



Annual Report and Accounts 2021/22

Northern Lincolnshire and Goole
NHS Foundation Trust

Annual Report and Accounts 2021/22

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National Health Service Act 2006.

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Chair's Foreword

Thank you for taking the time to read our Annual Report and Accounts for 2021/22.

I have only been with the Trust for a short few months, having started in the role in February 2022. I'm the second person with the privilege of doing both this role at Northern Lincolnshire and Goole NHS Foundation Trust (NLaG) and the same role at Hull University Teaching Hospitals NHS Trust (HUTH). The ambition of having one person chairing both trusts was established a few years ago with the aim to facilitate and foster greater strategic alignment and partnership working.

Throughout this report you can read more about how the two trusts are working more closely together across a range of areas and services, something we need to build on in the coming years as we look to deliver, as two trusts, better and more accessible healthcare for the populations we serve.

As I write this Foreword in May 2022, I reflect on the past two years and what dominates that time is, of course, the COVID-19 pandemic. The emergence of coronavirus tested the trust, and the NHS more widely, like nothing else ever before. Over those 24 months the challenges changed – from learning how to tackle the disease and keep our patients and staff safe to putting in place services to help reduce the backlog of planned care the pandemic created.

Through every challenge the staff at the Trust have responded superbly and faced every issue and problem with a 'can do', positive and motivated attitude. That was not easy in the last year, as they cope with the exhaustion and stress of the first year of the pandemic. How they managed to keep going through those difficult days and challenging shifts is remarkable. I want to thank them on behalf of myself, the Trust Board and all our local communities: we are very proud of everything you have achieved.

What is equally remarkable, if not more so, is the progress the Trust has made in 2021/22 on so many other fronts alongside responding to the pandemic. Anyone who has visited the hospitals at Grimsby or Scunthorpe in the past few years will have seen the extensive building working which is taking place. This has been to improve scanning capacity in new purpose-built facilities at both sites and to create state-of-the-art spaces to house our emergency departments. The latter will open on both sites during 2022/23.

There's also been investment in many areas which are not so immediately obvious. The Trust has started, in partnership with HUTH, to transform its IT and digital infrastructure, for example, and work has also been on-going to improve vital fire alarm and oxygen systems.

In terms of our performance against national targets the year as a mixed picture. Unfortunately, our emergency departments faced significant pressure throughout the year which meant too many patients had to wait longer than four hours, with many having to wait much longer than that. I'd like to apologise to all those patients. Improving this figure is a key challenge, and a top priority, for 2022/23.

Our performance in planned care, where we look to make sure patients get their booked procedures and operations, was much better and bucked the national trend. We managed to keep planned operations going throughout the year and this meant we started to make inroads into our waiting lists and, in particular, reducing the number of patients who had been waiting the longest time. I would like to thank our surgical and diagnostic teams for this work which needs to continue in the year ahead.

Another key area for the Trust, for many years, has been stabilising the financial position. You will see in this report that in 2021/22 the Trust managed to deliver its financial plan, something it has achieved for the past three years. I am hopeful the Trust will build on this in 2022/23 and that it will not need the close oversight of regulators in a way it has in the past.

Each and every member of staff plays an important part in running our Trust. Whether they are involved in the delivery of care directly to patients or not, the Trust couldn't run without them. I would like to thank them for their unstinting professionalism in caring for our patients day in and day out. Thanks also to our team of Governors for their challenge throughout the year and our partners across the health system for their support, without which we could not have achieved many of the things we did.

I hope you will find the report interesting and informative and that it provides you with assurance that the Trust is, in many areas, really starting to gain momentum and embed improvements.

Signature:

A handwritten signature in black ink, appearing to read 'Sean Lyons', with a horizontal line underneath.

Chair: Sean Lyons
Date: 15 June 2022

The Performance Report

Chief Executive's performance statement

In my performance statement in the Annual Report for 2020/21 I made the point that the year had been the most challenging the NHS had ever faced. Whilst that is still the case the 2021/22 financial year comes a close second. The year was dominated by three competing operational priorities: continuing to respond and manage the on-going COVID-19 pandemic; doing everything we could to ensure as many patients as possible could get their planned procedures and operations; and caring for those patients needing our urgent and emergency care services. This statement, and the majority of this chapter of the Annual Report, sets out the detail how the Trust responded to these competing priorities as well as a number of other priorities we set ourselves at the start of the year. I will say straightway it wasn't easy and, in urgent and emergency care in particular, we would have liked to do much better. However, we did everything we could to make sure patients remained safe and got the care and treatments they needed as quickly as possible, despite the many challenges we faced including those related to our ageing buildings and digital infrastructure.

Once again the response of our staff to the challenges they faced was magnificent. Their care and compassion shone through everything they did and everything they achieved. To come to work day in and day out, after a year like no other, showed remarkable levels of courage, resilience, and motivation. In my regular communications to staff I tried to thank them as much as possible – they truly earned all that appreciation, and more.

I have said this before, but make no apologies for repeating it, they deserve enormous credit for what they have done – and continue to do every single day – to keep our hospitals running. And by that I mean all our staff, whatever job they do, whatever shift they work and whatever location they work at. It is humbling being their Chief Executive and a real privilege. Thank you once again to them all.

COVID-19 and the pandemic response

During the course of the year the Trust saw a high volume of COVID-19 patients, with different waves throughout the year presenting a number of challenges. The main challenge related to managing the flow of patients in our two main hospital sites (Diana Princess of Wales Hospital in Grimsby and Scunthorpe General Hospital) whilst maintaining high standards of infection prevention and control. I'm proud to report the Trust was shortlisted for a Health Service Journal / Nursing Times Patient Safety Award for its work in reducing COVID-19 transmission within our hospitals, not least with the use of Redirooms, pop-up units so individual patients can be isolated from other patients in the same area. The rate of COVID-19 transmission in our hospitals for the year was 7%, a significant reduction to the previous year and overall lower than our peers within our region. Over the course of the year I discussed these transmission rates with our local councils' Health Overview and Scrutiny Committees.

The pandemic continued to be a significant challenge for the Trust with different variants of COVID-19, such as Delta, BA1 and BA2, with these causing surges in hospital admissions and staff sickness. In total there were more than 2,000 COVID-19 swabs detected in patients who were admitted into one of our hospitals during the year and, unfortunately, 152 patients died within 28 days of a positive COVID-19 test result.

Our plans to offer operations and other procedures were affected by the influx of COVID-19 patients, staff absences related to COVID-19 and the reduced functioning of some theatres due to their age and associated maintenance issues. Despite this the Trust managed and prioritised waiting lists carefully and regularly to make sure those patients with the most urgent needs and those who had been waiting the longest could get the treatments they needed. The number of patients waiting more than 104 days for cancer treatment was steadily decreasing until November 2021 (23 patients), when another wave of COVID-19 hit and the figure remained static after that. This remains a key priority for the Trust in 2022/23. In terms of long waiters for planned procedures the Trust made good progress. At the end of March 2022 there was one patient waiting more than 104 weeks and 211 patients waiting 52 weeks or more, down from 1,187 at the end of March 2021.

The Trust maintained its Urgent and Emergency Care, known as Accident and Emergency (A&E), service for the full year although the Trust was frequently at the highest level of escalation, meaning it was struggling with the demands for A&E services and finding beds in the hospital for patients needing to be admitted. The Trust failed to meet its target to see and treat people in A&E within four hours and ended with a yearly average of 63.4%. Given the demands on the A&E service and the hospital capacity in general the Trust often struggled to get patients off ambulances in a timely manner or to admit patients quickly to wards. This means a high number of patients (1,802) having to wait longer than 12 hours in the A&E department and more than 15,500 patients who had to wait more than 30 minutes on an ambulance. I would like to apologise to every one of these patients who waited longer than they expected. We will be doing everything we can in 2022/23 to tackle the underlying causes for these waits to make sure our patients as seen as quickly as possible.

Workforce and leadership

As I have already stated the Trust could not provide the services it does without our staff. As such a key area of focus in 2021/22 was making sure we focused our effort on recruiting new staff and ensuring our current staff has the resources and support they needed to stay healthy, both physically and, crucially, mentally. Recruitment continued across all staff groups throughout the year and at an increased rate compared to previous years. Around 1,700 new staff started in the year. In terms of registered nurses' recruitment was undertaken through a variety of methods including international recruitment, newly qualified nurse recruitment, and sourcing candidates directly both locally and regionally. All of this work resulted in 235 registered nurse appointments in 2021/22. As a result of this the vacancy factor for nurses reduced from 10.84% in 2020/21 to 7.41% in 2021/22, within the Trust target of 8%.

In 2022/23 the Trust has set a priority to develop and launch a nursing apprenticeship scheme which will also help to improve the number of registered nurses employed by the Trust. Medical staff recruitment showed a similar positive trend with 34 new Consultants starting and another 10 in the pipeline, as of April 2022. A further 314 medical staff started at levels below Consultant. All these new staff resulted in a reduction in the vacancy position for medical staff to around 12%, within the Trust target of 15%.

The staff survey results, published in March 2022, made for disappointing reading overall and it was clear improving the Trust culture was a key issue for our staff. During 2021/22 the Trust was putting in place the foundations for a structured and long-term cultural change programme which will be the key workforce priority for the coming year. Progress made in 2021/22 included: commissioning targeted analysis to identify cultural concerns across the Trust; revamping network groups for Black and Minority Ethnic, disabled and LGBTQ+ staff; shaping a Just and Learning Culture framework to deal with bullying and harassment complaints and disciplinary issues; and designing and implementing a Health and Wellbeing Plan for all staff for the next two years.

Crucial to the success of the cultural change programme is to enhance the capabilities of clinical and non-clinical leaders at all levels. Work was kicked off in 2021/22 on leadership development based around a three strand Leadership Development Strategy. These strands - Foundations in Leadership (including core people leader skills), Professional Development and Values-based leadership – will form the basis of the programmes the Trust will be launching and embedding in 2022/23.

Quality and safety

When it comes to priorities the quality of our services and the safety of our patients is absolutely paramount. So at the start of 2021/22 we set ourselves a number of key objectives to ensure we made progress in these crucial areas. I'm pleased to say our Quality Improvement (QI) offer continued to grow and develop. We invested in our QI team, launched a new strategy and, most importantly, launched a number of projects across the Trust to tackle some longstanding issues. At the end of April 2022 we celebrated all the work we have been doing in relation to QI at a special conference attended by more than 100 of our staff. We'll be building on this work in 2022/23.

At the start of 2021/22 we expected the Care Quality Commission (CQC), the agency which inspects healthcare services, to have visited at some point and to have reinspected our services. This did not happen although we expect it will at some point in 2022/23. Our last inspection report was published in February 2020 and since then we have been making sure we work through all the 'must do' and 'should do' actions set out in that report. At the end of March we had made steady progress on these actions, achieving 117 of 145 of them. At that time three 'must do' actions were rated as off track, and these were related to appraisals in our surgery division and mandatory training rates in our paediatric and maternity specialties. Progress on progressing these as quickly as we would want were due to operational pressures from the effects of the pandemic, however compliance remained a focus in these areas as we headed into 2022/23.

I'm pleased to report we made good progress on the five quality priorities we set ourselves for 2021/22:

- End of Life care and related mortality indicators: The Trust sustained a statistically significant and sustained improvement with regards to the overall Summary Hospital-level Mortality Indicator (SHMI, a complex calculation of the number of deaths seen against those expected), with a score of 106.4 in March 2022, which remains in the 'as expected range'. Work continues within the organisation on the delivery of End of Life care, with continued work to embed new documentation as well as QI support in the management of pain.

The system across Northern Lincolnshire has recognised the need for greater palliative care support across the community to support people to remain in their own place of residence towards the end of life rather than coming to hospital (unless appropriate), and funding has been identified to enable recruitment to additional consultant posts.

- The deteriorating patient and sepsis: Recording of patient observations using nationally recognised tools in line with timescales was achieved against a target of 90%. Screening patients for sepsis did not achieve the desired 90% target, but this improved to 80% in January 2022, from 34% in May 2021.
- Reduction of medication errors: The target of reducing the number of medication omissions (without a valid reason) for ward areas reduced from 13.7% in April 2021 to 2% in February 2022 and so the target was achieved, as was the target for administering insulin on time. Operational pressures and staffing shortages impacted on the priority to sustain any improvements in recording patient weights in relation to paracetamol prescribing in the Trust's Integrated Acute Assessment Unit (IAAU) and this priority is being carried forward to 2022/23.
- Safety of discharge: Performance against discharge indicators was significantly affected by the pandemic and continued pressures on services. Delayed discharges occurred for many reasons, including social care constraints. A discharge improvement plan has been implemented to drive progress.
- Diabetes Mellitus management: Compliance with diabetes mandatory training remained above 85%, and performance for the diabetes audit on inpatient ward areas remained at the target of 80%. Unfortunately, recording of children's blood glucose in our A&E departments showed occasional fluctuations in compliance (although improved) but did not show sustained assurance, and so will remain a Quality priority for the coming year.

Strategic service development and improvement

Our plans to transform how we offer hospital services, being developed in collaboration with Hull University Teaching Hospitals (HUTH), continued to progress through the year. We developed strategies and plans for seven clinical specialties and these will start to be implemented in 2022/23. We plan to develop plans for three more clinical services which we have identified as needing extra support in 2022/23. The longer-term piece of work to look at how we might offer the key services of acute hospitals – urgent and emergency care, planned care and diagnostics and maternity and paediatrics – in the future continued to progress. This included wide-ranging engagement with more than 8,000 people to support the programme's design/ development. The programme is on-track to compete a Pre-Consultation Business Case (PCBC) by Spring 2022. The PCBC is a document which enables the Trust and its partners to gain formal approval to consult the public on a number of options for future services and, at the time of writing, this consultation was set to launch in Autumn 2022.

Estates, equipment and digital capital Investment

Over the past couple of years, the Trust has been managing the largest capital investment programme it has had for many years. Bidding for, winning and then designing these new building and equipment developments is no easy task at the best of times so it has been incredibly challenging to deliver during the pandemic. My thanks go to all the teams involved in this work which is really starting to take shape across our hospitals. In 2021/22 this work included:

- Diana Princess of Wales (DPOW) Hospital. Grimsby
 - A new back-to-back MRI suite was opened successfully.
 - Building a new Emergency Department (ED), Same Day Emergency Care and Acute Assessment Unit was started. The new ED is due to open in Summer 2022.
 - Oxygen works - the installation of two new plants (primary and secondary) to support the increase of oxygen across the site. This included the successful installation of a new ring main surrounding the site as part of Phase 1 works. Phase 2 work included the installation of pipework to the clinical areas.
 - A new Fire Alarm system. This work included going into all public, staff and patient live areas to install the new system.
- Scunthorpe General Hospital (SGH)
 - A new MRI unit opened in March 2022.
 - Building a new ED, Same Day Emergency Care and Acute Assessment Unit was started. The new ED is due to open in Autumn 2022.

Work has also been taking place to secure significant investment for the long-term development of a new hospital for Scunthorpe and redevelopment of DPOW. In September 2021 the Trust, in partnership with HUTH, submitted a capital Expression of Interest (EOI) for £720m (which included £350m for SGH and £120m for DPOW). At the time of writing (May 2022) the Trust has not heard the outcome of the EOI submission.

In terms of the Trust's digital infrastructure in 2021/22 we delivered the first phase of the Trust's Digital Strategy, including investment of £2.5 million Digital Aspirant capital plus £2.5 million Trust 'matched' capital. This included work on: improved access to patient information by linking various systems in different organisations together; upgrading the Trust's data warehouse to improve business intelligence and data management; upgrading versions of current inhouse systems to support paper-lite/paperless working; investing in solutions and devices to enable real time clinical data entry and single sign on; and piloting a scalable automation platform (Robotic Processing Automation – RPA) to reduce the burdens of repetitive data entry.

Finance

I'm pleased to report the Trust delivered its 2021/22 Financial Plan. Our accounts show a marginal improvement of a £0.04 million surplus against a planned balanced position. Despite the very difficult operational position of the Trust we still managed to deliver savings of £11.99 million, against a plan of £10.55 million, and the Trust also achieved its capital investment plan of £59.77 million. The Trust has faced a challenging financial situation for many years. It has been placed by its regulators (NHS England and NHS Improvement, NHSE/I) in what used to be known as Financial Special Measures, and is now called Recovery Support Programme (RSP). This decision has been made to make sure the Trust's financial plans are delivered. This means the Trust is given extra support and oversight to ensure its financial position stays on track. NHSE/I set out a number of conditions the Trust must meet before it is taken out of the RSP. At the time of writing most of these conditions relating to finances have been met and we are confident we will exit the financial element of the RSP in 2022/23.

Conclusion

Looking back at the year overall it has been dominated by the continued COVID-19 pandemic and the imperative to restore as many other services as possible back to pre-pandemic levels. This has not been easy and has led to many challenges. I am proud the Trust managed to tackle many of those challenges and delivered so many of the priorities we set ourselves at the start of the year. We could not have done that without our brilliant staff. Our challenge for 2022/23 is to continue to look after them and support them as they recover from two such difficult years. And we need to do this whilst we do everything we can to bring down waiting lists across the Humber and North Yorkshire area. As I said in the 2020/21 Annual Report that's an incredibly tough balancing act. If anyone can manage to do this, our staff can - thanks to them all once again.

Signature:



Chief Executive and Accountable Officer: Dr Peter Reading

Date: 15 June 2022

Overview

The purpose of this overview section is to set out: the purpose and activities of the Trust; the issues and risks within the year which could have affected the Trust in delivering its objectives; an explanation of the adoption of the going concern basis; and a summary of performance for 2021/22 against the national standards.

About the Trust

The Northern Lincolnshire and Goole NHS Foundation Trust (NLaG) is an acute foundation trust serving a population of around 450,000 people across North Lincolnshire, North East Lincolnshire, the East Riding of Yorkshire and West and East Lindsey. The Trust was formed on 1 April 2001 following the merger of North East Lincolnshire NHS Trust and Scunthorpe and Goole Hospitals NHS Trust, and has been a foundation trust since 1 May 2007. Being a foundation trust means NLaG has more freedom to act than other types of NHS trust, although it is still closely regulated and must comply with the same strict quality measures as non-foundation trusts. In April 2011 the Trust became a combined and community services trust for North Lincolnshire. As a result of this the name of the Trust, whilst acknowledging the geographical spread of the organisation, was changed during 2013 to reflect the fact the Trust does more than run hospitals. NLaG provides acute and community health services. It offers services in three main hospitals – Scunthorpe General Hospital, Grimsby's Diana Princess of Wales Hospital and Goole and District Hospital – as well as in a range of community settings such as health centres, clinics, Louth hospital and in people's own homes.

COVID-19

During the 2021/22 financial year the Trust's priority continued to be, as it was in the previous year, to respond to the global coronavirus pandemic and all the changes in policies, procedures, and practices it necessitated. Many of these are set out within the body of this report. For this introduction it is important to state one of the biggest changes was the number of beds the Trust had in its three hospitals. Over the course of both the 2020/21 and 2021/22 financial years the hospitals' wards and bed bases underwent extensive changes and moves as the Trust responded to different peaks and troughs in the numbers of COVID-19 positive patients requiring care in the Trust's hospitals.

Community services

The Trust provides a wide range of community services across North Lincolnshire, including district nursing, physiotherapy and psychology, podiatry, and specialist dental services. The community nursing and therapy services staff work with people of all ages and in a variety of settings from health, social care, and educational settings as well as in people's homes. The community and therapy staff recognise the importance of people being able to achieve and maintain their independence and health as far as possible.

Goole and District Hospital (GDH)

This is a purpose-built community-plus hospital which opened in 1988 integrating services from in and around the town of Goole. Medical services include general medicine, elderly, cardiology, rheumatology, gastroenterology, dermatology, a light treatment service, diabetes and endocrinology, haematology and immunology, oncology, and a minor injuries unit.

The surgical services provided include general surgery, orthopaedics, ophthalmology, Ear, Nose and Throat (ENT) and audiology, gynaecology, urology, and pain services. There is also a surgical day case unit, complete with a theatre incorporating endoscopy services.

Two further main theatres are equipped for major orthopaedic work and other types of surgery. In addition, the site has a well-equipped ophthalmic suite and theatre and an outpatient department. Women and children services provide outpatient consultant-led gynaecology clinics, colposcopy services, hysteroscopy services and a purely midwife led 'Home from Home' unit for low risk deliveries. A reduced level of consultant-led paediatric outpatient activity happens in Goole to try to provide care closer to home.

Therapy services are provided for both inpatients and outpatients with physiotherapy, occupational therapy, nutrition and dietetics and psychology services. There are two x-ray rooms together with mobile units, and an ultrasound room. The diagnostics department also provides a regular mobile MRI/CT service. The hospital also provides a neurological rehabilitation centre. The Trust is continuing to develop the hospital-based services focusing on expansion of elective care services and dedicated inpatient rehabilitation services.

Diana, Princess of Wales (DPoW) Hospital

The hospital was built on a single site in 1983 and has undergone considerable expansion since then. The hospital is the largest in the Trust and provides a full range of district general hospital services, including an emergency care centre, medicine, surgery and critical care, paediatrics, obstetrics and gynaecology, outpatients, diagnostics, and therapy services.

Medical specialties include diabetes and endocrinology, cardiology (including angiography, cardiac devices and permanent pacing facilities provided from a purpose-built cardiology day case unit), respiratory medicine, elderly care, dermatology, haematology and gastroenterology, stroke services and rheumatology. Neurology, oncology, outpatient cardiothoracic surgery and plastic surgery and renal medicine are provided by visiting consultants from Hull.

The medical floor of the hospital has a medical assessment unit supported by ambulatory care and a short stay ward for acute medical emergency patients. Surgical specialties on site include trauma and orthopaedics, anaesthetics, critical care, general surgery, breast services, urology, ophthalmology, ENT and maxillo-facial and orthodontics.

The surgical floor of the hospital has a surgical assessment unit and short stay ward dedicated to the assessment and care of acute surgical emergency patients. The theatre suite provides eight fully equipped theatres each with its own anaesthetic room, with two theatres dedicated to orthopaedic use (both with ultra-clean air facilities).

One theatre is dedicated to emergency work, staffed at all times. A separate session for acute trauma cases is reserved each day, including weekends. Women and children services provide maternity services and paediatric services in a custom-built building comprising of maternity wards, gynaecology wards, dedicated obstetric theatres, children's wards, and the child development centre.

Care throughout the maternity pathway is provided through a pregnancy assessment centre for antenatal and postnatal care. Complementary to this is the community midwifery service the Trust provides.

Emergency/acute paediatric services are provided through the dedicated paediatric assessment and observation unit co-located in the Emergency Department (ED). This is supported by a neo-natal intensive care unit and the children's ward, caring for medical and surgical patients. Four designated beds are provided for babies requiring transitional care within the maternity unit. The Trust also has a range of outpatient clinics, providing general paediatric clinics to specialist paediatric clinics. The pathway is continued through the delivery of community paediatrics, ensuring children are provided appropriate care at an appropriate setting.

All the diagnostic and service departments are based on site including endoscopy, radiology with plain film, ultrasound, CT and MRI. The hospital also hosts the Path Links laboratory for pathology and immunology. Community and therapy services provide a wide range of support for inpatients, outpatients and throughout the community covering physiotherapy, occupational therapy, speech and language therapy, nutrition and dietetics, wheelchair services, orthotics, podiatry, psychology, and community dental.

Scunthorpe General Hospital (SGH)

The hospital was first built in the 1920s and occupies a 'land-locked' site surrounded by residential properties. The site has grown over time with expanded buildings attached to original structures. It provides the full range of district general hospital services, including an emergency care centre, medicine, surgery and critical care, paediatrics, obstetrics and gynaecology, outpatients, diagnostics, and therapy services.

Medical specialties on site include emergency ambulatory care and frail elderly assessment services, diabetes and endocrinology, cardiology (with facilities for cardiac catheterisation and pacing), respiratory medicine, elderly care, dermatology, haematology and gastroenterology, stroke services including hyperacute, palliative medicine, rheumatology and neurology. Oncology, outpatient cardiothoracic surgery, plastic surgery and renal medicine are provided by visiting consultants from Hull. There is a clinical decision unit supported by ambulatory care and a short stay ward for acute medical emergency patients.

Surgical specialities on site include trauma and orthopaedics, anaesthetics, critical care, general surgery, breast services, urology, ophthalmology, ENT and maxillo-facial and orthodontics and pain services. The hospital has a number operating theatres, including two dedicated to trauma and orthopaedic use (both with ultra-clean air facilities). One theatre is dedicated to emergency work, staffed at all times. A separate session for acute trauma cases is reserved each day, including weekends.

Women and children services provide the entire maternity pathway using a more traditional service model comprising antenatal/postnatal clinics, a dedicated central delivery suite and a dedicated obstetric ward. In addition gynaecology is provided through a range of outpatient clinics and an inpatient ward facility.

Acute/emergency paediatrics is provided by specialist nurses in A&E in conjunction with doctors. The children's ward works closely with A&E assessing and receiving medical and surgical patients ensuring the pathway is seamless. An inpatient paediatrics service is provided caring for children aged 0-16 years, supported by a community service.

In addition, a neonatal intensive care unit is based close to the central delivery suite allowing easy access for mum to baby. There are also four transitional care beds managed by the neonatal team. All the diagnostic and service departments are based on site including endoscopy, radiology with plain film, ultrasound, CT and MRI. The hospital also hosts the Path Links laboratory for pathology and immunology.

Community and therapy services provide a wide range of support for inpatients, outpatients and throughout the community for adults, children and young people covering nursing, physiotherapy, occupational therapy, speech and language therapy, nutrition and dietetics, wheelchair services, orthotics, podiatry, psychology and community dental. A satellite outpatient service in rehabilitation medicine is provided from premises in the nearby town of Brigg.

The development of three Care Networks, which is being led by North Lincolnshire Clinical Commissioning Group, will result in further integration of primary, community and social care provision.

Finances

For many years the Trust has been under additional regulatory supervision regarding the management of finances. This was previously known as Financial Special Measures, although this changed to the new national Recovery Support Programme (RSP) in July 2021. The decision for trusts to be part of the RSP is based on those trusts and systems which are in segment 4 of the NHS System Oversight Framework (SOF). Trusts in the RSP are supported and held to account to deliver sustainable changes in their financial and/or quality position.

Working in partnership

The Trust delivers services by working in partnership with a wide range of partners in both health and social care. This includes (not an exhaustive list):

- National bodies:
 - NHS England and NHS Improvement
 - Care Quality Commission (CQC)
 - Health Education England
 - The Department of Health and Social Care
- Regional bodies like:
 - The Humber and North Yorkshire Health and Care Partnership (HCP), formerly called the Humber Coast and Vale Integrated Care System
 - The Acute Collaborative, an association of the four acute trusts in the Humber and North Yorkshire ICP
 - The Cancer Alliance
- Three main Clinical Commissioning Groups (CCGs)
 - North Lincolnshire CCG
 - North East Lincolnshire CCG
 - East Riding of Yorkshire CCG
 - Plus several CCGs in other areas, mainly in Lincolnshire
- Three local authorities, and their overview and scrutiny committees:
 - North Lincolnshire Council
 - North East Lincolnshire Council
 - East Riding of Yorkshire Council
- Other providers of health services:
 - Mental health providers
 - Other acute trusts, especially Hull University Hospitals Trust
 - GPs
 - Community providers
 - Voluntary sector and other third sector organisations
- Education institutions:
 - Hull York Medical School
 - Universities
 - Apprenticeship providers
- Professional bodies:
 - British Medical Association (BMA)
 - Nursing and Midwifery Council
 - Royal Colleges
- Trade unions
- Other emergency services

Strategic Framework 2019-2024

Four years ago the Trust Board spent much time discussing the Trust's purpose and strategic objectives. These conversations will continue on a regular basis as the Trust responds to what is happening nationally – such as the publication of the NHS Ten Year Plan – and locally, with changes to how services are commissioned and delivered through the development, for example, of the Primary Care Networks and the Integrated Care System (ICS) across the area served by the Trust.

In 2018/19 the Trust published its strategic framework. The framework sets out the Trust, vision values, the principles it will work to, objectives and priorities to achieve by 2024. In 2019/20 the Trust developed a Strategic Plan setting out what it is aiming to achieve under these headings in more detail. This plan is available on the Trust website. The Trust will be reviewing this strategy in 2022/23.

Vision

The Trust Board has agreed this vision: 'Committed to caring for you'

Values and behaviours

Our values and behaviours		
Kindness · Courage · Respect		
We believe kindness is shown by caring as we would care for our loved ones	We believe courage is the strength to do things differently and stand up for what's right	We believe respect is having due regard for the feelings, contribution and achievements of others
<ul style="list-style-type: none">- I will be compassionate, courteous and helpful at all times- I will be empathetic, giving my full and undivided attention- I will show I care by being calm, professional and considerate at all times	<ul style="list-style-type: none">- I will be positively involved in doing things differently to improve our services- I will challenge poor behaviour when I see it, hear it or feel it- I will speak up when I see anything which concerns me	<ul style="list-style-type: none">- I will be open and honest and do what I say- I will listen to and involve others so we can be the best we can be- I will celebrate and appreciate the successes of others

Principles

Right care, right place, right time

Patients are very clear they want, wherever possible, services which are close to them and their homes. Whilst this is not always possible – because of the lack of specialist staff, for example – it is something which the Trust is committed to achieving as much as it can. To make this happen the Trust will be looking at how technology can help to provide services in a different way.

Whole system thinking, whole system practice

This principle is all about making sure all the different organisations offering healthcare in the Northern Lincolnshire and Goole areas, as well as across the Humber and wider where appropriate, work together so patients only tell their story once and information about them can be viewed by anyone who needs to see them. It also means making sure patients, wherever they live and whatever they need, get the same service and level of care.

Patient centred care

All the evidence shows patients like to be involved and communicated with so they know what is happening to them and why. It helps them to understand their condition, what treatment they are receiving and often means they recover more quickly. Making sure this happens every time the Trust needs to involve patients and their families and carers when it is making decisions to change services or provide them in a different way.

Transformation of services where appropriate

Given the challenges the Trust faces it is clear it cannot continue to do what it has been doing. The Trust does not have the staff or infrastructure (in terms of buildings and equipment) to do that. This means the Trust needs to work with other hospitals and partners to create services which, together, do have the specialist staff to offer safe and effective services. The Trust also needs to learn from other trusts on better ways to run services to improve the outcomes for patients. If the Trust does all of this it can create three vibrant and sustainable hospitals offering high quality services to our communities.

Strategic objectives

As part of the strategic framework the Trust Board has agreed five strategic objectives:

To give great care

We want to offer high quality, safe services which are stable and are not reliant on just one or two members of staff. We want to make sure we have a culture of continuous improvement and we learn from incidents and other hospitals. We want to make sure we focus on patients and their needs. So, to provide great care we will work and make decisions where we:

- Never compromise on safety
- Give care which works and is clinically proven
- Work on what matters to patients
- Always seek to learn and seek improvements

To be a good employer

Our staff are, without question, our most important asset. We need to do everything we can to offer great jobs and career progression in an environment where everyone feels supported, appreciated, and invested in. We want our staff to feel they can raise concerns and ideas and know they will be listened to. Only by doing these things will we begin to attract and retain the numbers of staff we need to run our services. We will therefore look to:

- Develop a skilled and motivated workforce and promote staff wellbeing
- Create a safe and nurturing environment
- Listen to the concerns and ideas of staff

To live within our means

For many years the Trust has spent more money than it gets in. It is for this reason it was put into Financial Special Measures. We need to be better at financial planning and managing our scarce financial resources. Reporting a deficit every year is not something the Trust can do forever. In the next five years we need to make sure every pound we receive is spent in the right way and we make sure we live within our means. So, we will be aiming to:

- Deliver value for money and work to eliminate the deficit
- Spend every pound wisely
- Innovate and educate to save
- Secure more investment

To work more collaboratively

The Trust is not able to offer high quality services to everyone who needs them. Some patients' needs are too complex for us to treat as we don't have the specialist skills and knowledge to do that. Other patients need the support and help of mental health specialist teams which we do not have. For the local health providers to do the best for every single person in our communities we are going to have to work together. This means, for example, thinking about new ways to attract staff who might work for a number of organisations. To make sure we collaborate more the Trust will:

- Work with others to provide sustainable services
- Develop talent for the health community
- Use resources in the best way we can

To provide strong leadership

The strategy can only be successful if all the Trust's staff are committed to making it happen. That commitment comes from making sure they have the tools, knowledge and equipment they need to provide the care they strive to. It also means they have managers who show a similar commitment to make sure their teams are working effectively, and everyone knows what they need to do and how they are going to do it. Our leaders need to be role models for all that is best in the NHS and in the Trust. By doing this they will create ambitious, motivated and successful teams. As such we see strong leaders to be those who:

- Ensure professional standards
- Be ambitious and aspirational
- Role model values and behaviours
- Develop skills and knowledge
- Strengthen team working

2024 priorities

The strategic framework sets out that by 2024 the Trust will have achieved six priorities and these are:

Integrated urgent and emergency care

The Trust wants to create an urgent and emergency care service which means patients are seen by the right staff members in the best place for them and as quickly and efficiently as possible. Often this means patients are not seen or treated in the A&E department as they have been for many years) but in other, more appropriate services.

To achieve this, the Trust will, over the next five years:

- Develop and implement community-based assessment for frail patients
- Achieve the integration of Urgent Treatment Centres
- Create multidisciplinary assessment models combining surgical and medical assessment, ambulatory care and short stay services to:
 - reduce length of care
 - increase same day emergency care
 - avoid admissions
 - achieve the reconfiguration of existing infrastructure through allocated capital funding to combine the above services into appropriately located multidisciplinary assessment units
 - deploy allocated capital funding to locate the above services together.

Transformed outpatient services

The NHS Ten Year Plan sets out the national vision for outpatient services. It is ambitious and talks about reducing visits to hospitals for these appointments by about a third, using technology to achieve this.

The plan also talks about finding better ways for different healthcare services to share information about patients. To make sure the Trust can meet these ambitions it will, in the next years, work to:

- Implement Advice and Guidance across all specialities to improve referral flow and reduce demand
- Achieve virtual clinics to avoid the need to attend hospital
- Develop and implement shared care plans with other healthcare professionals
- Develop digital systems to deliver a third of outpatient attendances out of hospital

Created a sustainable hospital at Goole

The Trust wants to create three vibrant hospitals to serve its local communities, this means focusing on Goole as well as Grimsby and Scunthorpe. In 2019/20 the Trust set a priority to move more planned care to Goole District Hospital.

This was the start of a longer-term piece of work to create a sustainable hospital in the town. In the following years the Trust will:

- Increase the elective / day case planned surgery provision to its full potential
- Through wider integration, develop opportunities to create a base for a centre of excellence i.e. rehabilitation services

Worked in partnership with Primary Care Networks

Working more closely with primary care, i.e. the GPs and their surgeries, is another key element of the NHS Ten Year Plan. This makes sense to share resources – people and money – and to share getting the best out of them through shared training, recruitment, and retention approaches. In the next five years the local health system will change through the development of Primary Care Networks.

Each network consists of groups of general practices working together with a range of local providers, including across primary care, community services, social care and the voluntary sector, to offer more personalised, coordinated health and social care to their local populations.

The Trust will work with these networks to:

- Explore opportunities to join resources with primary care
- Strengthen clinical recruitment and training across the healthcare system
- Work to share skills and knowledge across the primary care system

Reconfigured specialties on to one site where appropriate

Through the Humber Acute Services Review the Trust will ensure all services are reviewed and assessed to provide optimal care for the population in the right place and at the right time with a particular focus on:

- Development and implementation of a Cardiology Strategy
- Review of Maternity and Paediatrics to meet the required standards and ensure the Trust has the right pathways and service support in place
- Development and implementation of a Medicine Strategy
- Development and implementation of a Surgery Strategy

Restructured cancer services

Cancer services are one of the areas where the Trust needs to improve: to make sure patients get access to diagnostics quickly and, where cancer is identified, treatment can start as soon as possible. Access to cancer outpatient appointments changed in January 2020 when the Trust centralised them at Grimsby. There is more detail on this later in this chapter.

The Trust does not have access to skilled and experienced cancer specialists and needs to change what it does to make sure it provides the best possible care to every patient. It will look to do this by working with other Trusts and hospitals which do have the experienced staff as well as the facilities to provide the very latest treatments.

To ensure this happens in the next five years the Trust will:

- Review and assess tumour site services to provide best care
- Explore and develop new models of care to ensure faster diagnosis is delivered in 28 days and treatments provided to time
- Expansion of MRI and CT scanning through capital funding to implement new scanners

Significant events in 2021/22

The COVID-19 pandemic

COVID-19 has continued to have a significant impact on the way the Trust has functioned during 2021/22. The advent of the coronavirus vaccinations heralded a turning corner for the organisation, as we started to see it taking effect, with fewer patients requiring intensive care support. We also established our own vaccination Hubs in order for our staff to get their jab at a convenient time and location. We also opened them up for our social and health care professional colleagues from across our communities. One area which has continued to come under pressure is our waiting lists. Further information relating to this can be found in the Chief Executive's performance statement at the start of this chapter.

For those of our patients who have had to be admitted, they have continued to see a change to the way we structure our wards. Traditionally our hospitals have worked on a specialty basis, surgical and medical with subspecialties such as gastroenterology, diabetes, reparatory etc. Wards are now configured according to the coronavirus status of the patient – green (negative), yellow (unknown) or red (positive). We have also continued with the use of our 'redrooms' (pop-up structures) to create additional capacity in our red areas. As we came to the end of the financial year, we saw a rise in the number of patients we were caring for with the virus – with 139 patients in beds. None of these were in intensive care. (These figures include recovered patients who have had a positive test within 28 days)

	1 April 2020 to 31 March 2021	1 April 2021 to 31 March 2022
Number of COVID-19 positive patients treated and discharged	1,413	1,187
Number of COVID-19 positive patients who died	365	152
Total number of COVID-19 positive patients treated in intensive care	78	48
Total number of COVID-19 positive patients who were discharged from hospital	980	991

Timeline

- **April 2021:** We began the new financial year caring for around 20 COVID-19 patients in our hospitals and had sadly recorded 365 deaths within 28 days of a positive tests at our Trust since the start of the pandemic. The country started to move towards Step 2 of the government's roadmap back to normality. The Trust moved to ease its visiting restrictions, with one named visitor allowed for one hour each day by appointment.

- **May 2021:** There were further restrictions lifted this month allowing six people or two households to meet indoors and up to 30 can gather outdoors. For our hospitals there were no real changes, although by the middle of the month we recorded, zero COVID-19 patients.
- **June 2021:** Due to the low current level of COVID-19 hospitalisations both locally and nationally, we stood down our heightened incident management arrangements for the summer months. This reflected the approach regionally where the NHSE/I Joint Regional Operations Centre changed to a virtual model from the end of May. The NLaG COVID-19 Incident Coordination Centre (ICC) also closed on 25 June.
- **July 2021:** We started the month with increasing positive patients, which correlated with infection rates rising in our local communities. Due to the increasing number of positive patients needing our care, high attendances to our emergency departments and patient flow, we had to stand back up some of the Incident Control arrangements to manage the situation. This included twice-weekly COVID-19 strategic management meetings, weekly Executive Team meetings and the reintroduction of virtual incident control. At the end of the month we were caring for 28 positive patients; 20 at Grimsby (with seven in ICU/HDU) and eight at Scunthorpe (with two in ICU).
- **August 2021:** There was a big change this month with changes around self-isolating. It meant fully-vaccinated staff identified as a contact of a positive COVID-19 case were no longer expected to isolate, and will be expected to return to work as long as they are asymptomatic and follow the strict guidance. However, if it was a household contact, then staff were still unable to return to work. We also saw an increase in the number of positive patients we were caring for. By the end of the month we were caring for 51 COVID-19 positive inpatients; 22 at Grimsby (with five in ICU) and 29 at Scunthorpe (with four in ICU). We had to make the difficult decision to temporarily cease visiting at Grimsby hospital due to seeing a sudden increase in cases on the acute site.
- **October 2021:** The national death statistics sadly showed we had hit a major milestone of 500 deaths for our Trust, with 501 reported in total this month.
- **December 2021:** We started the month with 42 positive patients; 20 at Grimsby (with two in ICU) and 22 at Scunthorpe (with none in ICU). We had to suspend our visiting again this month, to all but exceptional circumstances. This was as the number of Omicron cases started to increase across the UK. As such, we encouraged those staff who could work from home, to do so to try and reduce footfall on our sites once again. As the new variant took hold, we moved back to a Level 4 National Incident in recognition of the impact on the NHS in both supporting the recently announced increased vaccination programme and preparing for a potential significant increase in COVID-19 cases. Working with our health care partners we supported the opening a Hospital Hub + Vaccination Hub in Scunthorpe town centre with support from North Lincolnshire Council and North Lincolnshire Clinical Commissioning Group (CCG).

- **January 2022:** We saw our number of COVID-19 patients rise during the start of the year, indeed by 11 January we were caring for 89 patients; 43 at Grimsby (with one in ICU) and 46 at Scunthorpe (with two in ICU).
- **February 2022:** The Government unveiled its plan for living with COVID-19. For the Trust it was business as usual with the same infection prevention and control measures in place to keep our staff and patients safe.
- **March 2022:** We finished the year with 137 COVID-19 patients in our hospitals – 49 at Grimsby, 82 at Scunthorpe and six at Goole. None were being cared for in intensive care.

Humber Acute Services programme

Process update

Working in partnership with other NHS organisations across the Humber, particularly HUTH, the Trust has made some significant progress through the Humber Acute Services Programme during 2021/22. This is a programme of work to look at how health services currently provided in hospitals can be provided differently in the future – both in, and out of, hospital buildings. It is comprised of three programmes of work.

Programme 1 – Interim Clinical Plan

Over the course of the year, the focus has been to put in place some important building blocks to establish joint services across the Humber. These building blocks include establishing joint clinical leadership working across both acute hospital trusts and the development of clinical strategies for each specialty – that helps to address the health inequalities that exist within our communities, across a large and diverse geographical area.

Significant progress has been made despite the additional and ongoing pressures throughout the year caused by and responding to the COVID-19 pandemic. Some of the 2021/22 highlights include:

- Joint clinical leadership in place across most specialties, with significant progress in others
- Launch of the Humber Neurology service in October 2021 – the first Humber-wide specialty operating jointly across both trusts that will provide improved equity of access to services across the Humber. This includes improved triaging of Neurology referrals that allows patients to be immediately directed to the right sub-specialist clinics through a 'straight to test' pathway, minimising the overall number of appointments needed, and reducing overall waiting times

- Using the learning from the successful application of the Connected Health Network model to cardiology patients and exploring the potential for implementing similar approaches across other specialties
- Working with the Elective Recovery Programme to help people look after themselves and stay well – through the waiting well initiative that focused on cardiology patients who had experienced delays in accessing appointments, as a direct result of the COVID-19 pandemic
- Transforming ophthalmic outpatient services through the development of an Eye Electronic Referral System (EeRS) that will improve patient access to services, with improved quality and tracking of referrals into hospital and clinic appointments
- Developing a digital referral pathway for dermatology patients that allows GPs to include digital images for review by specialist consultants, transforming the referrals process and optimising capacity and waiting lists by reducing inappropriate referrals and allowing more time to focus on those requiring acute interventions. Similar arrangements are also being explored for ENT referrals
- Collaborative development of a Consultant Led, Team Delivered service model for Oncology to address service pressures arising through increasing complexity of treatments, patient numbers and numbers of therapies offered to individual patients. This approach makes best use of our resources, ensuring that patients are seen at the right time, in the right place, by the right person, while optimising consultant's availability to focus on the most clinically appropriate cases.

Programme 2 – Core hospital services

Throughout the year we have undertaken extensive engagement with patients, the public, staff and other stakeholders (see more on this later in this section of the report) This has helped us gather views and perspectives from people who use hospital services and those who might be impacted by any changes to them.

Overall, people told us that being seen and treated quickly, being kept safe and well looked after and having enough staff with the right skills and experience were the most important things to them when thinking about their hospital care.

The feedback and insights gathered have helped to influence the thinking around possible scenarios for the future, as our clinical teams have continued to develop and refine the different potential scenarios based on all the available evidence and stakeholder feedback.

Programme 3 – Building better places

Alongside the work to design potential new ways of organising services and providing care, we have continued to develop plans for new and improved buildings to provide services from in the future. Work has also been undertaken in parallel to ensure its possible to quickly move forward on building work as soon as plans for the future shape of services have been agreed and the necessary funding is in place. An Expression of Interest has been submitted to be part of the national New Hospitals Programme.

A total of £720 million is being sought to rebuild and refurbish our hospitals on both sides of the Humber. If successful in securing the funding, the investment will be used to build a brand-new hospital in Scunthorpe, with the remainder of the funding used to create new facilities at Hull Royal Infirmary, the Diana, Princess of Wales Hospital in Grimsby and Castle Hill Hospital in Cottingham.

An announcement on the outcome of our bid is expected later in 2022.

Summary of engagement

The Humber Acute Services programme is currently (at the time of writing this report in May 2022) developing a range of potential clinical models (options) for the future delivery of core hospital services including:

- Urgent and Emergency Care
- Maternity, Neonatal Care and Paediatrics
- Planned Care and Diagnostics

Throughout 2021/22 we engaged with more than 9,000 stakeholders, including:

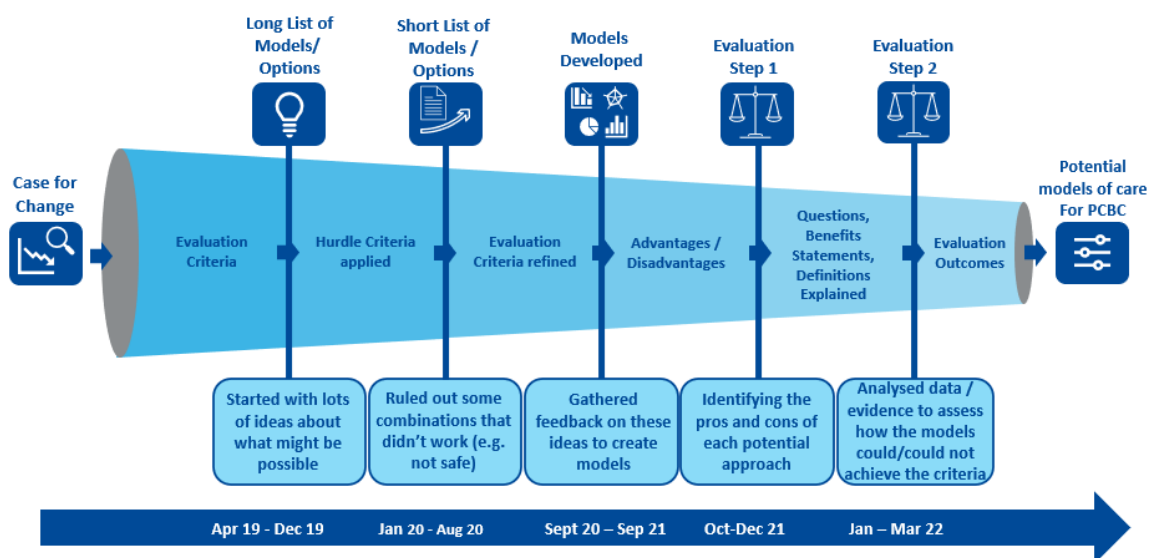
- Current and future patients, staff, the public and their representatives about what matters most to them when they need hospital care (around 4,000 people took part, February to October 2021)
- Women, birthing people, their partners and families on where and how they would like to be cared for when giving birth (around 1,150 people responded, June to July 2021)
- People who had visited Emergency Departments about their experiences and what could be done to help them access care in a different way (around 2,000 people responded, July to August 2020)
- People and communities who face additional barriers to accessing care, their representatives and others working alongside them to find out how we can address the barriers they face.
- Children, young people, their parents and carers on what matters to them when receiving hospital care (around 300 people took part, November to December 2021)

Overall, people told us that being seen and treated quickly, being kept safe and well looked after and having enough staff with the right skills and experience were the most important things to them when thinking about their hospital care.

