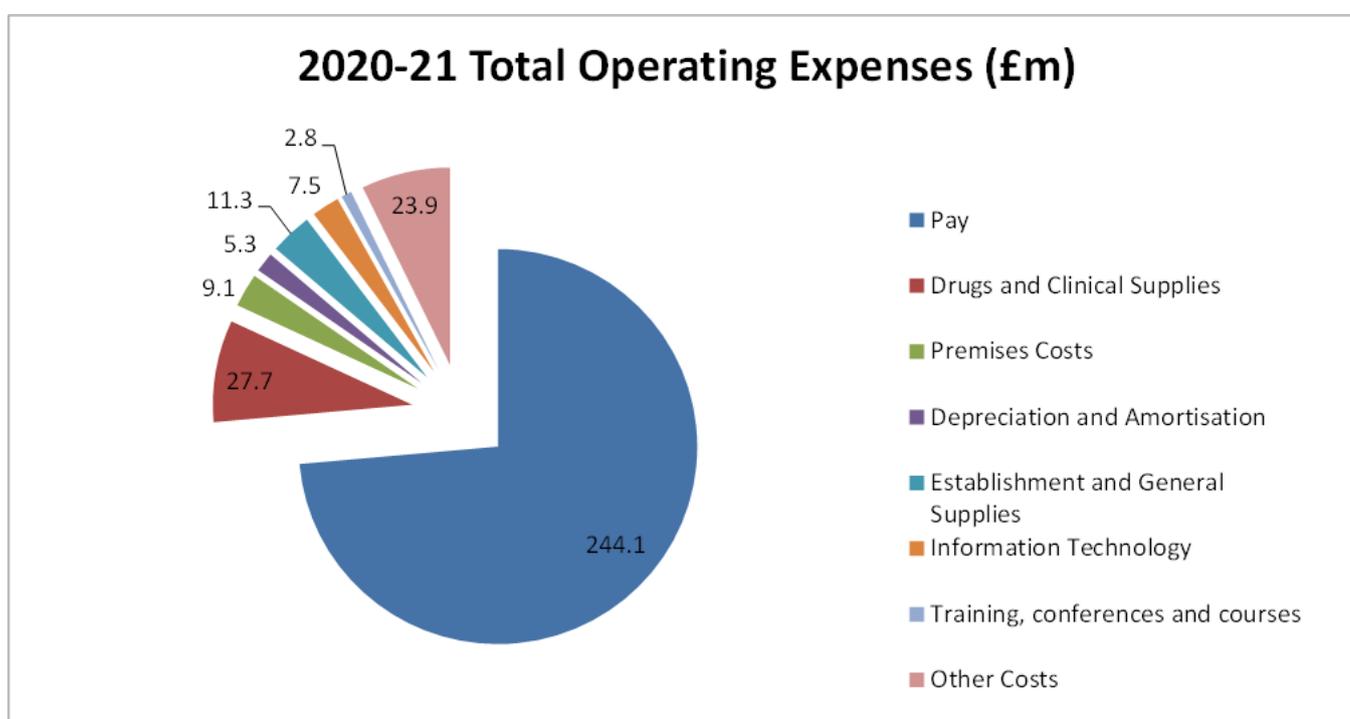
Operating expenses

Total operating expenses amounted to £331.7m (2019/20 £292.2m, excluding impairment losses), which was a £39.4m (13.5%) increase compared to 2019/20.

Pay costs increased by £25.2m (2019/20 £24.5m), but included £9.8m (2019/20 £9m) of centrally funded NHS pension employer on costs, thus after excluding this mainly related to incremental rises / pay inflation, recruiting to new posts, increases in national insurance and pension rates, and increases in bank and agency costs.

Other non-pay expenditure (excluding impairment losses) increased in year by £14.2m which was mainly as a result of higher clinical supplies and services that also covered a rise in out of area placement costs. There was also an increase in IT cost, which were offset partly by a reduction in travel costs due to remote working. An analysis of operating expenses is set out below.

| Operating Expenses | 2020/21 | 2019/20 |
|---|--------------|--------------|
| | £m | £m |
| Pay | 244.1 | 218.9 |
| Drugs and Clinical Supplies | 27.7 | 24.9 |
| Premises Costs | 9.1 | 8.1 |
| Depreciation and Amortisation | 5.3 | 4.8 |
| Establishment and General Supplies | 11.3 | 8.2 |
| Information Technology | 7.5 | 5.9 |
| Training, conferences and courses | 2.8 | 3.0 |
| Other Costs | 23.9 | 18.4 |
| Total Operating Expenses (excluding revaluation impairment losses) | 331.7 | 292.3 |



Service improvement programme

Although, the delivery of service improvement plans has not been our main priority this financial year, during the year the Trust delivered savings of £3.7m. Savings were made through a number of initiatives, including a number of wards delivering their savings plans by remaining within their budget and reduced travel costs.

There was a £2.2m shortfall against the Trust's saving plan for the year, which was mainly as a result of the increase in costs of out of area placements. However, non-recurrent savings in a number of areas meant that the Trust was able to deliver a surplus for the year.

The Trust measures its economy, efficiency and effectiveness through a number of ways, including internal and external benchmarking, strong budget management, and the development of management information covering both financial, performance and quality measures.

Capital investment

In 2020/21 the Trust invested £12.2m in a variety of capital projects. These included:

- Community Services upgrades and refurbishment of Inpatient Wards
- Covid-19 IT and property related works
- Further investment in information technology via the Global Digital Exemplar programme.

Through its capital programme the Trust also continued to invest in planned maintenance, which includes reducing ligature risks and health and safety.

Statement of financial position and cashflow

Over the financial year the Trust's capital employed increased by £2.1m. The increase was primarily due to the Trust receiving public dividend capital funding of £1.9m covering capital expenditure that included Covid-19 specific IT and property related projects and funding for critical infrastructure and eradication of dormitories.

The Trust's level of cash increased from £39.3m at the start of 2020/21, to £76.1m at the year end. This was a result of additional transformation funding, favourable movement in receivables and payables balances, receipt of cash for deferred income, as well as an underspend on the capital programme.

Future financial performance

Looking forward to 2021/22 the Trust continues to respond to the ongoing needs of the Covid pandemic, as well as working through a number of long-standing issues, including reducing the use of agency staff and recruiting to vacant and new posts related to the service transformation programme.

2021/22 also brings a significant increase in investment in mental health services, with the Trust working with its system partners to deliver the priorities of the long-term plan for mental health.

Delivery of the financial plan for 2021/22 will therefore be a balance between responding to the ongoing needs of the Covid-19 pandemic, supporting business as usual and delivering the transformation programmes supported by the new investment in mental health.

The Trust has met the requirements within Section 43(2) of the NHS Act 2006 in respect of the income from the provision of goods and services for the purposes of the health service in England, being that it is greater than its income from the provision of goods and services for any other purposes.

Cost allocation and charging requirements

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

Better payments practice code

The Better Payment Practice Code requires the Trust to aim to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later. The target is to pay 90% of invoices, in terms of value and volume, within 30 days. The table below sets out the performance during the year:

| Better payments practice code | By volume | By value |
|--------------------------------------|------------------|-----------------|
| NHS | 82% | 72% |
| Non NHS | 95% | 97% |
| Combined | 95% | 94% |

Measure of compliance

| Measure of compliance | 20/21 | |
|--|---------------|---------------|
| | Number | £'000 |
| Non-NHS Payables | | |
| Total Non-NHS Trade invoices paid in the Year | 27,049 | 122,053 |
| Total Non-NHS Trade Invoices paid within target | 25,799 | 118,508 |
| Percentage of Non-NHS Trade invoices paid within target | 95.38% | 97.10% |
| NHS Payables | | |
| Total NHS Trade Invoices Paid in the Year | 1,748 | 19,502 |
| Total NHS Trade Invoices Paid within target | 1,438 | 13,956 |
| Percentage of NHS Trade invoices paid within target | 82.27% | 71.56% |
| Combined Trade Invoices paid within target | 94.58% | 93.58% |

Sustainability

Delivering sustainable healthcare - Care Without Carbon at Sussex Partnership

In 2017 the Trust reinforced its commitment to sustainability by developing a new Sustainable Development Management Plan (SDMP), Care Without Carbon (CWC). This plan establishes a set of principles and targeted interventions aimed at addressing one of the Trust's five strategic goals as defined by our 2020 Vision, which is to **live within our means**. As such, we are working with three key aims in mind:

1. Working towards long-term financial sustainability.
2. Minimising our impact and having a positive impact on the environment.
3. Supporting staff wellbeing to enable a happy, healthy and productive workforce.

CWC sets out how we will achieve this across seven key areas (see Figure 1). This ensures we are taking a co-ordinated approach, directly tackling the key challenges in delivering sustainability within the NHS and integrating into our core operational activities across the Trust.

Figure 1. Care Without Carbon: our seven elements of sustainable healthcare at SPFT

The Trust's Chief Digital and Information Officer is our Board lead for sustainability, and each of the seven elements has a senior lead within the Trust.



Our environmental impact

In delivering our services we consume a significant amount of energy and water, produce waste and use fuel for transporting Trust staff, patients and goods. This has an impact on the environment.

Our carbon footprint is summarised in figures 2 and 3 below.

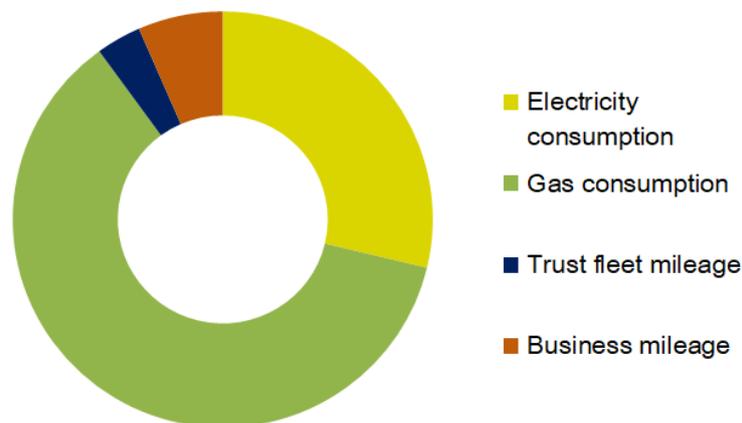


Figure 2: Sussex Partnership carbon emissions 2020/21

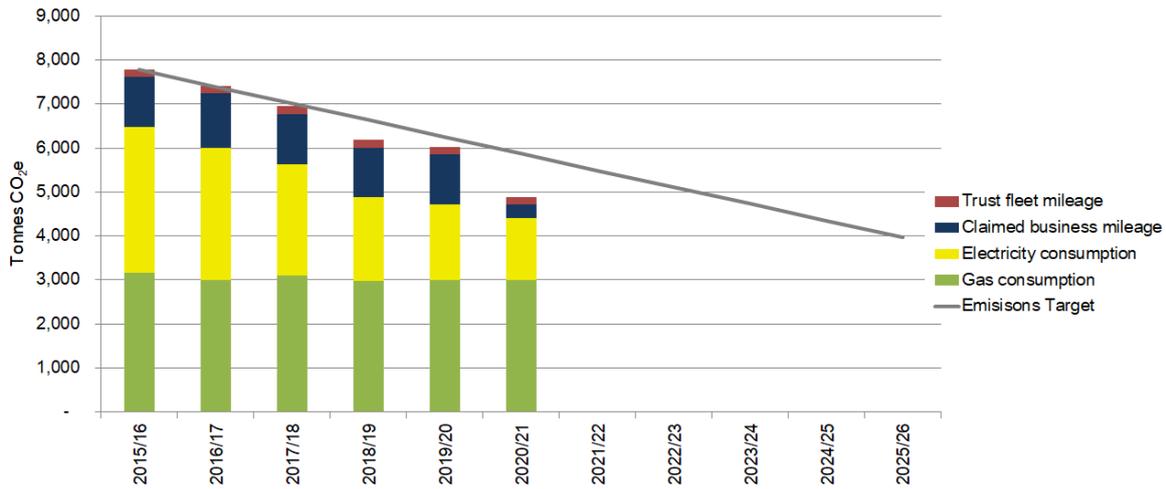


Figure 3: SPFT carbon footprint – progress towards our 2025/26 target

Other key impacts:

- We recycled around 17% of our non-healthcare waste.
- Our staff travelled over 1.1 million business miles in 2020/21.

NOTE: all figures are subject to final validation and currently contain some estimation.

Covid-19 metrics and sustainability

Covid-19 had an undeniably profound impact on the NHS in 2020/21. Over the past 12 months the Trust has been monitoring the impact of Covid-19 on sustainability and reporting to the Sustainability Programme Board each quarter. From a sustainability perspective the pandemic significantly increased the purchase, use and disposal of healthcare items. However, electricity demand across the Trust’s estate has dropped off significantly; up to 13% on some sites as a result of more staff working from home. While this has reduced the Trust’s electricity spend for the year, it should be noted that any resulting emissions reductions have likely been offset by people using more energy in their homes as a result of the pandemic.

That said, the emissions reductions from business mileage are very significant as less journeys have been made over the past year. Across the Trust staff traveled 2.8 million less miles for business than in the previous year saving £1.2 million in mileage claims and reducing greenhouse gas emissions by 72%. Note that this does not include the emissions associated with commuting which have also dropped as a result of more staff working from home.

Highlights from 2020/21

The Trust has met its interim target of a 34% reduction in carbon emissions from its 2015/16 baseline, achieving a 37% reduction overall. However, this is primarily due to the significant reduction in business mileage and so emissions are likely to increase again during 2021/22 as Covid-19 related restrictions are eased. That said, the Trust is making good progress towards its 2025/26 target of a 51% reduction in CO₂e emissions from its baseline year.

Leadership

The Trust's Sustainability Programme Board continues to meet regularly to report on the progress being made across each of the seven elements of CWC. The group is chaired by our Board lead for sustainability Beth Lawton, as well as representatives from across the Trust and the CWC team.

Buildings

- The Trust has completed a £600k programme of LED lighting upgrade works across its estate to reduce costs and carbon emissions while improving light quality within internal spaces.
- Installation of the Trust's first solar panel system at Langley Green Hospital is well underway. This will produce enough energy to meet up to 15% of the site's annual electricity demand.
- Phase 1 of the installation of automated meter reading (AMR) technology is complete. This allows us to monitor and manage energy consumption with high-frequency resolution data. We will look to expand this further in Phase 2 for other sites across the estate.
- The Trust's Building Management System (BMS) is continuing to be expanded with another 2 buildings added to the system this year. This means the heating and ventilation controls of 19 buildings can now be monitored and adjusted remotely via the web.
- Re-awarded a new electricity and gas supply contract, part of which will see the Trust move to 100% renewably backed electricity from April 2021 in sites where it is paying the bills.

Journeys

- Work has started on the rollout of charging infrastructure at multiple sites across the Trust in 2021/22. This will support a new project to transition to a fully electric Trust fleet; 77% of Trust-owned vehicles will be electric by the end of 2023.
- Reports are being developed to enable regular monthly reporting of carbon emissions from business mileage. This will allow the Trust to monitor and take action on reducing emissions in future years.
- An extensive rollout of video conferencing tools to all staff has been completed.

Circular Economy

- We implemented sustainable procurement criteria into tenders worth £750,000.
- Our work on an offensive waste rollout was halted due to the pandemic. However, we have begun regular monitoring and reporting of our recycling and offensive waste volumes. This data is reviewed by the Sustainability Programme Board to promote change in this area and achieve our ambitious targets in 2021/22.

Culture

- The Dare to Care programme continues to evolve with staff suggesting a range of new pledges in 2020. To date 661 people have signed up to 2,140 pledges.

- The Envoy programme is in its second year with 30 members of staff participating. Feedback from staff has fed into a revamped monthly toolkit for Envoys to bring sustainability into their team meetings.
- The Sustainability section of the intranet has been updated and improved to allow staff to access additional resources in support of sustainable healthcare.
- Care Without Carbon created an animation explaining what is meant by sustainable healthcare which became part of the induction process for 2020/21.

Wellbeing

- Care Without Carbon works closely with the HR Wellbeing team and regularly include updates in the Wellbeing Wednesday email.
- Step Up Challenge in 2020/21 saw 247 staff take part, collectively walking 29,200 miles. The Step Up Challenge has been updated for 2021/22, launching in March 2021 to run until end of April 2022 with 3 new routes and links into other areas of wellbeing such as relaxation and eating well.
- The Swap In September campaign ran for the second time in 2020. The pandemic limited engagement but promotion of the cycle to work scheme and more active travel choices was key.
- In December 2020 we featured a daily blog for each day of the month as an Advent Calendar of Wellbeing. This had a particular focus on improving wellbeing while home working as a direct response to changes in staff needs due to the pandemic.

Future

- During 2020/21 the Trust planted 53 trees. Once fully grown they will collectively absorb over a ton of carbon each year.

Equality, Diversity and Human Rights

Sussex Partnership NHS Foundation Trust is a major employer and service provider in the South East for Mental Health Services. We continue to promote Equality, Diversity and Inclusion (EDI) at the forefront of everything we do - service delivery, development and improvement.

Our Equality Human Rights impact assessment (EHRIA) and scrutiny process on all policies and new business establishes local 'Due Regard' practice that goes beyond statutory legislation to ensure that the Equality Act 2010 and Human Rights Act are embedded within the organisation at the outset. We have developed our plans to imbed EDI locally in the first quarter of 2021 by supporting a more local sign off for our EHRIA processes.

This last year has brought health disparities into focus for vulnerable groups with the Covid-19 pandemic. Sussex Partnership has sought to understand the experiences of staff who have a protected characteristic both as individuals and through an intersectional lens. We have worked hard to hear the voices of our staff alongside national guidance to see us through an unprecedented year. We have worked with our local, regional and national partners to support staff from Black, Asian and Minority Ethnic (BAME) backgrounds with a robust risk assessment.

We have also provided question and answers spaces to address any concerns raised by BAME colleagues.

Our Trust wide EDI plans seek to address these disparities proactively with our work on Civility, Belonging and Communications via our Heads On Charitable funds. We have reviewed and are in the process of choosing our final options for an external provider. We are developing supporting learning environments whereby all staff will be able to share experiences and learn from one another with two facilitators with experience in BAME concerns and trauma focussed therapeutic interventions.

Trust wide, we are holding Cultural Awareness workshops for the board and also developing workshops with Project Wingman. We have started Allyship training, have an Ally as a co-chair of a Staff Network and are starting our Reciprocal Mentoring relationships. Alongside this we are shortly recruiting for a Talent Management (TM) lead who will deliver the Talent Management strategy.

Across the Trust we continue to promote Operation Cavell for staff to feel safe and supported to report alleged abuse. We continue to work with the Freedom to Speak up Guardian (FTSU) where we identify particular areas that need development plans.

As a Trust, we recognise the needs of service users and our workforce may vary according to different circumstances. Therefore, we believe there is a vital need to meet social, mental and environmental needs of individuals, families and communities and shape our services accordingly.

For improved service user access to information we have invested in digital solutions to ensure that all our information can be provided in an accessible format. Through our new software and procured service providers, individuals with a communication need have options about the way they access information.

Our comprehensive yearly Equality Performance Hub data tool continues to be used to tackle any health inequalities for marginalised individuals in the community and understand the experiences of our workforce. The Equality Reference Groups at Sussex Partnership play an invaluable role in understanding and interpreting data to improve better health outcomes for all and aim to become the employer of choice in the Southeast region.

Our six staff networks play a crucial role in celebrating difference, inspiring staff and transforming the Trust - these are Spirituality, Ethnic Minority, Women's, Disability, Value of Lived Experience and LGBTQI+. We remain fully committed to supporting attendance for all staff as well as funding our staff networks and the valuable contribution that they make to the workplace and those accessing our services. The Trust continues in its aim to become an inclusive represented and supported workforce which correlates to one our Trust Core Values: 'Everyone Counts'.

Through the national mandatory Workforce Disability Equality Standard (WDES) and Workforce Race Equality Standard (WRES) we will continue to ensure that any improvement required on the metrics are implemented for this cohort of the workforce.

In 2021 our priorities will be:

- Ensuring we continue to strengthen the role of the equality networks and Reference Groups

- Responding to feedback from our WRES & WDES data and developing/implementing action plans in response to these
- To develop and implement further actions to protect staff with protected characteristics from being bullied and harassed
- Developing career conversations, coaching and pathways for all staff with a protected characteristic via Talent Management
- To develop regular organisational development in Culture, Civility, Belonging and communications
- Continuing to support the development of local EHRIA sign off.

Signed:  Chief Executive

Date: 19 May 2021

PART 2: Accountability Report

2.1 Director's report

How the Trust is run

Sussex Partnership was established as an NHS Foundation Trust with teaching status in August 2008. We were granted University Status in March 2015. We are part of the NHS and regulated by NHS Improvement (formerly Monitor). We are a public benefit corporation accountable to local people through our members. The framework for ensuring local accountability is the Council of Governors which has a range of statutory duties and, holds the non-executive members of the Board of Directors, to account for performance of the Board.

The Board of Directors sets our strategic direction, overseeing and approving the operational activity which is delegated to management within the Trust. It ensures robust arrangements are in place to govern service quality, as set out in the Annual Governance Statement and Quality Report.

The Board of Directors is a unitary decision-making body with executive and non-executive directors sharing collective responsibility. Their role as members of the board of directors is to consider the key strategic and managerial issues facing the Trust in carrying out its statutory and other functions.

Executive directors are permanent appointments. Non-executive directors have a term of office of three years, which can be extended up to two further three-year terms, if so agreed by the Council of Governors.

The Chair of Sussex Partnership is Peter Molyneux. He was appointed from 1 April 2018 and is Chair of the Board of Directors and Council of Governors.

Board of Directors

The Board of Directors was chaired by Peter Molyneux (from 01 April 2018). Martin Richards was Deputy Chair and Senior Independent Director (from 25 June 2018).

The Chair and Non-Executive Directors are appointed by the Council of Governors. The appointment of the Chair or Non-Executive Directors may be terminated by the Council of Governors at a General Meeting, if it is supported by three quarters of the governors. All non-executive directors are deemed to be independent. All our Board meetings have been held in public throughout 2020/21, except where provided for by 'special reasons' as defined in the Health and Social Care Act (2012).

The Board of Directors includes members with a diverse range of skills, experience and backgrounds in both public and private sectors. Members of the Board are:

Peter Molyneux, Chair

Peter joined us as Chair on 01 April 2018. He is also Chair of the Appointments and Remuneration Committee. He is a Visiting Fellow at the John Madejski Centre for Reputation Management at Henley Business School, a Board Member of Recovery Focus and a Stonewall Ambassador. Peter retained his role as Chair at South West London and St George's Mental Health NHS Trust for a short period after 1 April 2018.

Term of office: 01 April 2018 to 31 March 2024.

Martin Richards, Non-Executive Director, Deputy Chair and Senior Independent Director

After a long career in the police service in five different counties Martin has experience of mental health challenges at both street and strategic level. As Chief Constable first in Wiltshire and (more recently) Sussex he has a record of achievement in organisational and cultural change especially in the context of budget reductions. He joined the Trust in January 2016 and is independent chair of the Safeguarding of Children and Vulnerable Adults in the Diocese of Chichester and also serves as a governor at St Christopher's School, Hove. Martin is Chair of the Trust's Finance and Investment Committee.

Term of office: 01 January 2016 to 31 December 2021.

Anne Beales MBE, Non-Executive Director

Anne Beales has many years' experience working directly with those who access mental health services. She describes 'working in partnership to bring about positive change' as the best summary of her philosophy and uses her own experiences of accessing mental health services in her roles.

Anne supported the formal setting up of the Service user led West Sussex charity the 'Capital' project and remained director as it grew until 2004. In 2007 Anne received an MBE for services to health care. During this time she moved to the national charity Together working to set up, develop, and lead the new Service User Involvement Directorate where she worked until her retirement in 2016. Anne was a founding member and continues to be a supporter of the National Survivor User Network, and from 2008 to 2014 she was a service user consultant to the NHS Confederation Mental Health Network. She also served as part of the government Social Work Task Force, set up to examine the quality, recruitment and retention of the profession. Anne was trustee at Disability Rights U.K. and was chair for two years until she stood down in 2017. Anne is Chair of the Trust's Charity Committee 'Heads On' (until 1st January 2021) and sits on the Audit Committee and Quality Committee.

Term of office: 11 January 2016 to 10 January 2022.

Professor Gordon Ferns, Non-Executive Director

In recognition of our status as a teaching Trust, Professor Ferns represents Brighton and Sussex Medical School on our Board. He was the Acting Dean of Brighton and Sussex Medical School at the University of Sussex from 2013/14, and holds the post of Professor of Medical Education and Metabolic Medicine and is a Consultant in Clinical Biochemistry at Brighton and Sussex University Hospitals.

Professor Ferns is currently also the Clinical Director of the KSS Clinical Research Network, and has been associated with the NIHR Comprehensive Research Network for the past seven years, both in Surrey and Sussex and previously in the West Midlands. He is a distinguished clinical scientist and has an MD and DSc from the University of London, and Fellowships of the Royal Colleges of Pathologists and Physicians of London. Gordon is Chair of the Trust's Quality Committee.

Term of office: 07 January 2014 to 19 April 2021.

Jo Larbie, Non-Executive Director

Jo is Founder and Director of Inclusive Professions. As an executive coach specialising in inclusion, she is passionate about working with firms to attract, retain, develop and increase the number of women and black and ethnic minority (BAME) professionals in senior and leadership roles within their business.

Jo draws on her unique professional and personal experience as a corporate lawyer, HRD director, and strategic talent management and development expert working with a range of a diverse range of organisations in professional service firms, consultancy and not-for-profit. Jo has held senior positions in Arthur Andersen, Eversheds, DLA Piper, BDO and Bircham Dyson Bell LLP.

Jo brings substantial experience at Board-level and a wealth of Non-Executive Director experience including: The Law Society of England & Wales, Council and Standards Board member, Chair of Education and Training Committee; Council member for the National Association for Mental Health (MIND) and previously a Board member and Trustee for the national charity, Action for Children. Jo is Chair of the Trust's Audit Committee.

Term of office: 01 November 2018 to 31 October 2021

Anna van der Gaag, Non-Executive Director

Anna is a Visiting Professor of Ethics and Regulation at the University of Surrey. Anna qualified as a speech and language therapist in 1981 and worked in learning disabilities services before moving into higher education, research and non-executive roles. Involving users in the design and delivery of services underpinned her early career and she continues to be a passionate advocate of co-design and co-production in service delivery, policymaking and research.

Anna was chair of the Health and Care Professions Council for nine years, and is currently a non-executive director at Health Education England and the Kent Surrey and Sussex Academic Health Science Network, in addition to other roles in the health, care and legal sectors.

Anna has a long-standing interest in quality improvement in health care. She has been involved in national projects on clinical audit, governance and service evaluation, and is a founding member of the Q Community, a 2,500 strong, UK wide quality improvement network led by the Health Foundation. Anna has a strong research background and continues to contribute to research in regulation internationally as well as in the UK. She was awarded the CBE for services to health and care in 2015. Anna sits on the Trust's Quality Committee.

Term of office: 01 November 2018 to 31 October 2021

Sam Allen, Chief Executive

Sam joined the Trust in 2009 and became a member of our Board in 2013. She is a Chartered Manager and a Fellow of the Chartered Management Institute and the Trust Professional Lead for Administration.

Sam started work in the NHS in 1996 and has a background both in the operational management and leadership of mental health services and health and social care commissioning. Sam also gained valuable experience working with an international healthcare organisation in the private sector. An important aspect of her work is developing effective partnerships with experts by experience, families and carers, clinicians, support staff and partner organisations, to ensure efficient clinical care and ultimately improve experience and outcomes using resources effectively.

Sally Flint, Chief Finance Officer and Deputy Chief Executive

Sally Flint is a qualified accountant (FCCA) and leads on financial planning, contracting, and procurement and is our professional lead for the finance workforce. She is also responsible for managing estates and facilities.

Sally was appointed as Executive Director of Finance and Performance in October 2009. Previously Director of Finance at Queen Victoria NHS Foundation Trust, she has held several posts at a senior level in both acute and community/mental health settings, including City and Hackney and Barts and the London. She also spent five years as the Group Financial Controller for Housing 21, a national housing association providing sheltered accommodation for the elderly.

Simone Button, Chief Operating Officer (until December 2020)

Simone has worked in a range of Director level roles within Sussex Partnership prior to being appointed to this position in March 2017. Simone trained as a general nurse at Westminster hospital and has a psychology background.

She is passionate about ensuring vulnerable people have a strong voice and we deliver services that achieve the very best outcomes. Simone is committed to collaborative working and believes that through working together we can achieve great things.

