



Annual Report and Accounts 2022/23

Northern Lincolnshire and Goole
NHS Foundation Trust

Annual Report and Accounts 2022/23

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Chair's Foreword

Thank you for taking the time to read our Annual Report and Accounts for 2022/23.

The year was my first full year at the Trust 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 a single Chair was established a few years ago with the aim to facilitate and foster greater strategic alignment and partnership working. That ambition has been built on and in November 2022 we announced our intention to bring both trusts together in a group model with a Group Chief Executive leading a single executive team. Jonathan Lofthouse joined us in August 2023 as Group Chief Executive and the Group Executive Team was formed in November 2023.

The Group Chief Executive joined at a good time and with NLaG on an upward improvement trajectory. This is shown in a number of ways throughout this report. First, the 2022/23 financial year saw the latest inspection of the Trust by the Care Quality Commission (CQC). The CQC's inspectors saw many improvements since their last visit, and this was reflected in the improved rankings they gave the Trust in many areas. We still have work to do, there is no doubt about that, particularly in the care we give patients at the end of life. However, the report highlights and recognises the great work the Trust has been doing in many areas and I want to thank all our staff for making, and sustaining, those improvements.

Second, our staff are working in some fabulous new facilities. In 2022/23 we opened two superb state-of-the-art spaces to house our emergency departments at Grimsby and Scunthorpe. As I write work is continuing to create Integrated Acute Assessment Units at both hospitals, located where the old A&E departments used to be. Once opened these units will transform, alongside our new emergency departments, our ability to see and treat patients quickly and care for them in a modern environment. We're also finishing off work to refurbish some of our theatres, which will help us meet our challenging waiting list targets. There has also been further 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 was, once again, a mixed picture. Unfortunately, our emergency departments faced continued significant demands throughout the year. This meant that 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 all NHS acute hospitals in 2023/24 and we intend to make every effort ourselves to contribute to that.

Our performance in planned care, where we look to make sure patients get their booked procedures and operations, was much better. We managed to clear all of our longest waiting patients (those waiting 78 weeks or longer) and helped our neighboring hospitals in Hull and York to reduce their numbers of long waiters too. I would like to thank our surgical and diagnostic teams for this work which need to continue in the year ahead.

Another key area for the Trust, has it has been for many years, is stabilising the financial position. You will see in this report that in 2022/23 the Trust managed to deliver its financial plan, something it has now achieved consistently for the past few years. The 2023/24 financial situation looks incredibly challenging for the NHS in general, and for the Trust too. However, the last few years have shown that NLaG can meet these financial challenges and I'm confident we will do everything we can to do so again.

Each and every member of staff plays an important part in running our hospitals and community services. 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 each one of them for their unstinting professionalism in caring for our patients day in, 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. I look forward to reporting our 2023/24 year to you when we will be able to provide more detail on the progress of our Group under Jonathan, our Group Chief Executive, and the Group Executive Team.

Signature:

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

Group Chair: Sean Lyons

Date: 5 December 2023

The Performance Report

Overview

The aim of this overview section is to set out:

- The regional context the Trust operates in
- 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
- A summary of performance for 2022/23 against the national standards.

About the Trust

Northern Lincolnshire and Goole NHS Foundation Trust (NLaG) is a joint acute and community 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. It 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 trust providing both acute and community services for the communities of 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 offers services in three main hospitals – Scunthorpe General Hospital (SGH), Grimsby's Diana Princess of Wales Hospital (DPOW) and Goole and District Hospital (GDH) – as well as in a range of community settings such as health centres, clinics, Louth hospital and in people's own homes.

Regional and health system context

The NHS Humber and North Yorkshire (HNY) Integrated Care Board (ICB) is the statutory organisation accountable for NHS spend and performance in the geographic area covered by the Trust.

The ICB works within the Integrated Care System (ICS) of HNY. This is an area of more than 1,500 square miles with a population of 1.7 million people, all with different health and care needs. It includes the cities of Hull and York and the large rural areas across East Yorkshire, North Yorkshire and Northern Lincolnshire.

The HNY ICB's vision is for people to 'Start well, live well and age well'. This means shifting the focus of its work from picking people up when they fall to helping to prevent them from becoming unwell in the first place and supporting more people to manage their health and wellbeing at home so they can get on with living happy and fulfilling lives.

In its long term plan the ICB set four priorities:

- Helping people to look after themselves and stay well
- Providing services that are joined up across all aspects of health and care
- Improving the care provided in key areas
- Making the most of all its resources

In the 2022/23 financial year the Trust's delivery plan reflected these priorities in many ways and these included:

Tackling health inequalities

The Trust worked within the ICS to develop and then implement plans to put in place the systems, skills and data safeguards that will make effective use of patient data to reduce health inequalities. Some of this work includes:

- Working with NHS public health screening and immunisation services, adopting culturally competent approaches to increasing vaccination and continuing to deliver on the personalised care commitments.
- Working in collaboration with partners in North Lincolnshire, North East Lincolnshire and the East Riding of Yorkshire to agree a common approach to assessing waiting lists and identifying whether patients' ethnicity or where they live impacts on how long they wait. NLaG elective waiting lists are analysed regularly, and current average waits of patients who are Black, Asian and Minority Ethnic (BAME) show no variation against those that are non-BAME. NLaG elective waiting lists have been analysed and this showed those patients living in deprived areas waited the same time as everyone else for their care.
- Divisional performance against related Key Performance Indicators (KPIs) will be monitored through an Executive team led monthly Performance Review and Improvement Meetings (PRIM) process.
- Reducing health inequalities through projects focusing on tobacco and alcohol dependency.

Reducing the size of waiting lists

The Trust worked with the ICB and other trusts in the ICS, particularly HUTH and York and Scarborough Teaching Hospitals, to ensure those waiting the longest times in the Humber and North Yorkshire area were prioritised. The Trust offered mutual aid to Hull and York, which means it carried out hundreds of procedures and operations on some of its longest waiting patients. At the same time the Trust continued to prioritise patients on its own waiting lists through rigorous and regular clinical assessments of the risks they faced.

Cancer

The Trust worked with the ICB and other trusts, particularly HUTH as the cancer centre in the ICB area, to reduce waiting time for cancer diagnosis and treatment. Significant pressures exist in all aspects of cancer service delivery at present, as they have for a number of years. Whilst considerable progress has been made in medical staffing cover, levels remain sub-optimal.

Urgent and emergency care

The Trust worked with the ICB on its two main priorities in this area, to improve the number of patients waiting four hours and less in the Emergency Departments (ED) and to improve ambulance handover times to allow ambulances to get back on the road as quickly as possible.

The Trust's services

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 opened in 1988 which brought together services from a number of scattered sites around the town of Goole. Medical Services include general medicine, elderly, cardiology, rheumatology, gastroenterology, a light treatment service, diabetes and endocrinology, and haematology. Surgical services provided include general surgery, orthopaedics, ophthalmology, Ear, Nose and Throat (ENT), gynaecology and urology. There is also a surgical day case unit, also used to perform urology endoscopic procedures. 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.

During the Covid-19 pandemic, some outpatient clinics were run virtually and this continues. Audiology services are provided by the Surgery division. Family Services provide outpatient consultant-led gynaecology clinics, colposcopy services, hysteroscopy services and a midwifery-led 'Home from Home' unit for low-risk deliveries. A Consultant Led Clinic for Obstetrics is also provided with sonographer input. Consultant led paediatric outpatient activity is also delivered from 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 Magnetic Resonance Imaging (MRI) / Computed Tomography (CT) service. The hospital also accommodates a neurological rehabilitation centre - the Goole Neuro Rehab Centre, which is now managed by the Community and Therapies Division.

Goole hospital also receives an in-patient pharmacy service and out-patient dispensing service from a community pharmacy contractor based within the hospital grounds.

Diana, Princess of Wales (DPoW) Hospital

Based in Grimsby, the hospital is situated on a single site. Built in 1983, it has undergone considerable expansion since then. Projects completed over recent years have provided a centralised fully integrated Operations Centre, Theatres reconfiguration, new CT machine, new MRI, Acute Assessment Unit (AAU), full refurbishment of two medical wards, and new build of key worker accommodation comprising 220 student rooms and self-contained flats. In addition, the redevelopment of the ED was completed in October 2022.

Diana Princess of Wales Hospital provides the full range of district general hospital services, including emergency care, medicine, surgery and critical care, paediatrics, obstetrics, gynaecology, outpatients, diagnostics and therapy services. The hospital has 415 beds of which 109 are for surgery and critical care patients, 198 are for medical patients, and 84 are set aside for women or children.

Medical specialties onsite include the Emergency Department, Same Day Emergency Care (SDEC), Integrated AAU, frail elderly assessment services, diabetes and endocrinology, cardiology (including angiography, cardiac catheterisation, cardiac devices and permanent pacing facilities provided from a purpose-built Cardiology Day Case Unit), respiratory medicine, elderly care, haematology and gastroenterology, stroke services and rheumatology. Oncology, outpatient cardiothoracic surgery, plastic surgery and renal medicine are provided by visiting consultants from HUTH.

Surgical specialties on site include trauma and orthopaedics, anaesthetics, critical care, general surgery, urology, ophthalmology, ENT and maxillo-facial. The theatre suite provides eight fully equipped theatres each with its own anaesthetic room and two theatres dedicated to orthopaedic use (both with ultra clean air facilities). One theatre is dedicated to emergency work and staffed at all times.

A separate session is reserved each day for acute trauma cases, including weekends. Patients requiring admission are admitted to Integrated AAU and streamlined to a speciality ward dependent on capacity. Some emergency mobile patients, if they meet a set criteria, are streamed up to the Same Day Emergency Care (SDEC) Unit.

Family Services, where we provide maternity and paediatric services, are located in an estate comprising of maternity wards, a gynaecology ward, dedicated obstetric theatres within the maternity unit, Paediatric and Neonatal in-patient areas, and the Child Development Centre. Complementary to this is the community midwifery service that operates across a number of satellite locations in North East Lincolnshire we provide encompassing care to women and their families throughout the area, including East Lindsey. Our breast imaging and diagnostic service is run from our dedicated unit called the Pink Rose Suite.

Emergency/acute paediatric services are provided through the Emergency/acute paediatric services are provided through the dedicated Paediatric Area within the ED and the Paediatric Assessment Unit located in the Paediatric Ward.

This is supported by a neonatal unit and children's ward, caring for medical and surgical patients. Four designated beds are provided for babies requiring transitional care within the maternity unit. We have a range of outpatient clinics, providing general paediatric clinics to specialist paediatric clinics. During the Covid-19 pandemic, some outpatient clinics were run virtually and this continues. 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, which has received accreditation from the Joint Advisory Group [JAG] showing it has demonstrated that it has the competence to deliver against the criteria set out in the JAG standards; and radiology with plain film, ultrasound, nuclear medicine, CT and MRI. Medical physics provides neurophysiology, respiratory physiology, urodynamics and medical illustration. The hospital also hosts the Path Links hub laboratory for blood sciences. Community and Therapy services provide a wide range of support for in-patients, out-patients and throughout the community covering physiotherapy, occupational therapy, speech and language therapy, nutrition and dietetics, wheelchair services, orthotics, podiatry, psychology and community dental.

The Assisted Living Centre operates on site and provides a fully refurbished centre for the assessment and provision of aids and adaptations. A satellite outpatient service in rehabilitation medicine is provided from premises in the nearby town of Brigg. Pharmacy services are delivered from an out-patient dispensary (delivered by Lloyds Pharmacy), an inpatient dispensary and a centralised Aseptic Services Unit (serving both DPOW and SGH). Medicines stocks are received from the centralised pharmacy store on the Scunthorpe site. The Trust medicines information services are also located on the Grimsby site. From October 2021 the outpatient Neurology service transferred over to HUTH, all the outpatients were transferred onto the HUTH patient admin system and the service is now managed by HUTH but delivered at two NLaG hospital sites.

Scunthorpe General Hospital (SGH)

Scunthorpe General Hospital (SGH) was first built in the 1920's and occupies a site surrounded by residential properties. The site has expanded over time with modernised structures attached to original buildings. Recent developments completed include a new (accredited by the Joint Advisory Group on GI Endoscopy) Endoscopy Unit and Lower gastro-intestinal Unit, a new General Practice (GP) / Urgent Treatment Centre (UTC) facility and CT. Schemes currently under construction or in development include incorporating a CT scanner into the new Emergency Department (ED), redevelopment of the ED and to add a geothermal ground source heating system.

SGH provides the full range of district general hospital services, including an ED, medicine, surgery and critical care, paediatrics, obstetrics and gynaecology, outpatients, diagnostics and therapy services. The hospital has 386 overnight beds of which 95 are for surgery and critical care patients, 211 are for medical patients with access to escalation beds when required and 80 are for Family Services' patients.

Medical specialties on site include the ED, SDEC, frail elderly assessment services, acute assessment unit, diabetes and endocrinology, cardiology (with facilities for angiography, cardiac catheterisation and pacing), respiratory medicine, elderly care, 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 HUTH.

Surgical specialities on site include trauma and orthopaedics, anaesthetics, critical care, general surgery, urology, ophthalmology, ENT and maxillo-facial. The hospital is equipped with six main theatres, including one theatre dedicated to trauma and orthopaedic use (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.

Family Services in SGH provide the maternity pathway using a traditional service model comprising antenatal/postnatal clinics, dedicated Central Delivery Suite, maternity theatre and a dedicated antenatal / postnatal ward. Gynaecology is provided through a range of outpatient clinics and an inpatient ward facility. During the Covid-19 pandemic, some outpatient clinics were run virtually and this continues.

Acute/emergency paediatrics is provided by specialist nurses in the ED in conjunction with doctors. The children's ward staff works closely with the ED staff assessing and receiving medical and surgical patients ensuring the pathway is seamless. An inpatient paediatrics service is provided caring for children aged 0 to 16 years, supported by a community service. A neonatal intensive care unit is based close to the Central Delivery Suite allowing easy access for mum to baby. There are 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 hosts the Path Links hub laboratory for blood sciences. Community and Therapy services provide a wide range of support for inpatients, outpatients and throughout the community covering community nursing (operating across three networks), 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. Pharmacy services are delivered from an out-patient dispensary (delivered by Lloyds Pharmacy), an in-patient dispensary and a centralised pharmacy store (receiving the majority of medicines deliveries for the Trust then storing and distributing medicines stocks to all 3 sites). There is a degree of automation with an on-site pharmacy robot.

Trust financial position

Since 2018 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 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 Oversight Framework (see Chapter Two – The Accountability Report). Trusts in the RSP are supported and held to account to deliver sustainable changes in their financial and/or quality position. On 31 March 2023, at the end of the 2022/23 financial year, the Trust was in the RSP for both finances and quality. The Trust exited the RSP in May 2023.

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 (NHSE)
 - CQC
 - Department of Health and Social Care
- Regional bodies like:
 - The HNY ICB, and the Place Boards and structures related to it
 - The Acute Collaborative, an association of the four acute trusts in the HNY ICB area
 - The Cancer Alliance
- Three local authorities, and their health overview and scrutiny committees:
 - North Lincolnshire Council
 - North East Lincolnshire Council
 - East Riding of Yorkshire Council
- Other health services:
 - Mental health providers
 - Other acute trusts, especially Hull University Teaching Hospitals
 - GPs
 - Community providers
 - Voluntary sector and other third sector organisations
- Education institutions:
 - Hull York Medical School (HYMS)
 - Universities
 - Apprenticeship providers
 - Health Education England
- Professional bodies:
 - British Medical Association (BMA)
 - Nursing and Midwifery Council
 - Royal Colleges
- Trade unions
- Other emergency services

Strategic Framework 2019-2024

Five years ago the Trust Board spent much time discussing the Trust's purpose and strategic objectives. These conversations 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 (PCNs) and the ICB across the area served by the Trust.

In 2018/19 the Trust published its strategic framework. The framework sets out the Trust's 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.

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

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 good 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

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, which provide urgent medical help when it is not a life-threatening emergency
- 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 PCNs. 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 (HASR) 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 2022/23

CQC inspection report published

The Trust received an overall rating of 'requires improvement' for its services following an inspection by the Care Quality Commission (CQC) in June and July 2022.

Published in December 2022, the CQC's report recognises efforts to improve leadership, culture, safety, complaints and to tackle our waiting lists. Inspectors said they saw many good examples of patients receiving compassionate care, with staff ensuring patients privacy and dignity was maintained and it was evident that staff worked hard to achieve the best possible outcomes for people throughout the services they inspected.

The CQC found 'outstanding practice' in our diagnostic imaging services, recognised improvements in many services, including A&E, maternity and surgery, and raised the rating to 'Good' for all our outpatient services, Scunthorpe's diagnostic services and the whole of Goole hospital. The inspectors reported staff feel more valued, respected and supported compared to the previous inspection and noted most people were happy with the care provided.

The Trust is no longer rated 'Inadequate' for safety in any of its services and has maintained its 'Requires Improvement' rating. SGH and the DPOW in Grimsby are both rated 'Requires improvement' and GDH is rated 'Good' overall. The Trust's community services were not inspected on this occasion.

The CQC grade our services across our three hospitals in 112 'service domains'; we saw improvements across 35 of these 'service domains' and saw a reduced grading in only 2. The CQC inspection covers five areas; Safe, Effective, Caring, Responsive and Well Led. At a Trust level Caring is 'Good' across the board and Safe, Effective, Responsive and Well Led are rated 'Requires Improvement'. The inspection took place in June and July 2022 and was part of the CQC's regular inspection regime. The full report is available on the CQC website: <https://www.cqc.org.uk/RJL>

Moving to a group structure with Hull University Teaching Hospitals

In November 2022 the Trust Board at NLaG took a decision to progress work to create a group structure with HUTH. NLaG and HUTH have a strong track record of working together to ensure the stability and sustainability of clinical services. The boards of both trusts are keen to extend this partnership more formally and so developed a proposal that will deliver significant benefits for both organisations, staff and, most importantly, patients across the Humber region. The rationale behind this decision is that, in the current climate, both trusts face some common challenges which can best be addressed by working together in a different structure.

These challenges include:

- Recruitment and retention of staff
- Provision of modern and well-resourced patient environments
- Timely access to services for patients with long waiting times in some specialties

The boards of both trusts decided to develop a group leadership model for our hospitals, where both trusts maintain their individual sovereignty. This means both NLaG and HUTH would continue to have separate boards, CQC registrations, financial accounts and accountability for performance but would have a shared governance approach and a single executive team, with one Group Chief Executive, leading both organisations.

At the end of the 2022/23 financial year the Trust was working through what the governance arrangements for the Group might look like. Jonathan Lofthouse started as Group Chief Executive in August 2023 and began the work to formalise the group's governance arrangements.

Building our future – progress with capital investment

Providing our patients with excellent standards of care will always be our top priority. However, to do this, it's vital that we have the right facilities, equipment, and environment in which to provide that care.

One of the biggest challenges we face at NLaG, is that of our 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 £101 million programme of works to build bespoke new facilities and refurbish other areas of our sites.



Over the last 12 months we have made significant progress, investing more than £35 million in the construction of new EDs in both Grimsby and Scunthorpe.

Not only are these units (see photograph left) twice the size of those they replace, helping us to meet the growing demand for our care, but our clinical teams have been involved in the design and build from the very beginning.

In doing so, they have ensured that everything from the layout of the building to the location of equipment has been designed around what is best for our patients. For example, the increased footprint of these new departments has enabled us to significantly increase our Ambulance Handover and Rapid Assessment areas, so that emergency patients can be quickly seen and assessed by senior clinical staff, and we are able to release ambulance crews back out into the community in a timelier way. We have also doubled the number of resuscitation bays available and transformed the layout and design of the area to ensure that not our staff are able to easily monitor these patients at all times.

Work is now underway on the refurbishment of our former EDs to convert them into AAUs and SDEC provision, with both expected to open later this year.

Over the last year we have also completed a series of smaller schemes, which are providing significant benefits to our patients. At Grimsby we have fully upgraded our oxygen supply system, replacing the aging structure we previously had in place with a modern system that allows us to provide a consistent strong level of flow across the site. We have also installed state-of-the-art digital X-ray equipment, created a new lung function testing area, and a second CT scanner is now operational in our ED.

In a further boost to our diagnostic facilities, we have created a new Gamma Camera facility, upgraded and refurbished our mammography unit. We have also refurbished our mortuary – creating a more appropriate space for grieving relatives, as well as refurbishing and increasing the capacity of the mortuary itself. The Projects team has also overseen the demolition and removal of the temporary building which once housed our Critical Care Unit, and improved the safety of all patients, staff, and visitors to the site, by installing a new fire alarm system.

There have also been significant improvements made on our Scunthorpe site, not least the full refurbishment of Ward 25, which has been transformed into a light and airy space, purpose built to limit the spread of infection. It now comprises 14 single, ensuite rooms – including two isolation rooms, complete with their own lobby – and every patient, in every room, is visible to our clinical staff, helping us to monitor their care more easily.

We have fully refurbished our fluoroscopy facilities and installed new equipment; new Maxillo Facial facilities have been installed to boost our dental services, and we have replicated the mortuary improvement works being done at Grimsby too.

Digital future

Our Digital Services team is also constantly striving to improve the lives of our patients, their families, and our staff through the use of improved data and technology. By providing our frontline clinical teams with better access to the information they need, they are helping to make our services more efficient and effective, improving the overall experience for our patients. A key factor in meeting these ambitions is increased collaboration with our neighbouring trusts – particularly 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 plans and that is why we're currently working on a number of large-scale digital improvements in partnership with HUTH. Under the leadership of our Group Chief Information Officer, Shauna McMahon, we are continuing to work on a number of projects which will not only allow us to provide seamless care but also to make the best use of our financial resources.

These include an upgrade of our Patient Administration System (PAS), implementing a shared system across both trusts that allows clinicians to instantly access and share the latest information, and the digitisation of our Maternity care information, bringing in a system that will be used across our region to enable care providers and parents to access their information via a single online platform. Within our hospitals, we are bringing in a new Single Sign On system for our clinical teams, providing them with 'tap and go' smartcard access to our systems, reducing the amount of time it takes to log in and access vital information.

Our teams also now have access to an intuitive new self-service portal, which provides them with the support they need to get themselves up and running again when simple things go wrong with their IT equipment, as well as direct access to specialist technicians for more complex issues. We have also boosted our IT Security, introducing Multi Factor Authentication to protect our systems, network and data.

Caring for our planet

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 - and reducing carbon emissions has significant health benefits, as poor environmental health contributes to a number of major diseases, including cardiac problems, asthma and cancer. 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.

As a result of removing the outmoded coal-fired boilers at our Goole site, and replacing them with a more sustainable gas CHP system – combined with other



energy saving measures such as improved windows, insulation, and LED lighting – in the first six months of operation alone we:

- Reduced our net energy usage by 465,771 per kilowatt hour (kWh). Including a 53% reduction in imported grid electricity due to the CHP
- Saved 306 Tonnes of Carbon Dioxide (CO₂) - a 48% reduction for the site
- This also equates to a cost saving/avoidance of £78,168

Humber Acute Services programme

The Humber Acute Services (HAS) Programme is about designing hospital services for the future that will meet the needs of our population now and in the long term. Our ambition is to provide the best possible care for our communities, to make the most of the opportunities that new technology and different ways of working can bring and to design the future with input from those who work in and use the services provided by our hospitals.

The Programme is looking at how best to organise the acute hospital services that are currently being provided on the five main hospital sites in the Humber area:

- Diana Princess of Wales Hospital, Grimsby
- Scunthorpe General Hospital
- Goole and District Hospital
- Hull Royal Infirmary (HRI)
- Castle Hill Hospital (CHH)

Engagement work undertaken during 2022/23

During 2022/23, we have continued to involve patients, members of the public, staff, and other key stakeholders in a variety of ways. This has included, sending regular staff, partner and stakeholder newsletters, publishing and promoting the findings from surveys, and responding to questions raised.

Engagement activities also included evaluation workshops involving patients and service-users, clinicians, staff and partners across the health and social care sector, local authorities, voluntary and community sector organisations, the public and their representatives. In addition, staff drop-in sessions took place across different hospitals to ensure staff could ask questions about and influence the developing proposals. We also took part in engagement events across Lincolnshire's coastal villages and towns, where many people who access our services live, to hear from women who have used maternity services and to learn about their experiences.