For parents, carers and people using maternity services safety was the number one priority overall. For staff in our hospitals, addressing workforce shortages and having a better work-life balance were highlighted as key priorities.

Taking on board the feedback and insights from patients, staff, service-users and other stakeholders, our clinical teams have continued to develop and refine the different potential scenarios for how services could be organised in the future.

Different ideas have been added in and/or discounted at various stages, based on evidence and feedback from clinical teams and wider stakeholders, as summarised in this diagram:



The clinical design process has produced a range of possible scenarios, which could potentially address the issues and challenges within our hospital services.

Evaluation of these potential scenarios began during February and March 2022, involving a wide range of stakeholders, and was continuing during spring 2022. This will support the development of a Pre-Consultation Business Case, which will be published later in 2022.

For more information on the Humber Acute Services Programme can be found at <https://humberandnorthyorkshire.org.uk/our-work/humber-acute-services-review/>

Building our future – progress with capital investment

Our priority will always be providing our patients with excellent standards of care and, in order to do this, it's important that we have the right facilities, equipment and environment. With an aging estate, we do not feel that many of our existing facilities give us or our patients what we need and so we have embarked upon an ambitious programme of works to build bespoke new facilities and upgrade and refurbish other areas of our sites.

The works will allow us to reduce waiting times, diagnose patients more quickly and cut hospital stays. We will also become more energy efficient, significantly reducing our carbon footprint by removing outmoded power supplies and upgrading our infrastructure across our estate. We have already made significant progress in achieving those objectives.

Our diagnostic scanning capacity has doubled in the last 12 months, following the construction of a new £8 million MRI suite in Grimsby and the £4.6 million extension of our MRI suite at Scunthorpe. At the Grimsby site, which opened in April 2021, we increased the number of examinations carried out by 29% compared to pre-COVID-19 levels and seen a significant drop in the number of studies abandoned due to claustrophobia.

We're also embarking on a series of smaller programmes which will make a big difference to our site and patient experience. At Grimsby, we're upgrading our oxygen supply system, replacing the aging structure with a modern system that will help us to provide a consistent strong level of flow across the site; we have extended and refurbished our endoscopy suite; we're installing new digital X Ray equipment and we're creating a new Lung Function testing area.

In Scunthorpe we have refurbished a substantial part of the Coronation Block, creating modern office spaces for our teams and are currently refurbishing Ward 25 to provide 14 en-suite rooms and associated facilities. We're also upgrading our surgical facilities. Theatre E at Scunthorpe was completely refurbished last year and we have recently secured the funding to refurbish a further theatre at Scunthorpe and two at Grimsby.

However, at the heart of the programme are our exciting plans to create new multi-million pounds Emergency Departments at both Grimsby and Scunthorpe; aligned to Acute Assessment Units and Same Day Emergency Care provision which will be created in our existing buildings. Both areas have been designed in consultation with our nursing and clinical teams to ensure they have the facilities they need to provide the very best care and services, both now and in the future.

Significant progress has been made at both sites. Grimsby's Emergency Department is due to open in summer 2022, followed by Scunthorpe at the end of this year.



Work will begin on the refurbishment of the existing emergency department facilities to convert them into Acute Assessment Units and Same Day Emergency Care provision as soon as the Emergency Departments are up and running, with both expected to open in 2023.

Caring for our planet

Funding from the Public Sector Decarbonisation Scheme, has allowed us to implement significant energy efficiency measures across our estate, in line with our Green Plan and the national Greener NHS Strategy. It's important to us that we're not only there to treat patients once they become ill but to help prevent them from contracting illnesses and conditions in the first place. Reducing carbon emissions has significant health benefits, as poor environmental health contributes to a number of major diseases, including cardiac problems, asthma and cancer.

And we have reduced the carbon footprint of our Goole site by 60% by removing the outmoded coal-fired boilers and replacing them with a more sustainable gas CHP system. Goole was one of the last two NHS buildings to be powered by coal but now not only has the old boiler been confined to the history books, we have installed a raft of eco-friendly features. We're now generating our own electricity at the site and have also introduced a number of other energy efficiency measures, such as improved insulation, an upgraded Building Management System and LED lighting.



At Scunthorpe we are paving the way for a pioneering geothermal system to heat and power the site. With the funding we have secured so far, we have been able to drill test boreholes on the site and are now in a position to make a strong case for further funding to be released to complete the project. If we are successful, we will be the first in the NHS to make use of the technology. Sustainability has also been at the forefront in our plans for both Emergency Department schemes.

Modern construction methods and materials have been utilised to minimise the environmental impact of the builds and ensure their future energy efficiency performance is as high as possible. The schemes are also designed to encourage the use of sustainable transport, with a focus on maintaining excellent links to public transport and increased secure cycle parking on both sites. We have built new single-storey decked car parks at both Grimsby and Scunthorpe, which include charging points for electric vehicles.

And it's not just large-scale projects that are making a difference to the quality of the environment for our staff, patients and visitors. We're also investing in upgrading our water infrastructure and fitting new fire security systems across our three sites.

Collaboration is key

The top priority for our Digital Services teams is to use data and technology to improve the lives of our patients, their families and our staff. Technology is making our services more efficient and effective, helping us to improve patient experience and support our frontline clinical teams by providing them with the information they need quickly and easily across a variety of settings.

There is also a growing expectation from the communities we serve that we will make use of digital solutions to contact, update and – where possible – offer appointments and monitor their treatment. A key factor in meeting these ambitions is increased collaboration with our neighbouring trusts – particularly Hull University Teaching Hospitals (HUTH) where many of our patients receive specialist care.

It's important to us that wherever patients are being seen, all those involved in their treatment and care have access to their latest information, results and care plan and that is why we're currently working on a number of large-scale digital improvements in partnership with HUTH. Overseen by Shauna McMahon, who is the Chief Information Officer for both trusts, these projects not only allow us to provide seamless care but also to make the best use of our financial resources.

One such project is the upgrade of our Patient Administration System, implementing a shared system across both trusts that allows clinicians to instantly access and share the latest information. We are also starting the implementation of a Maternity Information System that will be used across the region enabling care providers and new parents' digital access to information.

We're also working together to find ways to free up our staff to carry out more patient centred work by exploring the use of Robotic Process Automation – or 'bots' to carry out repetitive data entry processes and implementing solutions such as Single Sign On where our end users can use a "tap & go" approach to access systems. This will free up time so they are not coping with a number of passwords to log onto computers or getting locked out of systems.

In support of innovative programmes such as these, the team is also working on large scale plans to upgrade our equipment and software, provide improved service desk support for our teams and support the Trust in moving to a paper-first model. Our next major programme across both Trusts will be Enterprise Document Management. This will, overtime, enable us to remove the paper processes we have for corporate and clinical services.

It really is an exciting time to be working with our colleagues, patients and community to leverage the benefits of digital technology.

The Health Tree Foundation

The Health Tree Foundation (HTF) is the Trust's charitable arm, raising funds and managing donations across all three hospitals and in community services. Charity Manager Clare Woodard reflects on the work of the charity in the 2021/22 financial year below.

The pandemic impacted everything in so many ways and HTF, like a lot of other organisations, has adapted and developed to meet the challenges and opportunities presented during the past 12 months – from online fundraising events to virtual London marathons, and everything in between. However, a lot of services and plans needed to still go head, even if they looked and felt a little different, and HTF is proud to have supported colleagues at the Trust as they continued with business as usual.

During the early part of 2021, HTF was invited to be involved in the strategy and planning of the new Emergency Departments (ED) and Acute Assessment Units (AAU) at the Scunthorpe and Grimsby hospital sites. This was a great opportunity for HTF to be part of a major capital project right at the start. We worked closely with the planning team, designers, contractors and clinicians to produce a comprehensive 'wishlist', where charitable funds could be invested to enhance the proposed projects, and on which we were able to build an engaging fundraising appeal.



Charity-funded items for the new ED include mobile phone charging lockers so that patients and visitors can stay connected with loved ones, mobile gaming units and interactive floors to help keep our younger patients amused and distracted at what can be a stressful time. It also includes artificial skylight ceiling panels to help provide a more pleasant focal point for patients in our paediatric and resuscitation cubicles. All these enhancements will help improve the patient experience and make the whole environment less daunting for those in our community needing emergency support.

We are very fortunate to have many local businesses who want to support HTF and are always willing to lend a helping hand. This year, we saw local supermarkets, energy companies and small and large businesses come forward to get involved. From donating cakes for International Nurses Day to dropping off hundreds of Easter eggs for the children's wards, to rallying volunteers to help us work in the hospital gardens and even freeing up space in a warehouse for us to store Christmas gifts, our corporate partners mean the world to us and we are so grateful for everything they do.

Many local community groups and the dedicated League of Friends for Scunthorpe and Grimsby work tirelessly to support the Trust and we are delighted to have these as our charity partners.

Our friends at the Seaview Street Cancer shop in Cleethorpes go above and beyond; fundraising for specialist cancer equipment for the Grimsby site. The wonderful volunteers and the team at North Lincolnshire Council also provide the much-loved Neonatal Intensive Care Unit (NICU) book scheme at Scunthorpe, which gives parents the skills, confidence and the books to read to their newborn babies while they spend time on ward.



Since the pandemic, HTF has worked alongside the national charity, NHS Charities Together, helping to coordinate and distribute relief grants following their COVID-19 Emergency Fundraising Appeal.

The Health Tree Foundation was proud to have been chosen as the lead NHS charity for the Humber and North Yorkshire Health and Care Partnership Integrated Care System (ICS), and is currently working with 18 partnership projects in this region with the aim of reducing hospital admissions, identifying health inequalities and providing alternative pathways to patients.

Health Tree continues to work closely with staff and patients to identify ways in which the charity can help support the Trust to improve clinical services, the environment, and the overall patient experience.

This year, we have invested more than £760,000 on specialist equipment, staff training and improvements to the estate through our Sparkle Project. We have ambitious plans for the future, and we have a substantial legacy left to us to improve services on the Scunthorpe site. We want to refresh the children's wards through a Little Lives' fundraising appeal and will continue to work with partners to bring more Health Tree sparkle to the NLaG Trust.

Activity levels in the last three years

	2019/20	2020/21	2021/22
Emergency Department attendances at Grimsby and Scunthorpe	148,504	123,469	147,849
Admissions into hospital	111,957	87,094	111,675
Number of discharges (patients leaving hospital)	112,244	86,913	111,613
Outpatient appointments (Attendances)	416,993	343,952	398,317
Births	4,091	3,747	3,802
Patients who were admitted as an emergency	42,587	34,082	33,172
Total number of operations in theatre	20,160	12,832	16,171
Total number of elective operations in theatre	15,413	8,544	11,677

Performance analysis

The Well-led Framework used by NHS England and NHS Improvement identifies effective oversight by trust boards as essential to ensuring trusts consistently deliver safe, sustainable, and high-quality care for patients. This includes robust oversight of care quality, operations, and finance. At the Trust an Integrated Performance Report (IPR) is submitted monthly to the Board for assurance. This consists of Key Performance Indicators (KPIs) for the areas of:

- Access and flow
- Workforce
- Quality and safety

Since 2020, the Integrated Performance Report has taken on the 'Making Data Count' (MDC) approach to the presentation and interrogation of the Trust's performance information. This involved redeveloping the IPR using statistical process control (SPC) charts to demonstrate performance. This new IPR style was also applied to Board sub-committee reports and to divisional performance reports to provide consistency of reporting throughout the Trust. Finally, the new IPR was structured to reflect the national targets outlined in the NHS Oversight Framework 2020/21 along with the Trust's annual priorities, including quality priorities.

The purpose of this revised approach is to ensure the Board is provided with robust and timely information on organisational and operational performance. Further information is provided to the Board on an exception basis where under performance in a particular area or against a specific target is identified. To provide consistency with this approach the Trust's performance measures for both 2021/22 and 2020/21 (for comparison) on the following pages are set out as SPC charts. A key is also available to aid understanding of these charts.

Key to Statistical Process Control (SPC) charts

Variation of the data

This indicates the trend of the data at the time of reporting (no change, concerning or improving)

Colours:

Grey = no significant change

Blue = significant improvement or low pressure

Orange = significant concern or high pressure

Improving, declining or staying the same:



No change: common cause – no significant change



Concerning: Special cause of concern or higher pressure due to higher values



Concerning: Special cause of concern or higher pressure due to lower values



Improving: Special cause of improving nature or lower pressure due to higher values



Improving: Special cause of improving nature or lower pressure due to lower values

Assurance of the target

This indicates whether the target is being met (randomly passing, consistently passing, or failing), and if the indicator is expected to reliably hit the target.

Colours:

Grey = hit and miss the target

Blue = will reliably hit target

Orange = change required to hit target

Can we reliably hit the target:



Random: Variation indicates inconsistently hitting, passing and falling short of the target



Passing: Variation indicates consistently passing the target



Failing: Variation indicates consistently failing the target

2021/22 Trust performance compared to Trust performance in 2020/21

Access and flow

Key Performance Indicator	2021/22				2020/21		
	Target	Actual ¹	Variation ²	Assurance ²	Actual ¹	Variation ²	Assurance ²
% Under 18 Weeks Incomplete RTT Pathways <i>(End of Year Snapshot)</i>	92.0%	72.1%	Improving	Failing	65.2%	Concerning	Failing
Number of Incomplete RTT pathways 52 weeks <i>(End of Year Snapshot)</i>	0	211	Improving	Failing	1,187	Concerning	Failing
Total Inpatient Waiting List Size <i>(End of year Snapshot)</i>	11,563	10,995	Concerning	Passing	11,536	<i>Not previously measured by SPC</i>	
Diagnostic Procedures Waiting Times - 6 Week Breach % (DM01)	1.0%	31.2%	Improving	Failing	35.8%	Concerning	Failing
Number of Overdue Follow Up Appointments - Non RTT <i>(End of Year Snapshot)</i>	9,000	27,599	No Change	Failing	22,642	Improving	Failing
Outpatient Did Not Attend (DNA) Rate	<i>No Target</i>	9.3%	No Change	<i>No Target</i>	6.9% ³	<i>Not previously measured by SPC</i>	
% Outpatient Non Face To Face Attendances	<i>No Target</i>	32.9%	No Change	<i>No Target</i>	47.3% ³	<i>Not previously measured by SPC</i>	
Cancer Waiting Times - 62 Day GP Referral	85.0%	63.4%	Concerning	Failing	67.9%	No Change	Failing
Cancer Waiting Times - 104+ Days Backlog <i>(End of Year Snapshot)</i>	0	27	No Change	Failing	32	No Change	Failing
Cancer - Patients With Confirmed Diagnosis Transferred By Day 38	75.0%	26.7%	No Change	Failing	33.0%	No Change	Failing
Cancer - Request To Test In 14 Days	100.0%	95.9%	No Change	Failing	96.6%	No Change	Failing
Emergency Department Waiting Times (% 4 Hour Performance)	95.0%	63.0%	Concerning	Failing	80.6%	Concerning	Failing
Number Of Emergency Department Attendances	<i>No Target</i>	147,849	No Change	<i>No Target</i>	123,469 ³	<i>Not previously measured by SPC</i>	
Ambulance Handover Delays - Number 60+ Minutes	0	5,564	Concerning	Failing	1,816	Concerning	Failing
No Patients Waiting Over 12 Hrs From Decision to Admit to Ward Admission	0	1,802	Concerning	Random	106	Concerning	Random

Access and flow continued

Key Performance Indicator	2021/22				2020/21		
	Target	Actual ¹	Variation ²	Assurance ²	Actual ¹	Variation ²	Assurance ²
% Patients Discharged On The Same Day As Admission (excluding daycase)	32.0%	35.3%	Improving	Passing	27.3%	Improving	Failing
% of Extended Stay Patients 21+ days	12.0%	9.9%	Concerning	Passing	9.1%	No Change	Failing
Inpatient Elective Average Length Of Stay	2.4	2.3	Concerning	Random	2.0	No Change	Random
Inpatient Non Elective Average Length Of Stay	4.1	3.8	Improving	Random	4.2	No Change	Failing
Number of Medical Patients Occupying Non-Medical Wards	<i>No Target</i>	1,734	No Change	<i>No Target</i>	<i>Not comparable, methodology changed in 2021/22</i>		
% Discharge Letters Completed Within 24 Hours of Discharge	85.0%	85.0%	No Change	Random	84.1%	No Change	Passing
% Inpatient Discharges Before 12:00 (Golden Discharges)	30.0%	16.5%	No Change	Failing	17.0%	No Change	Failing
General & Acute Bed Occupancy Rate <i>(End of Year Snapshot)</i>	92.0%	92.5%	No Change	Random	90.0% ³	<i>Not previously measured by SPC</i>	
Number of COVID patients treated in ICU beds	<i>No Target</i>	48	Improving	<i>No Target</i>	78	Concerning	<i>No Target</i>
Number of COVID patients treated in other beds	<i>No Target</i>	1,139	Concerning	<i>No Target</i>	1,335	No Change	<i>No Target</i>
% COVID staff absences	<i>No Target</i>	20.3%	Concerning	<i>No Target</i>	28.6%	No Change	<i>No Target</i>











Workforce

Key Performance Indicator	2021/22				2020/21		
	Target	Actual ¹	Variation ²	Assurance ²	Actual ¹	Variation ²	Assurance ²
Unregistered Nurse Vacancy Rate	2.0%	11.6%	No Change	Failing	11.6%	<i>Not previously measured by SPC</i>	
Registered Nurse Vacancy Rate	8.0%	7.4%	Improving	Random	10.1%		
Medical Vacancy Rate	15.0%	12.1%	No Change	Random	11.9%		
Trustwide Vacancy Rate	7.0%	9.3%	Concerning	Failing	9.4%		
Turnover Rate	9.4%	11.9%	Concerning	Random	9.3%		
Sickness Rate	4.1%	6.9%	Concerning	Random	4.7%		
PADR Rate	85.0%	79.0%	No Change	Failing	80.0%		
Medical Staff PADR Rate	85.0%	84.0%	Improving	Failing	82.2%		
Combined AfC and Medical Staff PADR Rate	85.0%	77.7%	Concerning	Failing	81.1%		
Core Mandatory Training Compliance Rate	90.0%	92.0%	Improving	Passing	91.0%		
Role Specific Mandatory Training Compliance Rate	80.0%	76.0%	Concerning	Random	80.0%		

Quality and safety

Key Performance Indicator	2021/22				2020/21		
	Target	2021/22 ¹	Variation ²	Assurance ²	2020/21 ¹	Variation ²	Assurance ²
Number of MRSA Infections	0	0	No Change	Random	1	No Change	Random
Number of E Coli Infections	110	56	No Change	Random	49	No Change	Random
Number of Trust Attributed C-Difficile Infections	33	20	No Change	Random	28	No Change	Random
Number of MSSA Infections	<i>No target</i>	21	No Change	Random	20	Concerning	Random
Number of Gram Negative Infections	147	94	No Change	Random	69	No Change	Random
Hospital Standardised Mortality Ratio (HSMR)	<i>As expected</i>	100.5	Improving	<i>As expected</i>	90.0	No Change	Random
Summary Hospital level Mortality Indicator (SHMI)	<i>As expected</i>	106.4	No Change	<i>As expected</i>	107.0	Improving	Failing
Patient Safety Alerts actioned by specified deadlines	<i>No target</i>	100.0%	Improving	<i>No Target</i>	100.0%	Improving	Random
Number of Serious Incidents raised in month	<i>No target</i>	105	No Change	<i>No Target</i>	96	No Change	<i>No Target</i>
Occurrence of 'Never Events' (Number)	0	5	<i>Not measured by SPC</i>		2	No Change	Random
Duty of Candour Rate	<i>No target</i>	99.0%	No Change	<i>No Target</i>	98.0%	No Change	Random

Quality and safety continued

Key Performance Indicator	2021/22					2020/21		
	Target	2021/22 ¹	Variation ²		Assurance ²	2020/21 ¹	Variation ²	Assurance ²
Falls on Inpatient Wards (Rate per 1000 bed days)	No target	5.2		No Change	No Target	7.2	Not measured by SPC ³	
Hospital Acquired Pressure Ulcers on Inpatient Wards (Rate per 1000 bed days)	No target	4.3		No Change	No Target	4.7	Not measured by SPC ³	
Venous Thromboembolism (VTE) Risk Assessment Rate	95.0%	86.3%		Improving	 Failing	83.7%	 Concerning	 Failing
Care Hours Per Patient Day (CHPPD)	No target	8.4 ⁴		Concerning	No Target	9.5	Not measured by SPC ³	
Mixed Sex Accommodation Breaches	0	24	Not measured by SPC			Not available	Return suspended due to pandemic	
Formal Complaints - Rate Per 1000 wte staff	No target	50.9		No Change	No Target	52.9 <small>(Jul-Mar)</small>	Not measured by SPC ³	
Complaints Responded to on time	85.0%	76.0%		No Change	 Random	74.0%	Not measured by SPC ³	
Friends & Family Test (FFT)	No target	94.4%	Not measured by SPC			Not available	Return suspended due to pandemic for most of the FY ³	
Number of Positive Inpatient Scores		69.2%						
Number of Positive A&E Scores		94.5%						
Number of Positive Community Scores		86.9%						
Number of Positive Outpatient Scores		70.6%						
Number of Positive Maternity Antenatal Scores		96.1%						
Number of Positive Maternity Birth Scores		91.7%						
Number of Positive Maternity Post-Natal Scores		75.5%						
Number of Positive Maternity Ward Scores								

Notes to performance tables

1 Annual position

2 Representative of the latest data available as reported at the end of the 2021/22 financial year

3 Indicators not reported in the Integrated Performance Report (IPR) at this time

4 Please note: Care Hours Per Patient Day (CHPPD) compares favourably with the latest Model Hospital data for Feb 2022 which indicates a national median of 8.1 and recommended peer median of 8.4

Key issues and risks that affected the Trust in 2021/22

Risk type	Nature of risk	What was done
Business continuity and emergency preparedness	The adverse impact of external events (especially the coronavirus pandemic).	The Trust's incident management approach was focused on COVID-19 pulling together and co-ordinating the response locally and responding to national and regional changes in guidance/requirements. This approach co-ordinated all the mitigations for COVID-19 including: zoning; rapid testing; capacity oversight; escalation; and the procurement of extra equipment. Executive leads for various elements of the pandemic response were put in place along with two executive Senior Responsible Officers (SROs). There is more information throughout this report.
Quality and clinical improvements	The risk of non-delivery of agreed quality and clinical improvements (including mortality).	The Trust's mortality improvement programme supported improving the quality of data which led to a more accurate (and lower) Summary Hospital Mortality Indicator (SHMI). The quality priorities the Trust set for the year have seen good progress in work carried out. As well as mortality improvements these priorities included: responding to deteriorating patients; improving length of stay; Care Quality Commission (CQC) engagement and delivery of the associated improvement plan; diabetes management; and complaints management.
Staffing	The inability of the Trust to secure sufficient numbers of skilled and experienced staff.	The Trust set workforce as a priority for the 2021/22 financial year with specific plans to recruit and retain more nursing staff in particular. During the year the Trust offered a 'Winter incentive' (an extra 20% in pay) to Bank staff, partly to boost morale and partly to increase fill rates for shifts. Recruitment of medical staff continued and the Trust was inside its target by the end of the financial year.

Key issues and risks that affected the Trust in 2021/22 continued

Risk type	Nature of risk	
Culture	Ineffective staff engagement affects morale and leads to a failure to change and improve the Trust's culture.	The Trust implemented a number of communication and health and wellbeing initiatives throughout the year to help staff cope with the pandemic.
Financial	The Trust does not achieve its financial plan for 2021/22 and/or the Northern Lincolnshire financial plan for 2021/22 is not achieved.	The coronavirus pandemic led to a different financial regime being in place.
Strategy	The lack of a consistent and clear set of strategies, linking to the Clinical Strategy and Trust strategic framework, could impact on the long-term sustainability of services.	The Trust continued to work with Hull University Teaching Hospitals (HUTH) on plans for reconfiguring hospital services across the Humber. This work is set out in the previous section of this report.
Infrastructure	A failure of the Trust's physical and digital estate could impact on the quality and/or availability of patient services.	This remained one of the Trust's highest risks that never reduced because of the huge disparity between the Trust's estate and the levels of backlog maintenance required. The mitigations in the Board Assurance Framework included continuing to prioritise which backlog maintenance work to do and responding to authorised engineer reports and beyond. The Trust also delivered a major capital programme to replace or revamp some areas of the hospitals and this is set out in a previous section of this report.

Equality, Diversity and Inclusion statement

Introduction

The Trust aims to be an organisation that people want to access for high quality care and treatment. The Trust aims to be an organisation that people want to join and remain with as staff because it allows them to make their distinctive contributions and achieve their full potential. The Trust does not tolerate any form of intimidation, humiliation, harassment, bullying or abuse and will ensure that patients, staff, visitors, and the public are treated fairly, with dignity and respect. Our aim is to break down all barriers of discrimination, prejudice, fear, or misunderstanding, which can damage service effectiveness for service users and carers. The Trust is committed to compliance with the Public Sector Equality Duty as set out in the Equality Act 2010. The Trust will do this by eliminating unlawful discrimination, harassment, and victimisation, have due regard to advancing equality of opportunity and foster good relations, for the relevant protected characteristics:

- Age
- Disability
- Gender re-assignment
- Marriage and civil partnership
- Pregnancy and maternity
- Race
- Religion and belief
- Sex / Gender
- Sexual Orientation

The Trust aims to ensure that its services and employment opportunities are equally accessible to other groups that are 'seldom heard'. These other groups could include the long term unemployed, sex workers, homeless groups; substance misusers; migrant workers; asylum seekers/ refugees; but this list is not exhaustive. The Trust is committed to building a workforce which is valued and whose diversity reflects the community it serves, enabling it to deliver the best possible healthcare service to those communities. By addressing any inequalities in employment practices, the Trust seeks to deliver equitable services to all. The Trust believes that unlawful discrimination is unacceptable and aims to ensure that all patients, applicants, employees, contractors, agency staff and visitors will receive appropriate treatment and will not be disadvantaged by conditions or requirements which cannot be shown to be justified. This is particularly so on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and trade union activity. To support this we have a dedicated Equality, Diversity and Inclusion Lead whose remit includes providing strategic and operational advice and guidance to the Trust's Management Team, its staff and other key stakeholders on all matters around equality, diversity and inclusion linked to patient care and workforce. The Equality and Diversity Strategy is in place and includes a number of Equality Objectives. These Equality Objectives are giving direction and supporting the organisation to move forward against the equality and diversity agenda.

The Equality Objective's Progress

Reporting and Governance

The Equality and Diversity Strategy provides an orderly structure to enable the delivery of our legal and contractual Public Sector Equality Duties and our social responsibilities. Our Equality, Diversity, and Inclusion action plan for 2022 is in place and reflects our Equality Objectives which are embedded in the above strategy. Excellent relationships have been formed between our commissioners and the new integrated care systems, Humber and North Yorkshire, and our ICS colleagues. The Trust published its annual Anti-Slavery Statement which was approved at the Trust Board in April 2022. To ensure our staff are aware of key equality, diversity, and inclusion events the Trust has organised a number of engagement events each month. These events give our staff an opportunity to meet the Trust EDI lead and ask questions. Each month different equality themes are explored.

Implement the NHS Equality Delivery System 2 (EDS) within NLaG.

Progress against the EDS 2 framework halted due to the impact of COVID-19 but evidence gathering has now commenced and a framework is now in place. The data collection phase has commenced and will conclude by the end of May / early June 2022, the performance will be analysed and graded in July 2022 in preparation to inform the new Trust equality objectives which are due to be published in October 2022. Our attention to address inequalities has been ever present.

- Due to the adverse impact of COVID-19 on certain communities we have worked in partnership with our staff, health and safety, and infection control to develop a risk assessment tool which considered age, gender, long term conditions, ethnicity and pregnancy. This tool has gained national recognition and has been put forward for a HSJ award.
- We have worked with our Health Record team and engaged with the Transgender community to update and revise their Transgender Standard Operating Procedure.
- We attended a local Transgender engagement event to share, learn and care with this often marginalised community.
- We have just been accepted to take part in an NHS EI disability programme which will help us develop staff who have a disability into leadership roles.

Patient Data

To enable an improved understanding of the diverse communities we serve in the North Lincolnshire, North East Lincolnshire, East Yorkshire and Lincolnshire areas a snapshot review of Public Health data has been undertaken for these areas. Preparatory work has taken place to ensure going forward we use this data working in partnership with our commissioners, using the new EDS2 model to identify potential health inequalities and using a whole systems approach to identify ways to address them. We are also engaging with the Health Tree Foundation's Black Asian and Minority Ethnic Wellbeing Coordinator who supports our staff and local communities.

Treating patients, carers and colleagues with dignity and respect.

All staff are required to complete Equality, Diversity, and Inclusion training as part of their statutory and mandatory training. Face-to-face Equality, Diversity and Inclusion training changed due to COVID-19 restrictions although online access to advice/support is available via the Trust's Equality, Diversity, and Inclusion Lead.

Report and deliver against workforce data

The Workforce Race Equality Standard data was collected, analysed and an action plan for improvement developed. A report to reflect this information was approved by the Trust Board, and to meet our contractual requirements this information was published and shared with NHS England. The Workforce Disability Equality Standard data was collected, analysed and an action plan for improvement developed.

A report to reflect this information was approved by the Trust Board, and to meet our contractual requirements this information was published and shared with NHS England. The Gender Pay Gap data was collected, analysed and a report presented to Trust Board. To comply with our legal duty under the Equality Act 2010 - Specific Duties and Public Authorities - Regulations 2017. This information was then published on the Government website and shared with our commissioners.

Develop and grow staff equality support networks

Due to the recognition that staff who belong to minority / seldom heard groups are more likely to experience poorer experiences at work, links have been established with HR colleagues and the Trust's Freedom to Speak Up Guardian.

We have, although in their infancy, three staff equality support networks. These are the Black, Asian and Minority Ethnic (BAME) staff network, the Lesbian, Gay Bi-Sexual and Transgender + (LGBTQ+) staff network and the Disabled staff network. A number of exploratory meetings have taken place for all of these networks and draft terms of reference for the groups have been developed. Chairs and Deputies are in the process of being appointed and this will be complete by early June 2022.

A number of sharing events took place recently with staff network members, to explain how the new approach to Culture and Engagement, and how the staff networks can influence organisational change, will unfold into 2022.

However, we have through engagement identified that staff have lots of time constraints and whilst they see the benefits of staff networks many of them prefer to engage through social media outlets. Therefore, we have a number of Facebook Staff Equality Network groups.

Facebook Staff Equality Networks Membership at May 2022:

- BAME Staff Network 72 members
- Disability Staff Network 33 members
- LGBTQ+ Staff Network 42 members

In addition, we recognise that a high percentage of our staff are female, and of a higher age group. Therefore, and again through consulting with our staff we identified their needs and have established a virtual Menopause Staff Equality Network which has more than 200 members. This is well supported by our Health and Wellbeing team.

We are also responsive to equality events and special days for our staff and patients. For example:

- To celebrate International Women's day on the 8 March 2022 we held a half day celebration event
- To recognise Ramadan 2022 we published guidance documents for our managers and staff.

Further proposed actions

Looking ahead the Equality and Diversity Strategy and the Equality Objectives will continue to provide the organisational direction to move this challenging agenda forward.

Some key areas of focus will be to:

- Refresh the Equality, Diversity and Inclusion Strategy and Equality Objectives
* To include extensive internal and external engagement /consultation using EDS2 methodology during 2022
- Align the new Equality, Diversity and Inclusion Strategy and Equality Objective to the NHS People Plan and Model Employer
- Refresh the Trust's Equality Impact Assessment procedure
- Refine community data to gain an improved understanding of health inequalities that our communities experience
- Report against the current and emerging workforce equality standards and identify actions for improvement
- Continue to grow and develop our staff equality networks, and ensure that they are actively contributing to the transformational programme of work planned to continue to improve our staff engagement and culture

Statements on the Trust's wider impact

Environmental matters

Overview

The NHS set out the vision to become a net zero carbon health service within the Net Zero Strategy (October 2020). Greener NHS are responsible for the delivery of a Net Zero NHS. At a regional level the Humber and North Yorkshire (HNY) Greener NHS working group has been formed together with a Memorandum of Understanding (MoU) used to define the functions and actions of the regional teams.

The Trust support the objectives of the Regional Greener NHS objectives via the HNY Sustainability Network and have a Trust Board approved Green and Travel plans to meet the NHS Net Zero commitment. The Trust completed two engineering schemes during 2021/22: Energy Performance Contract 2 (EPC2) and Energy Performance Contract 3 (EPC3). EPC2 was completed at Goole and District Hospital and delivered £3m investment into the energy infrastructure. This work was funded via the Public Sector Decarbonisation Scheme (PSDS). The scheme will save 1,418 tonnes of CO₂ a year. The following works were completed:

- Replacement of the coal fired boilers with condensing gas fired units incorporating a Combined Heat and Power (CHP) unit
- New LED light fittings installed
- Loft and cavity wall insulation installed
- New Building Management System (BMS) installed
- New hot water services system installed
- Variable Speed Drives (VSDs) on ventilation plant installed

EPC3 was delivered at the Scunthorpe site, the teams have completed a full set of Royal Institute of British Architects (RIBA) stage 4 designs for the following schemes:

- Ground source heat pump to enable de-steam to take place
- LED lighting and PV solar power
- Replacement roofing and new windows
- Ventilation fan upgrades

The following works have been completed at Scunthorpe:

- New upgraded high voltage (HV) electrical ring main
- Upgraded electrical supply
- Completion of 2 boreholes (part of the ground source heat pump design and construction)
- New autoclave machines (as part of longer de-steam)

Trust performance on carbon footprint

The Trust has selected 2020/21 as our baseline emission year as this is the year with the most accurate and up to date data available. Our NHS Carbon Footprint equates to 18,143 tCO₂e and an NHS Carbon Footprint Plus of 9,345 tCO₂e. The committed baseline enables us to highlight reduction opportunities and measure progress in order to achieve net zero NHS Carbon Footprint by 2040, with an ambition to achieve an 80% reduction by 2028 to 2032 and net zero NHS Carbon Footprint plus by 2045, with an ambition to reach an 80% reduction by 2036 to 2039.

The Trust has seen considerable change in its footprint through rationalisation of estate, recent investment in new buildings for patient and staff improvements and the development of new infrastructure. The table below provides information to bring the changes into a context of actual space and is reassured by the space management team.

	2017/18	2018/19	2019/20	2020/21	2021/22
Floor Space (m²)	138,598	141,284	149,856	161,070	156,930
Number of Staff	6,400	6,500	6,500	6,923	6,969

NHS operational planning and guidance for 2022/23 Service Condition 18 includes how NHS Trusts must take all reasonable steps to minimize its adverse impact on the environment and to deliver the commitments set out in Delivering a “Net Zero” National Health Service. This guidance includes nominating a Net Zero Lead, reduce air pollution, phase out fossil fuels, reducing single use plastics, transition to 100% renewable energy, net zero carbon for new builds and refurbishments, and restrict high emission vehicles from our fleet. This is how the Trust has supported these challenges:

Energy costs and use

The Trust incurred energy costs totaling £4,036,886 during the 2021/22 financial year. This spend is an increase of 6.6% on energy costs from the previous year, as detailed below:

Gas	Use	2017/18	2018/19	2019/20	2020/21	2021/22
	kWh	58,509,662	50,148,568	54,571,470	55,207,692	63,240,193
tCO ₂ e	12,405	10,652	11,338	10,112	11,583	

Coal	Use	2017/18	2018/19	2019/20	2020/21	2021/22
	kWh	3,779,215	4,630,926	3,849,302	4,839,841	1,031,287
tCO ₂ e	1,416	1,831	1,469	1,566	334	

Electricity	Use	2017/18	2018/19	2019/20	2020/21	2021/ 22
	kWh	14,499,282	16,521,374	12,890,771	13,576,663	13,999,661
	tCO2e	6,463	5,828	4,521	3,138	0

Total Energy CO2e and Cost £	Use	2017/18	2018/19	2019/20	2020/21	2021/22
	CO2e	20,284	18,311	17,328	14,816	11,917
	Cost £	£3,416,821	£3,790,805	£4,130,960	£,3,802,393	£4,036,886

Notes:

(kWh) – Kilowatt Hour

(tCO2e) – Metric Tonnes of Carbon Dioxide Equivalent

(CO2e) – Carbon Dioxide Equivalent (Green House Gases)

Gas consumption increased by 14.55% compared to 2020/21, with electricity also increasing by 3.11%. The increase in electricity consumption data supports the increased utilisation and output from the Trust's Combined Heat and Power (CHP) system at Grimsby but also now removes the carbon impact as the Trust purchases electricity from 100% renewable sources.

The CHP is gas powered and required an energy input (Gas) of 13,258,278 kWh to generate 5,248,899 kWh of electricity which is in turn used by the Grimsby site. This electricity generation is an increase of 3% against 2019/20. The CHP falls within an Energy Performance Contract (EPC) currently in year 5 of a 15-year term, delivering circa £300,000 in savings per annum as part of a minimum contractual return.

Goole hospital reduced coal consumption by 78% against 2020/21. Increased use of the gas boiler aided this reduction. However, coal has now been eradicated from Goole as a result of the EPC.

Resource use – water

Gaining accurate data on the Trust's water consumption has been an historical issue, evident by the sporadic annual reporting. The reporting was also impacted by the deregulation of the water industry in 2016/17. The data suggests previous years were significantly under reported. Figures for 2020/21 have been interrogated and represent the latest and historical data.

Mains Water	Use	2017/18	2018/19	2019/20	2020/21	2021/22
	m3	311,572	194,431	305,849	276,653	203,243
	tCO2e	284	177	278	251	30

Water and Sewerage Cost	Cost	2017/18	2018/19	2019/20	2020/21	2021/22
	£	£468,393	£441,254	£483,659	£476,099	£579,749

Resource use – Photovoltaic (PV) solar systems

The Trust has three locations where PV systems generate electricity DC (Direct Current) from light, and then converts this to AC (Alternating Current) for both use in our hospitals and shared into Feed In Tariffs (FIT) for income. The latest data is captured below:

PV Electric kWh	Location	2018/19	2019/20	2020/21	2021/22
	Grimsby CDC	49,322	45,391	43,065	50,464
	Grimsby Family Services	36,880	32,402	26,159	3354
	Goole	196,631	183,800	178,149	183,387
	Totals kWh	282,833	261,593	247,374	267,205

The generated kWh varies due to solar radiation, with an increase in production in 2020/21 against the previous year of 8%. Whilst there is a reduction in carbon moving to renewably sourced electricity from April 2021, the increase in costs is reflective of increasing energy prices particularly from renewables.

Medical gasses

The Trust prescribes a range of medical and anaesthetic gasses for patient care which are detailed below. The NHS net zero campaign includes a contribution requirement from anaesthetic practices by achieving a 2% reduction in the overall targets. Acute organisations contribute 5% of the overall carbon footprint from anaesthetic gasses alone.

	2019/20		2020/21		2021/22	
	Vol (L)	tCO2e	Vol (L)	tCO2e	Vol (L)	tCO2e
Desflurane	49	182.3	24.4	90.19	20	76
Isoflurane	1	0.8	0.25	0.19	0	0
Sevoflurane	297	58.8	182	36.6	283	56
Nitrous Oxide	2,708,840	1,514	1,029,600	575	843,000	471
Total tCO2e	2,709,187	1,755.4	1,029,806.65	701.98	843,303	603

Travel

Travel forms a major part of the Trust's green strategy as a major contributor to the carbon footprint. Providing healthcare services across three regions creates a significant impact on the plans which aim to address this responsibility. The Trust's Travel Plan receives regular review and investment, promoting the benefits of sustainable travel to patients, staff, and visitors. The Trust is committed to improving the air quality within our communities, reducing the impact on traffic, and engaging with staff and local service providers to promote better travel initiatives and vehicles options. Managing the fleet to actively demonstrate and share best practice within the organisation and wider healthcare community.

Through active participation in the promotion of healthy, carbon free or minimising travel options, with the aim to support the health and wellbeing of our staff, patients and visitors by providing information, guidance and services which facilitate this sustainable travel mode as part of the “movement strategy”. The Trust’s fleet continues to become more carbon efficient, with an electric van, electric cars, and a range of self-charging hybrids, for staff use through the pool car system. The charging infrastructure supports our plans to improve the electric fleet and will develop to include initiatives to support staff and visitors in the future.

Cycling promotion and engagement from staff has been a welcomed interest, and all sites are equipped with excellent storage facilities, a welcome problem now becomes a capacity issue and as a result the plan is to review the cycle store capacity to grow staff cycling to work. Cross site travel is supported with inter-site transport aimed at reducing unnecessary mileage claims, single occupancy vehicle journeys and reducing emissions further. The table below details the miles travelled and associated metric tonnes of carbon dioxide.

Patient and Visitor own Travel	Mode	2017/18	2018/19	2019/20	2020/21	2021/22
	Miles	27,969,311	39,721,229	36,529,747	15,397,245	17,737,436
	tCO2e	9,966.16	14,646	12,623	4173	4,808

Staff Commute	Mode	2017/18	2018/19	2019/20	2020/21	2021/22
	Miles	6,147,952	6,244,014	6,246,500	6,646,080	6,690,240
	tCO2e	2,190.67	2,224*	2,303	1,801	1,814

Business Travel and Fleet	Use	2017/18	2018/19	2019/20	2020/21	2021/22
	Miles	4,519,564	2,872,011	2,887,405	1,259,839	1,868,015
	tCO2e	1,610.25	1,002.63	979.33	341.45	506.28

Owned EV and PHEV Mileage	Use	2017/18	2018/19	2019/20	2020/21	2021/22
	Miles	22,033	38,043	20,174	15,546	29311
	tCO2e	2.50	4.31	2.33	0	0

Total Cost of Business Travel	Use	2017/18	2018/19	2019/20	2020/21	2021/22
	£	£1,575,389	£1,322,960	£992,069	£313,759	£330,310

Waste

The Trust's waste management services has secured waste contractors which take the waste management strategy through to 2023 and include some key projects to reduce single use plastics, increased recycling, reduction, and removal of all waste to landfill, and new processing techniques to create energy from waste. Recycling is actively encouraged, and staff members are invited to contribute and participate in the development of the waste strategy encouraging waste management via the waste hierarchy principles. Recycling hubs have been introduced along with a scheme to encourage re-use of equipment and furniture that would have otherwise been sent for disposal. Clinical waste is sent to energy from waste plants which is used to power the national grid. We have also introduced re-usable sharps containers which has eliminated the incineration of single use plastic containers, the new sharps containers can be cleaned and reused up to 500 times. The Trust has also now achieved zero waste to landfill status.

Recycling		2017/18	2018/19	2019/20	2020/21	2021/22
	Tonnes	573	673	337	377	278
	tCO2e	12.47	14.4	7.2	8.0	5.9

Other Recovery		2017/18	2018/19	2019/20	2020/21	2021/22
	Tonnes	938.00	903.00	495.00	542.79	569.33
	tCO2e	20.41	19.3	10.6	82.1	86.1

High Temp Disposal		2017/18	2018/19	2019/20	2020/21	2021/22
	Tonnes	0.00	0.00	675.00	71.37	68.8
	tCO2e	0.00	0.00	149.00	17.1	16.5

Landfill		2017/18	2018/19	2019/20	2020/21	2021/22
	Tonnes	343.00	443.00	297.00	0	0
	tCO2e	118.16	153.00	102.00	0	0

		2017/18	2018/19	2019/20	2020/21	2021/22
Total Waste	Tonnes	1854.00	2019.00	1804.00	991.16	916.13
% Recycled	%	31%	33%	19%	38%	30%
Total Waste	tCO2e	151.04	186.00	268.00	107.2	108.5

Total carbon emissions Impact

The Trust's total carbon emissions are detailed below:

	2019/20	2020/21	2021/22
Total Energy CO2e	17,328	14,816	11,917
Total Water CO2e	278	251	30
Total Medical Gas CO2e	1,755	701	603
Patient & Visitor CO2e	12,623	4,173	4,808
Staff Commute CO2e	2,303	1,801	1,814
Business Fleet CO2e	979	341	506
Total Waste CO2e	268	107	108
Total CO2e	35,534	22,190	19,786

Statement on the Modern Slavery Act

Northern Lincolnshire and Goole NHS Foundation Trust provides services across North Lincolnshire, North East Lincolnshire, East Riding of Yorkshire and West and East Lindsey. The Trust's total turnover for 2021/2022 was £477,698. The Trust employs 6,965 permanent and fixed term contract staff. We have zero tolerance of slavery and human trafficking and are committed to maintaining and improving systems, processes, and policies to avoid complicity in human rights violation and to prevent slavery and human trafficking in our supply chain.

The Trust policies, procedures, governance, and legal arrangements are robust, ensuring that proper checks and due diligence are applied in employment procedures to ensure compliance with this legislation. We also conform to the NHS employment check standards within our workforce recruitment and selection practices, including through our managed service provider contract arrangements. This strategic approach incorporates analysis of the Trust's supply chains and its partners to assess risk exposure and management on modern slavery. In addition, the Trust is meeting its supply chain commitments on slavery and human trafficking by undertaking the following steps during the year:

- For all Terms and Conditions, including specific clauses that reflect our obligations under the Modern Slavery Act 2015 Including a relevant pass/fail criterion for all Procurement led tender processes and new vendor requests for all goods and services above the OJEU procurement threshold as set out in the Public Contracts Regulations 2015
- The Trust, where possible, uses procurement frameworks to provide assurance on key supplier metrics which meet our obligations under the Modern Slavery Act 2015

- We treat our employees fairly and consistently across the Trust adhering to UK employment law. The Trust pays above the national living wage i.e. the minimum wage set by the Government
- Risks to the Trust with this Act are managed in accordance with the Trust's Risk Management Policy and will be included as appropriate on the Trust's risk register

The Board of Directors has considered and approved this statement and will continue to support the requirements of the legislation. This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ended 31 March 2022.

Going concern

NHS Foundation Trusts are required to prepare their accounts in accordance with the relevant accounting rules, which are set out in the International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs) as interpreted by the NHS Foundation Trust Annual Reporting Manual (ARM).

The requirement to prepare accounts on a going concern basis is set out in IAS 1: Presentation of Financial Statements which states: "An entity should prepare its financial statements on a going concern basis, unless:

- The entity is being liquidated or has ceased trading; or
- The directors have no realistic alternative but to liquidate the entity or to cease trading,

in which circumstances the entity may, if appropriate, prepare its financial statements on a basis other than going concern. When preparing financial statements, directors should assess whether there are significant doubts about the entity's ability to continue as a going concern."