Stanley Riseborough, Interim Chief Operating Officer (from December 2020)

Stanley is a nurse by background and has spent most of his career in the NHS, working in mental health services. He has held a range of executive director posts, gaining substantial experience working in newly merged organisations, including integrating health and social care services to create new organisation cultures and identity.

He has led services through strategic change both operationally and professionally.

In more recent years, he has worked as a health consultant undertaking specialist roles or interims in the UK and also Asia. Most recently, he was Executive Chief Operating Officer for Barnet, Enfield and Haringey Mental Health Trust.

Dr Rick Fraser, Chief Medical Officer

Dr Rick Fraser has been a consultant psychiatrist with Sussex Partnership Foundation Trust since January 2010. Initially he worked as clinical lead for the Early Intervention in Psychosis Service and later as clinical director for the Children and Young People's Service.

Rick is an honorary senior lecturer at the Brighton and Sussex Medical School and trained in psychiatry in London at the Maudsley Hospital. Prior to working in Sussex, he spent five years at Orygen Youth Health in Melbourne, Australia, where he was the lead psychiatrist within the Early Psychosis Prevention and Intervention Centre (EPPIC) from 2005 - 2009 and Medical Director for the Orygen Youth Health clinical program between 2007 and 2009.

Rick became chief medical officer in April 2017. His research interests include youth mental health, autism spectrum conditions and first episode psychosis. He has publications, book chapters and regularly lectures on these subjects.

Beth Lawton, Chief Digital Information Officer

Beth joined the Trust in January 2018 after working in a variety of public and third sector organisations, most recently as director of technology and transformation at the Big Lottery Fund. Beth has a particular interest in using technology to transform business services and the customer experience, and was appointed Member of the Royal Victorian Order, in 2007 in recognition of her transformative work at the Royal Household.

Beth was a board apprentice at Nottinghamshire Healthcare NHS Foundation Trust, and has been a Trustee of a mental health charity since 2014.

Acosia Nyanin, Chief Nursing Officer

Acosia joined the Trust as Chief Nurse in December 2018. Prior to this Acosia worked as Director of Quality and Professional Lead for Acute Mental Health and Addictions with the Priory Group. Previous roles have included Head of Inspection for Adult Social Care at the Care Quality Commission and Associate Director of Governance and Quality Assurance at Camden and Islington NHS Foundation Trust.

Acosia is a Registered Mental Health Nurse and is passionate about mental health and service delivery that is truly person centred.

Gavin Wright, Chief People Officer

Gavin joined the Trust as Director of Human Resources and Organisation Development in July 2018. Prior to this he worked for a variety of organisations including the University of Brighton, Local Government, GlaxoSmithKline and the John Lewis Partnership.

Gavin is a Fellow of the Chartered Institute of Personnel and Development (FCIPD) and holds an MBA. He is passionate about development and is a coach and mentor to aspiring HR Directors. In addition, Gavin serves as a Board member on the Coast to Capital Skills 360 Board.

Gavin became Chief People Officer and a voting member of the Board from 1 January 2021.

Other non-voting Board members:

Nick Juba, Associate Non-Executive Director

Nick is the Chief Executive Officer of the Greater Brighton Metropolitan College and was previously Chief Executive of City College Brighton and Hove. Nick is currently a Trustee of the Brighton Fringe Festival and also a Board Member of the Coast to Capital Local Enterprise

Partnership, the Brighton Economic Partnership and the Greater Brighton Economic Board. Nick sits on the Trust's Finance and Investment Committee.

Term of office: 01 November 2018 to 31 October 2020

Amanda Jones, Associate Non-Executive Director

Currently the Deputy Chief Executive & Director of Finance for Brighton Dome & Brighton Festival, Amanda is an experienced senior Director having worked in the Arts, Heritage and Charity Sectors for over 25 years.

Amanda is a KPMG alumni and a Fellow of the Institute of Chartered Accountants. She has been passionate throughout her career to help cultural organisations achieve long-term financial sustainability and resilience, and promotes the powerful role of arts and heritage to improving our health & wellbeing.

She holds a first-class honours degree in Accounting with Computing from the University of Ulster together with a postgraduate diploma in Professional Accounting and has particular experience of delivering organisational change through extensive modernisation programmes and of delivering major capital redevelopment and regeneration projects. Before moving to Sussex from her native Northern Ireland, Amanda was Director of Finance & Planning at National Museums Northern Ireland.

Amanda is a Director of Coast to Capital LEP, a member of the Executive Board of the Brighton & Hove Economic Partnership, Chair of The Sussex Archaeological Society (Sussex Past) and a Trustee of the Sam Moore Fund.

Amanda is Chair of the Trust's Charity Committee 'Heads On' (from 1st January 2021) and sits on the Audit Committee

Term of office: 27 April 2020 to 26 April 2021

Nitin Mehta, Associate Non-Executive Director

Nitin has over 11 years of experience at TUI Group where he is part of the Senior Leadership Team and a member of various executive boards, Nitin brings extensive commercial, strategy, analytics and finance experience to the Sussex Partnership Foundation Trust. Nitin is a qualified accountant with a B.Sc. in Electrical Engineering and Computer Science, an MBA and a Masters in Finance from London Business School.

Nitin sits on the Trust's Finance and Investment Committee.

Term of office: 27 April 2020 to 26 April 2021

Dominic Ford, Director of Corporate Affairs

Dominic joined Sussex Partnership in September 2017; he has responsibility for both board administration and the Council of Governors and attends the board meetings in the role of company secretary, having been in a similar role at Brighton and Sussex University Hospitals NHS Trust for almost five years. Dominic has worked in the NHS since 1989, in the acute and mental health sectors and spent five years in the predecessor organisations to the Care Quality Commission, leading the mental health programmes there and is Harkness Fellow in Health Care Policy.

How to obtain register of interests

The Board of Directors and Council of Governors interests are available at www.sussexpartnership.nhs.uk. The register is also available for inspection during normal office hours at the Trust Headquarters, Swandean, Arundel Rd, Worthing, West Sussex BN13 3EP.

The Trust can confirm that it has appropriate insurance to cover the risk of legal action against its directors.

The Trust can confirm that no political donations were made during the year.

The Trust has met the requirements within Section 43(2a) of the NHS Act 2006 in respect of the income from the provision of goods and services for the purposes of health service in England is greater than its income from the provision of goods and services for any other purposes.

NHS Improvement Well-Led Framework

The Covid-19 pandemic provides the context for the Trust control system, its management of risk and its regard to the well-led framework in 2020/21. This is detailed further in the Annual Governance Statement and performance section of the Director's report.

During 2020, and notwithstanding the Covid-19 pandemic, the Board has sustained its development programme and strategic focus which has included the development of the Board and its role in the changing external environment; refreshing the Board Assurance Framework and risk appetite; and shaping the Trust people, digital, equality, diversity and inclusion, participation and estates strategies, and Trust learning system. Both the Board strategy sessions and the Board agendas are framed consciously around the strategic risks identified in the Board Assurance Framework and provide the opportunity for the Board to engage in depth, in discussing those risks and their mitigations. The Trust has continued to progress in implementing actions from the last well-led inspection and incorporates key performance indicators in a well-led domain of its Integrated Performance Report.

The Annual Governance Statement found no material control issues, consistent with the Head of Internal Audit opinion and there are no inconsistencies between this statement, the corporate governance statement and any regulatory reports.

Board of Directors – governance

The Board of Directors uses the NHS Foundation Trust Code of Governance as best practice advice to improve our governance practices. It has agreed a scheme of reservation and delegation which sets out those decisions which must be taken by the Board and those which may be delegated to Board Committees and Executive Directors.

The Board sets the Trust's strategic aims and provides active leadership of the Trust. It is collectively responsible for the exercise of powers and the performance of the Trust, for ensuring compliance with the terms of authorisation, relevant statutory requirements and contractual obligations, and for ensuring the quality and safety of services. It does this through the approval of

key policies and procedures, the annual plan and budget for the year, and schemes for investment or disinvestment above the level of delegation. The Board of Directors believes that it has the appropriate membership and skills to meet the requirements of the NHS Foundation Trust.

The Chair and non-executive directors are appointed by the Council of Governors. The appointment of the Chair or Non-Executive Directors may be terminated by the Council of Governors at a General Meeting, if supported by three quarters of the governors.

The table below shows the number of public meetings attended out of a maximum of six. There have been several changes mid-year, so not all Board members had the opportunity to attend all meetings. During the pandemic meetings have been live streamed and recorded so they were available to members of the public, staff and governors online.

| Name | Meetings attended |
|--|--------------------------|
| Peter Molyneux Chair | 6/6 |
| Martin Richards Deputy Chair, Senior Independent Director and Non-Executive Director | 6/6 |
| Anne Beales Non-Executive Director | 6/6 |
| Gordon Ferns Non-Executive Director | 6/6 |
| Jo Larbie Non-Executive Director | 6/6 |
| Anna van der Gaag Non-Executive Director | 5/6 |
| Samantha Allen Chief Executive | 6/6 |
| Sally Flint Chief Finance Officer | 6/6 |
| Simone Button Chief Operating Officer | 4/4 |
| Stanley Riseborough Interim Chief Operating Officer | 3/3 |
| Rick Fraser Chief Medical Officer | 5/6 |
| Beth Lawton Chief Digital and Information Officer | 5/6 |
| Acosia Nyanin Chief Nursing Officer | 6/6 |
| Gavin Wright Chief People Officer | 6/6 |

Leadership and governance arrangements

The Board of Directors manages the business of Sussex Partnership NHS Foundation Trust by setting strategy and overseeing performance. The Executive team manages the day to day operational running of the organisation and regularly reports on activity to the Board. The Board also works closely with the Council of Governors, and Board Directors attend the Council of

Governors meetings at the invitation of the Council. We would follow the procedures laid down in our Constitution if any disagreements were to arise between our Council of Governors and our Board of Directors.

The Board of Directors sets the leadership expectations and tone for the organisation. This is then further modeled by the executive, strategic and service directors. The Board of Directors represents considerable experience and expertise.

Board, Committee and Directors' performance appraisal

The Board of Directors held eight development sessions in the last year, at which it considers the way in which the board is working, and undertakes a review of strategic direction concentrating on service quality.

The Board and in particular the non-executive directors work closely with the Council of Governors to understand the views of governors and the members they represent.

The Council of Governors meets with the Board of Directors every year to help shape the Annual Plan and the Board worked closely with the Council in the development of the breakthrough objectives for 2021/22.

The Board meets in public at least six times a year, and during the pandemic meetings have been live streamed and recorded so they were available to members of the public, staff and governors online.

Five committees support the board, each chaired by a non-executive director. These are:

- Appointment and Remuneration Committee
- Audit Committee
- Charity Committee
- Finance and Investment Committee
- Quality Committee

Appointment and Remuneration Committee

The Chair of Sussex Partnership and the non-executive directors make up the Appointment and Remuneration Committee. This met on five occasions during the year 2020/21.

Members and attendance

| Name | Designation | Meetings attended |
|-------------------|--|-------------------|
| Peter Molyneux | Trust Chair and Chair of the Committee | 4/5 |
| Martin Richards | Non-Executive Director | 5/5 |
| Anne Beales | Non-Executive Director | 5/5 |
| Gordon Ferns | Non-Executive Director | 2/5 |
| Jo Larbie | Non-Executive Director | 5/5 |
| Anna van der Gaag | Non-Executive Director | 4/5 |
| Amanda Jones | Associate Non-Executive Director | 3/5 |
| Nitin Mehta | Associate Non-Executive Director | 5/5 |

Audit Committee

External Audit

External audit services are provided by KPMG LLP. The Audit Committee has reviewed the work and findings of the external auditor and considered the implications and management's response to their findings. This has been achieved through the following:

- Consideration of the scope and planning of the external audit through review of the external audit plan
- Consideration of the agreed fees and resources required
- Review of the findings of external audit
- Assessing the independence of the external auditor via review of any proposed additional work and reports provided by external audit
- Regular meetings between the Chief Finance Officer, Deputy Director of Finance – Financial Services and Governance and wider finance team and the audit engagement lead and wider team.

Through the work of External Audit, the Committee has not been made aware of any significant weaknesses in internal control.

Company Secretary

The Board of Directors has direct access throughout the year to the services of the Company Secretary. The Company Secretary is responsible for ensuring that the Board of Directors and Council of Governors, and their associated Committees, follow procedure in line with the organisation's governance requirements.

Council of Governors

The Council of Governors is made up of 34 Governors: 26 elected and 8 appointed. Elected governors are members who are voted in by the Foundation Trust members in the appropriate constituency. The Council of Governors meets quarterly but it has not been possible to hold meetings in public during the pandemic. Their general duty is to hold the non-executive directors individually and collectively to account for the performance of the Board of Directors and to represent the interests of our members and the public.

The governors' statutory duties are to:

- Appoint or remove the Chair and non-executive directors
- Approve the appointment of the Chief Executive
- Decide the remuneration and terms and conditions of non-executives
- Appoint our financial auditor
- Receive the annual accounts
- Provide a view on forward planning
- Approve significant transactions
- Approve mergers and acquisitions

- Approve separations or dissolutions
- Approve an increase or more than 5% of non-NHS activities
- Approve changes to our Constitution (unless it is around the powers and duties of the Council of Governors).

Our governors also have the right to:

- Propose a vote on the organisation's or director's performance
- Require one or more directors to attend a meeting to obtain information about the organisation's or director's performance and
- Refer a question to NHS Improvement's advisory panel as to whether the trust has failed or is failing to act in accordance with the Constitution.

None of these rights have been used in 2020/21.

The following tables list the names of the governors, the constituency or organisation they represent, their end of term of office and the number of public meetings attended out of a maximum of four. Several governors changed mid-year, so did not have the opportunity to attend all meetings.

Service User / Carer Constituency

| Name | Constituency | Term of office end | Attendance |
|-------------------------------------|-------------------|--------------------|------------|
| Jo Tompkins | Brighton & Hove | 31 July 2022 | 4/4 |
| Di Hickman | Brighton & Hove | 07 July 2021 | 4/4 |
| Chrissie Granger | East Sussex | 08 January 2021 | 2/3 |
| James Domanic | East Sussex | 10 September 2020 | 1/2 |
| Alan Wells | East Sussex | 31 July 2022 | 4/4 |
| James Hamilton-Andrews | East Sussex | 04 October 2023 | 2/2 |
| Gabrielle Gardner | West Sussex | 07 July 2021 | 4/4 |
| Angie Culham | West Sussex | 04 October 2023 | 0/4 |
| Mel Smith | West Sussex | 04 October 2023 | 4/4 |
| Jeremy Sandford | West Sussex | 04 October 2023 | 2/2 |
| Amy Herring | Outside of Sussex | 19 October 2020 | 3/3 |
| Mark Hughes <i>Lead Governor</i> | Carer | 31 July 2022 | 4/4 |
| Allison Fackrell | Carer | 07 July 2021 | 0/4 |
| Carl Domanic | Carer | 31 July 2022 | 1/4 |
| Julie Barker | Carer | 04 October 2023 | 2/2 |

Public Constituency

| Name | Constituency | Term of office end | Attendance |
|-------------------|-------------------|--------------------|------------|
| Duncan Shrewsbury | Brighton and Hove | 31 July 2022 | 0/4 |
| Peter Haydn-Smith | East Sussex | 31 July 2022 | 4/4 |
| Caitlin Hall | East Sussex | 31 July 2022 | 0/4 |
| Elizabeth Hall | West Sussex | 04 October 2021 | 0/4 |

| | | | |
|------------------|-------------------|--------------|-----|
| Gillian Bowden | West Sussex | 31 July 2022 | 2/4 |
| Sarah Payne | West Sussex | 31 July 2022 | 4/4 |
| Stephanie Foster | Outside of Sussex | 31 July 2022 | 3/4 |

Staff Constituency

| Name | Term of office end | Attendance |
|------------------|--------------------|------------|
| Louise Patmore | 07 July 2021 | 3/4 |
| Alex Garner | 04 October 2023 | 4/4 |
| Glen Woolgar | 10 September 2020 | 2/2 |
| Alice Parr | 31 July 2022 | 0/4 |
| Catherine Gallop | 04 October 2023 | 2/2 |
| Richard Love | 04 October 2023 | 2/2 |

Appointed Governors

| Name | Organisation | Term of office end | Attendance |
|----------------|--|--------------------|------------|
| Giles Adams | NHS South East Coast Ambulance Service | 31 July 2023 | 4/4 |
| David Simmons | West Sussex County Council | 31 July 2023 | 2/4 |
| Sarah Gates | Sussex Police | 19 February 2021 | 4/4 |
| Andrew Gordon | Sussex Police | 18 February 2024 | 0/0 |
| Natasha Sigala | University | 31 July 2020 | 0/0 |
| Rachel Brett | Sussex YMCA Downs Link | 31 August 2022 | 2/4 |
| John Holmstrom | Worthing Churches Homeless Project | 31 October 2022 | 3/4 |
| Katie Glover | Coastal West Sussex MIND | 30 September 2022 | 2/4 |

Governor Election

During 2020/21, one general election was held for places on the Council of Governors created as a result of Governors coming to the end of their terms of office or leaving the Council. Due to the pandemic it was necessary to delay to start of the election. As current legislation does not allow for governors' current terms of office to be extended it was agreed that those governors who are coming to the end of their term remain in post as an Associate Governor until the election can be held. This required a change to the Constitution which was approved by the Council of Governors and Board of Directors in April 2020.

The results of these elections were:

| Constituency | Number of Candidates | Turnout | Outcome of voting | Term commenced |
|--|----------------------|---------|-------------------|----------------|
| Service User, East Sussex 1 vacancy | 4 | 8.5% | 1 elected | October 2020 |
| Service User, West Sussex 3 vacancies | 4 | 8.5% | 3 elected | October 2020 |
| Public, West Sussex 1 vacancy | 3 | 9.9% | 1 elected | October 2020 |

| | | | | |
|----------------------|---|------|-----------|-----------------|
| Carer 1 vacancy | 2 | 9.0% | 1 elected | October 2020 |
| Staff 3 vacancies | 6 | 8.0% | 3 elected | October 2020 |

Committees of the Council of Governors (Nomination and Remuneration Committee, Membership Committee)

The Governors are responsible for setting the pay and terms and conditions of Non- Executive Directors and the Chair of Sussex Partnership. The Council of Governors appoints the Chair and Non-Executive Directors and can terminate their appointment. They also approve the appointment of the Chief Executive. The Nominations and Remuneration Committee advises the Council of Governors on these matters and meets as and when required.

The Nomination and Remuneration Committee met four times during 2020/21 and focused on non-executive director recruitment, re-appointments, reviewing the Board's performance, receiving the Chair and Non-Executive Directors' appraisals and objectives and reviewing the terms and conditions and remuneration for the chair and non-executive directors.

During 2020/21 the Committee recommended the re-appointment of the Chair from 01 April 2021, the re-appointment of a Non-Executive Director for three months and the appointment of two Associate Non-Executive Directors from 27 April 2020.

| Name | Designation | Meetings attended |
|----------------|--|-------------------|
| Peter Molyneux | Trust Chair and Chair of the Committee | 4/4 |
| Amy Herring | Service User Governor | 1/2 |
| Di Hickman | Service User Governor | 1/1 |
| Elizabeth Hall | Public Governor | 1/4 |
| Mark Hughes | Carer Governor | 3/3 |
| Julie Barker | Carer Governor | 2/2 |
| Glen Woolgar | Staff Governor | 2/2 |
| Sarah Gates | Appointed Governor | 3/3 |

The membership of this Committee was reviewed part way through the year.

Council of Governors Development

The Council of Governors hold a number of development sessions each year. The topics for these are decided by the Governors Training and Development Committee and during 2020/21 they concentrated on Participation, Children and Young People's Services, Learning and Responding to the public health impact of the Covid-19 global pandemic, Community Resilience and Learning for the Future. In addition, governors were welcomed to participate in external bespoke governor development courses, in particular as part of their initial induction into the role.

The Board of Directors and Council of Governors have also established and well regarded programme of joint development, which creates more opportunities for joint working and for governors to contribute fully to strategic planning. This has included in 2020/21, the development of the Annual Plan and the breakthrough objectives.

The Board of Directors values the views of the Council of Governors and is always keen to seek input from the Governors. In 2020/21 this also included:

- Directors regularly attending Council of Governor meetings to present reports and seek feedback relating to proposed actions
- Governors help to make senior executive appointments and sit on the committees involved in the development of services.
- Each Board Committee has at least one Governor representative present to observe

Should any disagreements arise between our Council of Governors and our Board of Directors, we would follow the procedures laid down in our Constitution.

The directors are responsible for preparing the annual report and accounts and have considered the report and accounts as a whole to ensure that they are fair, balanced and understandable and that they provide the information necessary for patients, regulators and other stakeholders to access our performance, business model and strategy. Further information on our approach to governance is described in our Annual Governance Statement.

Contacting the Governors

Members can contact the Governors directly, or via the Corporate Governance Manager:

- By email: Governors@sussexpartnership.nhs.uk
- By telephone to 0300 304 2066
- In writing to: Governors via the Corporate Governance Manager, Trust Headquarters, Swandean, Arundel Road, Worthing, West Sussex, BN13 3EP

Membership Committee

The Membership Committee is responsible for membership recruitment, retention, engagement and development. The Committee also reviews and monitors the Membership Development Strategy and the progress against its three objectives.

It meets four times a year and reports to the Council of Governors.

Membership

The Trust covers a broad geographical catchment area; however, our dispersed patient and carer population must be reflected in our membership base and we must draw on the experience of people who access the full range of services we provide.

Our members join the Trust to have their voices heard and to help us better understand the views of those who access our services so that we can improve the quality, responsiveness and development of services. Members may only join the Trust in one category of membership, service user, public, carer or staff.

All Sussex Partnership staff are automatically members, unless they chose to opt out. Our membership is as follows:

| | April 2020 | April 2021 |
|--------------|-------------------|-------------------|
| Public | 2,729 | 2,711 |
| Patients | 2,022 | 1,979 |
| Carers | 422 | 420 |
| Staff | 4,124 | 3,994 |
| Total | 9,297 | 9,104 |

At the end of the 2020/21 year we had 9,104 members in total.

Members are asked to provide gender identity, disabilities, ethnicity, sexual orientation and religion and belief so that we can ensure that our membership is truly representative of the communities we serve.

Membership Constituencies and Eligibility Requirements

Members of Sussex Partnership must be at least 14 years of age and meet the criteria for one of our four membership categories:

- Service user category: for people who have used any of Sussex Partnership's services in the past five years may become or continue as a member.
- Carer category: for carers of people who have used any of Sussex Partnership's services in the past five years.
- General public category: for anyone interested in Sussex Partnership's services and who live in an area Sussex Partnership provides services; this includes Brighton and Hove, East Sussex and West Sussex, and South East England and Greater London.
- Staff category: for staff employed by Sussex Partnership on a permanent contract or on a fixed term contract of at least 12 months and for social care staff who work in Sussex Partnership.

Membership Strategy

The Trust refreshed its Membership Strategy for the next five years in consultation with members and this was approved by the Council of Governors and presented to members at the Annual Members Meeting.

During 2020/21 the Committee monitored progress against the Membership Strategy's three objectives:

➤ **Objective 1: Improve engagement with members**

The global pandemic has led the Trust to focus its engagement and support to members virtually and through correspondence rather than face-to-face engagement. The Trust has supported its members through the signposting of information, access to live streamed meetings and the introduction of virtual members meetings.

The Membership Department has worked with both internal and external services, through social media forums to help raise awareness of mental health and promote positive welling and resources to people through-out the pandemic.

The Trust held its Annual Members Meeting virtually in September 2020, welcoming approx. 80 people. Following the formal business, members had the opportunity to attend one of three discussion forums, these included – responding to the public health impact of Covid-19, depression and the prevalence of this within our communities and children and young people. Each form was jointly led by a governor and member of the executive team.

Virtual members meeting has been introduced with the first taking place during Worthing's Mental Health Awareness week and focused on 'Engaging with our communities' the feedback from members at this meeting has helped the Trust to develop further online resources to enhance communication with members.

➤ **Objective 2: Building a membership that is representative of the communities we serve**

Through social media channels the Trust has reached out to the LGBTQ+ and BAME communities to raise awareness of membership and during governor election the Trust worked closely with internal and external organisations to highlight the role of the governor and encourage members, particularly those within the BAME communities to consider standing.

Work scheduled with the younger demographic was put on hold during the pandemic, instead the membership department working with children's services to develop targeted communications to support young people returning to education.

There is still much work to do in this area and the Trust continues to harnessing the knowledge and networks of our members, colleagues and governors to achieve a more representative membership.

➤ **Objective 3: Developing Communications**

The Trust recognises members are the vital link between to communities. To have an active and engaged membership community is paramount to the overall success of the Trust therefore we strive to keep evolving ideas and opportunities for people to involve themselves in events and the future of the Trust. Online communication has been at the centre of engagement during the pandemic and following feedback received at a members' meeting an online Padlet notice board has been developed and will be launched in April 2021.

The Trust has continued to keep members updated and informed of activities through Partnership Matters, a quarterly magazine and the Membership E-bulletin, a bi-monthly newsletter.

Participation

People Participation is a key part of the culture of how we do things at Sussex Partnership NHS Foundation Trust. Listening to and valuing people's experience and involving people in how we do

things is at the heart of everything we do. We have several teams which come under "People Participation" and below is a summary of the key achievements for each service.

In December 2020, we finalised our Participation Strategy for 2021/2024, following several months of engagement work. The strategy has been shared at leadership levels across the organisation and we are now finalising the launch of this strategy more widely. The timing of this launch is key following Covid-19, as the strategy is around bringing hope, joy and new ways of working. We also need to continue to progress work around data and reporting, equality and diversity, governance and process and robust infrastructure.

The key messages in this strategy are:

- We want to make sure that the experience of people using our services, their families, friends and carers is at the heart of everything we do
- We know there is more we need to keep involving people, and increasing the diversity of the people involved with us. At the same time, we have achieved a lot and want to celebrate this.
- We are committed to creating more roles and development opportunities for people who have used our services, so we can draw on their experience and expertise to help us continuously improve things
- Our participation strategy aims to promote creativity, spirituality, learning and genuine involvement
- To make our strategy a success, it's important we have clear structures, plans and ways of measuring our progress. But the most important ingredient of success is working together with kindness, compassion and respect.

Arts and Health

Make Your Mark is our Trust arts and health programme. Throughout the last year, Make Your Mark has been working in partnership with Heads On and several third sector arts partners to deliver the Make for Tomorrow virtual art school. This project brought creativity to those affected by mental health across Sussex, and used high profile artists from a variety of genres to start conversation around creativity, health and wellbeing, and to reduce stigma associated with mental distress. The Make Your Mark lead is now completing an extensive evaluation of the programme and associated learning, which can then be used to plan the next programme.

We have recognised a need to strengthen governance and connections in Make Your Mark before the next big project, and so the focus now is on setting up a robust steering group and associated governance structures to help take the programme of work forward.

Chaplaincy and Spirituality

We now have an established chaplaincy and spirituality strategy that runs alongside the central Participation Strategy. This details the key principles of a multi-faith approach, and about how we can support those using our services to build relationships with their spiritual and faith communities in their local communities. It also recognises spirituality as more than religion, and how this is integrated with a person's wellbeing and culture. It notes how we can support the spiritual and religious needs of our staff as well as those using our services and their family and friend carers.

Chaplaincy has seen a significant increase in referrals during Covid-19, with people facing bereavement and thoughts around their own wellbeing, health and mortality, and the service has received some additional resource.

We are providing an increased offer around staff training which includes preceptorship. A training package on spiritual wellbeing is now available, as is one on spiritual assessment using the HOPE questionnaire and how this should link to care planning.

We continue to work on the assurance that there are fit for purpose spiritual spaces across all of our hospital sites.

An online resource has been developed to help staff develop a better understanding of different religious and cultural needs people may disclose, and what this may look like in relation to care.

Family and Friend Carers

We are on track to apply for our Stage 2 Triangle of Care accreditation in Summer 2021, following the award of Stage 1 in Summer 2020.

We have developed a quarterly network for carer leads so that we can bring those working in carer specific roles together. We are also working on better data and reporting metrics for clinical services so people are able to assess what is working well with their carer involvement, and what areas need further improvement. Quality Improvement (QI) approaches are being applied to Family and Friend carer development work with very positive results.

A new Z card has been developed and agreed through the Triangle of Care group with a very positive response, which will support ongoing work around Suicide Prevention and recognising that carers are a high-risk group.