Throughout the year, the team has also been speaking with the public, patients and staff to refresh our Equalities Impact Assessment (EQIA). The feedback provided has helped us to refine our plans and potential options for change by understanding how any future changes to hospital services could impact communities and individuals who already face disadvantages and health inequalities. This work will also help us to show how changes to services could help to address existing health inequalities and improve outcomes for people in our communities.

Since the programme launched in 2018, we have engaged with more than 12,000 people and are committed to ensuring this process of listening continues throughout all stages of the programme.

Evaluation of Potential Models of Care

The evaluation of the potential models of care has been led by clinicians, based on evidence and influenced by the involvement of a wide range of stakeholders.

A comprehensive evaluation process has been adopted to gradually narrow down the possible solutions, identify those that are most able to address the issues identified within our Case for Change [https://humberandnorthyorkshire.org.uk/wp-content/uploads/2020/02/HASR-Long-Case-for-Change_Final-for-Publication.pdf] and provide the best possible solutions for our population.

The evaluation process and the models were evaluated by the Yorkshire and Humber Clinical Senate in their most recent review that took place in February 2023. The Senate provided assurance that the approach undertaken was robust and the models of care developed represent an improvement to the quality and sustainability of services across the region. Their findings were published on their website.

Public consultation

The public consultation started in September 2023. The consultation will end on 5 January 2024. Further information about the Humber Acute Services Programme and the consultation is available at: <https://humberandnorthyorkshire.org.uk/our-work/humber-acute-services-review/> and www.betterhospitalshumber.nhs.uk.

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, Lucy Skipworth reflects on the work of the charity in the 2022/23 financial year below.



The new EDs are now open at Scunthorpe and Grimsby hospitals. We were very pleased to raise £60,000 (£30,000 per site) through a fundraising appeal. This funded patient improvement enhancements in the departments, including mobile phone charging points that patients and visitors can stay connected with loved ones, mobile gaming units and interactive floors (see photograph above) 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. This funding came from both public and staff fundraisers, including personal and corporate donations and special events. So, I'd like to say a big thank you to all of you who have contributed to and supported this appeal.

We have also supported a number of great causes across our hospitals. We have funded a £76,000 fusion biopsy machine from our charitable funds, which is helping our Urology team provide a new diagnostic test to help detect prostate cancer. We have also invested more than £30,000 to create a new sensory room in the Child Development Centre (CDC) at Grimsby hospital. The room benefits children with additional needs.



Over the Christmas period, we offered every patient spending time in hospital individually-wrapped, embroidered, fleecy blankets. We have also granted a number of wishes for staff. These range from equipment for clinical areas to radios for wards. The most

important thing is everything we fund helps improve patient experience. Our supporters and fundraisers continue to raise funds for the hospital. This includes events such as a charity cricket match (pictured above) and charity fashion shows, and donations from the Sea View Cancer Charity Shop in Cleethorpes. Scunny Bikers continue to put smiles on the faces of the children on Disney Ward at SGH through their annual Easter and Christmas visits.

Kris Weavill, Diagnostic and Imaging Systems Manager (pictured on the right here), live streamed himself playing popular video games, Minecraft and Surgeon Simulator 2, in the Radiology department at Scunthorpe. He raised more than £1,000, which will go towards a system which will improve the experience of patients having an MRI. You can read all about fundraising efforts on our website.



Moving forward, we continue to raise funds for our Little Lives appeal, which will help improve our children's services.

None of this would be possible without your support and the contributions of our local public in helping us to raise funds, so I would like to say a huge thank you to all of you who have helped us.

There is always room for more, so if you have not already done so, may I urge you to acquaint yourself with the HTF, to find out what they may be able to do to support you and, of course, vice versa!

Group Chief Executive's performance statement

I started as Group Chief Executive in August 2023. As such this performance report looks back at a year when I was not the Accountable Officer for the Trust. I have set out below the performance as reported to the Trust Board in various papers. Before I do that I would like to thank the Trust's staff, patients, partners, volunteers, Governors and Non-Executive Directors for their warm welcome since I joined as Group Chief Executive in August 2023. There is no doubt whatsoever that NLaG is on an improving trajectory, as this statement sets out, and I would like to thank everyone involved in making that happen.

As set out in the Trust's Annual Reports for 2020/21 and 2021/22 recent years have been very challenging for the NHS, primarily because of the Covid-19 pandemic. Whilst 2022/23 did not have that same type of complexity, it was, yet again, a very tough year. As with all acute trusts, we were faced with two competing priorities: 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 priorities as well as a number of other priorities we set ourselves at the start of the year. I will say straightaway that, while there has been progress, in urgent and emergency care in particular, we would have liked to have done much better. We did everything we could to make sure patients remained safe and received the care and treatments they needed as quickly as possible, however I offer our sincere apologies that our patients and their families have been waiting longer than they should for their care in a number of cases.

The response of all of our staff to these challenges has been magnificent. Their care and compassion shone through time and time again. Their ability to come to work day in and day out showed remarkable levels of courage, resilience, and motivation. In our regular communications to staff we tried to thank them as much as possible – they truly earned all that appreciation, and more. We 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.

Recovering services after the Covid-19 pandemic

The Trust was well on target to deliver the government target to see all patients waiting 78 weeks or longer, as well as reduce the waiting lists for those waiting less time than this. However, as the Trust increasingly works in a collaborative way, we worked with other local hospitals, particularly those in Hull and York, so patients waiting the longest times to be seen at those sites were treated ahead of those waiting for less time. This is known in the NHS as providing mutual aid. In 2022/23 the Trust treated more than 1,000 patients through mutual aid, which had an impact on this Trust's waiting times. However, the Trust did manage to meet the government target of having no patient wait longer than 78-weeks by the end of March.

In Urgent and Emergency Care, which includes the Emergency Department (often known as A&E), there was an increase of 18% in attendances at Grimsby and 10% at Scunthorpe, an unusual rise compared to neighbouring hospitals. These increases in attendances, along with difficulties in discharging patients in a timely way, meant more patients than we would want had to wait longer than four hours for care and assessment and far too many had to wait longer than 12 hours for admission. I would like to apologise to all those patients who found themselves in that situation. The high numbers of patients in the Emergency Department meant that there were times when there was no more space for new patients and meant ambulances could not release patients quickly. During 2022/23 the Trust managed 25% of ambulance handovers within 15 minutes and 53% within 30 minutes.

The Emergency Department teams and paramedics worked together to make sure those patients were safe and checked regularly, however this was not an acceptable experience and I would like to apologise to all of our patients who found themselves having to wait in an ambulance for a long period of time. The opening of our new EDs in July 2022 at Grimsby, and in early 2023 for Scunthorpe, did help and definitely improved the experience for both patients and our staff.

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 2022/23 was making sure we focused our effort on recruiting new staff and ensuring our current staff had 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 1,960 new staff started in the year, an increase on the 1,700 new staff who started in 2021/22.

After a thorough assessment of how many staff the Trust needed to care for patients, a decision was made to increase the establishment (the number of staff required) by 244 whole time equivalents (WTEs) in April 2022 and this impacted on the number of vacancies the Trust reported. This primarily affected clinical roles, with increases in establishment for registered nursing (113 WTE), unregistered nursing (81 WTE), and medical staff (18 WTE). Although the vacancy position does not appear to have reduced in year because of these increases in establishment, there were significantly more substantive staff in post in March 2023 compared to April 2022. These include registered nurses (100 WTE more staff in post), unregistered nurses (122 WTE more staff in post), and medical staff (25 WTE more staff in post).

These increases were achieved through various projects including:

- International nurse recruitment – NHSE targets for this were exceeded with 91 starting by December 2022
- Newly Qualified Nurse recruitment – we delivered more than our internal target with 89 starting in-year
- Innovative recruitment process for Health Care Assistant (HCA) recruitment, including New to Care candidates, recognised regionally and nationally as best practice, with large numbers appointed on an ongoing basis to maintain a pool of candidates for quicker deployment.

As well as direct recruitment the Trust undertook other work to recruit and develop staff. This included introducing: Registered Nurse apprenticeships, as part of a new nursing career pathway; Medical Specialist roles; Medical Support Workers; and apprenticeship roles introduced for allied health professionals. To improve retention the Trust made changes to increase flexible and hybrid working opportunities, in clinical and non-clinical roles, for new starters, which are regularly requested by current and new staff.

The Trust also continued to support staff health and wellbeing through a number of projects: health and wellbeing sessions have been developed and are included in both the People Leader Induction and Core Skills training; Swartz rounds have been developed and launched across the Trust for continuous support and development; significant engagement work has been carried out through a range of Wellbeing Hub Events and mobile Hub visits, with around 1,000 conversations having taken place; Scunthorpe and Grimsby onsite counsellors have been introduced to give staff access to quick access support.

In terms of leadership the Trust launched its three-strand Leadership Development Strategy at the end of 2022, which focused on:

- People Leader Induction: a series of workshops and online or face to face sessions that provides all the key information necessary to thrive in their first 90 days in the Trust
- People Leadership Individual Development Assessments (LIDA) – individual assessment to highlight personalised development pathway leading to self-directed learning
- People leader pathway – a blended programme of online and face to face courses for leaders to develop skills across all management and leadership competence
- Leadership and management qualification and apprenticeships access
- Values-based leadership development programme: piloted in December 2022 to April 2023. The programme will continue throughout 2023 with six more cohorts with a full roll out at a rate of one cohort a month in 2024 onwards.

Quality and safety

When it comes to priorities, the quality of our services and the safety of our patients are absolutely paramount. The Trust was inspected by the CQC in July 2022, with a report provided to the Trust in December 2022. As a consequence of the inspection report recommendations, a new action plan has been developed with progress being taken forward through the action plan assurance processes.

Historical action plan points have been through a compare and contrast exercise of the 2019 and 2022 inspection reports, resulting in a consolidated action plan, with closure of several actions assured through positive feedback from inspectors.

At the start of 2022/23 we set ourselves a number of key objectives to ensure we made progress in these crucial areas. I am pleased to report we made some good progress on the six quality priorities we set ourselves for 2022/23:

1. Mortality Improvement - focusing on care for those patients at the end of life. The number of patients dying within 24 hours of admission to hospital has decreased year on year from 249 in 2020/21, to 201 in 2021/22 and 193 in 2022/23. However, we need to do more work to reduce the number of emergency admissions for people in the last three months of life where there has not been a statistically significant change over the past two years. Case reviews of patients who die within 24 hours of admission or who are admitted to hospital in the last three months of life have been undertaken alongside community and primary care partners to discuss the quality of care provided and identify gaps in provision of services or pathways that could have enabled patients to die in their preferred place. This work continues and requires further collaborative work with our partners to avoid admission, with end-of-life recognition and support requirements.

There has been a significant sustained improvement in the Trust's overall Summary Hospital-level Mortality Indicator (SHMI). The SHMI is the ratio between the actual number of patients who die following hospitalisation at a Trust and the number that would be expected to die on the basis of average England figures, given the characteristics of the patients treated there. The latest data (12-month period up to November 2022) shows the Trust at 101.35, which is within the 'expected range' and at rank 60 of the 121 acute NHS trusts in England. The Trust continues to focus on improving end of life care, including a Quality Improvement Always Event in March 2023, which engaged frontline clinicians in articulating change ideas focused around:

- The quality of ReSPECT documents which support appropriate ceilings of escalation and preferred place of care
- Appropriate use of the Last Days of Life pathway which underpins evidence-based care
- Timely recognition of end of life
- The themes and learning identified from this work will be carried forward and developed further in 2023/24 as part of the Trust's End of Life Quality Priority and on-going quality improvement projects.

2. Identifying and treating any deteriorating patients and responding with timely treatment. The Trust achieved its target for adult observations recorded on time with a mean of 90.55% and a median of 90.69%. However, there was statistically significant change for paediatric observations recorded on time. The paediatric target was met or exceeded for six out of 12 months and achieved 100% in August 2022. However, overall, there was no statistically significant difference, and it remained below target, with 75% recorded in March 2023 and April 2022. The mean value was 84.37% and the median was 86.62%.

3. Identifying and treating patients with sepsis and responding with timely treatment. More work is needed in this area as the Trust did not meet the targets for: screening patients for sepsis or documenting that treatment had begun for patients who showed deterioration through the sepsis screening tool.

4. Medication safety and improving the recording of patient weights, reduce medication omissions and improve appropriate antibiotic prescribing. There was an improvement in the electronic documentation for the recording of patient weights on the Trust's electronic medication system although more work still needs to happen. The Trust did see a reduction in medication omissions without a valid reason for ward areas using an electronic system and also a reduction in patients prescribed an antibiotic, although this is only back to the level achieved in June 2021 so more work is still needed.

5. Responding to 70% of Patient Advice and Liaison Service (PALS) queries in five days by the end of the year and improve response rates in the Friends and Family Test (FFT) so we better understand what our patients want. Around 63% of PALS concerns Trust wide were closed within timescale in March 2023 compared to 62.5% in April 2022 so little improvement has been seen.

Although the FFT response rates have not increased in line with the Trust's ambitious targets, overall, the Trust FFT response rate has increased by 51% between September 2022 and February 2023.

6. Safety of Discharge - focusing on seamless safety across organisation boundaries, by improving the timeliness of discharge letters and helping ensure hospital beds are for those who need them by improving the speed of discharge once a patient is well. The Trust exceeded its target to improve the timeliness of discharge letters and also the target to send an Outpatient Clinic Summary to the patient's General Practitioner within seven days of the appointment. The Trust delivered an improving position for the proportion of patients in hospital for 21 days or longer.

The Trust continued to implement its Trust-wide Quality Improvement (QI) collaborative approach, with a particular focus on the use of the discharge lounge, document reassessment of pain, and the number of staff trained in QI methodology. The use of the discharge lounges at DPOW and SGH has increased from 13% of discharged patients to 30%.

Pain assessment and reassessment can now be demonstrated through documentation on the Trust's digital systems, with rates of documentation moving from 32 per week, to an average of 557 per week. Around 650 staff have been trained in QI; of these staff, 377 accessed Applying QI, and 214 accessed Introduction to QI. The Medical and Dental staff group accessed the most training, 327 of those being training doctors from both NLaG and the wider health system.

The Trust also made progress in:

- Maternity services - following publication of the Ockenden Report Part 1 and new actions following the publication of the final report (Part 2). All actions from Part 1 were completed, as were the immediate actions required from Part 2.
- Infection Prevention and Control (IPC) - the Trust maintained better than average performance across all alert organisms, with top quartile performance on C-difficile and zero cases of Methicillin-resistant Staphylococcus Aureus (MRSA) bacteraemia.

Health inequalities

In partnership with the ICB and others we worked together on activities to start to reduce pre-pandemic and pandemic related health inequalities. This included using waiting list data to measure access, outcomes, and experience for BAME populations and those in the bottom 20% of Index of Multiple Deprivation (IMD) scores. Our patient services team are working on improving data quality to improve both the quantity and quality of data collected on BAME patients seeking and receiving the services we provide.

We have also carried out some targeted work on patients who have alcohol dependency and are from North East Lincolnshire (which has been identified as an area of additional need) to provide support to manage and improve their health in the long term. This includes recruiting a Care Navigator to support the team and, therefore, increasing the clinical time available to patients. Similarly, our work has continued to provide additional support and treatment to tobacco dependent inpatients, high risk outpatients, and pregnant women under our care.

We provide vaping starter kits to patients accessing our services who have opted for 'Swap and Stop' support. This is incorporated into the government's ambition to provide one million smokers with starter kits to accelerate the 2030 target of reduce smoking prevalence to 5% or below.

Tobacco dependency treatment services to support patients admitted to our hospital sites via wards and assessment centres have been fully established and we have also enhanced our Trust offer to support staff who want support to quit smoking. This has been implemented across the Trust hospital sites as a pilot and will run until 31 March 2024. This staff offer provides Nicotine Replacement Therapy, vaping starter kits and behavioural support from trained Smoking Cessation Advisors. The emphasis of the staff offer is on manual staff but referrals are also taken from all staff groups. This includes an offer of support to all new starters via occupational health.

Another stream of work has been looking at the experience of BAME women as well as women from our most deprived communities in our maternity services. Unfortunately, these women are more likely to experience poorer outcomes. Our initial focus has been on trying to reduce tobacco dependency in these women. Our data shows this has had a positive impact with a downward trend in pregnant smokers.

Collaboration and strategic service development and improvement

At the start of the 2022/23 financial year we set out to align further our organisation and services with those of Hull University Teaching Hospitals NHS Trust (HUTH). In November 2022 we announced plans to create a Group structure, and more about this is set out elsewhere in the Annual Report.

Our work on the Humber Acute Services continued and at the end of March 2023 we were close to finalising the Pre-Consultation Business Case (PCBC) with the plan to consult with the public on potential changes in Autumn 2023.

We continued to engage with all the relevant parts of the HNY ICB as well as, with partners, within the ICS to develop our approach to population health management and prevention. This will allow our population to play a more proactive role in promoting good health, targeting interventions at those groups most at risk, supporting health prevention and treatment.

Estates, equipment, and digital capital Investment

Over the past few 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 through the pandemic and whilst we were doing everything we can to recover services after the pandemic. My thanks go to all the teams involved in this work which is really starting to take shape across our hospitals. In 2022/23 this work included:

- Completion of the new EDs at both Grimsby (DPoW) and Scunthorpe (SGH), which are now operational, offering significant improvements to the urgent and emergency care facilities at both sites. Work is now ongoing to convert the old A&E areas into new facilities [around £63 million overall]
- Full refurbishment of Ward 25 at SGH, creating a fully modernised single room ward environment improving the patient experience whilst having medical treatment, in line with improved infection control guidance [around £2.7 million]
- Completion of the replacement of the failing Fire Alarm System at DPoW, providing a safer environment for patients and staff throughout the entire hospital [£4.5 million]
- Installation of a new Gamma Camera suite at DPOW, improving the diagnostic capabilities available at the Grimsby site [£1.7 million including new equipment]
- Refurbishment of Theatres 7 and 8 at DPOW and Theatre A at SGH and upgrades to the electrical critical infrastructure serving the SGH Theatres, enabling increased capacity to address the backlog in elective surgery [£6.8 million overall including the electrical works]
- Critical Water Infrastructure Works to address the concerns over the condition of the fresh water reservoir at the Scunthorpe site [£730,000]
- Fire Door Surveys and the commencement of fire door replacement work at SGH, improving the fire safety of the site [£350,000]
- Refurbishment of the Maxillo Facial Rooms at SGH [£300,000]
- Refurbishment and installation of new equipment into the Fluoroscopy facility at SGH [£630,000 including equipment]
- Improvements to the Mammography facilities at DPOW [£800,000 including some funding from the Health Tree Foundation]
- Completion of the final phase of oxygen replacement works at DPOW, concluding the major multi-year project to improve oxygen flow rates and resilience at the DPOW site [overall value £1.9 million]
- Installation of additional refrigerated body storage in the mortuaries at SGH and DPOW, along with replacement of floor finishes, to meet new requirements [£600,000]

- Provision of a fully accessible 'Changing Places' toilet facility at SGH [£200,000], in conjunction with North Lincolnshire Council. Changing Places are toilet facilities fitted with specialist equipment including a hoist and changing bench, for use by children, young people, and adults with profound or multiple disabilities. They also provide sufficient space for carers to assist.
- Chiller replacement works at SGH and DPoW, including the replacement of the Endoscopy chiller at SGH [c.£190,000]
- Replacement of the Fire Alarm system at the Scunthorpe site has also commenced, a £5.5 million project which is due to continue into the 2024/25 financial year
- Overall delivery in full of the Capital Allocation for 2022/23.

Unfortunately, we were told that in spring 2023 that our £720 million Expression of Interest to be part of the National Hospitals Programme (in partnership with HUTH) was unsuccessful. We have now started discussions to assess other ways of securing essential funding to develop new estate to care for our patients.

As well as our physical estate the Trust invested in new digital equipment and systems to improve efficiency. This work included:

- Completing the digital projects initiated in 2021/22 – PAS, Data Warehouse and implementation, Robotic Process Automation (RPA) of SSO, internal system integration and WebV enhancements. The Lorenzo PAS migration project is in full flow, with a planned completion date of Quarter 4 of 2023/34. The Data Warehouse upgrade to data as a service has a planned completion date for the primary data feeds which are linked to the PAS go live date. Secondary data feeds are being delivered in a phased approach to delivery
- Digitising Health Records as a priority, followed by corporate paper processes to support paper-lite/paperless working (including introducing an Enterprise Document Management System during 2022/23 and 2023/24)
- A draft business case for Enterprise Content Management has been created and the Trust is working with a partner to finalise the return on investment case. A supplier is providing expertise to assess the detail around health records services across both NLaG/HUTH and reviewing/updating the financial/economic elements of the business case
- Working with national and regional teams to implement mandated system level digital solutions (e.g. Maternity IT system, Eye Referral System, Diagnostic Hubs, and Electronic Patient Record)
- Maternity system project underway with delivery dates planned to complete in February 2024
- Collaborating with acute partners in the ICB area to improve access for clinicians to clinical information through digital interoperability between trusts and by supporting digital processes.

Finance

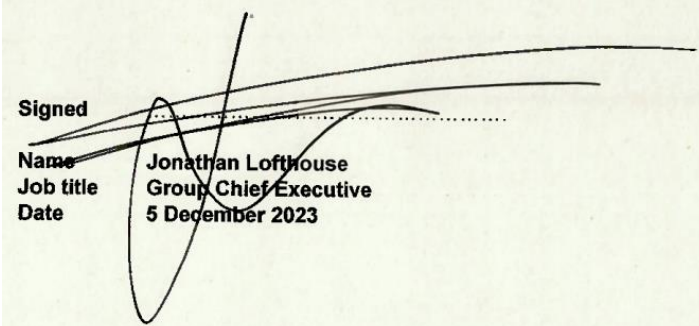
I am pleased to report the Trust delivered its 2022/23 Financial Plan, reporting an adjusted surplus of £46,000. The Trust marginally underspent on its Capital limit in the financial year with additions totalling £44.7 million. Since 2018 the Trust has been under additional regulatory supervision regarding the management of finances. This was previously known as Financial Special Measures, although this changed to the 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 Oversight Framework. Trusts in the RSP are supported and held to account to deliver sustainable changes in their financial and/or quality position. On 31 March 2023, at the end of the 2022/23 financial year, the Trust was in the RSP for both finances and quality. The Trust exited the RSP in May 2023.

The NHS Green Agenda

The Trust approved the NLaG Green Plan and Travel Plan 2022/2025. We will continuously strive to challenge every member of Trust staff, our partners, suppliers, and wider stakeholders to play their part in the Net Zero Carbon and Green agenda. We are committed to the Clean Van Commitment; our internal van fleet will shift to full Electric or Hybrid by 2027. We have a current van fleet of 37% electric for internal logistics. Our shuttle service has avoided 375,660 miles of business mileage. This equates to a saving of 145 tonnes of CO2 emissions. Our entire pool fleet will be 60% Electric or Hybrid by 2024. Our total tonnage of recycled waste has increased by over 10% since 2022. Almost 400 tonnes have been redirected to recycling. We have prevented £30,000 of replacement furniture costs by repairing and reusing items marked for disposal.

Conclusion

Looking back at the year, the Trust managed to tackle many of its challenges and delivered so many of the priorities it set itself at the start of the year. It could not have done that without our brilliant staff. Our challenge for 2023/24 is to continue to look after them and support them as they recover from the last few difficult years. We need to do this whilst we do everything we can to continue to bring down waiting lists across the HNY area. As has been said in previous Annual Reports, this is an incredibly tough balancing act. If anyone can manage to do this, though, our staff can - thanks to them all once again.