Auditors will consider what the directors have done to satisfy themselves that the accounts should be prepared on a going concern basis.

After making enquiries, the directors have a reasonable expectation that the services provided by the NHS foundation trust will continue to be provided by the public sector for the foreseeable future.

For this reason, the directors have adopted the going concern basis in preparing the accounts, following the definition of going concern in the public sector adopted by HM Treasury's Financial Reporting Manual.

The Accountability Report

Directors' Report

This Directors' report sets out how the Trust is run and the governance arrangements it has in place to ensure there is proper oversight and governance of the Trust's activities. The Trust has a Board which meets in public and the meetings are open to anyone who wants to attend. Details, including agenda and papers, are available on the Trust website.

The Trust Board is made up of 11 voting members and seven non-voting members. The eleven voting members comprise six Non-Executive Directors (NEDs) including the Chair, and five Executive Directors, including the Chief Executive. The Board also has three (non-voting) Associate NEDs and four other (non-voting) Executive Directors. Each Board member brings a variety of individual skills and experience.

Three of the Board members also hold their appointments at Hull University Teaching Hospitals NHS Trust (HUTH). These are the Trust Chair, the Chief Financial Officer and the Chief Information Officer. In addition, reflecting the Trust's growing partnership with HUTH, the Vice-Chair of the Trust is an Associate NED at HUTH, and the Vice-Chair at HUTH is one of the three Associate NEDs at NLaG.

Brief details of all the current NEDs and Executive Directors are available on the Trust website. NEDs are not employees of the Trust and are appointed to provide independent support and challenge to the Trust Board. All Board directors are required to comply with the Trust's Standards of Business Conduct, including declaration of any actual or potential conflict of interest, and the requirements of the Trust's Constitution.

Signature:



Chief Executive and Accountable Officer: Dr Peter Reading

Date: 15 June 2022

Board of Directors as at 31 March 2022

NON-EXECUTIVE DIRECTORS
Sean Lyons, Chair
Linda Jackson, Vice Chair
Simon Parkes
Gill Ponder
Michael Proctor
Michael Whitworth
ASSOCIATE NON-EXECUTIVE DIRECTORS
Stuart Hall
Fiona Osborne
Maneesh Singh
EXECUTIVE DIRECTORS
Dr Peter Reading, Chief Executive
Lee Bond, Chief Financial Officer
Ellie Monkhouse, Chief Nurse
Shaun Stacey, Chief Operating Officer
Dr Kate Wood, Medical Director
NON-VOTING EXECUTIVE DIRECTORS
Christine Brereton, Director of People
Jug Johal, Director of Estates and Facilities
Shauna McMahon, Chief Information Officer
Ivan McConnell, Director of Strategic Development and Programme Director – Humber Acute Services
ALSO ATTEND TRUST BOARD
Adrian Beddow, Associate Director of Communications and Engagement
Helen Harris, Director of Corporate Governance

Directors who left the Trust in 2021/22

NON-EXECUTIVE DIRECTORS
Terry Moran CB
Neil Gammon
Andrew Smith

Registers of interest

All Directors and Governors are required to declare their interests, including company directorships, on taking up appointment and, as appropriate and on an annual basis, at Council of Governors and Board of Directors meetings to keep the register up to date.

The Register of Directors' Interests and the Register of Governors' Interests are both available on the Trust website at www.nlg.nhs.uk

The Board of Directors considers the balance and breadth of skills and experience of its members to be appropriate with the needs of the Trust.

All NEDs are considered to be independent, meeting the criteria for independence as laid out in NHS Improvement's Code of Governance.

NEDs are appointed and removed by the Council of Governors. A committee consisting of the Chair, the Chief Executive and the other NEDs appoints or removes the other executive directors.

Sean Lyons, the Chair of NLaG, is also the Chair of Hull University Teaching Hospitals (HUTH), as was the Trust's previous Chair Terry Moran CB.

Balance of the Board

Non-Executive Directors (NEDs) are appointed to bring particular skills to the Board, ensuring the balance, completeness and appropriateness of the Board membership.

Operation of the Board

The Trust is run by a Board of Directors, comprising of a NED who is the chair, and five other NEDs, three Associate NEDs and five executive directors. The executive directors are the: Chief Executive; Chief Operating Officer; Chief Nurse; Medical Director; and Chief Financial Officer. The Director of Estates and Facilities, Director of People, Director of Strategic Development, Chief Information Officer, Director of Corporate Governance and the Associate Director of Communications and Engagement also attend Board meetings but cannot vote.

The Chief Executive leads the executive team and is accountable to the Board for the operational delivery of all the Trust's activities. The Chair of the Board is also the Chair of the Council of Governors (CoG). The NEDs scrutinise the performance of the executive management team in meeting agreed goals and objectives, and they receive adequate information to monitor the performance of the organisation.

The NEDs play a key role in taking a broad, strategic view, ensuring constructive challenge is made and supporting and scrutinising the performance of the executive directors while helping to develop proposals on strategy. The Board sets the Trust's strategic aims and provides active leadership of the Trust.

It is collectively responsible for the exercise of its powers and the performance of the Trust, for ensuring compliance with the Trust's Provider Licence, 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 operational plan and budget for the year, and the scheme for investment or disinvestment above the level of delegation. The Board meets bi-monthly and its role is to determine the overall corporate and strategic direction of the Trust and to ensure the delivery of the Trust's goals and targets.

The Board 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 the executive or to board sub-committees. The Board of Directors has reserved powers to itself covering:

- Regulation and control
- The determination of board committees and membership
- Strategy, plans and budgets
- Policy determination
- Audit
- Annual report and accounts
- Performance monitoring

The Board is also responsible for promoting effective dialogue between the organisation and the local community on its plans and performance, ensuring that the plans are responsive to the community's needs. The Board receives feedback from Governors and members about the Trust, through attendance at meetings of the CoG and its sub-groups, direct face-to-face contact, surveys of members' opinions and consultations. The Board is also responsible for ensuring proper standards of corporate governance are maintained. The Board accounts for the performance of the Trust and consults on its future strategy with its members through the CoG. The Board works closely with the Trust's CoG. The Trust Chair is also Chair of the CoG and works closely with the Lead Governor to review all relevant matters. The Chair, Chief Executive, Lead Governor, Director of Corporate Governance and Assistant Director of Corporate Governance meet before each meeting of the CoG to set the agenda and review key issues. The NEDs attend the CoG meetings and take part in open discussions for part of each meeting.

The non-executive directors of the Board attend the CoG meetings and take part in open discussions for part of each meeting. Key executive directors, and all NEDs, are assigned to, and are integral members of the Governor Assurance Group, a CoG sub-group, as per the Terms of Reference. Participation in each quarterly sub-group ensures an understanding of the views of the governors and consequently members of the public. The sub-group also received Trust Board sub-committee highlight reports as shared at the Trust Board.

The Trust Constitution and the CoG's Engagement Policy details how disagreements between the Board of Directors and the Council of Governors will be resolved. Should a disagreement arise between the Board of Directors and the CoG, such as would impair the decision-making process or the successful operation of the Trust, then the Chair shall convene a joint meeting of the two bodies to consider the issue in dispute. Should this meeting not resolve the issue then the Chair has the authority to decide on behalf of the Trust. This decision, and the reasons supporting it, will be communicated in writing to all members of both the Board of Directors and the CoG. This has not been required during the period 1 April 2021 to 31 March 2022.

The Board ensures that adequate systems and processes are maintained to measure and monitor the Trust's effectiveness, efficiency and economy as well as the quality of local healthcare delivery. The Trust Devolution Policy, including Reservation of Powers to the Board and Scheme of Delegation, details which types of decisions are to be taken by the Board, and which decisions are to be delegated to the management by the Board of Directors. The Board of Directors also has powers to delegate and make arrangements to exercise any of its functions through a committee, sub-committee or joint committee. The Board of Directors keeps the performance of its committees under regular review and requires that each committee considers its performance and effectiveness during the year. The Trust has arranged appropriate insurance to cover the risk of legal action against its directors and is insured through the NHS Resolution.

Operation of the Board during COVID-19 pressures

For the second year in succession the Board decided to change the normal governance arrangements for some of the time in response to the COVID-19 pandemic. This was primarily to hold the meeting remotely to ensure the executive directors and other senior managers could follow infection control guidance and also had the time to focus on managing the Trust's pressures and priorities in what continued to be unprecedented times.

Vice Chair and Senior Independent Director

Good practice suggests that the Trust should have a Deputy or Vice Chair to stand in during any periods of absence of the Chair. NHS Improvement's guidance states that this should be a Council of Governors appointment although it would be expected that the Chair would make a recommendation to governors. Linda Jackson, a NED, is the Vice Chair. Gill Ponder is the Senior Independent Director, which is a NED appointed by the Board as a whole in consultation with the Council of Governors. The Senior Independent Director has a key role in supporting the Chair in leading the Board and acting as a sounding board and source of advice for the Chair and also leads the performance evaluation of the Chair.

Non-Executive Directors

NEDs are appointed for a period of two or three years, this can be extended for a further period. Any term beyond six years is subject to rigorous review. Arrangements for the appointment and termination of NEDs are set out in the Trust Constitution, which states the Council of Governors (CoG) has the power to appoint and remove the Chair of the Trust and other NEDs. Removal can only happen if three quarters of CoG members approve the motion. The Board determines whether each NED is independent in character and judgement and whether there are relationships or circumstances which are likely to affect, or could affect, the person's judgement.

All the Trust NEDs are considered to be independent by the Board of Directors as per the Code of Governance for NHS Foundation Trusts. As Chair of the Board of Directors the Chair is responsible for ensuring the Board's effectiveness and for setting its agenda. As Chair of the CoG the Chair provides a pivotal link between Governors and Directors, especially the NEDs. Listening to the governors is one of the ways the Chair can hear the views of the local community. NEDs, including the Chair, Vice Chair and Senior Independent Director, are appointed by the CoG with the process being led by the Appointments and Remuneration Committee (ARC) for non-executive directors.

The Chair, other NEDs, and the Chief Executive are responsible for deciding the appointment of executive directors. NEDs routinely attend the Trust Board meetings, meetings of the CoG and also meet regularly with the Chair without executives present.

Board meetings

Public board meetings are normally held every other month and follow a formal agenda which includes: an update from the Chief Executive; a patient story presented by the Trust's Patient Experience lead nurse; updates on the Trust's improvement plans; monthly capacity and capability on our wards; and highlights reports and minutes from sub-committees.

Evaluation of the Board/its committees/directors and Chair

Comprehensive arrangements are in place for reporting to the Trust Board on performance and key risks to future performance against a range of targets/contractual obligations and indicators. Risks in respect of compliance with other statutory requirements are escalated to the Trust Board via established governance and performance management frameworks including receipt by the Trust Board of the Board Assurance Framework (BAF) and Risk Register reports. More urgent risk issues are escalated directly to the executive team and the Trust Board via the relevant executive director. The Scheme of Delegation, which defines accountabilities for the delivery of performance, is monitored via the Trust's performance management framework led by the Chief Executive. The Board ensures that relevant metrics, measures, milestones and accountabilities are developed and agreed to understand and assess progress and delivery of performance.

The Trust Board receives assurance through a suite of financial and non-financial performance reports including the submission of an Integrated Performance Report (IPR), which includes reporting on the Trust's annual priorities. The Trust undertakes an annual evaluation of the Board and its sub-committees. There is also a comprehensive Board Development Programme and the completion of a formal Board Well-Led review against the Well-Led Framework. The Trust has moved to bi-monthly meetings of the Trust Board, with the intervening months being used for board development activities, briefings on key risks topics and focused discussion regarding future strategy.

An assessment of whether services are well led under NHS England/NHS Improvement's well led framework was undertaken as part of the Trust's CQC inspection in September 2019. The CQC report changed its assessment of well-led from 'inadequate' to 'requires improvement'. The Board Development Programme, which was supported by Deloitte UK, includes specific sessions on well led. Each of the Board sub-committees completes an annual review of effectiveness, and the outcome including agreed actions, are reported to the Trust Board. Arrangements are in place to enable appropriate review of the Board's balance, completeness and appropriateness to the requirements of the Trust including following the Well Led Review.

The Board is also satisfied that the Trust applies those principles, systems and standards of good corporate governance which reasonably would be regarded as appropriate for a supplier of health care services to the Trust. In compliance with the Code of Governance for Foundation Trusts, no executive director holds more than one non-executive directorship of an NHS foundation trust or other organisation of comparable size and complexity.

Code of conduct for the Trust Board

All members of NHS Boards should undertake and commit to the practice of good governance and to the legal and regulatory frameworks in which they operate. As individuals they must understand both the extent and limitations of their personal responsibilities. To this end, in November 2012, the Professional Standards Authority (PSA) published new standards for members of NHS boards in England. The standards cover three domains: personal behaviour, technical competence, and business practices, and puts compassion and respect at the heart of NHS leadership. The standards also aim to capture existing standards, codes and principles (the Nolan Principles) by which NHS Board members are currently bound. In May 2013 the Trust Board formally signed up to these standards on an ongoing basis. All Board directors meet the 'fit and proper persons' test as described in the provider license and confirmed annually by each individual director and collectively within the annual chairman's declaration to the Trust Board. The Trust Board has maintained its support of the Nolan Principles of public life and has continued to make the majority of its decisions at Board meetings held in public. To support this there is the Directors Code of Conduct, which applies to all directors and has been adopted by all Board members.

Record of attendance at Trust Board meetings 2021/22

Board member	Possible	Actual
Terry Moran CB, Chair	2	2
Sean Lyons, Chair	1	1
Linda Jackson, Vice Chair	6	6
Neil Gammon, Non-Executive Director	1	1
Fiona Osborne, Associate Non-Executive Director	3	3
Simon Parkes, Non-Executive Director	3	3
Gill Ponder, Non-Executive Director	5	5
Michael Proctor, Non-Executive Director	6	6
Maneesh Singh, Associate Non-Executive Director	5	5
Andrew Smith, Non-Executive Director	3	2
Michael Whitworth, Non-Executive Director	6	6
Stuart Hall, Associate Non-Executive Director	6	5
Dr Peter Reading, Chief Executive	6	6
Lee Bond, Chief Financial Officer	6	5
Ellie Monkhouse, Chief Nurse	6	5
Shaun Stacey, Chief Operating Officer	6	5
Dr Kate Wood, Medical Director	6	6
Christine Brereton, Director of People	6	6
Jug Johal, Director of Estates and Facilities	6	6
Shauna McMahon, Chief Information Officer	6	5
Ivan McConnell, Director of Strategic Development	6	6
Helen Harris, Director of Corporate Governance	6	6
Adrian Beddow, Associate Director of Communications	6	6

Assistance of Directors

The Trust Board and CoG are both provided with high-quality information appropriate to their respective functions and relevant to the decisions they must make. They receive assurance through a suite of financial and non-financial performance metrics including the integrated performance report and monthly finance report. The Board ensures that directors, especially NEDs, have access to independent professional advice, at the Trust's expense, where they judge it necessary to discharge their responsibilities or to provide additional assurance. New directors receive a full, formal, and tailored induction on joining the Board. They also have access, at the Trust's expense, to training courses and/or materials that are consistent with their individual and collective development. Directors, governors and members are all supported by the Director of Corporate Governance and the Trust Membership Office. Where directors have concerns that cannot be resolved about the running of the Trust or a proposed action, any concerns are recorded within the Trust Board minutes. Minutes of the Trust Board are comprehensive and are published in the public domain on the Trust's website. The Trust Board, and in particular the NEDs, may reasonably wish to challenge assurances received from the executive management team. The executive directors ensure, wherever possible, that the NEDs receive sufficient information and understanding to enable challenge and to take decisions on an informed basis.

The Board minutes reflect any challenges of the executive management. There is also in place a schedule of NED challenge roles whereby individual non-executives provide challenge in respect of specific areas of risk.

Board committees

The Board has established eight sub-committees which support the discharging of the Board's responsibilities. In addition to meeting the statutory requirements of having an Audit, Risk and Governance Committee and Remuneration and Terms of Service Committee, the Trust also has a Finance and Performance Committee, Quality and Safety Committee, Strategic Development Committee, a Workforce Committee, a Charitable Funds Committee (known as the Health Tree Foundation Trustees Committee) and has established a Committee in Common with the trust board of HUTH.

Minutes of the sub-committees are presented to the Trust Board alongside a report which provides escalation of issues and concerns which the sub-committee decides should be highlighted. Each sub-committee comes under the remit of an executive director and is chaired by a NED. Appropriate resources are allocated to ensure these sub-committees can undertake their duties. Arising from the Well led Review commissioned by the Trust during 2017/18, changes have been made to the Trust's meeting structures (including the Board assurance sub-committees) to provide clear reporting lines and separation of management decision making from assurance.

As at 31 March 2022, the current sub-committee structure is set out on the following pages.

Audit, Risk and Governance Committee

The Audit, Risk and Governance Committee is a standing committee of the Board of Directors. Its remit is to:

- Consider the effectiveness of internal controls and the management arrangements established by the Trust to deliver its stated objectives;
- Seek assurance that the Trust complies with the law, guidance and codes of conduct; and
- Monitor the integrity of the public disclosure statements made by the Trust

The Committee normally meets five times each year, although it met on six occasions in 2021/22. Its three members are appointed by the Board of Directors from among the Non-Executive Directors. Minutes of Committee's meetings are submitted to the Board of Directors and the CoG.

Internal Audit services are provided by Audit Yorkshire who commenced on June 1 2018, following a competitive procurement exercise in early 2018. Audit Yorkshire was appointed for an initial period of three years with the option to extend for a further year, and this extension year was duly considered and taken up. Internal Audit provides an independent and objective opinion on the extent to which risk management, controls and governance arrangements support the effective operation of the Trust.

The Head of Internal Audit produces an annual audit opinion on the effectiveness of the system of internal control. The Head of Internal Audit and/or the Internal Audit Manager for the Trust will normally attend Audit, Risk and Governance Committee meetings and has a right of access to all Audit, Risk and Governance Committee members, the Chair and Chief Executive of the Trust. The Head of Internal Audit is accountable to the Chief Financial Officer. Throughout 2021/22, the Committee received progress reports from internal audit on the planned work for the year, and the outcome of the individual reviews performed with associated recommendations. The annual Head of Internal Audit Opinion, which forms part of the Annual Governance Statement, contains details of high-risk recommendations made during the year. The Committee monitors the implementation of all internal audit recommendations and receives reports at each meeting to monitor progress on agreed actions. No reviews performed by Internal Audit during the reporting year resulted in a 'low assurance' rating. The Trust's external auditor is Mazars who commenced in September 2019 following a competitive tendering exercise. Representatives of the Audit, Risk and Governance Committee acted as advisors to the CoG in relation this tendering exercise.

The CoG convened a sub-committee to oversee the process and make a recommendation to the full CoG. Mazars was appointed for a period of three years with the option to extend for a further year. The Audit, Risk and Governance Committee assessed the effectiveness of its External Auditor through the mini-tendering exercise conducted. Thereafter an annual review of effectiveness is performed and considered by the Committee. The value of external audit services is disclosed in the Trust's financial statements (Note 5) and is circa £73k per annum. The Committee received and reviewed the draft financial statements and the audited accounts, as well as the Annual Governance Statement. Like all NHS Trust's we are obliged to review the basic accounting policy of 'going concern'. The Audit, Risk and Governance Committee, as part of the annual account's preparation, reviewed this issue and agreed that this was not a matter to change. Note 1.1.2 of the financial statements refer to the accounts being prepared on a going concern basis and the Audit, Risk and Governance Committee endorsed this as appropriate.

There is a policy for the engagement of the external auditor for non-audit work to safeguard objectivity and independence. The value of any non-audit services is routinely disclosed in the Trust's financial statements at Note 5.1, but there was no such work performed by Mazars during 2021/22. Each year, the Committee reviews its own effectiveness in line with the latest NHS Audit Committee Handbook (HFMA, 2018). A review of the Committee's terms of reference was undertaken to assess whether they remain fit for purpose, and as a result some relatively minor changes, aligning attendance at meetings and decision making with other Trust Board sub-committees, were considered and approved by the Committee in February 2022 prior to ratification by the Board of Directors in April 2022. In line with the Foundation Trust Code of Governance, the Committee also has a role in reviewing the organisation's arrangements for staff and other individuals where relevant, to raise, in confidence, concerns about possible improprieties in matters of financial reporting and control, clinical quality, patient safety or other matters. In order to discharge this function the Audit, Risk and Governance Committee has received periodic updates from the Trust's Freedom to Speak Up Guardian, most recently in October 2021.

Schedule of Attendance at Audit, Risk and Governance Committee meetings 2021/22

Member / Attendee	Apr-21	Jun-21	Jul-21	Aug21*	Oct-21	Feb-22
Members:						
Andrew Smith – NED / Chair (up to and inc. August 2021)	Y	Y	Y	N	-	-
Simon Parkes – NED / Chair (from October 2021)	-	-	-	-	Y	Y
Michael Whitworth – NED / Deputy Chair	Y	Y	Y	Y ³	Y	Y
Neil Gammon – NED (up to and inc. April 2021)	Y	-	-	-	-	-
Gill Ponder – NED (from June 2021)	-	Y	Y	Y	Y	Y
Associate Members (not forming part of quorum):						
Stuart Hall – Associate NED, NLAG / Vice Chair, HUTH	N	Y ⁴	-	-	-	-
Regular attendees:						
Lee Bond – Chief Financial Officer	Y	Y	Y	Y	Y	Y
Helen Harris – Trust Secretary / Director of Corporate Governance	Y	Y	Y	Y	Y	Y
Sally Stevenson - Asst. DoF – Compliance and Counter Fraud	Y	Y	Y	Y	Y	Y
Nicki Foley – Local Counter Fraud Specialist	Y	N ¹	Y	N ⁵	Y	Y
Data Protection Officer and Lead for IT (SM)	Y	N ¹	Y	N ⁵	Y	
Head of Procurement (IP)	Y	N ¹	Y	N ⁵	Y	Y
Internal Audit (Audit Yorkshire)	Y	Y	Y	Y	Y	Y
External Audit (Mazars)	Y	Y	Y	Y	Y	Y
Deputy Lead Governor (RP)	Y	Y	Y ²	Y	Y	Y ⁶
Ad-hoc attendees:						
Asst. DoF – Process and Control (NP)	Y	Y	-	-	-	Y
Deputy Director of Estates and Facilities (ST)	Y	-	-	-	-	-
Medical Director (KW)	Y	-	-	-	-	-
Associate Director of Quality Governance (AL)	Y	-	Y	-	Y	Y

**Schedule of Attendance at Audit, Risk and Governance Committee meetings
2021/22 continued**

Member / Attendee	Apr-21	Jun-21	Jul-21	Aug21*	Oct-21	Feb-22
Ad-hoc attendees continued...						
Assistant Director of Corporate Governance (AH)	Y	-	-	-	-	Y
Trust Chair (TM)	-	Y	-	-	-	-
CEO (PR)	-	Y	-	Y	-	-
Associate Director of Communications and Engagement (AB)	-	Y	-	-	-	-
EPR and Business Continuity Manager (GJ)	-	-	Y	-	-	-
Head of Safety and Statutory Compliance (BP)	-	-	Y	-	-	-
Chief Information Officer (SM)	-	-	Y	-	-	-
Associate Director of IM and T (SM)	-	-	Y	-	-	-
IT Data Security Manager (TF)	-	-	Y	-	-	-
Head of Quality Assurance (HG)	-	-	-	-	Y	-
Director / Head of Use of Resources – NHSE/I (RW)	-	-	-	-	Y	-
Associate Director of Pathology (MC)	-	-	-	-	-	Y

Notes

* August 2021 - extraordinary meeting for External Auditor Annual Report

¹ Not required to attend, Final Accounts meeting only

² Liz Stones attended in the absence of Rob Pickersgill

³ Chaired the meeting in the absence of Andrew Smith

⁴ Last meeting before becoming Acting Trust Chair at HUTH

⁵ Not required to attend, External Auditor Annual Report meeting only

⁶ Ian Reekie attended in the absence of Rob Pickersgill

Quality and Safety Committee

This committee is responsible for providing information and assurance to the Board of Directors on quality, safety, and patient experience outcomes. This committee submits copies of its minutes for inclusion on the Trust Board agenda, and significant issues are escalated to the Trust Board via a 'highlight' report. In particular, the duties include the following tasks to:

- Review the quality section of the BAF on a monthly/quarterly basis, giving consideration to the assurance provided, whether the key elements are appropriate in light of any concerns about which the Committee may be aware, and whether the underpinning risks provide sufficient assurance that the strategic risk is being appropriately managed
- Identify risks through the business of the committee and receive assurance that these had been appropriately recorded on the Trust's Risk Register, for monitoring via the Risk Management process as laid out in the Risk Management Policy
- Receive a quarterly report on Claims, Incidents, Serious Incidents and Complaints for information and discussion as to safety in the organisation
- Receive professional staffing reviews relating to clinical; nursing; and midwifery functions (and associated professions) and review the impact of staffing on patient care
- Receive reports from the Patient Experience Groups.
- Consider the findings from the national patients' surveys and seek assurance on the response to these
- Consider themes/trends and learning from complaints, Serious Incidents, claims and concerns and consider how this information might be used as part of the wider Trust approach to improving the patient experience
- Consider the findings from Ombudsman's reports and monitor the development and implementation of appropriate action plans
- Monitor the Trust's performance in respect of the achievement of Trust Quality Priorities

Finance and Performance Committee

This committee submits copies of its minutes for inclusion on the Trust Board agenda, and significant issues are escalated to the Trust Board via a 'highlight' report. Its remit includes:

- Financial and operational performance, including reviewing and challenging operational and financial plans, reviewing and challenging in-year financial and operational performance and overseeing the development and delivery of any corrective action plans, and reviewing and support the development of appropriate performance measures such as key performance indicators (KPIs), and associated reporting and escalation routes.
- Estates strategy and maintenance programmes, including proposals for land and property development
- Digital strategy, performance and development
- Capital and other investment programmes
- Cost improvement plans
- Business development opportunities and business cases

Remuneration and Terms of Service Committee

This committee reviews and approves leadership needs and succession planning to ensure the Trust can fulfil its own strategic and statutory requirements for the two levels below the executive level. It reviews and approves the overall structure of the executive team in terms of structure, size, skills, knowledge, experience, and diversity. It also reviews and agrees on the remuneration of senior directors and commissions recruitment exercises to fill any vacancies amongst the executive team. It reports to the Trust Board through updates provided to the non-executive directors by the Trust Chair and the CoG and members of the public through a committee and remuneration report included as part of the Trust's statutory annual report and accounts. Its membership is made up of three non-executive directors who are appointed by the Board. The Chief Executive and Director of People attend as and when the agenda dictates they should. The Director of Corporate Governance attends all meetings. These officers of the Trust remove themselves from the committee when their own remuneration or performance is discussed.

Strategic Development Committee

This committee oversees the development of the Trust's Five Year Strategy, ensuring that the actions and impact set out within the strategy support the Trust in its role as an "Anchor Organisation" in its localities whilst also enabling it to collaborate in the delivery of high quality and safe services across the Health and Care Partnership (HCP). It also ensures the Trust's strategy reflects national legislation and regional plans and that it is based upon a comprehensive analysis and understanding of:

- Population health need
- Strategic workforce requirements to meet that need
- Strategic financial analysis of the resources required to meet that need
- The infrastructure required to support its strategic objectives
- The partnerships required to support its strategic objectives

The committee also oversees the Trust's involvement in the Humber Acute Services programme, to ensure that it plays a full role and that the processes, recommendations, outputs and outcomes of HAS meet the highest standards required by law and fully support the Trust's strategic objectives and statutory obligations.

Health Tree Foundation Trustees Committee

This committee is a formal sub-committee of the Trust Board, under the Trust Constitution Part IV Section 6.8 d. Its membership is appointed by the Board from among the non-executive and executive directors. The committee consists of these voting members: an independent Chair, three NEDs, Chief Executive, Medical Director, Chief Nurse, and Chief Financial Officer. It oversees and manages the affairs of the Trust's charitable funds, the working name of which is The Health Tree Foundation. The committee ensures the charity acts within the terms of its declaration of trust, and all appropriate legislation on behalf of the Trust Board as the corporate trustee.

Committees In Common (CIC)

The Board of Directors has made a decision to create an NLaG Committee which will meet in parallel with a similar committee established by Hull University Teaching Hospitals (HUTH). The NLaG Committee and HUTH Committee come together and act, through the CIC, to provide assurance, advice and guidance and take decisions on behalf of the relevant Boards of both NLaG and HUTH on the design and delivery of the Humber Acute Services Programme:

- o Programme 1 – Interim Clinical Plan
- o Programme 2 – Core Service Change – UEC / Maternity and Paediatrics and Planned Care/Diagnostics
- o Programme 3 – Strategic Capital

This includes ensuring:

- There is effective oversight of work stream interdependencies and a balanced approach that maximises the potential of each Place while optimising overall delivery across the Humber geography
- Proposed out of hospital pathway changes are aligned with the programme outputs and contribute to the delivery of new ways of working
- Alignment of capital funding bids to programmes of change – seeking to maximise success
- The work undertaken in Programmes 1 and 2 underpins the development of a joint Strategic Outline Case for major capital investment within both NLaG and HUTH
- The work programmes lead to improved strategic workforce planning addressing system wide skills gaps, more integrated and inter operable ICT, more integrated diagnostics improving patient access and outcomes
- Where appropriate that resources are pooled for delivery of services

Workforce Committee

The specific objective of the Workforce Committee is to ensure risks pertaining to the strategy and transactions of workforce and organisational development are identified and managed. The committee's specific objectives include:

- To provide a positive working environment for staff and to promote supportive and open cultures that help staff do their job to the best of their ability
- To provide all staff with clear roles and responsibilities and rewarding jobs for teams and individuals that make a difference
- To provide all staff with personal development, access to appropriate education and training for their jobs, and line management support to enable them to fulfil their potential
- To provide opportunities for staff to maintain their health, wellbeing and safety
- To promote staff involvement in research to improve patient care
- To promote the delivery of quality education by and for all staff

Donations

As an NHS foundation trust, the Trust makes no political or charitable donations. It has set up its own charity – The Health Tree Foundation (HTF, see above) – and it continues to benefit from charitable donations received. In 2020/21 and 2021/22 HTF managed all the donations which the local public and businesses provided to help staff cope with the pandemic. More detail about this is set out in Chapter One of this Annual Report.

Better Payment Practice Code

The Trust's measure of performance in paying suppliers is the Better Payment Practice Code (BPPC). The code requires the Trust to aim to pay all valid invoices by the due date or within 30 days of receipt of a valid invoice, whichever is later.

	2021/22		2020/21	
	Number	£000	Number	£000
Total Non -NHS trade invoices paid in the year	74,694	276,270	86,539	223,909
Total Non-NHS trade invoices paid within target	66,869	259,718	54,655	173,301
Percentage of Non-NHS trade invoices paid within target	90%	94%	63%	77%
Total NHS trade invoices paid in the year				
Total NHS trade invoices paid in the year	2,485	24,502	2,962	26,435
Total NHS trade invoices paid within target	2,046	22,101	1,627	20,815
Percentage of NHS trade invoices paid within target	82%	90%	55%	79%

Income disclosures to auditors

The directors confirm that, as required by the Health and Social Care Act 2012, the income that the Trust has received from the provision of goods and services for the purposes of the health service in England is greater than its income from the provision of goods and services for any other purposes. The Trust has processes in place to ensure that this statutory requirement will be met in future years. The directors also confirm that the provision of goods and services for any other purposes are not materially impacted on our provision of goods and services for the purposes of the health service in England.

Cost allocation and charging

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

Statement as to disclosures to auditors

So far as each director is aware, there is no relevant audit information of which the NHS foundation trust's auditor is unaware and they have 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 Trust auditor is aware of that information. 'Relevant audit information' means information needed by the NHS foundation trust's auditor in connection with preparing their report. A director is regarded as having taken all the steps that they ought to have taken as a director in order to do the things mentioned above, and:

- Made such enquiries of his/her fellow directors and of the company's auditor for that purpose; and
- Taken such other steps (if any) for that purpose, as are required by his/her as a director of the company to exercise reasonable care, skill and diligence

NHS Improvement's well-led framework

The Trust's rating for well-led from the Care Quality Commission improved from 'inadequate' to 'requires improvement' following the last inspection in September 2019. The Annual Governance Statement later in this section of the Annual Report sets out in more detail how leadership and accountability is monitored by the Trust and its directors. During the 2021/22 year the Trust Board held development sessions on a number of topics and issues including:

- Freedom to Speak Up
- Making Data Count
- The CQC's well-led domain, including a self-assessment
- Patient safety
- Team development
- Equality, diversity, and inclusion
- Digital transformation

Trust Board approach to clinical governance

The Trust adheres to the Code of Governance for Foundation Trusts and the Board is satisfied that the Trust applies those principles, systems and standards of good corporate governance which reasonably would be regarded as appropriate for a supplier of health care services to the NHS.

The effectiveness of the Trust governance arrangements continued to be tested during 2021/22 via internal and external testing including internally via the annual internal audit programme. An improvement plan is in place and ongoing in response to the findings and recommendations arising from that review including agreed support. Quality and patient safety are both monitored through assurance to the Quality and Safety Committee, a sub-committee of the Trust Board, and the Quality Governance Group. Clinical governance comes under the remit of the Medical Director, in close collaboration with the Chief Nurse, and supported by the deputy medical directors and an Associate Director for Quality Governance.

The Trust is committed to improving safety and the Associate Director of Quality Governance is the Trust Patient Safety Specialist as per the National Patient Safety Strategy, and has launched a Learning Strategy to support the work on patient safety. The Trust ensures there is regular reporting to and dialogue with NHS Improvement, with a Quality Board led by NHS England and NHS Improvement.

Work strengthening divisional governance continues, with an emphasis on specialty governance. The Divisional Medical Directors have authority and responsibility for quality, the use of resources (including staffing and finances), performance and governance. The Chief Executive, as the Accountable Officer for the Trust, follows the procedures set out by NHS Improvement in advising the Board and the Council of Governors and for recording and submitting objections to decisions.

Stakeholder relations

More and more collaborative working is seen as crucial to delivering healthcare to local communities, especially in responding to the consequences of the coronavirus pandemic. The Trust always tries to work in an open and honest way and it has a genuine desire to listen and act on feedback to improve services and our patients' experience. The Trust works with numerous partners in the local 'health and care community' to continually progress services. These include GPs, community healthcare providers, social care providers, charities, ambulance services, mental health providers, local health Overview and Scrutiny Committees (OSCs) and the Clinical Commissioning Groups (CCGs) across the Trust's population footprint.

In 2021/22 the Trust continued to work in partnership with organisations across the Humber and North Yorkshire area, most recently as part of the emerging Health and Care Partnership (HCP) which launched on 1 April 2022. Within the HCP the Trust is working particularly with Hull University Teaching Hospitals (HUTH) on several transformation programmes to improve acute hospital services across the Humber area, and there is more information about the progress of this programme of work in Chapter One of this report.

Stakeholders have been updated on this work through regular briefing sessions run in conjunction with local Clinical Commissioning Groups (CCGs) and other partners. Due to the pandemic and social distancing requirements many of these sessions were held virtually and/or written updates were provided. Over the course of the year briefings and updates have been provided to: the Trust's Board and Council of Governors; the four OSCs overseeing the population using the Trust's services - East Riding of Yorkshire, North Lincolnshire, North East Lincolnshire and Lincolnshire; and local GPs and other partners.

Throughout the year the Chief Executive has regularly briefed local Members of Parliament (MPs) on what is happening within the Trust, particularly regarding the impact of the pandemic on services and staff. Members of the Trust executive team also discussed other matters with local OSCs including the Trust's on-going response to its latest CQC report, which was published in February 2020, the Trust's management of the COVID-19 pandemic, capital plans and updates on some service changes.

Patient engagement and service improvements and complaints management

The Trust continued to engage with its communities and patients throughout the year, despite the challenges that being in a pandemic brought. Ensuring accessibility of opportunities to gather patient and public feedback continues to be a priority. Utilising digital options has increased and this provide many benefits: the ability to reach various groups and individuals; immediate access to data; and reduced infection control risks. The use of tablets for gathering feedback is now accessible in all ward areas and departments. Currently these are used for the Friends and Family Test, but with additional questions to help the Trust understand what patients and their families think of its services. The ambition is to create a survey suite on these devices to maximise engagement opportunities and develop a volunteer role to work on this information gathering and evaluation. To minimise digital exclusion the Trust continues to always explore paper options for those who wish and aim to keep these as easy read friendly as possible.

The Trust has undergone extensive building developments (see Chapter One) and has engaged with the public throughout this process, using feedback to improve aspects of the site during the developments. Increasing volunteer presence, dropping pavement levels, and creating a canopy area for patients waiting to enter the A&E departments are some of the improvements made as a result of this feedback.

As the emerging HCP in Humber and North Yorkshire finalises its processes to engage with local people on service developments and changes the local authority, CCGs, independent partner organisations and the Trust are all working together to maximise engagement opportunities with local people. Using resources more effectively will help utilise opportunities and reduce duplication which, ultimately, leads to public fatigue. The first trial of an integrated survey is being worked through to start in 2022/23.

Children and young people have been engaged with regarding their experience of acute and community care as part of the service review programme. Through using a small guided booklet all ages, and parents, could share their thoughts about what was important to them. This work will help inform decision making of how to manage paediatric services across the Trust's area in the future.

The Trust's internal rolling inpatient survey, called INSIGHTs, engages with 10 patients on adult inpatient wards monthly to gain understanding on their experience of care. Using some national survey questions which rated as less favourable, plus some key aspects of care for oversight, the survey programme helps triangulate patient feedback and other key safety and staffing metrics.

The added value of the programme is the real time feedback opportunities to resolve issues at source. The national survey programme continues to enable the Trust to have widespread engagement from its communities, through the, inpatient, urgent and emergency care, maternity, and children and young people surveys. A comprehensive improvement plan highlights key areas for focus and these are:

- Person centred care
- Information
- Environment and facilities
- Discharge from the hospital

The Trust has prioritised a quality review of discharge based on the themes and maintains oversight of all survey actions within division through its Patient Experience Group. The Trust's Patient Panel continue to meet quarterly and share their experiences. One of the panel is active within the service review programme for ophthalmology and uses engagement opportunities locally to gather feedback about the current service, and any changes or proposals. Whilst this is done through direct conversations there is scope to develop this further in the future.

Patient stories are embedded within the Trust and lived experience opportunities use to help all staff, at all levels, to have opportunity to understand the impact care, services and culture have on patients and their families. Engaging with patients to share their experiences in various formats allowed key subjects to be made 'real', including at Trust Board meetings. For example Jan talked about the impact of COVID-19 and how she wanted to be involved in decisions, Annie talked about how a positive interaction with a staff member made her apply for a job with the Trust and Dr Nicola Crooks shared a quality improvement made through reported patient experience challenges which will benefit speech and language service users going forward.

The complaints service maintains an improved position on managing complaints in timescale, between 65-87% over the year, following full implementation of its new policy and approach to complaint handling. The complexity of complaints is increasing, and this means that timescales remain a challenge. Quality improvement changes were made in several areas:

- New consent process in hysteroscopy clinics
- Collaborative working with palliative care consultant, ambulance service and police regarding expected deaths to improve process for families
- Use of Family Liaison Assistant role to support communication and patient wellbeing during pandemic
- Introduction of Patient Contact helpline to support families during visiting restrictions

The Patient Advice and Liaison Service (PALS) was stabilised and developed as a team in 2021/22. This has contributed in concerns managed in timescale shifting from its plateau of 49-50% to 64% through use of support and challenge meeting methodology and fostering a supportive working environment. The Trust continues to be aspirational about hearing all the voices within its communities and will continue to build and develop further opportunities in the coming year. Ensuring service changes, on any level, as well as quality improvement initiatives have the patient voice with them will remain a focus within the Trust.

Governors' Report

Council of Governors

As a foundation trust, the Trust has a Council of Governors (CoG). The Board of the Trust is directly responsible for the performance and success of the Trust and satisfying the CoG that the Board is achieving its aims and fulfilling its statutory obligations. Governors act as a link to the local community and report matters of concern raised with them, to the Board, via their quarterly CoG meetings.

It receives and considers all appropriate information required to enable it to discharge its duties and is provided with high-quality information appropriate to its function and relevant to the decisions it makes.

Role of Governors

The CoG has a number of statutory roles and responsibilities, which are set out in a document called the Trust Constitution. These are:

- Appoint and, if appropriate, remove the Chair
- Appoint, and if appropriate, remove the other Non-Executive Directors
- Decide the remuneration and other terms and conditions of office of the Chair and other Non-Executive Directors
- Approve (or not) the new appointment of a Chief Executive
- Approve, and if appropriate, remove the Trust's auditor
- Receive the Trust's Annual Report and Accounts at a general meeting of the CoG
- Hold the Non-Executive Directors, individually and collectively, to account for the performance of the Board of Directors
- Represent the interests of the members of the Trust, and public
- Approve Significant Transactions as defined by NHSE/I guidance
- Approve an application by the Trust to enter into a merger or acquisition
- Approve amendments to the Trust's Constitution

The Council takes the lead in agreeing with the Audit, Risk and Governance Committee the criteria for appointing, re-appointing and removing external auditors. When the council ends an external auditor's appointment in disputed circumstances, the Chair will write to NHS England and NHS Improvement informing it of the reasons behind the decision.

There is a clear policy and a fair process, agreed and adopted by the Council, for the removal of any Governor who consistently and unjustifiably fails to attend the meetings of the Council or has an actual, or potential conflict of interest, which prevents proper exercise of their duties.

Members of the Council of Governors during 2021/22

Name	Initial date elected	Date re-elected	Term of office	Term of office ends	Date of retirement	Political party
Public governors – East and West Lindsey						
Jeremy Baskett	19.04.16	06.04.22	2 years and 7 months	06.11.24	-	
Gorajala Vijayasimhulu	24.04.19	-	3 years	24.04.22	16.03.22	
Public Governors - Goole and Howdenshire						
Tony Burndred	24.04.19	06.04.22	2 years and 7 months	06.11.24	-	
Rob Pickersgill	03.12.15	16.11.21	3 years	16.11.24	-	
Stephen Price	25.10.19	16.11.21	2 years	16.11.24	-	
Public Governors – North East Lincolnshire						
Diana Barnes	22.10.19	-	3 years	22.10.22	-	
Brian Page	03.12.15	16.11.21	3 years	16.11.24	-	
Ian Reekie	16.11.18	16.11.21	3 years	16.11.24	-	
Liz Stones	23.11.11	13.10.20	3 years	13.10.23	-	
Vacancy				16.11.24		
Public Governors – North Lincolnshire						
Kevin Allen	13.10.20		3 years	13.10.23	-	
David Cuckson	13.10.20	-	3 years	13.10.23	05.07.21	
David Cuckson	16.11.21		3 years	16.11.24	-	
Maureen Dobson	28.11.07	25.10.19	3 years	25.10.22	-	
Vincent Garrington	24.04.19	-	3 years	24.04.22	23.06.21	
Paul Grinell	04.11.09	16.11.18	3 years	16.11.21	-	
Shiv Nand	16.11.21		3 years	16.11.24	-	
Vacancy				16.11.24	-	

Members of the Council of Governors during 2021/22 continued

Name	Initial date elected	Date re-elected	Term of office	Term of office ends	Date of retirement	Political party
Staff Governors						
Ahmed Aftab	13.10.20		3 years	13.10.23		
Tim Mawson	21.10.14	28.07.20	3 years	28.07.23	-	
Joanne Nejrup	13.10.20		3 years	13.10.23		
Anthonia Nwafor	16.11.21	-	3 years	16.11.24		
Stakeholder governors						
Cllr Barbara Jeffreys – East Riding of Yorkshire Council	12.02.21		3 years	12.02.24	29.06.21	Independent
Eddie McCabe – North East Lincolnshire CCG	19.04.16	19.04.19	3 years	19.04.22	12.08.21	
Alex Seale – North Lincolnshire CCG	29.11.18	29.11.21	3 years	29.11.24	-	
Cllr Stan Shreeve - North East Lincolnshire Council	21.05.19	-	3 years	21.05.22	-	Conservative
Vacancy – East Riding of Yorkshire Council						
Vacancy – Hull York Medical School						
Vacancy – North Lincolnshire Council						

Council of Governor meetings

The Council of Governors meets sufficiently regularly to discharge its duties. During the year 1 April 2021 to 31 March 2022 attendance at meetings was as follows:

Council of Governor meetings (all held virtually)									
	Business	Annual Review	Business	Private	Annual Members' Meeting	Business	Private	Business	Total
Name	20/04	23/06	20/07	12/08	13/09	19/10	11/11	18/01	
Public Governors – East and West Lindsey									
Jeremy Baskett	P	P	A	A	A	P	P	P	5/8
Gorajala Vijayasimhulu	P	P	P	P	P	P	A	P	7/8
Public Governors – Goole and Howdenshire									
Tony Burndred	A	P	A	P	P	P	P	P	6/8
Rob Pickersgill	P	P	P	P	P	P	P	P	8/8
Stephen Price	A	A	A	A	P	A	P	P	3/8
Public Governors – North East Lincolnshire									
Diana Barnes	P	P	P	P	P	P	P	P	8/8
Brian Page	P	P	P	P	A	P	A	P	6/8
Ian Reekie	P	P	P	P	P	A	P	P	7/8
Liz Stones	P	A	A	A	A	P	A	A	2/8
Public Governors – North Lincolnshire									
Kevin Allen	P	P	P	P	A	P	P	P	7/8
David Cuckson	P	A						P	2/3
Maureen Dobson	P	A	P	P	P	P	P	P	7/8
Vince Garrington	A	A	A						0/3
Paul Grinell	P	P	P	P	P	P	P		7/7
Shiv Nand								P	1/1

Council of Governor meetings continued

Council of Governor meetings (all held virtually)									
	Business	Annual Review	Business	Private	Annual Members' Meeting	Business	Private	Business	Total
Name	20/04	23/06	20/07	12/08	13/09	19/10	11/11	18/01	
Staff Governors									
Ahmed Aftab	P	A	A	A	A	A	A	P	2/8
Tim Mawson	A	P	A	A	P	P	P	P	5/8
Joanne Nejrup	P	A	P	A	P	A	P	P	5/8
Anthonia Nwafor								A	0/1
Stakeholder Governors									
Eddie McCabe – NEL CCG	A	A	A						0/3
Alex Seale –NL CCG	A	A	A	A	A	A	A	A	0/8
Cllr Stan Shreeve - NEL Council	A	A	P	P	A	P	A	A	3/8

Key

A – Absent

P – Present

CCG – Clinical Commissioning Group

NL – North Lincolnshire

NEL – North East Lincolnshire

ERY – East Riding of Yorkshire

During the year 1 April 2021 to 31 March 2022 attendance by Non-Executive Directors (NED) and Directors at the Council of Governor meetings was as follows:

Council of Governor meetings (all held virtually)									
	Business	Annual Review	Business	Private	Annual Members' Meeting	Business	Private	Business	Total
Name	20/04	23/06	20/07	12/08	13/09	19/10	11/11	18/01	
Terry Moran CB, Trust Chair	P	P	A*						2/3
Linda Jackson - Vice Chair	P	A	P	P	P	P	P	P	7/8
Peter Reading - Chief Executive Officer	P	N/A	A*	P	P	P	P	P	6/7
Adrian Beddow – Associate Director of Communications	P	N/A	N/A	N/A	P	N/A	N/A	N/A	2/2
Lee Bond – Chief Financial Officer	A*	N/A	N/A	N/A	A*	N/A	N/A	P	1/3
Christine Brereton - Director of People	N/A	N/A	N/A	N/A	A*	N/A	N/A	N/A	0/1
Helen Harris - Director of Corporate Governance	P	P	P	P	P	P	P	P	8/8
Jug Johal - Director of Estates and Facilities	P	N/A	P	N/A	P	N/A	N/A	N/A	3/3
Ivan McConnell Programme Director – Humber Acute Services	N/A	N/A	N/A	N/A	A*	N/A	N/A	N/A	0/1
Sauna McMahon Chief Information Officer	P	N/A	N/A	N/A	P	N/A	N/A	N/A	2/2
Ellie Monkhouse - Chief Nurse	N/A	N/A	N/A	N/A	A*	N/A	N/A	N/A	0/1
Shaun Stacey – Chief Operating Officer	A*	N/A	A*	N/A	P	N/A	N/A	P	2/4
Kate Wood – Medical Director	N/A	N/A	N/A	N/A	P	N/A	N/A	N/A	1/1

Attendance by Non-Executive Directors (NED) and Directors at the Council of Governor meetings continued:

Council of Governor meetings (all held virtually)									
	Business	Annual Review	Business	Private	Annual Members' Meeting	Business	Private	Business	Total
Name	20/04	23/06	20/07	12/08	13/09	19/10	11/11	18/01	
Stuart Hall	P	P	A	N/A	A	A	N/A	A	2/6
Fiona Osborne				N/A	P	P	N/A	A	2/3
Simon Parkes				N/A	P	P	N/A	A	2/3
Gillian Ponder - Senior Independent Director	P	P	P	N/A	P	P	N/A	A	5/6
Mike Proctor	P	P	P	N/A	P	P	N/A	A	5/6
Maneesh Singh		P	P	N/A	P	P	N/A	P	5/5
Andrew Smith	P	P	P	N/A			N/A		3/3
Michael Whitworth	A	P	P	N/A	P	A	N/A	A	3/6

Key

P - Present

A - Absent

A* - Representative Attendance

N/A - Attendance not required

Lead Governor

NHS Improvement (NHSI) requires that a CoG elects a Lead Governor to be the primary link with the Foundation Trust. A Lead Governor is elected by the full Council and would also be the formal link to NHSI if circumstances required direct communication between the CoG and the regulator. Ian Reekie, a public Governor for North East Lincolnshire was re-elected as Lead Governor from 16 November 2021.