We have a clear pathway for people who would like to train as an Expert by Experience (EBE) who come through the family and friend carer route, and better support and signposting to Carers Centres for our EBEs who may also identify as family and friend carers. We are seeing an increase in the number of involvement opportunities for EBEs from the family and friend carer perspective.

Patient Leadership/ People Participation in the Sussex Health and Care Partnership (SHCP)

We now have a Participation Programme Lead in place for the SHCP. There is an SHCP group called The Service User and Carer Engagement Group which is now established, with a diverse membership and clear terms of reference. This group will serve to ensure Participation work across the Mental Health Programme and associated workstreams is joined up and connected between organisations, and that there is robust assurance that engagement work taking place is being done to a high standard, in line with the 4 PI principles. The group also enables us to engage with third sector partners who are well connected to minority communities and those with whom it is harder to engage using traditional methods. We are slowly starting to hear from more people from these "hidden" perspectives.

Assurance work is underway for each workstream to identify what is working well and which areas need further development and refinement from a Participation perspective. The audit is so far

highlighting that although there is a passion and enthusiasm for participation across all areas, the approach to participation (and associated resource) is inconsistent and needs standardising.

Clear expectations and standards around lived experience roles within the SHCP work are being developed (with clear links to the EBE programme already in place within Sussex Partnership).

Peer Support

We continue to grow our peer support workforce and now have over 30 peer support workers employed in a variety of areas across the Trust. We are investing in a professional leadership structure to support this growth and to ensure peer led supervision, development, and progression opportunities are available.

We have been selected as a trail blazer site for the new peer support apprenticeship and are working to shape this model on a local and national level, as well as being one of the first sites to adopt the model.

We continue to work in partnership to develop better relationships and shared working opportunities with the local third sector peer support providers. Mapping has been undertaken to look at models being used across different areas.

The virtual peer support model delivered during lockdown has been hugely successful and was awarded Highly Commended in the Positive Practice in Extraordinary Times Award for 2021. The team are seeing around 100 people per month now over two sessions a week. The sessions have been delivered using experienced peer support workers. We are currently exploring how we can operationalise this model (and formally evaluate it) and make it part of how we offer peer support moving forward as we reach and connect with new people. We are also finding an increased enthusiasm from clinical services for peer support.

Ongoing re-design work continues to recognise Peer Support as an essential new role and workforce group and further, significant growth is expected over the coming year. The Participation strategy details how this will be managed across service pathways.

Participation, Experience and Involvement

In relation to people's experience, we have now launched a new SMS text messaging system to help increase our Family and Friends Test response rates. We have been successful in our application to become a pilot site for the new NHSE/I text mining software which means we can make better use of our qualitative feedback and make it easier for our clinical staff to quickly identify and respond to themes and trends. We continue to develop and improve the data and reporting available for people's experiences, and how this triangulates with other sources.

We have developed a proposal of a new EBE model which shows a clear pathway from unpaid involvement activity/volunteering through to EBE paid involvement work, senior EBE opportunities and then paid staff roles within the SHCP which will be progressed throughout 2021. We are focusing now on the training and development pathway that needs to sit alongside this, and the payment policy and process needed. A key development within this has been the creation of EBE mentor roles.

We continue to grow the group of EBEs who participate with us, with over 80 people registered and undertaking regular involvement opportunities which have continued despite Covid-19 restrictions and changes to ways of working. Recruitment for our new EBEs is focusing on developing a more diverse range of perspectives, cultures and experiences.

The profile of volunteering is increasing post Covid-19, and volunteers are able to support our clinical services through new roles including collecting more information on people's experience and supporting people with the discharge process. We have over 30 volunteers now registered with us.

Our Working Together Groups remain a key engagement tool and have moved online due to Covid-19. They have been working well and feed in to a central Working Together Group. Bespoke work is taking place to continually grow, develop and refine these groups and to understand the experience of those who attend. The online groups have been spread across over 5 different areas.

A new database has been introduced which will improve our governance and record keeping of volunteers and EBEs, as well ensuring we can create portfolios of people's work and experience and give EBEs safe virtual spaces to connect and share experiences.

As noted in our strategy, our Participation, Experience and Involvement Team are holding an increased remit around the Equality, Diversity and Inclusion agenda for people who use our services. Reviews have been undertaken to develop an action plan.

We continue to refine the governance and systems that underlie Participation. Working between CDS/operational services and Participation is feeling stronger and the development of a Participation Steering Group model will further grow this. Participation Champion roles are being created across services, and a Participation Leads Network has been developed to bring together the increasing number of Participation Lead roles from across the Trust.

Partnership working remains key to Participation. We continue to work closely with Heads On and are developing stronger relationships with Research and Development, particularly through the Learning for the Future project. This was an EBE led narrative project to help understand people's experience of using services during Covid-19. We work closely with the third sector across many areas including hearing from people's stories, narratives and experiences from those participating in other networks and organisations.

Recovery and Discovery Colleges

Our Recovery and Discovery Colleges are now operating as linked services, and supporting each other to share learning, governance and resources. Both services have undergone significant amounts of change due to Covid-19, as face to face teaching programmes have needed to be converted to online platforms. Investment has been provided to enhance staffing, infrastructure and leadership across both services.

The co-designed Discovery College website launched in March 2021 and marks a significant piece of work for the team. The team continue to deliver mainly creative courses with an offer of five courses per term. From 2021, we hope to start aligning some of the course offerings to the needs

of people waiting to access CAMHS services and their families and parents, particularly around coping skills and psychoeducation.

The Recovery College continue to offer a very well evaluated online curriculum consisting of over 19 courses and workshops including wellbeing skills and psychoeducation. April 2021 marks the return of outdoor activity courses.

Both services will be aiming to move back from an online only approach to a new blended way of working from September 2021.

Service quality: stakeholder relations

We are committed to working with, and in, local communities where we provide services. As an NHS Foundation Trust, we are directly accountable to the local community across Brighton and Hove, East and West Sussex through our membership which is represented by our Council of Governors. We hold regular members meetings where people can raise topics and issues with us.

We are a member of joint planning forums with our social services authority partners and with Sussex Police who we work with closely on crime reduction and alternatives to court appearances for vulnerable people who use our services.

Statement as to disclosure to auditors

For each individual who is a director at the time that the report is approved: (1) so far as the director is aware, there is no relevant audit information of which the NHS Foundation Trust's auditor is unaware and (2) the director has taken all steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the NHS Foundation Trust's auditor is aware of that information.

Late payment of commercial debts

The Trust paid £0 (2019/20 £0) of interest under the late payment of commercial debts (interest) Act 1998 during the year.

2.2 Remuneration report

Annual statement on remuneration

Having a clear and transparent approach to pay and reward for senior leaders and managers not covered under Agenda for Change (AfC) is part of effective workforce planning, one of the Trust's People Management goals. It is vital that all staff feel valued and appropriately rewarded, and have a transparent pay system which enables them to see how they can progress or increase their pay. This in turn reflects Trust values in terms of what the organisation wants to reward.

The Trust has a performance related pay scheme, introduced in 2015, which aligns pay and the delivery of the Trust's strategic objectives for senior directors. This enables the Trust to recruit and retain highly experienced and skilled Executive Directors/senior managers and also introduces a performance related element which rewards sustained contribution in the role and incentivises and motivates individuals. The scheme brings clarity and transparency to senior pay and reward and makes it clear to individuals how their pay is calculated and how they might progress.

The Trust can confirm that no senior managers serve as Non-Executive Directors for other organisations, and that no payments were made to previous senior managers during the year.

The remuneration of staff earning more than £150k is considered by the Appointments and Remuneration Committee who use national benchmarking data and other pay intelligence where this is available to inform their decisions. In addition, for existing staff, performance is considered as part of the appraisal process and if the staff member is an Executive Director, this is also considered by the Appointments and Remuneration Committee.

Senior managers remuneration policy

The following factors and underlying principles were taken into account when developing the performance related pay scheme proposals.

1. The need to ensure that salaries link to external market rates so that the Trust can recruit and retain high quality staff.

- Ensuring, as far as possible, that pay arrangements provide equal pay for work of equal value.
- Taking into account internal relativities – between the Executive team and with other senior posts, both Agenda for Change (AfC) and non-AfC.
- Transparency of all processes so that individuals know how their pay may be increased and third-parties can be clear that the processes are auditable and compliant.
- Robust assessment processes for annual review.
- Ensuring the use of sound information and analysis of up-to-date data.

2. Current Trust Financial and NHS pay context, in line with the Foundation Trust Code of Governance, which states that the following principles will apply to performance-related pay, aimed at:

- improving and motivating individual performance
- improving individual competences as set out in job descriptions

- promoting the long-term sustainability of the Trust
- ensuring alignment with the long-term interests of the public and patients, and
- ensuring that targets are stretching and relevant.

Future policy table

The table below describes the components which make up the remuneration packages of senior managers, and how these offer support for the short and long term strategic objectives, how the component operates, the maximum payment, the framework used to assess the performance, performance measures, the performance period, the amount paid for the minimum level of performance.

| | Salary | Taxable benefits | Performance related bonuses | Long term bonuses | Pension benefits |
|--|---|------------------|-----------------------------|-------------------|---|
| Support for long and short term Trust objectives | Ensuring recruitment and retention of Executive Directors with sufficient quality / experience | N/A | N/A | N/A | Ensuring recruitment and retention of Executive Directors with sufficient quality / experience |
| How the component works | Standard monthly pay | N/A | N/A | N/A | Standard monthly pay |
| Maximum Payment | Basic salary | N/A | N/A | N/A | Basic salary |
| Framework used to assess performance | Trust appraisal system | N/A | N/A | N/A | Trust appraisal system |
| Performance measures | Appraisal based on individual and team objectives agreed with the Chief Executive and Trust Board | N/A | N/A | N/A | Appraisal based on individual and team objectives agreed with the Chief Executive and Trust Board |
| Performance period | Financial year | N/A | N/A | N/A | Financial year |
| Amount paid for minimum level of performance | Basic salary for minimum performance, no performance related pay element | N/A | N/A | N/A | Basic salary for minimum performance, no performance related pay element |

Arrangements for redundancy pay

- A. The Trust will comply with applicable national arrangements with which it is required to comply and which are in force from time to time. Any payment(s) referred to in this clause may be made on a staged basis, to be made in 12 equal monthly payments following termination of employment, all subject to a requirement that prior to each payment being made, the employee certify that he/she has not found new employment as further described below.
- B. Following termination of employment the employee will then be required to inform the Chief Executive Officer in writing each month of any interviews undertaken and any offers of alternative work (including work on a self-employed or consultancy basis). Any failure to do so and any unreasonable refusal on their part to accept a job offer will result in further payments being withheld from them in whole or part.
- C. Once the employee has received an offer of work (including work on a self-employed or consultancy basis) in writing, he/she is required to telephone in the first instance and send a copy of any offer letter/documentation in the strictest of confidence to the Chief Executive Officer and discuss whether he/she intends to accept the offer and any start date.
- D. If the employee has a reasonable basis for rejecting a job offer, then further payments as set out above may continue.
- E. Failure to notify the Chief Executive Officer of any offer of work, acceptance of a job offer or that the employee has commenced new employment, will result in he/she being regarded as in material breach of their agreement and any payments made in connection with the contract of employment will cease as a result of this material breach and any payments made by the Trust during periods of new employment will be recoverable by the Trust as a debt under this agreement.

Policy on payment for loss of office

The appointment is subject to notice of termination in writing as follows:

- Notice of termination by the Trust six months.
- Notice of termination by the post holder six months.
- Notwithstanding the above the Trust reserves the right in its sole discretion to terminate employment with immediate effect by making a payment (or part payment) in lieu of notice equal to basic salary only subject to prior deductions for tax and national insurance contributions. For the avoidance of doubt the sum paid in lieu of notice shall not include any element in respect of holiday entitlement that would have accrued during the period for which the payment is made.
- The Trust may pay any sum in lieu of notice in equal monthly instalments until the date on which the notice period would have expired if notice had been given and worked. The employee shall be obliged to seek alternative income and mitigate their losses howsoever

the termination of the employment occurs during this period and to notify the Trust if he/she shall receive such income. The instalments shall then be reduced by the amount of income.

- Nothing in the agreement prevents either party terminating the employment without notice by reason of the conduct of the other party.
- Notice by either party will not be required where there is mutual agreement to terminate. The Trust may terminate the contract with immediate effect and without compensation (notwithstanding that the Trust may have allowed any time to elapse or on a former occasion may have waived its right under this clause) if the employee:
 - commits any act of gross misconduct
 - commits an act which in the reasonable opinion of the Chief Executive Officer brings the employee or the Trust or the NHS into disrepute or are convicted of any criminal offence (excluding a road traffic offence for which they are not sentenced to imprisonment) which is deemed to be of sufficient seriousness
 - fails to report to duty without prior notification
 - is precluded from holding office through reason of statute
 - becomes bankrupt or make any arrangement with their creditors or are prohibited by law from being a director
 - ceases to be eligible to work in the United Kingdom
 - commits any act of negligence or dishonesty whether relating to the Trust, the NHS any of its or their employees, patients or otherwise, or
 - commits any serious or persistent breach of any of the provision of their contract.

Statement of consideration of employment conditions elsewhere in the Foundation Trust.

Very Senior Manager (VSM) pay for Executive Directors is subject to interim guidance by NHS Improvement (NHSI) last issued in March 2018; as a Foundation Trust, Sussex Partnership takes account of the guidance and NHSI opinion in determining pay. The pay arrangements for directors during the year was consistent with this guidance with no VSM pay exceeding the median benchmark levels detailed in NHS Improvement guidance.

Service contracts

Senior managers are employed on a permanent basis and their notice period is 6 months. The term of office for non-executive directors is included in the Directors Report with their biographies.

Code of Governance disclosures

Sussex 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.

Disclosures required by Health and Social Care Act 2012

Board and Governor expenses

2020/21 Board of Directors

| | |
|--|---------|
| Total number of Directors | 17 |
| Total number of Directors who claimed expenses | 6 |
| Total aggregated expenses | £975.15 |

2020/21 Governors

| | |
|--|---------|
| Total number of Governors | 36 |
| Total number of Governors who claimed expenses | 5 |
| Total aggregated expenses | £525.60 |

2019/20 Board of Directors

| | |
|--|------------|
| Total number of Directors | 14 |
| Total number of Directors who claimed expenses | 12 |
| Total aggregated expenses | £13,639.53 |

2019/20 Governors

| | |
|--|-----------|
| Total number of Governors | 34 |
| Total number of Governors who claimed expenses | 13 |
| Total aggregated expenses | £4,868.45 |

Median pay summary

This section is subject to an external audit.

The remuneration of the highest paid director in the year ended 31 March 2021 was £185k (2019-20: £164k). This was 8.8 times (2019-20: 8.3) the median remuneration of the workforce, which was £21k (2019-20: £20k).

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

The median pay calculation is based on the payments made to staff in post on 31 March 2021.

The reported salary used to estimate the median pay is the gross cost to the Trust, less employers Pension and employers Social Security costs.

The reported annual salary for each whole time equivalent has been estimated by multiplying the March 2021 payment by 12 months.

Payments made in March 2021 to staff who were part-time were pro-rated to a whole time equivalent salary.

The estimated annual salary is based on the payments made in March 2021. Therefore, it was necessary to remove 'non-recurrent' items paid within the March payroll. This was undertaken as a manual exercise on an individual staff member basis. There were no adjustments made for holiday pay or national holidays.

The median salary has been calculated as the middle salary if salaries were ranked in ascending order.

The highest paid director is excluded from the median pay calculation.

The highest paid director's remuneration is based on their total remuneration which includes salary, any additional performance related pay as well as severance payments.

In 2020-21 the median total remuneration increased mainly due to the effect of the National Agenda for Change Pay Award.

| | 2020-21 | 2019-20 |
|--|----------------|----------------|
| Band of highest paid Director's total remuneration | £185k - £190k | £160k - £165k |
| Median Total Remuneration | £21,142 | £19,811 |
| Ratio | 8.8 | 8.3 |

Salary and Pension Entitlements of Senior Managers

Sussex Partnership NHS Foundation Trust

Salary and Pension Entitlements of Senior Managers

Remuneration

| 2020/21 | | | | | | | | |
|---------------------|---------------------------------------|-----------------|---|--|--|---|--|---------------------------------|
| Name | Title | Term of Office | Salary and fees (in bands of £5,000) £000 | All taxable benefits (total to the nearest £100) £ | Annual performance-related bonuses (in bands of £5,000) £000 | Long-term performance-related bonuses (in bands of £5,000) £000 | all pension related benefits (in bands of £2,500) £000 | Total (in bands of £5,000) £000 |
| Sam Allen | Chief Executive | | 185-190 | 1400 | | | 107.5-110 | 295-300 |
| Sally Flint | Chief Finance Officer | | 145-150 | | | | 42.5-45 | 185-190 |
| Simone Button | Chief Operating Officer | to 18/12/2020 | 90-95 | | | | 10-12.5 | 100-105 |
| Rick Fraser | Chief Medical Director | | 175-180 | | | | 72.5-75 | 250-255 |
| Beth Lawton | Chief Digital and Information Officer | | 130-135 | | | | 30-32.5 | 160-165 |
| Acosia Nyanin | Chief Nurse | | 125-130 | | | | 45-47.5 | 170-175 |
| Stanley Riseborough | Interim Chief Operating Officer | from 23/11/2020 | 50-55 | | | | 0 | 50-55 |
| Gavin Wright | Chief People Officer | from 01/01/2021 | 25-30 | | | | 10-12.5 | 40-45 |
| Peter Molyneux | Chairman | | 50-55 | | | | | 50-55 |
| Gordon Ferns | Non-Executive Director | | 10-15 | | | | | 10-15 |
| Martin Richards | Non-Executive Director | | 15-20 | | | | | 15-20 |
| Anne Beales | Non-Executive Director | | 10-15 | | | | | 10-15 |
| Anna Van Der Gaag | Non-Executive Director | | 10-15 | | | | | 10-15 |
| Jo Larbie | Non-Executive Director | | 15-20 | | | | | 15-20 |
| Nick Juba | Associate Non-Executive Director | to 31/10/2020 | 5-10 | | | | | 5-10 |
| Amanda Jones | Associate Non-Executive Director | from 27/04/2020 | 10-15 | | | | | 10-15 |
| Nitin Mehta | Associate Non-Executive Director | from 27/04/2020 | 10-15 | | | | | 10-15 |

0

2019/20

| Name | Title | Term of Office | Salary | All taxable | Annual | Long-term | all pension | Total (in |
|-------------------|---------------------------------------|----------------|---|---|--|--|---|-----------------------------|
| | | | and fees (in bands of £5,000) £000 | benefits (total to the nearest £100) £ | performance- related bonuses (in bands of £5,000) £000 | performance- related bonuses (in bands of £5,000) £000 | benefits (in bands of £2,500) £000 | bands of £5,000) £000 |
| Sam Allen | Chief Executive | | 155-160 | 1000 | | | 50-52.5 | 205-210 |
| Sally Flint | Chief Finance Officer | | 140-145 | | | | 35-37.5 | 175-180 |
| Simone Button | Chief Operating Officer | | 130-135 | | | | 32.5-35 | 165-170 |
| Rick Fraser | Chief Medical Director | | 160-165 | | | | 30-32.5 | 195-200 |
| Beth Lawton | Chief Digital and Information Officer | | 125-130 | | | | 30-32.5 | 155-160 |
| Acosia Nyanin | Chief Nurse | | 120-125 | | | | 145-147.5 | 265-270 |
| Peter Molyneux | Chairman | | 45-50 | | | | | 45-50 |
| Gordon Ferns | Non-Executive Director | | 10-15 | | | | | 10-15 |
| Martin Richards | Non-Executive Director | | 10-15 | | | | | 10-15 |
| Anne Beales | Non-Executive Director | | 10-15 | | | | | 10-15 |
| Lewis Doyle | Non-Executive Director | to 31/03/2020 | 10-15 | | | | | 10-15 |
| Anna Van Der Gaag | Non-Executive Director | | 10-15 | | | | | 10-15 |
| Jo Larbie | Non-Executive Director | | 10-15 | | | | | 10-15 |
| Nick Juba | Associate Non-Executive Director | | 10-15 | | | | | 10-15 |

Salary and Pension Entitlements of Senior Managers (continued)

| Pensions - 31 March 2021 | | | | | | | | | | |
|--------------------------|---------------------------------------|-----------------|---------------------------------|--|---------------------------------|--|-------------------------|-------------------------|-------------------------|--|
| Name | Title | Term of Office | Real increase in pension at age | Lump sum at age 60 related to | Accrued pension at age 60 at | Lump sum at age 60 related to | CETV at 1 April 2020 | CETV at 31 March 2021 | Real increase in CETV | |
| | | | 60 bands of £2,500) | increase in accrued pension at 31 March 2021 (bands of £2,500) | 31 March 2021 (bands of £5,000) | accrued pension at 31 March 2021 (bands of £5,000) | (to the nearest £1,000) | (to the nearest £1,000) | (to the nearest £1,000) | |
| | | | £000 | £000 | £000 | £000 | £000 | £000 | £000 | |
| Sam Allen | Chief Executive | | 5-7.5 | 7.5-10 | 50-55 | 110-115 | 744 | 860 | 109 | |
| Sally Flint | Chief Finance Officer | | 2.5-5 | 7.5-10 | 55-60 | 170-175 | 1,277 | 1,389 | 99 | |
| Simone Button | Chief Operating Officer | to 18/12/2020 | 0-2.5 | 2.5-5 | 45-50 | 135-140 | - | - | - | |
| Rick Fraser | Chief Medical Director | | 2.5-5 | 2.5-5 | 35-40 | 90-95 | 740 | 844 | 97 | |
| Beth Lawton | Chief Digital and Information Officer | | 2.5-5 | - | 10-15 | - | 125 | 165 | 39 | |
| Acosia Nyanin | Chief Nurse | | 2.5-5 | 0-2.5 | 25-30 | 55-60 | 330 | 373 | 40 | |
| Stanley Riseborough* | Interim Chief Operating Officer | from 23/11/2020 | - | - | - | - | - | - | - | |
| Gavin Wright | Chief People Officer | from 01/01/2021 | 0-2.5 | 0-2.5 | 10-15 | 15-20 | 195 | 234 | 9 | |

Pensions - 31 March 2020

| Name | Title | Term of Office | Real increase in pension at age 60 bands of £2,500) | Lump sum at age 60 related to increase in accrued pension at 31 March 2020 (bands of £2,500) | Accrued pension at age 60 at 31 March 2020 (bands of £5,000) | Lump sum at age 60 related to accrued pension at 31 March 2020 (bands of £5,000) | CETV at 1 April 2019 (to the nearest £1,000) | CETV at 31 March 2020 (to the nearest £1,000) | Real increase in CETV (to the nearest £1,000) |
|---------------|---------------------------------------|----------------|--|--|---|---|--|---|---|
| | | | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Sam Allen | Chief Executive | | 2.5-5 | 0-2.5 | 45-50 | 100-105 | 673 | 744 | 60 |
| Sally Flint | Chief Finance Officer | | 0-2.5 | 5-7.5 | 50-55 | 160-165 | 1,173 | 1,277 | 87 |
| Simone Button | Chief Operating Officer | | 0-2.5 | 5-7.5 | 40-45 | 130-135 | 1,009 | - | - |
| Rick Fraser | Chief Medical Director | | 2.5-5 | -2.5-0 | 30-35 | 85-90 | 677 | 740 | 53 |
| Beth Lawton | Chief Digital and Information Officer | | 0-2.5 | - | 5-10 | - | 89 | 125 | 36 |
| Acosia Nyanin | Chief Nurse | | 5-7.5 | 15-17.5 | 20-25 | 50-55 | 224 | 330 | 103 |

* S Riseborough has opted out of the pension scheme

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.

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 any benefits transferred from other pensions).

NHS Pensions are using pension and lump sum data from their systems without any adjustment for a potential future legal remedy required as a result of the McCloud judgement. (This is a legal case concerning age discrimination over the manner in which UK public service pension schemes introduced a CARE benefit design in 2015 for all but the oldest members who retained a Final Salary design.). We believe this approach is appropriate given that there is still considerable uncertainty on how the affected benefits within the new NHS 2015 Scheme would be adjusted in future once legal proceedings are completed"

Signed:  (Chief Executive)

Date: 19 May 2021

2.3 Staff report

Staff survey – summary of performance

The Trust's response rate for 2020 was 52% percent, this is 4 percent lower than 2019 and 3% higher than the average response rate for the mental health sector. The main findings from the 2020 survey were:

- 56 of the 75 questions asked showed no significant changes.
- Our scores are in line with the national average on 45 questions, 14 questions were significantly better and 5 were significantly worse than 2019.
- Of the ten 'themes' we scored average, or close to average, on eight of them and scored below average on two of them.
- Staff engagement: our score for staff engagement for 2020 is 7.2 and improvement from 7.0 in 2019.

| Response rate | 2020/21 (current year) | | 2019/20 (previous year) | | Improvement or deterioration |
|---------------|------------------------|---|-------------------------|---|-------------------------------|
| | Trust | Benchmarking group (trust type) average | Trust | Benchmarking group (trust type) average | Increase/decrease in % points |
| Response rate | 52% | 49% | 56% | 54% | -4% |

| Question | Improved scores | 2020/21 (current year) | | 2019/20 (previous year) | | Improvement or deterioration |
|----------|--|------------------------|------------------|-------------------------|------------------|------------------------------|
| | | Trust | National average | Trust | National average | % improvement |
| Q4f | Have adequate materials, supplies and equipment to do my work | 59% | 63% | 55% | 56% | 4% |
| Q4g | Enough staff at organisation to do my job properly | 34% | 39% | 30% | 32% | 4% |
| Q5h | Satisfied with opportunities for flexible working patterns | 70% | 66% | 67% | 61% | 3% |
| Q9a | I know who senior managers are | 89% | 86% | 87% | 84% | 2% |
| Q11a | Organisation definitely takes positive action on health and wellbeing | 40% | 37% | 34% | 28% | 6% |
| Q11d | In last 3 months, have not come to work when not feeling well enough to perform duties | 52% | 54% | 42% | 42% | 10% |

| | | | | | | |
|------|---|-----|-----|-----|-----|----|
| Q13a | Not experienced harassment, bullying or abuse from patients/service users, their relatives or members of the public | 69% | 71% | 64% | 67% | 5% |
| Q13c | Not experienced harassment, bullying or abuse from other colleagues | 83% | 84% | 81% | 82% | 2% |
| Q16c | Organisation takes action to ensure errors/near misses/incidents are not repeated | 73% | 74% | 70% | 96% | 3% |
| Q17b | Would feel secure raising concerns about unsafe clinical practice | 75% | 76% | 71% | 87% | 4% |
| Q18a | Care of patients/service users is organisation's top priority | 82% | 79% | 80% | 96% | 2% |
| Q18c | Would recommend organisation as place to work | 69% | 66% | 64% | 58% | 5% |
| Q18d | If friend/relative needed treatment would be happy with standard of care provided by organisation | 65% | 67% | 60% | 60% | 5% |
| Q19a | I don't often think about leaving this organisation | 54% | 49% | 50% | 46% | 4% |

| Question | Improved scores | 2020/21 (current year) | | 2019/20 (previous year) | | Improvement or deterioration |
|----------|---|---------------------------|---------------------|----------------------------|---------------------|------------------------------------|
| | | Trust | National average | Trust | National average | % deterioration |
| Q10c | Don't work any additional unpaid hours per week for this organisation, over an above contracted hours | 35% | 37% | 38% | 37% | -3% |
| Q11b | In last 12 months, have not experienced any musculoskeletal (MSK) problems as a result of work activities | 72% | 73% | 78% | 77% | -6% |
| Q11g | Not put myself under pressure to come to work when not feeling well enough | 4% | 6% | 7% | 7% | -3% |
| Q12b | Not experienced physical violence from managers | 99% | 99% | 100% | 99% | 1% |
| Q12c | Not experienced physical violence from other colleagues | 99% | 99% | 99% | 99% | 0% |

Staff survey results: benchmarking

| | 2020/21 | | 2019/20 | | 2018/19 | |
|--|---------|--------------------|---------|--------------------|---------|--------------------|
| | Trust | Benchmarking Group | Trust | Benchmarking Group | Trust | Benchmarking Group |
| Equality, Diversity and Inclusion | 9.1 | 9.1 | 9.1 | 9.0 | 9.0 | 8.8 |
| Health and Wellbeing | 6.3 | 6.4 | 6.2 | 6.0 | 6.1 | 6.1 |
| Immediate Managers | 7.4 | 7.3 | 7.3 | 7.4 | 7.2 | 7.2 |
| Morale | 6.5 | 6.4 | 6.4 | 6.3 | 6.3 | 6.2 |
| Quality of Care | 7.0 | 7.5 | 7.0 | 7.4 | 7.0 | 7.3 |
| Safe Environment – Bullying & Harassment | 8.0 | 8.3 | 7.8 | 8.0 | 7.8 | 7.9 |
| Safe Environment – Violence | 9.3 | 9.5 | 9.3 | 9.3 | 9.3 | 9.3 |
| Safety Culture | 6.9 | 6.9 | 6.8 | 6.8 | 6.8 | 6.7 |
| Staff Engagement | 7.2 | 7.2 | 7.0 | 7.0 | 7.0 | 7.0 |
| Team Working | 6.9 | 7.0 | 7.0 | 7.0 | - | - |

Staff survey: future priorities and targets

The Trust has in place a number of workstreams, which will have a direct impact on staff experience. For 2021 it is proposed that the key areas of focus are:

- Bullying, harassment and physical violence towards staff
- Reducing unrealistic time pressures/meeting conflicting demands/have adequate materials and equipment to do work
- Being able to provide the care staff aspire to

Leadership development

As part of the ongoing support for our staff in management or leadership roles, the Trust has created a career pathway for staff looking to move into management through to a Senior Leadership MBA apprenticeship. For staff new to management or looking to move into the role, they can access the NHS Leadership Academy Edward Jenner programme. There are additional online modules available which provide a good foundation of leadership skills in a healthcare setting, e.g. Appraisals; Appreciative Inquiry; Emotional Intelligence.