Signed
Name Jonathan Lofthouse
Job title Group Chief Executive
Date 5 December 2023

Activity levels in the last three years

	2020/21	2021/22	2022/23
Emergency Department attendances at Grimsby and Scunthorpe	123,469	147,849	152,856
Admissions into hospital	87,094	111,675	122,990
Number of discharges (patients leaving hospital)	86,913	111,613	122,951
Outpatient appointments (Attendances)	343,952	398,317	417,903
Births	3,747	3,802	3,719
Patients who were admitted as an emergency	34,082	33,172	24,911
Total number of operations in theatre	12,832	16,171	17,544
Total number of elective operations in theatre	8,544	11,677	12,911

Performance analysis

The Well-led Framework used by NHSE 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), which sets out how the Trust is performing against external and internal targets, is submitted monthly to the Trust Board for assurance. This consists of Key Performance Indicators (KPIs) for the areas of:

- Access and flow
- Workforce
- Quality and safety

Since 2020, the IPR 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 that 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 2022/23 and 2021/22 (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

2022/23 Trust performance compared to Trust performance in 2021/22













































Access and flow

Key Performance Indicator	2022/23					2021/22					
	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%	65.8%		Concerning		Failing	72.1%		Improving		Failing
Number of Incomplete RTT pathways 52 weeks <i>(End of Year Snapshot)</i>	0	541		No Change		Failing	211		Improving		Failing
Total Inpatient Waiting List Size <i>(End of year Snapshot)</i>	11,563	12,037		Concerning		Passing	10,995		Concerning		Passing
Diagnostic Procedures Waiting Times - 6 Week Breach % (DM01)	1.0%	34.3%		No Change		Failing	31.2%		Improving		Failing
Number of Overdue Follow Up Appointments - Non RTT <i>(End of Year Snapshot)</i>	9,000	30,541		Concerning		Failing	27,599		No Change		Failing
Outpatient Did Not Attend (DNA) Rate	5.0%	6.9%		Improving		Failing	9.3%		No Change	No Target	
% Outpatient Non Face To Face Attendances	25.0%	27.6%		Concerning		Passing	32.9%		No Change	No Target	
Cancer Waiting Times - 62 Day GP Referral	85.0%	51.6%		No Change		Failing	63.4%		Concerning		Failing
Cancer Waiting Times - 104+ Days Backlog <i>(End of Year Snapshot)</i>	0	24		No Change		Failing	27		No Change		Failing
Cancer - Patients With Confirmed Diagnosis Transferred By Day 38	75.0%	26.9%		No Change		Failing	26.7%		No Change		Failing
Cancer - Request To Test In 14 Days	100.0%	80.9%		No Change		Failing	95.9%		No Change		Failing
Emergency Department Waiting Times (% 4 Hour Performance)	95.0%	59.8%		No Change		Failing	63.0%		Concerning		Failing
Number Of Emergency Department Attendances	No Target	152,856		No Change	No Target		147,849		No Change	No Target	
Ambulance Handover Delays - Number 60+ Minutes	0	8,734		No Change		Failing	5,564		Concerning		Failing
No Patients Waiting Over 12 Hrs From Decision to Admit to Ward Admission	0	7,974		Concerning		Failing	1,802		Concerning		Random
No Patients Waiting Over 12 Hrs Without Decision to Admit/Discharge	0	4,602		Concerning		Failing	1,900		Concerning		Random
































Access and flow continued

Key Performance Indicator	2022/23						2021/22			
	Target	Actual ¹	Variation ²		Assurance ²		Actual ¹	Variation ²	Assurance ²	
% Patients Discharged On The Same Day As Admission (excluding daycase)	40.0%	39.7%		Improving		Random	35.3%			Passing
% of Extended Stay Patients 21+ days	12.0%	11.7%		Concerning		Random	9.9%			Passing
Inpatient Elective Average Length Of Stay	2.5	2.3		No Change		Random	2.3			Random
Inpatient Non Elective Average Length Of Stay	3.9	3.7		Improving		Random	3.8			Random
Number of Medical Patients Occupying Non-Medical Wards	<i>No Target</i>	2,954		Concerning	<i>No Target</i>		1,734		<i>No Target</i>	
% Discharge Letters Completed Within 24 Hours of Discharge	90.0%	87.4%		No Change		Random	85.0%			Random
% Inpatient Discharges Before 12:00 (Golden Discharges)	30.0%	16.6%		No Change		Failing	16.5%			Failing
General & Acute Bed Occupancy Rate <i>(End of Year Snapshot)</i>	92.0%	91.5%		No Change		Random	92.5%			Random
Number of COVID patients treated in ICU beds	<i>No Target</i>	67		Improving	<i>No Target</i>		48		<i>No Target</i>	
Number of COVID patients treated in other beds	<i>No Target</i>	2,598		No Change	<i>No Target</i>		1,139		<i>No Target</i>	
% COVID staff absences	<i>No Target</i>	15.5%		No Change	<i>No Target</i>		20.3%		<i>No Target</i>	

Workforce

Key Performance Indicator	2023/23						2021/22				
	Target	Actual ¹	Variation ²		Assurance ²		Actual ¹	Variation ²	Assurance ²		
Unregistered Nurse Vacancy Rate	8.0%	14.7%		Improving		Failing	11.6%		No Change		Failing
Registered Nurse Vacancy Rate	8.0%	13.0%		Improving		Random	7.4%		Improving		Random
Medical Vacancy Rate	15.0%	14.0%		No Change		Random	12.1%		No Change		Random
Trustwide Vacancy Rate	8.0%	11.3%		No Change		Failing	9.3%		Concerning		Failing
Turnover Rate	10.0%	12.0%		No Change		Failing	11.9%		Concerning		Random
Sickness Rate	4.1%	5.7%		No Change		Random	6.9%		Concerning		Random
PADR Rate	85.0%	80.1%		Improving		Random	79.0%		No Change		Failing
Medical Staff PADR Rate	85.0%	88.5%		Improving		Random	84.0%		Improving		Failing
Combined AfC and Medical Staff PADR Rate	85.0%	80.0%		Improving		Failing	77.7%		Concerning		Failing
Core Mandatory Training Compliance Rate	90.0%	90.3%		Concerning		Passing	92.0%		Improving		Passing
Role Specific Mandatory Training Compliance Rate	80.0%	75.7%		Concerning		Failing	76.0%		Concerning		Random

Quality and safety

Key Performance Indicator	2022/23					2021/22			
	Target	Actual ¹	Variation ²		Assurance ²	Actual ¹	Variation ²	Assurance ²	
Number of MRSA Infections	0	1		Concerning		Random	0	 No Change	 Random
Number of E Coli Infections	65	65		No Change		Random	56	 No Change	 Random
Number of Trust Attributed C-Difficile Infections	21	23		No Change		Random	20	 No Change	 Random
Number of MSSA Infections	<i>No target</i>	20		No Change		Random	21	 No Change	 Random
Number of Gram Negative Infections	97	103		No Change		Random	94	 No Change	 Random
Hospital Standardised Mortality Ratio (HSMR) (April - December)	<i>As expected</i>	98.9		No Change	<i>As expected</i>		100.5	 Improving	<i>As expected</i>
Summary Hospital level Mortality Indicator (SHMI) (April - November)	<i>As expected</i>	102.5		Improving	<i>As expected</i>		106.4	 No Change	<i>As expected</i>
Patient Safety Alerts actioned by specified deadlines	<i>No target</i>	88.0%		Improving	<i>No Target</i>		100.0%	 Improving	<i>No Target</i>
Number of Serious Incidents raised in month	<i>No target</i>	116		No Change	<i>No Target</i>		105	 No Change	<i>No Target</i>
Occurrence of 'Never Events' (Number)	0	1	<i>Not measured by SPC</i>		<i>Not measured by SPC</i>		5	<i>Not measured by SPC</i>	
Duty of Candour Rate	100.0%	98.9%		Concerning		Random	99.0%	 No Change	<i>No Target</i>

Quality and safety continued

Key Performance Indicator	2022/23					2021/22					
	Target	2021/22 ¹	Variation ²		Assurance ²		2021/22 ¹	Variation ²	Assurance ²		
Falls on Inpatient Wards (Rate per 1000 bed days)	No target	5.2		No Change	No Target		5.2		No Change	No Target	
Hospital Acquired Pressure Ulcers on Inpatient Wards (Rate per 1000 bed days)	No target	3.5		No Change	No Target		4.3		No Change	No Target	
Venous Thromboembolism (VTE) Risk Assessment Rate	95.0%	95.4%		Improving		Failing	86.3%		Improving		Failing
Care Hours Per Patient Day (CHPPD)	No target	8.2 ⁴		No Change	No Target		8.4 ⁴		Concerning	No Target	
Mixed Sex Accommodation Breaches	0	107		No Change		Random	24	Not measured by SPC			
Formal Complaints - Rate Per 1000 wte staff	No target	67.4		No Change	No Target		Not available		No Change	No Target	
Complaints Responded to on time	85.0%	67.3%		No Change		Random	76.0%		No Change		Random
Friends & Family Test (FFT)		92.7%	Not measured by SPC	Not measured by SPC	Not measured by SPC	Not measured by SPC	94.4%	Not measured by SPC	Not measured by SPC	Not measured by SPC	
Number of Positive Inpatient Scores		69.5%					69.2%				
Number of Positive A&E Scores		92.2%					94.5%				
Number of Positive Community Scores		89.2%					86.9%				
Number of Positive Outpatient Scores	No target	86.2%					70.6%				
Number of Positive Maternity Antenatal Scores		92.2%					96.1%				
Number of Positive Maternity Birth Scores		100.0%					91.7%				
Number of Positive Maternity Post-Natal Scores		90.3%					75.5%				
Number of Positive Maternity Ward Scores											

Notes to SPC charts

1 Full Year Position (unless otherwise stated)

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

3 Indicators not reported in the IPR at this time. Figure provided for reference.

Key issues and risks that affected the Trust in 2022/23

The Trust has many risks it needs to manage so the impact of them can be reduced, and even eliminated. The Trust Board monitors the Trust’s risk through a Risk Register and a document called the Board Assurance Framework. The key risks for the Trust –measured in terms of the likelihood of them happening and the impact they would have if they did happen – are set out in the table below.

Risk type	Nature of risk	What was done
Quality and clinical improvements	The risk of non-delivery of agreed quality and clinical improvements.	The Trust was inspected by CQC and the inspectors noted many improvements, although end of life care was still rated as ‘inadequate’ for some domains. The Trust focused on six quality priorities : Mortality improvement; deteriorating patient: In line with the Commissioning for Quality and Innovation (CQUIN) to improve safety, we will ensure we observe NEWS2, escalate when it is high, and respond with treatment; Sepsis; increasing medication safety; improving friends and family test and PALS feedback and responding to it; and safely discharging patients.
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 and continued its programme of cultural change, including launching the first cohort of the Values Based Leadership programme, a “Be the change” staff feedback programme and putting in place an on-site counselling service.
Financial	The Trust does not achieve its financial plan for 2022/23 to break even and/or the Humber and North Yorkshire ICB financial plan for 2022/23 is not achieved.	The Trust successfully met all of the various “exit” criteria laid down by NHSE as part of the Financial NHS Oversight Framework level 4 of the RSP, which revolve around the strengthening of financial governance arrangements and the achievement of financial targets. The Trust was successful in achieving the financial targets set by NHSE during 2022/23. In its Annual Report 2022/23 the ICB stated its indicated it delivered the statutory financial performance duty in the form of a small surplus of £219k against a total resource limit of £2,671,207k for the nine-month period.

Key issues and risks that affected the Trust in 2022/23 continued

Risk type	Nature of risk	What was done
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 HUTH on plans for reconfiguring hospital services across the Humber. This work is set out in the previous section of this report.
Staffing	The inability of the Trust to secure sufficient numbers of skilled and experienced staff.	The Trust set workforce as a priority for the 2022/23 financial year with specific plans to recruit and retain more nursing staff in particular. During the year the Trust twice offered an incentive to Bank staff, to increase fill rates for shifts and reduce the amount of agency staff being deployed. Recruitment of medical staff continued as did the recruitment of international staff, particularly nurses and radiology staff, over the course of the year.
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. NLaG 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. NLaG 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. NLaG is committed to compliance with the Public Sector Equality Duty as set out in the Equality Act 2010.

NLaG will do this by eliminating unlawful discrimination, harassment, and victimisation, have due regard to advancing equality of opportunity and fostering 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 Equality Act 2010 was introduced as an umbrella piece of legislation bringing together all previously separate equality legislation into a single Act. As a public sector organisation we have both general and specific public sector equality duties.

General Public Sector Equality Duty:

<https://www.gov.uk/government/publications/public-sector-equality-duty> . As part of the NHS Contract our contractual requirements state that the Trust must:

- Use the Workforce Race Equality Standard to effectively collect, analyse and use of workforce data to address inequalities within the workforce.
- Use the Workforce Disability Equality Stand to effectively collect, analyse and use of workforce data to address inequalities within the workforce.
- Use the Equality Delivery System framework to assist in identifying inequalities.

Equality Objectives – Summary, Key Achievements and Impact

Reporting and Governance

Summary

The Equality and Diversity Strategy 2018/2022 is in place, and is due to be updated, and has provided an orderly structure to enable the delivery of our legal and contractual Public Sector Equality Duties and our social responsibilities.

Our local Equality, Diversity, and Inclusion (EDI) action plan is in place and reflects our Equality Objectives which are embedded in the above strategy.

Key Achievements

Excellent relationships have been formed between our commissioners and the new integrated care systems, HNY, and our ICS colleagues. The Trust has published its annual Anti-Slavery Statement which was approved at the Trust Board in February 2023. 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.

Impact

The Trust is legally compliant and meeting our Public Sector Equality Duties.

Equality Delivery System 2 (EDS2)

Summary

The EDS 2 implementation framework was halted due to the impact of Covid-19 and only self-assessments were carried out. However, planning has started to introduce the new Equality Delivery System 22 (EDS22). NHSE has agreed that due to the late introduction of EDS22 that this year can be used as a transition year.

Key Achievements

We have continued to engage with our staff at monthly drop-in sessions exploring a wide range of equality themes. These events involved working in partnership with Health and Well-Being and Trade Union colleagues.

Impact

The visibility and accessibility to EDI has substantially increased. Additionally, a valuable insight into staff experience has started to be developed which will be used to support the delivery of the People Promise to the diverse range of staff we employ at NLaG.

Treating patients, carers and colleagues with dignity and respect

Summary

All staff are required to complete EDI training as part of their statutory and mandatory training. As part of our induction staff receive a face-to-face EDI training session. Face-to-face EDI training has also been reintroduced as part of our leadership and cultural awareness training. In addition, we have introduced a new support package for our internationally educated nurses which aims to help them feel welcome and valued. All of our recruitment panels now have an equality lead attending the recruitment process. A new programme has been introduced to NLaG which aims to give young people with learning disabilities an opportunity to experience work. This Project Search has 5 internships who are all working at DPOW in the Estates and Facilities team.

Key Achievements

A new EDI training package has been designed which includes cultural competence and unconscious bias awareness. This training package is being delivered to staff as part of the new leader training course. The support package we are co-delivering with our nursing team to our internationally educated nurses is already starting to grow green shoots of success. Through this engagement we have created a mechanism to identify concerns and where necessary challenge inappropriate behaviours. We are also working with a local charity organisation 'the Health Gospel' who provide pastoral support to people who move to our area from African countries. DFN Project Search has been a resounding success and, although is still in its first year, early feedback is positive: the interns will gain paid employment which achieves the programme end goal.

Impact

Although at an early stage we are receiving positive feedback in relation to our EDI training.

Report and deliver against workforce data

Summary

The Workforce Race Equality Standard (WRES) 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 NHSE. The Workforce Disability Equality Standard (WDES) 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 (GPG) 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.

Key Achievements

We reported our WRES and WDES data to NHSE, and GPG information to the Government website within the specified timescales. The data was analysed and action plans developed which link in to fair recruitment, improving staff experience through developing staff networks and general staff engagement. We now have a dedicated disability and long-term conditions hub page which signposts staff to our reasonable adjustment policy and guidance on how to support staff who are neuro-diverse. This work has been completed by the newly developed NLaG Disability working group. We also have a small group of staff on the NHS Calibre Programme which has been designed to support disabled staff and give them the skills to develop as leaders.

Impact

This work is helping the organisation to focus on diversity in our workforce and understanding the benefits which this can bring to our organisation. It is also helping our staff equality networks understand how they can impact on issues such as:

- Recruitment and retention
- Career progression
- Staff experience
- Flexible working
- Policy development

Develop and grow staff equality support networks

Summary

We recognise through the NHS Staff Survey and some of our engagement events that staff who belong to certain groups are more likely to have a poorer experience at work. Therefore, links have been established with HR colleagues, the Trust's Freedom to Speak Up Guardian and the Health and Wellbeing Business Partner. This has resulted in the development of four staff equality support networks. These are the BAME staff network, the Lesbian, Gay Bi-Sexual and Transgender + (LGBTQ+) staff network, the Disabled staff network and the Menopause staff network. 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 2023. However, through engagement we have identified that staff have high levels 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.

Key Achievements

The Facebook Staff Equality Networks Membership has grown from very low numbers to March 2023:

- BAME Staff Network 76 members
- Disability Staff Network 38 members
- LGBTQ+ Staff Network 52 members
- Menopause Staff Network 215 Members

We have draft terms of reference for our staff equality network face to face meetings. These groups have also grown during the last year. The most significant increase has been in the BAME staff equality network which has grown from less than 10 members to now over 70 members.

Impact

They are giving the members an opportunity to have an organisational voice to raise any concerns they may have and also influence the Trust policies and ways of working to create a more inclusive and equitable workplace.

Next steps

As part of the EDI Strategy 2023/27 these equality objectives will be captured and taken forward to ensure the good work which has started will be carried forward and further developed, as reflected in the Trust's and the People Directorate's yearly objectives.

Tackling health inequalities

Health inequalities are unfair and avoidable differences in health across the population, and between different groups within society. These include how long people are likely to live, the health conditions they may experience and the care that is available to them. Core20PLUS5 is a national NHSE approach to inform action to reduce healthcare inequalities at both national and regional level. The approach defines a target population – the ‘Core20PLUS’ – and identifies ‘5’ focus clinical areas requiring accelerated improvement.

The group is made up of:

- The most deprived 20% of the national population as identified by the national Index of Multiple Deprivation (IMD).
- Plus population groups identified at a local level. These would include ethnic minority communities; people with a learning disability and autistic people; people with multiple long-term health conditions; other groups that share protected characteristics as defined by the Equality Act 2010; groups experiencing social exclusion, known as inclusion health groups coastal communities (where there may be small areas of high deprivation hidden amongst relative affluence). There are five clinical areas of focus which require accelerated improvement. Governance for these five focus areas sits with national programmes; national and regional teams coordinate activity across local systems to achieve national aims.

The ‘5’ are made up of: BAME users of maternity services; patients with severe mental illness (SMI); patients with Chronic Obstructive Pulmonary Disease (COPD); ensuring early cancer diagnosis; and patients with hypertension The Trust has taken the following steps to make certain that due regard is taken of health inequalities and that any gaps are not widened:

- Inequalities Trust-wide and at ICS level are reduced through seeing patients on waiting lists in chronological order and ensuring all patients are spoken to and decisions made with them regarding treatment
- Implementing waiting list monitoring by assessment of deprivation levels and ethnicity. Monthly escalation in place to service managers regarding any unexplained variation
- Investigation of the cause of increased numbers of patients who live in deprived areas attending urgent and emergency care have been started with the Chief Medical Officer.

The Trust has worked with the HNY Health and Care Partnership, in line with the Long-Term NHS Plan, to establish tobacco dependency treatment services for those patients staying in hospital. This work is branded ‘Quit Together’. It also supports Trust staff to quit smoking too. Funding for staff to manage this work and drive improvements has been secured to provide capacity to focus on our Trust’s Tobacco Dependency and Alcohol Care Team (ACT) project implementation. The Trust also started the delivery of tobacco treatment (NRT) services for both inpatients and in maternity services. This includes medication to help people move off tobacco dependency.

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 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 Trust Board approved Green and Travel plans to meet the NHS Net Zero commitment. The Trust completed two engineering schemes during 2022/23: 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 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

The Baseline data on the Trust's carbon and energy consumption has existed over several years for reporting purposes and is included in both the Trust's previous Sustainability report and the mandatory Estate Return Information Collection (ERIC) data submission. The Trust's Green Plan formally set the baseline year as 2020 – 21 building on the reliable data produced.

The Trust has progressed through significant capital investment projects which impact upon the recorded footprint of the estate, this includes investment in new buildings for patient and staff improvements and the development of new infrastructure to enhance patient care. The table below provides information to bring the changes into a context of actual space and is reassured by the space management team.

	2018/19	2019/20	2020/21	2021/22	2022/23
Floor Space (m2)	141,284	149,856	161,070	156,930	163,281
Number of Staff	6,500	6,500	6923	6969	6637

NHS operational planning and guidance for 2023/24 includes how NHS Trusts should reduce carbon impact on the environment, examples include 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. The following demonstrates how we have supported these challenges.

Energy costs and use

As a result of the unprecedented fuel and energy price rises, the Trust has incurred energy costs of totaling £6.7 million during 2022/23. This spend is an increase of nearly 40% on energy costs from the previous year, as detailed below.

Gas	Use	2018/19	2019/20	2020/21	2021/22	2022/23
	kWh	50,148,568	54,571,470	55,207,692	63,240,193	62,278,530
tCO2e	10,652	11,338	10,112	11,583	11,347	

Coal	Use	2018/19	2019/20	2020/21	2021/22	2022/23
	kWh	4,630,926	3,849,302	4,839,841	1,031,287	0
tCO2e	1,831	1,469	1,566	334	0	

Electricity	Use	2018/19	2019/20	2020/21	2021/22	2022/23
	kWh	16,521,374	12,890,771	13,576,663	13,999,661	15,209,852
tCO2e	5,828	4,521	3,138	0	0	

Total Energy CO2e and Cost £		2018/19	2019/20	2020/21	2021/22	2022/23
	CO2e	18,311	17,328	14,816	11,917	11,347
Cost £	£3,790,805	£4,130,960	£3,802,393	£4,036,886	£6,043,772	

Trust gas consumption reduced by 2% against 2021/22, with electricity increasing by 9%. This increase in electricity consumption is down to a combination of factors including the opening of new Emergency Departments and MRI Units at both Grimsby and Scunthorpe.

We have also seen a drop in the performance of the DPoW Combined Heat and Power (CHP) system leading to an increase in imported grid electricity. All electricity purchased by the Trust is fully Renewable (REGO certified) which means our electricity is zero carbon.

The Grimsby CHP is gas powered and required an energy input (Gas) of 12,207,092 kWh to generate 4,808,827 kWh of electricity which is in turn used by the Grimsby site. This electricity generation is a reduction of 6% against 2021/22. The CHP falls within an Energy Performance Contract (EPC) currently in year 7 of a 15-year term, delivering circa £300K in savings per annum as part of a minimum contractual return.

The Coal boilers have now been completely removed at Goole and District Hospital and replaced by a Gas CHP and boiler heating system. In 2022/23, the CHP generated 65% of the site's total electricity demand. The site has also seen a 37% reduction in fossil fuel heating consumption compared to 2021/22, due to the increased efficiency of the system.

Resource Use – Water

By managing water more closely and removing estimated reads has led to a 15% reduction in reported water usage in the Trust. The year on year rise in carbon emissions is down to changes in having to report CO₂e emissions from sewage treatment for 2022/23.

Mains Water	Use	2018/19	2019/20	2020/21	2021/22	2022/23
	m3	194,431	305,849	276,653	203,243	172,330
	tCO ₂ e	177	278	251	30	60

Water and Sewerage Cost £	Cost	2018/19	2019/20	2020/21	2021/22	2022/23
	£	£441,254	£483,659	£476,099	£579,749	£519,121

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	2019/20	2020/21	2021/22	2022/23
	Grimsby CDC	45,391	43,065	50,464	44,249
Grimsby Family Services	32,402	26,159	3354	26,994	
Goole	183,800	178,149	183,387	159,067	
Totals kWh	261,593	247,374	267,205	230,310	

The generated kWh varies due to solar radiation, with a slight reduction in 2022/23 against the previous year of 15%. Over time the efficiency of PV systems will decrease.

Medical Gases

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

The use of desflurane has seen a reduction in 2022/23 against the previous year of 80.2%, as a result the use of sevoflurane has increased by 12%, nitrous oxide use remains relatively static with only a 1.2% use, nitrous oxide is a potent greenhouse gas and is a contributory factor to global warming, the trust should be actively looking at minimising and monitoring the use of this gas or introducing schemes to treat the gas to make it carbon neutral.

	2020/21		2021/22		2022/23	
	Vol (L)	tCO2e	Vol (L)	tCO2e	Vol (L)	tCO2e
Desflurane	24.4	90.19	20	76	3.84	14.28
Isoflurane	0.25	0.19	0	0	0	0
Sevoflurane	182	36.6	283	56	321.5	63
Nitrous Oxide	1,029,600	575	843,000	471	853,200	477
Total tCO2e	1,029,806.65	701.98	843,303	603	853,525	554.28

Travel

Travel forms a major part of the 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.