Governor engagement

There are typically four CoG business meetings and a CoG Annual Members' Meeting held in public each year. The Governors invite members of the Trust Board to attend to update them on specific items and each meeting includes reports from Governors, the Chair and from the Board. A review of the collective performance of the CoG is held annually in June and members of the Board of Directors are invited to attend and support this process. The review is led by the Trust Chair, supported by the Director of Corporate Governance and Assistant Director of Corporate Governance, and utilises a framework document that incorporates NHS Improvement's Code of Governance. This meeting was held on June 23 2021.

The CoG has an active and vibrant working group called the Governor Assurance Group which has incorporated the Membership and Patient Engagement Group, Quality Review Group and Staff Governor Working Group. In addition to this, Governors also have an Appointments and Remuneration sub-committee. NHS Improvement requires foundation trusts to provide forward planning for each financial year, prepared by the Board of Directors. Governors are consulted on the development of these plans and are able to input views from the members they represent.

Governors are supported and involved in many aspects of the Trust including undertaking Patient Led Assessments of the Care Environment (PLACE) visits, along with 15 Step Ward Reviews and assist in the preparation of Care Quality Commission (CQC) Inspections by undertaking 'mock inspections' with members of staff.

The Chair offers governors one-to-one meetings and invites to take up these opportunities, along with undertaking the Annual Developmental Governor Reviews, where they are encouraged to attend Trust Board meetings. During the course of the year governors have also received governor and Non-Executive Director briefings and training sessions, with or without the Executive Directors in attendance, where they receive detailed updates and are able to discuss matters amongst themselves.

Four such briefings were held during 2021/2022 on topical health matters which included:

- Humber Acute Services
- Integrated digital health record
- Health Tree Foundation
- Outpatients Transformation Programme
- Nosocomial Infections
- Workforce Update
- Forward Plan Briefing/Consultation

Additional briefings within the Council of Governor meetings were held during 2021/2022 on topical health matters which included:

- Trust Priorities
- Trust Priorities' Year End Report
- Humber Acute Services Progress
- Accident and Emergency performance
- Humber, Coast and Vale and Government White Paper Update
- Short Term Capital Trust Investments
- North Lincolnshire Community Services
- Trust Priorities 2021-22 Year End Report
- Referral to Treatment Current Situation and Recovery Plans
- Overview of Humber Coast and Vale Developments
- Annual Report and Accounts
- Annual Audit Report 2020/21
- Progress report on the development of ICS reference to HCV
- Voluntary Services
- Emergency Care and Elective Recovery
- Planned Care
- Financial Special Measures

Governors supported a series of virtual public engagement events, however the usual drop-in sessions were on hold due to the COVID-19 pandemic and restricted governance arrangements. These were re-instated early 2022. They also utilised the Trust, membership portal website, news releases, posters and e-mails to communicate with members. During the year governors also supported various member recruitment events.

Holding the Non-Executive Directors to account for the performance of the Trust Board

Governors have an important role in making an NHS Foundation Trust accountable for the services it provides. They bring valuable perspectives and contributions to its activities. Governors are expected to hold Non-Executive Directors to account for the performance of the Trust Board of Directors and the following sets out the principles of how governors discharge this responsibility:

- To ensure that the process of holding to account is transparent and fulfils the statutory duties of the CoG
- To make the most effective and efficient use of time and resources, and to avoid duplication
- To reflect the NHS Improvement guidance that governors should, via the Non-Executive Directors, seek assurance that there are effective strategies, policies and processes in place to ensure good governance of the Trust
- To be proportionate, recognising that governors are volunteers and that Non-Executives are contracted

The council has established a policy for engagement with the board of directors for those circumstances when they have concerns. At no time during 2021/22 has the CoG exercised its formal power to require a Non-Executive Director to attend a Council meeting and account for the performance of the Trust.

Non-Executive Directors are invited to attend all CoG meetings and attend the Governance Assurance Group Meetings (GAG), based on the Trust Board sub-committees Chair role they hold. Governors can hold them to account at any of the sessions as required and appropriate.

The CoG is satisfied with its interaction and relationship with the board of directors and that it is appropriate and effective.

Appraisal and appointment

The CoG has an Appointments and Remuneration Committee (ARC), for the appointment of Non-Executive Directors (including the Chair, Deputy Chair and Senior Independent Director). The committee has delegated authority to consider these appointments on behalf of the CoG, and provide advice and recommendations to the full council in respect of these matters.

The committee also periodically reviews the process to be followed for the appointment of the Chair, Deputy Chair, Senior Independent Director and Non-Executive Directors, including the means by which views will be obtained from the Trust Board on the qualifications, skills and experiences required for each position when considering potential candidates.

On an annual basis the committee reviews the remuneration of Non-Executive Directors in context to changes to the cost of living and in reference to remuneration levels in comparable organisations.

It also considers and makes recommendations for the Council of Governors for the reappointment of the Lead Governor. The council will only exercise its power to remove the Chair or any Non-Executive Director after exhausting all means of engagement with the Board.

The Chair and other NED appraisals for 2021 have been undertaken and reported to the full Council.

Appointments and Remuneration Committee (ARC) attendance 2021/22

Meeting dates	24/03/21	25/05/21	14/07/21	21/09/21	01/12/21	16/03/22	Total
Public/staff governor members							
Ian Reekie (ARC chair)	P	Observer	P		P	P	5 out of 5
Jeremy Baskett	P	A	A		A	A	1 out of 5
Paul Grinell	P	P	P				3 out of 3
Tim Mawson	P	P	P		P	P	5 out of 5
Brian Page	P	P	P		P	P	5 out of 5
Rob Pickersgill	P	P	P		P	P	5 out of 5
In attendance							
Christine Brereton (Director of People)	A*	P	P		P	P	4 out of 5
Paul Bunyan (Associate Director of Workforce)	P						1 out of 1
Helen Harris (Director of Corporate Governance)	P	P	P		P	A*	4 out of 5
Alison Hurley (Assistant Director of Corporate Governance)						P	1 out of 1
Linda Jackson (Acting or Vice Trust Chair)	P	P	P		P	P	5 out of 5
Claire Low (Deputy Director of People)	P						1 out of 1
Sean Lyons (Trust Chair)						P	1 out of 1
Terry Moran (Trust Chair)	P	P					2 out of 2
David Sprawka (Head of Recruitment and Employment Services)		P					1 out of 1

Key

A – Absent

A* - Absent with representative present

P - Present

Key items discussed by Trust Governors in 2021/22

Various key items were discussed by the CoG during the year, which included:

- Trust Priorities 2021/22
- Humber, Coast and Vale and Government White Paper Updates
- Humber Acute Services Progress
- Accident and Emergency Performance
- North Lincolnshire Community Services
- Trust Priorities 2021-22 Year End Report
- Referral to Treatment Current Situation and Recovery Plans
- Overview of Humber Coast and Vale Developments
- Patient Stories During COVID-19
- Annual Audit Report 2020/21
- Accident and Emergency performance
- Short Term Capital Trust Investments
- Voluntary Services
- Finance – Special measures planning and recovery plan, contracting, cost improvement programme, capital investment
- Emergency Care and Elective Recovery
- Planned Care
- Finance Reports and Updates
- Board Assurance Framework
- Integrated Care System Partnership Working Update - 'Integrating Care: Next steps to building strong and effective integrated care systems across England' - NHS England /Improvement (NHSE/I)
- Performance compliance with evolving Integrated Performance Report
- Quality development plan and performance indicators
- Feedback from CoG sub-groups:
 - Governor Assurance Group (GAG)
 - Appointment & Remuneration Committee
- Reports from Board committees (presented to GAG):
 - Finance and Performance Committee (FIPC)
 - Audit, Risk and Governance Committee (ARGC)
 - Quality and Safety Committee (QSC)
 - Workforce Transformation Committee
 - Health Tree Foundation Trustees Committee

Membership

Membership strategy

The Trust has a Membership and Public Engagement Strategy for the period 2019 to 2022. This strategy acknowledges that it is the responsibility of a foundation trust to recruit, communicate and engage with members and the broader public as a way of ensuring service provision meets the needs of service users. The Trust's strategy aims to recruit a representative membership base that is actively engaged in working for the good of the Trust.

The key priorities of the strategy are:

- Membership community – to uphold our membership community by addressing natural attrition and membership profile short-fallings with member recruitment
- Membership engagement – to develop and implement best practice engagements methods with our members and the wider public
- Governor development – to support the developing and evolving role of our Governors

Recruiting new members and supporting recruitment events within the hospitals and community venues is a key governor role. Governors spend time at these events describing the role of a Trust member and gathering feedback on services across the Trust and its future plans. Governors can be contacted via the Trust Membership Office by emailing: nlg-tr.foundationtrustoffice@nhs.net, or by ringing (03303) 302852 or writing to: The Membership Office, Scunthorpe General Hospital, Cliff Gardens, Scunthorpe, North Lincolnshire, DN15 7BH.

Currently the Trust has 6,440 public members who must live within one of the four constituencies and be aged 16 or above. All staff are offered the opportunity to be enrolled as members, when commencing employment with the Trust.

The Trust's membership for 2021/22 and the planned membership for 2022/23 are:

	2021/2022 planned	2021/22 actual	2022/23 planned
Public constituency: as at 31.03.22	6,300	6,467	6,300
New public members	550	44	550
Leaving public members	200	240	200
Minimum required under Constitution	1,400	1,400	1,400
Staff constituency: as at 31.03.22	6,500	5,101	6,500
New staff members	850	661	850
Members staff leaving	800	567	800

As at 22 March 2022, the Trust had a membership of 11,643 (including 27 members with no date of birth declared and recorded). The number of new members for the period of 2021/22, including staff members was 866. The number of members leaving was 542, again, including staff. This shows an overall membership decrease of 324 members. The tables below provide a detailed breakdown (Figures as at 22 March 2022).

Total membership overview	
Public members	6,467
Staff members	5,101
Members with no DOB recorded	27
Total members	11,568

Age group – public members	Number	Percentage	Population*
0 to 16	52	0.8%	19.51%
17 to 21	711	11%	5.85%
22 +	5,677	87.78%	74.64%
DoB not stated	27	0.42%	n/a
Total	6,467	100%	100%

Breakdown by constituency

Constituency	Male	Female	Not stated	Total
Goole and Howdenshire	218	341	0	559
North East Lincolnshire	829	1,979	0	2,808
North Lincolnshire	884	1,585	0	2,469
East and West Lindsey	202	429	0	631
Staff	915	4,186	0	5,101
Total	3,048	8,520	0	11,568

Breakdown by ethnicity

Ethnicity	Number	Percentage	Population	Percentage
White	6,066	93.79%	381,788	97.63%
Mixed	31	0.48%	1,854	0.49%
Asian or Asian British	114	1.76%	5,529	1.45%
Black or Black British	35	0.54%	882	0.23%
Other	0	0%	786	0.20%
Not stated	221	3.42%	0	0%

Trust membership generally reflects the demographic of the population served, and is representative for the majority of categories. Membership recruitment events will continue to be undertaken in 2022/23, some of which will target various groups to further ensure representative membership (e.g. 16-year-olds through schools and colleges etc).

Keeping in touch with members

Ensuring effective two-way communication with our members, via a combination of Trust and governor managed formal and informal communications is very important to our organisation. We issue a 'welcome' email or letter to all new members, which provides an outline of the Trust and what we do. Our membership office strives to maintain contact with members using a variety of methods although face-to-face contact has been limited due to COVID-19 during 2021/22.

These methods include:

- Trust website with a designated section for members
- Members' portal – an external website specially designed for member engagement
- Email – newsletters, invites to meetings and volunteer opportunities
- Face-to-face through informal governor drop-in sessions, membership recruitment and engagement events, and attendance at Engagements and Listening Events
- Posters around the Trust sites and publicised with our partner organisations
- Twitter and Facebook
- Engagement events provide members with an opportunity to listen to presentations and debate the hot topics of the day, and our governor drop-in sessions give people the chance to speak to Governors in private about any issues they may have. It is also an opportunity for people to pass on their praise for the services they have received. Feedback from the drop-in sessions is shared with the Membership Office who forward on queries or seek responses on behalf of governors as appropriate and feedback to them.

Disclosures and declarations of interests

The Chair of the CoG has not declared any other significant commitments that require disclosure.

The Chair submits an Annual Declaration of Interest Statement and Fit and Proper Person Declaration which are reported in public at the Trust Board.

Governors are required to complete individual Declaration of Interest forms, which are held on a Trust Register and available from the Trust Secretary upon request.

Resolution of disputes

The Trust Constitution sets out the process for dealing with any dispute between the Council of Governors and the Trust Board. The Council and Trust Board have a positive working relationship, and the process has not been utilised during 2021/22.

Remuneration Report

Introduction

The terms and conditions of employment for most of the Trust's employees are linked to the agreed national frameworks, for example Agenda for Change. The exceptions to this are the Executive whose terms and conditions of employment and remuneration are determined by the Remuneration and Terms of Service Committee. The details of this are set out in this chapter of the Annual Report.

The NHS Foundation Trust Annual Reporting Manual indicates this means those who influence the decisions of the Trust as a whole, rather than the decisions of individual directorates or services. For the purpose of this remuneration report the description of "senior manager" will refer to the Executive Directors and the Non-Executive Directors holding positions on the Trust Board of Directors. The remuneration report contains details of senior managers' remuneration and pensions. It also sets out further information about the appointment of those senior managers (where these have occurred during 2021/22) as required by NHSI's Code of Governance. The narrative and figures in this report relate to those individuals who have held office as a senior manager of the Trust during the periods 2020/21 and 2021/22. The information in this section is not subject to audit by our external auditors, but they will read the narrative to ensure it is consistent with their own knowledge of the Trust. The auditable sections are the directors' remuneration tables and the pension benefits table later in this section of the Annual Report.

Annual statement on remuneration

The Remuneration and Terms of Service (RATS) Committee, as per its terms of reference, undertook a view on remuneration of each member of the executive team individually using principles set out in its internal document "principles for determining pay and conditions for CEO and Executives. This included factors such as performance, NHS salary guidance, internal relativities, market consideration and comprehensive benchmarking. Remuneration levels of other staff groups within the Trust, and in the wider NHS, were also taken in consideration. The key decisions made on senior managers' remuneration in 2021/22 were as follows:

- Continuation of a secondment to a joint executive post across the Humber and North Yorkshire Care System (whilst retaining a substantive post at the Trust) resulting in a temporary uplift to salary
- Agreement of a non-consolidated one-off payment for the CEO and Executive Directors based upon national guidance
- An uplift in basic salary for one of the Executive Directors to be in line with other comparable executive directors both internally and externally. This did not require Treasury approval
- Approval of a joint executive director role with Hull University Teaching Hospital resulting in an increase to basic salary. The costs of which will be shared across the two trusts. This did not require Treasury approval. This is effective from 1 April 2022.

Appointment and Remuneration Committee – Non-Executive Directors’ remuneration

The overarching policy for the remuneration of the Non-Executive Directors is to award levels of remuneration in line with other comparable NHS foundation trusts, using benchmarked figures from a number of sources. The work of the committee is also in line with the requirement of paragraph 18(2) of Schedule 7 of the Health and Social Care Act 2006. The Council of Governors’ Appointment and Remuneration Committee decides on Non-Executive Director pay and terms and conditions.

Senior managers’ remuneration policy

All directors’ performance is subject to an annual appraisal, the outcome of which is reported to the Remuneration and Terms of Service Committee by the Chief Executive. This is prior to any decision being made on executive remuneration. The Chief Executive had his appraisal during 2021/22; this was undertaken by the Chair of the Trust. From the appraisal a report will be submitted to the Remuneration and Terms of Service Committee and also to the Council of Governors.

The annual appraisal method is chosen as it is an effective way to assess performance against a range of performance targets and leadership responsibilities and includes feedback from non-executive directors.

In coming to any decision on remuneration, the committee takes account of the circumstances of the Trust, the size and complexity of the role, any changes in the director’s portfolio, the performance of the individual and any appropriate national guidance. Senior managers are remunerated based on these decisions. In considering senior managers pay the committee has used the NHS Improvement Senior Managers benchmarking tool and guidance framework from 2018/19 onwards. Final decisions on any recommendation to uplift remuneration are taken by the committee. It also took note of the requirement to consider any pay above a threshold of £150,000. This is a requirement from the Secretary of State in respect of salaries higher than that of the national salary of the Prime Minister. All salaries above this threshold have been sanctioned in this way.

Future policy tables

This section describes the policy narrative relating to the components of the remuneration packages for senior managers (Executive and Non-Executive Directors). Each of the components detailed in those tables supports the Trust in terms of its long-term strategic objectives. Setting and reviewing pay is not a simple matter. It is vital to recruit and retain talent and to operate the pay system fairly; but it is also necessary to have a robust process for reviewing remuneration and to be able to demonstrate sensible use of public money.

In the case of executive jobs the Remuneration and Terms of Service Committee made the decision that from 2018/19 job evaluation and remuneration of Senior and Very Senior Managers would be conducted using the NHS Improvement 'Guidance on the pay for very senior managers in NHS trusts and foundation trusts' tool. The Trust is identified as a medium-sized acute Trust for the purpose of this tool.

The Trust also includes a performance discussion at the same time as the annual review of roles and salary but does not apply a performance related pay process. No new elements were added within the remuneration packages during 2021/22 and no changes to the current elements were made.

Element	Policy
Base pay	Base pay is determined through market benchmarking and internal relativities and is used to attract and reward the right calibre of leadership to deliver the Trust's short, medium, and long-term objectives
Pension	Executive directors are able to join the standard NHS pension scheme that is available to all staff
Retention premium	A retention premium is paid to reflect the nature of the individual contribution of the post holder and encourage retention in the face of a difficult recruitment market and in some cases in difficult to recruit into roles
Bonuses	Bonuses were not given to staff, including senior managers.
On call payment	In relation to executive pay, no board members receive on call payment
Benefits	The Trust operates a number of salary sacrifice schemes including cycle scheme and childcare vouchers. These are open to all members of staff. The individual foregoes an element of their basic pay in return for a defined benefit
Travel expenses	Appropriate travel expenses are paid for business miles
Declaration of gifts	As with all employees, senior managers must declare any gifts or hospitality according to Trust policy with a value in excess of £25

Base salaries are set in line with the NHS Improvement benchmarking tool and guidance and are designed to ensure retention, recruitment, of the calibre and experience required to deliver the aims of the Trust. Salaries are revised annually and uplifted only if:

- There is demonstrable evidence that an uplift is required to keep in line with the market
- A change of portfolio necessitates uplift

The maximum value of each pay element is determined on a case-by-case basis with NHSI guidance being used for positioning of salaries using the tables and guidance produced.

Remuneration policy for Non-Executive Directors

Remuneration of the Chair and NEDs for 2020/21 is as follows and is undertaken by the Council of Governors' Appointments and Remuneration Committee (ARC):

Name	Salary 2021/22	Salary 2020/21
Sean Lyons (Chair)	£37,500 (commenced Feb 22)	N/A
Linda Jackson (NED and Vice Chair)	£13,000 – Non-Executive Director £18,500 – Vice Chair	£37,000
Terry Moran CB (Chair. Also Chair of HUTH where he was remunerated at the same level)	£37,500 Left July 2021	£37,500
Neil Gammon	£13,045 Left May 2021	£13,045
Michael Whitworth	£13,045	£13,045
Michael Proctor	£13,045	£13,045
Andrew Smith	£15,373 Left August 2021	£15,373
Gillian Ponder	£15,373 (Commenced April 2021)	N/A
Maneesh Singh	£13,227 (Commenced May 2021)	N/A
Simon Parkes	£15,373 (Commenced September 2021)	N/A
Stuart Hall	£13,000	N/A
Fiona Osborne	£13,045 (Commenced August 2021)	N/A

Future Policy Table for Non-Executive Directors

Element	Policy
Fee payable	They receive a base allowance for circa 6 days per month
Additional fees	They can claim a subsistence allowance
% uplift (cost of living increase)	This is reviewed, although not applied
Travel	Appropriate travel expenses are paid for business miles
Uplift	Chair of the Audit Committee receives an uplift for being chair
Uplift	An uplift is received for undertaking the role of Senior Independent NED

Performance and appraisal of the Executive Directors

The system of appraisal is the same as all staff, in that the Trust's appraisal process, which is linked to our vision and values, is used to appraise executives.

Service contract obligations

HM Treasury has issued specific guidance on severance payments within 'Managing Public Money' and special severance payments when staff leave requires Treasury approval. Alongside this the Trust observes NHS Improvement 'Guidance on pay for very senior managers in NHS Trusts and Foundation Trusts' which was published in March 2018. All contracts are permanent with no fixed end date. There are no contractual provisions for payments on termination of contract. This is the case on a substantive or interim basis.

Policy on payments for loss of office

There is currently no provision within the Remuneration Policy for payment for loss of office on senior managers contracts. No payments were made during 2021/2022.

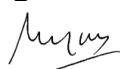
Statement of consideration of employment conditions elsewhere in the Trust

There has been no formal consultation regarding the senior managers' Remuneration Policy.

Policy on notice periods

Executive Directors have to provide a period of three months' notice should they wish to terminate their employment with the Trust.

Signature:



Chair of the Trust and Chair of the Remuneration and Terms of Service

Committee: Sean Lyons

Date: 15 June 2022

Annual report on remuneration

This section includes a description of the work of the committees that are involved in the appointments of both the Executive and Non-Executive Directors, and in determining their respective salaries and remuneration. These are:

- The Remuneration and Terms of Service Committee
- The Appointments and Remuneration Committee

The Remuneration and Terms of Service Committee (a sub-committee of the Board of Directors)

The Remuneration and Terms of Service Committee (RATS) is a sub-committee of the Trust Board and was established in accordance with the Trust Constitution and Monitor's NHS Foundation Trust Code of Governance (July 2014) for the purpose of setting the remuneration of Executive Directors of the Trust Board and those reporting directly to the Chief Executive.

It is responsible for determining the pay and terms of service for Executive Directors and is accountable to, and reports directly to, the Trust Board. Its key objective is to ensure that remuneration packages are sufficient to attract, retain and motivate executive directors of the quality required for the successful operation of the Trust, while avoiding paying excessively for this purpose. Remuneration includes pay, all contractual terms and conditions, pensions and redundancy or settlement entitlements.

The committee is comprised of all Non-Executive Directors. Other Directors attend meetings or parts of meetings by invitation as required for specialist advice including the Chief Executive and Director of People.

In accordance with NHSI's Code of Governance no Director is involved in deciding his/her remuneration

The Remuneration and Terms of Service Committee is independent of the executive arm of the Board of Directors. However, during 2021/22 the committee has taken advice internally from Director of People.

The tables overleaf illustrate the attendees and their attendance at the Remuneration and Terms of Service Committee meetings held between 1 April 2021 and 31 March 2022.

Name	Title	Dates of Attendance
Terry Moran	Chair	2021: 12 May
Sean Lyons	Chair	2022: 23 February, 01 March, 30 March
Linda Jackson	Vice Chair	2021: 12 May, 07 July, 11 August, 27 September, 14 October, 15 November 2022: 31 January, 23 February, 01 March, 30 March
Neil Gammon	Non-Executive Director	2021: 12 May
Gillian Ponder	Non-Executive Director	2021: 07 July, 11 August, 27 September, 15 November 2022: 31 January, 23 February, 01 March
Michael Proctor	Non-Executive Director	2021: 12 May, 11 August, 27 September, 15 November 2022: 31 January, 23 February, 01 March, 30 March
Maneesh Singh	Associate Non-Executive Director	2021: 12 May, 07 July, 11 August, 27 September, 14 October, 15 November 2022: 31 January, 23 February, 01 March, 30 March
Andrew Smith	Non-Executive Director	2021: 12 May, 07 July, 11 August
Michael Whitworth	Non-Executive Director	2021: 12 May, 07 July, 11 August, 27 September, 14 October, 15 November 2022: 31 January, 23 February, 01 March
Fiona Osborne	Associate Non-Executive Director	2021: 27 September, 14 October, 15 November 2022: 31 January, 23 February, 01 March, 30 March

Name	Title	Dates of Attendance
Simon Parkes	Non-Executive Director	2021: 15 November 2022: 31 January, 23 February, 30 March
Christine Brereton	Director of People	2021: 12 May, 07 July, 11 August, 27 September, 14 October, 15 November 2022: 31 January, 23 February, 01 March, 30 March
Stuart Hall	Associate Non-Executive Director	2021: 12 May, 07 July
Helen Harris	Director of Corporate Governance	2021: 12 May, 11 August 2022: 31 January, 23 February
Dr Peter Reading	Chief Executive	2021: 12 May, 07 July, 11 August, 14 October, 15 November 2022: 31 January, 23 February, 01 March, 30 March
Wendy Stokes	Executive PA (taking minutes)	2021: 12 May, 07 July, 11 August, 27 September, 14 October, 15 November 2022: 31 January, 23 February

Cumulative Record of RATS Committee Attendance (2021/2022)

Attendee Name	Possible	Actual	Attendee Name	Possible	Actual
Terry Moran	2	1	Christine Brereton	10	10
Linda Jackson	10	10	Stuart Hall	10	2
Neil Gammon	1	1	Helen Harris	10	4
Gillian Ponder	10	7	Peter Reading	10	9
Michael Proctor	10	8	Fiona Osborne	7	7
Maneesh Singh	10	10	Simon Parkes	6	4
Andrew Smith	3	3	Sean Lyons	3	3
Michael Whitworth	10	9			

Advice to the committee

External advice to the Remuneration and Terms of Service Committee is provided by the NHS Improvement benchmarking tool and guidance for Senior and Very Senior Managers. NHS Improvement guidance provides both job evaluation and remuneration benchmarking from comparison of the size of the Trust, based on annual budget, against comparator Trusts of an equivalent size (budget). For the purposes of this exercise the Trust is classified as a medium-sized trust.

Directors' contracts

Details of the contract start date for the Chief Executive and other members of the Executive Team who served during 2021/22 are set out in the table below.

Name	Title	Date of contract	Notice period from the Trust	Notice period to the Trust
Dr Peter Reading	Chief Executive	14/08/2017	3 months	3 months
Ellie Monkhouse	Chief Nurse	01/05/2019	3 months	3 months
Dr Kate Wood	Medical Director	01/04/2019	3 months	3 months
Jug Johal	Director of Estates and Facilities	14/08/2014	3 months	3 months
Shaun Stacey	Chief Operating Officer	29/05/2018	3 months	3 months
Ivan McConnell	Director of Strategic Development	16/03/2020	3 months	3 months
Christine Brereton	Director of People	01/01/2021	3 months	3 months
Shauna McMahon	Chief Information Officer	01/02/2021	3 months	3 months
Lee Bond	Chief Financial Officer	06/11/2020 Joint contract with HUTH	3 months	3 months

Details of the non-executive directors who have served during the course of 2021/22 are shown in the table below, along with details of their current terms of appointments. The tenure (length) of employment for Non-Executive Directors is set out in the Trust's Constitution and is for three years, and then subject to reappointment. Any terms beyond six years is subject to rigorous review by the Council of Governors (CoG) and Non-executive Directors serving beyond this are subject to an annual reappointment.

Name	Appointment date	Start of current term	End of current term
Terry Moran (also Chair of HUTH)	03/02/2020	03/02/2020	Left 31/07/2021
Linda Jackson NED and Vice Chair	01/03/2020	01/03/2020	30/09/2023
Sean Lyons (also Chair of HUTH)	01/02/2022	01/02/2022	31/01/2025
Neil Gammon	25/11/2019	25/11/2019	Left 30/06/2021
Michael Whitworth	08/01/2020	08/01/2020	07/01/2023
Michael Proctor	15/09/2020	15/09/2020	15/09/2022
Charles (Andrew) Smith	05/10/2020	05/10/2020	Left 31/08/21
Fiona Osborne	16/08/2021	16/08/2021	15/08/2022
Simon Parkes	07/09/21	07/09/21	06/09/2024
Gillian Ponder	12/04/2021	12/04/2021	31/05/2023
Maneesh Singh	01/05/2021	01/05/2021	30/04/2022
Stuart Hall	01/04/2020	01/04/2020	30/09/2023

The Appointments and Remuneration Committee (a sub-committee of the Council of Governors)

The Appointment and Remuneration Committee (ARC) is a sub-committee of the Council of Governors. It sets the remuneration and terms of service for the Non-Executive Directors (NEDs), and it plays a role in the appointment of NEDs. The table overleaf shows the number of Appointments and Remuneration Committee meetings in 2021/22 that were attended by each member of the committee.

Appointment of Executive and Non-Executive Directors in 2021/22

There were no executive appointments during 2021/22. There were five NED appointments in 2021/22 (including Associate NEDs and Trust Chair).

Meeting dates for Appointments and Remuneration Committee							
	24/03/21	25/05/21	14/07/21	21/09/21	01/12/21	16/03/22	Total
Public/Staff Governor Members							
Ian Reekie (ARC Chair)	P	Observer	P		P	P	5 out of 5
Jeremy Baskett	P	A	A		A	A	1 out of 5
Paul Grinell	P	P	P				3 out of 3
Tim Mawson	P	P	P		P	P	5 out of 5
Brian Page	P	P	P		P	P	5 out of 5
Rob Pickersgill	P	P	P		P	P	5 out of 5
In Attendance							
Christine Brereton (Director of People)	A*	P	P		P	P	4 out of 5
Paul Bunyan (Associate Director of Workforce)	P						1 out of 1
Helen Harris (Director of Corporate Governance)	P	P	P		P	A*	4 out of 5
Alison Hurley (Assistant Director of Corporate Governance)						P	1 out of 1
Linda Jackson (Acting or Vice Trust Chair)	P	P	P		P	P	5 out of 5
Claire Low (Deputy Director of People)	P						1 out of 1
Sean Lyons (Trust Chair)						P	1 out of 1
Terry Moran (Trust Chair)	P	P					2 out of 2
David Sprawka (Head of Employment)		P					1 out of 1

KEY = A - Absent, A* - Absent with representative present, P - present

Off payroll engagements

Table 1: Highly-paid off-payroll worker engagements as at 31 March 2022 earning £245 per day or greater

	Number
Total number of existing engagements as of 31 March 2022	0
<i>Of which, the number that have existed:</i>	
for less than one year at the time of reporting	0
for between one and two years at the time of reporting	0
for between two and three years at the time of reporting	0
for between three and four years at the time of reporting	0
for four or more years at the time of reporting	0

Table 2: All highly-paid off-payroll workers engaged at any point during the year ended 31 March 2022 earning £245 per day or greater

	Number
Number of off-payroll workers engaged during the year ended 31 March 2022	0
<i>Of which:</i>	
Not subject to off-payroll legislation *	0
Subject to off-payroll legislation and determined as in-scope of IR35 *	0
Subject to off-payroll legislation and determined as out-of-scope of IR35 *	0
Number of engagements reassessed for compliance or assurance purposes during the year	0
Of which: number of engagements that saw a change to IR35 status following review	0

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

Table 3: For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2021 and 31 March 2022

	Number
Number of off-payroll engagements of board members, and/or senior officers with significant financial responsibility, during the financial year	0
Total number of individuals on payroll and off-payroll that have been deemed 'board members, and/or, senior officials with significant financial responsibility', during the financial year. This figure should include both on payroll and off-payroll engagements	23

Directors and Governors expenses 2021/22

2021/22	Total in office	Total receiving expenses	Total expenses
			£00's
Directors	21	7	£64
Governors	19	7	£7

Directors and Governors expenses 2020/21

2020/21	Total in office	Total receiving expenses	Total expenses
			£00's
Directors	23	14	£177
Governors	22	0	£0

Remuneration of all other staff

Agenda for Change (AfC), the nationally introduced pay reform for the NHS which was introduced in October 2004, covers all directly employed staff, except very senior managers and those covered by the Doctors Dentists Pay Review Body.

For all local pay arrangements not determined by AfC, pay increases were consisted with AfC increases. A robust system of appraisal and personal development planning has been adopted for all staff.

A different approach is adopted in relation to the Trust Executive because all other staff are on national terms and conditions and the executive team members' remuneration is determined locally. AfC staff have clear incremental progression as set out by the national terms and conditions. Medical and dental staff are on a separate contractual agreement which also allows for incremental progression and the award of substantial additional payments for clinical excellence. They are also able to benefit from an annual cost of living award if this is agreed nationally.

Salaries are inclusive and the Trust follows national guidance from NHSI on the review of cost of living awards.

Expenditure on consultancy

During 2021/22 the Trust has spent £1,203k on consultancy fees compared to £1,387k in the previous financial year.

Pay multiple statement (subject to audit)

NHS foundation trusts are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce. The banded remuneration of the highest-paid director in the organisation in the financial year 2021/22 was £235,000-£240,000 (2020/21, £225,000-£230,000). This is a change between years of 5%. Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind, but not severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions. For employees of the Trust as a whole, the range of remuneration in 2021/22 was from £8,000 to £292,000 (2020/21, £8,000 to £239,000). The percentage change in average employee remuneration (based on total for all employees on an annualised basis divided by full time equivalent number of employees) between years is 5%.

One employee received remuneration in excess of the highest-paid director in 2021/22 (this number is based on the full-time equivalent cost).

The remuneration of the employee at the 25th percentile, median and 75th percentile is set out below. The pay ratio shows the relationship between the total pay and benefits of the highest paid director (excluding pension benefits) and each point in the remuneration range for the organisation's workforce.

	2021/22			2020/21		
	25 th percentile	Median	75 th percentile	25 th percentile	Median	75 th percentile
Pay and benefits excluding pension	£20,000	£28,000	£39,000	£19,000	£25,000	£38,000
Pay and benefits excluding pension: pay ratio for highest paid director	11.9:1	8.5:1	6:1	12:1	9:1	6:1

Notes

The remuneration of the employee at the 25th percentile, median and 75th percentile is set out. Total remuneration includes salary, benefits-in-kind, but not severance payments.

The pay ratio shows the relationship between the total pay and benefits of the highest paid director (excluding pension benefits) and each point in the remuneration range for the organisation's workforce.

The ratio is obtained by dividing the highest paid directors salary by the median salary, the 25th percentile salary and 75th percentile salary.

The median remuneration is the middle item salary when the annualised salaries of all members of staff including agency and seconded staff, (excluding bank staff and the highest paid director) are arranged in descending order.

The percentage change in average employee remuneration is based on total for all employees on an annualised basis divided by full time equivalent number of employees.

Information on the gender pay gap can be found on the Cabinet Office website (<https://gender-pay-gap.service.gov.uk/>)

The Trust's gender pay gap is reported on its website which can be found here: <https://www.nlg.nhs.uk>

Directors' remuneration 2021/22 (subject to audit)

Name and Title			Salary	Benefits in kind	Pension Related benefit	Total
			(bands of £5,000)	(£s, to the nearest £100)	(bands of £2,500)	(bands of £5,000)
			£000's	£'s	£000's	
Mr S Lyons	7	Chair, also Chair of Hull University Teaching Hospitals NHS Trust (appointed January 2022)	£5 - £10	-	-	£5 - £10
Mr T Moran	3	Chair, also Chair of Hull University Teaching Hospitals NHS Trust (resigned July 2021)	£10 - £15	-	-	£10 - £15
Mrs L Jackson	5	Interim Chair, Vice Chair and Non-Executive Director	£35 - £40	-	-	£35 - £40
Dr PR Reading	1	Chief Executive	£205 - £210	2,500	-	£210- £215
Mr S Stacey		Chief Operating Officer	£140 - £145	-	£37.5 - £40.0	£180 - £185
Mrs C Brereton		Director of People	£135 - £140	-	£32.5 - £35.0	£165 - £170
Mrs E Monkhouse		Chief Nurse	£155 - £160	-	£40.0 - £42.5	£200 - £205
Dr KA Wood		Medical Director	£235 - £240	-	£87.5 - £90	£325 - £330
Mr L Bond	4	Chief Financial Officer, joint with Hull University Teaching Hospitals	£95 - £100	4,600	-	£100 - £105
Mr IP McConnell		Director of Strategic Development	£130 - £135	-	£57.5 - £60.0	£190 - £195
Mr J Johal	1	Director of Estates and Facilities	£120 - £125	6,600	£35.0 - £37.5	£165 - £170
Mrs SN McMahon		Chief Information officer	£125 - £130	-	£22.5 - £25.0	£145 - £150
Mr N Gammon		Non-Executive Director	£0 - £5	-	-	£0 - £5
Mr S Hall	6	Associate Non-Executive Director	£5 - £10	-	-	£5 - £10
Mrs F Osborne		Non-Executive Director (appointed August 2021)	£5 - £10	-	-	£5 - £10
Mr S Parkes		Non-Executive Director (appointed September 2021)	£5 - £10	-	-	£5 - £10

Directors' remuneration 2021/22 (subject to audit) continued

Name and Title			Salary	Benefits in kind	Pension Related benefit	Total
			(bands of £5,000)	(£s, to the nearest £100)	(bands of £2,500)	(bands of £5,000)
			£000's	£'s	£000's	
Mrs G Ponder		Non-Executive Director (appointed April 2021)	£15 - £20	-	-	£15 - £20
Mr M Proctor		Non-Executive Director	£10 - £15	-	-	£10 - £15
Mr M Singh		Non-Executive Director (appointed May 2021)	£10 - £15	-	-	£10 - £15
Mr CA Smith		Associate Non-Executive Director (resigned August 2021)	£5 - £10	-	-	£5 - £10
Mr M Whitworth		Non-Executive Director	£10 - £15	-	-	£10 - £15
			£000	£'s		
GROSS REMUNERATION INCLUDING NATIONAL INSURANCE AND PENSION CONTRIBUTIONS			1,850	13,700		

Directors' remuneration 2020/21 (subject to audit)

Name and Title			Salary	Benefits in kind	Pension Related benefit	Total
			(bands of £5,000)	(£s, to the nearest £100)	(bands of £2,500)	(bands of £5,000)
			£000's	£'s	£000's	
Mr T Moran	3	Chair, also Chair of Hull University Teaching Hospitals NHS Trust	£35 - £40	-	-	£35 - £40
Mrs L Jackson	5	Vice Chair and Non-Executive Director	£15 - £20	-	-	£15 - £20
Dr PR Reading	1	Chief Executive	£200 - £205	11,700	-	£210 - £215
Mr S Stacey		Chief Operating Officer	£125 - £130	-	£60.0 - £62.5	£185 - £190
Mrs C Brereton		Director of People (appointed 1/1/21)	£30 - £35	-	£17.5 - £20.0	£50 - £55
Mrs VJ Adamson		Director of People and Organisational Development (resigned 21/6/20)	£25 - £30	0	£6 - £7.5	£35 - £40
Miss C Low	1	Acting Director of POE (resigned 31/12/20)	£75 - £80	6,700	-	£80 - £85
Mrs E Monkhouse		Chief Nurse	£155 - £160	-	£30.0 - £32.5	£185 - £190
Dr KA Wood		Medical Director	£225 - £230	-	£70.0 - £72.5	£295 - £300
Mrs W Booth		Director of Performance Assurance and Trust Secretary (resigned 31/5/20)	£10 - £15	-	-	£10 - £15
Mr L Bond	4	Chief Financial Officer, joint with Hull University Teaching Hospitals (appointed 6/11/20)	£45 - £50	-	-	£45 - £50
Mr M Hassall	2	Director of Finance	£265 - £270	0	£145.0 - £147.5	£410 - £415
Mr J Hayburn		Acting Director of Finance (resigned 30/9/20)	£110 - £115	-	-	£110 - £115

Directors' remuneration 2020/21 (subject to audit) continued

Name and Title			Salary	Benefits in kind	Pension Related benefit	Total
			(bands of £5,000)	(£s, to the nearest £100)	(bands of £2,500)	(bands of £5,000)
			£000's	£'s	£000's	
Mr IP McConnell		Director of Strategic Development	£125 - £130	-	£10.0 - £12.5	£135 - £140
Mr J Johal	1	Director of Estates and Facilities	£115 - £120	14,600	£27.5 - £30.0	£160 - £165
Mrs SN McMahon		Chief Information officer (appointed 2/11/20)	£50 - £55	-	£32.5 - £35.0	£85 - £90
Mr A Bramley		Non-Executive Director (resigned 31/1/21)	£10 - £15	-	-	£10 - £15
Mr N Gammon		Non-Executive Director	£10 - £15	-	-	£10 - £15
Mr S Hall	6	Associate Non-Executive Director	£10 - £15			£10 - £15
Mrs S Hills		Non-Executive Director (resigned 30/9/20)	£10 - £15	-	-	£10 - £15
Mr M Proctor		Non-Executive Director (appointed 15/9/20)	£5 - £10	-	-	£5 - £10
Mr J Ramseyer		Non-Executive Director (resigned 26/6/20)	£0 - £5	-	-	£0 - £5
Mr CA Smith		Associate Non-Executive Director	£5 - £10	-	-	£5 - £10
Mr M Whitworth		Non-Executive Director (appointed 8/1/20)	£10 - £15	-	-	£10 - £15
			£000	£'s		
GROSS REMUNERATION INCLUDING NATIONAL INSURANCE AND PENSION CONTRIBUTIONS			2,071	33,000		

Notes to director remuneration tables

1 - Benefit in kind relates to Lease Cars

2 - Mr M Hassall was paid compensation for loss of office of £160k in 2020/21, which is included in the figure in the table above

3 - Mr T Moran was also Chair at Hull University Hospitals NHS Trust. The table above represents remuneration relating to Northern Lincolnshire and Goole NHS Foundation Trust only

4 - Mr L Bond is Chief Financial Officer, this is a joint role with Hull University Teaching Hospitals NHS Trust. The table above represents remuneration relating to Northern Lincolnshire and Goole NHS Foundation Trust only. The pension benefit is excluded from this table as this will be reported by Hull University Teaching Hospitals

5 - Mrs L Jackson receives a combined remuneration of £51k as Interim Chair, Vice Chair of Northern Lincolnshire and Goole NHS Foundation Trust and Associate Non-Executive Director of Hull University Hospitals NHS Trust

6 - Mr S Hall receives a combined remuneration of £40.5k as Associate Non-Executive Director of Northern Lincolnshire and Goole NHS Foundation Trust, Interim and Vice Chair of Hull University Hospitals NHS Trust

7 - Mr S Lyons is also Chair at Hull University Hospitals NHS Trust. The table above represents remuneration relating to Northern Lincolnshire and Goole NHS Foundation Trust only

8 - NHS foundation trusts are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce. The remuneration of the employee at the 25th percentile, median and 75th percentile is set out above. Total remuneration includes salary, benefits-in-kind, but not severance payments. The pay ratio shows the relationship between the total pay and benefits of the highest paid director (excluding pension benefits) and each point in the remuneration range for the organisations workforce. The ratio is obtained by dividing the highest paid directors salary by the median salary, the 25th percentile salary and 75th percentile salary. The median remuneration is the middle item salary when the annualised salaries of all members of staff including agency and seconded staff, (excluding bank staff and the highest paid director) are arranged in descending order. The pay and benefits of the highest paid Director increased by 5% in the year, due to a non consolidated pay award for 2021/22, arrears for Clinical Excellence Awards and back dated arrears on the Consultant pay element.

9 - The percentage change in average employee remuneration is based on total for all employees on an annualised basis divided by full time equivalent number of employees

10 - The number of employees that received remuneration in excess of the highest paid director is based on the full time equivalent cost.

Pension Benefits 2021/22 (subject to audit)

Name	Title	Real Increase/(Decrease) in pension at pension age (bands of £2,500)	Real Increase in pension lump sum at pension age (bands of £2,500)	Total accrued pension at pension age at 31 March 2022 (bands of £5,000)	Lump sum at pension age related to accrued pension at 31 March 2022 (bands of £5,000)	Cash Equivalent Transfer Value at 31 March 2022	Cash Equivalent Transfer Value at 31 March 2021	Real Increase/(Decrease) in Cash Equivalent Transfer Value
		£'000	£'000	£'000	£'000	£'000	£'000	£'000
Mrs C Brereton	Director of People	2.5 – 5.0	-	10 - 15	-	186	148	38
Mr L Bond (1)	Chief Financial Officer	5.0 - 7.5	2.5 - 5.0	65 -70	140-145	1,228	1,123	105
Mr J Johal	Director of Estates and Facilities	2.5 – 5.0	0 - 2.5	25 - 30	35 - 40	409	368	41
Mrs SN McMahon	Chief Information Officer	0 - 2.5	-	10 - 15	-	198	163	35
Mr IP McConnell	Director of Strategic Development	2.5 - 5.0	-	15 - 20	-	218	160	58
Mrs E Monkhouse	Chief Nurse	2.5 - 5.0	0 - 2.5	47.0	90 - 95	787	732	55
Mr S Stacey	Chief Operating Officer	2.5 - 5.0	0 - 2.5	20 - 25	25 - 30	428	361	67
Dr KA Wood	Medical Director	5.0 - 7.5	2.5 – 5.0	65 - 70	130 - 135	1,228	1,118	110

Notes

The Chairman and Non-Executive Directors do not receive pensionable remuneration, therefore there are no entries in respect of pensions for the Chairman and Non-Executive Directors.