For staff that have some experience in a management/supervisory role they can access the Level 4 Team Leader/Supervisor apprenticeship. Middle managers can access the Level 6 Chartered Manager Degree apprenticeship or for our Ethnic Minority managers, the NHS Leadership Academy Ready Now programme.

For senior managers, they can also access the Level 6 Chartered Manager Degree apprenticeship, as well as the NHS Leadership Academy Stepping up programme specifically for our Ethnic Minority managers. The Trust is also developing a 12-month rolling in-house programme. Modules will be in four sections and each section will be complemented with Leadership Support Circles. Accessible through a Leadership mini site on the staff Intranet, there will be virtual modules and useful hints and tips for all managers and leaders to work through at their own pace.

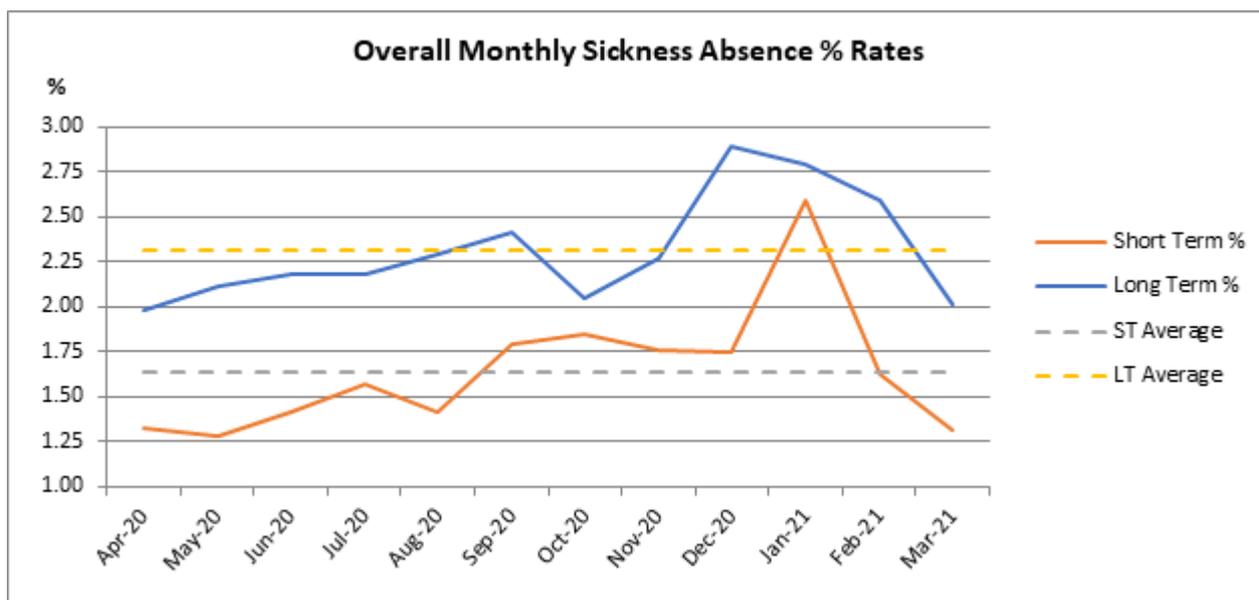
For our Directors or aspiring Executives, there is the Level 7 MBA in Management & Leadership apprenticeship, and the NHS Leadership Academy Aspire Together talent pool which helps to identify the leaders of the future.

Average number of employees (WTE basis)

| A breakdown at March 2021 of Male and Female Staff | | | | | | |
|---|------------|------------------|----------|----------------|-----------|-----------------|
| | Female WTE | Female Headcount | Male WTE | Male Headcount | Total WTE | Total Headcount |
| Director | 6 | 6 | 6 | 6 | 12 | 12 |
| Employee | 3251 | 3792 | 1230 | 1321 | 4481 | 5113 |
| Senior Manager | 67 | 79 | 35 | 38 | 102 | 117 |

Staff sickness absence

| Figures Converted by DH to Best Estimates of Required Data Items | | | Statistics Published by NHS Digital from ESR Data Warehouse | |
|--|--|--------------------------|---|-----------------------------------|
| Average FTE 2020 | Adjusted FTE days lost to Cabinet Office definitions | Average Sick Day per FTE | FTE-Days Available | FTE-Days Lost to Sickness Absence |
| 4,331 | 39,421 | 9.1 | 1,582,588 | 63,950 |



| | Apr-20 | May-20 | Jun-20 | Jul-20 | Aug-20 | Sep-20 | Oct-20 | Nov-20 | Dec-20 | Jan-21 | Feb-21 | Mar-21 | Average |
|--------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| Short Term % | 1.33 | 1.28 | 1.42 | 1.57 | 1.41 | 1.79 | 1.85 | 1.76 | 1.75 | 2.59 | 1.63 | 1.31 | 1.64 |
| Long Term % | 1.98 | 2.11 | 2.18 | 2.18 | 2.29 | 2.41 | 2.05 | 2.27 | 2.89 | 2.79 | 2.59 | 2.02 | 2.31 |
| Overall % | 3.31 | 3.39 | 3.60 | 3.75 | 3.70 | 4.20 | 3.90 | 4.03 | 4.64 | 5.38 | 4.22 | 3.33 | 3.95 |

Incident reporting

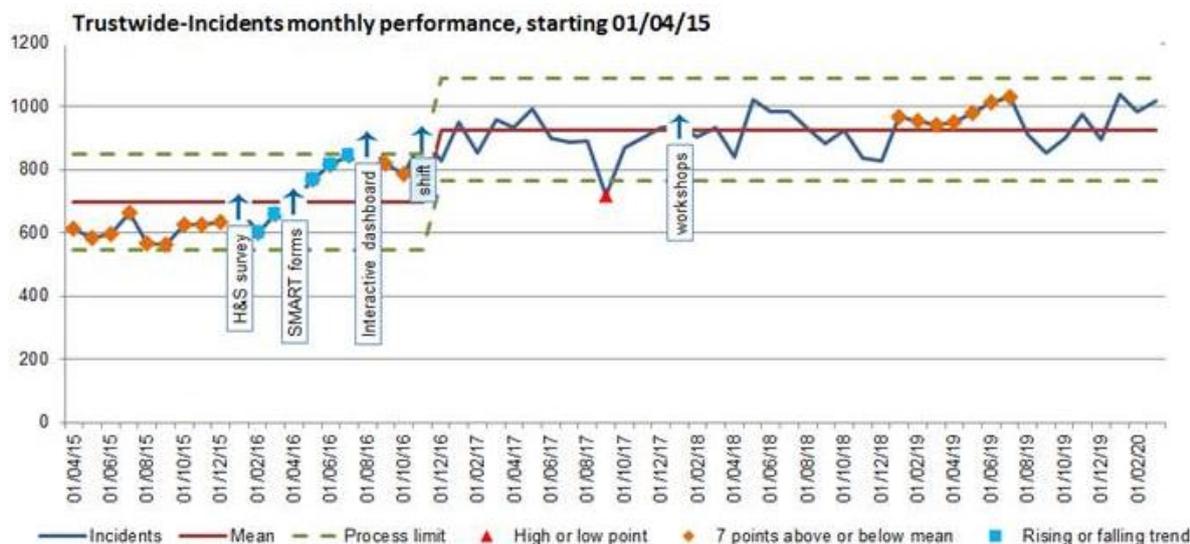
The Trust has a single web based incident reporting system, in which incident forms are completed across a wide range of subjects and disciplines. The Trust processed over **11545** forms into the Ulysses Risk Management system during 2019-20 (Ulysses is the database used to bring together different strands of incidents, risk, complaints and legal data).

Annual, bi-annual and quarterly incident trends and analysis reports for a wide range of Trust Committees, Groups and Forums across the Trust are produced. This provides valuable information for services to discuss and improve upon any learning from incidents. The incident dashboard is widely used across services to scrutinise service concerns and agree improvements.

The Trusts incident reporting profile is in line with the other mental health trusts in England and Wales when comparison is made with the published NRLS (National Reporting and Learning System) Patient Safety Reports. This is demonstrated by the analysis of the incidents which illustrate the majority of incidents reported are of no or low harm outcomes.

The aim is to learn from low level incidents in order to prevent significant events occurring.

The graph below shows overall rates of incident reporting since 2015 – present.



The graph above demonstrates over a three year period how incident reporting has remained steady Trust wide. The graph shows a continued sustained rate of reporting within the process limits of the graph has occurred. This means the Trust has shifted since 2016 to show an improvement in incident reporting and sustained the growth. To ensure that the growth is reflective of improved reporting and not an increase in an emerging safety issue the majority of the increase is in no/low harm reporting which is being monitored by cause groups through the safety committee.

In addition to incident reporting we are also using the Ulysses system for ‘Excellence Reporting’ which has had its first full year of operation during 2019-20 and is a chance for staff to recognise colleague’s notable practices.

Key Priorities 2020/21

Some of the key initiatives the trust will focus on for this financial year are as follows:

- Work with the Learning and Development Team to implement e-learning training for risk management to ensure it is a mandated module for managers and review.
- Implement the new safety tool to replace the GPA (Governance Performance Audit).
- Review serious incident grading and processes in light of a new NHS revised planned framework due for publication in 2021.
- Review priorities for the team due to the unprecedented involvement for the COVID 19 response.
- On-going work for COVID 19 on incident reporting and safe environments required.
- Continue to work with clinical and estates staff to reduce the number of ligature anchor points in in-patient settings especially in private communal areas.
- Continue to work with the estates project team and clinical managers on new build and refurbishment projects of our in-patient units and community team bases to reduce risks and provide safe comfortable spaces for our staff and patients. Part of this work will be to create a standardised catalogue of fixtures and fittings.
- Work with staff side to engage staff on promoting safety across the trust.

Occupational health referrals

The Trust received 1012 occupational health referrals between 1 April 2020 and 31 March 2021. All referrals were followed up by the Occupational Health Team in accordance with the role of occupational health section outlined in the [Managing Sickness Absence and Attendance Policy](#).

Speaking up

Sussex Partnership NHS Foundation Trust employs an independent Freedom to Speak Up Guardian who undertakes a shared role for both our Trust and Surrey and Borders NHS Foundation Trust.

We have a Raising Concerns Policy which was reviewed and approved in January 2020 and complies with national guidance. It advises all workers within Sussex Partnership, whether a substantive employee or not, of the support they can access from the Guardian or local Speaking Up Advocates.

Employees are encouraged to speak up confidentially in a number of ways including talking with their line manager, with a senior manager within our Trust or to the Freedom to Speak Up Guardian.

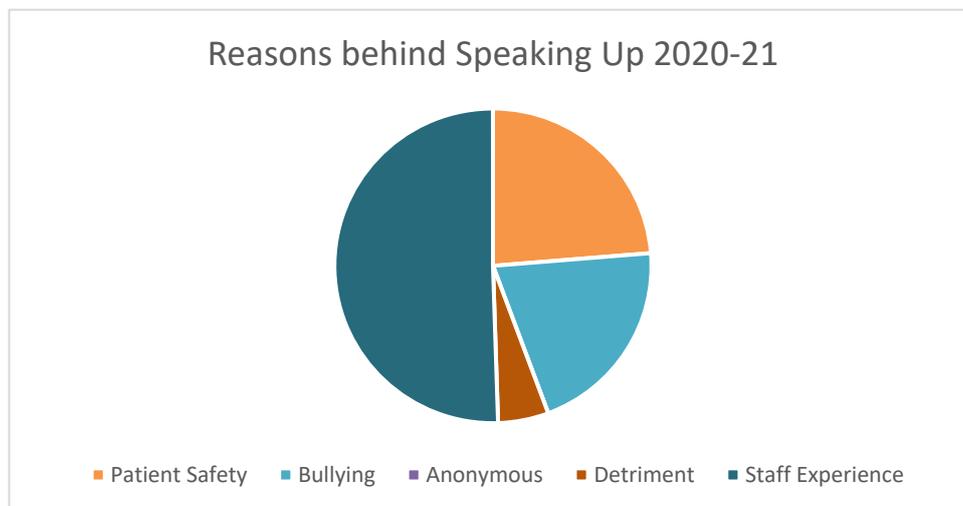
All staff have access to the staff intranet which provides access to all policies and procedures for raising matters of concern. In addition we actively promote the services of the Freedom to Speak Up Guardian.

The Freedom to Speak Up Guardian is supported by 11 local Freedom to Speak Up Advocates spread across the Trust who assist the Guardian to raise awareness about speaking up, provide advice and guidance locally for colleagues and signpost employees to the Guardian or other individuals who might be able to assist them. During this year, we have increased the numbers and geographical spread of Advocates as a result of a few staff moving on to different roles or Trusts. Currently there are three vacancies.

Sussex Partnership had 27 concerns raised during its first year of having a Freedom to Speak Up Guardian (2017/18). This increased in our second year, 2018/19, to 43 and further increased during 2019/20 to 53 people speaking up within our Trust. During 2020/21 we have continued to see good levels of reporting with 69 concerns being raised. This year, we attempted a 'speaking up calendar' during October, which is Speaking Up month. We saw a lot of engagement from managers and staff to spread the message about speaking up. In addition, we have placed the new online learning for staff and managers on our e-learning platform and this topic is regularly highlighted to staff on induction and as part of Speaking Up Matters.

Our Guardian reports both qualitative and quantitative data to our Trust Board twice a year and the insight provided to our senior leaders is very much welcomed. Speaking up helps our Board of Directors to understand the experiences of our front line staff and compare speaking up data with that of the National Staff Survey. As a result, they can offer additional support or review processes with staff to improve patient or staff experience and to examine elements which may

need to change. Of the 69 concerns raised, below are the themes as required by the National Guardian's Office.



Recruitment and selection policy

The Trust's [recruitment and selection policy](#) defines the expected standards of good practice in recruitment to ensure a consistent approach and ensuring that the best people are recruited regardless of race, gender, age, disability, religion, nationality, belief, sex or sexual orientation, gender reassignment, marriage or civil partnership, maternity or paternity, criminal conviction history or disability. The Trust also recognises the value serving personnel, veterans and military families bring to our workforce.

To ensure we meet our commitments to the Disability Confident Symbol all applicants with a disability, who meet the minimum criteria for a job vacancy, will be guaranteed an interview and be considered on their abilities.

Throughout this policy and procedure the Trust aims to:

- attract and retain a diverse workforce which is representative through the organisational levels, of the community it serves;
- promote its vision by enabling those involved in recruitment to attract, develop and retain the best people across disciplines, putting patients at the centre of everything we do;
- set standards of best practice and ensure adherence to these across the Trust, including the use of values based recruitment;
- follow efficient and effective recruitment practices ensuring new recruits are in post in the right timescales;
- ensure that recruitment decisions are fair, consistent, transparent and based on merit; and
- ensure that all legislative requirements are met.

Equality, diversity, inclusion and human rights policy

The Trust's [equality, diversity, inclusion and human rights policy](#) outlines its commitment to equality of opportunity and anti-discriminatory practice both in the provision of services and in its role as a major employer.

Anti-fraud and bribery policy

All staff have access to our [anti-fraud and bribery policy](#) via the staff intranet and the Trust also has a dedicated intranet page for counter fraud. We also regularly share counter fraud updates and information with staff from our counter fraud specialists.

Staff costs

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

| | Number of engagements |
|--|------------------------------|
| Number of existing engagements as of 31 Mar 2021 | 0 |
| Of which: | |
| Number that have existed for less than one year at the time of reporting | 0 |
| Number that have existed for between one and two years at the time of reporting | 0 |
| Number that have existed for between two and three years at the time of reporting | 0 |
| Number that have existed for between three and four years at the time of reporting | 0 |
| Number that have existed for four or more years at the time of reporting | 0 |

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

| | Number of engagements |
|--|------------------------------|
| Number of new engagements, or those that reached six months in duration between 01 April 2020 and 31 March 2021 | 0 |
| Of which: | |
| No. assessed as caught by IR35 | 0 |
| No. assessed as not caught by IR35 | 0 |
| No. engaged directly (via PSC contracted to the entity) and are on the entity's payroll | 0 |
| No. of engagements reassessed for consistency / assurance purposes during the year. | 0 |
| No. of engagements that saw a change to IR35 status following the consistency review | 0 |

For any off-payroll engagements of board members, and/or senior officials with significant financial responsibility, between 01 April 2020 and 31 March 2021

| | Number of 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". This figure should include both off-payroll and on-payroll engagements. | 8 |

Staff costs

| | Permanent | Other | 2020/21 |
|--|----------------|---------------|----------------|
| | £000 | £000 | Total £000 |
| Salaries and wages | 166,061 | 20,604 | 186,665 |
| Social security costs | 18,255 | 1,738 | 19,993 |
| Employer's contributions to NHS pensions | 20,527 | 1,954 | 22,481 |
| Pension cost - other | 8,960 | 853 | 9,813 |
| Other post employment benefits | - | - | - |
| Other employment benefits | - | - | - |
| Termination benefits | - | - | - |
| Temporary staff | - | 14,433 | 14,433 |
| Apprenticeship Levy | 819 | 78 | 897 |
| Total gross staff costs | 214,622 | 39,660 | 254,282 |
| Recoveries in respect of seconded staff | - | - | - |
| Total staff costs | 214,622 | 39,660 | 254,282 |
| Of which | | | |
| Costs capitalised as part of assets | 367 | - | 367 |

Average number of employees (WTE basis)

| | Permanent | Other | 2020/21 |
|---|--------------|------------|-----------------|
| | Number | Number | Total Number |
| Medical and dental | 278 | 17 | 295 |
| Ambulance staff | - | - | - |
| Administration and estates | 1,162 | 101 | 1,263 |
| Healthcare assistants and other support staff | 781 | 325 | 1,106 |
| Nursing, midwifery and health visiting staff | 1,250 | 251 | 1,501 |
| Nursing, midwifery and health visiting learners | - | - | - |
| Scientific, therapeutic and technical staff | 873 | 37 | 910 |
| Healthcare science staff | - | - | - |
| Social care staff | - | 57 | 57 |
| Other | 7 | - | 7 |
| Total average numbers | 4,351 | 788 | 5,139 |
| Of which: | | | |
| Number of employees (WTE) engaged on capital projects | 6 | - | 6 |

Reporting of compensation schemes - exit packages 2020/21

| Exit package cost band (including any special payment element) | Number of compulsory redundancies Number | Number of other departures agreed Number |
|--|---|---|
| <£10,000 | 1 | - |
| £10,001 - £25,000 | 1 | - |
| £25,001 - 50,000 | - | - |
| £50,001 - £100,000 | - | - |
| £100,001 - £150,000 | - | - |
| £150,001 - £200,000 | - | - |
| >£200,000 | - | - |
| Total number of exit packages by type | 2 | - |
| Total resource cost (£) | 21,051 | - |

Reporting of compensation schemes - exit packages 2019/20

| Exit package cost band (including any special payment element) | Number of compulsory redundancies Number | Number of other departures agreed Number |
|--|---|---|
| <£10,000 | 1 | 3 |
| £10,001 - £25,000 | 1 | 1 |
| £25,001 - 50,000 | - | - |
| £50,001 - £100,000 | - | - |
| £100,001 - £150,000 | - | - |
| £150,001 - £200,000 | - | - |
| >£200,000 | - | - |
| Total number of exit packages by type | 2 | 4 |
| Total resource cost (£) | 25,534 | 29,980 |

Exit packages: other (non-compulsory) departure payments

2020/21

| | Payments agreed Number | Total value of agreements £000 | Payments agreed Number |
|---|------------------------------|---|------------------------------|
| Voluntary redundancies including early retirement contractual costs | - | - | - |
| Mutually agreed resignations (MARS) contractual costs | - | - | - |
| Early retirements in the efficiency of the service contractual costs | - | - | - |
| Contractual payments in lieu of notice | - | - | 4 |
| Exit payments following Employment Tribunals or court orders | - | - | - |
| Non-contractual payments requiring HMT approval | - | - | - |
| Total | - | - | 4 |
| Of which: | | | |
| Non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months' of their annual salary | - | - | - |

Gender Pay Gap

In March 2021, the Trust published its Gender Pay Gap information on the Government's website <https://gender-pay-gap.service.gov.uk/Employer/JAcuWxcl>

Staff Engagement

We are keen to use every opportunity available to us to demonstrate to staff how their ideas, input and reflections are of vital importance in helping us continuously improve care and treatment on behalf of the local communities we serve. This is an important part of creating a culture where staff feel comfortable about speaking up - whether to propose ideas, raise concerns or bring constructive challenge to the workplace - to help us improve patient, carer / family and staff experience. It is also central to the transformational change we want to achieve by fostering collaboration, empowering frontline staff and challenging the notion of power being held by a select few within traditional management hierarchies.

Our approach to staff engagement approach is based upon establishing an environment where teams feel empowered and supported to deliver our organisational strategy (people, prevention and partnerships) in order to achieve our vision (to improve the quality of life for the communities we serve). This engagement approach involves creating a culture which fosters openness, where people feel listened to and where their feedback results in positive, tangible changes to working

practices and service delivery to patients. To this end, we have undertaken a number of initiatives during the last year which have been directly informed by staff feedback.

Our vision for staff engagement is to help create and maintain an organisational culture where we continuously improve services for patients, families and carers in the light of feedback, reflection and learning. This vision is underpinned by our values:

1. People first: people are at the heart of everything we do
2. Future focused: we are optimistic and we always try to improve
3. Embracing change: we are bold, innovative and disciplined about making use of our resources to continuously improve
4. Working together: we provide services in partnership with patients, families and others
5. Everyone counts: we value, appreciate and respect each other

Specific work undertaken on staff engagement during 2020/21 includes:

Learning for the Future project

As described elsewhere within this report, this project has been in place over the last year to capture 'real time' learning from staff and patients about the new working practices we have introduced during the Covid-19 pandemic. The aim in launching the project was to obtain timely feedback about what's working (and what isn't) to inform ongoing discussions across the organisation about future working practices and ways of providing care to patients.

Phase one of the project involved an online survey (1096 responses) where staff were asked to rate the impact of seven key changes during Covid-19. Our approach to internal communications was rated as the most positive of these changes.

Comments from staff included:

"Clearest communication there ever has been"

"I have found the information, daily email, and regular webinars have been very reassuring and helpful during this difficult time"

"Exec team have appeared accessible"

"I feel much more connected to the Executive team as it feels that we all have a shared focus."

Staff in Mind

NHS and care staff have been pulling out all the stops to manage the intense, relentless work demands created by the Covid-10 pandemic and, for those working in intensive care, dealing with the daily trauma of supporting very ill people.

We launched a programme of independently commissioned focus groups with staff across our Integrated Care System (ICS) in Sussex to understand factors which may prevent them from seeking support for psychological and emotional distress, and to understand how we can address this. This research informed the development of Staff in Mind: a new, confidential NHS service for

health and care staff across our ICS who may be experiencing emotional or psychological difficulties as a result of their experiences during the pandemic.

The service offers an independent, confidential and rapid mental wellbeing assessment via an online wellbeing hub (<https://www.sussexstaffinmind.nhs.uk/>). It provides access to treatment for staff who may be reluctant to seek help.

As a result of our campaign to promote the Staff in Mind, 1337 online wellbeing assessments have been undertaken staff across our ICS since the service was launched in mid January 2021. 557 self-referrals have been received via the website for a virtual follow up assessment with a clinical practitioner and - where needed - fast track access to psychological treatment. Looking after staff in this way supports them to deliver or support high quality care to patients.

Improving internal communications

During the Covid-19 pandemic we have strengthened our internal communications infrastructure through a regular cycle of email briefings and webinars. In parallel, we have sought to maintain message discipline by providing people with clear, key, concise information in order to avoid overloading them. We have introduced new ways of reaching people through the launch of a new staff app, which includes all our Covid-19 guidance. This approach has been regularly reviewed with staff.

Our approach to internal communications has been reviewed with staff on an ongoing basis. An online survey in March 2020 (344 respondents) identified that 79% of people reported receiving enough information about Covid-19 from the Trust.

In April 2021, we completed a review of our organisational response to Covid-19. This review - based on a survey of staff involved in our incident response - included feedback on what has worked well:

“Comms has been a real strong point throughout”

“I have received lots of positive feedback from colleagues on the communications and people who admitted to never reading a briefing have now been engaged.”

“Excellent comms to the organisation”

“Regular feedback, staff feel updated”

Staff networks

We are committed to listening to and hearing the diverse voice of our workforce. One way we do this is through our staff networks. These networks offer a space for staff to explore common themes and values in a way that feels meaningful and safe. We have six networks (open to all staff) focusing on disability, women, neurodivergency, spirituality, LGBTQ+ and ethnic minorities. As an example of our work in this area, we have ran a series of webinars during Covid-19 in partnership with our ethnic minority staff network for Black, Asian and Minority Ethnic staff. More broadly, we have focused during 2020/21 on strengthening the Executive support to each of the

networks in order to help raise their profile and help the organisation continuously improve staff experience.

2.4 Disclosures set out in the NHS Foundation Trust Code of Governance

Sussex 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.

Trade union disclosures

| | |
|--|--|
| Trade union representatives | 31 |
| FTE trade union representatives | 30.2 |
| Percentage of working hours spent on facility time | 0% of working hours: 2 representatives 1 to 50% of working hours: 26 representatives 51 to 99% of working hours: 1 representatives 100% of working hours: 2 representatives |
| Total pay bill and facility time costs | Total pay bill: £218948033 Total cost of facility time: £78286 Percentage of pay spent on facility time: 0.04% |
| Paid trade union activities | Hours spent on paid facility time: 4636 Hours spent on paid trade union activities: 127 |
| Percentage of total paid facility time hours spent on paid TU activities | 2.74% |

Consultancy disclosure

The Trust's expenditure on consultants in the year was £339k.

2.5 Single 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 and not support needs being identified. The Trust is currently rated as a 1.

Current segmentation information for NHS Foundation Trusts is published on the NHS Improvement website.

2.6 Statement of the Chief Executive's responsibilities as the Accounting Officer of Sussex Partnership NHS Foundation Trust

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

NHS Improvement, in exercise of the powers under the NHS Act 2006, has given Accounts Directions which require Sussex Partnership 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 Sussex Partnership and of its income and expenditure, total recognised gains and losses 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 Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgments 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, and
- prepare the financial statements on a going concern basis.

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

Signed:



Chief Executive

Date: 19 May 2021

2.7 Annual Governance Statement

Scope or responsibility

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to:

- Identify and prioritise the risks to the achievement of the policies, aims and objectives of Sussex Partnership
- 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 Sussex Partnership for the year ended 31 March 2021 and up to the date of approval of the Annual Report and Accounts.

Covid-19 outbreak

The Covid-19 pandemic provides the context for the Trust control system and its management of risk throughout the period of this Annual Governance Statement. The Trust management and governance of the Covid-19 outbreak was based on the Trust Incident Response Plan and is set out below, centred on the Trust Incident Management Team (Gold).

The framework for the management of the outbreak was approved by an extraordinary Board meeting in April 2020. The Board agreed revised governance arrangements during the period of the Covid-19 outbreak consistent with the NHS Improvement guidance issued to Trusts on 28 March: *Reducing the burden and releasing capacity at NHS providers and commissioners to manage the Covid-19 pandemic*.