The Trust works hard to support the health and wellbeing of our staff, patients, and visitors by providing information, guidance and to help with sustainable travel, and to help more people find healthy ways to travel such as walking or cycling where practicable.

The Trust's fleet continues to become more carbon efficient, with six electric vans, 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. The result of the transfer of our fleet to electric vehicles and hybrid vehicles, which run on electric and fuel, has ensured that we continue to produce zero carbon for our fleet and a reduction of 2.5% for our business travel.

Cycling promotion and engagement from staff has been a welcomed interest, and all sites are equipped with excellent storage facilities, with 52 applications for bicycles via the cycle to work scheme in 2022/23.

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	2018/19	2019/20	2020/21	2021/22	2022/23
	Miles	39,721,229	36,529,747	15,397,245	17,737,436	18,813,805
	tCO2e	14,646	12,623	4173	4,808	4,660
Staff Commute	Mode	2018/19	2019/20	2020/21	2021/22	2022/23
	Miles	6,244,014	6,246,500	6,646,080	6,690,240	6,378,157
	tCO2e	2,224	2,303	1,801	1,814	1,530
Business Travel and Fleet	Use	2018/19	2019/20	2020/21	2021/22	2022/23
	Miles	2,872,011	2,887,405	1,259,839	1,868,015	1,995,880
	tCO2e	1,002.63	979.33	341.45	506.28	493.96
Owned EV and PHEV Mileage	Use	2018/19	2019/20	2020/21	2021/22	2022/23
	Miles	38,043	20,174	15,546	29311	44,617
	tCO2e	4.31	2.33	0	0	0
Total Cost of Business Travel	Use	2018/19	2019/20	2020/21	2021/22	2022/23
	£	£1,322,960	£992,069	£313,759	£330,310	£1,005,000

Waste

The Trust waste management services has secured waste contractors which take the waste management strategy through to 2024 and include some key projects to reduce single use plastics, increased recycling, single use metal instrument recycling, reduction, and removal of all waste to landfill, and new processing techniques to create energy from waste.

An emission factor of 21.28 kg used to calculate this year's tCo2e which was taken from the UK Government GHG Conversion Factors for Company Reporting 2022, this shows that the tCO2e from waste was reduced from 108 tCO2e to 21.48 tCO2e a reduction of 70.3%, this is mainly due to the reduction of waste going to high temperature disposal and the changes in the emission factor calculations for 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 to 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 continues to achieve zero waste to landfill status.

Recycling		2018/19	2019/20	2020/21	2021/22	2022/23
	Tonnes	673	337	377	278	341
	tCO2e	14.4	7.2	8.0	5.9	7.25
Other Recovery		2018/19	2019/20	2020/21	2021/22	2022/23
	Tonnes	903.00	495.00	542.79	569.33	631
	tCO2e	19.3	10.6	82.1	86.1	13.42
High Temp Disposal		2018/19	2019/20	2020/21	2021/22	2022/23
	Tonnes	0.00	675.00	71.37	68.8	38.33
	tCO2e	0.00	149.00	17.1	16.5	0.81
Landfill		2018/19	2019/20	2020/21	2021/22	2022/23
	Tonnes	443.00	297.00	0	0	0
	tCO2e	153.00	102.00	0	0	0
		2018/19	2019/20	2020/21	2021/22	2022/23
Total Waste	Tonnes	2019.00	1804.00	991.16	916.13	1010.33
% Recycled	%	33%	19%	38%	30%	33%
Total Waste	tCO2e	186.00	268.00	107.2	108.5	21.48

Total Carbon Emissions Impact

The Trust's total carbon emissions are detailed below:

Annual NLaG Carbon Emissions (tCO2e)			
	2020/21	2021/22	2022/23
Total Energy CO2e	14,816	11,917	11,347
Total Water CO2e	251	30	60
Total Medical Gas CO2e	701	603	554
Patient and Visitor CO2e	4173	4808	4,660
Staff Commute CO2e	1801	1814	1,530
Business Fleet CO2e	341	506	494
Total Waste CO2e	107	108	21
Total CO2e	22,190	19,786	18,666

Going concern statement

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 Financial Reporting Manual and International Accounting Standard 1.

Statement on the Modern Slavery Act

Section 54 of the Modern Slavery Act 2015 requires all organisations to set out the steps it has taken during the financial year to ensure that slavery and human trafficking is not taking place in any of its supply chains, and in any part of its own business.

The aim of this statement is to demonstrate that the Trust follows good practice and all reasonable steps are taken to prevent slavery and human trafficking. Where possible all members of staff have a personal responsibility for the successful prevention of slavery and human trafficking with the procurement department taking responsibility lead for overall compliance. The Trust's statement for 2022/23 – set out below – was published externally on the Trust's website and internally on the Trust's internet called 'The Hub'

The statement

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 £510,699,000 (Annual Report). The Trust employs 6,892 permanent and fixed term contract staff (ESR data October 2022). 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's 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 criteria 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
- 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 Northern Lincolnshire and Goole NHS FT associated 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 2023.

The Accountability Report

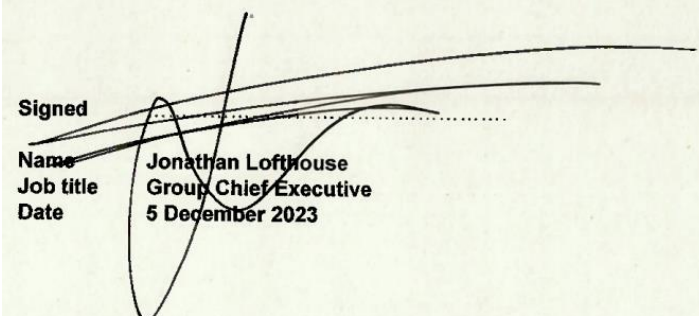
Directors' Report

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

Six 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, Chief Information Officer, Director of Strategic Development, Director of Estates and Facilities and the Interim Director of People. 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 two Associate NEDs at NLaG.

Brief biographical 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.

Signed

Name Jonathan Loffhouse
Job title Group Chief Executive
Date 5 December 2023

Board of Directors as of 31 March 2023

NON-EXECUTIVE DIRECTORS
Sean Lyons, Chair
Linda Jackson, Vice Chair
Sue Liburd
Fiona Osborne
Simon Parkes
Gill Ponder
ASSOCIATE NON-EXECUTIVE DIRECTORS
Stuart Hall
Kate Truscott
EXECUTIVE DIRECTORS
Dr Peter Reading, Chief Executive*
Lee Bond, Chief Financial Officer
Ellie Monkhouse, Chief Nurse
Shaun Stacey, Chief Operating Officer
Dr Kate Wood, Chief Medical Officer

NON-VOTING EXECUTIVE DIRECTORS
Jug Johal, Director of Estates and Facilities
Shauna McMahon, Chief Information Officer
Ivan McConnell, Director of Strategic Development
Simon Nearney, Interim Director of People
ALSO ATTEND TRUST BOARD
Adrian Beddow Associate Director of Communications and Engagement
Helen Harris, Director of Corporate Governance

*Jonathan Lofthouse joined the Trust at Group Chief Executive in August 2023.

Directors who left the Trust in 2022/23

NON-EXECUTIVE / ASSOCIATE NON-EXECUTIVE DIRECTORS
Michael Proctor
Maneesh Singh
Michael Whitworth
EXECUTIVE DIRECTOR
Christine Brereton, Director of People

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 the national NHS Code of Governance guidance, with the exception of Linda Jackson, Vice Chair, who has served eight years and nine months.

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 HUTH.

Balance of the Board

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, two Associate NEDs and five Executive Directors. The Executive Directors are the: Chief Executive; Chief Operating Officer; Chief Nurse; Chief Medical Officer and Chief Financial Officer. The Director of Estates and Facilities, Interim 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 every other month 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 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 Trust Secretary 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 NEDs 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 group, as per the Terms of Reference. Participation in each quarterly group ensures an understanding of the views of the governors and consequently members of the public. The group also received Trust Board 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 which 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 2022 and 31 March 2023. 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 Standing Financial Instructions, 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.

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. National 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 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. With the exception of Linda Jackson, Vice Chair, who has served a term of eight years and nine months, 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 wards; and highlight reports and minutes from Board 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 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 the NHSE well led framework was undertaken as part of the Trust's CQC inspection in July 2022. The CQC assessment remained as 'requires improvement'. The Board Development Programme included specific sessions on well led. Each of the Board 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.

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 healthcare 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 support this there is the Code of Conduct for Board Members of Public Bodies (June 2019), which applies to all directors and has been adopted by all Board members. The Code of Conduct also aims 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 Chair'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 public Trust Board meetings 2022/23

Board member	Possible	Actual
Sean Lyons, Chair	7	7
Linda Jackson, Vice Chair	7	6
Sue Liburd, Non-Executive Director	4	4
Fiona Osborne, Non-Executive Director	7	7
Simon Parkes, Non-Executive Director	7	4
Gill Ponder, Non-Executive Director	7	7
Stuart Hall, Associate Non-Executive Director	7	5
Kate Truscott, Associate Non-Executive Director	4	4
Dr Peter Reading, Chief Executive	7	7
Lee Bond, Chief Financial Officer	7	6
Ellie Monkhouse, Chief Nurse	7	6
Shaun Stacey, Chief Operating Officer	7	7
Dr Kate Wood, Chief Medical Officer	7	4
Christine Brereton, Director of People	6	5
Simon Nearney, Interim Director of People	1	1
Jug Johal, Director of Estates and Facilities	7	4
Shauna McMahon, Chief Information Officer	7	6
Ivan McConnell, Director of Strategic Development	7	6
Helen Harris, Director of Corporate Governance	7	4
Adrian Beddow, Associate Director of Communications	7	6

Supporting Non-Executive 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 IPR 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 her team.

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 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 (disbanded by the Trust Board at its meeting on 6 June 2023), 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 committees are presented to the Trust Board alongside a report which provides escalation of issues and concerns which the committee decides should be highlighted. Each committee comes under the remit of an executive director and is chaired by a NED. Appropriate resources are allocated to ensure these committees can undertake their duties. As at 31 March 2023, the current 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 meets five times each year. Its three members are appointed by the Board of Directors from among the Non-Executive Directors. Minutes of the Committee's meetings are submitted to the Board of Directors and the Council of Governors.

Internal Audit services are provided by Audit Yorkshire who commenced on 1st June 2018, following a competitive procurement exercise in early 2018 and were re-appointed following a further tender exercise in 2022 for a three-year term with the option to extend for a further year. 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 2022/23, 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 was Mazars who commenced in September 2019 following a competitive tendering exercise. Representatives of the Audit, Risk and Governance Committee acted as advisors to the Council of Governors in relation to this tendering exercise and awarded a contract for three years plus an option to extend for a further year. The Council of Governors convened a sub-committee to oversee the process and made a recommendation to the full Council of Governors. The Audit, Risk and Governance Committee assess the effectiveness of its External Auditor through the mini-tendering exercise and thereafter via an annual review of effectiveness.

Mazars were appointed for a period of three years (commencing with the audit of the 2019/20 financial statements) with the option to extend for a further year. In January 2022, Mazars advised that they were not able to deliver the extension year and as a result a new market testing exercise commenced. Difficulties were encountered in appointing a new External Auditor, due to capacity issues in the NHS audit market, but with the support of NHSE a new External Auditor was appointed in June 2023, the firm ASM Chartered Accountants. As a result of the delayed appointment of an External Auditor, NHSE agreed to a revised annual accounts submission date for 2022/23. The value of external audit services is disclosed in the Trust's financial statements (Note 7.1) and is circa £142,000 per annum.

The Committee received and reviewed the draft financial statements and the audited accounts (albeit to a revised timescale for the audit, as agreed with NHSE), 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 accounts 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. The Trust was also removed from the NHS System Oversight Framework segment 4 (SOF4) in relation to its financial position in May 2023 following being placed into financial special measures in March 2017.

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 7.2. Mazars did not undertake any non-audit work for the Trust during their tenure as the Trusts external auditors.

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 minor changes were considered and approved by the Committee in February 2023 prior to ratification by the Board of Directors in April 2023.

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 February 2023.

Schedule of Attendance at Audit, Risk and Governance Committee meetings 2022/23

Member / Attendee	Apr-22	Jun-22	Jul-22	Nov-22	Feb-23
Members:					
Simon Parkes – NED / Chair	Y	Y	Y	Y	Y
Michael Whitworth – NED / Deputy Chair	Y	N	Y ¹	-	-
Gill Ponder – NED	Y	Y	Y	Y	Y
Kate Truscott – NED (from October 2022)	-	-	-	Y	Y
Regular Attendees:					
Lee Bond – Chief Financial Officer	Y	Y	N	N	Y
Helen Harris – Director of Corporate Governance	N ²	N	Y	Y	Y
Sally Stevenson - Asst. DoF – Compliance and Counter Fraud	Y	Y	Y	Y	Y
Nicki Foley – Local Counter Fraud Specialist	Y	N ³	Y	Y	Y
Data Protection Officer and Lead for IT (SM)	Y	N ³	Y	Y	Y
Head of Procurement (IP)	Y	N ³	Y	Y	Y
Internal Audit (Audit Yorkshire)	Y	Y	Y	Y	Y
External Audit (Mazars)	Y	Y	Y ⁴	-	-
Deputy Lead Governor (RP)	Y	Y	N	Y	N ⁵
Ad-hoc Attendees:					
Assistant Director of Corporate Governance (AH)	Y ²	-	-	-	-
Asst. DoF – Process and Control (NP)	Y	Y	-	-	Y
Director of Estates and Facilities (JJ)	Y	-	-	-	-
Deputy Director of Estates and Facilities (ST)	-	-	-	Y	-
Associate Director of Safety and Statutory Compliance (BP)	Y	-	Y	-	-
CEO (PR)	-	Y	-	-	-
Associate Director of Communications and Engagement (AB)	-	Y	-	-	-

Schedule of Attendance at Audit, Risk and Governance Committee meetings 2022/23
continued

Member / Attendee	Apr-22	Jun-22	Jul-22	Nov-22	Feb-23
Ad-hoc Attendees continued:					
Associate Director of Central Operations (MO)	-	-	Y	-	-
Associate Director of Pathology (MC)	-	-	Y	Y Y	Y
Associate Director of Quality Governance (AL)	-	-	Y	-	-
Associate Director of IM and T (SM)	-	-	Y	-	-
IT Data Security Manager (TF)	-	-	Y	-	-
Director of People (CB)	-	-	Y	-	-
Deputy Medical Director (KS)	-	-	-	Y	-
Freedom to Speak Up Guardian (LH)	-	-	-	-	Y
Emergency Planning Manager (AL)	-	-	-	-	Y

Notes:

¹ Last meeting before leaving the Trust

² Alison Hurley attended to deputise for Helen Harris

³ Not required to attend, Final Accounts meeting only

⁴ Last meeting as Trust's External Auditor (Mazars)

⁵ 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 NEDs 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 (HAS) 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. This committee was disbanded by the Trust Board at its meeting on 6 June 2023.

Health Tree Foundation Trustees Committee

This committee is a formal sub-committee of the Trust Board, under the Trust Constitution Annex 7, Section 9.1.8. 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, Chief Medical Officer, 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 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:

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

This committee has now changed to the Group Development Committee.

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. HTF has continued to manage all the donations which the local public and businesses provided to help staff cope with the pandemic as well as other donations made to the Trust. More detail about this is set out in Chapter One of this Annual Report.

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.

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.

	2022/23		2021/22	
	Number	£000	Number	£000
Total Non -NHS trade invoices paid in the year	83,896	287,270	74,694	276,270
Total Non-NHS trade invoices paid within target	77,510	268,272	66,869	259,718
Percentage of Non-NHS trade invoices paid within target	92%	93%	90%	94%
Total NHS trade invoices paid in the year	2,520	35,762	2,485	24,502
Total NHS trade invoices paid within target	2,169	31,828	2,046	22,101
Percentage of NHS trade invoices paid within target	86%	89%	82%	90%

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.

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 CQC was maintained as 'requires improvement' following the last inspection report published in July 2022. 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.

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 2022/23 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 those reviews, including agreed support.

Quality and patient safety are both monitored through assurance to the Quality and Safety Committee, a committee of the Trust Board, Trust Management Board and the Quality Governance Group. Clinical governance comes under the remit of the Chief Medical Officer, in close collaboration with the Chief Nurse and Chief Operating Officer, and supported by the Deputy Chief Medical Officer and Associate Director of Quality Governance.

The Trust is committed to improving patient safety and the Associate Director of Quality Governance is the Trust Patient Safety Specialist as per the National Patient Safety Strategy, and continues to take forward the Learning Strategy to support the work on patient safety. The Trust ensures there is regular reporting to and dialogue with NHS England, Integrated Care Board locality teams, with a Quality Board led by NHS England. The Trust's Quality Account annual report has been produced and consulted on with health and social care representatives in line with the national guidance, which sets out the progress made over the last year.

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 Accounting Officer for the Trust, follows the procedures set out by NHS England 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 Place partnerships of the Humber and North Yorkshire Integrated Care Board (HNY ICB).

In 2022/23 the Trust continued to work in partnership with organisations across the HNY area. The Trust is working particularly with 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 partners. Some of these sessions were held virtually and written updates have also been 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 the CQC report published in February 2020, the Trust's management of elective waiting lists, capital plans and updates on some service changes.

Patient engagement and service improvements and complaints management

The Trust has participated in the National Survey Programme, and whilst some of the results of the 2022 programme are awaited at time of writing, nearly 3000 local people who have used our services have been asked to give their views on key aspects of their care and treatment. The overarching actions from these surveys focus on improvements to what matters most to patients and to work in alignment with other Trust quality improvements projects.

This is further supported by the Trust's local adult inpatient survey programme, where the Patient Experience Team talk to ten patients on each of our adult inpatient wards each month, enabling regular real time feedback. This feedback often gives us the opportunity to impact on the small things, which may be a concern, before they become a bigger problem.

As the Integrated Care System (ICS) develops it is seen as good practice to work in a collaborative way. The Kings Fund, which undertakes well know pieces of healthcare related research are supporting Northern Lincolnshire and Goole NHS Foundation Trust, Hull University Teaching Hospitals, Humber Trust and York and Scarborough Teaching Hospitals NHS Foundation Trust have all been working together to develop a patient experience charter. Through working together, and engaging with communities across the whole ICS, it is hoped to create a meaningful and measurable set of patient experience expectations during the next year.

The Trust's Patient and Reader Panel remains active and, through sharing their lived experience, the group members contribute to engagement opportunities whenever required. This relationship means that we can form links across key staff to enable them to better plan service developments, with patient involvement. An example of this is that one of our panel is now linked into our charity partner, the Health Tree Foundation, to offer their lived experience when designing children's areas across the Trust. The engagement of young people is encompassed in the new Trust Children and Young People Strategy. The Trust has also worked with a national lead to form the plan outline and the Family Service Division will be developing this further.

The Patient Advice and Liaison Service and complaint service have strived to manage complaints in a timely and compassionate manner. Over the year 1399 (59%) concerns were closed within the Trust timescale of five working days and 68% (251) of formal complaints were closed within the Trust timeframe of sixty working days. Learning from complaints continues to be a priority and all learning is included in the complaint responses. Noted improvements from complaint feedback are:

- Delays in cardiology appointments resulted in additional resource being added through the Trust's systems
- Dedicated Emergency Department Volunteers were recruited to help improve communication with families.
- We have increased the availability of on demand video interpreting in our community areas, following feedback.

The development of our two new Emergency Departments meant we have had to be responsive to feedback, as we recognised the impact on visitors to our sites. Adding a canopy and heaters to the area outside the old Emergency Department meant that patients were better protected from the elements during the periods where Covid-19 meant our waiting had to be undertaken differently.

The Trust has used feedback through patient stories and value the voice of the patient . One of the stories shared during this year is now part of the Trust staff induction programme and is designed to help staff remember what is important to families and patients, communication specifically features in this story video. The Trust Board uses stories at each public board meeting to ensure the voice of patients, carers and families is heard and reflected in their discussions.

NHS Provider Licence

NHS Foundation Trusts are required to self-certify whether or not they have:

- Complied with the conditions of the NHS Provider Licence (which itself includes requirements to comply with the National Health Service Act 2006, the Health and Social Care Act 2008, the Health Act 2009, and the Health and Social Care Act 2012, and have regard to the NHS Constitution).
- The required resources available if providing Commissioner Requested Services. and
- Complied with governance requirements.

Providers need to self-certify the following after the financial year end:

- The provider has taken all precautions necessary to comply with the Licence, NHS Acts and NHS Constitution (Condition G6(3)).
- If providing Commissioner Requested Services (CRS), the provider has a reasonable expectation that required resources will be available to deliver the designated service (Condition CoS7(3)).
- The provider has complied with required governance arrangements (Condition FT4(8)).

To comply with the governance conditions of their licence, NHS Foundation Trusts are required to provide a statement (the Corporate Governance Statement) by and on behalf of its Board setting out:

- Any risks to compliance with the governance condition as at the date of the statement;
- Anticipated compliance with this condition for the next financial year, specifying any risks to compliance with this condition in the next financial year; and
- Any mitigating actions it proposes to take to manage such risks.

Condition G6 - Systems for Compliance with Licence Conditions

(a) NHS Licence:

The Trust has reviewed its position against the Provider Licence and it meets all the requirements of the licence subject to the provisions of (b) (ii).

(b) NHS Acts:

The Trust is subject to NHS regulatory requirements, including Care Quality Commission registration requirements. To deliver its NHS Services, the Trust has in place an NHS Standards Contracts and is required to act in accordance with relevant NHS Acts in the delivery of such services.

- i) The Trust is compliant with the relevant NHS Acts through the delivery of services via the NHS Standard Contract.
- ii) The Trust remained in breach of its Provider Licence having been placed in financial and quality Care Quality Commission (CQC) 'special measures' in 2017, now the new Recovery Support Programme. The Trust was in the NHS England Oversight Framework segment 4.
- iii) On the basis of the breaches identified during 2022/23, which raised concerns regarding the effectiveness of the Trust's financial and quality governance arrangements, the Trust met all of its agreed milestones set by NHSE.

(c) NHS Constitution:

The Trust is required to undertake all necessary precautions in order to comply with the conditions of the Licence and has had regard to the NHS Constitution.

(i) The Trust Board receives and publishes its performance data with each set of Board papers, during 2022/23, through an Integrated Performance Report, which includes all Oversight Framework data requirements. As reported to the Trust Board and the Finance and Performance Committee, the Trust has not consistently met some of the requirements of the Oversight Framework data 2022/23: A&E four-hour standard, cancer 62-day standards, referral to treatment (RTT) 18 week standard and outpatient department follow-ups performance; and was in the NHS Oversight Framework level 4 of the Recovery Support Programme.

(ii) Although the Trust has not met the full suite of constitutional and regulatory requirements, the Trust has taken all reasonable steps necessary to meet its obligations.

Condition FT4 – Corporate Governance Statement

- a) The Trust has complied with required governance arrangements (Condition FT4(8)).
- b) With the exception of the 'FT4, 4C'* of the Provider Licence, the Trust can confirm it meets the majority of the standards. The Trust has not consistently met some of the NHS Oversight Framework data 2022/23: A&E four-hour standard, cancer standards, RTT 18 week standard and outpatient department follow-ups performance.

*[The NHS Provider Licence requirements for 4C are: The Board is satisfied that Northern Lincolnshire and Goole NHS Foundation Trust has established and effectively implements systems and / or processes to ensure compliance with health care standards binding on the Licensee including but not restricted to standards specified by the Secretary of State, the Care Quality Commission, the NHS England and statutory regulators of healthcare professions.]

- Condition CoS7(3) - The provider has a reasonable expectation that required resources will be available to deliver the designated services for the 12 months from the date of the statement.

The Trust is now transitioning, with mandated support, from the NHS England Oversight Framework segment 4 of the Recovery Support Programme to Segment 3 of the NHS Oversight Framework. NHS England North East and Yorkshire Regional Support Group recommended to the national team that the Trust should transition from Segment 4 to Segment 3 of the NHS Oversight Framework with mandated support. A Recovery Support Programme Review meeting was held on 25 May 2023 with NHS England National and Regional Executives and System Partners where this was confirmed.

Governors' Report

Council of Governors

As a Foundation Trust, the Trust has a CoG. The Board of the Trust is directly responsible for the performance and success of the Trust and satisfying the Council of Governors 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 business 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 has to make.