1 Mr L Bond is Chief Financial Officer, this a joint role with Hull University Teaching Hospitals NHS Trust. The table above represents the total pension benefits for Mr L Bond in this joint role

Cash Equivalent Transfer Values

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

The basis of CETV calculations are based in the Department of Work and Pensions regulations which came into force on 13 October 2008.

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 another scheme or arrangement) and uses common market valuation factors for the start and end of the period. No inflation factors have been applied this financial year as per the guidance from NHS Pensions Agency.

Signature:



Chief Executive and Accountable Officer: Dr Peter Reading

Date: 15 June 2022

Staff Report

2021/2 has seen the unprecedented challenges of 2020/1 continue to prevail. Our staff have delivered services with admirable dedication, determination and unfailing compassion and commitment.

This year we have again invested heavily in the Health and Wellbeing of our staff with a comprehensive range of services and support, with further focus on strengthening our safety culture by ensuring our teams have the confidence and knowledge to speak out and raise concerns.

The Trust cannot underestimate the prolonged impact of COVID-19, with staff depleted physically and mentally whilst committed to maintaining service levels and optimal patient experience throughout.

We are incredibly proud of what we have achieved together and continue to do so. Each member of our team has stepped up to the challenge and exceeded every expectation we have of them and they have placed on themselves.

The Trust recognises that it can only deliver compassionate, safe quality care if it has an enthusiastic, innovative, hardworking, and engaged workforce. How staff feel about working here and their commitment to their patients and the Trust are all essential if they are to provide outstanding care to patients.

The Trust faces challenges in recruiting and retaining the right people and works hard, once they are in post, to support their health and wellbeing as well as investing in them so they maintain the highest levels of knowledge and skills. This is difficult to do consistently with such pressures on staff to deliver services. The morale and staff voice across all staff groups has been low in recent years as demonstrated through the national staff survey.

From April 2021 to March 2022 vacancies decreased by 43.87 WTE (whole time equivalents) from 644.40 WTE to 600.53 WTE. During this period the budgeted establishment, excluding bank, increased by 48.05 WTE. Over the period vacancies for registered nurses decreased by 57.74 WTE from 183.31 WTE to 125.57 WTE. Vacancies for medical staff also decreased by 21.76 WTE from 115.81 WTE to 94.05 WTE.

The ongoing pandemic situation has presented challenges in sourcing and starting candidates particularly from overseas, but the overall vacancy position has improved. The Deanery training rotation however was impacted, with the fill rate reducing from 91.12% in August 2020 to 80.10% but was mitigated with appointment of locally recruited Trust Grade roles.

Staff turnover (12 month moving average, for all staff groups) between April 2021 and March 2022 stood at 11.93%. This has remained consistently above the Trust's turnover target of 9.4%. Turnover has continued to increase during the COVID-19 pandemic and has increased predominantly within the last six months.

Apprenticeships

The Trust is committed to utilising the Apprenticeship Levy and further expanding access to wider apprenticeships to support the future development of our staff and to support our community. We currently offer in excess of 40 different apprenticeships from level 2 to level 7 over a range of clinical and nonclinical roles. The Trust has a specific workforce plan to offer roles to our wider communities to access a range of clinical apprenticeships across the healthcare profession. This should enhance the Trust's ability to retain and grow its own nursing workforce for the years ahead whilst fully utilising the Trust's Apprenticeship Levy. There will also be new opportunities to support the placement of students on the new T-Level qualification which should provide a pathway from college qualification to a Trust apprenticeship. In 2021/22 the Trust also used the Levy to support 17 GP and social care providers with over £300k worth of levy transfers to support a system wide approach to supporting patient pathways and developing a skilled work force across health and social care.

Information on health and safety performance

Health and safety compliance is managed by the safety and statutory compliance team. Compliance is monitored via the Health, Safety and Fire (HFS) Group which is a sub-group of, and reports to, the Trust Audit, Risk and Governance (ARG) Committee, a sub-committee of the Trust Board. Governance and Health and Safety Groups are established in divisions as well as those existing with other groups such as ARG, Security Group and Joint Negotiating Consultative Committee (a Senior Management Team from Estates and Facilities attends JNCC). Highlight reports are submitted where appropriate to the relevant groups and board briefings on health and safety are undertaken at appropriate times. Working with the Estates and Facilities directorate the team also offers health and safety advice to other divisions and groups to enable consistent implementation of safety management throughout the Trust. The non-clinical performance of the Trust is monitored via the HFS Group which has union and non-union safety representatives and escalates any issues to the relevant groups, and also to directors when required.

The team worked closely with the clinical, infection control, procurement and emergency preparedness teams during the COVID-19 pandemic to ensure that appropriate Personal Protective Equipment (PPE) was identified, correctly used and, where required, fit-tested. In addition, the team attended regular strategic meetings, gave updates to the Trust Management Board and Executive Team to update risk assessments and review incidents which could be reportable to external authorities. In relation to the incidents which met the threshold of the RIDDOR requirements the Trust reported one incident during the 2021/22 period. During the pandemic appropriate alternatives to maintain mandatory training compliance and a process to identify risks to individual staff members from COVID-19 was developed as part of a multi-disciplinary team (including medical staff) together with implementing appropriate actions/control measures to minimise the risk and protect staff. As the Trust moves to more normal operations some of these pandemic measures will be withdrawn at appropriate times.

Staff policies and actions

<p>Policies for giving full and fair consideration to applications for employment made by disabled persons, having regard to their aptitudes and abilities</p>	<p>The Trust has a recruitment and selection policy, which sets out how the Trust ensures fair recruitment practices throughout the attraction, selection and recruitment of candidates, including compliance with the Jobcentre Plus “Disability Confident” standards. Adhering to this standard is monitored through the Trust’s ‘TRAC’ recruitment system.</p>
<p>Policies applied for continuing the employment of, and for arranging appropriate training for, employees who become disabled during the period</p>	<p>The Trust adheres to the Equality Act 2010 and has introduced an Equality Impact Assessment Policy and Procedure that supports, line managers to make reasonable adjustments and use referrals to the occupational health team to ensure the continued employment of employees who become disabled persons. In addition, the HR team provides direct support to staff affected and managers. The Trust are adhering to the national disability standards.</p>
<p>Policies applied during the year for the training, career development and promotion of disabled employees</p>	<p>There is equality of access to training for all staff. Policies applied during the year for the training, career development and promotion of disabled employees are:</p> <ul style="list-style-type: none"> • Personal Development Review Policy • Recruitment Policy • Attendance Management Policy • Managing Employee Performance • Special Leave Policy • Safeguarding Policy <p>All our policies have an equality impact assessment.</p>
<p>Actions taken to consult staff on a regular basis so that the views of staff can be taken into consideration in making decisions which are likely to affect their interests</p>	<p>The Trust has regular meetings with its Joint Negotiating Consultative Committee for formal discussions relating to staffing issues. Collective consultations would be enacted where there are more specific issues affecting employees i.e. restructures. The Trust Pride and Respect programme involves employees in a cultural change programme designed to improve engagement with all staff. Moving forward a refresh will be launched incorporating multiple strands of support in consultation with the staff.</p>

Involvement of employees

Staff at the Trust have a number of ways to get involved in the work and development of the Trust, and to be consulted on any changes. These are:

- A monthly JNCC (Joint Negotiating and Consultation Committee Meeting) for Staffside representatives
- A monthly JLNC (Joint Local Negotiating Committee) for medics
- Fortnightly policy sub-group meetings with representatives to discuss and agree policy updates
- Staff networks, including Multicultural and Faith, LGBT+ and the recently launched Long Term Conditions and People with Caring Responsibilities
- A Pride and Respect Steering Group, chaired by a clinician, to work on driving cultural change through behavioural frameworks and embedding the Trust's values of Kindness Courage Respect
- Staff Governors who meet regularly with senior management and take part in the Council of Governors meetings throughout the course of the year

Staff engagement and communications

In 2021/22 the Trust continued to work hard to communicate with staff and help them feel involved in the work and the decisions of the Trust although the majority of the year was taken up by work generated by the COVID-19 pandemic, both internally and externally. The communications team used existing methods to communicate information to staff including:

- Running online sessions for senior leaders and other staff
- Putting on a number of online events to talk to staff directly about the latest developments with the Humber Acute Service Review
- Continuing to answer staff questions and concerns through the very popular 'Ask Peter' service where staff can directly ask the Chief Executive a question and have an answer published for all staff to read as well as introducing a special COVID-19 email service for staff to have their questions answered
- Publishing regular content on the Trust's social media channels – particularly Facebook and Twitter, and including a private Facebook group for staff
- A regular email from the Chief Executive, Board Chair and other executive team members every Monday to inform staff of work and developments happening across the Trust
- Introducing a weekly Thursday email called 'Building our future' which focuses on the building works and digital changes taking place across the Trust

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
17.09	6923* includes permanent, fixed term, internal secondment, and maternity leave

Percentage of time spent on facility time

Percentage of time	Number of employees
0	6915
1-50	16.03
51-99	0
100	1.06

Percentage of pay bill spent on facility time

	Figures
Total cost of facility time	£92,613.87
Total pay bill	£345,000,000
Percentage of the total pay bill spent on facility time	0.026

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	0.17
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Staff sickness absence data

Average Full Time Equivalent (FTE) 2021	Adjusted FTE days lost to Cabinet Office definitions	Average Sick Days per FTE	FTE-Days Available	FTE-Days recorded Sickness Absence
5,905	73,870	12.5	2,155,339	119,833

Fraud, bribery and corruption statement

Fraud is estimated to cost the NHS over a billion pounds a year that could have been spent on patient care, so everyone has a duty to help prevent it. NHS fraud may be committed by staff, patients and suppliers of goods/services to the NHS. The Trust is committed to deterring and detecting all instances of fraud, bribery and corruption as far as possible and ensuring that losses are reduced to an absolute minimum, therefore ensuring that valuable public resources are used for their intended purpose of delivering the best possible care and patient experience.

The NHS Counter Fraud Authority (NHSCFA) provides the national framework through which NHS trusts seek to minimise losses through fraud. The Trust follows the guidance contained in the NHS Counter Fraud Functional Standard and ensures our contractual obligations with our local clinical commissioning groups are adhered to.

The Chief Financial Officer is nominated to lead counter fraud work and is supported by the Trust's Local Counter Fraud Specialist (LCFS). In 2020 the role of Counter Fraud Champions was introduced across all NHS organisations, with a view to further strengthening counter fraud work by supporting LCFSs in the work they do. A Counter Fraud Champion was duly nominated at the Trust and completed the NHSCFA training.

We have an in-house collaborative counter fraud arrangement with four other local NHS trusts, which allows us to have a LCFS permanently on site, supported by a small team of counter fraud specialists dedicated to combatting fraud within both community and secondary care settings. The Trust has a robust Local Counter Fraud, Bribery and Corruption Policy and Response Plan which provides a framework for responding to suspicions of fraud and provides advice and information on various aspects of fraud investigations.

The Trust also has a Standards of Business Conduct Policy which sets out the expectations we have of all our staff where probity is concerned. The policy also contains a statement from the Trust's Chief Executive in relation to ensuring that our organisation is free from bribery and corruption. There are references to counter fraud measures and reporting processes in various other Trust policies and procedures. An annual work plan, approved by the Chief Financial Officer with oversight from the Trust's Audit, Risk and Governance Committee, has been in place over the last year.

The key aims are to proactively create an anti-fraud culture, implement appropriate deterrents and preventative controls and ensure that allegations of fraud are appropriately and professionally investigated to a criminal standard. Progress reports on all aspects of counter fraud work and details of investigations are received at each meeting of the Trust's Audit, Risk and Governance Committee.

In addition to continuing to raise awareness of fraud against the NHS throughout the year, in November 2021 we also held a Fraud Awareness Month and the Trust was an official supporter of International Fraud Awareness Week in the same month.

Efforts were amplified as a result of intelligence received relating to emerging COVID-19 threats in the early part of 2020, and those efforts have continued throughout the last financial year. Fraud awareness work was substantially increased generally across the Trust, and also targeted at specific areas of heightened risk as necessary throughout the pandemic.

The Trust has a well-publicised system in place for staff to raise concerns if they identify or suspect fraud. They can do this via our LCFS, the Chief Financial Officer, the Trust's electronic anonymous reporting system 'Bad Apple', via the NHS fraud and corruption reporting line on 0800 028 40 60 or online at <https://cfa.nhs.uk/reportfraud> Patients and visitors can also refer suspicions of NHS fraud to the Trust via the same channels with the exception of the 'Bad Apple' reporting system which is an internal staff system.

NHS staff survey

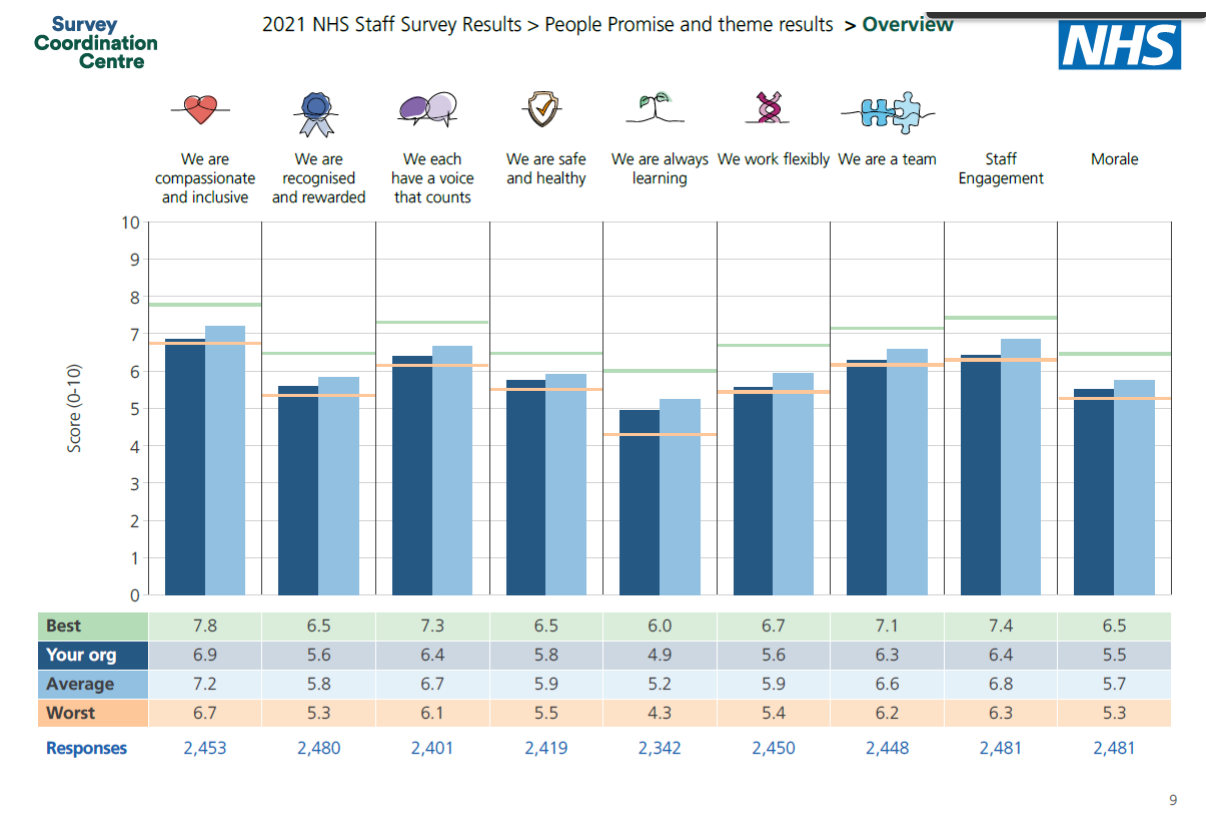
The NHS staff survey is conducted annually. The 2021/22 survey changed form and content significantly, moving the 92 questions to align with the seven themes of the NHS People Promise. Sixty of the questions can be positively scored, and 32 of the questions are new for 2021/22 and will therefore have no historical comparisons.

The results of the 2021 National Staff Survey were published in March 2022. In total 2,542 staff took part in the survey, which ran from October 2021 to November 2021. The response rate was 38 per cent, which is a 2% increase in response rate from the previous year. This increased participation is can be attributed to a proactive campaign to encourage staff to tell us what their employee experience feels like at this time. Scores across the seven People Promise themes for each indicator together with that of the survey benchmarking group (acute and acute and community trusts) are presented on the table below. The survey gives staff the opportunity to provide feedback to the Trust on each of the seven promises as follows:

- Promise 1: We are compassionate and inclusive
- Promise 2: We are recognised and rewarded
- Promise 3: We each have a voice that counts
- Promise 4: We are safe and healthy
- Promise 5: We are always learning
- Promise 6: We work flexibly
- Promise 7: We are a team

The results this year are concerningly lower than last year. The Trust is in the lowest quartile across the acute and acute and community trust sector. Whilst staff continue to feel confident about raising clinical concerns and reporting clinical incidents, we note that they feel less confident raising concerns about their employee experience. The Trust recognises that there is still much work to do in order to realise a measurable change in our culture. Significant investment in both a culture transformation programme of work and a leadership development strategy, with work having started late 2021 on consultation, collaboration, and co-creation of these programmes of work are intended to further invest in addressing these concerns.

People Promise Theme Results 2021



Future priorities and targets

During 2021/2022, plans were developed which supported the delivery of the Trust's People Strategy which had been approved by the Board in 2020. The People Strategy focuses on Workforce, Leadership and Culture. Each of these three strands has multiple strategic deliverables intertwined work streams to support holistic culture change and to enable the Trust to become the best it can be. The Staff Survey and the NHS quarterly pulse check surveys will be a critical measure of the success of this strategy. We have also focused on delivery of the NHS People Plan and supported the development of the Humber and North Yorkshire Integrated Care People Strategy. Our focus has been on developing a framework to improve Culture Transformation and this will become more evident in 2022 and beyond. This will be supported by the delivery of a Leadership Development Programme for all of our leaders and aimed at improving behaviours and commitment to our values of Kindness, Courage and Respect.

We have also been working on getting the basics right so that our staff policies and processes are clear and support staff at work. Health and wellbeing have been, and will continue to be, a major priority for the Trust. We have continued to invest in our psychological support for staff through the introduction of Critical Incident Trauma Debrief and Schwartz Rounds for staff, but we intend to strengthen our financial and physical wellbeing offers. We have assessed our approach to health and wellbeing and the offer to staff against the NHS Employers Health and Wellbeing Framework and as a result have developed a two-year health and wellbeing plan. This will be rolled out in 2022/23 to all of our staff who need it. Progress against these, and the other priorities within the People Strategy has been, and will continue to be, monitored through the Trust's Workforce Committee.

Staff survey results: comparison over the last three years

	2020/21*		2019/20**		2018/19**	
	Trust	Benchmarking Group	Trust	Benchmarking Group	Trust	Benchmarking group
Equality, diversity, and inclusion	9.1	9.1	9.0	9.0	9.0	9.1
Health and wellbeing	5.8	6.1	5.5	5.9	5.5	5.9
Immediate managers	6.4	6.8	6.4	6.8	6.4	6.7
Morale	5.9	6.2	5.9	6.1	5.8	6.1
Quality of appraisals	n/a***	n/a***	4.8	5.6	4.6	5.4
Quality of care	7.4	7.5	7.4	7.5	7.2	7.4
Safe environment – bullying / harassment	7.8	8.1	7.7	7.9	7.6	7.9
Safe environment – violence	9.4	9.5	9.5	9.4	9.4	9.4
Safety culture	6.4	6.8	6.2	6.7	6.2	6.6
Staff engagement	6.6	7.0	6.6	7.0	6.5	7.0
Team working	6.2	6.5	6.4	6.6		

*Benchmark group is acute and acute and community trusts

**Benchmark group is acute trusts

***For 2020/21 the quality of appraisals theme was removed from the staff survey findings due to the COVID-19 pandemic and service pressures

Trust staff in numbers

Staff costs (subject to audit)

	Group			
	Permanent	Other	2021/22	2020/21
			Total	Total
	£000	£000	£000	£000
Salaries and wages	251,293	(37)	251,256	243,805
Social security costs	25,049	-	25,049	23,272
Apprenticeship levy	1,277	-	1,277	1,189
Employer's contributions to NHS pension scheme	38,457	-	38,457	36,358
Temporary staff	-	28,961	28,961	21,162
Total gross staff costs	316,076	28,924	345,000	325,786
Recoveries in respect of seconded staff	-	-	-	-
Total staff costs	316,076	28,924	345,000	325,786
Of which				
Costs capitalised as part of assets	787	-	787	232

Average number of employees: WTE basis (subject to audit)

Staff Group	Permanent	Other	2021/22	2020/21
	Number	Number	Total	Total
Medical and dental	717	78	795	739
Administration and estates	1,401	57	1,458	1,399
Healthcare assistants and other support staff	1,144	61	1,205	1,189
Nursing, midwifery and health visiting staff	1,610	402	2,012	1,973
Scientific, therapeutic and technical staff	1,077	24	1,101	1,074
Total average numbers	5,949	622	6,571	6,374

Number of people

	2021/22	2020/21
Other	10	16
Medical	698	647
Band 9	15	16
Band 8	242	221
Band 7	558	555
Band 6	842	840
Band 5	1408	1343
Band 4	360	446
Band 3	844	842
Band 2	1978	1976
Band 1	9	18
Apprentices	5	3
Total	6969*	6923*

* includes permanent, fixed term, internal secondment, and maternity leave

Age profile of staff

	2021/22	2020/21
< 25	442	477
26 - 35	1777	1699
36 - 45	1506	1486
46 - 50	832	851
51 - 55	939	998
56 - 60	842	838
61-65	521	475
65+	110	99
Unknown	0	0
Total	6969*	6923*

Ethnic minority breakdown of staff

	2021/22		2020/21	
	Number	%	Number	%
Asian	548	7.9	494	7.1
Black	277	4.0	164	2.4
Mixed	52	0.7	42	0.6
Other	79	1.1	60	0.9
Unknown	201	2.9	259	3.7
White	5812	83.4	5904	85.3
Total	6969*		6923*	

* includes permanent, fixed term, internal secondment, and maternity leave

Analysis of gender distribution of staff 2021/22

	Female	Male	Total	Female %	Male %
Directors	5	4	9	56%	44%
Other Senior Managers*	174	87	261	67%	33%
Employees excluding the above	5414	1285	6699	81%	19%
Total	5593	1376	6969	80%	20%

*Senior Manager is defined as any role at Band 8A and above

Staff profile

	Number of People	
	2021/22	2020/21
Add prof scientific and technical	162	162
Additional clinical services	1469	1545
Administrative and clerical	1518	1531
Allied health professionals	399	385
Estates and ancillary	653	635
Healthcare scientists	211	218
Medical and dental	698	647
Nursing and midwifery registered	1856	1786
Students	3	12
Unknown	0	2
Total	6969*	6923*

* includes permanent, fixed term, internal secondment, and maternity leave

Exit package cost band (including any special payment element)

Reporting of compensation schemes - exit packages 2021/22			
	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
	Number	Number	Number
Exit package cost band (including any special payment element)			
<£10,000	1	-	1
£10,000 - £25,000	3	-	3
£25,001 - 50,000	-	-	-
£50,001 - £100,000	1	-	1
£100,001 - £150,000	-	-	-
£150,001 - £200,000	-	-	-
>£200,000	-	-	-
Total number of exit packages by type	5	-	5
Total cost (£)	£152,000	£0	£152,000

Reporting of compensation schemes - exit packages 2021/21			
	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
	Number	Number	Number
Exit package cost band (including any special payment element)			
<£10,000	-	-	-
£10,000 - £25,000	-	-	-
£25,001 - 50,000	-	-	-
£50,001 - £100,000	-	-	-
£100,001 - £150,000	-	-	-
£150,001 - £200,000	1	-	1
>£200,000	-	-	-
Total number of exit packages by type	1	-	-
Total resource cost (£)	£160,000	£0	£160,000

Exit packages: other (non-compulsory) departure payments

	2021/22		2020/21	
	Payments agreed	Total value of agreements	Payments agreed	Total value of agreements
	Number	£000	Number	£000
Voluntary redundancies including early retirement contractual costs	-	-	-	-
Mutually agreed resignations (MARS) contractual costs	-	-	-	-
Early retirements in the efficiency of the service contractual costs	-	-	-	-
Contractual payments in lieu of notice	-	-	-	-
Exit payments following Employment Tribunals or court orders	-	-	-	-
Non-contractual payments requiring HMT approval	-	-	-	-
Total	-	-	-	-
Of which:				
Non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months of their annual salary	-	-	-	-

NHS Foundation Trust Code of Governance

The NHS Foundation Trust Code of Governance (the Code of Governance) was first published in 2006 and was most recently updated in July 2014. The purpose of the Code of Governance is to assist NHS foundation trust boards in improving their governance practices by bringing together the best practice of public and private sector corporate governance.

The code is issued as best practice advice but imposes some disclosure requirements. Northern Lincolnshire and Goole 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. For the year ending 31 March 2022, the Board considers that it was fully compliant with the provisions of the NHS Foundation Trust Code of Governance.

The Board of Directors is committed to high standards of corporate governance, understanding the importance of transparency and accountability and the impact of Board effectiveness on organisational performance.

The Trust carries out an ongoing programme of work to ensure that its governance procedures are in line with the principles of the Code, including:

- Supporting governors to appoint non-executive directors and external auditors with appropriate skills and experience
- Ensuring a tailored and in-depth induction programme for new non-executive directors and governors
- Facilitating internal and external reviews of the Trust's governance arrangements and acting on the findings. The divisional governance arrangements introduced in 2018 are becoming increasingly well embedded. Further details can be found in the Annual Governance Statement section of the report
- Working with governors to ensure they can engage with and hold the Board to account. The mechanisms in place are captured within a 'Governor Engagement Policy'
- Ongoing review of compliance with the Code of Governance by the Council of Governors and Board of Directors when making decisions which impact on governance arrangements. This includes review and refresh of relevant policies and procedures and the Trust's Constitution
- Implementation of a development programme for the Trust Board and Executive Directors which include the governance requirements for Board

Full details on the disclosure required by the Code of Governance are set out in the following pages.

Part of schedule A	Relating to	Code of Governance reference	Summary of requirement	Where located in the annual report and further explanation
2: Disclose	Board and Council	A.1.1	Clear statement detailing roles and responsibilities of the council of governors. Should also describe how any disagreements between the CoG and the board of directors will be resolved. Statement on how the board of directors and the CoG operate, including a summary of the types of decisions taken by each of the boards and which are delegated to the executive management of the board of directors.	Governors' report – role of the governors Governors' report – resolution of disputes Directors' report – operation of the Board
2: Disclose	Board, Audit Committee and Remuneration Committee	A.1.2	Identify the chairperson, the deputy chair, the CEO, the senior independent director and the chair of the audit and REMCOM. Also set out the number of meetings of the board and those committees and individual attendance by directors.	Directors' report Directors' report
2: Disclose	Council of Governors	A.5.3	Identify the members of the council, including a description of the constituency or organisation they represent, whether they were elected or appointed, and the duration of the appointments. Should identify the lead governor.	Governors' report – members of the Council of Governors
Additional requirement of FT ARM	Council of Governors	n/a	Statement about the number of meetings of the CoG and individual attendance by governors and directors.	Governors' report – governor attendance at Council of Governors

Part of schedule A	Relating to	Code of Governance reference	Summary of requirement	Where located in the annual report and further explanation
2: Disclose	Board	B.1.1	Identify each non-executive director it considers to be independent, with reasons where necessary.	Directors' report
2: Disclose	Board	B.1.4	A description of director's skills, expertise and experience. Alongside this a clear statement about the board's balance, completeness and appropriateness to the requirements of the FT.	Directors' report – brief details of serving executives and non-executives Directors' report – balance of the board
Additional requirement of FT ARM	n/a	n/a	Brief description of the length of appointment of the non-execs, and how they may be terminated.	Directors' report
2: Disclose	ARC	B.2.10	Describe the work of the Appointments and Remuneration Committee (ARC), including the process it has used in relation to board appointments.	Governors' report
Additional requirement of FT ARM	Council of Governors	n/a	Statement about the number of meetings of the CoG and individual attendance by governors and directors.	Governors' report – governor attendance at Council of Governors
Additional	ARC	n/a	An explanation if neither an external search consultancy nor open advertising has been used in the appointment of a chair or non-exec director.	During 2021/22 an external agency was utilised in the recruitment of NEDs.

Part of schedule A	Relating to	Code of Governance reference	Summary of requirement	Where located in the annual report and further explanation
2: Disclose	Chair / Council of Governors	B.3.1	<p>Chair's other significant commitments should be disclosed.</p> <p>Changes to such commitments should be reported to the CoG as they arise, and included in the next annual report</p>	<p>Chair's Foreword</p> <p>Directors' report</p>
2: Disclose	Council of Governors	B.5.6	<p>Governors should canvass the opinion of the Trust's members and the public, and for appointed governors the body they represent, on the NHS foundation trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the board of directors.</p> <p>The annual report should contain a statement as to how this requirement has been undertaken and satisfied.</p>	Governor's report – governor engagement

Part of schedule A	Relating to	Code of Governance reference	Summary of requirement	Where located in the annual report and further explanation
Additional requirement of FT ARM	Council of Governors	N/A	<p>If, during the financial year, the Governors have exercised their power* under paragraph 10C** of schedule 7 of the NHS Act 2006, then information on this must be included in the annual report.</p> <p>This is required by paragraph 26(2)(aa) of schedule 7 to the NHS Act 2006, as amended by section 151 (8) of the Health and Social Care Act 2012.</p> <p>*Power to require one or more of the directors to attend a governor meeting for the purpose of obtaining information about the foundation trust's performance of their duties (and deciding whether to propose a vote on the foundation trust's or director's performance).</p> <p>** As inserted by section 151(6) of the Health and Social Care Act 2012).</p>	Governors' report – holding the Non-Executive Directors to account for the performance of the Trust Board
Disclose	Board	B.6.1	The board of directors should state in the annual report how performance evaluation of the board, its committees, and its directors, including the chair, has been conducted.	Directors' report – operation of the Board

Part of schedule A	Relating to	Code of Governance reference	Summary of requirement	Where located in the annual report and further explanation
Disclose	Board	B.6.2	Where there has been external evaluation of the board and/or governance of the trust, the external facilitator should be identified in the annual report and a statement made as to whether they have any other connection to the trust.	Directors' Report - The Trust has utilised an external facilitator during 2021/22 in support of the evaluation of the Trust Board against the Well-Led framework.
Disclose	Board	C.1.1	The directors should explain their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS foundation trust's performance, business model and strategy.	Directors' report
Disclose	Board	C.2.1	The annual report should contain a statement that the board has conducted a review of the effectiveness of its system of internal controls.	Directors' report - Trust Audit, Risk and Governance Committee Annual Governance Statement

Part of schedule A	Relating to	Code of Governance reference	Summary of requirement	Where located in the annual report and further explanation
Disclose	Audit committee / control environment	C.2.2	A trust should disclose in the annual report: a) If it has an internal audit function, how the function is structured and what role it performs; or (b) If it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	Directors' report – Trust Audit, Risk and Governance Committee
Disclose	Audit Committee/ Council of Governors	C.3.5	If the Council of Governors does not accept the Audit Committee's recommendation on the appointment, reappointment or removal of an external auditor, the board of directors should include a statement in the annual report from the Audit Committee explaining the recommendation and should set out reasons why the Council of Governors has taken a different position.	Not applicable

Part of schedule A	Relating to	Code of Governance reference	Summary of requirement	Where located in the annual report and further explanation
Disclose	Audit Committee	C.3.9	<p>A separate section of the annual report should describe the work of the audit committee in discharging its responsibilities. The report should include:</p> <p>(a) The significant issues that the committees considered in relation to financial statements, operations and compliance, and how these issues were addressed</p> <p>(b) An explanation of how it has addressed the effectiveness of the external audit process and the approach taken to the appointment or re-appointment of the external auditor, the value of external audit services and information on the length of tenures of the current audit firm and when a tender was last conducted</p> <p>(c) If the external auditor provides non-audit services, the value of the non-audit services provided and an explanation of how auditor objectivity and independence.</p>	Directors' report – Trust Audit, Risk and Governance Committee

Part of schedule A	Relating to	Code of Governance reference	Summary of requirement	Where located in the annual report and further explanation
Disclose	Board / Remuneration Committee	D.1.3	Where an NHS FT releases an executive director, for example to serve as a Non-Executive Director elsewhere, the remuneration disclosures of the annual report should include a statement of whether or not the director will retain such earnings.	Not applicable
Disclose	Board	E.1.5	The board of directors has taken steps to ensure that the members of the board and in particular the non-executive directors, develop an understanding of the views of governors and members about the NHS foundation trust, for example through attendance at meetings of the council of governors, direct face-to-face contact, surveys of members opinions and consultations.	<p>Directors' report – operation of the board</p> <p>Governors' report - Addressed through attendance of NEDs at CoG business meetings, the COG Annual Review Meeting, the Annual Members Meeting and the Board Assurance Sub-committee NED Chairs attendance at the aligned Governor Assurance group meeting.</p> <p>Governors' report - Mechanisms for governors to engage with and hold the Board to account are captured within a 'Governor Engagement Policy'</p>

Part of schedule A	Relating to	Code of Governance reference	Summary of requirement	Where located in the annual report and further explanation
Disclose	Board/ Membership	E.1.6	The board of directors should monitor how representative the NHS foundation trust's membership is and the level and effectiveness of member engagement and report on this in the annual report.	Membership report
Disclose	Membership	E.1.4	Contact procedures for members who wish to communicate with governors and/or directors should be made clearly available to members on the NHS foundation trust's website and in the annual report.	Membership report
Additional requirement of FT ARM	Membership	N/A	The annual report should include: (a) A brief description of the eligibility requirements for joining different membership (b) Information on the number of members and the number of members in each constituency (c) A summary of the membership strategy, an assessment of the membership and a description of any steps taken during the year to ensure a representative membership including progress towards any recruitment targets for members.	Membership report - membership strategy

Part of schedule A	Relating to	Code of Governance reference	Summary of requirement	Where located in the annual report and further explanation
Additional requirement of FT ARM	Board / Council of Governors	N/A	The annual report should disclose details of company directorships or other material interests in companies held by governors and/or directors where those companies or related parties are likely to do business, or are possible seeking to do business, with the NHS foundation trust. As each NHS foundation trust must have registers of governors' and directors; interests which are available to the public, and alternative disclosure is for the annual report to simply state how members of the public can gain access to the registers instead of listing all the interests in the annual report.	Membership report – disclosures and declarations of interests Directors' report – Registers of interests
Comply or explain	Board	A.1.4	The board should ensure that adequate systems and processes are maintained to measure and monitor the NHS FT's effectiveness, efficiency and economy as well as the quality of its healthcare delivery.	Comply
6: Comply or explain	Board	A.1.5	The board should ensure that relevant metrics, measures, milestones and accountabilities are developed and agreed so as to understand and assess progress and delivery of performance.	Comply – Integrated Performance Report

Part of schedule A	Relating to	Code of Governance reference	Summary of requirement	Where located in the annual report and further explanation
6: Comply or explain	Board	A.1.6	The board should report on its approach to clinical governance.	Comply
6: Comply or explain	Board	A.1.7	The chief executive as the accounting officer should follow the procedure set out by NHS Improvement for advising the board and the council and for recording and submitting objections to decisions.	Comply
2: Disclose	Board	E.1.5	The board of directors should state in the annual report the steps they have taken to ensure that the members of the board, and in particular the non-executive directors, develop an understanding of the views of governors and members about the NHS FT, for example through attendance at meetings of the CoG, direct face-to-face contact, surveys of members' opinions and consultations.	<p>Governors' report - Addressed through attendance of NEDs at CoG business meetings, the COG Annual Review Meeting, the Annual Members' Meeting and the Board Assurance Sub-committee. NED Chairs attendance at the aligned Governor Assurance Group meeting.</p> <p>Governors' report - Mechanisms for governors to engage with and hold the Board to account are captured within a 'Governor Engagement Policy'.</p>

Part of schedule A	Relating to	Code of Governance reference	Summary of requirement	Where located in the annual report and further explanation
Additional requirements of FT ARM	Membership	n/a	<p>The annual report should include:</p> <ul style="list-style-type: none"> • a brief description of the eligibility requirements for joining different membership constituencies, including the boundaries for public membership • information on the number of members and the number of members in each constituency; and • a summary of the membership strategy, an assessment of the membership and a description of any steps taken during the year to ensure a representative membership [see also E.1.6 above], including progress towards any recruitment targets for members. 	Membership report
6: Comply or explain	Board	A.1.8	The board should establish the constitution and standards of conduct for the NHS foundation trust and its staff in accordance with NHS values and accepted standards of behaviour in public life.	Comply

Part of schedule A	Relating to	Code of Governance reference	Summary of requirement	Where located in the annual report and further explanation
6: Comply or explain	Board	A.1.9	The board should operate a code of conduct that builds on the values of the NHS foundation trust and reflect high standards of probity and responsibility.	Comply
6: Comply or explain	Board	A.1.10	The NHS foundation trust should arrange appropriate insurance to cover the risk of legal action against its directors.	Comply
6: Comply or explain	Chair	A.3.1	The chairperson should, on appointment by the council, meet the independence criteria set out in B.1.1. A chief executive should not go on to be the chairperson of the same NHS foundation trust.	Comply
6: Comply or explain	Board	A.4.1	In consultation with the council, the board should appoint one of the independent non-executive directors to be the senior independent director.	Comply
6: Comply or explain	Board	A.4.2	The chairperson should hold meetings with the non-executive directors without the executives present.	Comply

Part of schedule A	Relating to	Code of Governance reference	Summary of requirement	Where located in the annual report and further explanation
6: Comply or explain	Board	A.4.3	Where directors have concerns that cannot be resolved about the running of the NHS foundation trust or a proposed action, they should ensure that their concerns are recorded in the board minutes.	Directors' report - How the Directors are assisted in their roles
6: Comply or explain	Council of Governors	A.5.1	The council of governors should meet sufficiently regularly to discharge its duties.	Comply
6: Comply or explain	Council of Governors	A.5.2	The council of governors should not be so large as to be unwieldy.	Comply
6: Comply or explain	Council of Governors	A.5.4	The roles and responsibilities of the council of governors should be set out in a written document.	Comply – Trust Constitution, Governor Role Requirements and Governor Handbook
6: Comply or explain	Council of Governors	A.5.5	The chairperson is responsible for leadership of both the board and the council but the governors also have a responsibility to make the arrangements work and should take the lead in inviting the chief executive to their meetings and inviting attendance by other executives and non-executives, as appropriate.	Comply

Part of schedule A	Relating to	Code of Governance reference	Summary of requirement	Where located in the annual report and further explanation
6: Comply or explain	Council of Governors	A.5.6	The council should establish a policy for engagement with the board of directors for those circumstances when they have concerns.	Comply - Council of Governors' Engagement Policy
6: Comply or explain	Council of Governors	A.5.7	The council should ensure its interaction and relationship with the board of directors is appropriate and effective.	Comply
6: Comply or explain	Council of Governors	A.5.8	The council should only exercise its power to remove the chairperson or any non-executive directors after exhausting all means of engagement with the board.	Comply
6: Comply or explain	Council of Governors	A.5.9	The council should receive and consider other appropriate information required to enable it to discharge its duties.	Comply
6: Comply or explain	Board	B.1.2	At least half the board, excluding the chairperson, should comprise non-executive directors determined by the board to be independent.	Comply
6: Comply or explain	Board/Council of Governors	B.1.3	No individual should hold, at the same time, positions of director and governor of any NHS foundation trust.	Comply

Part of schedule A	Relating to	Code of Governance reference	Summary of requirement	Where located in the annual report and further explanation
6: Comply or explain	ARC(s)	B.2.1	The nominations committee or committees, with external advice as appropriate, are responsible for the identification and nomination of executive and non-executive directors.	Comply Directors' report
6: Comply or explain	Board/Council of Governors	B.2.2	Directors on the board of directors and governors on the council should meet the "fit and proper" persons test described in the provider licence.	Comply Directors' report – Code of Conduct for the Trust Board. Membership report - Disclosures and declarations of interests.
6: Comply or explain	Remuneration Committee	B.2.3	The nominations committee(s) should regularly review the structure, size and composition of the board and make recommendations for changes where appropriate.	Comply
6: Comply or explain	Nomination Committee(s)/ Council of Governors	B.2.5	The governors should agree with the nominations committee a clear process for the nomination of a new chairperson and non-executive directors.	Comply

Part of schedule A	Relating to	Code of Governance reference	Summary of requirement	Where located in the annual report and further explanation
6: Comply or explain	Nomination Committee(s)	B.2.6	Where an NHS foundation trust has two nominations committees, the nominations committee responsible for the appointment of non-executive directors should consist of a majority of governors.	Comply Remuneration Report - The Appointments and Remuneration Committee (a sub-committee of the Council of Governors) and the Appointments and Remuneration Committee Terms of Reference (which state a core membership of six governors)
6: Comply or explain	Council of Governors	B.2.7	When considering the appointment of non-executive directors, the council should take into account the views of the board and the nominations committee on the qualifications, skills and experience required for each position.	Comply Membership report – appraisal and appointment
6: Comply or explain	Council of Governors	B.2.8	The annual report should describe the process followed by the council in relation to appointments of the chairperson and non-executive directors.	Comply Membership report – appraisal and appointment
6: Comply or explain	Remuneration Committee	B.2.9	An independent external adviser should not be a member of or have a vote on the nominations committee(s).	Comply Remuneration report

Part of schedule A	Relating to	Code of Governance reference	Summary of requirement	Where located in the annual report and further explanation
6: Comply or explain	Board	B.3.3	The board should not agree to a full-time executive director taking on more than one non-executive directorship of an NHS foundation trust or another organisation of comparable size and complexity.	Comply Directors' report
6: Comply or explain	Board/Council of Governors	B.5.1	The board and the council governors should be provided with high-quality information appropriate to their respective functions and relevant to the decisions they have to make.	Comply Directors' report – Operation of the Board Governors' report – Council of Governors
6: Comply or explain	Board	B.5.2	The board, and in particular non-executive directors, may reasonably wish to challenge assurances received from the executive management. They need not seek to appoint a relevant adviser for each and every subject area that comes before the board, although they should, wherever possible, ensure that they have sufficient information and understanding to enable challenge and to take decisions on an informed basis.	Comply NED challenge roles in place and reviewed annually

Part of schedule A	Relating to	Code of Governance reference	Summary of requirement	Where located in the annual report and further explanation
6: Comply or explain	Board	B.5.3	The board should ensure that directors, especially non-executive directors, have access to the independent professional advice, at the NHS foundation trust's expense, where they judge it necessary to discharge their responsibilities as directors.	Comply Directors' report - How the Directors are assisted in their roles
6: Comply or explain	Board/ Committees	B.5.4	Committees should be provided with sufficient resources to undertake their duties.	Comply Directors' report – Board Committees
6: Comply or explain	Chair	B.6.3	The senior independent director should lead the performance evaluation of the chairperson.	Comply Directors' report – Senior Independent Chair
6: Comply or explain	Chair	B.6.4	The chairperson, with assistance of the board secretary, if applicable, should use the performance evaluations as the basis for determining individual and collective professional development programmes for non-executive directors relevant to their duties as board members.	Comply

Part of schedule A	Relating to	Code of Governance reference	Summary of requirement	Where located in the annual report and further explanation
6: Comply or explain	Chair/ Council of Governors	B.6.5	Led by the chairperson, the council should periodically assess their collective performance and they should regularly communicate to members and the public details on how they have discharged their responsibilities.	Comply Governors' report – governor engagement
6: Comply or explain	Council of Governors	B.6.6	There should be a clear policy and a fair process, agreed and adopted by the council, for the removal from the council of any governor who consistently and unjustifiably fails to attend the meetings of the council or has an actual or potential conflict of interest which prevents the proper exercise of their duties	Comply Governors' report – role of governors
6: Comply or explain	Board/ Remuneration Committee	B.8.1	The remuneration committee should not agree to an executive member of the board leaving the employment of an NHS foundation trust, except in accordance with the terms of their contract of employment, including but not limited to service of their full notice period and/or material reductions in their time commitment to the role, without the board first having completed and approved a full risk assessment.	Comply

Part of schedule A	Relating to	Code of Governance reference	Summary of requirement	Where located in the annual report and further explanation
6: Comply or explain	Board	C.1.2	The directors should report that the NHS foundation trust is a going concern with supporting assumptions or qualifications as necessary. See also ARM paragraph 2.12.	Comply Performance report - Going Concern
6: Comply or explain	Board	C.1.3	At least annually and in a timely manner, the board should set out clearly its financial, quality and operating objectives for the NHS foundation trust and disclose sufficient information, both quantitative and qualitative, of the NHS foundation trust's business and operation, including clinical outcome data, to allow members and governors to evaluate its performance.	Comply Directors' report – Non-Executive Directors

Part of schedule A	Relating to	Code of Governance reference	Summary of requirement	Where located in the annual report and further explanation
6: Comply or explain	Board	C.1.4	<p>a) The board of directors must notify NHS Improvement and the council of governors without delay and should consider whether it is in the public's interest to bring to the public attention, any major new developments in the NHS foundation trust's sphere of activity which are not public knowledge, which it is able to disclose and which may lead by virtue of their effect on its assets and liabilities, or financial position or on the general course of its business, to a substantial change to the financial wellbeing, healthcare delivery performance or reputation and standing of the NHS foundation trust.</p> <p>b) The board of directors must notify NHS Improvement and the council of governors without delay and should consider whether it is in the public interest to bring to public attention all relevant information which is not public knowledge concerning a material change in:</p> <ul style="list-style-type: none"> • the NHS foundation trust's financial condition • the performance of its business; and/or • the NHS foundation trust's expectations as to its performance which, if made public, would be likely to lead to a substantial change to the financial wellbeing, healthcare delivery performance or reputation and standing of the NHS foundation trust. 	<p>Comply</p> <p>Council of Governor's Engagement Policy</p>

Part of schedule A	Relating to	Code of Governance reference	Summary of requirement	Where located in the annual report and further explanation
6: Comply or explain	Board/Audit Committee	C.3.1	The board should establish an audit committee composed of at least three members who are all independent non-executive directors.	Comply Directors' report – Trust Audit and Risk Governance Committee
6: Comply or explain	Council of Governors/ Audit Committee	C.3.3	The council should take the lead in agreeing with the audit committee the criteria for appointing, re-appointing and removing external auditors.	Comply Governors' report – role of governors
6: Comply or explain	Council of Governors/ Audit Committee	C.3.6	The NHS foundation trust should appoint an external auditor for a period of time which allows the auditor to develop a strong understanding of the finances, operations and forward plans of the NHS foundation trust.	Comply Directors' report – Trust Audit, Risk and Governance Committee
6: Comply or explain	Council of Governors	C.3.7	When the council ends an external auditor's appointment in disputed circumstances, the chairperson should write to NHS Improvement informing it of the reasons behind the decision.	Comply, n/a in 2021/22

Part of schedule A	Relating to	Code of Governance reference	Summary of requirement	Where located in the annual report and further explanation
6: Comply or explain	Audit Committee	C.3.8	The audit committee should review arrangements that allow staff of the NHS foundation trust and other individuals where relevant, to raise, in confidence, concerns about possible improprieties in matters of financial reporting and control, clinical quality, patient safety or other matters.	Comply Director's report – Trust Audit, Risk and Governance Committee
6: Comply or explain	Remuneration Committee	D.1.1	Any performance-related elements of the remuneration of executive directors should be designed to align their interests with those of patients, service users and taxpayers and to give these directors keen incentives to perform at the highest levels.	Comply Remuneration report
6: Comply or explain	Remuneration Committee	D.1.2	Levels of remuneration for the chairperson and other non-executive directors should reflect the time commitment and responsibilities of their roles.	Comply Remuneration report

Part of schedule A	Relating to	Code of Governance reference	Summary of requirement	Where located in the annual report and further explanation
6: Comply or explain	Remuneration Committee	D.1.4	The remuneration committee should carefully consider what compensation commitments (including pension contributions and all other elements) their directors' terms of appointments would give rise to in the event of early termination.	Comply Remuneration report
6: Comply or explain	Remuneration Committee	D.2.2	The remuneration committee should have delegated responsibility for setting remuneration for all executive directors, including pension rights and any compensation payments.	Comply Remuneration report
6: Comply or explain	Council of Governors/ Remuneration Committee	D.2.3	The council should consult external professional advisers to market-test the remuneration levels of the chairperson and other non-executives at least once every three years and when they intend to make a material change to the remuneration of a non-executive.	Comply Governors' report – appraisal and appointments

Part of schedule A	Relating to	Code of Governance reference	Summary of requirement	Where located in the annual report and further explanation
6: Comply or explain	Board	E.1.2	The board should clarify in writing how the public interests of patients and the local community will be represented, including its approach for addressing the overlap and interface between governors and any local consultative forums.	Comply Trust Constitution
6: Comply or explain	Board	E.1.3	The chairperson should ensure that the views of governors and members are communicated to the board as a whole.	Comply Governors' report – Governor engagement
6: Comply or explain	Board	E.2.1	The board should be clear as to the specific third-party bodies in relation to which the NHS foundation trust has a duty to co-operate.	Comply Directors' report
6: Comply or explain	Board	E.2.2	The board should ensure that effective mechanisms are in place to co-operate with relevant third-party bodies and that collaborative and productive relationships are maintained with relevant stakeholders at appropriate levels of seniority in each.	Comply Directors' report

Statement of the chief executive's responsibilities as the accounting officer of Northern Lincolnshire and Goole NHS Foundation Trust

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

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require Northern Lincolnshire and Goole NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions.