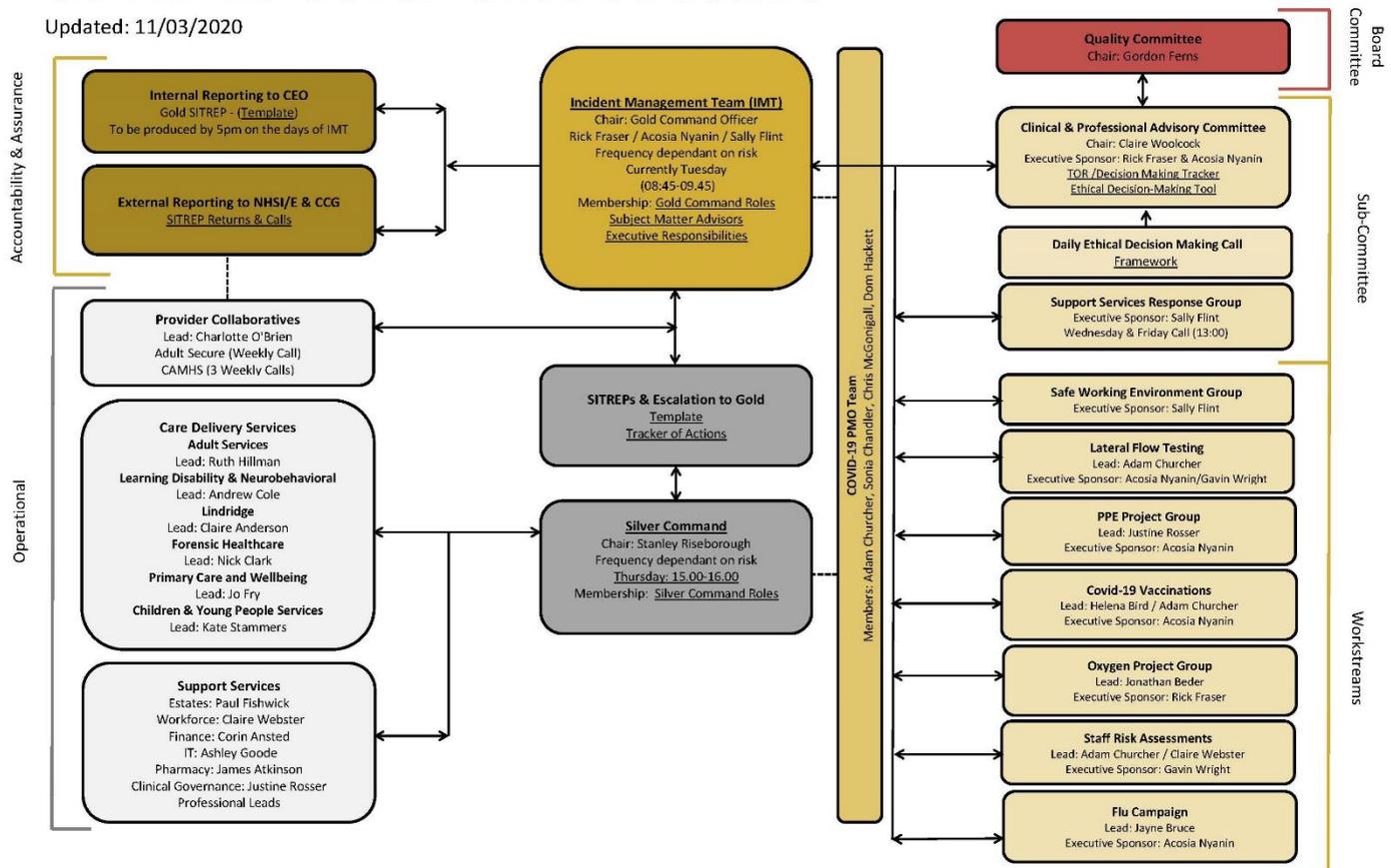
The Trust response has included systems to maintain good financial governance, together with mechanisms to enhance clinical and professional involvement in decision-making through the Clinical and Professional Advisory Committee (CPAC) and individual clinical and professional decisions through the framework of Ethical Decision-Making Group (EDMG). These mechanisms were established in the early stages of the pandemic, and following independent legal advice.

The Board and its Committees have been updated regularly on progress on the management of the Covid-19 throughout 2020/21. The Board has sought to maintain transparency and accountability to its communities by continuing to meet in public, virtually, and has also maintained

the schedule of Council of Governors meetings, including holding the Annual Members Meeting virtually.

COVID-19 Governance Structure

Updated: 11/03/2020



Learning for the Future

The Trust was able to rapidly deploy new ways of digital working with patients, remote working for staff, and service developments, including urgent care hubs at the start of the pandemic.

The Chief Executive commissioned a Learning for the Future project led by the Director of Research and Development to:

- identify key changes made in response to the pandemic
- evaluate the impact of these changes on staff and service users
- capture organisational learning and ascertain the long-term sustainability of changes
- conduct the evaluation within a short timeframe to facilitate acting upon lessons learnt prior to the arrival of the 'new normal'.

The Trust received extensive feedback from staff and from service users. Staff highlighted four key changes which had arisen during the outbreak:

- home working
- virtual communication with colleagues
- virtual appointments with service users
- wellbeing

Together with feedback from service users, this will form the basis of our learning from Covid-19, which has been recognized as a model of good practice.

The Trust has also undertaken two formal 'debriefs' in line with its Incident Response Plan to learn from the first and second waves of its response to Covid, adapting the Trust approach accordingly. Both of these exercises reflected very positively on the Trust response.

Capacity to handle risk

The Trust recognises risk is inherent in the provision of healthcare and its services, and that a defined approach is necessary to identify risk context, ensuring that the Trust understands and is aware of the risks it is prepared to accept in the pursuit of the delivery of the Trust's aims and objectives.

The Trust approach to the management of risk is detailed in the Risk Management Strategy and Policy. The Trust risk management framework is detailed below. The key executive forum is the Executive Management Committee. Chaired by the Chief Executive, the Executive Management Committee (EMC) meets monthly and helps management seek assurance that the Trust maintains robust systems of governance, risk management and internal control that enables safe, high quality, patient-centred care. EMC reviews the Board Assurance Framework (BAF) prior to submission to the Board, together with the Corporate Risk Register (CRR) and ensures appropriate action is taken to manage the risks in the BAF and CRR.

The Audit Committee is a committee of the Board of Directors providing it with a means of independent and objective review of financial and corporate governance, assurance processes and risk management across all of the trust's activities. The Audit Committee has primary responsibility for monitoring the integrity of the financial statements, assisting the board of directors in its oversight of risk management and the effectiveness of internal control, oversight of compliance with corporate governance standards and matters relating to the external and internal audit functions.

Executive Directors of the Board are accountable and responsible for ensuring that all staff implement the Risk Management Strategy. They also have specific responsibility for managing risks which relate to their Directorates, including the following specific responsibilities:

- The Chief Executive has overall individual accountability and responsibility for the management of risks to the safe and effective, sustainable delivery of the business of the Trust and internal controls
- The Chief Medical Officer is responsible for managing risks associated with medical workforce planning and clinical risk management
- The Chief Nurse is responsible for managing risks associated with patient safety and quality, infection prevention and control and clinical risk management
- The Director of Human Resources and Organisational Development is responsible for managing risks associated with workforce planning
- The Chief Digital and Information Officer and Senior Information Risk Officer is responsible for managing risks associated with information governance

- The Chief Financial Officer is responsible for managing risks to ensure the delivery of the financial plans agreed by the Board (and Counter Fraud)
- The Director of Corporate Affairs is accountable for the strategic development and implementation of organisational risk management
- The Chief Operating Officer is responsible for managing risks to ensure the delivery of operational performance
- The Director of Estates holds responsibility for providing a safe estate. This includes fire safety, managing the Capital Programme, providing safe and secure premises and hotel services, including managing waste and environmental security

The Trust recognises the important role all leaders within the Trust have in developing a strong risk management approach and ensuring it forms an integral part of philosophy and practice.

Care Delivery Services

Care Delivery Services (CDSs) were established based on the underpinning principles of clinical leadership and local accountability. The CDS accountability framework has provided the process in which clinical and managerial leaders are held to account for the quality and performance of their CDS. Service and Clinical Directors are accountable for ensuring that risk is managed in line with this Strategy within their Care Delivery Service and wider areas of responsibility. They are required to:

- Maintain a suitable local forum for the discussion of risks arising, at which the local Risk Register is reviewed at least monthly
- Ensure that risks raised by staff are fully considered, captured on local Risk Registers, kept up to date, re-assessed, and re-graded as necessary
- Develop and implement action plans to ensure risks identified are appropriately treated
- Ensure that appropriate and effective risk management processes are in place within their designated area and scope of responsibility and that all staff are made aware of the risks within their work environment and of their personal responsibilities to minimise risk
- Monitor any risk management control measures implemented within their designated area and scope of responsibility, ensuring that they are appropriate and adequate
- Each CDS has a Quality and Governance Forum with clear duties and responsibilities around risk management

An internal audit of Care Delivery Services in 2020/21 found reasonable assurance of the management of risk this year, based on previous work which had been undertaken to standardize practice in the governance of the CDSs, including the management of safety, quality and risk.

Support Services Accountability Framework

The Trust Support Service Accountability and Ownership Framework complements the CDS Accountability Framework. Support Services are monitored periodically against agreed performance metrics including quality, customer service, governance, finance, people and a range of regulatory and contractual indicators, with the executive sponsor holding formal reviews with their Support Services at least 6 monthly, or more regularly depending on performance attained.

Each Support Service is also required to submit an Annual Plan, which forms an integral component of the performance measures through assessment of the agreed objectives. This requires ownership of quality, budgets and improvements across Support Services, as well as showing how each Support Service contributes to the overall performance of the Trust.

Integrated Assurance Framework

The Trust continues to review and refine the accountability framework and a revised Integrated Assurance Framework (IAF) was developed in 2020/21 building on the current CDS and Support Services Accountability Frameworks.

Partnership governance

Throughout 2020/21 work has been undertaken in relation to the governance of partnerships in the Integrated Care System (ICS) and Mental Health Collaborative; Provider Collaboratives and Place arrangements.

This work is reflected in the Trust risk and control framework including in the articulation and management of risks through the Board Assurance Framework and will be further developed in 2021/22.

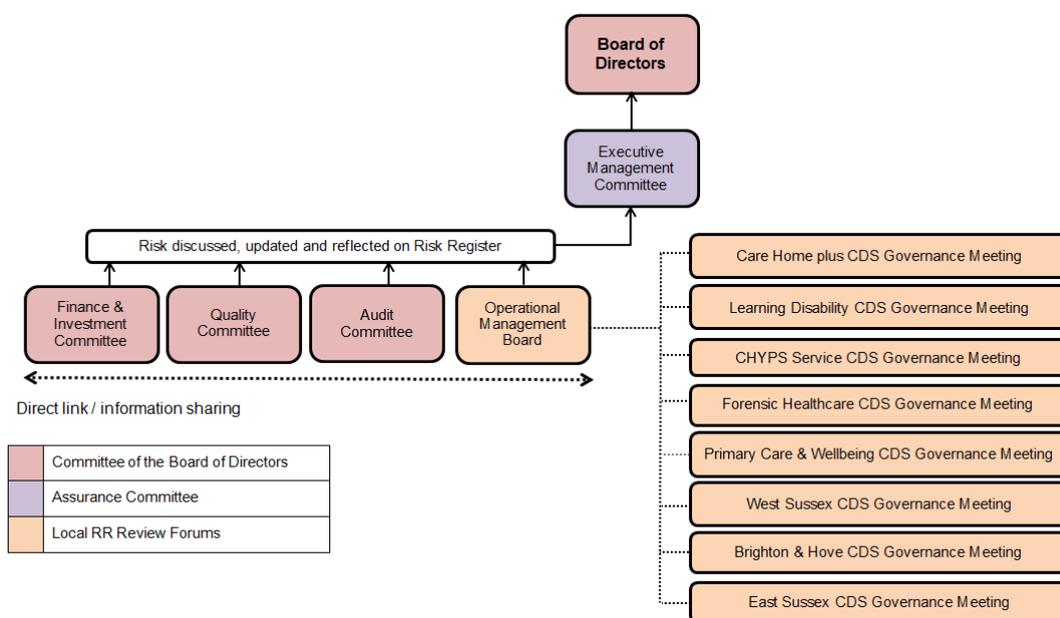
The risk and control framework

The Board of Directors recognises that risk management is an integral part of good management practice and to be most effective should become part of the Trust’s culture. The Board is therefore committed to ensuring that risk management forms an integral part of its philosophy, practice and planning rather than viewed or practiced as a separate programme and that responsibility for implementation is accepted at all levels of the organisation. The provision of appropriate training is central to the achievement of this aim.

The Risk Management Strategy and Policy sets out the framework and process by which the trust implements control of risk. It describes what is meant by risk management; and it defines the roles and responsibilities of staff (including the key Accountable Officers).

Risk Management Responsibilities and Structures

The Trust Risk Management structure is outlined below:



The Risk Management responsibilities of the Board, Board Committees and Executive Management Committee are further detailed below:

Board of Directors

Key Risk Management Responsibilities:

- Provide effective and proactive leadership of the Trust within a framework of processes, procedures and controls which enable risk to be assessed and managed, directly and through delegated powers
- Identify, evaluate, and manage strategic risk
- Review the Board Assurance Framework (BAF);
- Ensure an Executive Director is allocated responsibility for each risk arising on the BAF
- Ensure risks arising are described on the BAF clearly and accurately, graded consistently, and managed appropriately to reduce risks to the desired level
- Challenge the risk controls and sources of assurance described within the BAF
- Consider wider strategic implications of the risks identified, and make recommendations to improve management of risk by taking a corporate approach
- Examine and challenge action plans developed to control their impact
- Scrutinise metrics, accounts, and reports provided as evidence of action plan completion;
- Ensure the Trust meets its agreed annual business objectives

Audit Committee

Key Risk Management Responsibilities:

- Review systems of operational and strategic risk management via CRR and BAF; and internal control; annually, and ad hoc as necessary, to ensure these are effective across the whole of the Trust's activities to manage any risks arising and support the achievement of the Trust's objectives
- Ensure risks identified through Audit Committee business are entered onto the CRR and BAF as necessary, clearly and accurately described, graded consistently, and managed appropriately to reduce risks to the lowest possible level
- Challenge the risk controls, and sources of assurance described within the CRR and BAF;
- Provide independent scrutiny supported by the work programmes of internal and external audit
- Make recommendations to the Trust Board on the development and implementation of the Risk Management Strategy as it considers necessary

Finance and Investment Committee

Key Risk Management Responsibilities:

- Oversee financial risks across the Trust
- Ensure the identification of, and planning to control, financial risks
- Ensure risks identified through Finance & Investment Committee business are entered onto the CRR and BAF as appropriate, accurately described, graded consistently, and managed appropriately to reduce risks to the lowest possible level

- Provide the Audit Committee and Trust Board with assurance that appropriate arrangements are in place to deliver in-year financial plans

Quality Committee

Key Risk Management Responsibilities:

- Oversee risks to quality, safety and performance across the Trust
- Determine whether quality, safety and performance risks identified through review of risk assessments, incidents, concerns, complaints, claims, clinical audit reports, regulatory reports, national initiatives, and horizon-scanning, etc. should be added to the CRR and BAF
- Ensure risks identified through Quality Committee business are entered onto the CRR and BAF as necessary, accurately described, graded consistently, and managed appropriately to reduce risks to the lowest possible level

Executive Management Committee

Key Risk Management Responsibilities:

- Ensure the maintenance of an effective system of risk management across the whole of the organisation
- Develop and maintain a comprehensive and current CRR and BAF
- Review existing risks and agree new risks on the CRR
- Propose the CRR and BAF to be presented to the Trust Board
- Provide the Audit Committee and Trust Board with assurance on the effective implementation of the CRR and BAF, including reports to the Board highlighting any new risks identified, gaps in assurance/control, recommendations, and positive assurance; and
- Ensure risks identified through the Executive Management Committee are entered onto the CRR and BAF as necessary, clearly and accurately described, graded consistently, and managed appropriately to reduce risks to the lowest possible level
- Ensure appropriate action is taken to manage all risks within the Executive Management Committee

Risk management system

The Trust uses a risk management database, Ulysses, which ensures that having been recorded, risks are rated, mitigated and removed efficiently. Each risk is owned by a 'risk owner' and escalated accordingly.

Board Assurance Framework

The Board Assurance Framework is a dynamic risk management tool reviewed in full by the Board of Directors quarterly. It takes account of feedback from a range of sources including the Trust's internal auditors and the revised version of the BAF developed in 2020/21 was developed in a Board strategy session facilitated by internal audit, and benchmarked with other Trusts.

The 'Risk Radar' is designed to show at a glance the changes in the level of risk, highlighting the most significant risks at any point in time. Each principal risk is linked to an Executive Director, and

those risks are captured on a risk mapping template and reviewed by the Board of Directors and the Executive Management Committee quarterly; ensuring the mitigation is robust and management actions are taken. The Board reviewed the key risks to the strategic objectives of the Trust at a Board Seminar in July 2020 and the output formed the Board Assurance Framework for 2020/21. The Board agreed to make the BAF more 'strategic' and to ensure that the risks were aligned with the emerging Sussex Health and Care Partnership and Mental Health Collaborative.

The BAF is aligned to the Trust strategic objectives as set out in the Organisational Strategy:

1. People will feel valued, supported and cared for
2. Prevention of ill health will promote community wellbeing
3. Partnerships will provide people with services to help them thrive.

The Board Assurance Framework risk ratings for 2020/21 are set out below.

| | Risk | Target Risk | Initial Risk | Q1 | Q4 |
|--------|--|-------------|--------------|----|----|
| People | 1 Failure to maintain focus on the basics and inconsistent quality of care across clinical services | 2 | 16 | 12 | 16 |
| | 2 Failure to clearly articulate and understand the clinical and support service models required and the implications of this for workforce and partnerships with other organisations | 4 | 12 | 8 | 8 |
| | 3 Failure to address the cultural issues with getting new roles accepted and in to a very established workforce and the implications of this for our staff | 4 | 9 | 9 | 6 |
| | 4 The ability to resource learning and development effectively to ensure we are able to grow talent as well as attract new | 6 | 12 | 12 | 12 |
| | 5 Failure to seek understanding/views from staff and stakeholders about trust, listen to this feedback and act upon it | 6 | 12 | 12 | 9 |
| | 6 Our values and behaviours fail to consistently foster a culture of Trust and psychological safety | 8 | 12 | 12 | 12 |
| | 7 Failure to support the wellbeing of our staff | 4 | 12 | 12 | 9 |
| Prev | 8 Failure to meet the COVID suppressed, generated and altered intervention demand | 6 | 16 | 12 | 16 |

| | | | | | | |
|--------------|----|--|----|----|----|----|
| | 9 | Conflict between our vision to improve the health and care system (and develop more consistent care pathways) whilst responding to local need ('places') | 4 | 9 | 9 | 9 |
| Partnerships | 10 | Failure to articulate and determine organisational and system responsibility for mental health and learning disability need. | 6 | 12 | 12 | 9 |
| | 11 | Lack of capacity and capability to deliver transformation long term plan requires | 8 | 16 | 12 | 16 |
| | 12 | Fragility of the LA, Primary Care, Community and Voluntary sector post-Covid impacts on our ability to deliver safe, effective services | 6 | 16 | 16 | 12 |
| Resource | 13 | Failure to address the medium to long term financial sustainability of the Trust | 10 | 16 | 15 | 15 |
| | 14 | Our ability to recruit to vacancies and the impact this has on eliminating use of agency and resourcing service expansion | 4 | 16 | 16 | 20 |
| | 15 | Unable to secure the necessary capital the Trust needs to maintain standards and delivery | 8 | 20 | 12 | 12 |

The Board recognises risk is inherent in the provision of healthcare and its services, and therefore a defined approach is necessary to identify risk context, ensuring that the Trust understands and is aware of the risks it's prepared to accept in the pursuit of the delivery of the Trust's aims and objectives.

This Statement sets out the Board's strategic approach to risk-taking by defining its boundaries and risk tolerance thresholds and supports delivery of the Trust's Risk Management Strategy and Policy and was further refined this year to consider the Covid-19 context.

Risk Maturity Matrix

| MATURITY | AVOID | MINIMAL | CAUTIOUS | OPEN | SEEK | MATURE |
|-----------------|--|--|---|--|---|--|
| | Avoidance of risk and uncertainty is a key objective | Board prefers ultra-safe delivery options with a low degree of inherent risk and limited | Board prefers safe delivery options that have a low degree of inherent risk and may only have limited potential for reward. | Board is willing to consider all potential delivery options while also providing an acceptable | Board fosters innovation and chooses options offering potentially higher business rewards | Board is confident in setting high levels of risk appetite because controls, horizon scanning and response |

| | | | | | | |
|--------------------------------------|-----------------|---|-----------------|-----------------|----------------------------------|---------------------|
| | | potential for reward. | | level of reward | (despite greater inherent risk). | systems are robust. |
| APPETITE | NONE | LOW | MODERATE | HIGH | SIGNIFICANT | |
| DOMAIN | MATURITY | TOLERANCE | | | | |
| QUALITY | CAUTIOUS | <p>We will provide high quality services to our patients and will rarely accept risks that could limit our ability to fulfil this objective.</p> <p>We are strongly averse to risks that could result in poor quality care or a breach of human rights, unacceptable clinical risk, non-compliance with standards or poor clinical or professional practice</p> | | | | |
| SAFETY | MINIMAL | <p>We will hold patient safety in the highest regard and are strongly averse to any risk that may jeopardise it.</p> <p>It can be in the best interests of patients to accept some risk in order to achieve the best outcomes from individual patient care, treatment and therapeutic goals. We accept this and support our staff to work in collaboration with people who use our services to develop appropriate and safe care plans based on assessment of need and clinical risk and least restrictive practices.</p> <p>In exceptional circumstances, where our ability to provide safe services is compromised, we will be guided by our ethical decision-making framework.</p> | | | | |
| FINANCE | SEEK | <p>We will strive to deliver our services within the budgets modelled in our financial plans and will only consider exceeding these constraints if a financial response is required to mitigate risks associated with patient safety or quality of care.</p> <p>Where we invest it will be for the best possible return and we accept the possibility of financial loss, where there are strong controls in place (investment capital).</p> | | | | |
| SERVICE DESIGN & DELIVERY | OPEN | <p>We will accept risks to our portfolios of services if they are consistent with the achievement of patient safety and quality improvements, and will only accept service redesign and divestment risks in the services we are commissioned to deliver if patient safety, quality care and service improvements are maintained and the changes are in the best interests of the populations we serve.</p> | | | | |
| SYSTEM WORKING | OPEN | <p>We embrace working with our system partners to maximise the benefits to people who use services, families and our communities through joined up health, social care, housing, education and employment services.</p> | | | | |

| | | |
|--------------------|-----------------|--|
| | | We accept that this means sharing decision-making with our partners and we accept the risks this involves in so far as they are consistent with Trust and system strategies. |
| WORKFORCE | CAUTIOUS | We are committed to recruit and retain staff that meet the high-quality standards of the organisation and will provide on-going training to ensure all staff reach their full potential. We will not accept risks associated with unprofessional conduct, bullying, any breach of equality, diversity and inclusivity or an individual's competence to perform roles or tasks safely and, nor any incidents or circumstances which may compromise the safety of any staff member. |
| TECHNOLOGY | SEEK | We are prepared to consider risks associated with new technologies if this enables us to realise innovative care solutions, safety improvements or efficiency gains. |
| INFORMATION | MINIMAL | We will not accept risks that may result in a material breach or non-compliance with the Data Protection Act 2018 and GDPR or Healthcare information governance requirements |
| INNOVATION | SEEK | We will continue to encourage a culture of innovation and new ways of working within the Trust. We are willing to accept risks associated with innovation, research and development to enable the integration of care, development of new models of care and improvements in clinical practice that could support the delivery of our person and patient centred values and approach. |
| REPUTATION | OPEN | We are mindful of the reputational risks of the actions we take, and the impact this may have upon public confidence in the safety and quality of services we provide. That said, we are an organisation which values and encourages innovation, and which supports a just and learning culture. As a result, we tolerate an acceptable level of reputational risk when the action associated with it is being taken in the best interests of patient care. |

Risk Maturity Matrix

Risk 'tolerance' is the minimum and maximum risk the Trust is willing to accept as reflected in the risk appetite themes above.

Incident reporting and learning from incidents

Incident reporting is actively encouraged and a robust system of investigation and follow up is in place, including for Serious Incidents. Relative low reporting of incidents in previous years has seen corrective action and in 2020/21 there has been a significant increase in the level of reporting, specifically low-level incidents.

Serious Incidents are subject to a thorough internal review to identify root causes and learning, and feedback from clinical commissioning group scrutiny panels is carefully considered.

The Quality Committee also routinely receives reports on learning from Serious Incidents and Inquests, and the statutory Learning from Deaths report, which are also reported to the Board.

Integrated Performance Report

The Board of Directors developed its business objectives for 2020/21 after engaging staff and the Council of Governors through seminars and joint Board and Governor sessions.

All objectives are quantifiable and measurable and a quarterly report on progress against the objectives is reviewed by the Executive Management Committee and Board of Directors and Council of Governors.

The Trust Integrated Performance Report is received and monitored by the Board of Directors and Executive Management Committee. This report provides an integrated report on performance: finance, safety, safer workforce, quality and performance to triangulate performance metrics.

In 2020/21 the report was further refined to enable a focus on core standards.

Throughout 2020/21 performance has been shaped by the Covid-19 pandemic which has particularly impacted on waiting times and out of area placements as mental health services have experienced at different times both Covid-suppressed and Covid-generated demand.

The key risks and focus for ongoing improvement are described below and are reflected in the Trust risk register:

- Mixed Sex Accommodation
- Physical Health Assessments
- Cluster reviews
- Out of area placements
- Waiting times to routine assessment (adult services)
- Waiting times to routine assessment (children and young peoples' services)
- Waiting times (eating disorders)
- Complaints response times
- Supervision
- Agency use

Care Quality Commission

CQC did not carry out a Trust-wide Well-Led inspection in 2020/21.

CQC inspected the Lindridge residential nursing home on 5th November 2020 and assessed 'requires improvement' for safety and well-led. The previous inspection had made a 'good' rating.

An improvement plan for the Lindridge was put in place prior to the November 2020 CQC inspection following concerns raised by the CCG and Local Authority. At the time the Registered Manager was on long term sickness absence and subsequently handed in their notice. Concerns centred on leadership and governance and acknowledged the impact of Covid-19. In addition to

the points highlighted here, the CQC raised concerns over Safeguarding reporting and oversight; and communication with families and carers.

Enhanced monitoring and leadership support was put in place under Executive leadership. Support included looking at recruitment, statutory mandatory training, new IT software to improve recording and communication and an Improvement Group was established with weekly meetings, clear deliverables and responsibilities.

These arrangements focussed on actions to address the concerns raised and made rapid improvements to the Lindridge. Now that the majority of the concerns have been addressed the focus has shifted to maintaining improvements and putting in place sustainable support. Robust management and governance arrangements have been put in place and the service is now looking to further establishing its place in the Brighton and Hove health and social care system.

CQC carried out an unannounced inspection at Langley Green Hospital in February 2021. At the time of approving this report, the final inspection report has not yet been received by the Trust.

Conflicts of interest

The Trust has published an up-to-date register of interests for decision-making staff within the past twelve months, as required by the 'Managing Conflicts of Interest in the NHS' guidance.

NHS Pension Scheme controls

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.

Workforce planning and assurance

As part of its workforce planning process, each Care Delivery Service (CDS) develops an annual workforce plan which subsequently feeds into an overall budgeted Trust plan. The management of vacancies and recruitment is monitored on a monthly basis through the Operations Management Board, bi-monthly at the Trust Board as part of the Integrated Performance Report and at the CDS Quarterly Quality Assurance meeting.

In terms of compliance with the "Developing Workforce Safeguards" recommendations, the Trust has effective safe staffing systems in place and information about staffing levels on our inpatient units are published monthly. A Safer Staffing report is presented to the Board every six months in line with the National Quality Board (NQB) requirements.

Workforce assurance has been further enhanced in 2020/21 with the creation of a Workforce Assurance Group reporting to the Executive Management Committee.