The Health and Care Act 2022 expands, clarifies and adds to the Governor roles and responsibilities contained within the National Health Service Act 2006 and the Health and Social Care Act 2012 as detailed in the following sub-sections.

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 NEDs
- Decide the remuneration and other terms and conditions of office of the Chair and other NEDs
- 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 NEDs, individually and collectively, to account for the performance of the Trust's Board of Directors for Trust performance and its contribution to the delivery of the objectives for the HNY ICS (with the implementation of the Health and Care Act 2022)
- Represent the interests of the members of the Trust, and public
- Approve Significant Transactions as defined by NHSE guidance
- Approve an application by the Trust to enter into a merger or acquisition
- Approve amendments to the Trust Constitution.

A key Governor responsibility is to represent the interests of the members of the Trust as a whole, and the interests of the public across the Trust's constituencies and now includes the 'public at large' across the Integrated Care System. As per the addendum to the 'Your Statutory Duties – Reference Guide for NHS Foundation Trust Governors - System Working and Collaboration: The Role of Foundation Trust's Council of Governors'.

The CoG takes the lead in agreeing with the Audit, Risk and Governance Committee the criteria for appointing, re-appointing and removing external auditors. When an external auditor's appointment is ended in disputed circumstances, the Chair will write to NHSE informing it of the reasons behind the decision. There is a clear policy and a fair process, agreed and adopted by the CoG, 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 2022/23

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	17.05.22	3 years	17.05.25		
Vacancy						
Vacancy						
Public Governors - Goole and Howdenshire						
Tony Burndred	24.04.19	17.05.22	3 years	17.05.25		
Rob Pickersgill	03.12.15	16.11.21	3 years	16.11.24		
Stephen Price	25.10.19	16.11.21	3 years	16.11.24		
Public Governors – North East Lincolnshire						
Diana Barnes	22.10.19	22.10.22	3 years	22.10.25		
Mike Bateson	21.11.22		3 years	21.11.25		
Karen Green	21.11.22		3 years	21.11.25		
Brian Page	03.12.15	16.11.21	3 years	16.11.24	31.10.22	
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		
Public Governors – North Lincolnshire						
Kevin Allen	13.10.20		3 years	13.10.23		
David Cuckson	16.11.21		3 years	16.11.24		
Maureen Dobson	28.11.07	25.10.19	3 years	25.10.22	25.10.22	
Shiv Nand	16.11.21		3 years	16.11.24		
Vacancy						
Vacancy						

Members of the Council of Governors during 2022/23 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		
Robert Copley	21.11.22		3 years	21.11.25	25.12.22	
Tim Mawson	21.10.14	13.10.20	3 years	28.10.23		
Joanne Nejrup	13.10.20		3 years	13.10.23	13.04.22	
Anthonia Nwafor	16.11.21		3 years	16.11.24		
Vacancy						
Stakeholder governors						
Eddie McCabe – North East Lincolnshire Place	19.04.16	23.09.22	3 years	23.09.25		
Emma Munday – North Lincolnshire Place	30.09.22		3 years	30.09.25		
Alex Seale – North Lincolnshire CCG	29.11.18	29.11.21	3 years	29.11.24	30.09.22	
Cllr Stan Shreeve - North East Lincolnshire Council	21.05.19	-	3 years	21.05.22		Conservative
Vacancy – North East Lincolnshire Council						
Cllr Nick Coultish – East Riding of Yorkshire Council	15.06.22		3 years	15.06.25		
Vacancy – North Lincolnshire Council						

Composition of the Council of Governors and Council of Governors meetings

The CoG comprises of the following constituencies:

Elected Public Governors

The CoG now has 16 Governors elected from its membership that represent the four main catchment areas of the Trust. This was amended following updates to the Trust Constitution in January 2023 to reflect general updates and changes resultant from the Health and Care Act 2022. These changes included the removal of the Hull York Medical School Governor seat and the addition of a further Governor seat in East and West Lindsey. Overall, there remains 26 Governor seats on the CoG.

Public Governors are elected from within local authority areas. The number of Governors for each constituency is in proportion to the population within the area using NLaG services, as detailed below:

Area	Number
North Lincolnshire	Five
North East Lincolnshire	Five
Goole and Howdenshire	Three
East and West Lindsey	Three

Elected Staff Governors

There are four staff Governors who are elected by staff members.

Appointed Stakeholder Governors

The Trust has a further six stakeholder Governors seats who are appointed by local partners or stakeholder organisations.

Annual elections ending November 2022

The Annual Governor elections were held in November 2022 as a result of one governor reaching the end of their term of office, two governors resigning and vacant seats. The election resulted in one public governor re-elected for a term of three years for North East Lincolnshire, two new public governors elected for a term of three years for North East Lincolnshire and one new staff governor elected for a period of three years.

Council of Governor meetings

The CoG meets sufficiently regularly to discharge its duties. During the year 1 April 2022 to 31 March 2023 attendance at meetings was as follows:

Council of Governor meetings (held in person or virtually)							
	Business	Business	Annual Members' Meeting	Annual Review Meeting	Business	Business	TOTAL
Name	13.04	20.07	29.09	13.10	13.10	11.01	
Public Governors – East and West Lindsey							
Jeremy Baskett	P	P	A	P	P	P	5/6
Public Governors – Goole and Howdenshire							
Tony Burndred	P	P	P	A	A	P	4/6
Rob Pickersgill	P	P	P	A	A	P	4/6
Stephen Price	P	A	P	A	A	A	2/6
Public Governors – North East Lincolnshire							
Diana Barnes	P	P	P	P	P	P	6/6
Mike Bateson						P	1/1
Karen Green						P	1/1
Brian Page	P	P	P	A	P		4/5
Ian Reekie	P	P	P	P	P	P	6/6
Liz Stones	P	P	P	A	P	P	5/6
Public Governors – North Lincolnshire							
Kevin Allen	P	P	P	P	P	P	6/6
David Cuckson	P	P	P	P	P	P	6/6
Maureen Dobson	P	A	P	A	A		2/5
Shiv Nand	A	P	P	P	P	P	5/6

Council of Governor meetings – attendance in 22/23 continued

	Business	Business	Annual Members' Meeting	Annual Review Meeting	Business	Business	TOTAL
Name	13.04	20.07	29.09	13.10	13.10	11.01	
Staff Governors							
Ahmed Aftab	A	A	A	A	A	A	0/6
Tim Mawson	P	A	A	A	P	A	2/6
Anthonia Nwafor	P	P	A	A	A	A	2/6
Stakeholder Governors							
Eddie McCabe –NEL Place					P	P	2/2
Emma Munday – NL Place					A	P	1/2
Alex Seale –NL CCG / HNY ICB	A	A	A	A			0/4
Cllr Stan Shreeve – NEL Council	A						0/1
Cllr Nick Coultish – ERY Council			A		A	A	0/3

KEY

A – Absent

P – Present

CCG – Clinical Commissioning Group

HNY ICB – Humber and North Yorkshire Integrated Care Board

NL – North Lincolnshire

NEL – North East Lincolnshire

ERY – East Riding of Yorkshire

During the year 1 April 2022 to 31 March 2023 attendance by Non-Executive Directors at the Council of Governor meetings was as follows:

	Business	Business	Annual Members' Meeting	Annual Review Meeting	Business	Business	Total
Name	13/04	20/07	29/09	13/10	13/10	11/01	
Sean Lyons, Trust Chair	P	P	P	P	P	P	6/6
Linda Jackson - Vice Chair	P	P	P	P	P	P	6/6
Peter Reading – Chief Executive	P	P	P	N/A	A*	P	4/5
Stuart Hall	P	A	A	N/A	A	A	1/6
Sue Liburd				A	A	P	1/3
Fiona Osborne	P	A	P	P	P	P	5/6
Simon Parkes	P	A	P	P	P	P	5/6
Gillian Ponder - Senior Independent Director	A	A	P	A	A	P	2/6
Mike Proctor	P	P					2/2
Maneesh Singh	A	P	A				1/3
Kate Truscott			P	P	P	P	4/4
Michael Whitworth	P	P	A				2/3

KEY

P - Present

A - Absent

A* - Representative Attendance

N/A - Attendance not required

Lead Governor

NHSE requires that each 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 NHSE if circumstances required direct communication between the Council of Governors 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 for updates 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 usually held annually in June although this year was held on 13 October 2022 last year. The review is led by the Trust Chair, supported by the Director of Corporate Governance and Assistant Trust Secretary, and utilises a framework document that incorporates NHSE's Code of Governance.

The CoG has an active and vibrant working group called the Governor Assurance Group (GAG) 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 Committee.

NHSE 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 visits, along with 15 Step Ward Reviews and assist in the preparation of 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 NED 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.

Eight such briefings were held during 2022/23 on topical health matters which included:

- Draft Quality Account
- Planning Position and Operational Plan
- North Lincolnshire Community Services
- Care Quality Commission
- Digital Admission Letters
- Joint Leadership Group
- Interim Clinical Plan and Humber Acute Services Programmes 1 and 2
- End of Life

Additional briefings within the CoG meetings were held during 2022/23 on topical health matters which included:

- CQC Improvement Plan
- ICS and the important role of Place
- Culture Development Programme
- Cost Improvement Plan and Financial Plan 2022/23
- New Emergency Department and Future of Emergency Care
- Recruitment and Retention
- Health Inequalities
- Operational Update including Winter Pressures
- CQC Report

Governors supported a series of communications with members and the public via the Trust website, news releases, posters and e-mails.

Holding the NEDs 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 NEDs 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 NHSE guidance that Governors should, via the NEDs, 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 NEDs 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 2022/23 has the CoG exercised its formal power to require a NED to attend a Council meeting and account for the performance of the Trust.

NEDs are invited to attend all CoG meetings and attend the CoG sub-groups which they are aligned to, based on the Trust Board 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 for the appointment of NEDs (including the Chair, Vice 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 periodically reviews the process to be followed for the appointment of the Chair, Vice Chair, Senior Independent Director and NEDs, 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 NEDs in context to changes to the cost of living and in reference to remuneration levels in comparable organisations.

It also considers and makes recommendations to the CoG for the reappointment of the Lead Governor. The Council will only exercise its power to remove the Chair or any NED after exhausting all means of engagement with the Board. The Chair and other NED appraisals for 2022 have been undertaken and reported to the full Council.

Key items discussed in 2022/23

Various key items were discussed by the Council of Governors during the year and briefings detailed above were incorporated into the meetings. Additional items included:

Feedback from:

- GAG
- Appointments and Remuneration Committee

Reports from Board committees (presented to the GAG):

- Audit, Risk and Governance Committee
- Finance and Performance Committee
- Quality and Safety Committee
- Strategic Development Committee
- Workforce Committee

Membership Report

Membership Strategy

The Trust has a Membership and Public Engagement Strategy for the period 2019 to 2023. 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 Foundation Trust Office by emailing: nlg-tr.foundationtrustoffice@nhs.net, or by ringing (03033) 302852 or writing to: The Foundation Trust Office, Scunthorpe General Hospital, Cliff Gardens, Scunthorpe, North Lincolnshire, DN15 7BH.

Currently the Trust has 6,295 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 2022/23 and the planned membership for 2023/24 are:

	2022/23 planned	2022/23 actual	2023/24 planned
Public constituency: as at 28.03.23	6,000	6,295	6,300
New public members	50	61	300
Leaving public members	200	258	200
Minimum required under Constitution	1,400	1,400	1,400
Staff constituency: as at 28.03.23	6,000	5,355	6,000
New staff members	850	843	850
Members staff leaving	800	466	800

As at 31 March 2023, the Trust had a membership of 11,881 (including 231 members with no date of birth declared and recorded). The number of new members for the period of 2022/23, including staff members was 904. The number of members leaving was 724, again, including staff. This shows an overall membership increase of 180 members. The tables below provide a detailed breakdown (figures as at 31 March 2023):

Total membership overview	
Public members	6,295
Staff members	5,355
Members with no DOB recorded	231
Total members	11,881

Age group – public members	Number	Percentage of members	Percentage of population
0 to 16	7	0.11	19.51
17 to 21	519	8.24	5.85
22 +	5,538	87.97	74.64
DoB not stated	231	3.67	n/a
Total	6,295	100	100

Breakdown by constituency

Constituency	Male	Female	Not stated	Total
Goole and Howdenshire	198	317	0	515
North East Lincolnshire	781	1,944	0	2,725
North Lincolnshire	812	1,579	0	2,391
East and West Lindsey	199	465	0	664
Staff	950	4,405	0	5,355
Total	2,940	8,710	0	11,650

Breakdown by ethnicity

Ethnicity	Number	Percentage of members	Population	Percentage of population
White	5,865	93.17	381,788	97.68
Mixed	18	0.29	1,854	0.47
Asian or Asian British	114	1.81	5,529	1.41
Black or Black British	37	0.59	882	0.23
Other	12	0.19	786	0.20
Not stated	249	3.96	0	0

Trust membership generally reflects the demographic of the population served and is representative for the majority of categories. Membership recruitment events will be planned in 2023/24, 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 Communications Team strives to maintain contact with members using a variety of methods although face to face contact has been limited due to Covid-19 during 2022/23. These methods include:

- Trust website with a designated section for members
- Email – newsletters, invites to meetings and volunteer opportunities
- Face-to-face through informal governor drop-in sessions which give people the chance to speak to Governors in private about any issues they may have
- Face-to-face with local residents, groups and patients
- Twitter and Facebook
- Engagement events provide members with an opportunity to listen to presentations and debate the hot topics of the day, although these have only been virtual during 2022/23
- Members' Survey

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 Foundation Trust Office who forward on queries or seek responses on behalf of Governors as appropriate and feedback to the Governors.

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 Director of Corporate Governance upon request.

Resolution of disputes

The Trust Constitution sets out the process for dealing with any dispute between the CoG and the Trust Board. The Council and Trust Board have a positive working relationship, and the process has not been utilised during the 2022/23 year.

Remuneration Report

Introduction

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 2022/23 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
- October 2022 - Agreed 3% annual cost of living pay award for Executive (Very Senior Manager) staff
- Approval of two joint Executive Director roles with Hull University Teaching Hospital resulting in an increase to basic salary. These costs will be shared across the two trusts. This did not require Treasury approval. This is effective from 1 April 2022 and 1 January 2023
- Selection and appointment process and remuneration package for the Joint Chief Executive role with HUTH.

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 2022/23; 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.

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 (NHSI) 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 Non-Executive Directors for 2022/23 is as follows and is undertaken by the Council of Governors' Appointments and Remuneration Committee (ARC):

Name	Salary 2022/23	Salary 2021/22
Sean Lyons *	£37,500	£37,500
Linda Jackson	£20,125	£18,500
Stuart Hall	£13,000	N/A
Susan Liburd	£13,335	N/A
Fiona Osborne	£13,335	£13,045
Simon Parkes	£15,633	£15,373
Gillian Ponder	£15,663	£15,373
Michael Proctor	£13,045	£13,045
Maneesh Singh	£13,228	£13,227
Kate Truscott	£13,335	N/A
Michael Whitworth	£13,045	£13,045

*Joint Trust Chair with Hull University Teaching Hospitals (50%)

Future Policy Table for Non-Executive Directors

Element	Policy
Fee payable	They receive a base allowance for circa six days per month
Additional fees	They can claim a subsistence allowance
% uplift (cost of living increase)	This is reviewed, although not always 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 2022/2023.

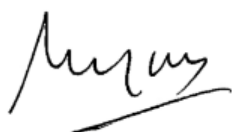
Statement of consideration of employment conditions elsewhere in the Trust

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:



Group Chair and Chair of the Remuneration and Terms of Service Committee:

Sean Lyons

Date: 5 December 2023

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 committee of the Board of Directors)

The Remuneration and Terms of Service Committee (RATS) is a 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 Interim 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 2022/23 the committee has taken advice internally from the Interim 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 2022 and 31 March 2023.

Name	Title	Dates of Attendance
Sean Lyons	Chair	2022: 10 May, 16 August, 26 October (extraordinary), 15 November, 15 November (extraordinary)
Linda Jackson	Vice Chair	2022: 16 August, 26 October (extraordinary), 15 November, 15 November (extraordinary)
Gillian Ponder	Non-Executive Director	2022: 10 May, 16 August, 26 October (extraordinary), 15 November, 15 November (extraordinary)
Fiona Osborne	Non-Executive Director	2022: 10 May, 16 August, 26 October (extraordinary), 15 November, 15 November (extraordinary)
Simon Parkes	Non-Executive Director	2022: 10 May, 16 August, 26 October (extraordinary), 15 November, 15 November (extraordinary)
Susan Liburd	Non-Executive Director	2022: 26 October (extraordinary), 15 November, 15 November (extraordinary)
Stuart Hall	Associate Non-Executive Director	2022: 15 November
Kate Truscott	Associate Non-Executive Director	2022: 26 October (extraordinary), 15 November, 15 November (extraordinary)
Helen Harris	Director of Corporate Governance	2022: 26 October (extraordinary), 15 November
Dr Peter Reading	Chief Executive	2022: 10 May, 16 August, 26 October (extraordinary), 15 November
Wendy Stokes	Executive PA (taking minutes)	2022: 10 May, 16 August, 26 October (extraordinary), 15 November
Simon Nearney	Interim Director of People	2022: 15 November (extraordinary)
Sarah Meggitt	Executive PA (taking minutes)	2022: 15 November (extraordinary)
Michael Proctor	Non-Executive Director	2022: 10 May, 16 August
Maneesh Singh	Associate Non-Executive Director	2022: 10 May
Michael Whitworth	Non-Executive Director	2022: 10 May
Christine Brereton	Director of People	2022: 10 May, 16 August, 26 October (extraordinary), 15 November

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 2022/23 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	Three months	Three months
Christine Brereton	Director of People	01/01/2021 - 31/12/2022	Three months	Three months
Simon Nearney	Interim Director of People	01/01/2023	Three months	Three months
Ellie Monkhouse	Chief Nurse	01/05/2019	Three months	Three months
Dr Kate Wood	Chief Medical Officer	01/04/2019	Three months	Three months
Jug Johal	Director of Estates and Facilities	14/08/2014	Three months	Three months
Shaun Stacey	Chief Operating Officer	29/05/2018	Three months	Three months
Ivan McConnell	Director of Strategic Development	16/03/2020	Three months	Three months
Lee Bond	Chief Financial Officer	06/11/2020	Three months	Three months
Shauna McMahon	Chief Information Officer	01/02/2021	Three months	Three months

*Jonathan Lofthouse joined the Trust as Group Chief Executive in August 2023.

Details of the non-executive directors who have served during the course of 2022/23 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 are 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
Sean Lyons	01/02/2022	01/02/2022	31/01/2025
Linda Jackson	30/09/2014	01/04/2022	30/09/2024
Stuart Hall	01/04/2020	01/04/2020	30/09/2024
Susan Liburd	03/10/2022	03/10/2022	02/10/2025
Fiona Osborne	16/08/2021	14/09/2022	13/09/2025
Simon Parkes	07/09/2021	07/09/2021	06/09/2024
Gillian Ponder	12/04/2021	31/05/2023	31/05/2026
Michael Proctor	14/09/2020	14/09/2020	13/09/2022
Maneesh Singh	01/05/2021	01/05/2021	30/09/2022
Kate Truscott	03/10/2022	03/10/2022	02/10/2024
Michael Whitworth	08/01/2020	08/01/2020	30/09/2022

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

The Appointment and Remuneration Committee (ARC) is a 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 2022/23 that were attended by each member of the committee.

Appointment of Executive and Non-Executive Directors in 2022/23

There were three executive appointments during 2022/23. There were two non-executive director appointments in 2022/23.

Meeting dates					
PUBLIC GOVERNOR MEMBERS	15/06/22	28/09/22	07/12/22	09/03/23	Total
Ian Reekie (ARC chair)	P	P		P	3 of 3
Jeremy Baskett	P	P		P	3 of 3
David Cuckson	P	P		P	3 of 3
Karen Green				P	1 of 1
Tim Mawson	P	A		P	2 of 3
Brian Page	P	P			2 of 2
Rob Pickersgill	P	P		P	3 of 3
Christine Brereton (Director of People)	A*	A*			0 of 2
Paul Bunyan (Associate Director of Workforce)	P	P			2 of 2
Helen Harris (Director of Corporate Governance)	A	P		A*	1 of 3
Alison Hurley (Assistant Trust Secretary)				P	1 of 1
Linda Jackson (Vice Chair)	A	P		P	2 of 3
Sean Lyons (Trust Chair)	P	P		P	3 of 3
Simon Nearney (Interim Director of People)				A	0 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 2023 earning £245 per day or greater

	Number
Total number of existing engagements as of 31 March 2023	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 2023 earning £245 per day or greater

	Number
Number of off-payroll workers engaged during the year ended 31 March 2023	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 2022 and 31 March 2023

	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	21

Directors and Governors expenses

	Total in office	Total receiving expenses	Total expenses
			£000's
2022/23			
Directors	21	7	£78
Governors	19	6	£12
2021/22			
Directors	21	7	£64
Governors	19	7	£7

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 NHSE on the review of cost of living awards.

Expenditure on consultancy

The Trust during 2022/23 has spent £587,000 on consultancy fees compared to £1,203,000 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 2022/23 was £245,000-£250,000 (2021/22, £235,000-£240,000). 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 2022/23 was from £9,000 to £199,000 (2021/22, £8,000 to £292,000). 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 4%.

No employees received remuneration in excess of the highest-paid director in 2022/23 (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).

Pay multiple table (subject to audit)

Notes				
9	Banded remuneration of the highest-paid director	£245,000 - £250,000		
	Change between years	5%		
		25th Percentile	Median	75th Percentile
9	Pay and benefits excluding pension	£23,000	£29,000	£43,000
9	Pay and benefits excluding pension: pay ratio for highest paid director	10:9	8:6	5:8
		Lowest	Highest	
10	Range of remuneration for employees of the Trust as a whole	£9,000	£199,000	
				Average
10	Percentage change in average employee remuneration	4%		
11	Number of employees that received remuneration in excess of the highest paid director	0		

Directors' remuneration 2022/23 (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	£'s
Mr S Lyons	7	Chair, also Chair of Hull University Teaching Hospitals NHS Trust	35 - 40	-	-	35 - 40
Mrs L Jackson	5	Vice Chair and Associate NED at HUTH	20 - 25	-	-	20 - 25
Dr P Reading	1	Chief Executive	205 - 210	6,100	-	210 - 215
Mr S Stacey		Chief Operating Officer	150 - 155	-	42.5 - 45.0	190 - 195
Mrs C Brereton		Director of People (resigned December 2022)	100 - 105	-	65.0 - 67.5	165 - 170
Mr S Nearney	2	Interim Director of People, also Director of People at HUTH (appointed January 2023)	15 - 20	-	-	15 - 20
Mrs E Monkhouse		Chief Nurse	160 - 165	-	37.5 - 40.0	190 - 195
Dr K A Wood		Chief Medical Officer	245 - 250	-	75.0 - 77.5	325 - 330
Mr L Bond	4	Chief Financial Officer, joint with HUTH	100 - 105	-	-	100 - 105
Mr I P McConnell		Director of Strategic Development	135 - 140	-	32.5 - 35.0	165 - 170
Mr J Johal	1	Director of Estates and Facilities	120 - 125	4,500	25.0 - 27.5	150 - 155
Mrs S McMahon	8	Chief Information Officer, joint with HUTH	70 - 75	-	35 - 37.5	105 - 110
Mr S Hall	6	Associate Non-Executive Director	10 - 15	-	-	10 - 15

Directors' remuneration 2022/23 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	£'s
Ms S P Liburd	Non-Executive Director (appointed October 2022)	5 - 10	-	-	5 - 10
Mrs F Osborne	Non-Executive Director	10 - 15	-	-	10 - 15
Mr S Parkes	Non-Executive Director	15 - 20	-	-	15 - 20
Mrs G Ponder	Non-Executive Director	15 - 20	-	-	15 - 20
Mr M Proctor	Non-Executive Director (resigned September 2022)	5 - 10	-	-	5 - 10
Mr M Singh	Non-Executive Director (resigned September 2022)	5 - 10	-	-	5 - 10
Mrs K Truscott	Associate Non-Executive Director	5 - 10	-	-	5 - 10
Mr M Whitworth	Non-Executive Director (resigned September 2022)	5 - 10	-	-	5 - 10
		£000	£'s		
Gross remuneration – including national insurance and pension contributions		1,823	10,600		

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	£'s
Mr S Lyons	7	Chair, also Chair of Hull University Teaching Hospitals NHS Trust	5 - 10	-	-	5 - 10
Mr T Moran	3	Chair, also Chair of Hull University Teaching Hospitals NHS Trust	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		Chief Medical Officer	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	8	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	5 - 10	-	-	5 - 10
Mr S Parkes		Non-Executive Director	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	£'s
Mrs G Ponder		Non-Executive Director	15 - 20	-	-	15 - 20
Mr M Proctor		Non-Executive Director	10 - 15	-	-	10 - 15
Mr M Singh		Non-Executive Director	10 - 15	-	-	10 - 15
Mr CA Smith		Associate Non-Executive Director	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		

Notes to director remuneration and pay multiple tables

1 - Benefit in kind relates to Lease Cars.