The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Northern Lincolnshire and Goole NHS Foundation Trust and of its income and expenditure, other items of comprehensive income and cash flows for the financial year.

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

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

The accounting officer is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the NHS foundation trust and to enable them to ensure that the accounts comply with requirements outlined in the above-mentioned Act.

The Accounting Officer is also responsible for safeguarding the assets of the NHS foundation trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Signature:

A handwritten signature in black ink, appearing to read 'Peter Reading', written over a light grey rectangular background.

Chief Executive and Accountable Officer: Dr Peter Reading

Date: 15 June 2022

NHS England and NHS Improvement System Oversight Framework

NHS England and NHS Improvement's NHS System Oversight Framework provides the framework for overseeing systems including providers and identifying potential support needs.

The framework looks at five national themes:

- Quality of care, access and outcomes
- Preventing ill health and reducing inequalities
- Finance and use of resources
- People
- Leadership and capability

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

Segmentation

This segmentation information is the Trust's position as at 31 March 2022. NHS England and NHS Improvement have placed the Trust in segment 4. Current segmentation information for NHS trusts and foundation trusts is published on the NHS England and NHS Improvement website:

<https://www.england.nhs.uk/publication/nhs-system-oversight-framework-segmentation/>

Signature:



Chief Executive and Accountable Officer: Dr Peter Reading

Date: 15 June 2022

Annual Governance Statement

Scope of responsibility

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Northern Lincolnshire and Goole 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 Northern Lincolnshire and Goole 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 Accountable Officer Memorandum.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of the Northern Lincolnshire and Goole NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Northern Lincolnshire and Goole NHS Foundation Trust for the year ended 31 March 2022 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

COVID-19 meant a fundamental change to the way in which the Trust Board, staff and patients interacted. During 2021/22, the Trust Board stepped down some of its Trust Board sub-committees in January 2022 due to national guidance and operational pressures from the COVID-19 omicron variant. The sub-committee meetings were re-instated again in February 2022.

Leadership and Accountability

Leadership Generally

During 2021/22 and up to the date of publishing this report, the Northern Lincolnshire and Goole NHS Foundation Trust (the Trust) appointed a joint Trust Chair (replacement) with Hull University Teaching Hospitals NHS Trust (HUTH), to continue the strategic alignment between the two organisations in support of the Humber Acute Services Review (HASR) and as the NHS moves into closer financial alignment between NHS organisations within the emerging Integrated Care System (ICS) Provider Collaborative structure.

The HASR is the collaboration between the Trust, HUTH and the four Humber Clinical Commissioning Groups (CCGs), which was created to ensure the long-term provision of high quality, safe and sustainable services for our local populations.

During 2021/22 the Trust and Trust Board continued to embed the changes arising from the Care Quality Commission (CQC) Well Led Review undertaken in September 2019. This included a Trust Board Well Led self-assessment at its meeting on 5 October 2021, and work is ongoing to address the outcomes of that session. The Trust remains at 'Requires Improvement' in the 'Well Led' domain pending re-inspection by the CQC.

The Divisional leadership teams have continued a range of leadership training and coaching to strengthen their contribution to the organisation, building on the Trust's clinical leadership. Work continued to consider and support the ability of our clinical leadership structure to respond to the wide demands throughout the seven-day week and some theatre and outpatient work is being undertaken at weekends.

The recent merging of the Family Services division with the Community and Therapies division, as well as the disestablishment of the Clinical Support Services division will make the group governance and leadership stronger. In addition to this, to ensure divisional leadership teams are recognised across the system, the job titles have been revised for Divisional Clinical Directors who became Divisional Medical Directors, Divisional Head of Nursing became Associate Chief Nurse and Divisional General Managers became Associate Chief Operating Officers. Each division has then subsequently revised the job titles of those reporting into these individuals.

The Trust's People Strategy continues to be embedded and focuses on three main themes: Workforce, Culture and Leadership. The Leadership development programmes were on hold during 2021/22 due to the COVID-19 pandemic, however a review was undertaken which included an external needs analysis. The leadership development framework for all leaders within the Trust was approved at Trust Board in April 2022. Planned areas of work around Leadership development were put on hold during the pandemic as staff from within the People directorate were redeployed to focus on and support the COVID-19 response. The key focus during 2021/22 was on health and wellbeing of our staff, the vaccination and booster programme and the COVID-19 vaccination as a condition of deployment. The Senior Leadership Community (SLC), brings together every month all of the organisation's senior clinical and managerial leaders, is embedded and provides a mechanism for communication and engagement within the Trust on priorities and key messages

Leadership – Governance and Risk Management

In respect of governance and risk management, responsibility for corporate governance remains within the remit of the Director of Corporate Governance. Responsibility for quality and clinical governance sits within the portfolio of the Medical Director ensuring greater clinical engagement and ownership of these arrangements across the Trust. The Medical Director is supported by a Deputy Medical Director, Associate Director of Quality Governance and Associate Medical Director.

The Deputy Medical Director provides a focus on clinical governance and is leading work on improving clinical engagement with the Trust's clinical/quality governance arrangements. The Associate Director of Quality Governance leads on Quality Governance. Patient Experience sits outside the Quality Governance remit, in the Chief Nurse directorate, however the Patient Safety Partner volunteer roles which advise on the patient perspective, sit with the Associate Director for Quality Governance as does the Trust Patient Safety Specialist. The Associate Director for Quality Governance leads on risk for the Medical Director. The Risk Management Strategy continues to be implemented, training has been reinstated (paused during COVID-19) and Risk Clinics held with each division.

Accountability

The Trust has in place a Performance Review and Improvement Management Framework, which outlines the approach to holding Divisions to account for delivery of objectives and improvements including those relating to governance and risk management. This includes monthly Performance Review Improvement meetings for the Clinical Divisions, chaired by the Chief Operating Officer and attended by other Executive Directors. The outcomes of the Performance Review Improvement meetings (PRIMs) are presented to the Finance and Performance Committee of the Board for oversight. To ensure weekly operational challenges and issues are managed in a timely manner and the risks relating to them mitigated or reduced, the Chief Operating Officer holds weekly Operational Management Group meetings with all the divisional leaders. The above arrangements made during 2020/21 reflect the Trust's ongoing commitment to effective governance and quality governance including risk management processes.

The Trust's Internal Audit Programme is used to test key aspects of the Trust's governance and risk management arrangements annually; not least the annual review of the Board Assurance Framework (BAF) and the risk management systems and process which underpin it. The Head of Internal Audit produces an opinion at the end of the financial year on the effectiveness of our control environment, and this opinion forms part of this AGS.

Training

The Trust has in place a mandatory training programme which includes training on specific risk topics such as fire safety, safeguarding, information governance, moving and handling, infection control etc. The majority of programmes continue as on-line learning as a result of the pandemic and social distancing where possible.

Staff are regularly made aware of their duties and responsibilities in respect of reporting incidents and duty of candour. Whilst not mandatory, training is provided on Root Cause Analysis in support of the Trust's arrangements for investigating and managing incidents. External Training is provided, as required, for example, risk register training. The Trust continues to utilise virtual learning for leadership and management and mandatory training. Further training needs have been addressed as part of the strengthening of the divisional governance arrangements already referred to above.

This ensures that staff are trained and equipped to identify and manage risk in a manner appropriate to their authority, duties, and experience. Mandatory training compliance is reviewed at the monthly PRIMs meetings; escalation of support can be requested to achieve compliance.

The Trust's mandatory training programme is regularly reviewed to ensure that it remains responsive to the needs of Trust staff. There is regular reinforcement of the requirements of the Trust's Mandatory Training Policy and Training Needs Analysis and the duty of staff to complete training deemed mandatory for their role and in order to mitigate risk. The Trust's Training Needs Analysis is regularly reviewed to ensure that mandatory training remains targeted and appropriate as well as manageable for staff.

The Trust continues to work hard to achieve good levels of compliance with mandatory training requirements. In the first phase of the pandemic, mandatory training compliance did improve, however during the second surge, compliance dropped to 91% as of 26 April 2022 for core mandatory training above the target of 90%, and 76% for role-specific training (as at 26 April 22), against the target of 85% to the end of December 2021, which was then revised to 80%. Monitoring and escalation arrangements are in place to ensure that the Trust maintains good performance and can ensure targeted action in respect of areas or staff groups where performance is not at the required level.

Monthly reporting is in place and work continues with the Information Team to produce infographics and forecasting for divisions. The training and development team are working closely with the mandatory training subject matter experts and the divisions to ensure that mapping to competencies is correct and staff are only undertaking the training they require for their role.

Control Mechanisms including 'Learning Lessons'

During 2021/22, the Trust replaced the Datix system with the Ulysses System as its IT enabled Risk Management System. The system enables individual actions to be tracked and monitored and enables oversight of all incidents via a daily report to not only clinical divisions, but also to the Medical Director and Chief Nurse. The Learning Strategy continues to develop and serves as a roadmap for the Trust's approach to embedding learning.

The Trust maintains effective mechanisms for identifying and triangulating themes from a variety of intelligence sources using a refocused Collaborative Learning In Practice (CLIP) report. Serious Incidents have remained a key area of focus with the regular reporting of themes and an annual report to the Quality and Safety Committee. The SI Review Group provides a further mechanism for the sharing of transferrable lessons and for testing that this learning and associated agreed actions have led to sustained improvements.

Effective processes ensure that key themes are available to inform Quality and Safety Committee's oversight of quality risks. This supported the Non-Executive Director (NED) confirm and challenge of the steps taken to mitigate against the identified quality risks in response to the significant risks faced by all NHS organisations.

The Trust provides assurance to commissioners on its arrangements for investigating and learning from SIs via a community-wide Serious Incident Collaborative Group, which in turn links with the Local Maternity Specialist. The Quality and Safety Committee and CCG Quality Review Meetings continue to receive updates on the outcome of clinical harm reviews. The clinical harm review process in turn dovetails in to existing governance processes, including the SI and Being Open and Duty of Candour Policy and Procedures. Instances of harm are being escalated as potential SIs to the weekly Executive-led SI panel for discussion as to whether they meet the criteria for reporting or, if not, would benefit from the added resource that an SI investigation would bring. This Panel also identifies learning in each meeting to be then shared through the organisation via the Learning Manager.

The Trust Board routinely considers specific risk issues and receives minutes and highlight reports from Board sub-committees including the Audit, Risk and Governance Committee, Finance and Performance Committee, Workforce Committee, Quality and Safety Committee and the Strategic Development Committee. These sub-committees provide oversight and challenge in respect of key areas of Trust business and in turn provide assurance and/or escalate concerns to the Trust Board. The Trust also has in place the Health Tree Foundation Trustees Committee, which is responsible for overseeing and managing the affairs of the Northern Lincolnshire and Goole NHS Foundation Trust Charitable Funds.

The Trust actively encourages networking and has strong links with relevant central/external bodies, e.g. NHS England / Improvement (NHSE/I), NHS Resolution, Health and Safety Executive, local CCGs, Local Authorities and Members of Parliament (MPs) and acts on recommendations / alerts from these bodies as appropriate. The Trust registers external visits and seeks assurance on the outcomes following external agency visit recommendations. This has remained a focus during 2021/22 and will continue during 2022/23 with emphasis on the ICS and place-based partnership working.

The Trust has maintained and developed its relationship with the CQC - escalating risks and concerns in respect of patient safety / quality as they occur, together with the actions taken or proposed. Monthly relationship meetings are held. The Trust has proactively sought CQC representative engagement at internal meetings to discuss local improvement plans and share progress and challenges with CQC linked improvement plans. The Trust is keen to promote an open and transparent relationship with the CQC viewing it as a key stakeholder in the organisation's improvement journey.

The risk and control framework

The Management of Risk

The Trust is committed to the clinical and non-clinical management of risk in order to improve the quality of care and provide a safe environment for the benefit of patients, staff and visitors by reducing and, where possible, eliminating the risk of loss, harm or damage, protecting its assets and reputation. This is achieved through a process of identification, analysis, evaluation, control, action, elimination, or transfer of risk.

The Trust has in place a Governance and Risk Management Strategy for 2019 to 2024 which provides a framework for the ongoing monitoring and review of risks, linked to the Trust's Strategic Objectives. The overall responsibility of this strategy sits with the Medical Director. The Strategy is an integral part of the Trust's approach to continuous quality improvement and supports the delivery of key quality objectives. This in turn, ensures that staff understand and act on the risks to the achievement of those objectives as well as achieving compliance with external standards, duties and legislative requirements.

The Trust recognises that risks can change, and new risks can emerge over time. The review and updating of risks on the risk register and within the BAF is an ongoing, dynamic process. A Risk Management Group is in place to review and monitor risks added to the Risk Register and to ensure that the appropriate mitigation actions are in place. The Audit Risk and Governance Committee has the delegated authority on behalf of the Trust Board for monitoring effectiveness, scrutiny, and oversight of these arrangements. The BAF and risk register are used to inform the agenda of the Trust Board and Board sub-committees with the relevant risks being aligned to and reviewed by the relevant sub-committees quarterly. The Trust Board sub-committees undertake deep dives into their aligned strategic risks within the BAF and the Trust Board annually reviews the organisation's 'Risk Appetite'.

An annual Internal Audit review of the BAF and the associated risk management processes is undertaken to ensure they are fit for purpose and comply with good practice. A rating of 'significant' assurance was again received following the 2021/22 Internal Audit review.

The Trust's strategic risks as summarised within the BAF are:

- The risk that patients may suffer because the Trust fails to deliver treatment, care and support consistently at the highest standard (by national comparison) of safety, clinical effectiveness and patient experience.
- The risk that the Trust fails to deliver constitutional and other regulatory performance or waiting time targets which has an adverse impact on patients in terms of timeliness of access to care and/or risk of clinical harm because of delays in access to care

- The risk that the Trust (with partners) will fail to develop, agree, achieve approval to, and implement an effective clinical strategy (relating both to Humber acute services and to Place), thereby failing in the medium and long term to deliver care which is high quality, safe and sustainable
- The risk that the Trust's estate, infrastructure and engineering equipment may be inadequate or at risk of becoming inadequate (through poor quality, safety, obsolescence, scarcity, backlog maintenance requirements or enforcement action) for the provision of high quality care and/or a safe and satisfactory environment for patients, staff and visitors
- The risk that the Trust's failure to deliver the digital strategy may adversely affect the quality, efficacy or efficiency of patient care and/or use and sustainability of resources, and/or make the Trust vulnerable to data losses or data security breaches
- The risk that the Trust's business continuity arrangements are not adequate to cope without damage to patient care with major external or unpredictable events (e.g. adverse weather, pandemic, data breaches, industrial action, major estate or equipment failure)
- The risk that the Trust does not have a workforce which is adequate (in terms of diversity, numbers, skills, skill mix, training, motivation, health or morale) to provide the levels and quality of care which the Trust needs to provide for its patients
- The risk that either the Trust or the Humber Coast and Vale Health and Care Partnership fail to achieve their financial objectives and responsibilities, thereby failing in their statutory duties and/or failing to deliver value for money for the public purse
- The risk that the Trust fails to secure and deploy adequate major capital to redevelop its estate to make it fit for purpose for the coming decades
- The risk that the Trust is not a good partner and collaborator, which consequently undermines the Trust's or the healthcare systems collective delivery of: care to patients; the transformation of care in line with the NHS Long Term Plan; the use of resources; the development of the workforce; opportunities for local talent; reduction in health and other inequalities; opportunities to reshape acute care; opportunities to attract investment
- The risk that the leadership of the Trust (from top to bottom, in part or as a whole) will not be adequate to the tasks set out in its strategic objectives, and therefore that the Trust fails to deliver one or more of these strategic objectives

- As referred to above, the Trust Board and its sub-committees have reviewed the BAF in order to ensure:
 - that the risks are an accurate reflection of the organisation's current risk profile;
 - the focus on the areas of strategic importance is maintained (i.e. those which have the potential to threaten the achievement of the Trust's strategic objectives); and
 - the necessary controls and assurances are established and effective

The Board sub-committees review and challenge their associated sections of the BAF, with escalation of issues or concern to the Trust Board through their highlight reports.

The Audit Risk and Governance Committee has the overarching lead role for ensuring the arrangements for underpinning the BAF are in place and are robust.

The Trust Board holds an annual self-certification event to assess and confirm compliance or otherwise with the requirements of its NHS Provider Licence including condition FT4 (8) relating to governance. This work is supported by an Internal Audit review of the assurances in place, which support the required declarations in order to test and confirm their validity.

In line with the principles of devolution within the Trust, and in accordance with the Scheme of Delegation, responsibility for the management/control and funding of a particular risk rests with the Directorate/Division concerned. However, where action to control a particular risk falls outside the control/responsibility of that domain, such issues are escalated to the Executive Team/Trust Management Board or Trust Board for a decision to be made as follows:

- Where local control measures are considered to be potentially inadequate
- Where local control measures require significant financial investment
- The risk is 'significant' and simply cannot be dealt with at that level

Supporting this devolved structure are corporate Directorates (non-clinical). These Directorates have experienced and appropriately qualified staff to support and advise staff at all levels across the organisation with the identification and management of risk for both clinical and non-clinical.

Risk Management is embedded in the activity of the organisation by virtue of robust organisational and sub-committee structures.

The role of the Freedom to Speak Up (FTSU) Guardian and promotion of the role to staff continues to be of great importance for the Trust. The Trust has worked closely with the National Guardian's Office, Regional and National Networks and other Guardians from peer trusts. This includes the following objectives with defined actions which are being implemented:

- Encourage Everyone to Speak Up Better
- Create a Culture where staff are listened to
- Use information provided by FTSU concerns to help develop a 'learning culture' within the organisation

The Trust Board receives quarterly independent reports for oversight and the FTSU Guardian continues to work with Executives and the Trust Board to support development and training sessions with them and the wider Trust – during 2021/22 there have been two board development sessions around FTSU and further sessions are planned for 2022/23. The Guardian participated in the National Speak Up month in October (a dedicated communication and marketing plan was shared with all staff to promote the role and how to access the Guardian. The Guardian continues to work in partnership with the Trust and Unions to promote ‘Speaking Up’ as business as usual.

The Culture theme within the Trust’s People Strategy supports this and focuses priorities around building a culture and staff experience which will strengthen our recruitment attraction strategy, improve employee experience, and enhance our aim to meet the preferred employer standards defined in the CQC Well Led criterion. Our staff survey results for 2021 illustrate we have maintained a strong Health and Wellbeing offer and our leadership development strategy and culture transformation agenda will continue to improve on all staff survey scores.

Relevant governance and risk management Key Performance Indicators (KPIs) are shared through the performance management framework and are reported up to the Trust Board through the Integrated Performance Report (IPR). Business Planning and Service Development proposals do not proceed without:

- Recognition and acceptance of the risks involved
- Involvement of the relevant risk management expertise e.g. health and safety and fire, infection control
- An appropriate assessment

Executive Directors individually and collectively have responsibility for providing assurance to the Trust Board on the controls in place to identify, manage and mitigate risks to compliance with the Trust’s NHS Provider Licence. The sub-committees of the Trust Board in turn have responsibility for providing assurance in respect of the effectiveness of those controls. A system of ‘highlight’ reports to the Trust Board is in place to highlight any risks to compliance. Board sub-committees are chaired and attended by NEDs as core members, with relevant Executive Directors as well as by other key Trust staff being ‘in attendance’. There is a clear separation between Board sub-committees and day to day management meetings.

Patient and Public Involvement (PPI)

The Trust ensures public stakeholders are involved in understanding the risks which impact upon the organisation through a variety of routes. This includes: the operation and meetings of the Council of Governors (CoG); the publishing of the CoG and Trust Board papers on the Trust’s website; and the holding of Board meetings in public. The CoG normally meets at least four times per year with these meetings being held in public. The agenda includes appropriate highlight reports from Board sub-committees. During the ongoing COVID-19 pandemic in 2021/22 the CoG met virtually three times as well as held the Annual Review of the Council meetings online. The Annual Members’ Meeting in September and the October CoG meeting were held in person at public venues.

The Trust continues to work with its local Healthwatch partners to ensure a wide breadth of patient views are heard. As well as this the Trust continued to work on the Humber Acute Services programme which included a number of engagement activities. These included: online surveys; face-to-face meetings with specific groups of services users such as sex workers and new and expectant mothers; and meetings with the programme's Citizens' Panel. During 2022/23 the programme is planning to run a full public consultation on possible options for hospital services in the future.

The Trust launched a new website in the year which is fully compliant with the latest accessibility requirements. The website provides members of the public with easy and timely access to information across all areas of Trust activity. The Trust also make efforts to publicise timely information – such as changes to visiting arrangements throughout the pandemic - via email, social media channels such as Twitter and Facebook and, where appropriate, by liaising with the local media.

Quality Risks

The Trust also has in place a range of mechanisms for managing and monitoring risks in respect of quality including:

- The Trust agrees annual quality priorities
- The Trust has in place the Trust Board's Quality and Safety Committee which meets monthly and is chaired by a Non-Executive Director. The Quality and Safety Committee is responsible for monitoring performance against the agreed annual quality priorities and other quality issues, and minutes of the Committee are submitted to the Trust Board. The Quality Governance Group (QGG) in turn provides assurance on quality and safety activities to the Quality and Safety Committee
- The Trust publishes an Annual Quality Account, which is subject to consultation with key external stakeholders
- Performance against key quality indicators is routinely reported to the Trust Board through the IPR and to the Quality and Safety Committee via quality reports
- The Trust Board is implementing/developing the Quality Strategy, a Quality Improvement Strategy and the Quality Improvement Training Faculty
- The Trust has in place arrangements and monitoring processes via the Register of External Agency Visits, to ensure ongoing compliance with other service accreditation standards (e.g. including Clinical Pathology Accreditation (CPA), Medicines and Healthcare products Regulatory Accreditation (MHRA) (for blood products) and Human Tissue Authority (HTA) licences for mortuary and post mortems)
- The Trust's QGG monitors performance with the National Institute for Health and Care Excellence (NICE) guidance implementation and assurance relating to Patient Safety Alerts and other safety alerts received via the Central Alerting System. The Quality and Safety Committee approves any deviations from NICE guidance
- The Medical Director has the lead for mortality supported by an appointed clinical lead. A Mortality Improvement Group, reporting to the QGG, is in place and includes as part of its membership Divisional clinical leads, a Non-Executive Director and relevant external stakeholders

- The Quality and Safety Committee retains a challenge and assurance role in respect of mortality ensuring improvements are sustained or escalated appropriately. Reporting on mortality improvement to the Trust Board occurs through the IPR and, where relevant, through the highlight report from the Quality and Safety Committee. A key part of the Mortality Strategy centres on the National Quality Board (NQB) guidance on learning from deaths. During 2021/22 continued improvements in the process for screening a higher proportion of deaths for learning opportunities were achieved. Further work during 2022/23 will be focused on feedback and sharing of themes and learning with key stakeholder partners in and outside the organisation
- The Trust has in place robust methods of pro-actively looking for potential clinical harm, through the Ulysses reporting system, but also in the risk stratification and tracking of our waiting lists and reviewing all patients waiting for a prolonged period of time on our waiting lists. This data is captured in a system called COBRA, and the output is overseen via regular reporting to Quality and Safety Committee
- End of Life has remained a high priority for 2021/22 as demonstrated by the retention of quality measures in the approved Quality Priorities for 2021/22. Good engagement is evident within divisions and supports the detailed plan which incorporates actions from CQC actions, local audits and learning from deaths. These feed into the monthly Trust End of Life meeting for monitoring. NHSE/I continue to work alongside the Trust and key stakeholder partners across the system. The Trust's End of Life Group reports into the Mortality Improvement Group, which in turn reports to the QGG
- The Trust continues to utilise the checklist for wards and departments, based on the 15 Steps Programme which is aligned to the CQC Key Lines of Enquiry, ensuring the ongoing monitoring of key standards and the early identification and escalation of risk issues. This work has involved training staff (including Board members), to be able to conduct peer review visits
- The 15 Steps Assurance Programme was suspended due to the pandemic however supportive visits were maintained throughout by the Quality Assurance Officer and the Lead Nurse for 15 Steps on areas where it was deemed appropriate and safe to do so and the Programme restarted fully in June 2021. This remains a priority for 2022/23
- Some informal visits to wards and departments were undertaken during 2021/22 by Executives and NEDs, but these were limited due to COVID-19 restrictions. These arrangements enable staff to showcase good practice but also to talk directly to members of the Trust Board on quality and safety and other issues or concerns
- NEDs have oversight and assurance roles in respect of specific aspects of governance, quality governance and risk. These roles are reviewed annually
- The Medical Director is the Trust Board lead for quality and safety although in discharging this responsibility works closely with the Chief Nurse (the Trust Board Lead for patient experience) and the Chief Operating Officer
- The Chief Nurse developed and is implementing the nursing, midwifery and allied health professional's strategy called 'The Future 5 and Beyond 2021-24'

- A nursing dashboard is in place to monitor the nursing contribution to safety and quality. This is supported by a Nursing Metrics Panel which ensures the early identification and mitigation of risk issues
- The Trust has in place an annual safe staffing review process in respect of nursing and midwifery, which is reviewed by the Trust Board with ongoing monitoring undertaken by the Quality and Safety Committee
- The Trust routinely considers and acts upon the recommendations of national quality benchmarking exercises, e.g. National patient surveys
- The Trust acts upon patient feedback from complaints and concerns and from feedback from PPI representatives (e.g. Health Watch)

The effectiveness of the Trust's governance, quality governance and risk management arrangements also continued to be tested during 2021/22 via internal and external testing including internally via the Annual Internal Audit Programme and externally via relevant external reviews and visits.

CQC: Registration and Essential Standards of Quality and Safety

The Trust underwent its last CQC inspection in September 2019. The full visit report was published in February 2020. Arising from that inspection the Trust retained its overall rating of 'Requires Improvement' and moved from 'Inadequate' to 'Requires Improvement' for 'Well Led'. The Trust also received a rating of 'Requires Improvement' for 'Use of Resources', the first such assessment and a significant achievement given the Trust's being in the Single Operating Framework level 4 of the Recovery Support Programme. However, the Trust received a rating of 'Inadequate' in the 'Safe' domain'. This was due to ongoing waiting list backlogs in some specialties, the backlog in diagnostic reporting, concerns in relation to end of life care and some issues in the Trust's two emergency departments; specifically training, paediatric pathway, safe environment and sustaining improvements in ambulance handover. The Trust is in the Single Operating Framework level 4 of the Recovery Support Programme for quality and continues to benefit from the support package put in place by NHSE/I; specifically support from an NHSE/I Improvement Director to implement and embed the required improvements.

The detailed Divisional improvement plans incorporating CQC feedback continue to be embedded and delivered. The Trust continues to report on progress to the Performance Review and Improvement Meetings, the relevant Trust Board sub-committees and the Trust Board.

The NHSE/I-chaired Quality Board brings together all relevant stakeholders to support the Trust in the delivery of its improvement plan and continues to have oversight of delivery of the required improvements. The Trust reports its progress to and discusses any issues or concerns directly with the CQC through the monthly engagement meeting.

Whilst the Trust is in the Single Operating Framework level 4 of the Recovery Support Programme for quality it has no conditions on its registration, and the Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission.

Workforce

The Trust has in place a NED chaired and populated Workforce Committee which is a sub-committee of the Trust Board. Its focus is to seek assurance on all workforce matters including compliance against our people metrics and the delivery of the People Strategy and NHS People Plan. Our annual workforce plan for the sub-committee is being implemented following the review to allow reporting and focus on workforce, culture, leadership and to evidence improvements made. The Trust continually reviews compliance with the safer staffing care standards ensuring that establishments and job plans are reviewed periodically, enabling the resource requirements for the delivery of safe care to our patients. The Trust continued to invest in new clinical roles to supplement the clinical workforce during 2021/22 which include Newly Qualified Nurses, Advanced Clinical Practitioners, Nursing Associates, Care Navigators and Medical Support Workers.

In addition, the Trust has worked closely with NHSE/I in the recruitment of international registered nurses to supplement the domestic workforce supply and achieved the target reduction of Health Care Support Worker vacancies to an operational zero status in 2021. To ensure compliance with developing Workforce Safeguards, a triangulated approach is used by the Chief Nurse to determine safe staffing levels. This combines the use of evidence-based tools (e.g. Safer Nursing Care Tool and BirthRate Plus, professional judgement and outcomes to ensure the right staff with the right skills are in the right place at the right time). Safecare Live is used to support the deployment of staff and escalation processes and procedures are in place. Quality impact assessments are undertaken for any ward and department reconfigurations. Workforce data and information from the nursing and midwifery quality assurance dashboards are scrutinised monthly in a Metrics Panel chaired by the Chief Nurse, and a monthly Assurance Report is presented to the Quality and Safety Committee which has oversight of safe staffing.

NHS pension scheme

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

Equality, diversity, and human rights

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with. The Trust has an Equality and Diversity Strategy which encompasses our Equality Objectives. Our Equality Objectives focus on achieving legal and contractual compliance and progress against them is reported to Trust Board and our commissioners bi-annually by our dedicated Equality and Diversity lead. The organisation has an Equality Impact Assessment (EIA) policy and procedure which ensures the integration of EIAs into Trust core business and to support this training continues to be delivered across the Trust.

Carbon reduction

The Trust is committed to embedding sustainability and Net Zero carbon principles into all our services. We are committed to improving health outcomes for our patients by actively addressing our carbon impacting activities in line with the Climate Projections 2018 (UKCP18) whilst actively addressing the challenges within the “Delivering a Net Zero” National Health Service.

The Foundation Trust has undertaken risk assessments and has plans in place which take account of the ‘Delivering a Net Zero Health Service’ report under the Greener NHS programme. The Trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

The Trust has built upon the Net Zero Health Service report to create the Northern Lincolnshire and Goole NHS FT Green Plan (2021/22) replacing the previous Sustainable Development Management Plan (SDMP). The Green Plan utilises the Net Zero report to produce a document with which we can guide the Trust to address both the emissions we control directly, and the emissions we can influence, working towards a Net Zero target by 2040 for directly controlled emissions, and 2045 for emissions we can influence.

In addition to the Trust’s Green Plan (2021/22), we have taken further steps to align our Travel Plan with our Green strategy. To be approved in 2022, our revised Green Plan for 2022/2025 will incorporate our carbon impact from travel, waste to landfill, utilities, active travel, and low emission fleet, reviewed by our working group formed to address the Trusts carbon impact.

The Green Plan incorporates a working action plan to address our progress towards Net Zero, a document which will grow as the impact of our work, projects and capital investments develop. The actions set out in our action plan will support us to achieve legislative requirements alongside the most important issues our Trust aims to address as identified in the strategic framework (2019/2024).

During this reporting period £3m of funding has been invested into the energy infrastructure at Goole, this work was funded via the Public Sector Decarbonisation Scheme (PSDS). The scheme will save 1,418 tonnes of CO₂ a year. The following works were completed:

- Replacement of the coal fired boilers with condensing gas fired units incorporating a Combined Heat and Power (CHP) unit
- New LED light fittings installed
- Loft and cavity wall insulation installed
- New Building Management System (BMS) installed
- New hot water services system installed
- Variable Speed Drives (VSDs) on ventilation plant installed

At the Scunthorpe site, the teams have completed a full set of Royal Institute of British Architects (RIBA) stage 4 designs for the following schemes:

- Ground source heat pump to enable de-steam to take place
- LED lighting
- BMS
- PV solar power
- Replacement roofing
- New windows
- Ventilation fan upgrades

The following works have been completed at Scunthorpe:

- New upgraded high voltage (HV) electrical ring main
- Upgraded electrical supply
- Completion of 2 boreholes (part of the ground source heat pump design and construction)
- New autoclave machines (as part of longer de-steam)
- All of the above design and construction works will enable the Trust to apply for grant energy funding to upgrade the energy centre at Scunthorpe General Hospital and install energy conservation measures in the future.

Our reporting processes are robust and will ensure the Trust complies with the UK Climate Change Act (2008) projections for the reduction of carbon. In addition to this, working with partners to reduce energy consumption, the Trust will be supported in the development of a road map to Net Zero, ensuring we comply with the targets set within the Net Zero report. This road map will be incorporated into the Green Plan advancing from 2022/25, and beyond.

Conflicts of Interest

The Trust maintains a register of Directors' interests which is reviewed by the Trust Board annually and is published through the Trust Board public meeting papers and within the Trust's Freedom of Information publication scheme. The Trust has published on its website an up-to-date register of interests, including gifts and hospitality, for other decision making staff (as defined by the Trust with reference to the 'Managing Conflicts of Interest in the NHS' guidance) within the last 12 months as required by the Managing Conflicts of Interest in the NHS23 guidance.

Business continuity

The Trust has in place robust emergency preparedness and business continuity arrangements, which are considered and signed off by the Trust Board annually. These arrangements have been tried and tested in response to the COVID-19 pandemic crisis and continue to be reviewed and monitored. In order to ensure both organisational and individual resilience, specifically in respect of those leading the Trust's response given the likely duration of the crisis, these arrangements are continuously reviewed in line with NHSE/I's emergency planning guidance and instructions. The emergency preparedness and business continuity workplan includes annual training and testing arrangements to ensure that leaders and staff across the organisation learn from previous events and build the resilience required to manage the ongoing challenges.

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

The Trust's clinical activities are managed under a devolved management structure, governed by a scheme of delegation renewed and refreshed annually. The Trust has in place a clinical management structure to support effective leadership of clinical services and ensure effective care.

The Clinical Divisions report to the Chief Operating Officer, but the Divisional Clinical Directors within each clinical division also have a professional reporting line to the Medical Director. Each Clinical Director has a team of clinical leads covering individual service areas. The Trust has in place a system of monthly PRIMs with each Division, which cover quality, finance, and performance issues.

The Finance Directorate provides dedicated support to each clinical division and non-Clinical Directorate through nominated Business Accountants. Business planning is led by the Chief Operating Officer and the role of the Director of Strategic Development provides a close link between the Trust and:

- The Humber and North Yorkshire ICS
- The System Collaboratives with a focus on Acute and Community
- Place based Boards within North East and North Lincolnshire and the East Riding of Yorkshire

The Trust is currently leading a major review of clinical services within the Humber and will be consulting on those during 2022/2023. The emerging models of care will improve quality, access and outcomes for patients whilst addressing the workforce challenges we face.

The Trust continues to adopt a project-based approach to savings delivery. The Trust has enhanced governance and oversight arrangements in respect of savings delivery coupled with comprehensively documented plans. Savings are subject to a full Quality Impact Assessment sign off process undertaken jointly by the Chief Nurse and Medical Director.

The Trust maintains focus on performance management. Directorates and Divisions are responsible for the delivery of agreed financial and other performance targets through a system of performance agreements, documented as part of the annual business planning cycle and monitored through a series of regular performance review meetings. During 2021/22 the Trust did not meet all its constitutional and other regulatory performance requirements, namely:

- **A&E:**

Whilst the Trust did not treat as many patients within 4 hours than in the previous year (2020/21: 99,913, 2021/22: 93,357), the performance improved in January and February 2022. The COVID-19 pandemic then affected the ongoing improvements and therefore performance during 2021/22 remained problematic. Recovery actions have been in place, and although these have not continuously delivered improvement, they have contributed to an ability to manage the challenges of the pandemic.

From Quarter 3 the position improved, directly related to the opening of the Urgent Care Service (UCS) in Scunthorpe on the 18 October 2021 and followed by Grimsby on 18 January 2022. The UCS is holding a performance since that date of 98.65%.

Demand at this time was at almost pre-COVID-19 levels and the environment for both departments (modified to cope with COVID-19 Infection Prevention Control constraints) struggled to cope with safely meeting this demand with the March 2022 position of 61.93% and a current position (April 2022 month to date (25 April 2022)) of 58.71%. The Trust continues to work on the nine programmes of improvement to increase the performance and improve the patients experience through the urgent and emergency care service. The flow of patients through the Trust has seen a continued positive measure with discharge to assess for 21 days being held at 12.4%, demonstrating the continued partnership working to reduce the pressure on Inpatients services and improve the Trust's ability to manage the urgent care demands.

- **Cancer performance:**

Whilst the Trust continues to deliver against the 2 Week Wait target, compliance with the 62-day cancer metric remained below target during 2021/22. Tertiary capacity also continues to be very stretched. The Trust continues to focus on its improvement efforts, including collaboration with Hull University Teaching Hospitals (HUTH) by the development of the joint Humber Cancer Board. The COVID-19 pandemic has impacted on our ability to manage and treat patients with cancer. That said, our 62-day cancer performance through 2021/22 was 63.4%. The Trust maintained cancer treatments and outpatients throughout the pandemic. It has also worked closely with HUTH and the cancer alliance on the development of the "28-day faster access to diagnostics" with the March 2022 performance of 56.2%. Work is underway to assess the impact on planned improvement trajectories and to assess the risk to patients waiting. The Trust is also an active participant in the Humber, Coast and Vale Cancer Alliance, which is reviewing all cancer pathways across the region.

- **RTT and OPD follow-ups:**

During 2021/22, the Trust continued to make progress against all waiting list metrics. In relation to Referrals to Treatment (RTT), performance has averaged 69.0% for 2021/22 (2020/21: 61.4%), as the amount of elective surgery and outpatient procedures was 98.6% compared to 2019/20. Outpatient transformation plans have contributed to a reduction in overdue follow-ups during the second half of 2021/22. The Trust has continued to see 52 week waits reduce (March 2021: 1,187, March 2022: 211), with the remainder of patient waits being primarily due to patient choice. This is as a result of mutual aid provided to the Humber and North Yorkshire ICS.

The Trust has continued throughout the COVID-19 pandemic with pathway and data validation ensuring the quality and transparency of our elective activity. Capacity issues remain specifically in Ears, Nose and Throat (ENT), Ophthalmology and Gastroenterology. Work is underway to assess the impact on planned improvement trajectories. The risk to patients waiting has been assessed in line with national guidance from the various Royal Colleges. Patients have been categorised into clinical priorities within their waiting lists to mitigate the risks to patients waiting from the perspective of clinical harm.

A combination of the implementation of advice and guidance, patient initiated follow ups and the use of technology to support out-patient appointments has contributed to minimising the growth of the waiting list during the COVID-19 pandemic period.

The Finance and Performance Committee provide the detailed scrutiny and challenge in respect of performance – including, A&E, cancer, RTT and Outpatient Department (OPD) Follow Ups and waiting list performance; with reporting to the Board through the IPR and highlight report from the Finance and Performance Committee. Improvement actions are also monitored through the system-wide A&E Delivery Board, the Cancer Alliance and Elective Care Board and the Humber and North Yorkshire Oversight and Assurance Meeting, with stakeholder support being seen as key to a return to improvement trajectory. In addition, weekly scrutiny of waiting lists and urgent care performance is assessed at the Weekly Operational Management Group Meeting.

The Financial Plan adopted annually by the Trust Board reflects the strategic framework set out each year by NHSE/I. It sets out the mechanisms by which the key risks emanating from the strategic context are to be managed. The plan reflects the national planning context and its application at a regional level. The plans are developed and agreed as part of an overarching approach to financial governance that spans the Humber Coast and Vale ICS.

The Trust's Finance and Performance Committee provides assurance to the Trust Board as to the achievement of the Trust's financial plan and, in addition, it acts as the key forum for the scrutiny of the robustness and effectiveness of all cost efficiency opportunities. It interfaces with other Trust Board sub-committees and the Trust Executive Team. It provides this assurance through scrutiny of regular reports and deep dives into areas of particular concern.

Governance and control are further assured through quarterly monitoring and annual planning processes with internal and external auditors. Each year the Trust agrees a risk based internal audit programme designed to provide assurance and to encourage improvement across the full breadth of the Trust's activities.

The Trust understands that delivering effective quality outcomes for patients within agreed resources is the main priority for the Trust. The Trust is proactive and continuously reviews and realigns its structures where necessary, to allow it to adapt and respond to the rapidly changing business environment brought about by the changes in the economy, the NHS environment, competitive markets and patient pathway best practice.

During 2021/22 the Trust underwent its second Use of Resources Assessment. Despite receiving a rating of 'Requires Improvement' the Trust was not judged as being able to exit its financial Single Operating Framework level 4 status of the Recovery Support Programme. In 2020/21, the Trust achieved its financial control total of £0.16 million and delivered its cost improvement programme target of £10.55 million with a saving of £11.99 million. Building on this, the Trust has gone on to achieve the financial targets set by NHSE/I for the 2021/22 financial year and is now looking to deliver a balanced financial plan across the Humber Coast and Vale ICS as we enter 2022/23.

Information governance

The Trust continues to strengthen its arrangements for Information Governance and has the following arrangements in place:

- The Medical Director as the Caldicott Guardian
- An active Information Governance Steering Group which meets monthly
An Information Governance Strategy and collection of Information Governance related policies along with a number of dedicated IT Security policies
- A dedicated Data Protection Officer is in post
- A dedicated IT Security Manager
- The Trust continues to monitor Information Governance Incidents to ensure that if required they are reported to the Information Commissioner's Office within 72 hours
- Complete and submit the new Data Security and Protection Toolkit (DSPT) work programme by 30 June 2022
- Annual audit of the Trust's compliance with the Data Security and Protection Toolkit by Internal Audit for the 2021/22 submission. This will be undertaken in two phases as in 2020/2021

The Information Governance Steering Group, which is chaired by the Data Protection Officer, monitors the Trust's compliance with National Data Protection Regulations and with the DSPT, which encompasses the National Data Guardian standards. The new DSPT also covers Cyber Security Essentials. This group reports to the Audit Risk and Governance Committee which reports directly to the Trust Board. The Trust's Audit, Risk and Governance Committee receives a regular highlight report from the Information Governance Steering Group including details of audits undertaken and subsequent recommendations and actions for further improvement. The continued work on the action plan will be closely monitored by the Information Governance Steering Group. The Trust's Data Protection Officer is the Chair of the Yorkshire and Humber Strategic Information Governance Network and represents the region on the National Strategic Information Governance Network. This ensures any national guidance and initiatives are fed directly into the organisation.

Data security and protection incidents

All incidents reported within the organisation were investigated and appropriate action taken. This could be the strengthening of policies or a change to process. Lessons learnt are disseminated through face-to-face Information Governance Awareness Training and through staff briefings. The incidents are reviewed monthly by the Senior Management Team and action plans agreed.

During 2021/2022, the Trust, using NHS Digital's Incident Reporting Guide and Tool developed in conjunction with the Information Commissioner's Office, reported one Data Security and Protection Incidents, which is an improvement on 2020/2021.

The incident was reported on the 16 April 2021 and related to personal data being inappropriately shared with a third party due to an incorrect email being supplied and recoded on the system. The Information Commissioner's Office responded stating that no further action was necessary following the Trusts investigation and mitigations put in place straight away.

Data Security

The following arrangements are in place:

- A dedicated IT Security Manager
 - Aa security feature at login to the Trust network, giving guidance to users and requiring acceptance of 'rules of use'; this is to be further strengthened following the recent review and updating of the duty of confidence statement that all new starters complete as part of their induction process. Key points of the duty of confidence declaration, specifically those sections relating to users responsibilities will be added to the log-in screen of the Trust's network. The review and acceptance of the duty of confidence will also be an ongoing reminder, as well as at the commencement of an employee's work in the Trust
- IT policies which take account of updated national requirements are reviewed annually
- A 'best practice' IT security awareness leaflet alongside a dedicated email security and best practice leaflet
- All computer hard drives are physically destroyed on decommissioning prior to disposal
- Released security patches are rolled out in a timely manner
- NHS Digital CareCert Notifications are reviewed and actioned, where relevant
- Annual Penetration Test was conducted and completed by end of April 2021
- Third party Security Operations Centre (SOC) remote monitoring
- The encryption of all removable / portable devices including laptops, USB pens and CDs, specifically:
 - Laptop encryption has been completed on all laptops / clinical tablets
 - Encrypted USB flashdrives have been allocated to staff
 - No machines are purchased with floppy drives as standard and port blocking software has been implemented
 - CD/DVD writers are not issued as a standard piece of equipment Where the use of these writers is required, the creation of data on these devices is covered by Trust policies
 - The creation of data on PACs CDs is governed by Trust policy and encryption ability is available. Tracking procedures are in place for CDs sent off site
 - The encryption of all new desktop hard drives that have been purchased since 2021
- Windows10 migration complete.

Data quality and governance

The following measures are in place to assure the Trust Board that appropriate controls are in place to ensure the accuracy of data:

Governance and leadership:

- The Trust has a dedicated Chief Information Officer, who is a Non-voting Member of the Trust Board and is responsible for ensuring that arrangements are in place for providing timely, accurate and appropriate information and performance data
- The Chief Information Officer is responsible for ensuring that there are mechanisms in place for assuring the quality and accuracy of the performance data including external testing as appropriate
- The Digital Strategy 2021/2024 was completed and approved by the Trust Board in January 2021.

Policies and plans in ensuring quality of care provided:

- Policies and procedures are in place in relation to the capture and recording of patient data.