An annual review of Safe Staffing was undertaken in 2019 which identified clear variation between acute wards and made a series of recommendations for uplifting staffing establishments or making changes to skill mix on a number of wards across Adult Services. The review was reported to the

Board in July 2019, and the Board supported an investment of £610,000 across the Adult Acute Inpatient services. Through an internal audit, the Quality Committee sought assurance that the associated investment was reflected in clinical services budgets and that all staff were aware of the changes in their services and had the appropriate uplift in their rosters. The internal audit review confirmed that the Board can take 'reasonable assurance' that the controls in place to manage this risk are suitably designed and have been consistently applied. Safer Staffing Boards have now been installed on the wards and are updated on a daily basis. An action plan has been put in place which covers the main recommendations of the Annual Strategic Establishment Review and this is being reviewed on a monthly basis.

The Covid-19 pandemic, at times, provided exceptional challenges to the maintenance of safe staffing. Nevertheless, assurance was provided to the Trust Board through the six-monthly safe staffing reviews that challenges were managed and safety maintained.

Equality, diversity and human rights

The Covid-19 pandemic manifested and exacerbated the health and social inequalities experienced by BAME communities in the UK. The Board reiterated its commitment to doing everything we can to redress racial discrimination, healthcare, social and employment inequalities and to continue our open conversations with staff, service users, carers and communities.

The Board gave particular focus to race inequality in 2020/21, listening to the views and experiences of BAME staff and developing a set of priorities to respond to the impact of Covid-19, with a broader focus on building greater inclusivity for BAME staff and patients.

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with, including the Workforce Race Equality Standards (WRES) and Workforce Disability Equality Standards (WDES).

Sustainable development

The Trust has undertaken risk assessments and has a sustainable development management plan in place which takes account of UK Climate Projections 2018 (UKCP18). The trust ensures that its obligations under the Climate Change Act 2008 and the Adaptation Reporting requirements are complied with.

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

The trust ensures economy, efficiency and effectiveness through a variety of means, including;

- A robust pay and non-pay budgetary control system
- Financial and establishment controls
- Effective tendering procedures
- Continuous programme of modernisation and quality and cost improvement

The Board of Directors performs an integral role in maintaining the system of internal control, supported by the work of its committees, internal and external audit and its regulators.

The Trust works closely with Internal Audit to gain additional assurance on Trust processes. Areas of concern are highlighted and reviewed, following which action plans are developed and monitored through to implementation.

Over the last five years we have made considerable savings against the Service Improvement Plans (SIPs), demonstrating sustainability and improvements in economy and efficiency.

The board is reporting a £0.2m surplus for the year. This reflected the delivery of the Phase 3 Plan, which marked the transition from the emergency Covid Financial Regime established for the first half of the financial year to the new regime for months 7 to 12. The Phase 3 Plan allows for block contract funding as well as system top-up for the Mental Health Investment Standard, growth funding to cover new services, capacity growth and funding to support restoration and recovery and additional funding to cover Covid related costs.

Information Governance

The Trust has an Information Governance Manager whose role is predominantly focused on achieving the standards set out in the Information Governance Toolkit. The Information Governance and Security Group (IGSAG), a sub-committee of the Executive Management Committee reviews and agrees key information policies within the Trust.

Through the Chief Digital and Information Officer, who is the Senior Information Risk Officer (SIRO), and IGSAG, the Trust is working to embed effective information governance in the organisation.

Breaches to confidentiality or other information governance-related serious incidents are reviewed by IGSAG.

No Information Governance Serious Incidents were reported to the Information Commissioner in 2020/21.

Review of effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS trust who have responsibility for the development and maintenance of the internal control framework.

I have drawn on the information provided in this Annual Report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports.

I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit Committee and Quality Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Each of the Board Committees has also reviewed its effectiveness through a structured self-assessment undertaken by its members.

Board of Directors

During 2020/21, and notwithstanding the Covid-19 pandemic, the Board has sustained its development programme which has included:

- the development of the Board and its role in the changing external environment;
- refreshing the Board Assurance Framework and risk appetite;
- shaping the Trust people, digital and estates strategies;
- the role of the Board in promoting equality, diversity and inclusion;
- the Trust learning system;
- Integrated Care System (ICS) development;
- and the strategic estate.

Both the Board strategy sessions and the Board agendas are framed consciously around the strategic risks identified in the Board Assurance Framework and provide the opportunity for the Board to engage in depth, in discussing those risks and their mitigations

Audit Committee

The Audit Committee is a standing committee of the Board of Directors. Its membership comprises of Non-Executive Directors and it is responsible for overseeing the activities of Internal Audit, External Audit and the Local Counter Fraud and Bribery Specialist. For each of these it:

- Approved the annual (and strategic) audit plans at the beginning of the financial year
- Received reports on the work undertaken to date and the findings
- Reviewed the management response to reports, in particular the implementation of recommendations to date

The Audit Committee is also responsible for reviewing evidence of the overall effectiveness of the system of internal control, governance and risk management. The internal audit programme is risk based and focused on high risk areas identified on the Trust's Assurance Framework. The programme includes matters of concern identified by management and the Audit Committee during the planning phase, and has flexibility to review any urgent issues that might arise.

Many of the key internal control processes and data quality were tested through the year. As set out in the section above (risk and control framework) no significant gaps in control or assurance were identified.

The Audit Committee reviews all action plans arising from Internal Audits to ensure compliance, and reviews the Annual Accounts before approval and provides a report to the Trust Board on its activities following each meeting.

The Audit Committee carries out an annual self-assessment, which all members and attendees complete, to ensure it is operating effectively.

Internal audit

Internal audit provides an independent and objective opinion on the degree to which risk management, control and governance support the achievement of the Trust's objectives.

During 2020/21 the reviews undertaken by Internal Audit resulted in 1 partial assurance opinions, 8 reasonable assurance opinions and 1 substantial assurance opinion, as below:.

| Subject | Outcome |
|--|-----------------------|
| Financial governance | Substantial assurance |
| Legal services | Reasonable assurance |
| Estates & facilities | Reasonable assurance |
| Complaints management | Reasonable assurance |
| Equality, diversity & staff well-being | Reasonable assurance |
| Cyber security | Reasonable assurance |
| Waste management | Reasonable assurance |
| Care delivery services risk management | Reasonable assurance |
| Payroll | Reasonable assurance |
| Waiting list management | Partial assurance |
| Data Security Protection Toolkit | Advisory review |

The waiting list partial assurance audit above has resulted in management action plans, with 13 specific recommendations being raised, six being rated high and seven medium to address the weaknesses, which have either been implemented or are being implemented by the 30 June 2021.

Following an audit where limited assurance was found with regards to waiting list processes a number of actions have been taken. The key recommendations from the report have been summarised as the need to:

- Identify and implement a fully functional waiting list module.
- Develop a waiting list operational policy which is standardised across the Trust and ensures systems are fully implemented in all teams.
- Agree a process of validating existing lists and ensuring effective prioritisation.
- Ensure the safe management of all associated local lists held in teams in the interim.

Actions taken:

The management actions required by the audit were reviewed by performance and operational teams overseen by the executive sponsors and it was agreed that the most effective approach to this work would be to initiate a programme of change.

The audit identified a small number of separate locally held waiting lists in some areas of the Trust and a rapid early piece of work has been undertaken to assure that these are being suitably addressed and safely managed.

A steering group has been established chaired by the Trust Director of integration and partnerships (The terms of reference are embedded below) and an initial programme of work is in place. An initial work plan has now been established which is being overseen by the programme steering group. In addition, a sub group has been set up to review short terms actions that can be taken to improve visibility of all patients waiting and consider potential system solutions.

Management action plans are developed for each of the audits, and the recommendations in relation to the above partial assurance audits have either been implemented or are being implemented over the next six months.

In addition to the above risk based reviews/ opinions, the Committee received three advisory reports during the year.

Internal Audit Opinion

In accordance with Public Sector Internal Audit Standards, the Head of Internal Audit has provided an opinion on the overall adequacy and effectiveness of the Trust's risk management, control and governance processes during 2020/21.

It confirms that:

The organisation has an adequate and effective framework for risk management, governance and internal control.

However our work has identified further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective

External audit

External Audit report to the Trust on the findings from the audit work, in particular their review of the accounts and the Trust's economy, efficiency and effectiveness in relation to value for money. During 2020/21 no significant issues were identified.

Quality Committee

The Quality Committee is also a Committee of the Board of Directors, Chaired by a Non-Executive Director. It provides strategic direction on the implementation of the CQC Fundamental Standards and assurance to the Board in relation to quality, safety, effectiveness and patient experience.

The Quality Committee also takes responsibility for overseeing the progress of the Trust in compliance with external standards. Following a review of the Quality Committee, four sub-committees report to it, by exception, at each meeting:

- Effective Care and Treatment Committee
- Safety Committee
- Positive Experience Committee
- Mental Health Act Committee

The committee has a key function in assessing the cost improvement programme (SIP) against the impact on quality, and ensuring SIP plans are approved by the Chief Nurse and Chief Medical Officer.

The Committee has given particular attention to oversight of the Covid-19 pandemic during 2020/21 and incorporating the heightened clinical and professional involvement developed through the Trust response in to its Effective Care and Treatment Committee. The work of the Positive Experience Committee has also developed significantly this year, articulated in the Participation Strategy approved by the Board in December 2020.

Clinical Audit

The Board lead for Clinical Audit is the Chief Medical Officer who ensures sustained focus and attention to detail of clinical audit activity. The Quality Committee agrees the annual Clinical Audit Plan.

Conclusion

Over the last year I have overseen actions to ensure that we continue to improve the systems of control we operate.

No significant control issues were identified in the period covered by this statement.

Assurance from internal and external sources has been generally positive, and where weaknesses or areas for improvement have been identified, action plans have been put in place to ensure delivery.

Signed:  Chief Executive

Date: 19 May 2021

Sussex Partnership NHS Foundation Trust

Accounts

For the year

1 April 2020 to 31 March 2021

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FOREWORD TO THE ACCOUNTS

SUSSEX PARTNERSHIP NHS FOUNDATION TRUST

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

Date: 14 June 2021

Chief Executive:



INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF SUSSEX PARTNERSHIP NHS FOUNDATION TRUST

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Sussex Partnership NHS Foundation Trust ("the Trust") for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Taxpayers Equity and 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 its 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 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;
- 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 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 relationships or movements.

- Reviewing the Trust's accounting policies.

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

As required by auditing standards, and taking into account possible pressures to meet delegated targets, 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; revenue is recorded in the wrong period or has been inappropriately deferred; 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 prepayments.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included journals posted with unusual account combinations and journals with other unusual characteristics.
- Assessing significant estimates for bias.
- Assessing the completeness of disclosed related party transactions and verifying they had been accurately recorded within the financial statements.
- Identified income and expenditure invoices recognised in the period 1 March 2021 to 31 May 2021, to determine whether the income and expenditure is recognised in the correct accounting period, in accordance with the amounts billed to the corresponding parties.
- Assessed the outcome of the NHS agreement of balances exercise with CCGs and other NHS providers and investigated the cause of the variances identified.

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 (as required by auditing standards) and from inspection of the Trust's legal correspondence, and discussed with the directors 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.

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 94, 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 Sussex Partnership 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.



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

14 June 2021

STATEMENT OF COMPREHENSIVE INCOME**For the year ended 31 March 2021**

| | NOTE | 2020/21 £000 | 2019/20 £000 |
|--|------|-------------------|-----------------------|
| Revenue from patient care activities | 3 | 304,412 | 277,122 |
| Other operating revenue | 4 | 32,820 | 25,324 |
| Operating expenses | 5 | <u>(331,688)</u> | <u>(300,654)</u> |
| NET OPERATING SURPLUS * | | 5,544 | 1,792 |
| Net Finance costs | | | |
| Finance income | 7 | 34 | 326 |
| Finance expense | 7 | (2,295) | (2,364) |
| Public Dividend Capital dividends payable | | <u>(3,090)</u> | <u>(4,295)</u> |
| | | (5,351) | (6,333) |
| Net gain on disposal of property, plant and equipment | 9 | 0 | 91 |
| Share of profit of joint venture accounted for using the equity method | 18 | 11 | 0 |
| RETAINED SURPLUS / (DEFICIT) FOR THE YEAR | | <u>204</u> | <u>(4,450)</u> |
| OTHER COMPREHENSIVE INCOME | | | |
| Impairments | 9 | 0 | (5,663) |
| Gains on revaluations | 9 | 0 | 3,221 |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | <u>204</u> | <u>(6,892)</u> |

* Net Operating Surplus in 2019/20 includes an impairment to fixed assets of £8,349k

STATEMENT OF FINANCIAL POSITION

As at 31 March 2021

| | NOTE | 31 March 2021 £000 | 31 March 2020 £000 |
|--|------|-----------------------|-----------------------|
| NON-CURRENT ASSETS | | | |
| Intangible assets | 8 | 6,689 | 4,489 |
| Property, plant and equipment | 9 | 162,687 | 160,088 |
| Trade and other receivables | 10 | 2,832 | 2,339 |
| Investment in joint venture | 18 | 34 | 23 |
| | | <u>172,242</u> | <u>166,939</u> |
| CURRENT ASSETS | | | |
| Trade and other receivables | 10 | 10,777 | 17,910 |
| Deposits with National loans fund | 13 | 0 | 10,000 |
| Assets held for sale | 9 | 2,233 | 189 |
| Cash and cash equivalents | 13 | 76,095 | 39,293 |
| | | <u>89,105</u> | <u>67,392</u> |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 11 | (48,513) | (29,894) |
| Obligations under PFI contracts | 11 | (927) | (761) |
| Provisions | 12 | (406) | (414) |
| Deferred Income | 11 | (22,066) | (16,887) |
| | | <u>(71,912)</u> | <u>(47,956)</u> |
| NET CURRENT ASSETS | | <u>17,193</u> | <u>19,436</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 189,435 | 186,375 |
| NON-CURRENT LIABILITES | | | |
| Obligations under PFI contracts | 11 | (17,539) | (18,466) |
| Provisions | 12 | (2,415) | (623) |
| Deferred Income | 11 | (489) | (430) |
| | | <u>(20,443)</u> | <u>(19,519)</u> |
| TOTAL ASSETS EMPLOYED | | <u><u>168,992</u></u> | <u><u>166,856</u></u> |
| FINANCED BY: | | | |
| TAXPAYERS' EQUITY | | | |
| Public dividend capital | | 161,054 | 159,122 |
| Revaluation reserve | | 27,057 | 27,057 |
| Income and expenditure reserve | | (19,119) | (19,323) |
| TOTAL TAXPAYERS' EQUITY | | <u><u>168,992</u></u> | <u><u>166,856</u></u> |

The accounts on pages 8 to 56 were approved by the Board of Directors and signed on its behalf by:

Signed:  (Chief Executive)

Date: 14 June 2021

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

For the year ended 31 March 2021

| | Public Dividend Capital | Income and Expenditure Reserve | Revaluation Reserve | Total taxpayers' equity |
|--|-------------------------------|--------------------------------------|------------------------|-------------------------------|
| | £000 | £000 | £000 | £000 |
| Changes in taxpayers' equity for 2020/21 | | | | |
| Balance brought forward as at 1 April 2020 | 159,122 | (19,323) | 27,057 | 166,856 |
| Surplus for the year prior to other comprehensive income | 0 | 204 | 0 | 204 |
| Impairments | 0 | 0 | 0 | 0 |
| Revaluations - Property, Plant and equipment | 0 | 0 | 0 | 0 |
| Asset disposals | 0 | 0 | 0 | 0 |
| Public Dividend Capital received | 1,932 | 0 | 0 | 1,932 |
| Taxpayers' equity at 31 March 2021 | 161,054 | (19,119) | 27,057 | 168,992 |

| | Public Dividend Capital | Income and Expenditure Reserve | Revaluation Reserve | Total taxpayers' equity |
|--|-------------------------------|--------------------------------------|------------------------|-------------------------------|
| | £000 | £000 | £000 | £000 |
| Changes in taxpayers' equity for 2019/20 | | | | |
| Balance brought forward as at 1 April 2019 | 158,822 | (15,363) | 29,989 | 173,448 |
| Deficit for the year prior to other comprehensive income | 0 | (4,450) | 0 | (4,450) |
| Impairments | 0 | 0 | (5,663) | (5,663) |
| Revaluations - Property, Plant and equipment | 0 | 0 | 3,221 | 3,221 |
| Asset disposals | 0 | 490 | (490) | 0 |
| Public Dividend Capital received | 300 | 0 | 0 | 300 |
| Taxpayers' equity at 31 March 2020 | 159,122 | (19,323) | 27,057 | 166,856 |

STATEMENT OF CASH FLOWS**For the year ended 31 March 2021**

| | NOTES | 2020/21 £000 | 2019/20 £000 |
|---|---------|-----------------|-----------------|
| Cash flows from operating activities | | | |
| Operating surplus | | 5,544 | 1,792 |
| Depreciation and amortisation | 8 and 9 | 5,336 | 4,806 |
| Impairments and reversals | 5 | 0 | 8,349 |
| Other movements in operating cash flows | | 107 | 42 |
| Decrease in trade and other receivables | | 7,100 | 5,550 |
| Increase in trade and other payables | | 16,837 | 2,532 |
| Increase in deferred income | 11 | 5,238 | 3,948 |
| Increase / (decrease) in provisions | 12 | 1,777 | (207) |
| Net cash inflow from operating activities | | 41,939 | 26,812 |
| Cash flows from investing activities | | | |
| Interest received | 7 | 34 | 326 |
| Payments for intangible assets | | (3,113) | (2,096) |
| Payments for property, plant and equipment | | (7,292) | (8,737) |
| Proceeds from disposal of plant, property and equipment | | 0 | 801 |
| Deposit with national loans fund movement | | 10,000 | 10,000 |
| Prepayment of PFI capital contributions | 16 | (107) | (55) |
| Net cash outflow from investing activities | | (478) | 239 |
| Cash flows from financing activities | | | |
| Public dividend capital received | | 1,932 | 300 |
| Interest element of PFI obligations | 7 | (2,288) | (2,361) |
| Capital element of PFI, LIFT and other service concession payments | 16 | (761) | (613) |
| PDC dividends paid | | (3,542) | (4,400) |
| Net cash outflow from financing | | (4,659) | (7,074) |
| Net (decrease) / increase in cash and cash equivalents | | 36,802 | 19,977 |
| Cash and cash equivalents at the beginning of the financial year | 13 | 39,293 | 19,316 |
| Cash and cash equivalents at the end of the financial year | 13 | 76,095 | 39,293 |

NOTES TO THE ACCOUNTS

1. Accounting Policies

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

1.1 Accounting Convention

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

1.2 Going Concern

These accounts have been prepared on a going concern basis. The financial reporting framework applicable to NHS bodies, derived from the HM Treasury Financial Reporting Manual, defines that the anticipated continued provision of the entity's services in the public sector is normally sufficient evidence of going concern. The directors have a reasonable expectation that this will continue to be the case.

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. This arrangement has continued into 2021/22 with there being no requirement for the Trust to sign the NHS Standard Contract for 2021/22. The nationally mandated terms of the NHS Standard Contract for 2021/22 will nonetheless apply, and a contract incorporating those nationally mandated terms will be implied as being in place between the Trust and thus ensures the continuation of the services provided.

1.3 Revenue Recognition

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.

1.3.1 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 a [Integrated Care System/Sustainability and Transformation Partnership] level. The related performance obligation is the delivery of healthcare and related services during the period, with the trust's entitlement to consideration not varying based on the levels of activity performed.

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

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.

1.3.2 Revenue from research contracts

Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. At contract inception, the Trust assesses the outputs promised in the research contract to identify as a performance obligation each promise to transfer either a good or service that is distinct or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer. The Trust recognises revenue as these performance obligations are met, which may be at a point in time or over time depending upon the terms of the contract.

1.3.3 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. Income is accrued where services have been delivered during the financial year but have not yet been invoiced.

1.4 Short Term Employee Benefits

Salaries, wages and employment-related payments 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 period is recognised in the accounts to the extent that employees are permitted to carry-forward leave into the following period.

1.5 Pension Costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Both schemes are unfunded, defined benefit schemes that cover NHS 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 operating expenses at the time the Foundation Trust commits itself to the retirement, regardless of the method of payment.

1.6 Expenditure on Other Goods and Services

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

1.7 Property, Plant and Equipment

Recognition

Property, Plant and Equipment is capitalised where:

- it is held for use in delivering services for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential be provided to, the Foundation Trust
- it is expected to be used for more than one financial year; and
- the cost of the item can be measured reliably.

The Foundation Trust capitalises such costs if they meet the above conditions and where they:

- individually have a cost of at least £5,000; or
- form a group of assets which individually have a cost of more than £250, collectively have a cost of at least £5,000, where the assets are functionally interdependent, they had broadly simultaneously purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- form part of the initial setting-up cost of a new building or refurbishment of a ward or unit, irrespective of their individual or collective cost.

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

Measurement

Valuation

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

All assets are measured subsequently at fair value. IAS 16 requires that revaluations should be carried out regularly, so that the carrying amount of an asset does not differ materially from its fair value at the balance sheet date. If an item is revalued, the entire class of assets to which that asset belongs should be revalued. The Foundation Trust will decide annually the type of revaluation needed each year but a full, professional revaluation will be carried out at least every five years on the land and buildings. For the plant and equipment the Foundation Trust owns, this is held at net book value, which is considered to be fair value. An item of property, plant and equipment which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 of IFRS 5.

Subsequent expenditure

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

additional future economic benefits or service potential, such as repairs and maintenance is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Depreciation

Items of property, plant and equipment (PPE) are depreciated over the remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. The useful economic lives are detailed in Note 9.6. Freehold land is considered to have an infinite life and is not depreciated. PPE which has been reclassified as “Held for Sale” ceases to be depreciated upon reclassification. Assets in the course of construction are not depreciated until the asset is brought into use or reverts to the Foundation Trust.

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

Impairments that are due to a loss of economic benefits or 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 arising from a loss of economic benefit or 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 disposals are reclassified as ‘Held for Sale’ once all of the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- the sale must be highly probable i.e.:
- management are committed to a plan to sell the asset;
- an active programme has begun to find a buyer and complete the sale;

- the asset is being actively marketed at a reasonable price;
- the sale is expected to be completed within 12 months of the date of classification as “Held for Sale”; and
- the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

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

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

Donated, government grant and other grant funded assets

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

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

1.8 Intangible Assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the Foundation 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 Foundation Trust and where the cost of the asset can be measured reliably.

Internally generated intangible assets

Expenditure on development is capitalised only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use
- the Foundation Trust intends to complete the asset and sell or use it
- the Foundation Trust has the ability to sell or use the asset
- how the intangible asset will generate probable future economic or service delivery benefits, e.g. the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the trust to complete the development and sell or use the asset and
- the Foundation Trust can measure reliably the expenses attributable to the asset during development.

Software

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

Measurement

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

Subsequently intangible assets are measured at fair value. Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse an impairment previously recognised in operating expenses, in which case they are recognised in operating income. Decreases in asset values and impairments 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'.

Amortisation

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

1.9 Private Finance Initiative (PFI) transactions

PFI transactions which meet the IFRIC 12 Service Concession Arrangements definition of a service concession, as interpreted in HM Treasury's Financial Reporting Manual, are accounted for as 'on-Statement of Financial Position' by the Foundation Trust.

The underlying assets are recognised as Property, Plant and Equipment at their fair value. An equivalent financial liability is recognised in accordance with IAS 17 Leases. The annual contract payments are apportioned between the repayment of the liability, a finance cost, charges for services and charges for lifecycle costs.

The finance cost is calculated using the implicit interest rate for the scheme. The service charge is recognised in operating expenses and the finance cost is charged to Finance Costs in the Statement of Comprehensive Income.

1.10 Inventories

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. The deemed cost of these inventories was charged directly to expenditure on receipt with the corresponding benefit recognised in income.

1.11 Provisions

The Foundation 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 the discount rates published and mandated by HM Treasury.

1.11.1 Injury Benefit provision

This provision comprises injury benefit awards against the Foundation Trust. For injury benefit awards the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rate of minus 0.95% in real terms.

1.11.2 Legal Claims provision

This provision includes employer liability claims and public liability claims.

1.11.3 Redundancy provision

This provision comprises pay claims for clinical and non-clinical staff, and redundancy benefits.

1.11.4 Other Provision

This provision comprises clinical excellence awards payable.

1.12 Clinical Negligence costs

The NHS Litigation Authority (NHSLA) operates a risk pooling scheme under which the Foundation Trust pays an annual contribution to the NHSLA, which, in return, settles all clinical negligence claims. Although the NHSLA is administratively responsible for all clinical negligence cases, legal liability remains with the Foundation Trust, but is not recognised because there is no reasonable likelihood of an outflow of economic benefits from the Foundation Trust. The total value of clinical negligence provisions carried by the NHSLA on behalf of the Foundation Trust is disclosed at Note 12, but is not recognised in the Foundation Trust's accounts.

1.13 Non Clinical Risk Pooling

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

1.14 Value Added Tax (VAT)

Most of the activities of the Foundation 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 costs of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.15 Corporation Tax

The Foundation Trust has no corporation tax liability as it does not carry out any commercial activity that would be liable to corporation tax.

1.16 Third Party Assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the Foundation Trust has no beneficial interest in them. However, they are disclosed in Note 19 in accordance with the requirements of the HM Treasury's FReM.

1.17 Leases

Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Operating leases and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease.

Leases of land and buildings

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

1.18 Public Dividend Capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

At any time, the Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the NHS foundation trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the NHS foundation trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for (i) donated assets (including lottery funded assets), (ii) average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and (iii) any PDC dividend balance receivable or payable. In accordance with the requirements laid down

by the Department of Health (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the “pre-audit” version of the annual accounts. The dividend thus calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

1.19 Financial assets and financial liabilities

1.19.1 Recognition

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

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

1.19.2 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 are classified as subsequently measured at amortised cost, through income and expenditure.

Financial liabilities classified as subsequently measured at amortised cost through income and expenditure.

Financial assets and financial liabilities at amortised cost

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

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

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

Financial assets measured at fair value through other comprehensive income

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

Financial assets and financial liabilities at fair value through income and expenditure

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

Impairment of financial assets

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

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

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

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

1.19.3 De-recognition

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

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

1.20 Revenue government and other grants

Government grants are grants from government bodies other than income from commissioners or NHS 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.

1.21 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 NHS foundation trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

However 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 and are reported to the Audit Committee, a sub-committee of the Foundation Trust Board.

1.22 Early adoption of standards, amendments and interpretations

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

1.23 Standards, amendments and interpretations in issue but not 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 all leases. The standard also requires the remeasurement of lease liabilities 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.

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.

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

* The European Financial Reporting Advisory Group recommended in October 2015 that the standard should not be endorsed as it is unlikely to be adopted by many EU countries.

1.24 Significant Judgements and Estimates

The accounts include a number of significant judgements. These are periodically evaluated and are based on historical experience and other factors, including, expectations of future events that are believed to be reasonable under the circumstances.

1.24.1 Significant Judgements

Apart from the six PFI schemes which are accounted for 'on statement of financial position' in accordance with the Department of Health guidance, the Foundation Trust does not believe any of the Foundation Trust's other lease arrangements meet the test for finance leases.

1.24.2 Significant Estimates

The Foundation Trust's land and buildings are held at fair value. At 01 April 2019 all of the Trust's land and building assets were subject to an external fair value assessment, completed by Cushman and Wakefield. At 31 March 2021 the Trust carried out a review, considering the movement in relevant indices, to assess whether there was any indication of material movement in the value of the Trust's estate. The review took account of the Housing Price Index at 31 December 2020, the Build Cost Indices at the 31 December 2020 and the location factor at 31 March 2021 based on a 5 year regional mean. The review of these indices did not indicate a material movement in the value of the Trust's estate. The Trust is satisfied that the value of land and building assets reflected in the financial statements, calculated as fair value at the 01 April 2019 less depreciation, is a true and fair representation.

In the view of the Foundation Trust there are no estimates or judgements which if wrong could significantly affect financial performance.

1.25 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.

Cash, bank and overdraft balances are recorded at the fair value of these balances in the Foundation Trust's cash book. These balances exclude monies held in the Foundation Trust's bank account belonging to patients (see Note 19 - Third party assets).

1.26 Segmental Reporting

IFRS 8 defines the term Chief Operating Decision Maker (CODM) as a group or individual whose 'function is to allocate resources to and assess the performance of the operating elements of the entity'. For the Foundation Trust the most appropriate interpretation is that the Board of Directors represents the CODM. Operational performance is monitored at the monthly board meetings and key resource allocation decisions are agreed there.