2 - Mr S Nearney is Director of People, 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.

3 - Mr T Moran was joint chair with 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 is Vice Chair of Northern Lincolnshire and Goole NHS Foundation Trust and an Associate Non-Executive Director of Hull University Hospitals NHS Trust. The above table represents remuneration relating to Northern Lincolnshire and Goole NHS Foundation Trust only.

6 - Mr S Hall is an Associate Non-Executive Director of Northern Lincolnshire and Goole NHS Foundation Trust and Vice Chair of Hull University Hospitals NHS Trust. The above table represents remuneration relating to Northern Lincolnshire and Goole NHS Foundation Trust only.

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

8 - Mrs S McMahon is Chief Information 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, apart from the pension benefit which is the benefit for the joint role.

9 - 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 4% 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.

10 - 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.

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

Pension Benefits 2022/23 (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 2023 (bands of £5,000)	Lump sum at pension age related to accrued pension at 31 March 2023 (bands of £5,000)	Cash Equivalent Transfer Value at 1 April 2022	Real Increase/(Decrease) in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2023	Employers Contribution to Stakeholder Pension
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Mrs C Brereton (1)	Director of People	2.5 – 5.0	-	15 - 20	-	191	43	249	-
Mr S Nearney (2)	Interim Director of People	0 – 2.5	-	20 - 25	-	282	16	314	-
Mr L Bond (3)	Chief Financial Officer	2.5 – 5.0	0 – 2.5	70 - 75	145 - 150	1,267	52	1,339	-
Mr J Johal	Director of Estates and Facilities	0 – 2.5	-	30 - 35	35 – 40	422	15	454	-
Mrs S N McMahon	Chief Information Officer	2.5 – 5.0	-	15 - 20	-	204	31	256	-
Mr I P McConnell	Director of Strategic Development	2.5 – 5.0	-	15 - 20	-	225	25	268	-
Mrs E Monkhouse	Chief Nurse	2.5 – 5.0	-	50 - 55	95 - 100	811	34	866	-
Mr S Stacey	Chief Operating Officer	2.5 – 5.0	-	25 - 30	25 - 30	441	30	514	-
Dr K A Wood	Chief Medical Officer	5.0 – 7.5	0 – 2.5	75 - 80	140 - 145	1,266	69	1,368	-

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

Notes to table above

- 1) Mrs C Brereton resigned on 31 December 2022.
- 2) Mr S Nearney was appointed as Director of People on 1 January 2023, this a joint role with Hull University Teaching Hospitals NHS Trust. The table above represents the total pension benefits for Mr S Nearney in this joint role.

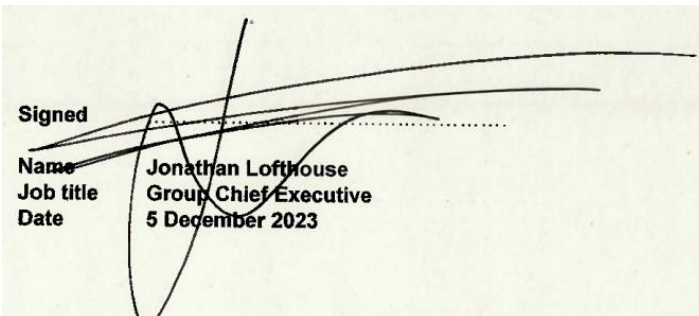
3) Mr L Bond is Chief Financial Officer, this a joint role with Hull University Teaching Hospitals NHS Trust. The table above represents the total pension benefits for Mr L Bond in this joint role.

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 is based in the Department of Work and Pensions regulations which came into force on 13th October 2008. Cash equivalent transfer value (CETV) figures are calculated using the guidance on discount rates for calculating unfunded public service contribution rates that was extant on 31 March 2023. HM Treasury published updated guidance on 27 April 2023; this guidance will be used in the calculation of 2023/24 CETV figures.

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.



Signed
Name Jonathan Lofthouse
Job title Group Chief Executive
Date 5 December 2023

Staff Report

2022/23 has seen the challenges of the fallout from the pandemic continue. Our staff have delivered services with admirable dedication, determination and unfailing compassion and commitment.

This year we again invested in the health and wellbeing of our staff with a comprehensive range of services and support, with a 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.

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 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 Trust's national staff survey results.

Apprenticeships

The Trust continues to utilise the apprenticeship levy for the development of our staff and the local community. During 2022/23 there were 97 apprenticeship starts across 23 different apprenticeship standards. January 2023 saw the introduction of nursing apprenticeships at the Trust with 7 Level 5 Nursing Associate Apprentices commencing their programme through Lincoln University. 2023/24 will see a further growth in clinical apprenticeships with 12 Level 6 Registered Nurse Degree Apprentices planned to commence in September 2023, along with small cohorts in the Allied Healthcare Professions, further Nursing Associates and Operating Department Practitioners. During 2023/24 we will also be augmenting our non-clinical apprenticeship offer through the addition of Level 5 Coaching Professional and Level 3 Facilities Management Supervisor. As a result of all clinical and non-clinical additions, the Trust will now be offering 48 different apprenticeship standards ranging from Level 2 to Level 7. The Trust continued to support the local community in 2022/23 through levy transfers to 13 primary and secondary care providers, enhancing the system-wide approach to developing a skilled health and social care workforce. This will continue in 2023/24 to ensure the utilisation of levy funds is maximised.

Information on health and safety performance

Occupational safety, fire safety and security strategy are managed through the safety and statutory compliance team. These areas are monitored through the Health, Fire and Safety Group (HFSG) which comprises of union appointed safety representatives as well as other staff groups and management.

This group reports to the Trust Management Board (TMB) although some elements are also reported to Trust Sub-Board Groups (such as Audit, Risk and Governance Committee), as well to ensure that all aspects of safety and health are appropriately overseen and escalated where required.

Divisions have established governance groups which incorporate the safety and health aspects (and fire safety etc.) as well as the sub-board groups and HFSG also has established links with Security Group as well as being represented on the Joint Negotiating Consultative Committee (JNCC). Regular highlight reports are submitted to the Trust Management Board and annual reports such as Fire and Security are presented to the Trust Board.

Although part of the Estates and Facilities Directorate, the team-work across all Divisions/Directorates to ensure a consistent approach is taken in regard to safety management. The team also works closely with the clinical, infection control, procurement and emergency preparedness teams to ensure that appropriate measures are in place both in emergency situations and during operational pressures.

In addition, the work includes overseeing the update of risk assessments and reviewing incidents which could be reportable to external authorities. In relation to the incidents which met the threshold of the RIDDOR requirements the Trust reported 12 incidents during the 2022/23 period. This was an increase from the previous year but was linked to the resumption of normal operational activity levels.

The period also saw the completion of the replacement of the fire alarm system at DPOW and allocation of funding to undertake a similar replacement of the system at SGH.

Staff policies and actions

Policy	Action
<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 is currently reviewing the recruitment documentation which includes the job descriptions and adverts, to ensure they are inclusive of information which encourages future applications of disabled candidates and sets out expectations and support mechanisms in place.</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 has a number of staff equality networks, including a Disability Equality Staff network. We have incorporated feedback from the staff network to enable the development of a Disabilities and Long-Term Health Conditions (D and LTHC) policy and procedure, which will be implemented alongside a number of support mechanisms around guidance and managers toolkit aligned to this policy. The aim of this policy was to align and centralise information and guidance currently contained within several HR policies, this will provide a clear and consistent approach in one document. The aim of this policy is to support new employees coming into the Trust, employees with existing disabilities and employees who may develop a disability. In respect of reasonable adjustments required to retain employment and wellbeing, a centralised budget has been created to support quick and efficient ordering of resources and equipment to ensure a fair and equitable process also utilising support and guidance available via Access to Work where appropriate. The Trust has also developed a Dyslexia Guidance (including dyspraxia and dyscalculia), this provides a clear process for employees and managers to follow to gain appropriate assessments required, incorporating suggested reasonable adjustments and support available. The Trust has further developed the HR HUB site to bring together all information and resources for employees and managers in one place to ensure this is easily accessible.</p> <p>Managers are now being asked to complete an 'Individually Tailored Adjustment Agreement' with their employees to capture all reasonable adjustments required, ensuring expectations are mutually agreed and any future changes in management does not affect the agreed arrangements in place.</p> <p>Work will continue to be developed with ongoing and future workstreams being driven by the Staff Disability Network as part of the NHS People Promise.</p>

Staff policies and actions continued

Policy	Action
Policies applied during the year for the training, career development and promotion of disabled employees	The Trust has recently developed and launched a new Dyslexia Guidance (including dyspraxia and dyscalculia), this provides a clear process for employees with no diagnosis to access an assessment. The guidance also includes suggested adjustments and support available, the aim being to provide no barriers for continued development of all our employees.
Actions taken in the year to provide employees systematically with information on matters of concern to them as employees	The HR Hub (intranet) site has been reviewed and developed further over the last year to incorporate a suite of information around the HR policies, this includes Frequently Asked Questions, guidance and toolkits for each HR policy. The site is regularly updated based on staff feedback via the Face Book page, Ask Peter questions and the Staff Survey.
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	An established monthly meeting with staff side and the senior HR representatives is in place to discuss upcoming consultations and any matters arising that affect staff. This forum provides true partnership working to enable resolutions of any concerns before they potentially escalate into a formal process.

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 and a monthly JLNC (Joint Local Negotiating Committee) for medical staff.
- 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 and 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 2022/23 the Trust continued to work hard to communicate with staff and help them feel involved in the work and the decisions of the, 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.

- A weekly Thursday email called 'Building our future' which focuses on the building works and digital changes taking place across the Trust.
- Running a number of online 'Team Brief' sessions with the Chief Executive and other directors discussing issues such as culture, finance, the NHS green agenda and speaking up. Continuing to answer staff questions 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.
- 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.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
15	6783

Percentage of time spent on facility time

Percentage of time	Number of employees
0	6768
1-50	12
51-99	1
100	2

Percentage of pay bill spent on facility time

	Figures
Total cost of facility time	£109,689.47
Total pay bill	£294,640,000
Percentage of the total pay bill spent on facility time	0.037

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	0.12
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Staff sickness absence data (Audited)

Average Full Time Equivalent (FTE) 2022/23	Adjusted FTE days lost to Cabinet Office definitions	Average Sick Days per FTE	FTE - Days Available	FTE - Days recorded Sickness Absence
5,968	80,800	13.5	2,178,161	131,075

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 Integrated Care Board (formerly our local Clinical Commissioning Groups) is 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, and collaborates as necessary with the LCFS. 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 2022 we also held a Fraud Awareness Month and the Trust was an official supporter of International Fraud Awareness Week in the same month.

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.

Occupational health

Occupational Health (OH) is concerned with the impact of health on work and work on health, with a focus on maintaining health as a working community staff to support the delivery of service of the Trust. The OH service supports members of staff, managers and recruitment by providing best practice clinical OH advice. OH is working hard to streamline its processes and work in ways to increase efficiency and productivity which reflects in a steady improvement to waiting times for interventions, support and pre-employment health clearances. A major contributor to the improved time to recruit (from an Occupational Health perspective) has been the successful focus on supporting the recruitment campaigns and process. The OH Team strive to continue working with the greater workforce community and colleagues on the support of health including coordinating the Peer Vaccinator programme to support the uptake of the influenza vaccine in frontline workers. These are important steps which offer benefits to staff, improved safety for patients and public health focus for our communities and families. The OH department will strive over the coming year to measure its delivery of service share with the organisation in addition to demonstrate and continuous improvement of service. The service aims to work with key stakeholders within the People Directorate as well as operational teams and external peers to ensure that the service is at the forefront of care and service delivery for the benefit of the Trust and its staff.

NHS staff survey

The NHS staff survey is conducted annually. From 2021/22 the survey questions aligned to the seven elements of the NHS 'People Promise', and retained the two previous themes of engagement and morale. These replaced the ten indicator themes used in previous years. All indicators are based on a score out of 10 for specific questions with the indicator score being the average of those. The response rate to the 2022/23 survey among trust staff was 36 per cent which is 2% less than in 2021/22.

2022/23 and 2021/22

Scores for each indicator together with that of the survey benchmarking group (acute and acute and community trusts) are presented overleaf.

Indicators (People Promise and themes)	2022/23		2021/22	
	Trust score	Benchmarking group score	Trust score	Benchmarking group score
People Promise:				
We are compassionate and inclusive	6.9	7.2	6.9	7.2
We are recognised and rewarded	5.5	5.7	5.6	5.8
We each have a voice that counts	6.4	6.6	6.4	6.7
We are safe and healthy	5.7	5.9	5.8	5.9
We are always learning	5.1	5.4	4.9	5.2
We work flexibly	5.6	6.0	5.6	5.9
We are a team	6.4	6.6	6.3	6.6
Staff engagement	6.4	6.8	6.4	6.8
Morale	5.5	5.7	5.5	5.7

2020/21

Scores for each indicator together with that of the survey benchmarking group (acute and acute and community trusts) are presented below.

	Trust scores	Benchmarking group scores
Equality, diversity, and inclusion	9.0	9.0
Health and wellbeing	5.5	5.9
Immediate managers	6.4	6.8
Morale	5.9	6.1
Quality of appraisals	4.8	5.6
Quality of care	7.4	7.5
Safe environment – bullying / harassment	7.7	7.9
Safe environment – violence	9.5	9.4
Safety culture	6.2	6.7
Staff engagement	6.6	7.0
Team working	6.4	6.6

Future priorities and targets

During 2022/23 work continued to deliver the Trust's People Strategy which was approved by the Board in 2020. The People Strategy focuses on Workforce, Leadership and Culture. The Trust is doing much work to improve staff satisfaction at work and, therefore, the survey results. This work includes:

- The implementation of a Leadership Development Strategy focused on increasing line manager core skills, developing a values-based leadership programme centred on improving leadership influence on culture and implementation of structured career pathways and education opportunities for clinical and non-clinical staff. As a result of investment in leadership development the Trust has now piloted the first cohort with community and therapy and looks to run 6 more in 2023 to priority areas and management groups.
- The launch of a cultural transformation programme developed with our staff through the Big conversation of August 2022 to improve employee experience this resulted in high levels of staff engagement and voice: the Trust has since implemented a culture transformation working group and Board. 2023 will see the development of a culture change academy aimed at individuals, teams, leaders and a network of culture change ambassadors.
- Proactive career planning within nursing, including expanding the apprenticeship framework to enrich nursing career opportunities and retain good staff.
- Improved recruitment strategy and actions to become an Employer of Choice.
- Implementation of an Equality, Diversity and Inclusion action plan to strengthen our inclusion, diversity and equity. The Trust has launched 3 staff networks BAME, Disability, LGBTQ+ in 2022 and is looking to launch the Women's network in 2023. A provision of educational programmes from 2023 onwards, ran with and through the staff networks, will support a more inclusive and equitable workforce and workplace.
- The Trust has signed up to a two-year health and wellbeing plan designed to build on progress made to date and embed effective leadership of our staff's health and wellbeing, introducing Schwartz rounds, growing a network of wellbeing champions and offering training in the field of Mental Health First Aid.
- The Trust aims to further develop this work in 2023 through leadership programme, culture programmes, coaching, mentoring and the development of a culture change academy aimed at individuals, teams, leaders and a network of culture change transformation.

Staff turnover

The latest information about the Trust's staff turnover can be found on the NHS workforce statistics website: <https://digital.nhs.uk/data-and-information/publications/statistical/nhs-workforce-statistics>. This information is updated on a monthly basis.

Gender pay gap

Information on the Trust's gender pay gap can be found on the Cabinet Office website (<https://gender-pay-gap.service.gov.uk/>) and more information is available on the Trust website: <https://www.nlg.nhs.uk/resources/gender-pay-gap-reports/>.

Trust staff in numbers

Staff costs (subject to audit)

	Group			
	2022/23			2021/22
	Permanent	Other	Total	Total
	£000	£000	£000	£000
Salaries and wages	267,935	1,024	268,959	251,256
Social security costs	30,105	-	30,105	25,049
Apprenticeship levy	1,412	-	1,412	1,277
Employer's contributions to NHS pension scheme	40,656	-	40,656	38,457
Temporary staff	-	28,831	28,831	28,961
Total gross staff costs	340,108	29,855	369,963	345,000
Total staff costs	340,108	29,855	369,963	345,000
<i>Of which</i>				
Costs capitalised as part of assets	467	-	467	787

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

	Group			
	2022/23			2021/22
	Permanent	Other	Total	Total
	Number	Number	Number	Number
Medical and dental	743	74	817	795
Ambulance staff	-	-	-	-
Administration and estates	1,405	67	1,472	1,458
Healthcare assistants and other support staff	1,177	67	1,244	1,205
Nursing, midwifery and health visiting staff	1,679	426	2,105	2,012
Scientific, therapeutic and technical staff	1,086	34	1,120	1,101
Total average numbers	6,090	668	6,758	6,571
<i>Of which:</i>				
Number of employees (WTE) engaged on capital projects	-	-	-	-

Number of people

	2022/23	2021/22
Other	7	10
Medical	735	698
Band 9	15	15
Band 8	247	242
Band 7	579	558
Band 6	872	842
Band 5	1457	1408
Band 4	379	360
Band 3	891	844
Band 2	2105	1978
Band 1	2	9
Apprentices	3	5
Total	7292*	6969*

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

Age profile of staff

	2022/23	2021/22
< 25	447	442
26 - 35	1905	1777
36 - 45	1621	1506
46 - 50	796	832
51 - 55	986	939
56 - 60	853	842
61-65	553	521
65+	131	110
Unknown	0	0
Total	7292*	6969*

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

Ethnic minority breakdown of staff

	2022/23		2021/22	
	Number	%	Number	%
Asian	614	8.4	548	7.9
Black	400	5.5	277	4.0
Mixed	66	0.9	52	0.7
Other	87	1.2	79	1.1
Unknown	211	2.9	201	2.9
White	5914	81.1	5812	83.4
Total	7292*		6969*	

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

Analysis of gender distribution of staff 2022/23*

	Female	Male	Total	Female %	Male %
Directors	4	4	8	50%	50%
Other Senior Managers#	175	87	262	67%	33%
Employees excluding the above	5695	1327	7022	81%	19%
Total	5874	1418	7292*	80%	20%

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

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

Staff profile

	Number of People*	
	2022/23	2021/22
Add prof scientific and technical	104	162
Additional clinical services	1599	1469
Administrative and clerical	1540	1518
Allied health professionals	467	399
Estates and ancillary	674	653
Healthcare scientists	217	211
Medical and dental	735	698
Nursing and midwifery registered	1948	1856
Students	8	3
Unknown	0	0
Total	7292*	6969*

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

Exit package cost band, including any special payment element (audited)

Reporting of compensation schemes - exit packages 2022/23			
	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	1	-	1
£25,001 - 50,000	-	-	-
£50,001 - £100,000	-	-	-
£100,001 - £150,000	-	-	-
£150,001 - £200,000	-	-	-
>£200,000	-	-	-
Total number of exit packages by type	1	-	1
Total resource cost (£)	£15,000	£0	£15,000

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

Exit packages: other (non-compulsory) departure payments

	2022/23		2021/22	
	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	-	-	-	-
<i>Of which:</i>				
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

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 ended 31 March 2023, 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	<p>A description of director's skills, expertise and experience.</p> <p>Alongside this a clear statement about the board's balance, completeness and appropriateness to the requirements of the FT.</p>	<p>Directors' report – brief details of serving executives and non-executives</p> <p>Directors' report – balance of the board</p>
Additional requirement of FT ARM	Board	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.	Open advertising was used in the appointment process 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
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
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 2022/23

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 England.

NHS England 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's Group Accounting Manual and in particular to:

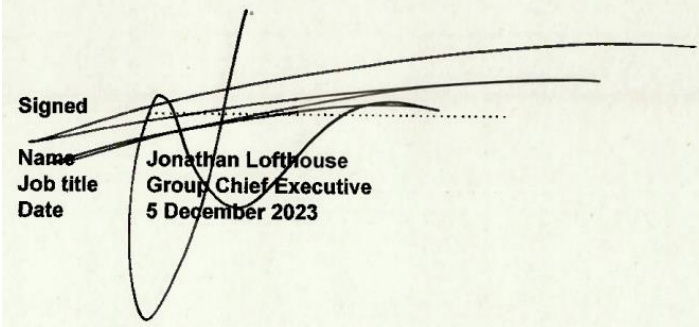
- Observe the Accounts Direction issued by NHS England, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- Make judgements and estimates on a reasonable basis
- State whether applicable accounting standards as set out in the NHS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

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

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

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

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



Signed
Name Jonathan Lofthouse
Job title Group Chief Executive
Date 5 December 2023

NHS Oversight Framework

NHS England's NHS Oversight Framework provides the framework for overseeing systems including providers and identifying potential support needs. NHS organisations are allocated to one of four 'segments'.

A segmentation decision indicates the scale and general nature of support needs, from no specific support needs (segment 1) to a requirement for mandated intensive support (segment 4). A segment does not determine specific support requirements.

By default, all NHS organisations are allocated to segment 2 unless the criteria for moving into another segment are met. These criteria have two components:

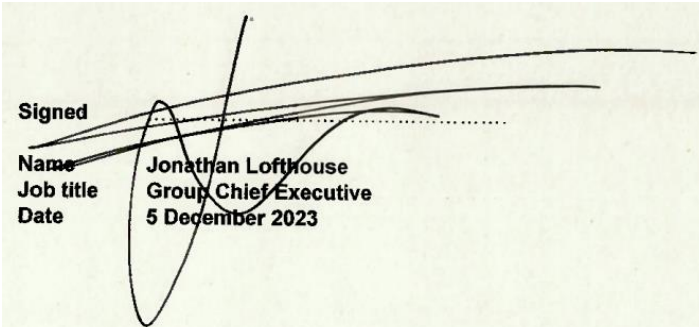
- a) objective and measurable eligibility criteria based on performance against the six oversight themes using the relevant oversight metrics (the themes are: quality of care, access and outcomes; people; preventing ill-health and reducing inequalities; leadership and capability; finance and use of resources; local strategic priorities)
- b) additional considerations focused on the assessment of system leadership and behaviours, and improvement capability and capacity.

An NHS foundation trust will be in segment 3 or 4 only where it has been found to be in breach or suspected breach of its licence conditions.

Segmentation

This segmentation information is the trust's position as at December 2023 NHS England have placed the Trust in segment 3 after the Trust was informed it was leaving the Recovery Support Programme in May 2023.

Current segmentation information for NHS trusts and foundation trusts is published on the NHS England website: <https://www.england.nhs.uk/publication/nhs-system-oversight-framework-segmentation/>



Signed
Name Jonathan Lofthouse
Job title Group Chief Executive
Date 5 December 2023

Annual Governance Statement

Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the 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 2023 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

Covid-19 continued to impact on the way in which the Trust Board, staff and patients interacted, particularly in relation to the use of personal protective equipment (PPE), especially mask wearing and the use of virtual meetings and appointments.

Leadership and Accountability

Leadership Generally

During 2022/23 and up to the date of publishing this report, the Northern Lincolnshire and Goole NHS Foundation Trust (the Trust) continued the strategic alignment between the Trust and Hull University Teaching Hospitals NHS Trust (HUTH), with agreement by both Trust Boards in November 2022 to establish a Group Executive Management structure. This follows the appointment of a Joint Chair across both Trusts in February 2020, and the appointment in November 2020 of a Joint Chief Financial Officer. During 2022-23 the two Trusts appointed a Joint Chief Information Officer, and Interim Joint arrangements for Director of People and Director of Strategic Development.

During 2023/24, a Group Chief Executive was appointed and the recruitment process for the Group Executive Management Team continues, including the implementation of the joint Committees in Common.