Systems and processes:

- Systems and processes are in place for the audit and validation of performance data. A new Data Warehouse will strengthen the tools to support this. Procurement is underway and will be implemented by Q3 2022
- The Trust will be completing a planned replacement of both its Data Warehouse and its Patient Administration System in 2022, which will provide an opportunity to review all the systems business rules during the migration. This is to allow further validation and reassurance on the accuracy of these

People and skills:

- All staff involved in collecting and reporting on quality metrics are suitably trained and experienced
- All PAS users have to receive training before being issued a password, and individual user activity is auditable
- Clinical Coding is regularly audited both internally and externally and audits also take place with individual clinicians
- Digital Services staff are now registered with the British Computer Society. Providing specialist training opportunities and recognised accreditation and qualifications

Data use and reporting:

- A monthly IPR which outlines the Trust's key performance indicators (KPIs) including benchmarking and comparative data is submitted to the Trust Board monthly with the detailed review and challenge taking place at Trust Board sub-committee level first. The Trust continues to use a format which follows best practice which was created with NHSE/I oversight in 2020/21.

Review of effectiveness of risk management and internal control

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the performance information available to me. My review is also informed by comments made by the external auditors in their Management Letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Trust Board, the Audit Risk and Governance Committee and the Quality and Safety Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Head of Internal Audit provides me with an opinion on the overall arrangements for gaining assurance through the Assurance Framework and on the controls reviewed as part of the internal audit work. The BAF and the monthly IPR provide me with evidence that the effectiveness of the controls in place to manage the risks to the organisation achieving its principal objectives have been reviewed. Maintenance and review of the effectiveness of the system of internal control has been provided by comprehensive mechanisms already referred to in this statement. Further measures include:

- Regular reports to the Trust Board from the Trust's BAF and Risk Register including review and challenge through the relevant Board sub-committees
- Regular risk management activity reports to the Trust Board sub-committees and / or the Trust Board covering incidents / SIs, complaints/PALS and claims analysis and including details of lessons learned / changes in practice
- Receipt by the Trust Board of minutes / reports from key forums including the Audit Risk and Governance Committee, Finance and Performance Committee, Workforce Committee and the Quality and Safety Committee
- The ongoing development of the BAF and Risk Register is tested through the Internal Audit Programme
- Annual independent external review by the Internal Auditors of the Trust's board assurance and self-certification processes
- The provision and scrutiny of a monthly IPR to the Trust Board, which covers a combination of specific KPIs and priorities including the identification of key risks to future performance and mitigating actions. The Trust's performance management arrangements are embedded utilising PRIMS to cover finance, performance, quality and governance

The validity of the Annual Governance Statement has been provided to me by the Audit Risk and Governance Committee, which has considered and commented on this statement, and by the external auditors. All of the above measures serve to provide ongoing assurance to me, the Executive Team and the Trust Board of the effectiveness of the system of internal control. The above measures also ensure that any internal control issues are identified. During 2021/22 significant internal control issues arose in three key areas, namely Finance and Sustainability, CQC, Information Governance and Performance – further details are provided overleaf.

Conclusion

In conclusion, the following significant internal control issues arose or continued during 2021/22:

Finance and Sustainability

Whilst the Trust achieved its 2021/22 Control Total, the Trust remains in breach of its Licence, specifically conditions CoS3 (1) (a) and (b), CoS3 (2) (c), and FT4 (5) (a), (d), and (f), and Trust is in the System Oversight Framework level 4 of the Recovery Support Programme for finance.

The Trust has successfully met all of the various “exit” criteria laid down by NHSE/I as part of the Financial System Oversight Framework level 4 of the Recovery Support Programme, which revolve around the strengthening of financial governance arrangements and the achievement of financial targets.

The incidence of the pandemic and the changing and uncertain financial environment within the NHS has meant that the Trust has been asked to meet a number of additional requirements as part of this process. The Trust was successful in achieving the financial targets set by NHSE/I during 2021/22 and is now working hard to agree plans across the Humber and North Yorkshire Health and Care System that will enable it to exit level 4 of the Recovery Support Programme.

Looking ahead the financial stability of the organisation remains a significant risk due to the level of uncertainty regarding the level of clinical activity that the organisation can deliver in a cost effective, post-COVID-19 environment and the ability of the organisation to deliver that activity from a workforce perspective.

CQC

As outlined earlier, the Trust retained its overall rating of ‘Requires Improvement’, with a rating of ‘Inadequate’ in the ‘Safe’ domain’. This was due to ongoing waiting list backlogs in some specialties, the backlog in diagnostic reporting, concerns in relation to end of life care and some issues in the Trust’s two emergency departments; specifically training, paediatric pathway, safe environment and sustaining improvements in ambulance handover. The improvement plan is embedded and ongoing with greater internal assurance mechanisms with regular input from CQC. This is overseen by Divisions and also by the sub-committees of the Board on a monthly basis and regular reporting to Board.

Information Governance – Data Breaches

As outlined 7 above since the end of 2020/21 and up to the date of publication of this report, the Trust identified one data breach in April 2021 which is now concluded.

Performance

As outlined earlier the COVID-19 pandemic affected the ongoing improvements and performance during 2021/22 in A&E, Cancer and RTT and OPD Follow Ups; and this has continued up to the date of the publication of this report. The Finance and Performance Committee provide the detailed scrutiny and challenge in respect of performance – including cancer, A&E, RTT and OPD Follow Ups performance, reporting to the Board through the IPR and a highlight report from the Finance and Performance Committee.

There remains a significant risk due to the level of uncertainty regarding the level of clinical activity that the organisation can deliver in a post-COVID-19 environment, and the achievement of constitutional and regulatory performance requirements.

Signature:

A handwritten signature in blue ink that reads "Peter Reading". The signature is written in a cursive style.

Chief Executive and Accountable Officer: Dr Peter Reading

Date: 15 June 2022

Appendix A: Head of Internal Audit opinion on the effectiveness of the system of internal control at the Northern Lincolnshire and Goole NHS Foundation Trust for the year ended 31 March 2022

Introduction

The purpose of this Head of Internal Audit Opinion is to contribute to the assurances available to the Chief Executive Officer and the Board of Directors which underpin the Board's own assessment of the effectiveness of the organisation's system of internal control. This Opinion will assist the Board of Directors in the completion of its Annual Governance Statement, along with considerations of organisational performance, regulatory compliance, the wider operating environment and health and social care transformation. This opinion is provided in the context that the Trust like other organisations across the NHS have faced unprecedented challenges due to COVID-19.

Executive summary

This Head of Audit Opinion forms part of the Annual Report for Northern Lincolnshire and Goole NHS Foundation Trust in which the planned internal audit coverage and outputs during 2021/22 and Audit Yorkshire's Key Performance Indicators (KPIs) are detailed.

Key Area	Summary
Head of Internal Audit Opinion	<p>The overall opinion for the period 1 April 2021 to 31 March 2022 provides Significant Assurance that there is a good system of internal control designed to meet the organisation's objectives, and that controls are generally being applied consistently.</p> <p>In the Head of Internal Audit Opinion for 2020/21 we reported that the Internal Audit Standards Advisory Board (IASAB) had issued guidance regarding conformance with the Public Sector Internal Audit Standards (PSIAS) during the coronavirus pandemic (May 2020).</p> <p>The pandemic has continued to have an impact on the progression of the audit programme during 2021/22 but not to the same level as in 2020/21. We have delivered the majority of the planned audit work, subject to agreed changes, and have continued to follow the advice provided in the above guidance to ensure we remain compliant with the PSIAS. We have continued to take a pragmatic approach during 2021/22, acknowledging the pressures across our client organisations. Where there has been an impact on the audit programme this has been communicated to and agreed with the Audit, Risk and Governance Committee and clear records of any changes have been maintained via our progress reports.</p>

Key Area	Summary
Planned Audit Coverage and Outputs	<p>The 2021/22 Internal Audit Plan has been delivered as planned. This position has been reported within the progress reports across the financial year and any changes to the audit programme have been captured in these.</p> <p>Audit coverage in 2021/22 has been focussed on:</p> <ul style="list-style-type: none"> • The strategic and operational risks and assurances within the Board Assurance Framework and Risk Register. • Core and mandated reviews, including follow-up audits • A range of individual risk based assurance reviews. <p>The following changes were made to the planned coverage:</p> <ul style="list-style-type: none"> • Three additional audits to be undertaken in relation to Payroll Controls, New Financial Ledger and review of the Waiting Lists. • Two audits, CQC Compliance and Data Quality Workforce reviews, have been deferred to 2022/23 audit plan.
Quality of Service Indicators	The External Quality Assessment, undertaken by CIPFA (2020), provides assurance of Audit Yorkshire's full compliance with the Public Sector Internal Audit Standards.

Roles and responsibilities

The whole Board is collectively accountable for maintaining a sound system of internal control and is responsible for putting in place arrangements for gaining assurance on the effectiveness of that overall system. The Annual Governance Statement is a statement by the Chief Executive Officer, on behalf of the Board, setting out:

- How the individual responsibilities of the Chief Executive Officer are discharged with regard to maintaining a sound system of internal control that supports the achievement of policies, aims and objectives;
- The purpose of the system of internal control as evidenced by a description of the risk management and review processes, including the Board Assurance Framework process;
- The conduct and results of the review of the effectiveness of the system of internal control including any disclosures of significant control failures together with assurances that actions are or will be taken where appropriate to address issues arising.

The organisation's Board Assurance Framework should bring together all of the evidence required to support the Annual Governance Statement requirements. In accordance with Public Sector Internal Audit Standards, the Head of Internal Audit is required to provide an annual opinion, based upon and limited to the work performed, on the overall adequacy and effectiveness of the organisation's risk management, control and governance processes (i.e. the organisation's system of internal control).

This is achieved through a risk-based plan of work, agreed with management and approved by the Audit, Risk and Governance Committee, which should provide a reasonable level of assurance, subject to the inherent limitations described below.

The opinion does not imply that Internal Audit has reviewed all risks and assurances relating to the organisation. The opinion is substantially derived from the conduct of risk-based plans generated from a robust and organisation-led Board Assurance Framework. As such, it is one component that the Board of Directors takes into account in making its Annual Governance Statement.

The opinion

My opinion is set out as follows:

1. Basis for the opinion;
2. Overall opinion;
3. Opinion Definitions
4. Commentary.
5. Considerations for your Annual Governance Statement
6. Looking Ahead

1. The basis for forming my opinion is as follows:

- An assessment of the design and operation of the underpinning Board Assurance Framework and supporting processes; and
- An assessment of the range of individual opinions arising from risk-based audit assignments contained within internal audit risk-based plans that have been reported throughout the year. This assessment has taken account of the relative materiality of these areas and management's progress in respect of addressing control weaknesses.
- An assessment of the organisation's response to Internal Audit recommendations, and the extent to which they have been implemented.

Unless explicitly detailed within our reports, third party assurances have not been relied upon.

2. Overall opinion

Our **overall opinion** for the period 1 April 2021 to 31 March 2022 is:

Significant assurance can be given that there is a good system of governance, risk management and internal control designed to meet the organisation's objectives and that controls are generally being applied consistently.

3. Opinion definitions

The following potential opinion levels are available when determining the overall Head of Internal Audit Opinion. These levels link closely with our standard definitions for report opinions:

Opinion Level	HOIA Opinion Definition
High (Strong)	High assurance can be given that there is a strong system of governance, risk management and internal control designed to meet the organisation's objectives and that controls are being applied consistently in all areas reviewed.
Significant (Good)	Significant assurance can be given that there is a good system of governance, risk management and internal control designed to meet the organisation's objectives and that controls are generally being applied consistently.
Limited (Improvement Required)	Limited assurance can be given as there are weaknesses in the design and/or inconsistent application of the framework of governance, risk management and internal control that could result in failure to achieve the organisation's objectives.
Low (Weak)	Low assurance can be given as there is a weak system of internal control and/or significant weaknesses in the application of controls that will result in failure to achieve the organisation's objectives.

Where limited or low assurance is given the management of the Board must consider the impact of this upon their overall Board Assurance Framework and their Annual Governance Statement.

4. The commentary below provides the context for my opinion and together with the opinion should be read in its entirety.

The design and operation of the Board Assurance Framework and associated processes

A review of the Governance Framework was undertaken in 2021/22 with a specific audit on the Board Assurance Framework and a separate audit of the Risk Management process. The audit of the Board Assurance Framework has confirmed that the Assurance Framework is fit for purpose and is designed to provide the Board with sufficient and timely assurances on its system of internal controls to manage its strategic risks. Arrangements are in place to provide sufficient oversight of the Assurance Framework. The Assurance Framework as designed in accordance with NHS requirements and meets all the elements required. The Assurance Framework covers the organisation's key risks.

During the year the Trust Board, with the active involvement from a representative from NHSE/I, finalised and approved a major redesign of the BAF to address previously expressed concerns of Board members. At the same time the Board reviewed the Trust's strategic risks to ensure that they remained valid and were clearly expressed in a way that allowed for effective identification of related risks.

The BAF and strategic risks are reviewed by the relevant Board Sub Committee and by the Audit, Risk and Governance Committee quarterly and Trust Board each meeting. The BAF is supported by a developed risk management process and a structure is in place to escalate risks from directorate to corporate level.

The Trust have recently implemented a new system for recording and monitoring their risks which will improve the reporting and linking of controls within Risks. The audit of the Risk Management process has confirmed that the Trust has appropriate and effective controls in place to ensure that risks are recorded, reviewed, updated and reported on, with escalation where appropriate and has established clear processes for reviewing risk registers and for tracking progress on addressing risks.

The range of individual opinions arising from risk-based audit assignments, contained within risk-based plans that have been reported throughout the year.

Core and Risk Based Reviews Issued

We have issued to date:

Assurance Levels	Report Title	Scope of Audit
2 high assurance opinions:	Mental Health Act – Follow up	To confirm that the recommendations made in the Mental Health Act limited assurance report (2020/07) have been fully implemented.
	New Financial Ledger (Transfer of Balances)	To provide assurance over the completeness and accuracy of the balances and transactions transferred to the new ledger system.
13 significant assurance opinions:	Payroll Payment Controls	An additional audit requested to review the controls implemented by the Trust to ensure the systems for payment of the monthly payroll is sufficiently robust.
	Data Security and Protection Toolkit	To provide validation of the processes to complete the Data Security and Protection Toolkit and to provide assurance on the accuracy of the assessment made.
	National Cost collection 2021	To provide assurance to management and the Board that the Trust has effective systems and controls in place to produce complete and accurate national cost collection data.

	Flagging of Patients on WebV	To provide assurance that vulnerable patients (Dementia, Learning Disabilities and Cognitive impairment) are appropriately flagged on WebV and then followed up.
	Divisional Management and Accountability	To provide assurance review that adequate governance arrangements and structures were in place within the operational Divisions to effectively deliver objectives, including finance, performance, and quality.
	Core Financial Systems	To provide assurance on the adequacy and effective operation of controls in place to manage the Trust's core financial systems.
	Incident and SI Reporting (inc Learning from SIs)	To provide assurance that the Trust has effective and timely investigation and reporting mechanisms.
	Board Assurance Framework (BAF)	To gain assurance that the BAF and the risk management processes that support it are fit for purpose and comply with good practice.
	Risk Management	To gain assurance that the Trust has effective and embedded risk management processes in place.
	Capital Planning, Delivery and Implementation	To provide assurance that appropriate management arrangements are in place to manage the current capital plan.
	Managing Resources	To review the effectiveness of the Resource Centre in managing the Trust's workforce requirements, specifically reviewing the legality and compliance of the rota management processes.

	Use of Agency Staff	To gain assurance that there are systems and processes in place to minimise the Trust's use of agency staff. The review will ensure that where agency staff are used these are appropriately authorised
	Clinical Harm and Risk Stratification/Waiting List Management	Appropriate clinical validation of patients on waiting lists takes place and waiting lists are managed in accordance with clinical priority.
1 limited assurance opinions:	Medical Staff Job Planning	Confirm an annual job planning process is in place which is being followed consistently across all divisions and for all medical staff.
0 low assurance opinions:	N/A – no reviews received Low Assurance	
2 reviews without an assurance rating	Salary Overpayment Benchmarking Report FPN Hospital Mortality - final	

Follow Up

A total of 137 Internal Audit recommendations have been live during 2021/22 (this includes recommendations from previous years' reports that were still live at 1 April 2021).

During the course of the year we have undertaken work to track the implementation of Internal Audit Recommendations. The implementation of recommendations summary for 2021/22 was as follows:

Total	Implemented	Overdue	% Overdue	Recommendations with Revised Implementation Date	% Revised Dates	Not Yet Due
137	110	2	1.5%	24	17.5%	1

We can conclude that the organisation has made good progress with regards to the implementation of recommendations. Most recommendations are implemented on a timely basis. The Trust undertook an additional piece of work at year end to ensure that the record of recommendation completion is accurate and to ensure there is clear rationale for any revised dates. We can confirm that have received appropriate support from the Executive Directors during the year and that recommendations have been regularly reviewed by the Audit, Risk and Governance Committee throughout the year. The Trust will continue to actively work to keep the proportion of overdue recommendations to an absolute minimum.

5. Consideration for your Annual Governance Statement

The Head of Internal Audit Opinion is one source of assurance that the organisation has in providing its Annual Governance Statement and other third-party assurances should also be considered. In addition, the organisation should take account of other independent assurances that are considered relevant. We recommend that the Executive Summary above is used in your Annual Governance Statement, having regard to any significant control weaknesses as identified as follows:

A significant overall opinion has been provided. Attention is drawn to the fact that one final report has been issued in 2021/22 with a “limited assurance” opinion:

Medical Staff Job Planning - The review found that systems and processes are in place which are designed to ensure that job plans are developed consistently across all divisions for all medical staff. However, the review found that overall progress at completing job plans has been poor in recent years and only 24 per cent of 2021/22 job plans had been signed off as complete at August 2021. Our review also found that there is no formal system in place to monitor and report performance against planned activity in order to inform the appraisal, remuneration and job planning processes. Thirteen recommendations were made to support the Trust to improve their processes.

6. Looking Ahead

This opinion is provided in the context that the Trust, like other organisations across the NHS, continues to face a number of challenging issues and wider organisational factors particularly with regards to the ongoing pandemic response and COVID-19 recovery. The COVID-19 pandemic continues to impact the NHS financial framework and the roll out of the vaccine programme and the emergence of COVID-19 variants has continued to require significant focus and effort.

During the COVID-19 response, there has been increased collaboration between organisations as they have come together to develop new ways of delivering services safely and to coordinate their responses to the pandemic. This has continued during 2021/22 and subject to the passing of legislation collaboration will be placed on a statutory footing from 1 July 2022. The formal move to system working across the Humber and North Yorkshire area will require robust accountability and assurance arrangements to ensure statutory functions and the system wide financial envelope are delivered.

Helen Higgs
Head of Internal Audit and Managing Director
Audit Yorkshire
6 June 2022

The Independent Auditor's Report

Independent auditor's report to the Council of Governors of Northern Lincolnshire and Goole NHS Foundation Trust

Report on the audit of the financial statements

Opinion on the financial statements

We have audited the financial statements of Northern Lincolnshire and Goole NHS Foundation Trust ('the Trust') and its subsidiaries ('the Group') for the year ended 31 March 2022 which comprise the Group Statement of Comprehensive Income, the Trust and Group Statement of Financial Position, the Group Statement of Changes in Taxpayers' Equity, the Trust and Group Statement of Cash Flows, and notes to the financial statements, including the summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual 2021/22 as contained in the Department of Health and Social Care Group Accounting Manual 2021/22, and the Accounts Direction issued under the National Health Service Act 2006.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Trust and Group as at 31 March 2022 and of the Trust's and the Group's income and expenditure for the year then ended;
- have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2021/22; and
- have been properly prepared in accordance with the requirements of the National Health Service Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in these regards.

Responsibilities of the Accounting Officer for the financial statements

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

The Accounting Officer is required to comply with the Department of Health and Social Care Group Accounting Manual 2021/22 and prepare the financial statements on a going concern basis, unless the Trust is informed of the intention for dissolution without transfer of services or function to another entity. The Accounting Officer is responsible for assessing each year whether or not it is appropriate for the Trust and Group to prepare financial statements on the going concern basis and disclosing, as applicable, matters related to going concern.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

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

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

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

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

Matter on which we are required to report by exception

We are required to report to you if, in our opinion, we are not satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2022.

We have not completed our work on the Trust's arrangements. On the basis of our work to date, having regard to the guidance issued by the Comptroller and Auditor General in December 2021, we have identified the following significant weaknesses in the Trust's arrangements for the year ended 31 March 2022.

In August 2021 we identified a significant weaknesses in relation to Financial Sustainability and Improving Economy, Efficiency and Effectiveness. In our view this significant weakness(es) remains for the year ended 31 March 2022:

Significant weakness in arrangements issued in a previous year	Recommendation
<p>The overall outcome from the most recent Care Quality Commission (CQC) inspection in 2019 was a combined rating of 'requires improvement', and the Trust continues to operate under the Quality Special Measures introduced in April 2017. Ratings will not change until the next formal inspection by the CQC. The Trust also continues to be under the Financial Special Measures introduced in 2017. Under the Single Oversight Framework (SOF), which is designed to help NHS providers attain, and maintain, CQC ratings of 'Good' or 'Outstanding', The Trust's latest public score (for 2020/21) is "4", defined as: Providers in special measures: there is actual or suspected breach of licence with very serious and/or complex issues.</p> <p>As a result, there are significant weaknesses in the Trust's arrangements that exposes it to a risk of significant overspending and can be reasonably expected to lead to a significant impact on the quality or effectiveness of service and the Trust's reputation. These identified weaknesses apply to the Trust' arrangements in relation to Financial Sustainability and Improving Economy, Efficiency and Effectiveness.</p>	<p>In order to ensure systems, processes and training are in place to manage the risks relating to the health, safety, and welfare of service users, the Trust must ensure it embeds and sustains the action plans that it has put in place Trust-wide to address the patient care issues identified by the CQC. In particular, it needs to ensure that robust monitoring and reporting processes are maintained, and that challenge, scrutiny and escalation arrangements drive the required improvements for patients and sustain the progress made to-date in implementing the actions to address the issues raised by the CQC.</p>
<p>The Trust has been in Financial Special Measures since 2017 and continues to face significant financial challenges. The Trust has been engaging with NHS England and Improvement (NHSE/I) regarding the current criteria for exiting from Financial Special Measures. The Trust's long term financial sustainability is dependent, amongst other things, on the resolution of long-standing issues in relation to the local configuration of services and workforce, which is the focus of the ongoing Humber Acute Services Review and also of the work with Hull University Teaching Hospitals NHS Trust to complete the Interim Clinical Plan. These long-standing issues, alongside the need to respond and adapt to COVID-19, prevented the Trust from improving arrangements to secure financial sustainability during 2020/21. Overall, therefore, we have concluded that there is an ongoing significant weakness in arrangements to secure Financial Sustainability.</p>	<p>Within the context of revisions to NHS financing and the 2021/22 Planning Guidance, the Trust should ensure that it delivers the action plans that have been developed by management, and that monitoring and reporting, challenge and scrutiny and escalation arrangements are in place to drive the required improvements for patients and sustain the improvements that are made.</p>

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

Responsibilities of the Accounting Officer

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

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

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

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

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Code of Audit Practice

In our opinion:

- the parts of the Remuneration and Staff Report subject to audit have been properly prepared in accordance with the requirements of the NHS Foundation Trust Annual Reporting Manual 2021/22; and
- the other information published together with the audited financial statements in the Annual Report and Accounts for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

We are required to report to you if:

- in our opinion the Annual Governance Statement does not comply with the NHS Foundation Trust Annual Reporting Manual 2021/22; or
- the Annual Governance Statement is misleading or is not consistent with our knowledge of the Trust and Group and other information of which we are aware from our audit of the financial statements; or
- we refer a matter to the regulator under Schedule 10(6) of the National Health Service Act 2006; or

- we issue a report in the public interest under Schedule 10(3) of the National Health Service Act 2006.


We have nothing to report in respect of these matters.

Use of the audit report

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

Delay in certification of completion of the audit

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

A handwritten signature in blue ink that reads "Mark Surrudge". The signature is written in a cursive style and is centered on the page.

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

2 Chamberlain Square, Birmingham, B3 3AX

17 June 2022

Audit Completion Certificate issued to the Council of Governors of Northern Lincolnshire and Goole NHS Foundation Trust for the year ended 31 March 2022

In our auditor's report dated 17 June 2022 we explained that the audit could not be formally concluded until we had completed the work necessary to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. This work has now been completed. No matters have come to our attention since 17 June 2022 that would have a material impact on the financial statements on which we gave our unqualified opinion.


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

We are required to report to you if, in our opinion, we are not satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2022.

In our auditor's report dated 17 June 2022 we reported that we had identified significant weaknesses in the Trust's arrangements for the year ended 31 March 2022. We have no further matters to report in this respect.

Certificate

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



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

2 Chamberlain Square, Birmingham, B3 3AX

22 June 2022

**The Annual
Accounts for
the year
ended
31 March 2022**

Foreword to the Accounts

Northern Lincolnshire and Goole NHS Foundation Trust

These accounts, for the year ended 31 March 2022, have been prepared by Northern Lincolnshire and Goole NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 within the National Health Service Act 2006.

Signature:

A handwritten signature in black ink, appearing to read 'Peter Reading', written in a cursive style.

Chief Executive and Accountable Officer: Dr Peter Reading

Date: 15 June 2022

Consolidated Statement of Comprehensive Income for the year ended 31 March 2022

	Note	Group	
		2021/22 £000	2020/21 £000
Operating income from patient care activities	3	455,689	396,881
Other operating income	4	55,010	80,817
Operating expenses	5, 7	(495,292)	(481,425)
Operating surplus/(deficit) from continuing operations		15,407	(3,727)
Finance income	10	111	55
Finance expenses	11	(167)	(210)
PDC dividends payable		(4,776)	(3,164)
Net finance costs		(4,832)	(3,319)
Other gains / (losses)	11	(52)	329
Surplus / (deficit) for the year from continuing operations		10,523	(6,717)
Surplus / (deficit) on discontinued operations and the gain / (loss) on disposal of discontinued operations	14	-	-
Surplus / (deficit) for the year		10,523	(6,717)
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	6, 12	(661)	(5,790)
Revaluations	12	4,999	548
Other recognised gains and losses		(23)	-
Total comprehensive income / (expense) for the period		14,838	(11,959)
Adjusted financial performance (control total basis):*			
Surplus / (deficit) for the period		10,523	(6,717)
Remove impact of consolidating NHS charitable fund		(108)	(189)
Remove net impairments not scoring to the Departmental expenditure limit		595	10,211
Remove I&E impact of capital grants and donations		(11,311)	(2,769)
Remove net impact of inventories received from DHSC group bodies for COVID response		242	(372)
Remove loss recognised on return of donated COVID assets to DHSC		145	-
Adjusted financial performance surplus / (deficit)		86	164
Remove gains on disposal of assets		(43)	(16)
Adjusted financial performance surplus / (deficit) for the purposes of system achievement		43	148

* The adjusted financial performance breakdown does not form part of the primary statement

Statements of Financial Position as at 31 March 2022

	Note	Group		Trust	
		31 March 2022	31 March 2021	31 March 2022	31 March 2021
		£000	£000	£000	£000
Non-current assets					
Intangible assets	15	2,496	989	2,496	989
Property, plant and equipment	16	241,594	190,972	241,594	190,972
Other investments / financial assets	20	1,772	1,633	-	-
Receivables	24	1,216	888	1,216	888
Total non-current assets		247,078	194,482	245,306	192,849
Current assets					
Inventories	23	3,463	3,044	3,463	3,044
Receivables	24	22,451	13,429	22,425	13,404
Cash and cash equivalents	28	58,862	54,735	58,616	54,376
Total current assets		84,776	71,208	84,504	70,824
Current liabilities					
Trade and other payables	29	(90,296)	(69,935)	(90,276)	(69,858)
Borrowings	32	(1,412)	(1,433)	(1,412)	(1,433)
Provisions	34	(802)	(690)	(802)	(690)
Other liabilities	31	(1,177)	(922)	(1,177)	(922)
Total current liabilities		(93,687)	(72,980)	(93,667)	(72,903)
Total assets less current liabilities		238,167	192,710	236,143	190,770
Non-current liabilities					
Borrowings	32	(8,229)	(9,563)	(8,229)	(9,563)
Provisions	34	(5,495)	(5,427)	(5,495)	(5,427)
Total non-current liabilities		(13,724)	(14,990)	(13,724)	(14,990)
Total assets employed		224,443	177,720	222,419	175,780
Financed by					
Public dividend capital		401,318	369,433	401,318	369,433
Revaluation reserve		18,547	14,209	18,547	14,209
Income and expenditure reserve		(197,447)	(207,839)	(197,446)	(207,862)
Charitable fund reserves	21	2,025	1,917	-	-
Total taxpayers' equity		224,443	177,720	222,419	175,780

The notes in the rest of this chapter form part of these accounts.

Name : Dr Peter Reading
 Position: Chief Executive
 Date: 15 June 2022

Consolidated Statement of Changes in Equity for the year ended 31 March 2022

Group	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Webv Solutions Ltd income & expenditure reserve	Charitable fund reserves	Total
	£000	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2021 - brought forward	369,433	14,209	(207,862)	23	1,917	177,720
Surplus/(deficit) for the year	-	-	9,901		622	10,523
Impairments	-	(661)	-		-	(661)
Revaluations	-	4,999	-		-	4,999
Other recognised gains and losses	-	-	-	(23)	-	(23)
Public dividend capital received	31,885	-	-		-	31,885
Other reserve movements	-	-	514		(514)	-
Taxpayers' and others' equity at 31 March 2022	401,318	18,547	(197,447)	-	2,025	224,443

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

Group	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Webv Solutions Ltd income & expenditure reserve	Charitable fund reserves	Total
	£000	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2020 - brought forward	130,690	19,451	(200,955)	22	1,728	(49,064)
Surplus/(deficit) for the year	-	-	(7,707)	1	989	(6,717)
Impairments	-	(5,790)	-	-	-	(5,790)
Revaluations	-	548	-	-	-	548
Public dividend capital received	238,743	-	-	-	-	238,743
Other reserve movements	-	-	800	-	(800)	-
Taxpayers' and others' equity at 31 March 2021	369,433	14,209	(207,862)	23	1,917	177,720

Information on Reserves

Public dividend capital

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

Revaluation reserve

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

WebV Solutions Ltd Income and Expenditure reserves

This represents the share capital of the NHS Foundation Trust's subsidiary company, WebV Solutions Limited.

Income and expenditure reserve

The balance of this reserve is the accumulated surpluses and deficits of the NHS Foundation Trust.

Charitable funds reserve

This balance represents the ring-fenced funds held by the NHS charitable funds consolidated within these financial statements. These reserves are classified as restricted or unrestricted.

Consolidated Statement of Cash Flows for the year ended 31 March 2022

	Note	Group		Trust	
		2021/22 £000	2020/21 £000	2021/22 £000	2020/21 £000
Cash flows from operating activities					
Operating surplus / (deficit)		15,407	(3,727)	15,488	(3,544)
Non-cash income and expense:					
Depreciation and amortisation	5	11,148	9,388	11,148	9,388
Net impairments	6	595	11,162	595	11,162
Income recognised in respect of capital donations	4	(12,078)	(3,185)	(12,078)	(3,185)
(Increase) / decrease in receivables and other assets		(9,835)	13,192	(9,854)	13,176
(Increase) / decrease in inventories		(419)	227	(419)	227
Increase in payables and other liabilities		17,650	5,968	17,650	5,993
Increase in provisions		241	251	241	251
Movements in charitable fund working capital		(78)	150	-	-
Net cash flows from operating activities		22,631	33,426	22,771	33,468
Cash flows from investing activities					
Interest received		61	1	61	1
Purchase of intangible assets		(1,824)	(219)	(1,824)	(219)
Purchase of PPE and investment property		(54,421)	(21,012)	(54,421)	(21,012)
Sales of PPE and investment property		43	20	43	20
Receipt of cash donations to purchase assets		11,579	720	11,579	720
Net cash flows from charitable fund investing activities		50	354	-	-
Net cash flows from / (used in) investing activities		(44,512)	(20,136)	(44,562)	(20,490)
Cash flows from financing activities					
Public dividend capital received		31,885	238,743	31,885	238,743
Movement on loans from DHSC		(1,329)	(211,926)	(1,329)	(211,926)
Capital element of finance lease rental payments		(16)	(19)	(16)	(19)
Interest on loans		(234)	(1,948)	(234)	(1,948)
Other interest		(2)	-	(2)	-
Interest paid on finance lease liabilities		(2)	(5)	(2)	(5)
PDC dividend (paid) / refunded		(4,271)	(3,988)	(4,271)	(3,988)
Cash flows used in other financing activities		(23)	-	-	-
Net cash flows from financing activities		26,008	20,857	26,031	20,857
Increase in cash and cash equivalents		4,127	34,147	4,240	33,835
Cash and cash equivalents at 1 April - brought forward		54,735	20,588	54,376	20,541
Cash and cash equivalents at 31 March	28	58,862	54,735	58,616	54,376

Notes to the Accounts

Note 1 - Accounting policies and other information

1.1 Basis of Preparation

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the NHS Foundation 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 2021/22 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

1.1.1 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.

1.1.2 Going concern

The accounting rules (IAS 1) require management to assess, as part of the accounts preparation process, the NHS Foundation Trust's ability to continue as a 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. We are also required to disclose material uncertainties in respect of events or conditions that cast significant doubt upon the going concern ability of the NHS Foundation Trust to continue as a going concern, there are no material uncertainties to be disclosed. The financial performance of the Trust is included in the performance report.

1.2 Consolidation

Entities over which the Trust has the power to exercise control are classified as subsidiaries and are consolidated. The Trust has control when it has the ability to affect the variable returns from the other entity through its power to direct relevant activities. The income, expenses, assets, liabilities, equity and reserves of the subsidiary are consolidated in full into the appropriate financial statement lines. The capital and reserves attributable to non-controlling interests are included as a separate item in the Statement of Financial Position.

Appropriate adjustments are made on consolidation where the subsidiary's accounting policies are not aligned with the Trust or where the subsidiary's accounting date is not coterminous.

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

The following subsidiaries have been consolidated:

- Northern Lincolnshire & Goole NHS Foundation Trust Charitable Funds
- WebV Solutions Limited - for comparatives only

1.2.1 Subsidiaries - Charitable Funds

The NHS Foundation Trust is the corporate trustee to Northern Lincolnshire and Goole NHS Foundation Trust Charitable Funds. The NHS Foundation Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because it is exposed to variable returns from its involvement with the charitable fund to obtain benefits for itself, its patients or its staff.

The charitable fund's statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on UK Financial Reporting Standard (FRS) 102. On consolidation, necessary adjustments are made to the charity's assets, liabilities and transactions to:

- Recognise and measure them in accordance with the NHS Foundation Trust's accounting policies; and
- Eliminate intra-group transactions, balanced, gains and losses.

1.2.2 Subsidiaries - WebV Solutions Limited

The NHS Foundation Trust owned 100% of the share capital in WebV Solutions Limited. The company ceased trading on 31 March 2020. On consolidation, necessary adjustments are made to the companies' assets, liabilities and transactions to:

- Recognise and measure them in accordance with the NHS Foundation Trust's accounting policies; and
- Eliminate intra-group transactions, balances, gains and losses.

The company was dissolved in January 2022.

1.3 Critical Accounting Judgements and Key Sources of Estimation and Accuracy

In the application of the NHS Foundation Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

Actual results may differ from those estimates and the estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The below are the judgements made in the process of applying the accounting policies and assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities.

Going Concern

The accounting rules (IAS 1) require management to assess, as part of the accounts preparation process, the NHS Foundation Trust's ability to continue as a going concern. Please refer to Accounting policy 1.1.

Property Valuations and Asset Lives

Valuations are undertaken by an independent external valuer in line with Royal Institute of Charter Surveyors (RICS) guidance. These values will therefore be subject to changes in market conditions and market values. The asset lives are also estimated by the independent external valuer.

The valuation exercise was carried out in the final quarter of 2021/22 with a valuation date of 31 March 2022, using the RICS Valuation Global Standards 2020 (Red Book).

Of the £172.6m net book value of land and buildings subject to valuation, £146.8m relates to specialised assets valued on a depreciated replacement cost basis. Here the valuer bases their assessment on the cost to the Trust of replacing the service potential of the assets.

The total net book value of all property, plant and equipment included within these accounts is £241.6m

Accruals

Accruals included within the accounts are based on the best available information. This is applied in conjunction with historical experience and based on individual circumstances. The total value of accruals included in these accounts is £17.5m.

Annual Leave Accruals

The NHS Foundation Trust has extracted the outstanding annual leave at the end of March 2022 from data held within its Electronic Staff Records system (ESR). The value of the outstanding amount has been calculated based on this data and the average salary of the individual. The NHS Foundation Trust is carrying £5.9m.

Provisions

The estimates of outcome and financial effect of provisions are determined by the judgement of the management of the NHS Foundation Trust, supplemented by experience of similar transactions and, in some cases, reports of independent experts. Uncertainties surrounding the amount to be recognised as a provision are dealt with by various means according to the circumstance. Where the provision being measured involves more than one outcome, the obligation is estimated by weighing all possible outcomes by their associated probabilities; the expected value of the outcome. Where there is a range of possible outcomes, and each point in the range is likely as the other, the mid-point of the range is used. Where a single outcome is being measured, the individual most likely outcome may be the best estimate of the liability. However, even in such a case, the Trust considers other possible outcomes.

The NHS Foundation Trust is carrying a restructuring provision of £0.12m to support payments in line with the NHS Foundation Trust pay protection policy and any known redundancy costs. The total value of provisions included within these accounts is £6.3m

1.4 Operating Segments

Income and expenditure are analysed in the Operating Segments note and are reported in line with management information used with the Northern Lincolnshire and Goole NHS Foundation Trust.

1.5 Revenue from Contracts with Customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS). The main source of revenue for the Trust is contracts with commissioners in respect of healthcare services. Revenue in respect of services provided is recognised when (or as) performance obligations are satisfied by transferring promised services to the customer, and is measured at the amount of the transaction price allocated to that performance obligation. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where a patient care spell is incomplete at the year end, revenue relating to the partially complete spell is accrued in the same manner as other revenue.

Grants and Donations

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

Apprenticeship service income

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

Note 1.6 Expenditure on Employee Benefits

1.6.1 Short-term Employee Benefits

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

1.6.2 Pension Costs

NHS Pension Schemes

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

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

1.6.3 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 or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential be provided to, the NHS Foundation Trust;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably;
- the item has cost of at least £5,000, or
- collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control. Items form part of the initial equipping and setting-up cost of a new building, ward or unit irrespective of their individual or collective cost. Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives. Borrowing costs associated with the construction of new assets are not capitalised.

Measurement

Valuation

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

All assets are measured subsequently at valuation. Land and buildings used for the NHS Foundation Trust's services or for administrative purposes are stated in the Statement of Financial Position at their revalued amounts, being the current value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed by professional valuers every five years and in the intervening years by the use of appropriate indices or by interim valuation as necessary to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Current values are determined as follows:

- Freehold Properties – Existing Use Value (EUV);
- Specialised buildings – Depreciated Replacement Cost (DRC) – Modern Equivalent Asset (MEA);
- Others – DRC – EUV;
- Land – Modern Equivalent Asset (MEA).

For specialised assets, current value in existing use is interpreted as the present value of the asset's remaining service potential, which is assumed to be at least equal to the cost of replacing that service potential.

Specialised assets are therefore valued at their depreciated replacement cost (DRC) on a modern equivalent asset (MEA) basis. An MEA basis assumes that the asset will be replaced with a modern asset of equivalent capacity and meeting the location requirements of the services being provided. Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees. Assets are revalued and depreciation commences when the assets are brought into use. IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use. For any new acquisition of property, plant and equipment, the following table details the useful economic lives for the main classes of assets and where applicable, subcategories within each:

Main Assets	Sub Category	Life in Years
Buildings	Structural Engineering	Up to 70 years
Fixtures	Plant, machinery and equipment	5 to 15 years
	Furniture and fittings	5 to 10 years
	IT equipment	Up to 5 years
Vehicles/transport equipment		Up to 7 years
Intangible		Up to 10 years

Valuations are carried out in accordance with the current Valuation Standards and UK Valuation Standards contained within the Royal Institute of Chartered Surveyors (RICS) Valuation Standards – The Red Book, which are consistent with the agreed requirements of the DHSC and HM Treasury. Property assets have been valued primarily by using the Depreciated Replacement Cost (DRC) approach. In accordance with VS6.6, the DRC will be subject to the prospect and viability of the continued occupation and use by the NHS Foundation Trust.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use. The ultimate objective of the valuation is to place a value upon the asset. In this the value of the land in providing a modern equivalent facility was also considered. The modern equivalent may be located on a new site out of town, or be on a smaller site due to changes in the way services are provided. The site is valued based on the size of the modern equivalent, and not the actual site area occupied at present, which has given rise to reduction in the land values. The results of these valuations have been incorporated into these financial statements.

Equipment assets that are held for operational use are valued at depreciated historic cost where these assets have a short useful lives or low values or both, as this is not considered to be materially different from current value in existing use. Annually, an equipment review is also conducted by the department/directorate/equipment specialist and the life of the equipment assets is reviewed in conjunction with the experts in the field (medical electronics/suppliers/market intelligence). Assets in the course of construction are valued at current cost and they are revalued by professional valuers when they are brought into use or as part of the five or intervening years valuation whichever occurs first. These assets include any existing land or buildings under the control of a contractor.

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

Freehold land, properties under construction, and assets held for sale are not depreciated. Depreciation is charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the NHS Foundation Trust expects to obtain economic benefits or service potential from the asset. This is specific to the NHS Foundation Trust and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over their estimated useful lives.

Revaluation and Impairments

At each reporting period end, the NHS Foundation Trust checks whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually. In accordance with the DHSC GAM, 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. Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item under "Other Comprehensive Income".

De-recognition

Assets intended for disposal, are reclassified as 'Held for Sale' once all of the following criteria are met:

- The asset is available for immediate sale in its present condition subject only to terms;
- Which are usual and customary for such sales;
- The sale must be highly probable i.e.:
 - Management are committed to a plan to sell the asset;
 - An active programme has begun to find a buyer and complete the sale;

The asset is being actively marketed at a reasonable price;
The sale is expected to be completed within 12 months of the date of classification as "held for Sale"; and

The actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significantly changed.

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

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

1.8 Donated 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 imposes 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.

Within these financial statements, the NHS Foundation Trust does not have any donations with conditions attached at this present moment in time.

The assets in 2021/22 and 2020/21 include assets donated to the Trust by the Department of Health and Social Care as part of the response to the Coronavirus pandemic. As defined in the GAM, the Trust applies the principle of donated asset accounting to assets that the Trust controls and is obtaining economic benefits from at the year end.

1.9 Intangible Assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of sale separately from the rest of the NHS 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 NHS Foundation Trust; where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Internally Generated Intangible Assets

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

Expenditure on research is not capitalised.

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 NHS Foundation Trust intends to complete the asset and sell or use it;
- The ability to sell or use the intangible asset;
- How the intangible asset will generate probable future economic benefits or service potential;
- The availability of adequate financial, technical and other resources to complete the intangible asset and sell or use it, and
- The ability to measure reliably the expenses attributable to the intangible asset during its development.

Software

Intangible assets acquired separately are initially recognised at fair value. Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset.

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management. Subsequently intangible assets are measured at 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'. Intangible assets held for sale are measured at the lower of their carrying amount or 'fair value less costs to sell'.

Amortisation

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

Economic Lives of Intangible Assets

Intangible Assets – Internally Generated	Min. Life – Years	Max. Life – Years
Information Technology	5	5
Intangible Assets – Purchased		
Software	5	10
Licences & Trademarks	5	10

1.10 Government Grants

Government grants are grants from Government bodies other than income from Clinical Commissioning Groups (CCG's) or NHS Trusts for the provision of services. Where a Government grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure.

1.11 Inventories

Inventories are valued at the lower of cost and net realisable value, using the first-in first-out cost formula. In 2021/22, the NHS Foundation 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.

1.12 Private Finance Initiative (PFI) Transactions

At the 31 March 2022, the NHS Foundation Trust did not have any PFI transactions.

1.13 Leases

The NHS Foundation Trust as Lessee

Finance Leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the NHS Foundation Trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for as an item of property plant and equipment. The annual rental is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to Finance Costs in the Statement of Comprehensive Income. The lease liability is de-recognised when the liability is discharged, cancelled or expires.

Operating Leases

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

Leases of Land and Buildings

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

The NHS Foundation Trust as a Lessor

The NHS Foundation Trust has no operating leases in place as a lessor.

Note 1.14 Cash and Cash Equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

1.15 Clinical Negligence Costs

NHS Resolution operates a risk pooling scheme under which the NHS Foundation Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. The annual contribution is charged to operating expenses. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the NHS Foundation Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the NHS Foundation Trust is disclosed at note 35 but is not recognised in the NHS Foundation Trust's accounts.

1.16 Non-Clinical Risk Pooling

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

1.17 Provisions

Provisions are recognised when the NHS Foundation Trust has a present legal or constructive obligation as a result of a past event, it is probable that the NHS Foundation Trust will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using the HM Treasury’s discount rate of minus 1.30% (2020/21 minus 0.95%) in real terms for early retirement and injury benefit provisions only.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably. Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the NHS Foundation Trust has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. A restructuring provision is recognised when the NHS Foundation Trust, has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity. The NHS Foundation Trust is carrying a provision of £118k to support payments in line with the NHS Foundation Trust pay protection policy.

1.18 Climate Change Levy

The Climate Change Levy (CCL) is the successor scheme to the Carbon Reduction Commitment (CRC). Expenditure on the climate change levy is recognised in the Statement of Comprehensive Income as incurred, based on the prevailing chargeable rates for energy consumption.

1.19 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity’s control) are not recognised as assets, but are disclosed in note 36 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 36, unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

- Possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- Present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

1.20 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. The Secretary of State can issue new PDC to, and require repayments of PDC from, the NHS Foundation 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, with certain additions and deductions as defined by the Department of Health and Social Care.

This policy is available at <https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts>. In accordance with the requirements laid down by the DHSC (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.

1.21 Value Added Tax (VAT)

Most of the activities of the NHS 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 cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.22 Corporation Tax

The NHS Foundation Trust has carried out a review of corporation tax liability of its non-healthcare activities. At present, all activities are either ancillary to the Trust's patient care activity or are below the de minimus level at which corporation tax is due. Therefore, the Trust has determined that it has no liability for corporation tax. Further guidance is awaited from NHS Improvement, the HM Treasury and the Inland Revenue.

1.23 Foreign Exchange

The functional and presentational currencies of the NHS Foundation Trust are sterling. A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction. The NHS Foundation Trust does not have any assets or liabilities denominated in a foreign currency at the Statement of Financial Position date.

1.24 Third Party Assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the NHS Foundation Trust has no beneficial interest in them. However, they are disclosed in a separate note (note 28.2) to the accounts in accordance with the requirements of HM Treasury's Financial Reporting Manual.

1.25 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 each individual case is handled.

Losses and special payments are charged to the relevant functional headings in the Statement of Comprehensive Income on an accruals basis, including losses which would have been made good through insurance cover had NHS Trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). However, note 42 is compiled directly from the losses and compensations register which is prepared on an accrual basis with the exception of provisions for any future losses.