Information is presented to the Board as a single operating segment and is under full IFRS. This has been determined to be sufficient as the Board allocates resources and assesses performance on this basis. This mirrors the information that is submitted to Monitor and enables the Board to make strategic decisions on the Annual Plan.

1.27 Joint Venture

Joint ventures are separate entities over which the Foundation Trust has joint control with one or more other parties. The meaning of control is to exercise control or power to influence so as to gain economic or other benefits.

The Joint Ventures are accounted for using the equity method, with the valuation of the investment in the Joint Ventures being recognised at cost and the carrying amount increased or decreased to recognise the Foundation Trust's share of its profit or loss after tax.

The details of the investments are included in Note 18.

1.28 Consolidation of Charitable Funds

The Foundation Trust is the corporate trustee to Heads On. The Foundation Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the Foundation Trust has the power to govern the financial and operating policies of the charitable fund so as to obtain benefits from its activities for itself, its patients or its staff.

However, the charitable fund does not represent a material subsidiary and has not been consolidated within these accounts under IAS 27.

The principal place of business of the Charitable Fund and Sussex Partnership NHS Foundation Trust is Trust Headquarters, Swandean, Arundel Road, Worthing, West Sussex, BN13 3EP.

Details of the related party transactions are included in Note 15.

2. Information presented to the Chief Operating Decision Maker for the year ended 31 March 2021 (as presented to CODM in April 2021)

Below includes a reconciliation between the published accounts and the information presented to the CODM, for the financial year to 31 March 2021. The Foundation Trust generates the majority of its income from healthcare and related services. The information displayed in the accounts reflects that which is submitted to the Board.

Finance Improvement Trajectories

NHSI & E have suspended the monitoring of the Financial Improvement Trajectories during the Covid-19 Pandemic response; however, the agency trajectory continues to be monitored and of key focus, thus the rating has been shown as amber to reflect our high usage of agency.

Service Improvements

Cumulative savings amounted to £3,676k against a target of £5,929k, with the variances across most work streams. There was also a further £2,253k of year to date non-recurrently savings achieved.

Income and Expenditure Account

March has resulted in a surplus of £90k, thus taking the Trust year end surplus to £204k against a break-even plan. There continues to be some underlying shortfalls and pressures which are the key areas of focus for the year, including high use of Agency and out of area placements, Service Transformation and the review of Support Services.

2.1 Segmental Reporting – Information presented to the Chief Operating Decision Maker for the year ended 31 March 2021

Income and Expenditure Account

| | ANNUAL BUDGET £000's | ACTUAL £000's | VARIANCE £000's | ADJUSTMENT AS PER PUBLISHED ACCOUNTS £000's | ACTUAL AS PER ACCOUNTS £000's |
|---|----------------------------|------------------------|---------------------|---|--|
| Revenue from Activities | | | | | |
| Total Operating Revenue | <u>(325,407)</u> | <u>(327,419)</u> | <u>(2,012)</u> | <u>(9,813)</u> | <u>(337,232)</u> |
| Operating Expenses | | | | | |
| Total Pay Costs | 249,532 | 244,274 | (5,258) | 9,641 | 253,915 |
| Total Non Pay Costs | 64,529 | 72,273 | 7,744 | 5,501 | 77,774 |
| Total Operating Costs | <u>314,061</u> | <u>316,546</u> | <u>2,485</u> | <u>15,142</u> | <u>331,688</u> |
| Reserves | 0 | 0 | 0 | 0 | 0 |
| Earnings Before Interest, Taxes, Depreciation and Amortisation / Operating Surplus | <u>(11,346)</u> | <u>(10,872)</u> | <u>474</u> | <u>5,329</u> | <u>(5,544)</u> |
| Total other Income & Expenditure Items | 11,346 | 10,669 | (677) | (5,329) | 5,340 |
| Retained Surplus For the Year | <u>0</u> | <u>(204)</u> | <u>(204)</u> | <u>0</u> | <u>(204)</u> |
| PSF income & other misc income | 0 | 0 | 0 | | 0 |
| Retained Surplus For the Year | <u>0</u> | <u>(204)</u> | <u>(204)</u> | <u>0</u> | <u>(204)</u> |

Figures reported to the CODM are subject to rounding differences.

The 'Adjustment as per accounts' column shows both the movement between the accounts presented to the Chief Operating Decision Maker and the published accounts relating to presentational classification of items and the result of any audit findings, and are set out in the table below.

| Adjustment as per Published Accounts | Total Operating Revenue £000's | Total Pay Costs £000's | Total Non Pay Costs £000's | Total Other Income & Expenditure Items £000's |
|---|---|------------------------------|----------------------------------|---|
| Employer Pension contribution paid centrally by NHS England | (9,813) | 9,813 | | |
| Non Executive Directors | | (172) | 172 | |
| Depreciation | | | 5,336 | (5,336) |
| Unwinding of discount on provisions | | | (7) | 7 |
| | <u>(9,813)</u> | <u>9,641</u> | <u>5,501</u> | <u>(5,329)</u> |

Statement of Financial Position

| As at 31st-March-21 | | | | |
|--------------------------------|--------------------|--------------------|-----------------------------------|-------------------------------|
| | 31st-Mar-20 | 31st-Mar-21 | ADJUSTMENT AS PER ACCOUNTS | ACTUAL AS PER ACCOUNTS |
| | £000 | £000 | £000 | £000 |
| Non Current Assets | 166,939 | 172,214 | 27 | 172,242 |
| Trade and other receivables | 17,910 | 10,804 | (27) | 10,777 |
| Assets held for sale | 189 | 2,233 | | 2,233 |
| Cash and cash equivalents | 49,293 | 76,095 | | 76,095 |
| Total Current Assets | 67,392 | 89,132 | (27) | 89,105 |
| Current Liabilities | (47,956) | (71,939) | 27 | (71,912) |
| Non-Current Liabilities | (19,519) | (20,416) | (27) | (20,443) |
| TOTAL ASSETS EMPLOYED | 166,856 | 168,992 | 0 | 168,992 |
| TAXPAYERS' EQUITY | | | | |
| Public dividend capital | 159,122 | 161,054 | | 161,054 |
| Revaluation reserve | 27,057 | 27,057 | | 27,057 |
| Retained earnings | (19,323) | (19,119) | | (19,119) |
| TOTAL TAXPAYERS EQUITY | 166,856 | 168,992 | 0 | 168,992 |

Figures reported to the CODM are subject to rounding differences.

2.2 Segmental Reporting – Information presented to the Chief Operating Decision Maker for the year ended 31 March 2020

Income and Expenditure Account

| | ANNUAL BUDGET £000's | ACTUAL £000's | VARIANCE £000's | ADJUSTMENT AS PER PUBLISHED ACCOUNTS £000's | ACTUAL AS PER ACCOUNTS £000's |
|---|----------------------------|------------------|--------------------|---|--|
| Revenue from Activities | | | | | |
| Total Operating Revenue | (287,186) | (291,321) | (4,135) | (11,125) | (302,446) |
| Operating Expenses | | | | | |
| Total Pay Costs | 220,034 | 219,100 | (934) | 8,863 | 227,963 |
| Total Non Pay Costs | 55,423 | 59,387 | 3,965 | 13,303 | 72,690 |
| Total Operating Costs | 275,457 | 278,488 | 3,031 | 22,166 | 300,654 |
| Reserves | 0 | 0 | 0 | 0 | 0 |
| Earnings Before Interest, Taxes, Depreciation and Amortisation / Operating Surplus | (11,729) | (12,833) | (1,104) | 11,041 | (1,792) |
| Total other Items | 11,729 | 11,135 | (594) | (4,802) | 6,333 |
| Retained Surplus For the Year | 0 | (1,698) | (1,698) | 6,239 | 4,541 |
| PSF Income & other misc income | (3,471) | (2,201) | 1,270 | 2,110 | (91) |
| Impairment | 0 | 8,349 | 8,349 | (8,349) | 0 |
| Retained Surplus For the Year | (3,471) | 4,450 | 7,921 | (6,239) | 4,450 |

Figures reported to the CODM are subject to rounding differences.

The 'Adjustment as per accounts' column shows both the movement between the accounts presented to the Chief Operating Decision Maker and the published accounts relating to presentational classification of items and the result of any audit findings, and are set out in the table below.

| Adjustment as per Published Accounts | Total Operating Revenue £000's | Total Pay Costs £000's | Total Non Pay Costs £000's | Total Other Income & Expenditure Items £000's |
|---|---|------------------------------|----------------------------------|---|
| Employer Pension contribution paid centrally by NHS England | (9,015) | 9,015 | | |
| Provider Sustainability Funding (PSF) | (2,110) | | | |
| Non Executive Directors | | (152) | 152 | |
| Impairment of Fixed Assets | | | 8,349 | |
| Depreciation | | | 4,806 | (4,806) |
| Unwinding of discount on provisions | | | (3) | 3 |
| | (11,125) | 8,863 | 13,303 | (4,802) |

Statement of Financial Position

| As at 31st-March-20 | | | | |
|--------------------------------|--------------------|--------------------|-----------------------------------|-------------------------------|
| | 31st-Mar-19 | 31st-Mar-20 | ADJUSTMENT AS PER ACCOUNTS | ACTUAL AS PER ACCOUNTS |
| | £000 | £000 | £000 | £000 |
| Non Current Assets | 171,348 | 166,939 | | 166,939 |
| Trade and other receivables | 20,921 | 17,910 | | 17,910 |
| Assets held for sale | 882 | 189 | | 189 |
| Cash and cash equivalents | 39,316 | 49,293 | | 49,293 |
| Total Current Assets | 61,119 | 67,392 | 0 | 67,392 |
| Current Liabilities | (40,565) | (47,956) | | (47,956) |
| Non-Current Liabilities | (20,967) | (19,519) | | (19,519) |
| TOTAL ASSETS EMPLOYED | 170,935 | 166,856 | 0 | 166,856 |
| TAXPAYERS' EQUITY | | | | |
| Public dividend capital | 158,822 | 159,122 | | 159,122 |
| Revaluation reserve | 29,929 | 27,057 | | 27,057 |
| Retained earnings | (17,816) | (19,323) | | (19,323) |
| TOTAL TAXPAYERS EQUITY | 170,935 | 166,856 | 0 | 166,856 |

Figures reported to the CODM are subject to rounding differences.

3. Revenue from patient care activities

3.1 Revenue by type

| | 2020/21 | 2019/20 |
|----------------------|-----------------------|----------------|
| | £000 | £000 |
| CCGs and NHS England | 287,100 | 258,212 |
| Foundation Trusts | 2,704 | 2,802 |
| NHS Trusts | 490 | 587 |
| Local Authorities | 10,882 | 9,898 |
| Other | 3,236 | 5,623 |
| | <u>304,412</u> | <u>277,122</u> |

3.2 Revenue by classification

| | 2020/21 | 2019/20 |
|--|-----------------------|----------------|
| | £000 | £000 |
| Block Contract / System Envelope income* | 277,287 | 249,197 |
| Clinical Partnerships providing mandatory services | 14,076 | 13,287 |
| Other clinical income | 2,479 | 4,420 |
| Private patients income | 757 | 1,203 |
| Additional Pension contribution central funding | 9,813 | 9,015 |
| | <u>304,412</u> | <u>277,122</u> |

*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.

For 2020/21 the amount of income relating to Commissioner Requested Services was £301,176k, with £3,236k relating to non-Commissioner Requested services.

For 2019/20 the amount of income relating to Commissioner Requested Services was £271,499k, with £5,623k relating to non-Commissioner Requested services.

The Foundation Trust did not receive any income direct from overseas visitors in 2020/21 or 2019/20.

4. Other operating revenue

| | 2020/21 | 2019/20 |
|--|----------------------|---------------|
| | £000 | £000 |
| Education and training | 9,630 | 8,759 |
| Research and development | 3,720 | 3,411 |
| Non-patient care services | 1,568 | 3,839 |
| Provider Sustainability fund (PSF) | 0 | 2,110 |
| Reimbursement and Top Up funding* | 10,717 | 0 |
| Contributions to expenditure - consumables donated** | 2,386 | 0 |
| Staff Recharges | 2,425 | 3,666 |
| Catering | 254 | 502 |
| Property Recharges | 1,898 | 2,755 |
| Other | 222 | 282 |
| | <u>32,820</u> | <u>25,324</u> |

*this relates to cost pressure funding covering the Co-Vid Pandemic, of which £10,039k relates to M1-6 of Top Up funding.

** 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.

5. Operating Expenses

5.1 Operating expenses by type

| | | 2020/21 | 2019/20 |
|---|------------------|----------------|----------------|
| | | £000 | £000 |
| Executive Directors' costs | Note 6.1 and 6.3 | 1,193 | 1,072 |
| Staff costs | Note 6.1 | 252,722 | 226,891 |
| Non-executive Directors' costs | Note 6.3 | 172 | 152 |
| Redundancy costs & related provisions | | 131 | 1 |
| Supplies and services - clinical (excluding drug costs) | | 22,474 | 19,235 |
| Supplies and Services - clinical (utilisation of donated consumables) | | 2,386 | 0 |
| Drug costs | | 5,199 | 5,704 |
| Supplies and services - general | | 5,112 | 3,705 |
| Establishment | | 6,228 | 4,519 |
| Transport | | 2,083 | 3,311 |
| Patient travel | | 1,974 | 1,250 |
| Premises | | 7,565 | 6,891 |
| Rentals under operating leases | | 3,873 | 3,373 |
| Charges to operating expenditure relating to the PFI scheme | | 1,281 | 1,218 |
| Information technology | | 7,490 | 5,895 |
| (Decrease) / increase in provision for impaired receivables | | 343 | (879) |
| Depreciation and amortisation | | 5,336 | 4,806 |
| Auditor's remuneration - statutory audit | | 114 | 85 |
| Internal audit and counter fraud fees | | 90 | 109 |
| Clinical negligence | | 1,419 | 1,207 |
| Net Impairments | Note 5.2 | 0 | 8,349 |
| Legal fees | | 1,297 | 446 |
| Consultancy services | | 339 | 218 |
| Training, conferences and courses | | 2,759 | 2,986 |
| Hospitality | | 5 | 23 |
| Insurance | | 103 | 87 |
| Total | | 331,688 | 300,654 |

5.1.1 Auditor Remuneration

The external auditors for 2020/21 and 2019/20 are KPMG LLP (all figures stated in the table below are exclusive of VAT).

| | 2020/21 | 2019/20 |
|--|----------------|-----------|
| | £000 | £000 |
| Auditor's remuneration - statutory audit | <u>95</u> | <u>71</u> |
| | <u>95</u> | <u>71</u> |

The contract signed on 13 January 2021, states that the liability of KPMG, its members, partners and staff (whether in contract, negligence or otherwise) shall in no circumstances exceed £1,000k, aside from where the liability cannot be limited by law. This is in aggregate in respect of all services.

Internal audit fees relate to internal audit and counter fraud services carried out on behalf of the Foundation Trust Board by RSM Risk Assurance Services LLP.

5.2 Impairment of Assets

| | 2020/21 | 2019/20 |
|---|----------------|---------------|
| | £000 | £000 |
| Net impairments charged to operating surplus / deficit resulting from: | | |
| Changes in market price | <u>0</u> | <u>8,349</u> |
| Total net impairments charged to operating surplus / deficit | <u>0</u> | <u>8,349</u> |
| Impairments charged to the revaluation reserve | <u>0</u> | <u>2,442</u> |
| Total net impairments | <u>0</u> | <u>10,791</u> |

5.3 Operating Leases

5.3.1 Payments recognised as an expense

| | 2020/21 | 2019/20 |
|------------------------|----------------|--------------|
| | £000 | £000 |
| Minimum lease payments | <u>3,873</u> | <u>3,373</u> |
| | <u>3,873</u> | <u>3,373</u> |

5.3.2 Total future minimum lease payments

| | 2020/21 | 2019/20 |
|-----------------------|----------------|---------|
| | £000 | £000 |
| On Building Leases: | | |
| Within 1 year | 3,616 | 3,149 |
| Between 1 and 5 years | 13,265 | 11,814 |
| After 5 years | 18,171 | 17,657 |
| | 35,052 | 32,620 |
| On Other Leases: | | |
| Within 1 year | 17 | 119 |
| Between 1 and 5 years | 11 | 16 |
| After 5 years | 0 | 0 |
| | 28 | 135 |
| On All Leases: | | |
| Within 1 year | 3,633 | 3,268 |
| Between 1 and 5 years | 13,276 | 11,830 |
| After 5 years | 18,171 | 17,657 |
| | 35,080 | 32,755 |

6. Staff costs

6.1 Staff costs

| | 2020/21 | 2019/20 |
|--|----------------|---------|
| | £000 | £000 |
| Salaries and wages | 186,665 | 169,730 |
| Social Security Costs | 19,993 | 18,035 |
| Employer contributions to NHS Pension Scheme | 22,481 | 20,624 |
| Agency staff | 14,433 | 10,158 |
| Apprenticeship Levy | 897 | 814 |
| Additional Pension cost paid by NHSE | 9,813 | 9,015 |
| | 254,282 | 228,376 |
| Of which | | |
| Costs capitalised as part of assets | 367 | 413 |

Staff costs are compliant with NHS Agenda for Change and other review bodies national guidance. During the year staff costs have increased across the Trust due to the national agenda for change and medical pay awards, increases to employer's pension and National Insurance contributions, increase of agency staff usage and recruitment to vacant and new posts.

6.2 Retirements due to ill health

During the year there was 2 (2019/20: 1) early retirement from the Foundation Trust on the grounds of ill health, at a value of £67,336 (2019/20: £13,763). These costs are met by the NHS Business Services Authority - Pensions Division.

6.3 Remuneration of Directors

| | Total | Benefits in Kind | Employer's Pension Contributions | Employer's NI | Remuneration |
|-------------------------|--------------|-----------------------------|---|--------------------------|---------------------|
| | £000 | £000 | £000 | £000 | £000 |
| 2020/21 | | | | | |
| Executive Directors | 1,193 | 1 | 125 | 122 | 945 |
| Non Executive Directors | 172 | 0 | 2 | 14 | 156 |

| | Total | Benefits in Kind | Employer's Pension Contributions | Employer's NI | Remuneration |
|-------------------------|--------------|-----------------------------|---|--------------------------|---------------------|
| | £000 | £000 | £000 | £000 | £000 |
| 2019/20 | | | | | |
| Executive Directors | 1,072 | 1 | 120 | 109 | 842 |
| Non Executive Directors | 152 | 0 | 2 | 11 | 139 |

The highest paid director during the year ended 31 March 2021 was the Chief Executive (£185k) with employer pension contributions of £25k; for the year ended 31 March 2020 it was the Chief Medical Officer (£164k), with employer pension contributions of £23k.

6.4 Pensions costs

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

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

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2021, is based on valuation data as 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.

7. Finance Costs

7.1 Finance Income

| | 2020/21 | 2019/20 |
|------------------------------------|------------------|------------|
| | £000 | £000 |
| Interest from bank accounts | 3 | 119 |
| Interest from investments with NLF | 31 | 207 |
| | <u>34</u> | <u>326</u> |

The Trust receives interest from cash held within the current account used on a day to day basis, but also from utilising the National Loans Fund deposit scheme.

The National Loan Fund facility was closed to new deposits following the Bank of England base rate cut in March 2020. During the year the remaining two deposits totalling £10m were returned. The interest received from these investments was £31,019 for the year. Interest received from the current account amounted to £3,213 for the year from an average daily interest rate of 0.05%.

In 2019/20, there was £25m held in the deposit scheme on average per month. The interest received from these investments was £206,811 for the year, with the average interest rate return being 0.69%. Interest received from the current account amounted to £119,526 for the year from an average daily interest rate of 0.39%.

7.2 Finance Expense

| | | 2020/21 | 2019/20 |
|---|---------|---------------------|--------------|
| | | £000 | £000 |
| Interest on obligations under PFI contracts | Note 16 | 2,288 | 2,361 |
| Unwinding of discount on provisions | Note 12 | 7 | 3 |
| | | <u>2,295</u> | <u>2,364</u> |

8. Intangible Assets

8.1 Intangible Assets at the statement of financial position date comprise the following elements:

| | 2020/21 | 2019/20 |
|---|----------------------|--------------|
| | £000 | £000 |
| Cost at 1 April | 7,444 | 5,348 |
| Additions | 3,113 | 2,096 |
| Cost at 31 March | <u>10,557</u> | <u>7,444</u> |
| Accumulated amortisation at 1 April | 2,955 | 2,202 |
| Charged during the year | 913 | 753 |
| Accumulated amortisation at 31 March | <u>3,868</u> | <u>2,955</u> |
| Net book value | | |
| - Purchased at 31 March | 6,689 | 4,489 |
| Total at 31 March | <u>6,689</u> | <u>4,489</u> |

8.2 Summary of intangible asset economic lives

| | |
|----------------------|----|
| Minimum life (years) | 3 |
| Maximum life (years) | 10 |

9. Property, plant and equipment

9.1 Property, plant and equipment at the Statement of Financial Position date comprise the following elements:

| | Land | Buildings excluding dwellings | Assets under construction | Plant and machinery | Transport equipment | Information technology | Furniture and fittings | Total |
|--|---------------|-------------------------------------|------------------------------|------------------------|------------------------|---------------------------|---------------------------|----------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Cost or valuation at 1 April 2020 | 14,681 | 143,827 | 4,840 | 1,652 | 68 | 3,591 | 3,331 | 171,990 |
| Additions purchased | 0 | 3,862 | 484 | 1,174 | 0 | 2,157 | 1,389 | 9,066 |
| Impairments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Revaluation gains | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Reclassifications | 0 | 3,163 | (3,163) | 0 | 0 | 0 | 0 | 0 |
| Transfers to / from assets held for sale | (525) | 0 | (1,519) | 0 | 0 | 0 | 0 | (2,044) |
| Disposals | 0 | (59) | 0 | (112) | 0 | (166) | (273) | (610) |
| Cost or Valuation at 31 March 2021 | 14,156 | 150,793 | 642 | 2,714 | 68 | 5,582 | 4,447 | 178,402 |
| Accumulated Depreciation at 1 April 2020 | 0 | 7,194 | 0 | 854 | 61 | 2,164 | 1,629 | 11,902 |
| Charged during the year | 0 | 3,036 | 0 | 244 | 7 | 514 | 622 | 4,423 |
| Impairments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Revaluation gains | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Transfers to / from assets held for sale | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Disposals | 0 | (59) | 0 | (112) | 0 | (166) | (273) | (610) |
| Accumulated Depreciation at 31 March 2021 | 0 | 10,171 | 0 | 986 | 68 | 2,512 | 1,978 | 15,715 |
| Net book value | | | | | | | | |
| - Purchased at 31 March 2021 | 13,889 | 122,185 | 642 | 1,728 | 0 | 3,070 | 2,469 | 143,983 |
| - Leased at 31 March 2021 | 0 | 17,444 | 0 | 0 | 0 | 0 | 0 | 17,444 |
| - Donated at 31 March 2021 | 267 | 993 | 0 | 0 | 0 | 0 | 0 | 1,260 |
| - Total at 31 March 2021 | 14,156 | 140,622 | 642 | 1,728 | 0 | 3,070 | 2,469 | 162,687 |

9.2 Property, plant and equipment at the Statement of Financial Position date comprise the following elements:

| | Land | Buildings excluding dwellings | Assets under construction | Plant and machinery | Transport equipment | Information technology | Furniture and fittings | Total |
|--|---------------|-------------------------------------|------------------------------|------------------------|------------------------|---------------------------|---------------------------|----------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Cost or valuation at 1 April 2019 | 22,760 | 146,514 | 1,269 | 1,524 | 112 | 3,191 | 3,193 | 178,563 |
| Additions purchased | 0 | 4,088 | 3,571 | 128 | 0 | 403 | 794 | 8,984 |
| Impairments | (8,462) | (8,302) | 0 | 0 | 0 | 0 | 0 | (16,764) |
| Revaluation gains | 383 | 1,527 | 0 | 0 | 0 | 0 | 0 | 1,910 |
| Transfers to / from assets held for sale | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Disposals | 0 | 0 | 0 | 0 | (44) | (3) | (656) | (703) |
| Cost or Valuation at 31 March 2020 | 14,681 | 143,827 | 4,840 | 1,652 | 68 | 3,591 | 3,331 | 171,990 |
| Accumulated Depreciation at 1 April 2019 | 0 | 8,387 | 0 | 661 | 85 | 1,753 | 1,726 | 12,612 |
| Charged during the year | 0 | 2,870 | 0 | 193 | 17 | 414 | 559 | 4,053 |
| Impairments | 0 | (2,752) | 0 | 0 | 0 | 0 | 0 | (2,752) |
| Revaluation gains | 0 | (1,311) | 0 | 0 | 0 | 0 | 0 | (1,311) |
| Transfers to / from assets held for sale | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Disposals | 0 | 0 | 0 | 0 | (41) | (3) | (656) | (700) |
| Accumulated Depreciation at 31 March 2020 | 0 | 7,194 | 0 | 854 | 61 | 2,164 | 1,629 | 11,902 |
| Net book value | | | | | | | | |
| - Purchased at 31 March 2020 | 14,414 | 117,920 | 4,840 | 798 | 7 | 1,427 | 1,702 | 141,108 |
| - Leased at 31 March 2020 | 0 | 17,686 | 0 | 0 | 0 | 0 | 0 | 17,686 |
| - Donated at 31 March 2020 | 267 | 1,027 | 0 | 0 | 0 | 0 | 0 | 1,294 |
| - Total at 31 March 2020 | 14,681 | 136,633 | 4,840 | 798 | 7 | 1,427 | 1,702 | 160,088 |

9.3 Revaluations and Impairments

The Foundation Trust's assets are held at fair value, and this year the Trust carried out an impairment review of the relevant indices to assess whether there was any indication of impairment. The review of the various indices did not demonstrate any significant movements and therefore the Trust was satisfied that the Trust assets were held at fair value based on prior valuations, less depreciation.

In 2019/20 a full valuation was undertaken by Cushman and Wakefield to determine the fair value of the Trust's estate. The total decrease in value was £10,791k, of which there was an impairment of £17,140k and a gain of £6,349k. The net impairment of £8,349k recognised in operating expenditure relates to an impairment loss of £11,477k and a reversal of prior revaluation losses of £3,128k. The remaining impairment of £5,663k, made up of reversals of revaluations gains is recognised through the revaluation reserve with the reversal of prior revaluation losses of £3,221k.

9.4 Gross carrying amounts of assets fully written down

The gross carrying amount of assets fully written down at 31 March 2021 is £3,124k (31 March 2020: £3,455k).

9.5 Assets held for sale

There are two properties in the process of being sold as at 31 March 2021 (31 March 2020: 1) with an asset value of £2,233k (31 March 2020: £189k). These properties form part of the Foundation Trust's site rationalisation programme.

| | 2020/21 | 2019/20 |
|---|---------------------|------------|
| | £000 | £000 |
| Net book value of assets held for sale | 189 | 882 |
| Assets classified as available for sale in the year | 2,044 | 0 |
| Assets sold in the year | 0 | (693) |
| Net book value of assets held for sale at 31 March | <u>2,233</u> | <u>189</u> |

9.6 Summary of property, plant and equipment economic lives

| | Buildings excluding dwellings | Dwellings | | | |
|----------------------|--|--------------------------------|-----------------------------------|-----------------------------------|--|
| Minimum life (years) | 5 | 0 | | | |
| Maximum life (years) | 125 | 0 | | | |
| | Plant and machinery | Transport equipment | Information technology | Furniture and fittings | |
| Minimum life (years) | 5 | 5 | 5 | 5 | |
| Maximum life (years) | 10 | 10 | 10 | 10 | |

9.7 Profits and losses on disposal of property, plant and equipment

During the year the Foundation Trust did not dispose of any property. The disposals noted in table 9.1 relate to the write off of fully depreciated assets rather than assets which were sold on the open market.

In 2019/20, the Trust disposed of one property relating to the provision of Commissioner Requested Services. The net book value of this was £693k, and the sale proceeds were £715k. The Trust also received £80k additional overage relating to the sale of Graylingwell land in March 2014, and £6k following the write off of a vehicle. The net profit on sale for 2019/20 amounted to £91k.