The Trust continued to play a full part in the Humber and North Yorkshire Health and Care Partnership (Integrated Care System), including membership of the Collaboration of Acute Providers, the Community Collaborative and the Place Partnership Boards for East Riding of Yorkshire, North East Lincolnshire and North Lincolnshire.

During 2022/23 the Trust and Trust Board were inspected by the Care Quality Commission (CQC), and this included a Well Led Review. The Trust remains rated as 'Requires Improvement' in the 'Well Led' domain following the Care Quality Commission inspection, and an action plan has been developed to address any shortcomings.

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 continued at weekends during parts of 2022/23 in support of this.

The shared general management resource across Family Services and Community and Therapies Divisions continues to provide both divisions with sufficient business support and leadership, and strong governance has been sustained through maintenance of the divisional nursing, midwifery and Allied Health Professional leadership and governance structures within these divisions.

The Trust's People Strategy continues to be embedded and focusses on three main themes: Workforce, Culture and Leadership. A leadership development strategy for all leaders within the Trust continues to be designed and implemented, focusing on developing our emerging and existing leaders which includes: leadership core skills, career development, and a values-based leadership programme. The key focus during 2022/23 remained on health and wellbeing of our staff and the vaccination and booster programme.

The Senior Leadership Community, which 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 Chief Medical Officer ensuring greater clinical engagement and ownership of these arrangements across the Trust.

The Chief Medical Officer is supported by a Deputy Chief Medical Officer, Associate Director of Quality Governance and Associate Chief Medical Officer. The Deputy Chief Medical Officer 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 Chief Medical Officer. The Risk Management Strategy continues to be implemented 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 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 being 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 (Board Assurance Framework) 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 Annual Governance Statement.

Training

The Trust has in place a mandatory training programme which includes training on specific risk topics such as fire safety, safeguarding, fraud, 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 Performance Review and Improvement Meetings; escalation of support can be requested to achieve compliance.

The Trust's mandatory training programme is being 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 across all core and role specific mandatory training. As of April 2023 the compliance levels were 89.63% for Core Mandatory Training (against a target of 85%) and 76.40% for Role Specific Mandatory Training (against a target of 85%). Compliance levels as of August 2023 are 91.2% for Core Mandatory Training (against a target of 85%) and 80.4% for Role Specific Mandatory Training (against a target of 85%). 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'

The Ulysses system is the Trust's IT enabled Risk Management and Incident Reporting System which enables individual actions to be tracked and monitored. It provides oversight of all incidents via a daily report to clinical divisions, the Chief Medical Officer and Chief Nurse. Implementation of the Learning Strategy continues and evolves whilst serving 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 refocussed Collaborative Learning In Practice 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 Serious Incidents 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 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 the Integrated Care Board and Place Based Partnerships on its arrangements for investigating and learning from Serious Incidents via a community-wide Serious Incident Collaborative Group, which in turn links with the Local Maternity Specialist. The Quality and Safety Committee and Place Based Partnership Quality Board 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 Serious Incident and Being Open and Duty of Candour Policy and Procedures. Instances of harm are being escalated as potential Serious Incidents to the weekly Executive-led Serious Incident panel for discussion as to whether they meet the criteria for reporting or, if not, would benefit from the added resource that a Serious Incident 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 committees including the Audit, Risk and Governance Committee, Finance and Performance Committee, the Workforce Committee, the Quality and Safety Committee and the Strategic Development Committee. These 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 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, NHS Resolution, Health and Safety Executive, Integrated Care System, local Place Based Partnerships, Local Authorities and Members of Parliament and acts on recommendations / alerts from these bodies as appropriate. The Trust registers external visits and seeks assurance on the outcomes following agency visit recommendations. This has remained a focus during 2022/23 and will continue during 2023/24 with emphasis on the Integrated Care System and place-based partnership working.

The Trust has maintained and developed its relationship with the Care Quality Commission - 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 Care Quality Commission representative engagement at internal meetings to discuss local improvement plans and share progress and challenges with Care Quality Commission linked improvement plans.

The Trust is keen to promote an open and transparent relationship with the Care Quality Commission 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 Chief Medical Officer. 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 Board Assurance Framework 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 Board Assurance Framework and risk register are used to inform the agenda of the Trust Board and Board committees with the relevant risks being aligned to and reviewed by the relevant committees quarterly. The Trust Board committees undertake deep dives into their aligned strategic risks within the Board Assurance Framework and the Trust Board annually reviews the organisation's 'Risk Appetite'.

An annual Internal Audit review of the Board Assurance Framework 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 2022/23 Internal Audit review.

The Trust's strategic risks as summarised within the Board Assurance Framework, 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 and North Yorkshire 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 committees have reviewed the Board Assurance Framework 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 committees review and challenge their associated sections of the Board Assurance Framework, 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 Board Assurance Framework are in place and are robust.

The Trust Board assesses and confirms compliance or otherwise with the requirements of its NHS Provider Licence including condition FT4 (8) relating to governance.

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 committee structures.

The role of the Freedom to Speak Up 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 Freedom to Speak Up concerns to help develop a 'learning culture' within the organisation.

The Trust Board receives quarterly independent reports for oversight and the Freedom to Speak Up Guardian continues to work with Executives and the Trust Board to support development and training sessions with them and the wider Trust – during 2022/23 there have been two board development sessions around Freedom to Speak Up and further sessions are planned for 2023/24. 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 focusses 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 Care Quality Commission Well Led criterion. Our staff survey results for 2022 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 are shared through the performance management framework and are reported up to the Trust Board through the Integrated Performance Report. 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 committees of the Trust Board 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 committees are chaired and attended by Non-Executive Directors 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 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; the publishing of the Council of Governors and Trust Board papers on the Trust's website; and the holding of Board meetings in public. The Council of Governors normally meets at least four times per year with these meetings being held in public. During the ongoing Covid-19 pandemic in 2022/23 the Council of Governors met virtually three times. The Annual Members' Meeting in September was held at a venue with hybrid virtual attendance too, and the October Council of Governors meeting was held in person at a public venue.

The Trust continues to work with various stakeholders including its local Healthwatch partners to ensure a wide breadth of patient views are heard. The Trust continued to work on the Humber Acute Services programme which included extensive engagement with staff, Voluntary, Community and Social Enterprise partners, local authorities, elected members, patients, members of the public and people and communities who face disadvantages. 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. A full public consultation commenced in September 2023 on possible options for hospital services in the future.

The Trust new website 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 made efforts to publicise timely information – such as changes to visiting arrangements throughout the pandemic - via e-mail, social media channels such as Twitter and Facebook and, where appropriate, by liaising with the local media.

The Trust has an established a Patient Panel who meet quarterly and are able to offer support by sharing their lived experience and views to any project requests.

Quality Risks

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

- Agreed Trust annual quality priorities;

- 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 published Trust’s 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 Integrated Performance Report and to the Quality and Safety Committee via quality reports;
- The direction set out in our Quality Strategy (2019-2024) and the monitoring processes through our governance arrangements;
- Care Quality Commission (CQC) inspection recommendations have action plans that are monitored and reported to relevant Board sub-committees, with Internal Audit of these processes providing “Significant” assurance;
- The implementation of the Quality Improvement Strategy (2021-2023) and the ongoing support from the Quality Improvement Training Faculty, resulting in 160 projects registered, that contribute to our Quality Improvement journey;
- 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);
- Quality Governance Group performance monitoring of 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;
- A Mortality Improvement Group, reporting to the Quality Governance Group, is in place and includes as part of its membership Divisional clinical leads, a Non-Executive Director and relevant external stakeholders. The Chief Medical Officer has the lead for mortality supported by an appointed clinical lead;
- The Quality and Safety Committee who retain 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 Integrated Performance Report 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 2022/23 the process for screening a higher proportion of deaths for learning opportunities was achieved. Further work during 2023/24 will be focussed on the sharing of themes and learning with key stakeholder partners in and outside the organisation;

- Learning from deaths is achieved through screening and review processes, including the Medical Examiner function identifying opportunities to improve the quality of care, through Structured Judgement Reviews and escalation routes for potential serious incidents;
- The 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. This data is captured in a system called COBRA, and the output is overseen via regular reporting to Quality and Safety Committee;
- The Trust's 15 Steps Assurance Programme for wards and departments, which is aligned to the Care Quality Commission 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 participate in this programme;
- Some informal visits to wards and departments were undertaken during 2022/23 by Executive and Non-Executive Directors, 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;
- Risks that may impact on the quality of care and service provided are identified by the Division and Directorate management teams. Those risks are assessed, with actions identified to mitigate, then reported through governance arrangements, with escalation processes in place for potential impact on the Trusts Strategic Objectives;
- Non-Executive Directors who have oversight and assurance roles in respect of specific aspects of governance, quality governance and risk. These roles are reviewed annually;
- The Chief Medical Officer who 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 implementation of the nursing, midwifery and allied health professionals strategy called 'The Future 5 and Beyond 2021-24' led by the Chief Nurse;
- A nursing dashboard which 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;
- 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;
- Routine consideration and acting upon the recommendations of national quality benchmarking exercises, e.g. National patient surveys; and
- Acting upon patient feedback from complaints and concerns and from feedback from Patient and Public Involvement representatives (e.g. Health Watch).

The effectiveness of the Trust's governance, quality governance and risk management arrangements continued to be tested during 2022/23 via internal and external testing including the Annual Internal Audit Programme and relevant external reviews and visits.

Care Quality Commission: Registration and Essential Standards of Quality and Safety

The Trust underwent its last Care Quality Commission inspection in June 2022 followed by the Well Led Review in July 2022, and is fully compliant with the registration requirements of the Care Quality Commission. The full visit report was published in December 2022. Arising from that inspection the Trust retained its overall rating of 'Requires Improvement' although significant improvements were noted. The Trust received a rating of 'Good' for the 'caring' domain and for Goole District Hospital overall. A 'Requires Improvement' rating was given for the: 'safe', 'effective', 'responsive', 'use of resources' and 'well-led' domains. The Trust is currently transitioning from the NHS England Oversight Framework segment 4, to Segment 3 of the Oversight Framework.

The detailed Divisional improvement plans incorporate the latest Care Quality Commission feedback together with the feedback from 2019 and continue to be embedded and delivered. The Trust continues to report on progress to the Performance Review and Improvement Meetings, the relevant Trust Board committees and the Trust Board.

The NHS England-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 Care Quality Commission through the monthly engagement meeting.

The Trust was in NHS England's Oversight Framework segment 4 of the Recovery Support Programme during 2022/23 for quality and finance, and the Foundation Trust is fully compliant with the registration requirements of the Care Quality Commission. NHS England North East and Yorkshire Regional Support Group recommended to the national team that the Trust should transition from Segment 4 to Segment 3 of the NHS Oversight Framework with mandated support. A Recovery Support Programme Review meeting was held on 25 May 2023 with NHS England National and Regional Executives and System Partners where this was confirmed.

Workforce

The Trust has in place a Workforce Committee which is chaired by a Non-Executive Director 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. The annual Workforce Committee plan is being implemented which supports reporting and focus on workforce, culture, leadership and captures improvements achieved.

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 2022/23 which included Newly Qualified Nurses, Advanced Clinical Practitioners, Nursing Associates, Care Navigators and Medical Support Workers.

The Trust has worked closely with NHSE for both the recruitment of international registered nurses and Health Care Support Workers. Targets for recruitment of international nurses has been exceeded. Engagement with universities within the region has also resulted in targets for newly qualified nurses being exceeded, and the introduction of a nursing career framework and apprenticeship programmes will support longer term locally trained pipelines.

2022/23 saw the first cohort of internationally educated midwives appointed and started, with plans in place to support further starts in the future. This is supported by a successful newly qualified midwife campaign and the appointment of a Recruitment, Retention, and Pastoral Care Midwife.

Allied Health Professional and medical recruitment has been supported by the Talent Acquisition Team for targeted recruitment and this will expand to include medical roles in the coming year. In addition to these recruitment campaigns, our relationship with the Lincolnshire Refugee Doctor Project has been developed with processes implemented to support refugee doctors in the local area into roles at the Trust.

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. 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 Nursing 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, Inclusion and Human Rights

Control measures are in place to ensure that all of the organisation's obligations under equality, diversity, inclusion and human rights legislation are complied with. The Trust has an Equality and Diversity Strategy which encompasses our Equality Objectives. These 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 remains 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 (2020).

The 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 2008 and the Adaptation Reporting requirements are complied with.

The Trust has built upon the Net Zero Health Service report and in December 2022 the Trust Board approved the Green Plan for 2022/2025 which incorporates our carbon impact from travel, waste to landfill, utilities, medical gases, active travel, and low emission fleet, reviewed by our working group formed to address the Trust's 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 (2019/24).

The Green Plan is managed with service lead input into carbon impacting behaviours and change actions demonstrating excellent stakeholder engagement and commitment to achieve the aspirational targets for a Net Zero NHS. To support our Green Plan, the Trust has built carbon data tracking resources to ensure our reporting into the Greener NHS Data returns is completed accurately and consistently.

Unfortunately, the Trust's application to the Public Sector Decarbonisation Scheme phase 3b was unsuccessful which means the carbon reduction measures for the Scunthorpe site cannot proceed as planned. The Trust is nevertheless working towards decarbonising the site's Energy Centre by replacing the existing steam raising boilers over the next two years.

At the Grimsby site, the Trust continues to work with North East Lincolnshire Council to develop a district heat network and is at present undertaking a feasibility study, which should provide engineering options to take forward in 2023-24 and beyond.

The Trust will continue to build upon the already substantial carbon savings that have been achieved at the Goole site. The new Energy Centre has already delivered a 50% reduction in carbon emissions and a plan to optimise the heating system will achieve further savings at the site.

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, which is now incorporated into the Green Plan advancing from 2022-25.

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 decision making staff (as defined by the Trust with reference to the 'Managing Conflicts of Interest in the NHS' guidance) within the last twelve months, as required by the 'Managing Conflicts of Interest in the NHS' guidance.

Emergency preparedness, resilience and response

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. The Trust achieved an assurance rating of substantial against the NHS England Core Standards for Emergency Preparedness, Resilience and Response for 2022/23. 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 NHS England emergency planning guidance and instructions to meet our statutory obligations under the Civil Contingencies Act 2004. 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. Trust and multi-agency exercises are aligned to focus on the risks facing our Trust and our local community.

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, and the Divisional Medical Directors within each Clinical Division have a professional reporting line to the Chief Medical Officer. Each Clinical Director has a team of clinical leads covering individual service areas. The Trust has a system of monthly Performance Review and Improvement Meetings with each division which covers quality, finance, workforce 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 Integrated Care System
- 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 continue to consult on these during 2023/24. The emerging models of care will improve quality, access and outcomes for patients whilst addressing the workforce challenges.

The Trust has adopted 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 Chief Medical Officer.

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 2022/23 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 (2021/22: 93,357, 2022/23: 91,474), the performance also declined in 2021/22 from 63.14% to 59.84%. The Covid-19 pandemic then affected the ongoing improvements and therefore performance during 2022/23 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.

The Urgent Care Service (UCS) has continued to perform at 99.38% level during 2022/23 (98.65% at year end of 2021/22). The Same Day Emergency Centre (SDEC) was opened on both sites in November 2019 and performance is at 43.2% of patients discharged same day as admission (excluding daycase).

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 12.05%, 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 in all but one month of 2022/23, compliance with the 62-day cancer metric remained below target during 2022/23. 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 2022/23 was 54.72%. The Trust maintained cancer treatments and outpatients throughout the pandemic. It has also worked closely with HUTH on the "28-day faster access to diagnostics" with the March 2023 performance of 71.5% (against 56.2% for March 2022). 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 and North Yorkshire Cancer Alliance, which is reviewing all cancer pathways across the region.

- **RTT and OPD Follow-ups:**

During 2022/23, the Trust continued to make progress against all waiting list metrics. In relation to RTT, performance has averaged 67.32% for 2022/23 (2021/22: 69.0%), and the amount of elective surgery and outpatient procedures was 97.12%.

Out-patient transformation plans have contributed to a reduction in overdue follow-ups during the second half of 2022/23. The Trust has continued to see 52 week waits increase mainly due to mutual aid offered (March 2021: 1,187, March 2022: 211, March 2023: 535), 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 Integrated Care System.

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 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 Integrated Performance Report and highlight report from the Finance and Performance Committee. Improvement actions are also monitored through the system-wide Patient Flow Improvement Group, 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. 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 HNY 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 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.

The Trust was not required to undertake a Use of Resources Assessment in 2022/23 due to NHSE pausing the assessment process.

The Trust's National Cost Submission index has deteriorated from the 2020/21 submission of 99% to 102% from its 2021/22 submission.

In 2022/23, the Trust achieved its financial control total reporting a small surplus of £0.05 million, marginally ahead of a balanced financial plan and in doing so supported the HNY ICS achieving its financial plan. The Trust delivered its cost improvement programme target of £22.4 million with savings of £29.97 million. However, only £12.3 million were delivered recurrently with the non-recurrent savings contributing to an underlying deficit assessment for the Trust of £37.7 million as it exits 2022/23.

The Trust continues to maximise use of additional Capital funding, with £45 million invested in 2022/23.

Looking forward, The Trust has agreed a financial planned deficit of £13.4 million for 2023/24 with the HNY ICS. The plan is reliant on delivering £35.7 million in cost improvements.

Information governance

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

- the Chief Medical Officer as the Caldicott Guardian;
- an active Information Governance Steering Group which meets monthly and feeds directly into the Risk and Governance Committee;
- 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 who also acts as the Deputy Caldicott Guardian;
- The Group Chief Information Officer (CIO) for NLaG and HUTH serves as the Senior Information Risk Owner (SIRO);
- 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;
- completion and submission of the Data Security and Protection Toolkit (DSPT) work programme by June 30, 2023; and
- annual audit of the Trust's compliance with the DSPT by Internal Audit for the 2022/23 submission. This will be undertaken in two phases as in 2021/22;

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 protection and security 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 2022/23, the Trust, using NHS Digital's Incident Reporting Guide and Tool developed in conjunction with the Information Commissioner's Office (ICO), reported one Data Security and Protection Incident:

- The incident was reported to the ICO in February 2023 and related to personal data being inappropriately accessed. The investigation has yet to be concluded.

Data Security

The following arrangements are in place:

- A dedicated IT Security Manager and monthly IT Security meetings;
- A 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;
- New patch management system being rolled out (ManageEngine);
- NHS Digital CareCert Notifications are reviewed and actioned, where relevant;
- Annual Penetration Test was conducted and completed in Quarter 3, 2022;
- Third party Security Operations Centre (SOC) remote monitoring service in place;
- Cyber Security Incident Response service in place with third party specialist supplier should a Cyber Security incident occur;
- The encryption of all removable / portable devices including laptops, USB pens and CDs, specifically:
 - approved encrypted USB flashdrives only supported;
 - USB port blocking software is in place;
 - 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 fixed desktop computers as well as mobile devices and hard drives has been in place since 2021;
 - Windows10 migration complete and updated regularly to new editions;
- Implementing a privacy monitoring system to assist the Trust in detecting unauthorised access to electronic health records;
- Unsupported Microsoft Office 2010 has been completely removed and replaced with supported Office 365;
- New system implemented to continuously scan IoT and Medical Devices for cyber security vulnerabilities (Cynerio);
- Single Sign On (Imprivata) system currently being implemented and reducing risk; and
- New mobile device management system (MDM) to manage mobile phones and tablets being implemented (Microsoft Intune).

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 Group Chief Information Officer (CIO) servicing the Trust and HUTH, 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 Group CIO 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. A new strategy will be developed in second quarter of 2023 to reflect the joined up working of the two Trusts NLaG and HUTH.

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 has been completed and implementation is underway. The Trust is currently undertaking planned replacement of both its Data Warehouse and its Patient Administration System (PAS) due for completion in September 2023. This process will allow an opportunity to review the system's 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 Integrated Performance Report which outlines the Trust's key performance indicators including benchmarking and comparative data is submitted to the Trust Board monthly with the detailed review and challenge taking place at Trust Board committee level first. The Trust continues to use a format which follows best practice which was created with NHSE 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 information provided in this annual report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the board, the Audit, 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 Board Assurance Framework and the monthly Integrated Performance Report 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 Board Assurance Framework and High-Level Risk Register including review and challenge through the relevant Board committees;
- Regular risk management activity reports to the Trust Board committees and / or the Trust Board covering incidents / Serious Incidents, complaints/Patient Advice and Liaison Service (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, Strategic Development Committee and the Quality and Safety Committee;
- The ongoing development of the Board Assurance Framework and High-Level Risk Register is tested through the Internal Audit Programme;
- Annual independent external review by the Internal Auditors of the Trust's Board Assurance Framework; and
- The provision and scrutiny of a monthly Integrated Performance Report to the Trust Board, which covers a combination of specific key performance indicators and priorities including the identification of key risks to future performance and mitigating actions. The Trust's performance management arrangements are embedded utilising Performance Review and Improvement Meetings 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 2022/23 significant internal control issues arose in four key areas, namely Finance and Sustainability, CQC, Information Governance and Performance – further details are provided below.

Conclusion

In conclusion, the following significant internal control issues arose or continued during 2022/23:

Finance and Sustainability

Whilst the Trust achieved its 2022/23 Control Total, the Trust remained in breach of its Licence during 2022/23, specifically condition FT4 (5) (c). The Trust is currently transitioning from the NHS Oversight Framework level 4 of the Recovery Support Programme for finance, to Segment 3 of the NHS Oversight Framework, following approval by NHS England North East and Yorkshire Regional Support Group at its meeting on 15 May 2023.

The Trust successfully met all of the various “exit” criteria laid down by NHS England as part of the Financial NHS 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 Covid-19 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 during 2022/23 and is now working hard to agree plans across the HNY Health and Care System.

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.

Care Quality Commission

The Trust underwent its last CQC inspection in June 2022 followed by the Well Led Review in July 2022. The full visit report was published in December 2022. Arising from that inspection the Trust retained its overall rating of ‘Requires Improvement’ although significant improvements were noted. The Trust received a rating of ‘Good’ for the ‘caring’ domain and for GDH overall.

A 'Requires Improvement' rating was given for the: 'safe', 'effective', 'responsive', 'use of resources' and 'well-led' domains. The Trust is now transitioning, with mandated support, from the NHS England Oversight Framework segment 4 of the Recovery Support Programme to Segment 3 of the NHS Oversight Framework.

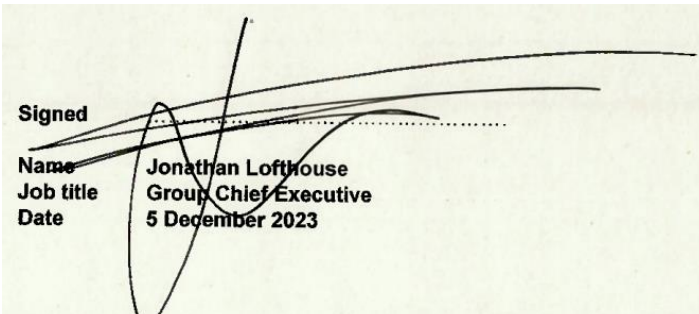
Information Governance – Data Breaches

As outlined in section 7 above, since the end of 2021/22 and up to the date of publication of this report, the Trust identified one data breach which was reported to the Information Commissioner's Office in February 2023, who concluded that no further action was necessary on this occasion.

Performance

As outlined above, the Covid-19 pandemic affected the ongoing improvements and performance during 2022/23 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 Integrated Performance Report 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.



Signed
Name Jonathan Lofthouse
Job title Group Chief Executive
Date 5 December 2023

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 2023

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; and
- 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 the evidence required to support the Annual Governance Statement requirements.

In accordance with the Public Service Internal Audit Standards (PSIAS), the Head of Internal Audit (HoIA) 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 considers in making its Annual Governance Statement.

The Opinion

The **basis** for forming the opinion is as follows:

- An assessment of the design and operation of the underpinning Board Assurance Framework and supporting processes.





- 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; and
- 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.

The audit coverage in the plan agreed with management has been deliberately focused on key strategic and operational risk areas; the outcome of these audit reviews may therefore highlight control weaknesses that impact on the overall assurance opinion.