1.26 Financial Instruments – Financial Assets and Financial Liabilities

Recognition

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

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

Classification and Measurement

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

Financial Assets at Amortised Cost

Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable. After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability. Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income and a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

Financial Assets 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 at Fair Value through Profit and Loss

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

Impairment of Financial Assets

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

Expected credit losses are determined by reference to past experience within separate categories of debt, classified by level of risk. Judgement is also applied, where the expectation of future credit losses is anticipated to impact upon the recoverable amount of the asset. The age of a receivable is taken into account and the more overdue a receivable becomes, the higher the value of expected credit loss. A different risk classification has been applied to a specific group of private patient billing that is at higher risk of not being collected than usual.

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

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

The NHS Foundation Trust reviews its income receivable from the injury recovery unit on an annual basis taking into account local trends of recovery and appropriate top up provision has been made for irrecoverable debtors (25%), this is over and above the proposed bad debts provision of 23.76% (2020/21 22.43%) recommended by the Department of Health and Social Care.

In line with policy, the NHS Foundation Trust has undertaken a review of all outstanding debts and suitable provisions are recognised within these statements for bad and doubtful debts.

Derecognition

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

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

1.27 Transfers of Functions to / from Other NHS Bodies / Local Government Bodies

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

For property plant and equipment assets and intangible assets, the cost and accumulated depreciation / amortisation balances from the transferring entity's accounts are preserved on recognition in the trust's accounts. Where the transferring body recognised revaluation reserve balances attributable to the assets, the Trust makes a transfer from its income and expenditure reserve to its revaluation reserve to maintain transparency within public sector accounts. There have been no transfer of functions to the Trust during the year.

1.28 Early Adoption of Standards, Amendments and Interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2021/22.

1.29 Standards, Amendments and Interpretations in Issue but not yet Effective or Adopted

IFRS 16 Leases

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

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

On transition to IFRS 16 on 1 April 2022, the Trust will apply the standard retrospectively without restatement and 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. For 2022, this rate is 0.95%. The related right of use asset will be measured equal to the lease liability adjusted for any prepaid or accrued lease payments. For existing peppercorn leases not classified as finance leases, a right of use asset will be measured at current value in existing use or fair value. The difference between the asset value and the calculated lease liability will be recognised in the income and expenditure reserve on transition. No adjustments will be made on 1 April 2022 for existing finance leases.

For leases commencing in 2022/23, the Trust will not recognise a right of use asset or lease liability for short term leases (less than or equal to 12 months) or for leases of low value assets (less than £5,000).

Right of use assets will be subsequently measured on a basis consistent with owned assets and depreciated over the length of the lease term. The Trust has estimated the impact of applying IFRS 16 in 2022/23 on the opening statement of financial position and the in-year impact on the statement of comprehensive income and capital additions as follows:

	£000
Estimated impact on 1 April 2022 statement of financial position	
Additional right of use assets recognised for existing operating leases	17,367
Additional lease obligations recognised for existing operating leases	-
Changes to other statement of financial position line items	(16,835)
Net impact on net assets on 1 April 2022	532
Estimated in-year impact in 2022/23	
Additional depreciation on right of use assets	(2,452)
Additional finance costs on lease liabilities	(130)
Lease rentals no longer charged to operating expenditure	2,357
Estimated impact on surplus / deficit in 2022/23	(225)
Estimated increase in capital additions for new leases commencing in 2022/23	525

Other Standards, Amendments and Interpretations

IFRS 17 - Insurance Contracts - The standard is effective for accounting periods beginning on or after 1 January 2023. IFRS 17 is yet to be adopted by the FReM, therefore early adoption is not therefore permitted.

Note 2 Operating Segments

The NHS Foundation Trust's major activity is healthcare and therefore is treated as a single segment. The operating results of the NHS Foundation Trust are reviewed monthly by the NHS Foundation Trust's chief operating decision maker which is the overall NHS Foundation Trust Board and which includes non-executive directors. For 2021/22, the Board of Directors reviewed the financial position of the NHS Foundation Trust as a whole in their decision-making process. The single segment of 'Healthcare' has therefore been identified consistent with the core principle of IFRS 8 which is to enable users of financial statements to evaluate the nature and financial effects of business activities and economic environments.

	Healthcare		Total	
	2021/22	2020/21	2021/22	2020/21
	£000	£000	£000	£000
Income	510,699	477,698	510,699	477,698
(Surplus)/Deficit before impairments and Restructuring	(11,277)	(3,589)	(11,277)	(3,589)
Restructuring costs	159	95	159	95
Impairment reversals relating to market value changes included in expenses	(5,397)	(248)	(5,397)	(248)
Impairments relating to market value changes charged to expenses	5,992	10,459	5,992	10,459
Retained (Surplus) / Deficit	(10,523)	6,717	(10,523)	6,717
Segment net assets	224,443	177,720	224,443	177,720

2.1 Income Generation Activities

The NHS Foundation Trust undertakes certain activities with an aim of break even or achieving a small surplus, which is then used to support patient care. Some of these activities are essential for providing the right level of service to patients and visitors and the profit element, if any, is incidental to the service provision. The following table provides details of activities where the gross cost of generating the income or the gross income exceeded £1m.

i) Car Parking Services

	2021/22	2020/21
	£000	£000
Income	870	320
Direct costs	(1,295)	(1,104)
Surplus before indirect costs	(425)	(784)
Indirect Costs	(786)	(929)
(Deficit)/Surplus	(1,211)	(1,713)

ii) Staff Accommodation

Staff accommodation amounted to £2.1m (£1.9m 2020/21) during the year. However, the costs associated with the income generation form part of the costs of the total provision of accommodation and property rental.

Note 3 Operating Income from Patient Care Activities (Group)

All income from patient care activities relates to contract income recognised in line with accounting policy 1.1.1

Note 3.1 Income from Patient Care Activities (by nature)

	2021/22	2020/21
	£000	£000
Block contract / system envelope income	416,294	365,571
High cost drugs income from commissioners (excluding pass-through costs)	10,764	12,006
Other NHS clinical income	1,245	1,210
Private patient income	998	423
Elective recovery fund	4,877	-
Additional pension contribution central funding*	11,691	11,044
Other clinical income	9,820	6,627
Total income from activities	455,689	396,881

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

Note 3.2 Income from Patient Care Activities (by source)

	2021/22	2020/21
	£000	£000
Income from patient care activities received from:		
NHS England	38,343	43,427
Clinical commissioning groups	415,304	351,688
Department of Health and Social Care	141	153
Other NHS providers	489	542
Non-NHS: private patients	840	350
Non-NHS: overseas patients (chargeable to patient)	157	73
Injury cost recovery scheme	415	648
Total income from activities	455,689	396,881
Of which:		
Related to continuing operations	455,689	396,881
Related to discontinued operations	-	-

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

	2021/22	2020/21
	£000	£000
Income recognised this year	157	73
Cash payments received in-year	43	81
Amounts written off in-year	270	6

Note 4 Other Operating Income (Group)

	2021/22			2020/21		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	661	-	661	660	-	660
Education and training	15,129	714	15,843	13,657	792	14,449
Non-patient care services to other bodies	19,027		19,027	17,081		17,081
Reimbursement and top up funding	1,470		1,470	34,397		34,397
Receipt of capital grants and donations *		12,078	12,078		3,185	3,185
Charitable and other contributions to expenditure		1,199	1,199		6,958	6,958
Charitable fund incoming resources		735	735		1,004	1,004
Other income **	3,997	-	3,997	3,083	-	3,083
Total other operating income	40,284	14,726	55,010	68,878	11,939	80,817
Of which:						
Related to continuing operations			55,010			80,817
Related to discontinued operations			-			-

* Capital grants and donations includes £0.5m of Covid equipment from DHSC

** Other income included £0.87m (£0.32m 2020/21) for car parking and £2.1m (£1.9m 2020/21) for staff accommodation.

Note 4.1 Additional Information on Contract Revenue (IFRS 15) Recognised in the period

	2021/22	2020/21
	£000	£000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	922	993

Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods.

Note 4.2 Income from Activities arising from Commissioner Requested Services

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

	2021/22	2020/21
	£000	£000
Income from services designated as commissioner requested services	440,755	376,945
Income from services not designated as commissioner requested services	14,934	19,936
Total	455,689	396,881

Note 4.3 Profits and Losses on Disposal of Property, Plant and Equipment

	2021/22	2020/21
	£000	£000
Gains on disposal of other property plant and equipment	43	20
Losses on disposal of other property plant and equipment *	(234)	(10)
Total gain/(loss) on disposal of assets	(191)	10

* includes £145k loss recognised on return of donated COVID assets to DHSC

Note 5 Operating Expenses

	2021/22	2020/21
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	5,234	4,618
Purchase of healthcare from non-NHS and non-DHSC bodies	9,757	7,516
Staff and executive directors costs	342,978	324,293
Remuneration of non-executive directors	167	146
Supplies and services - clinical (excluding drugs costs)	36,688	36,294
Supplies and services - general	4,776	4,874
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	34,027	31,528
Inventories written down	1	75
Consultancy costs	1,203	1,387
Establishment	3,587	3,318
Premises	17,844	18,487
Transport (including patient travel)	2,677	2,321
Depreciation on property, plant and equipment	10,831	9,071
Amortisation on intangible assets	317	317
Net impairments	595	11,162
Movement in credit loss allowance: contract receivables / contract assets	89	731
Change in provisions discount rate(s)	119	-
Fees payable to the external auditor		
audit services- statutory audit	73	93
Internal audit costs	72	74
Clinical negligence	15,342	15,003
Legal fees	90	426
Insurance	426	409
Research and development	628	630
Education and training	2,743	1,875
Rentals under operating leases	2,561	2,304
Early retirements	-	120
Redundancy	152	255
Car parking & security	1,286	1,092
Hospitality	3	1,578
Losses, ex gratia & special payments	16	14
Other NHS charitable fund resources expended	302	388
Other	708	1,026
Total	495,292	481,425
Of which:		
Related to continuing operations	495,292	481,425
Related to discontinued operations	-	-

Note 5.1 Statutory and Other Auditor Remuneration

Gross statutory audit fees were £73k, net of vat this was £61k. There was no remuneration paid to the auditors other than for statutory audit services.

Note 5.2 Limitation on Auditor's Liability

There is no limitation on auditor's liability for external audit work carried out for the financial years 2021/22 or 2020/21.

Note 6 Impairment of Assets

	2021/22	2020/21
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Loss or damage from normal operations	-	951
Changes in market price	595	10,211
Total net impairments charged to operating surplus / deficit	595	11,162
Impairments charged to the revaluation reserve	661	5,790
Total net impairments	1,256	16,952

The Trust incurred impairments of £1.4m relating to dwellings and reversal of impairments of £0.76m for buildings. A further breakdown of impairments by site can be seen in note 19.

Note 7 Employee Benefits

	2021/22	2020/21
	Total	Total
	£000	£000
Salaries and wages	251,256	243,805
Social security costs	25,049	23,272
Apprenticeship levy	1,277	1,189
Employer's contributions to NHS pensions	38,457	36,358
Temporary staff (including agency)	28,961	21,162
NHS charitable funds staff	-	-
Total gross staff costs	345,000	325,786
Recoveries in respect of seconded staff	-	-
Total staff costs	345,000	325,786
Of which		
Costs capitalised as part of assets	787	232

Note 7.1 Retirements Due to Ill-health

During 2021/22 there were 4 early retirements from the trust agreed on the grounds of ill-health (7 in the year ended 31 March 2021). The estimated additional pension liabilities of these ill-health retirements is £241k (£263k in 2020/21). These estimated costs are calculated on an average basis and will be borne by the NHS Pension Scheme.

Note 7.2 Directors' Remuneration

The aggregate amounts payable to Directors were:

	Group	
	2021/22	2020/21
	Total	Total
	£000	£000
Salary	1,501	1,728
Employer's National Insurance	189	200
Employer's pension contributions	160	143
Total	1,850	2,071

Note 7.3 Management Costs

	Group	
	2021/22	2020/21
	Total	Total
	£000	£000
Management Costs	23,133	21,344
Income	510,539	477,495
Management Costs as a % of income	4.53%	4.47%

The above is excluding Charitable income and costs.

Note 8 Pension costs

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

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

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2022, is based on valuation data as at 31 March 2021, updated to 31 March 2022 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers. The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 at 20.6%, and the Scheme Regulations were amended accordingly. The 2016 funding valuation was also tested the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. There was initially 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.

HMT published valuation directions dated 7 October 2021 (see Amending Directions 2021) that set out the technical detail of how the costs of remedy are included in the 2016 valuation process. Following these directions, the scheme actuary has completed the cost control element of the 2016 valuation for the NHS Pension Scheme, which concludes no changes to benefits or member contributions are required. The 2016 valuation reports can be found on the NHS Pensions website at <https://www.nhsbsa.nhs.uk/nhs-pension-scheme-accounts-and-valuation-reports>.

Note 9 Operating Leases

9.1 Northern Lincolnshire and Goole NHS Foundation Trust as a Lessor

This note discloses income generated in operating lease agreements where Northern Lincolnshire and Goole NHS Foundation Trust is the lessor.

	2021/22	2020/21
	£000	£000
Operating lease revenue		
Minimum lease receipts	-	-
Contingent rent	-	-
Other	-	-
Total	-	-
	31 March 2022	31 March 2021
	£000	£000
Future minimum lease receipts due:		
- not later than one year;	-	-
- later than one year and not later than five years;	-	-
- later than five years.	-	-
Total	-	-

Note 9.2 Northern Lincolnshire and Goole NHS Foundation Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where Northern Lincolnshire and Goole NHS Foundation Trust is the lessee.

	2021/22	2020/21
	£000	£000
Operating lease expense		
Minimum lease payments	2,561	2,304
Contingent rents	-	-
Less sublease payments received	-	-
Total	2,561	2,304
	31 March 2022	31 March 2021
	£000	£000
Future minimum lease payments due:		
- not later than one year;	3,893	3,349
- later than one year and not later than five years;	9,483	8,268
- later than five years.	7,131	6,469
Total	20,507	18,086
Future minimum sublease payments to be received	-	-

Note 10 Finance Income

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

	2021/22	2020/21
	£000	£000
Interest on bank accounts	61	1
NHS charitable fund investment income	50	54
Total finance income	111	55

Note 11 Finance Expenditure

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

	2021/22	2020/21
	£000	£000
Interest expense:		
Loans from the Department of Health and Social Care	224	254
Finance leases	2	5
Interest on late payment of commercial debt	2	-
Total interest expense	228	259
Unwinding of discount on provisions	(61)	(49)
Other finance costs	-	-
Total finance costs	167	210

11.1 The Late Payment of Commercial Debts (interest) Act 1998 / Public Contract Regulations 2015

	2021/22	2020/21
	£000	£000
Total liability accruing in year under this legislation as a result of late payments	-	-
Amounts included within interest payable arising from claims made under this legislation	2	-
Compensation paid to cover debt recovery costs under this legislation	-	-

11.2 Other Gains / (Losses) on Disposal of Non Current Assets

	2021/22	2020/21
	£000	£000
Gains on disposal of assets	43	20
Losses on disposal of assets	(234)	(10)
Total gains / (losses) on disposal of assets	(191)	10
Fair value gains / (losses) on charitable fund investments & investment properties	139	319
Total other gains / (losses)	(52)	329

Note 12 Revaluation of Assets (Property, Plant and Equipment) Cushman & Wakefield Valuations Summary

	Group	
	2021/22	2020/21
	£000	£000
Impairments		
Impairments charged to Revaluation Reserve	(661)	(5,790)
Impairments charged to Statement of Comprehensive Income	(5,992)	(11,410)
Total Impairments due to Market Changes	(6,653)	(17,200)
	Group	
	2021/22	2020/21
	£000	£000
Revaluation gains		
Revaluation gains credited to Revaluation Reserve	4999	548
Revaluation gains relating to previous impairments credited to Statement of Comprehensive income	5397	248
Total Revaluation gains due to Market Changes	10,396	796

Note 13 Trust Income Statement and Statement of Comprehensive Income

In accordance with Section 408 of the Companies Act 2006, the NHS Foundation Trust is exempt from the requirement to present its own income statement and statement of comprehensive income. The Trust's surplus for the period was £10.4 million (2020/21: £6.9 million deficit). The Trust's total comprehensive income/(expense) for the period was £14.7 million (2020/21: £12.1 million deficit).

Note 14 Discontinued Operations (Group)

	2021/22	2020/21
	£000	£000
Operating income of discontinued operations	-	-
Operating expenses of discontinued operations	-	-
Gain on disposal of discontinued operations	-	-
(Loss) on disposal of discontinued operations	-	-
Corporation tax expense attributable to discontinued operations	-	-
Total	-	-

Note 15 Intangible Assets

15.1 Intangible Assets - 2021/22

Group	Software licences £000	Total £000
Valuation / gross cost at 1 April 2021 - brought forward	7,640	7,640
Additions	1,824	1,824
Valuation / gross cost at 31 March 2022	9,464	9,464
Amortisation at 1 April 2021 - brought forward	6,651	6,651
Provided during the year	317	317
Amortisation at 31 March 2022	6,968	6,968
Net book value at 31 March 2022	2,496	2,496
Net book value at 1 April 2021	989	989

15.2 Intangible Assets - 2020/21

Group	Software licences £000	Total £000
Valuation / gross cost at 1 April 2020 - as previously stated	7,421	7,421
Additions	219	219
Valuation / gross cost at 31 March 2021	7,640	7,640
Amortisation at 1 April 2020 - as previously stated	6,334	6,334
Provided during the year	317	317
Amortisation at 31 March 2021	6,651	6,651
Net book value at 31 March 2021	989	989
Net book value at 1 April 2020	1,087	1,087

Note 16 Property, Plant and Equipment

16.1 Property, Plant and Equipment - 2021/22

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2021 - brought forward	9,171	124,670	17,532	19,727	47,700	186	17,618	995	237,599
Additions	-	14,083	-	35,695	6,006	-	2,146	14	57,944
Impairments	(7)	(654)	-	-	-	-	-	-	(661)
Revaluations	597	225	(1,536)	-	-	-	-	-	(714)
Reclassifications	-	8,564	-	(10,574)	1,957	-	26	27	-
Disposals / derecognition	-	(41)	-	-	(2,538)	-	-	(1)	(2,580)
Valuation/gross cost at 31 March 2022	9,761	146,847	15,996	44,848	53,125	186	19,790	1,035	291,588
Accumulated depreciation at 1 April 2021 - brought forward	-	-	-	-	34,885	127	10,812	803	46,627
Provided during the year	-	4,792	340	-	3,503	15	2,102	79	10,831
Impairments	-	4,634	1,358	-	-	-	-	-	5,992
Reversals of impairments	(2)	(5,395)	-	-	-	-	-	-	(5,397)
Revaluations	2	(4,017)	(1,698)	-	-	-	-	-	(5,713)
Disposals / derecognition	-	(14)	-	-	(2,331)	-	-	(1)	(2,346)
Accumulated depreciation at 31 March 2022	-	-	-	-	36,057	142	12,914	881	49,994
Net book value at 31 March 2022	9,761	146,847	15,996	44,848	17,068	44	6,876	154	241,594
Net book value at 1 April 2021	9,171	124,670	17,532	19,727	12,815	59	6,806	192	190,972

16.2 Property, Plant and Equipment - 2020/21

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2020 - as previously stated	9,095	135,941	18,513	2,716	40,461	142	13,454	981	221,303
Additions	-	7,748	50	18,607	7,917	44	4,164	40	38,570
Impairments	(2)	(5,599)	(189)	-	-	-	-	-	(5,790)
Revaluations	78	(15,016)	(842)	-	-	-	-	-	(15,780)
Reclassifications	-	1,596	-	(1,596)	-	-	-	-	-
Disposals / derecognition	-	-	-	-	(678)	-	-	(26)	(704)
Valuation/gross cost at 31 March 2021	9,171	124,670	17,532	19,727	47,700	186	17,618	995	237,599
Accumulated depreciation at 1 April 2020 - as previously stated	-	-	-	-	33,176	117	9,367	756	43,416
Provided during the year	-	4,818	348	-	2,377	10	1,445	73	9,071
Impairments	39	10,630	741	-	-	-	-	-	11,410
Reversals of impairments	-	(244)	(4)	-	-	-	-	-	(248)
Revaluations	(39)	(15,204)	(1,085)	-	-	-	-	-	(16,328)
Disposals / derecognition	-	-	-	-	(668)	-	-	(26)	(694)
Accumulated depreciation at 31 March 2021	-	-	-	-	34,885	127	10,812	803	46,627
Net book value at 31 March 2021	9,171	124,670	17,532	19,727	12,815	59	6,806	192	190,972
Net book value at 1 April 2020	9,095	135,941	18,513	2,716	7,285	25	4,087	225	177,887

16.3 Property, Plant and Equipment Financing - 2021/22

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2022									
Owned - purchased	9,761	143,545	15,996	36,291	14,009	44	6,872	154	226,672
Finance leased	-	-	-	-	18	-	-	-	18
Owned - donated/granted	-	3,302	-	8,557	3,041	-	4	-	14,904
NBV total at 31 March 2022	9,761	146,847	15,996	44,848	17,068	44	6,876	154	241,594

16.4 Property, Plant and Equipment Financing - 2020/21

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2021									
Owned - purchased	9,171	122,071	17,532	19,339	9,857	59	6,801	192	185,022
Finance leased	-	-	-	-	37	-	-	-	37
Owned - donated/granted	-	2,599	-	388	2,921	-	5	-	5,913
NBV total at 31 March 2021	9,171	124,670	17,532	19,727	12,815	59	6,806	192	190,972

Note 18 Donations of Property, Plant and Equipment

The NHS Foundation Trust received Charitable contributions to support capital purchases as follows;

	2021/22	2020/21
	£000	£000
Buildings ex Dwellings	2,638	
Assets under Construction	8,557	389
Plant and machinery	883	2,796
	12,078	3,185

Included within plant and machinery is £0.5m of equipment donated from DHSC.

Note 19 Revaluations of Property, Plant and Equipment

The NHS Foundation Trust's property have been revalued on a Modern Equivalent Asset basis. At the 31 March 2022, the NHS Foundation Trust's Valuers, Cushman & Wakefield completed a revaluation of the estate which resulted in a net valuation decrease. The results of this valuation have been included in these financial statements.

The property asset lives are as stated in the revaluation by the Trust's Valuers.

Basis of Valuation

The valuations have been carried out primarily on the basis of Market Value Existing Use using the depreciated replacement cost (DRC) methodology on a modern substitute basis. Non-operational property, including surplus land, has been valued to Fair Value. Unless otherwise stated, the assumption has been made that the properties valued will continue to be in the occupation of the Foundation Trust for the foreseeable future having regard to the prospect and viability of the continuance of that occupation.

Method of Valuation

Depreciated Replacement Cost (DRC) is the method of valuation adopted for arriving at the value of specialised operational property for financial accounting purposes as recommended by UK GAAP, the Royal Institution of Chartered Surveyors and HM Treasury. DRC is based on an estimate of the market value for the existing use of the land, plus the current gross replacement (reproduction) costs of the improvements, less allowances for physical deterioration and all relevant forms of obsolescence and optimisation. Where the actual use of the property is so special that it proves impossible to categorise it in general market terms, land has been valued assuming the benefit of planning permission for development for a use, or a range of uses, prevailing in the vicinity of the actual site. In these circumstances, the Market Value for the Existing Use (MVEU) of the land has been arrived at having regard to the cost of purchasing a notional replacement site in the same locality that would be equally suitable for the existing use and of the same size, with normally the same physical and locational characteristics as the actual site, other than characteristics of the actual site that are irrelevant, or of no value, to the existing use.

The valuation exercise was carried out in February 2022 with a valuation date of 31 March 2022, using the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2020 (Red Book). The values in the report have been used to inform the measurement of property assets at valuation in these financial statements. The valuer has exercised professional judgement in providing the valuation and this remains the best information available to the Trust.

Of the £172.6m net book value of land and buildings subject to valuation, £146.8m relates to specialised assets valued on a depreciated replacement cost basis. Here the valuer bases their assessment on the cost to the Trust of replacing the service potential of the assets.

Property Valuations Summary by Cushman & Wakefield

The NHS Foundation Trust Valuers (Cushman & Wakefield) completed a valuation of the Property Assets at 31 March 2022 and concluded that there were changes to the Value of Property Assets. The NHS Foundation Trust identified that these changes are material and therefore, the results have been incorporated into these financial statements. The outcome from the valuation was that, on all three sites, some of the assets suffered revaluation gains whilst other assets had an impairment. The approximate net impact of the Foundation Trust's valuations are given below.

Site	Description	Net Change in Valuation (increase) Decrease	Charged to Expenses	Impairment Reversals Credited to Expenses	Changes to Revaluation Reserves
		£000	£000	£000	£000
Diana, Princess of Wales Hospital, Grimsby	Land and Buildings	(2,542)	1,959	(2,732)	(1,769)
Scunthorpe General Hospital	Land and Buildings	(3,241)	1,580	(2,592)	(2,229)
Goole District Hospital	Land and Buildings	2,040	2,453	(73)	(340)
Other	Land and Buildings	-	-	-	-
	Total	(3,743)	5,992	(5,397)	(4,338)

All the above changes relate to properties in the Trust's main healthcare segment.

Note 20 Other Investments / Financial Assets (non-current)

	Group		Trust	
	2021/22	2020/21	2021/22	2020/21
	£000	£000	£000	£000
Carrying value at 1 April - brought forward	1,633	1,614	-	-
Movement in fair value through income and expenditure	139	319	-	-
Disposals	-	(300)	-	-
Carrying value at 31 March	1,772	1,633	-	-

Note 21 Charitable Fund Reserves

The Northern Lincolnshire and Goole NHS Foundation Trust Board is the Corporate Trustee of the NHS Charitable Funds and therefore, the charitable funds represents a subsidiary of the Foundation Trust on the basis that it:

- has control over the NHS charitable fund (as determined by IRFS 10) and
- benefits from the NHS charitable fund.

From 2013/14 Northern Lincolnshire and Goole NHS Foundation Trust has consolidated the NHS charitable funds into its accounts. For 2021/22, the NHS Charitable Funds balances are as follows:

	31 March 2022	31 March 2021
	£000	£000
Unrestricted funds:		
Unrestricted income funds	2,025	1,917
Restricted funds:		
Other restricted income funds	-	-
	2,025	1,917

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

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

Note 22 Disclosure of Interests in Other Entities

The NHS Foundation Trust owned 100% of a subsidiary company called WebV Solutions Limited. The accounting year end for WebV Solutions Limited was 31 March. The registered office was, Diana, Princess of Wales Hospital, Scartho Road, Grimsby. This was established to provide innovative software solutions. The company ceased trading on 31 March 2020. The company was dissolved on 11 January 2022.

Note 23 Inventories

	Group		Trust	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	£000	£000	£000	£000
Drugs	968	851	968	851
Consumables	2,207	1,870	2,207	1,870
Energy	30	10	30	10
Other	258	313	258	313
Total inventories	3,463	3,044	3,463	3,044

Inventories recognised in expenses for the year were £32,341k (2020/21: £35,677k). Write-down of inventories recognised as expenses for the year were £1k (2020/21: £75k). In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2021/22 the Trust received £1,199k of items purchased by DHSC (2020/21: £6,264k). These inventories were recognised as additions to inventory at deemed cost with the corresponding benefit recognised in income. The utilisation of these items is included in the expenses disclosed above.

Note 24 Receivables

	Group		Trust	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	£000	£000	£000	£000
Current				
Contract receivables	18,998	9,447	19,017	9,447
Allowance for impaired contract receivables / assets	(1,022)	(1,228)	(1,022)	(1,228)
Prepayments (non-PFI)	3,156	3,654	3,156	3,654
PDC dividend receivable	319	824	319	824
VAT receivable	918	707	918	707
Other receivables	37	-	37	-
NHS charitable funds receivables	45	25	-	-
Total current receivables	22,451	13,429	22,425	13,404
Non-current				
Other receivables	1,216	888	1,216	888
Total non-current receivables	1,216	888	1,216	888
Of which receivable from NHS and DHSC group bodies:				
Current	10,220	6,338	10,220	6,338
Non-current	1,216	888	1,216	888

* Non-current other receivables relates to Clinicians pension tax provision reimbursement funding from NHS England.

24.1 Allowances for Credit Losses - 2021/22

	Group		Trust	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
Allowances as at 1 Apr 2021 - brought forward	1,228	-	1,228	-
New allowances arising	221	-	221	-
Reversals of allowances	(132)	-	(132)	-
Utilisation of allowances (write offs)	(295)	-	(295)	-
Allowances as at 31 Mar 2022	1,022	-	1,022	-

24.2 Allowances for Credit Losses - 2020/21

	Group		Trust	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
Allowances as at 1 Apr 2020 - as previously stated	515	-	515	-
New allowances arising	830	-	830	-
Reversals of allowances	(99)	-	(99)	-
Utilisation of allowances (write offs)	(18)	-	(18)	-
Allowances as at 31 Mar 2021	1,228	-	1,228	-

Note 25 Other Assets

	Group		Trust	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	£000	£000	£000	£000
Current				
Other assets	-	-	-	-
Total other current assets	-	-	-	-
Non-current				
Net defined benefit pension scheme asset	-	-	-	-
Other assets	-	-	-	-
Total other non-current assets	-	-	-	-

Note 26 Non-Current Assets Held for Sale and Assets in Disposal Groups

At the Statement of Financial Position date the NHS Foundation Trust does not have any assets held for sale.

Note 27 Liabilities in Disposal Groups

	Group		Trust	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	£000	£000	£000	£000
Categorised as:				
Provisions	-	-	-	-
Trade and other payables	-	-	-	-
Other	-	-	-	-
Total	-	-	-	-

Note 28 Cash and Cash Equivalents Movements

28.1 Cash and Cash Equivalents Movements

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

	Group		Trust	
	2021/22	2020/21	2021/22	2020/21
	£000	£000	£000	£000
At 1 April	54,735	20,588	54,399	20,541
Net change in year	4,127	34,147	4,217	33,835
At 31 March	58,862	54,735	58,616	54,376
Broken down into:				
Cash at commercial banks and in hand	484	656	238	297
Cash with the Government Banking Service	58,378	54,079	58,378	54,079
Total cash and cash equivalents as in SoFP	58,862	54,735	58,616	54,376
Total cash and cash equivalents as in SoCF	58,862	54,735	58,616	54,376

28.2 Third Party Assets held by the Trust

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

	Group and Trust	
	31 March 2022	31 March 2021
	£000	£000
Monies on deposit	6	4
Total third party assets	6	4

Note 29 Trade and Other Payables

	Group		Trust	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	£000	£000	£000	£000
Current				
Trade payables	21,216	13,898	21,216	13,898
Capital payables	22,774	19,750	22,774	19,750
Accruals	23,436	17,860	23,436	17,860
Other taxes payable	7,895	7,143	7,895	7,143
Other payables	14,956	11,207	14,956	11,207
NHS charitable funds: trade and other payables	19	77	-	-
Total current trade and other payables	90,296	69,935	90,277	69,858
Non-current				
Total non-current trade and other payables	-	-	-	-
Of which payables from NHS and DHSC group bodies:				
Current	7,812	3,848	7812	3848
Non-current	-	-	-	-

Note 30 Early Retirements in NHS Payables Above

The payables note above includes amounts in relation to early retirements as set out below:

Group and Trust	31 March 2022	31 March 2022	31 March 2021	31 March 2021
	£000	Number	£000	Number
- to buy out the liability for early retirements over 5 years	-		-	
- number of cases involved		-		-

Note 31 Other Liabilities

	Group		Trust	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	£000	£000	£000	£000
Current				
Deferred income: contract liabilities	1,177	922	1,177	922
Total other current liabilities	1,177	922	1,177	922
Non-current				
Total other non-current liabilities	-	-	-	-

Note 32 Borrowings

	Group		Trust	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	£000	£000	£000	£000
Current				
Loans from DHSC	1,407	1,417	1,407	1,417
Obligations under finance leases	5	16	5	16
Total current borrowings	1,412	1,433	1,412	1,433
Non-current				
Loans from DHSC	8,212	9,541	8,212	9,541
Obligations under finance leases	17	22	17	22
Total non-current borrowings	8,229	9,563	8,229	9,563

32.1 Reconciliation of Liabilities Arising from Financing Activities

Group - 2021/22	Loans from DHSC	Finance leases	Total
	£000	£000	£000
Carrying value at 1 April 2021	10,958	38	10,996
Cash movements:			
Financing cash flows - payments and receipts of principal	(1,329)	(16)	(1,345)
Financing cash flows - payments of interest	(234)	(2)	(236)
Non-cash movements:			
Application of effective interest rate	224	2	226
Carrying value at 31 March 2022	9,619	22	9,641
Group - 2020/21	Loans from DHSC	Finance leases	Total
	£000	£000	£000
Carrying value at 1 April 2020	224,578	44	224,622
Cash movements:			
Financing cash flows - payments and receipts of principal	(211,926)	(19)	(211,945)
Financing cash flows - payments of interest	(1,948)	(5)	(1,953)
Non-cash movements:			
Additions	-	13	13
Application of effective interest rate	254	5	259
Carrying value at 31 March 2021	10,958	38	10,996

Note 33 Finance Leases

33.1 Northern Lincolnshire and Goole NHS Foundation Trust as a Lessor

The NHS Foundation Trust has arrangements with other NHS and non NHS bodies whereby the NHS Foundation Trust receives income for the premises rented to these bodies. These arrangements are covered by annual service level agreements and are normally for a term of one year, renewable at the end of each year by mutual agreement. This income is included within this year's operating income shown in these financial statements. These arrangements are not classed as leases.

33.2 Northern Lincolnshire and Goole NHS Foundation Trust as a Lessee

Obligations under finance leases where the trust is the lessee.

	Group		Trust	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	£000	£000	£000	£000
Gross lease liabilities	25	43	25	43
of which liabilities are due:				
- not later than one year;	6	18	6	18
- later than one year and not later than five years;	19	25	19	25
- later than five years.	-	-	-	-
Finance charges allocated to future periods	(3)	(5)	(3)	(5)
Net lease liabilities	22	38	22	38
of which payable:				
- not later than one year;	5	16	5	16
- later than one year and not later than five years;	17	22	17	22
- later than five years.	-	-	-	-
Total of future minimum sublease payments to be received at the reporting date	-	-	-	-

There are no sub lease or contingent rents.

Note 34 Provisions for Liabilities and Charges Analysis

Group	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Re- structuring	Other	Total
	£000	£000	£000	£000	£000	£000
At 1 April 2021	1,788	3,147	172	122	888	6,117
Change in the discount rate	(21)	140	-	-	-	119
Arising during the year	21	25	157	190	365	758
Utilised during the year	(241)	(140)	(6)	(163)	-	(550)
Reversed unused	(1)	-	(54)	(31)	-	(86)
Unwinding of discount	(20)	(41)	-	-	-	(61)
At 31 March 2022	1,526	3,131	269	118	1,253	6,297
Expected timing of cash flows:						
- not later than one year;	236	142	269	118	37	802
- later than one year and not later than five years;	922	587	-	-	56	1,565
- later than five years.	368	2,402	-	-	1,160	3,930
Total	1,526	3,131	269	118	1,253	6,297

The provision for early departure costs and injury benefits represents amounts payable to the NHS Business Services Authority, pensions division, to meet the costs of early retirement and industrial injury benefits. The provision is based on estimate of life expectancy and therefore there is a degree of uncertainty about the value of payments in the future. The provision for legal claims are permanent injury benefits and employer's liability claims, the provision is based on claims information received from NHS Resolution. All claims are handled by NHS Resolution on behalf of the Trust and they advise on likelihood and value of settlement. The timing and value of settlements are subject to both local negotiation and the judgement of NHS Resolution. The Trust's liability in respect of each claim is limited to the level of excess determined by NHS Resolution. The restructuring provision is to support payments in line with the Trust pay protection policy. Pay protection is given for one year. The provision also includes any redundancy costs. Other provisions includes £1,253k relating to clinician pension tax reimbursement. A reimbursement has been recognised within non current debtors.

Note 35 Clinical Negligence Liabilities

At 31 March 2022, £182,960k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Northern Lincolnshire and Goole NHS Foundation Trust (31 March 2021: £148,523k).

Note 36 Contingent Assets and Liabilities

	Group		Trust	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	£000	£000	£000	£000
Value of contingent liabilities				
NHS Resolution legal claims	(123)	(106)	(123)	(106)
Gross value of contingent liabilities	(123)	(106)	(123)	(106)
Amounts recoverable against liabilities	-	-		
Net value of contingent liabilities	(123)	(106)	(123)	(106)
Net value of contingent assets	-	-		

Note 37 Contractual Capital Commitments

	Group		Trust	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	£000	£000	£000	£000
Property, plant and equipment	15,647	5,040	15,647	5,040
Intangible assets	-	-	-	-
Total	15,647	5,040	15,647	5,040

Note 38 Defined Benefit Pension Schemes

The NHS Foundation Trust has no defined benefit pension schemes.

Note 39 On-SoFP PFI, LIFT or Other Service Concession Arrangements

The NHS Foundation Trust does not have any PFI or LIFT schemes at 31 March 2022.

Note 40 Off-SoFP PFI, LIFT and Other Service Concession Arrangements

The NHS Foundation Trust does not have any Off-SOFP, PFI or LIFT schemes at 31 March 2022.

Note 41 Financial Instruments

41.1 Financial Risk Management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the year in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the NHS Foundation Trust has with Clinical Commissioning Groups and the way those Clinical Commissioning Groups are financed, the NHS Foundation Trust is not exposed to the degree of financial risk faced by business entities. Clinical Commissioning Groups will not exist as from 1st July 2022, the commissioning relationship will transfer to the Integrated Care System (ICS), this does not increase the financial risk. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The NHS Foundation Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS Foundation Trust in undertaking its activities.

The NHS Foundation Trust's treasury management operations are carried out by the Finance Directorate, within parameters defined formally within the NHS Foundation Trust's Standing Financial Instructions and policies agreed by the Board of Directors. NHS Foundation Trust treasury activity is subject to regular review by the Finance and Performance Committee and the Trust's internal auditors.

Currency Risk

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

Interest Rate Risk

The Trust currently has borrowings of £9.541m (£10.871m 2020/21), (excluding interest), the following table provides details of the interest rates, purpose of the loan and outstanding balance. The current interest rates are fixed and therefore has low exposure for the Trust.

	Interest Rate %	Balance at 31 March 2022 £000
Loan - Purpose		
Residential Accommodation DPoW Phase 1	2.06%	4,721
Energy Performance Contract	2.39%	4,820
Total		9,541

Credit Risk

Because the majority of the NHS Foundation Trust's income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2022 are in receivables from customers and investments held by the charitable fund as shown note 20, as disclosed in the Trade and other receivables note 24.

Liquidity Risk

The Trust's operating costs are incurred under contracts with Clinical Commissioning Groups, which are financed from resources voted annually by Parliament. The Trust funds its capital expenditure from internally generated funds and funds obtained from Department of Health and Social Care or Independent Financing Facility loans. The Trust has in place Liquidity Support Funding agreed with the Department of Health and Social Care and the Independent Financing Facility for short term working capital support. This gives the Trust liquidity assurance to cover the period prior to regulator approval of future plans and to manage normal variations in cashflow.

41.2 Carrying Values of Financial Assets (Group)

Carrying values of financial assets as at 31 March 2022	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	19,229	-	-	19,229
Other investments / financial assets	-	-	-	-
Cash and cash equivalents	58,616	-	-	58,616
Consolidated NHS Charitable fund financial assets	2,063	-	-	2,063
Total at 31 March 2022	79,908	-	-	79,908
Carrying values of financial assets as at 31 March 2021	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	9,107	-	-	9,107
Other investments / financial assets	-	-	-	-
Cash and cash equivalents	54,391	-	-	54,391
Consolidated NHS Charitable fund financial assets	1,994	-	-	1,994
Total at 31 March 2021	65,492	-	-	65,492

41.3 Carrying Values of Financial Assets (Trust)

Carrying values of financial assets as at 31 March 2022	Held at amortised cost	Held at fair value through	Held at fair value through	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	19,248	-	-	19,248
Other investments / financial assets	-	-	-	-
Cash and cash equivalents	58,616	-	-	58,616
Total at 31 March 2022	77,864	-	-	77,864
Carrying values of financial assets as at 31 March 2021	Held at amortised cost	Held at fair value through	Held at fair value through	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	9,107	-	-	9,107
Other investments / financial assets	-	-	-	-
Cash and cash equivalents	54,032	-	-	54,032
Total at 31 March 2021	63,139	-	-	63,139

41.4 Carrying Values of Financial Liabilities (Group)

Carrying values of financial liabilities as at 31 March 2022	Held at amortised cost	Held at fair value through	Total book value
	£000	£000	£000
Loans from the Department of Health and Social Care	9,619	-	9,619
Obligations under finance leases	22	-	22
Trade and other payables excluding non financial liabilities	64,876	-	64,876
Total at 31 March 2022	74,517	-	74,517
Carrying values of financial liabilities as at 31 March 2021	Held at amortised cost	Held at fair value through	Total book value
	£000	£000	£000
Loans from the Department of Health and Social Care	10,958	-	10,958
Obligations under finance leases	38	-	38
Trade and other payables excluding non financial liabilities	50,623	-	50,623
Total at 31 March 2021	61,619	-	61,619

41.5 Carrying Values of Financial Liabilities (Trust)

Carrying values of financial liabilities as at 31 March 2022	Held at amortised cost	Held at fair value through	Total book value
	£000	£000	£000
Loans from the Department of Health and Social Care	9,619	-	9,619
Obligations under finance leases	22	-	22
Trade and other payables excluding non financial liabilities	64,857	-	64,857
Total at 31 March 2022	74,498	-	74,498
Carrying values of financial liabilities as at 31 March 2021	Held at amortised cost	Held at fair value through	Total book value
	£000	£000	£000
Loans from the Department of Health and Social Care	10,958	-	10,958
Obligations under finance leases	38	-	38
Trade and other payables excluding non financial liabilities	50,546	-	50,546
Total at 31 March 2021	61,542	-	61,542

41.7 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.

	Group		Trust	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	£000	£000	£000	£000
In one year or less	66,446	52,205	66,446	52,205
In more than one year but not more than five years	5,977	5,983	5,977	5,983
In more than five years	2,838	4,402	2,838	4,402
Total	75,261	62,590	75,261	62,590

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

Note 42 Losses and Special Payments

Group and Trust	2021/22		2020/21	
	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000	Number	£000
Losses				
Cash losses	7	20	2	6
Fruitless payments and constructive losses	1	1	5	3
Bad debts and claims abandoned	252	275	78	12
Stores losses and damage to property	16	18	27	22
Total losses	276	314	112	43
Special payments				
Compensation under court order or legally binding arbitration award	1	-	1	1
Extra-contractual payments	-	-	-	-
Ex-gratia payments	34	15	17	708
Special severance payments	-	-	-	-
Extra-statutory and extra-regulatory payments	-	-	-	-
Total special payments	35	15	18	709
Total losses and special payments	311	329	130	752
Compensation payments received		-		-

2020/21 has been restated to include the overtime corrective payments of £0.7m that were accrued for in 2020/21 and should have been recorded as special payments in the 2020/21 losses and compensation register.

Note 43 Related parties

During the year none of the DHSC Ministers, NHS Foundation Trust Board Members or members of the key management staff, or parties related to any of them, has undertaken any material transactions with Northern Lincolnshire and Goole NHS Foundation Trust. The DHSC is regarded as a related party. During the year, this NHS Foundation Trust has had a significant number of material transactions with other entities for which the DHSC is regarded as the parent department. These entities are: NHS England, Clinical Commissioning Groups, NHS Trusts, NHS Foundation Trusts and NHS Resolution. In addition, the NHS Foundation Trust has had a number of material transactions with other Government departments and other central and Local Government bodies. The NHS Foundation Trust has also received revenue and capital payments from a number of charitable funds. The trustees of the charitable funds are also members of the NHS Foundation Trust Board.

	2021/22	2021/22	2021/22	2021/22
	Income	Expenditure	Receivables	Payables
	£000	£000	£000	£000
Calderdale & Huddersfield NHS Foundation Trust	0	13	0	0
Care Quality Commission	0	268	0	0
Department of Health and Social Care	141	0	0	190
Doncaster & Bassetlaw Teaching Hospitals NHS Foundation Trust	99	72	232	97
East Riding of Yorkshire Council	0	222	0	0
Guy's & St Thomas' NHS Foundation Trust	0	0	0	0
Health Education England	14,929	342	2,793	453
Harrogate & District NHS Foundation Trust	53	30	10	8
Hull University Teaching Hospitals NHS Trust	3,178	3,845	1,965	2,205
Humber Teaching NHS Foundation Trust	31	0	10	21
Leeds and York Partnership NHS Foundation Trust	0	25	0	0
Leeds Teaching Hospitals NHS Trust	12	417	1	235
Lincolnshire Community Health Services NHS Trust	336	0	148	0
Lincolnshire Partnership NHS Foundation Trust	223	0	130	0
NHS Blood & Transplant	22	1,519	0	28
NHS Doncaster CCG	956	0	0	0
NHS East Riding of Yorkshire CCG	19,761	0	0	23
NHS England	28,881	480	2,046	927
NHS Hull CCG	92,197	145	510	280
NHS Improvement	793	0	0	0
NHS Lincolnshire CCG	51,220	0	0	0
NHS North East Lincolnshire CCG	121,953	66	2	93
NHS North Lincolnshire CCG	128,811	210	63	210
NHS Pension Scheme	0	38,457	0	3,726
NHS Property Services	0	589	0	1,935
NHS Resolution	0	15,639	0	9
NHS Vale of York CCG	778	0	0	0
Norfolk and Norwich University Hospitals NHS Foundation Trust	72	0	0	0
North Cumbria Integrated Care NHS Foundation Trust	87	5	0	0

	2021/22	2021/22	2021/22	2021/22
	Income	Expenditure	Receivables	Payables
	£000	£000	£000	£000
North East Lincolnshire Council	487	784	0	0
North Lincolnshire Council	932	791	0	230
North Tees and Hartlepool NHS Foundation Trust	0	87	0	44
North West Anglia NHS Foundation Trust	60	0	13	3
Northern Care Alliance NHS Foundation Trust	0	263	0	136
Nottingham University Hospitals NHS Foundation Trust	129	145	23	95
Portsmouth Hospitals University NHS Trust	0	14	0	1
Public Health England	0	56	0	0
Rotherham Doncaster and South Humber Mental Health NHS Foundation Trust	350	205	154	29
Sheffield Children's NHS Foundation Trust	66	231	55	189
Sheffield Teaching Hospitals NHS Foundation Trust	533	192	156	112
United Lincolnshire Hospitals NHS Trust	11,215	967	1,293	513
University Hospitals Birmingham NHS Foundation Trust	0	298	0	309
University Hospitals of Leicester NHS Trust	42	28	12	18
York and Scarborough Teaching Hospitals NHS Foundation Trust	0	80	2	85
Other (Total)	111	443	246	390
Total Related Parties	478,458	66,928	9,864	12,594
HM Revenue and Customs (Taxes and Duties)	-	26,326	918	7,895
Other Government Departments	-	26,326	918	7,895
Comparatives 2020/21				
Total Related Parties	450,673	63,373	5,567	7,502
Other Government Departments	-	24,461	707	7,143

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