10. Trade and other receivables

10.1 Trade and other receivables (current)

| | 31 March 2021 | 31 March 2020 |
|--|----------------------|---------------|
| | £000 | £000 |
| NHS trade receivables | 3,754 | 8,259 |
| Non NHS trade receivables | 3,432 | 3,651 |
| Provision for impaired receivables | (559) | (278) |
| Prepayments | 1,653 | 1,310 |
| Accrued income | 810 | 3,959 |
| PDC receivable | 780 | 328 |
| VAT receivable | 750 | 527 |
| Other receivables | 157 | 154 |
| Total trade and other receivables (current) | <u>10,777</u> | <u>17,910</u> |

10.2 Trade and other receivables (non-current)

| | 31 March 2021 | 31 March 2020 |
|--|----------------------|---------------|
| | £000 | £000 |
| Prepayments | 616 | 257 |
| PFI prepayments | 2,189 | 2,082 |
| NHS receivables | 27 | 0 |
| Total trade and other receivables (non-current) | <u>2,832</u> | <u>2,339</u> |

10.3 Provision for impairment of NHS receivables

| | 31 March 2021 | 31 March 2020 |
|--|----------------------|---------------|
| | £000 | £000 |
| At 1 April | 152 | 1,073 |
| Provision for receivables impairment | 46 | 0 |
| Receivables written off during the year as uncollectable | 0 | (134) |
| Unused amounts reversed | (150) | (787) |
| At 31 March | <u>48</u> | <u>152</u> |

10.4 Provision for impairment of Non-NHS receivables

| | 31 March 2021 | 31 March 2020 |
|--|----------------------|---------------|
| | £000 | £000 |
| At 1 April | 126 | 226 |
| Provision for receivables impairment | 501 | 12 |
| Receivables written off during the year as uncollectable | (62) | (8) |
| Unused amounts reversed | (54) | (104) |
| At 31 March | <u>511</u> | <u>126</u> |

11. Liabilities

11.1 Current Liabilities

| | | 31 March 2021 | 31 March 2020 |
|---------------------------------------|---------|---------------|---------------|
| | | £000 | £000 |
| Trade and other payables | | | |
| NHS and DHSC payables | | 3,643 | 2,391 |
| Amounts due to other related parties | | 3,203 | 2,923 |
| Other trade payables | | 10,526 | 4,520 |
| Trade payables - capital | | 3,537 | 1,755 |
| Other payables* | | 5,389 | 4,986 |
| Accruals | | 22,215 | 13,319 |
| Total trade and other payables | | 48,513 | 29,894 |
| Other | | | |
| Obligations under PFI | Note 16 | 927 | 761 |
| Provisions | Note 12 | 406 | 414 |
| Deferred Income | | 22,066 | 16,887 |
| Total Current Liabilities | | 71,912 | 47,956 |

*Other payables include tax and social security payments £4,891k (31 March 2020: £4,566k).

11.2 Non-Current Liabilities

| | | 31 March 2021 | 31 March 2020 |
|--------------------------------------|---------|---------------|---------------|
| | | £000 | £000 |
| Non Current Liabilities | | | |
| Obligations under PFI | Note 16 | 17,539 | 18,466 |
| Provisions | Note 12 | 2,415 | 623 |
| Deferred Income | | 489 | 430 |
| Total non current liabilities | | 20,443 | 19,519 |

11.3 Borrowings

| | 31 March 2021 £000 | 31 March 2020 £000 |
|-------------------------------------|-----------------------|-----------------------|
| Current | | |
| Obligations under PFI Scheme | 927 | 761 |
| Total current borrowings | <u>927</u> | <u>761</u> |
| Non-current | | |
| Obligations under PFI Scheme | 17,539 | 18,466 |
| Total non-current borrowings | <u>17,539</u> | <u>18,466</u> |

The borrowings in the above table relate to the PFI schemes the Foundation Trust has entered into (see note 16).

12. Provisions

| | Injury Benefits £000 | Legal Claims £000 | Redundancy £000 | Other £000 | Total £000 |
|----------------------------------|-------------------------|----------------------|--------------------|---------------|---------------|
| At 1 April 2020 | 750 | 164 | 23 | 100 | 1,037 |
| Change in the discount rate | 28 | 0 | 0 | 0 | 28 |
| Arising during the year | 1,864 | 82 | 86 | 27 | 2,059 |
| Utilised during the year | (130) | (10) | 0 | (100) | (240) |
| Reversed unused | 0 | (67) | (3) | 0 | (70) |
| Unwinding of discount | 7 | 0 | 0 | 0 | 7 |
| Total as at 31 March 2021 | <u>2,519</u> | <u>169</u> | <u>106</u> | <u>27</u> | <u>2,821</u> |
| At 1 April 2019 | 767 | 120 | 103 | 250 | 1,240 |
| Change in the discount rate | 29 | 0 | 0 | 0 | 29 |
| Arising during the year | 306 | 72 | 25 | 100 | 503 |
| Utilised during the year | (355) | (5) | (50) | (250) | (660) |
| Reversed unused | 0 | (23) | (55) | 0 | (78) |
| Unwinding of discount | 3 | 0 | 0 | 0 | 3 |
| Total as at 31 March 2020 | <u>750</u> | <u>164</u> | <u>23</u> | <u>100</u> | <u>1,037</u> |

Expected timing of cash flows:

| | | | | | |
|----------------------------|------|-----|-----|-----|-------|
| At 31 March 2021 | | | | | |
| Within one year | 131 | 169 | 106 | 0 | 406 |
| Between one and five years | 522 | 0 | 0 | 27 | 549 |
| After five years | 1866 | 0 | 0 | 0 | 1,866 |
| At 31 March 2020 | | | | | |
| Within one year | 127 | 164 | 23 | 100 | 414 |
| Between one and five years | 510 | 0 | 0 | 0 | 510 |
| After five years | 113 | 0 | 0 | 0 | 113 |

Injury Benefit - This provision comprises injury benefit awards against the Foundation Trust. The estimated benefits have similar uncertainties to those for pension provisions. The timing of cash flows is uncertain and assumptions have been made based on the basis of best estimate of the expenditure required to settle the obligation.

Legal Claims – This includes employer liability claims and public liability claims.

At 31 March 2021, £2,020k (31 March 2020: £1,316k) is included in the provisions of the NHS Litigation Authority in respect of clinical negligence liabilities of the Foundation Trust.

Redundancy – This includes employment tribunal claims as well as redundancy costs. The assumptions that have been made are based on the best estimate of the timing and expenditure required to settle the obligation.

Other – This comprises the 19/20 clinicians pension reimbursement.

13. Cash and cash equivalents and statement of cash flows

| | 2020/21 | 2019/20 |
|--|----------------------|---------------|
| | £000 | £000 |
| Balance at 1 April | 39,293 | 19,316 |
| Net change in year | 36,802 | 19,977 |
| Balance at 31 March | <u>76,095</u> | <u>39,293</u> |
| Made up of: | | |
| Cash with the Government Banking Service | 75,979 | 39,193 |
| Commercial banks and cash in hand | 116 | 100 |
| Cash and cash equivalents as in statement of financial position and statement of cash flows | <u>76,095</u> | <u>39,293</u> |

The Foundation Trust had a £nil balance on deposit with the National Loans Fund at the 31 March 2021 (31 March 2020: £10,000k). The National Loans Fund closed to new deposits following the Bank of England base rate cut in March 2020.

14. Capital Commitments

Contracted capital commitments at 31 March not otherwise included in these accounts:

| | 2020/21 | 2019/20 |
|-------------------------------|-------------------|------------|
| | £000 | £000 |
| Property, plant and equipment | <u>758</u> | <u>793</u> |

The commitment relates to the East Sussex redevelopment programme, the ongoing upgrades to S136 and Places of Safety, the upgrade of St Francis Building (PRH) and the finalisation of the Critical Risk back log works. The prior year included refurbishment works of our inpatient services in Brighton, Worthing, Crawley and Horsham, S136 and Places of Safety upgrades and Fire Door and LED lighting programmes.

15. Related Party Transactions

Sussex Partnership NHS Foundation Trust is a body corporate established by order of the Secretary of State for Health.

During the year none of the Board Members or members of the key management staff or parties related to them have undertaken any material transactions with Sussex Partnership NHS Foundation Trust.

The Department of Health and Social Care and other government bodies are regarded as a related party. During the year Sussex Partnership NHS Foundation Trust has had a significant number of material transactions with the Department of Health, and with other entities for which the Department is regarded as the parent Department. The balances listed below represent those related parties with total transaction values above £250k with the Foundation Trust.

| 2020/21 | Income £000s | Expenditure £000s | Receivables £000s | Payables £000s |
|---|-----------------|----------------------|----------------------|-------------------|
| Aneurin Bevan Local Health Board | 227 | 0 | 0 | 0 |
| Brighton & Hove City Council | 1,629 | 862 | 478 | 548 |
| Brighton and Sussex University Hospitals NHS Trust | 685 | 715 | 216 | 271 |
| Camden and Islington NHS Foundation Trust | 807 | 42 | 2 | 25 |
| Community Health Partnerships | 0 | 439 | 0 | 115 |
| Department for Work and Pensions | 42 | 0 | 42 | 0 |
| Department of Health and Social Care | 2,576 | 0 | 12 | 0 |
| East Sussex County Council | 3,264 | 621 | 458 | 268 |
| East Sussex Healthcare NHS Trust | 384 | 1,731 | 160 | 92 |
| Hampshire County Council | 265 | 0 | 20 | 0 |
| Health Education England | 7,507 | 5 | 2,304 | 0 |
| HM Revenue & Customs - Employer costs | 0 | 20,891 | 0 | 4,891 |
| HM Revenue & Customs - VAT | 0 | 0 | 750 | 0 |
| Kent and Medway NHS and Social Care Partnership NHS Trust | 201 | 888 | 0 | 10 |
| National Loans Fund | 0 | 0 | 0 | 0 |
| NHS Brighton and Hove CCG | 52,083 | 0 | 106 | 1,604 |
| NHS East Sussex CCG | 81,670 | 235 | 286 | 7,209 |
| NHS England | 48,606 | 104 | 374 | 0 |
| NHS Fareham and Gosport CCG | 2,211 | 0 | 0 | 0 |
| NHS North East Hampshire and Farnham CCG | 2,244 | 0 | 0 | 0 |
| NHS North Hampshire CCG | 2,568 | 0 | 0 | 0 |
| NHS Pension Scheme | 0 | 32,294 | 0 | 3,202 |
| NHS Property Services | 866 | 676 | 178 | 0 |
| NHS Resolution (formerly NHS Litigation Authority) | 0 | 1,419 | 0 | 0 |
| NHS South Eastern Hampshire CCG | 2,770 | 0 | 0 | 0 |
| NHS Surrey Heartlands CCG | 254 | 110 | 46 | 0 |
| NHS West Hampshire CCG | 6,323 | 0 | 0 | 0 |
| NHS West Sussex CCG | 90,240 | 0 | 141 | 57 |
| Royal Surrey County Hospital NHS Foundation Trust | 1,170 | 0 | 0 | 0 |
| Southern Health NHS Foundation Trust | 19 | 223 | 11 | 22 |
| Surrey and Borders Partnership NHS Foundation Trust | 1,248 | 1,021 | 228 | 134 |
| Surrey And Sussex Healthcare NHS Trust | 0 | 260 | 0 | 51 |
| Surrey County Council | 155 | 0 | 382 | 0 |
| Sussex Community NHS Foundation Trust | 960 | 653 | 10 | 164 |
| West Sussex County Council | 5,990 | 3,315 | 1,326 | 3,658 |
| Western Sussex Hospitals NHS Foundation Trust | 270 | 2,603 | 9 | 1,778 |

| 2019/20 | Income £000s | Expenditure £000s | Receivables £000s | Payables £000s |
|---|-----------------|----------------------|----------------------|-------------------|
| Aneurin Bevan Local Health Board | 259 | 0 | 723 | 0 |
| Brighton & Hove City Council | 1,581 | 556 | 395 | 85 |
| Brighton and Sussex University Hospitals NHS Trust | 696 | 890 | 149 | 118 |
| Camden and Islington NHS Foundation Trust | 609 | 142 | 158 | 44 |
| Community Health Partnerships | 0 | 377 | 0 | 46 |
| Department for Work and Pensions | 297 | 0 | 74 | 0 |
| Department of Health and Social Care | 1,619 | 0 | 12 | 0 |
| East Sussex County Council | 2,886 | 239 | 145 | 110 |
| East Sussex Healthcare NHS Trust | 0 | 1,806 | 0 | 417 |
| Hampshire County Council | 189 | 0 | 16 | 0 |
| Health Education England | 10,726 | 0 | 868 | 0 |
| HM Revenue & Customs - Employer costs | 0 | 18,849 | 0 | 4,566 |
| HM Revenue & Customs - VAT | 0 | 0 | 527 | 0 |
| Kent and Medway NHS and Social Care Partnership NHS Trust | 27 | 1,583 | 0 | 24 |
| National Loans Fund | 0 | 0 | 10,000 | 0 |
| NHS Brighton and Hove CCG | 44,918 | 618 | 651 | 65 |
| NHS East Sussex CCG | 75,593 | 143 | 701 | 143 |
| NHS England | 38,150 | 102 | 4,184 | 85 |
| NHS Fareham and Gosport CCG | 2,024 | 0 | 12 | 0 |
| NHS North East Hampshire and Farnham CCG | 2,223 | 0 | 145 | 0 |
| NHS North Hampshire CCG | 2,179 | 0 | 13 | 0 |
| NHS Pension Scheme | 0 | 29,639 | 0 | 2,923 |
| NHS Property Services | 991 | 746 | 211 | 2,316 |
| NHS Resolution (formerly NHS Litigation Authority) | 0 | 1,207 | 0 | 0 |
| NHS South Eastern Hampshire CCG | 2,546 | 0 | 15 | 0 |
| NHS Surrey Heartlands CCG | 438 | 0 | 143 | 0 |
| NHS West Hampshire CCG | 5,616 | 0 | 33 | 0 |
| NHS West Sussex CCG | 83,900 | 1,647 | 2,147 | 129 |
| Royal Surrey County Hospital NHS Foundation Trust | 896 | 0 | 0 | 0 |
| Southern Health NHS Foundation Trust | 15 | 293 | 15 | 26 |
| Surrey and Borders Partnership NHS Foundation Trust | 1,600 | 839 | 589 | 130 |
| Surrey And Sussex Healthcare NHS Trust | 0 | 247 | 0 | 14 |
| Surrey County Council | 110 | 0 | 227 | 0 |
| Sussex Community NHS Foundation Trust | 663 | 739 | 579 | 245 |
| West Sussex County Council | 4,842 | 2,084 | 110 | 608 |
| Western Sussex Hospitals NHS Foundation Trust | 460 | 3,396 | 330 | 1,005 |

During 2014/15, the Foundation Trust set up two joint venture companies in which a 50% share is held, these are called SMSKP1 Limited and SMSKP2 Limited for which there was no investment made. In 2020/21, there were expenditure transactions of £46k (2019/20: £85k) and income transactions totalling £1,319k (2019/20: £1,324k) with SMSKP2, with a balance of £nil outstanding as at 31 March 2021 (31 March 2020: £31k) and there were no transactions with SMSKP1.

The remaining 50% share is owned by Horder MSK Limited. In 2020/21, there were no expenditure or income transactions (2019/20: expenditure transactions of £42k and income transactions of £nil) with Horder MSK Limited; with a payable balance of £nil as at 31 March 2021 (31 March 2020: £16k).

HERE and Sussex Community NHS Foundation Trust both have a risk and reward interest in SMSKP1 Limited. In 2020/21, there were expenditure transactions of £111k and income transactions of £1,602k (2019/20: expenditure transactions of £nil and income transactions of £2,821k) with HERE with a receivable balance of £105k (31 March 2020: £582k) outstanding as at 31 March 2020. For Sussex Community NHS Foundation Trust please see the tables at the top of this note.

It should also be noted that the Trustees of Heads On are also members of the NHS Foundation Trust Board. Revenue payments from the Charitable Fund Trust amounted to £245k during the year (2019/20: £200k), which related to reimbursements for costs incurred by Sussex Partnership NHS Foundation Trust that related to the charity.

16. Private Finance Transactions

16.1 PFI schemes on statement of financial position

| 'on-balance sheet' service concessions | 31 March 2021 | 31 March 2020 |
|---|----------------------|---------------|
| | £000 | £000 |
| Gross PFI liabilities of which liabilities are due: | | |
| Not later than 1 year | 3,124 | 3,048 |
| Later than 1 year and not after 5 years | 13,297 | 12,972 |
| Later than 5 years | 15,652 | 19,101 |
| | 32,073 | 35,121 |
| Finance charges allocated to future periods | (13,607) | (15,894) |
| Net PFI liabilities of which liabilities are due: | 18,466 | 19,227 |
| Not later than 1 year | 927 | 761 |
| Later than 1 year and not after 5 years | 5,852 | 4,940 |
| Later than 5 years | 11,687 | 13,526 |
| | £000 | £000 |
| Estimated capital value of the PFI scheme | 17,444 | 17,686 |

The PFI scheme comprises of six individual projects and is a mixture of refurbishment of existing buildings and new buildings. All six projects became operational at varying times during the financial year 2000/01. Each scheme is contracted to run for 30 years from the date of opening, and includes the delivery of facilities management services including engineering, security, laundry, waste and other related services.

The assets have been capitalised and the service arrangement has been classified as a finance lease which is detailed above.

In 2011/12 the Foundation Trust revised the accounting model used for the PFI scheme to become compliant with the NHS IFRS Universal Model, issued by the Department of Health. The change to the model has no impact on the overall amount paid for the PFI, nor does it reflect any over or under payments to date on the scheme. The new model re-profiles the amounts apportioned between the repayment of the liability, a finance cost, charges for services and charges for lifecycle costs, whereas the old model only apportioned between the finance lease liability, facilities costs and finance cost.

The details of the projects are as follows:

Richard Hotham Unit

Refurbishment and extension of facilities on the Bognor Regis War Memorial Hospital site.

Commenced: 5 June 2000

End Date: 4 June 2030

Connolly House

New rehabilitation unit at 9 College Lane Chichester.

Commenced: 24 July 2000

End Date: 23 July 2030

Harold Kidd Unit

Refurbishment of an existing building at 9 College Lane Chichester to provide a comprehensive care unit for the elderly in Chichester.

Commenced: 30 August 2000

End Date: 29 August 2030

Chapel Street Clinic

New community health centre in Chichester.

Commenced: 30 October 2000

End Date: 29 October 2030

Pearson / Bailey Unit

Refurbishment and extension of existing facilities at Midhurst Community Hospital and a provision of a comprehensive care unit for the elderly.

Commenced: 4 December 2000

End Date: 3 December 2030

Centurion Mental Health Centre and Jupiter House

New acute unit and high dependency unit at 9 College Lane Chichester.

Commenced: 12 January 2001

End Date: 11 January 2031

Contract Payments

The Foundation Trust makes monthly contract payments for each of the six units in respect of the service element. This payment comprises an availability charge similar to rent and a charge for facilities management. The facilities management charge contains a performance related element that is dependent on the achievement of certain quality standards by the provider.

| | 31 March 2021 £000 | 31 March 2020 £000 |
|--|-----------------------------------|--------------------------|
| Total future payments committed in respect of the PFI, LIFT or other service concession arrangements | | |
| Of which liabilities are due | | |
| - not later than one year; | 4,264 | 4,155 |
| - later than one year and not later than five years; | 18,040 | 17,679 |
| - later than five years. | 22,618 | 27,071 |
| Net present value of total future commitments | <u>44,922</u> | <u>48,905</u> |

| | 31 March 2021 £000 | 31 March 2020 £000 |
|--|-----------------------------------|--------------------------|
| Unitary payment payable to service concession operator | 4,485 | 4,364 |
| Consisting of: | | |
| - Interest charge | 2,288 | 2,361 |
| - Repayment of finance lease liability | 761 | 613 |
| - Service element | 1,112 | 1,081 |
| - Capital lifecycle maintenance | 49 | 117 |
| - Revenue lifecycle maintenance | 169 | 137 |
| - Addition to lifecycle prepayment - capital | 7 | 32 |
| - Addition to lifecycle prepayment - revenue | 99 | 23 |
| Total amount paid to service concession operator | 4,485 | 4,364 |

At the end of the PFI contract the assets will be transferred to the Foundation Trust. Renewal of the contract is not covered in this agreement, and all termination options by either the contractor or the Foundation Trust are set out in the contract terms. Throughout the term of the contract lifecycle payments are made to cover a planned maintenance programme over the life of the contract. Any financial risk associated with this plan is held with the contractor and any major overhauls will be carried out under the lifecycle programme in consultation with the Foundation Trust.

17. Financial Instruments

IFRS 7, Financial Instruments (Disclosures), requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Because of the continuing service provider relationship that the Foundation Trust has with NHS England and Clinical Commissioning Groups (CCGs), the Foundation Trust was not exposed to the degree of financial risk faced by business entities. Financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IFRS 7 mainly applies. The Foundation Trust has a limit on its powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Foundation Trust in undertaking its activities.

Liquidity Risk

The Foundation Trust's net operating costs are incurred under annual service agreements with NHS England and Clinical Commissioning Groups, which are financed from resources voted annually by Parliament. The Foundation Trust is subject to limits on its borrowings imposed by way of its Prudential Borrowing Limit, which have never been utilised. The Foundation Trust currently has sufficient cash balances and is not currently exposed to any liquidity risk associated with inability to pay creditors. The Foundation Trust is not, therefore, exposed to significant liquidity risks.

Interest Rate Risk

The Foundation Trust limits the level of cash investments as well as the number of banking institutions used, and therefore no reliance is placed on interest rates for the Foundation Trust's financial planning.

Market price risk of financial assets

The Foundation Trust has no investments in overseas banks.

Foreign Currency Risk

The Foundation Trust has no foreign currency income or expenditure.

Credit Risk

The majority of the Foundation Trust's income comes from contracts with other public sector bodies therefore the Foundation Trust has low exposure to credit risk.

17.1 Financial Assets

| Financial Assets | 2020/21 | Carrying | 2019/20 | Carrying |
|--|---------------|---------------|---------------|---------------|
| | Total | value | Total | value |
| | £000 | £000 | £000 | £000 |
| Trade and other receivables excluding non financial assets | 7,622 | 7,622 | 15,745 | 15,745 |
| Deposit with national loans fund | - | - | 10,000 | 10,000 |
| Cash and cash equivalents | 76,095 | 76,095 | 39,293 | 39,293 |
| Gross financial assets at 31 March | 83,717 | 83,717 | 65,038 | 65,038 |

17.2 Financial Liabilities

| Financial Liabilities | 2020/21 | Carrying | 2019/20 | Carrying |
|--|---------------|---------------|---------------|---------------|
| | Total | value | Total | value |
| | £000 | £000 | £000 | £000 |
| Obligations under private finance initiative contracts | 18,467 | 18,467 | 19,227 | 19,227 |
| Trade and other payables excluding non financial liabilities | 43,622 | 43,622 | 25,328 | 25,328 |
| Provisions under contract | 2,688 | 2,688 | 914 | 914 |
| Gross financial liabilities at 31 March | 64,777 | 64,777 | 45,469 | 45,469 |

17.3 Maturity of Financial Liabilities

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

| | 31 March | 31 March |
|--|---------------|---------------|
| | 2021 | 2020 |
| | £000 | £000 |
| Less than one year | 47,046 | 28,667 |
| In more than one year but not more than five years | 13,819 | 13,482 |
| In more than 5 years | 17,518 | 19,214 |
| Total | 78,383 | 61,363 |

This disclosure has previously been prepared using discounted cash flows. The prior year figures have therefore been amended to reflect consistency in reporting.

18. Investments

18.1 Investment in Joint Venture

| | Total £000 | SMSKP 1 Ltd £000 | SMSKP 2 Ltd £000 |
|--|---------------|---------------------|---------------------|
| Carrying value at 1 April 2020 | 23 | 0 | 23 |
| Share of profit | 11 | 0 | 11 |
| Carrying value at 31 March 2021 | 34 | 0 | 34 |
| Carrying value at 1 April 2019 | 23 | 0 | 23 |
| Share of profit | 0 | 0 | 0 |
| Carrying value at 31 March 2020 | 23 | 0 | 23 |

For 2020/21, a profit of £24k is forecasted, with the balance relating to the final audited accounts for 2019/20.

For 2019/20 a break even position was forecasted, thus there was no share of profit or loss recorded during the year.

18.1.1 Sussex MSK Partnership East (SMSKP2 Limited)

On 3 October 2014 the Foundation Trust entered into a joint venture with Horder MSK Limited to establish SMSKP2 Limited, incorporated in the United Kingdom. The purpose of the joint venture was to develop and deliver musculoskeletal services in East Sussex.

For 2020/21 and 2019/20 the Foundation Trust has recorded a share of the profits and losses which reflects the 50% proportionate share of the joint ventures profit/ loss.

The investment of this joint venture has been reclassified within the accounts and is now shown within Other Financial Liabilities within the Statement of Financial Position to reflect the negative balance due to the prior period trading losses.

18.1.2 Sussex MSK Partnership Central (SMSKP1 Limited)

On 28 August 2014 the Foundation Trust entered into a joint venture with Horder MSK Limited to establish SMSKP1 Limited, incorporated in the United Kingdom. The purpose of the joint venture was to provide treasury management services to the Central Sussex MSK service.

No financial values were recorded in the Foundation Trust's accounts as the company did not have any financial transactions during 2019/20, and the company was dissolved on 1 October 2019.

18.2 Disclosure of aggregate amounts for assets and liabilities of joint ventures

The table below relates to the Foundation Trust's 50% (2019/20: 50%) share of the assets and liabilities of the joint ventures.

| | Total £000 | SMSKP1 Ltd unaudited £000 | SMSKP2 Ltd unaudited £000 |
|----------------------------|----------------|---------------------------------|---------------------------------|
| 2020/21 | | | |
| Current assets | 6,255 | 0 | 6,255 |
| Non current assets | 1 | 0 | 1 |
| Total assets | 6,256 | 0 | 6,256 |
| Current liabilities | (6,222) | 0 | (6,222) |
| Non current liabilities | 0 | 0 | 0 |
| Total liabilities | (6,222) | 0 | (6,222) |
| Operating income | 12,480 | 0 | 12,480 |
| Operating expenditure | (12,456) | 0 | (12,456) |
| Profit for the year | 24 | 0 | 24 |
| 2019/20 | | | |
| Current assets | 2,070 | 0 | 2,070 |
| Non current assets | 5 | 0 | 5 |
| Total assets | 2,075 | 0 | 2,075 |
| Current liabilities | (2,052) | 0 | (2,052) |
| Non current liabilities | 0 | 0 | 0 |
| Total liabilities | (2,052) | 0 | (2,052) |
| Operating income | 32,765 | 0 | 32,765 |
| Operating expenditure | (32,765) | 0 | (32,765) |
| Loss for the year | 0 | 0 | 0 |

The 2019/20 SMSKP2 Ltd resulted in an unqualified audit, and the 2020/21 results will be subject to an audit.

18.2.1 SMSKP1 Limited

The figures above reflect that there were no financial transactions during 2019/20, with the company being dissolved on 1 October 2019.

18.2.2 SMSKP2 Limited

The figures in the above note are based on the forecast out turn position of the SMSKP2 Limited for the year ending 31 March 2021.

The Foundation Trust's share of the joint venture's capital commitments as at 31 March 2021 is £nil (31 March 2020: £nil).

19. Third party assets

The Foundation Trust held £251k (31 March 2020: £274k) cash and cash equivalents at 31 March 2021 which relates to monies held by the Foundation Trust on behalf of patients. This has been excluded from the cash and cash equivalents figure reported in the accounts.

20. Losses and special payments

There were 37 cases of losses and special payments (2019/20: 43) totalling £66k (2019/20: £156k) paid during the year ending 31 March 2021. No individual case exceeded £300k (2019/20: nil). These amounts are reported on an accruals basis but exclude provisions for future losses.

| | 2020/21 | 2020/21 | 2019/20 | 2019/20 |
|---|-----------------|----------------|--------------|----------------|
| | Total number of | Total value of | Total number | Total value of |
| | cases | cases £s | of cases | cases £s |
| Losses | | | | |
| Cash losses | 3 | 0 | 6 | 0 |
| Fruitless payments and constructive losses | 0 | 0 | 0 | 0 |
| Bad debts and abandoned claims | 16 | 63 | 19 | 151 |
| Stores losses | 0 | 0 | 0 | 0 |
| Total | 19 | 63 | 25 | 151 |
| Special Payments | | | | |
| Extra-contractual payments | 0 | 0 | 0 | 0 |
| Extra-statutory and extra-regulatory payments | 0 | 0 | 0 | 0 |
| Compensation payments | 0 | 0 | 0 | 0 |
| Special severance payments | 0 | 0 | 0 | 0 |
| Ex gratia payments | 18 | 3 | 18 | 5 |
| Total | 18 | 3 | 18 | 5 |
| Grand Total | 37 | 66 | 43 | 156 |

21. Events after the reporting period

There were no events after the reporting period.

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