Opinion definitions:

The following potential opinion levels are available when determining the overall HoIA opinion. These levels link closely with our standard definitions for report opinions:

Opinion Level	HoIA Opinion Definition
 <p data-bbox="220 1220 464 1256">High Assurance</p>	<p data-bbox="557 1084 1326 1256">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.</p>
 <p data-bbox="220 1413 464 1473">Significant Assurance</p>	<p data-bbox="557 1270 1342 1442">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.</p>
 <p data-bbox="220 1637 464 1697">Limited Assurance</p>	<p data-bbox="557 1491 1302 1664">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.</p>
 <p data-bbox="220 1861 464 1897">Low Assurance</p>	<p data-bbox="557 1749 1362 1890">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.</p>

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.

The **commentary** below provides context for the opinion:

The 2022/23 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.

The following changes were made to planned coverage:

- CQC Compliance - the scope was changed slightly to confirm compliance and monitoring of CQC “should do and must do” actions following the recent CQC Inspection Report received in December 2022.
- Improving NHS Financial Sustainability- Addition request by NHS England instructed all systems and organisation to commission Internal Audit to produce a report for the Audit, Risk and Governance Committee covering the most recent HFMA publication; Improving NHS Financial Sustainability; are you getting the basics right? Highlighting areas of weakness in financial governance and prescribing remedial actions.
- Declarations of Interest - Merged with Gifts, Interest and Hospitality review.
- Data Quality review – an additional requested by Audit, Risk and Governance Committee members.

Audit coverage in 2022/23 has been focussed on:

- The strategic and operational risks and assurances within the Board Assurance Framework and Risk Register.
- Core reviews, including follow-up audits.
- A range of individual risk-based assurance reviews.

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

The Board Assurance Framework (BAF) continues to provide a comprehensive view of the Trust’s strategic risks and how these risks are being managed. Executive leads are responsible for ensuring that the BAF is updated for those strategic risks that they hold responsibility for in order that it accurately reflects the Trust’s current risk profile. Board sub-committees are responsible for undertaking a quarterly review of the BAF and High-Level Risk Register and for providing assurances to the Trust Board in relation to strategic risks assigned to each sub-committee.

During the year the Trust confirmed that they are to establish a Group Executive Team with Hull University Teaching Hospitals NHS Trust (HUTH) and a joint Board Development meeting is due to be undertaken later in the year to include a review of the strategic objectives, risks, risk appetite statements, scoring, horizon scanning and format.

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

We have issued to date:

Assurance Level	Report Title and Scope of Audit
<p>1 high assurance opinion</p>	<p>Covid-19 Costs (N2022/04) To provide assurance that the Covid-19 costs are accurate and complete, by ensuring that the Trust has robust systems in place to approve, monitor and record additional expenditure incurred in the response to Covid-19.</p>
<p>11 significant assurance opinions</p>	<p>Data Security and Protection Toolkit (N2021/17) The objective of the Toolkit is to enable organisations to measure their performance against the National Data Guardian’s ten data security standards.</p> <p>National Cost Collection (N2022/01) To provide high level assurance over the accuracy and completeness of the National Cost Collection Exercise data in line with Department of Health requirements.</p> <p>Business Continuity and EPRR (N2022/03) To provide assurance over the Trust’s Business Continuity arrangements. To ensure clear plans are in place, are communicated to staff and have been sufficiently tested.</p> <p>Compliance with NICE Guidance (N2022/07) To provide assurance that the Trust has mechanisms in place to assure itself of compliance with NICE guidance.</p> <p>Gifts, Interests and Hospitality (N2022/08) To provide assurance to management and the Board that the Trust’s has effective processes in place for declaring interests, gifts and hospitality. To be undertaken in H2 to allow for further improvement to embed.</p> <p>Health and Wellbeing of Staff (N2022/09) To provide independent assurance that clear objectives are being set and met with regard to tackling bullying, harassment and violence, the work of the wellbeing guardian, health and activity promotion, stress reduction and support.</p> <p>Board Assurance Framework (N2022/11) To ensure that the assurance framework and the risk management processes supporting it are fit for purpose and comply with good practice.</p>

Assurance Level	Report Title and Scope of Audit
<p>11 significant assurance opinions (continued)</p>	<p>Core Financial Controls (N2022/12) To review systems for control, efficiency and effectiveness. Work will support external audit.</p> <p>Medical Staff Job Planning Follow Up (N2022/13) To ensure audit recommendations made in the previous review N2021/04 Medical Staff Job Planning have been actioned as agreed and to provide assurance that an annual job planning process is in place which is being followed consistently across all divisions and for all medical staff.</p> <p>CQC Compliance (N2022/15) To confirm compliance with required actions are robust in design, are designed to ensure continuing compliance in the future for all requirements.</p> <p>Bed Rail Risk Assessments (N2022/19) To provide assurance that bed rail risk assessments are being undertaken and documented.</p>
<p>6 limited assurance opinions</p>	<p>Junior Doctors (N2022/06) To provide assurance in relation to the controls and processes in place to manage and monitor rotas in relation to Junior Doctors in training.</p> <p>Long-Term Locums (N2022/10) To provide assurance that the use of long-term locums is appropriately managed.</p> <p>Data Quality (HR Metrics and Operational Metrics) (N2022/16) To provide assurance that complete, accurate and timely data is available to support quality patient care, clinical governance, information governance, management information, accountability, finance control, health planning and service level agreements.</p> <p>Nutrition and Hydration (N2022/18) To gain assurance that patients receive safe and adequate nutrition and hydration.</p> <p>Patient Property: Values and money (N2022/20) To ensure that patient property is recorded and retained in line with the Trust Policy.</p> <p>WHO Surgical Safety Checklist (N2022/21) To provide assurance on the compliance with the completion of the Surgical Safety World Health Organisation (WHO) checklist.</p>

Assurance Level	Report Title and Scope of Audit
3 reviews without an assurance rating	<p>Board Self-Certification To provide assurance to the Board over the validity of the Trust's Provider License self-assessment.</p> <p>Improving NHS Financial Sustainability (N2022/05) To conduct the NHSE-specified review of the completed self-assessment.</p> <p>Phishing Exercise Report (N2022/02) To identify weaknesses in staff IT security awareness and identify how staff members would react to a phishing exercise from a real-world perspective.</p>

The content of all limited and low assurance reports is discussed in detail at the Audit, Risk and Governance Committee. In addition, limited or low assurance reports are followed-up once the latest agreed recommendation due date has passed.

Implementation of recommendations:

A total of 140 Internal Audit recommendations have been live during 2022/23 (this includes recommendations from previous years' reports that were still live at 1 April 2022).

During the year, we have undertaken work to track the implementation of Internal Audit recommendations. The implementation of recommendations summary for 2022/23 was as follows:

Overdue	Overdue with Revised Date	Not Yet Due	Implemented	Total	% Overdue	% Overdue with Revised Date
8	9	22	101	140	5%	6%

We can conclude that the organisation has made timely progress with regards to the implementation of recommendations. There are recommendations that are overdue in comparison to their original agreed action date.

We can confirm that have received appropriate support from the Executive Directors in relation to these and these recommendations have been regularly reviewed by the Audit, Risk and Governance Committee throughout the year.

Consideration for your Annual Governance Statement

The HoIA 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 the control weaknesses as identified as follows:

A significant overall opinion has been provided. Attention is drawn to the fact that six final reports have been issued in 2022/23 with a “limited assurance” opinion:

Junior Doctors - The review found that there are established procedures for designing and populating junior doctor rotas and these operate as planned. However, there is scope to improve management of the live junior doctor duty rota. Rotas for clinical specialties other than A&E are managed on a day-to-day basis using spreadsheet-based systems and require manual intervention in order to ensure that they remain up to date and compliant with regulations. The Trust has completed implementation of Health Roster e-rostering in the A&E Departments at both DPOW and SGH and this supports more efficient day to day rota management. However, progress at implementing e-rostering to other clinical specialties. Trustwide has been delayed due to staff resource constraints. Eleven recommendations were made to support the Trust to improve their processes.

Long Term Agency/ Locum Doctors - The review found that policies and procedures are in place in relation to the appointment and management of agency/locum doctors employed through the E-Rostering and Bank Services Resource Centre on a bank contract. However, the policies and procedures do not define a long-term agency/bank locum or identify procedures specific to the management of long-term agency/bank locums including a requirement to undertake performance reviews. Recommendations have been raised aimed at improving controls over the management of long-term agency/bank locums, including recommendations aimed at ensuring that all relevant long-term agency/bank locums are subject to job planning and a performance review process.

Nutrition and Hydration - The review found that governance arrangements, policies and procedures are in place which are designed to ensure that patients receive adequate nutrition and hydration. The Nutritional Care Policy and Policy for Managing Fluid Balance and Hydration set out how the Trust will ensure that appropriate food, drink and fluid balance needs are met. The policies require nutrition and hydration screening of all adult inpatients within 24 hours of admission and rescreens at least weekly. The review found that compliance with Trust policy was inconsistently applied. Audit testing found that from a small sample of patients reviewed there was a few that did not have a record of a nutritional risk assessment within 24 hours of admission. Audit testing also found instances where rescreens were not undertaken or were not undertaken at least weekly as required.

Patient Property - The review found that whilst arrangements are in place for recording and safekeeping of patient property, there is scope to review these arrangements in order to minimise the risk that patient property is misplaced or lost. Recommendations have been raised to ensure there is adequate and appropriate storage on wards/departments, that patient property is appropriately controlled during ward transfer, and that patient property of deceased patients is appropriately administered. We have also recommended that a management audit is periodically undertaken to ensure that patient property documentation is completed in full, and that indemnity forms are completed for all admitted patients.

Surgical Checklist - The Trust has appropriate systems and processes in place to complete the WHO Surgical Safety Checklist with checklists developed in some surgical specialties to address particular risk factors, for example Theatres, Cardiology and Maternity. The review identified inconsistencies in the way the WHO Surgical Checklist was used within the Trust and the management of the team briefs. The Policy to Support the 5 Steps to Safer Surgery states that the Safety and Risk Committee has the responsibility for the ratification of the Policy and for receiving an annual report on its effectiveness, however discussions noted that the completion of the WHO Checklist is not reported to the Safety and Risk Committee or any other committee at present nor is there any formal governance of the whole process at the Trust.

Data Quality Review (Operational and HR Metrics) - The review has highlighted some areas of data quality concerns in relation to gaps in HR data in relation to standing data, absence recording, annual leave and vacancy data. Management are aware of some of the issues identified and have processes in place to identify these gaps through the Trust's own data quality reporting within the Workforce Intelligence team. The review of A&E four hour waits and the length of stay indicators raised some areas of concern in the data and due to data anonymisation received from the Ambulance Service Providers the full review could not be undertaken.

Helen Higgs
Head of Internal Audit and Managing Director
Audit Yorkshire
11 July 2023

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) for the year ended 31 March 2023, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs), and as interpreted and adapted by the 2022-23 Government Financial Reporting Manual as contained in the Department of Health and Social Care Group Accounting Manual 2022-23, and the NHS Foundation Trust Annual Reporting Manual 2022-23 issued by NHS Improvement.

In our opinion the financial statements:

- give a true and fair view of the financial position of Northern Lincolnshire and Goole NHS Foundation Trust as at 31 March 2023 and of its expenditure and income for the year then ended;
- have been prepared properly in accordance with the Department of Health and Social Care Group Accounting Manual 2022-23; and
- have been prepared in accordance with the National Health Service Act 2006.

Basis for opinion on financial statements

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 for the audit of the financial statements section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council'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 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 Accounting Officer is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on information in the Remuneration Report and Staff Report

We have also audited the information in the Remuneration Report and Staff Report that is described in those reports as having been audited.

In our opinion the parts of the Remuneration Report and Staff Report to be audited have been properly prepared in accordance with the requirements of the NHS Foundation Trust Annual Reporting Manual 2022-23.

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 2023.

In previous years the predecessor auditors identified a significant weaknesses in relation to Financial Sustainability and Improving Economy, Efficiency and Effectiveness in respect of what was formerly known as Financial and Quality Special Measures introduced in 2017.

In our view this significant weakness remained for the year ended 31 March 2023, however we note that on 17 May 2023, the Trust formally exited those arrangements.

Responsibilities of the Accounting Officer

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

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

We are required under paragraph 1 of Schedule 10 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 issued by the National Audit Office, having regard to the guidance issued by the Comptroller and Auditor General in December 2021.

Other matters on which we are required to report by exception

Under Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice we report to you if:

- in our opinion, the Annual Governance Statement does not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual or is misleading or inconsistent with our knowledge acquired in the course of the audit; or
- we refer a matter to the regulator under Schedule 10 of the National Health Service Act 2006 because we have reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision which involves or would involve the body incurring unlawful expenditure, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency; or
- we issue a report in the public interest under Schedule 10 of the National Health Service Act 2006.

We have nothing to report in these respects.

Responsibilities of the Accounting Officer

As explained more fully in the Statement of the Chief Executive's Responsibilities as the Accounting Officer of the 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 they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accounting Officer is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

In respect of our 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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our procedures included the following:

- inquiring of management, the Trust's head of internal audit, the Trust's local counter fraud specialist and those charged with governance, including obtaining and reviewing supporting documentation in respect of Trust's policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Trust's controls relating to Managing Public Money requirements for any special payments;

- discussing among the engagement team and involving relevant internal specialists, including regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in the following areas: revenue recognition, expenditure recognition around year end, valuation of land and buildings and posting of unusual journals;
- obtaining an understanding of the Trust's framework of authority as well as other legal and regulatory frameworks that the Trust operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Trust. Relevant laws and regulations identified include VAT legislation, PAYE legislation, the DHSC Group Accounting Manual and the NHS Foundation Trust Annual Reporting Manual.

In addition to the above, our procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Audit and Risk Committee and legal counsel concerning actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Trust Board;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- substantively testing increased samples of income and expenditure around year end.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Auditor's other responsibilities

As set out in the 'Other matters on which we report by exception' section of our report there are certain other matters which we are required to report by exception.

We have nothing to report in respect of these matters.

Certificate of completion of the Audit

We certify that we have completed the audit of Northern Lincolnshire and Goole NHS Foundation Trust in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the NAO's Code of Audit Practice. We reported that previously identified significant weaknesses remained in place at 31 March 2023 in respect of Financial and Quality Special Measures. We have no further matters to report in this respect.

Use of our 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 of the National Health Service Act and as set out in paragraph 43 of the Statement of Responsibilities of Auditors and Audited Bodies published by the National Audit Office in April 2015. Our audit work has been undertaken so that we might state to the Directors 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 Trust and the Council of Governors of the Trust, as a body, for our audit work, this report, or for the opinions we have formed.



Brian Clerkin
Key Audit Partner
For and on behalf of
ASM (B) Ltd

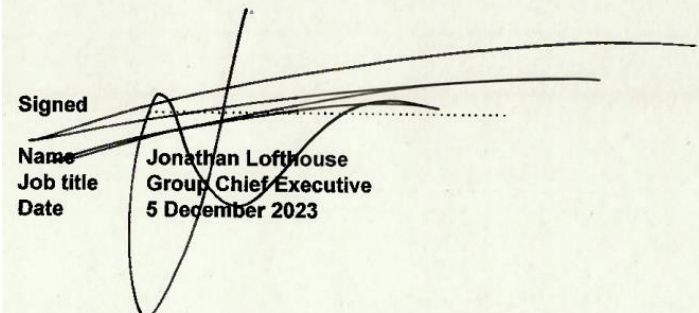
Chartered Accountants & Statutory Auditors
4th Floor Glendinning House
6 Murray Street
Belfast
BT1 6DN
Date: 5 December 2023

**The Annual
Accounts for
the year
ended
31 March 2023**

Foreword to the Accounts

Northern Lincolnshire and Goole NHS Foundation Trust

These accounts, for the year ended 31 March 2023, 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.



Signed
Name Jonathan Lofthouse
Job title Group Chief Executive
Date 5 December 2023

Consolidated Statement of Comprehensive Income for the year ended 31 March 2023

	Note	Group	
		2022/23	2021/22
		£000	£000
Operating income from patient care activities	3	488,458	455,689
Other operating income	4	48,199	55,010
Operating expenses	7, 9	(546,313)	(495,292)
Operating surplus / (deficit) from continuing operations		(9,656)	15,407
Finance income	11	1,107	111
Finance expenses	12	(272)	(167)
PDC dividends payable		(5,822)	(4,776)
Net finance costs		(4,987)	(4,832)
Other gains / (losses)	12.2	11	(52)
Surplus / (deficit) for the year from continuing operations		(14,632)	10,523
Surplus / (deficit) on discontinued operations and the gain / (loss) on disposal of discontinued operations	15	-	-
Surplus / (deficit) for the year		(14,632)	10,523
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	8	(1,665)	(661)
Revaluations	13	3,746	4,999
Other recognised gains and losses		-	(23)
Total comprehensive income / (expense) for the period		(12,551)	14,838
Surplus / (deficit) for the period attributable to:			
Non-controlling interest, and		-	-
Northern Lincolnshire and Goole NHS Foundation Trust		(14,632)	10,523
TOTAL		(14,632)	10,523
Total comprehensive income / (expense) for the period attributable to:			
Non-controlling interest, and		-	-
Northern Lincolnshire and Goole NHS Foundation Trust		(12,551)	14,838
TOTAL		(12,551)	14,838
Adjusted financial performance (control total basis):			
Surplus / (deficit) for the period		(14,632)	10,523
Remove impact of consolidating NHS charitable fund		613	(108)
Remove net impairments not scoring to the Departmental expenditure limit		13,563	595
Remove I&E impact of capital grants and donations		537	(11,311)
Remove net impact of inventories received from DHSC group bodies for COVID response		(35)	242
Remove loss recognised on return of donated COVID assets to DHSC		-	145
Adjusted financial performance surplus / (deficit)		46	86

Statements of Financial Position as at 31 March 2023

	Note	Group		Trust	
		31 March 2023 £000	31 March 2022 £000	31 March 2023 £000	31 March 2022 £000
Non-current assets					
Intangible assets	16	3,341	2,496	3,341	2,496
Property, plant and equipment	17	260,599	241,594	260,599	241,594
Right of use assets	20	14,927		14,927	
Other investments / financial assets	21	1,383	1,772	-	-
Receivables	24	977	1,216	977	1,216
Total non-current assets		281,227	247,078	279,844	245,306
Current assets					
Inventories	23	3,973	3,463	3,973	3,463
Receivables	24	25,498	22,451	25,546	22,425
Cash and cash equivalents	28	41,644	58,862	41,474	58,616
Total current assets		71,115	84,776	70,993	84,504
Current liabilities					
Trade and other payables	29	(81,076)	(90,296)	(80,983)	(90,277)
Borrowings	31	(3,761)	(1,412)	(3,761)	(1,412)
Provisions	32	(744)	(802)	(744)	(802)
Other liabilities	30	(797)	(1,177)	(797)	(1,177)
Total current liabilities		(86,378)	(93,687)	(86,285)	(93,668)
Total assets less current liabilities		265,964	238,167	264,552	236,142
Non-current liabilities					
Borrowings	31	(19,169)	(8,229)	(19,169)	(8,229)
Provisions	32	(4,035)	(5,495)	(4,035)	(5,495)
Total non-current liabilities		(23,204)	(13,724)	(23,204)	(13,724)
Total assets employed		242,760	224,443	241,348	222,418
Financed by					
Public dividend capital		431,655	401,318	431,655	401,318
Revaluation reserve		20,628	18,547	20,628	18,547
Income and expenditure reserve		(210,935)	(197,447)	(210,935)	(197,447)
Charitable fund reserves	22	1,412	2,025	-	-
Total taxpayers' equity		242,760	224,443	241,348	222,418

The notes in the rest of this chapter form part of these accounts.

Signed _____
 Name **Jonathan Lofthouse**
 Job title **Group Chief Executive**
 Date **5 December 2023**

Consolidated Statement of Changes in Equity for the year ended 31 March 2023

Group	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Charitable fund reserves	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2022 - brought forward	401,318	18,547	(197,447)	2,025	224,443
Impact of implementing IFRS 16 on 1 April 2022	-	-	531	-	531
Surplus / (deficit) for the year	-	-	(15,187)	555	(14,632)
Impairments	-	(1,665)	-	-	(1,665)
Revaluations	-	3,746	-	-	3,746
Public dividend capital received	30,337	-	-	-	30,337
Other reserve movements	-	-	1,168	(1,168)	-
Taxpayers' and others' equity at 31 March 2023	431,655	20,628	(210,935)	1,412	242,760

Consolidated Statement of Changes in Equity for the year ended 31 March 2022

Group	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Charitable fund reserves	Total
	£000	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2021 - brought forward	369,433	14,209	(207,862)	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)
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

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.

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 2023

	Note	Group		Trust	
		2022/23 £000	2021/22 £000	2022/23 £000	2021/22 £000
Cash flows from operating activities					
Operating surplus / (deficit)		(9,656)	15,407	(9,084)	15,488
Non-cash income and expense:					
Depreciation and amortisation	7.1	15,883	11,148	15,883	11,148
Net impairments	8	13,563	595	13,563	595
Income recognised in respect of capital donations	4	(440)	(12,078)	(440)	(12,078)
Increase in receivables and other assets		(2,871)	(9,835)	(2,871)	(9,854)
Increase in inventories		(510)	(419)	(510)	(419)
Increase / (decrease) in payables and other liabilities		(1,696)	17,650	(1,773)	17,650
Increase / (decrease) in provisions		(1,457)	241	(1,457)	241
Movements in charitable fund working capital		70	(78)	-	-
Net cash flows from / (used in) operating activities		12,886	22,631	13,311	22,771
Cash flows from investing activities					
Interest received		906	61	906	61
Purchase of intangible assets		(1,238)	(1,824)	(1,238)	(1,824)
Purchase of PPE and investment property		(51,488)	(54,421)	(51,488)	(54,421)
Sales of PPE and investment property		133	43	133	43
Receipt of cash donations to purchase assets		440	11,579	440	11,579
Net cash flows from charitable fund investing activities		349	50	-	-
Net cash flows from / (used in) investing activities		(50,898)	(44,512)	(51,247)	(44,562)
Cash flows from financing activities					
Public dividend capital received		30,337	31,885	30,337	31,885
Movement on loans from DHSC		(1,329)	(1,329)	(1,329)	(1,329)
Capital element of lease liability repayments		(2,266)	(16)	(2,266)	(16)
Interest on loans		(205)	(234)	(205)	(234)
Other interest		(10)	(2)	(10)	(2)
Interest paid on lease liability repayments		(129)	(2)	(129)	(2)
PDC dividend (paid) / refunded		(5,604)	(4,271)	(5,604)	(4,271)
Cash flows from (used in) other financing activities		-	(23)	-	-
Net cash flows from / (used in) financing activities		20,794	26,008	20,794	26,031
Increase / (decrease) in cash and cash equivalents		(17,218)	4,127	(17,142)	4,240
Cash and cash equivalents at 1 April - brought forward		58,862	54,735	58,616	54,376
Cash and cash equivalents at 31 March	28	41,644	58,862	41,474	58,616

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of Preparation

NHS England has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2022/23 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

Note 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.

Note 1.1.2 Going Concern

The Treasury's Financial Reporting Manual (FRoM) provides the following interpretation of the going concern requirements set out in IAS1 'that the anticipated continued provision of the service is the important determinant of the basis of preparation of the financial statements for public sector entities'. Northern Lincolnshire and Goole NHS Foundation Trust's annual report and accounts have been prepared on a going concern basis. Non-trading entities in the public sector are assumed to be going concerns where the continued provision of a service in the future is anticipated, as evidenced by inclusion of financial provision for that service in published documents. The directors have a reasonable expectation that this will continue to be the case. The accounting rules (IAS 1) require management to assess, as part of the account's preparation process, the NHS Foundation Trust's ability to continue as a going concern. 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 and these are disclosed below. The financial performance for of the Trust is included in the performance report.

Note 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 and Goole NHS Foundation Trust Charitable Funds

Note 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 Health Tree Foundation). 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 2023 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.

Note 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.

IFRS 16 Lease Standard

The Trust in adopting and applying the new IFRS 16 lease standard has included all leases that have been judged to meet the standard criteria and therefore are accounted for following the principles of the standard. Where lease documentation is not available or the lease terms are not explicit, the Trust has applied an assumed lease term based on its best estimate given the circumstances of its occupation of the property, and the counterparty to the lease.

Property Valuations and Asset Lives

Valuations are undertaken by an independent external valuer, Cushman and Wakefield, 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 2022/23 with a valuation date of 31 March 2023, using the RICS Valuation Global Standards 2020 (Red Book). Of the £203.2m net book value of land and buildings subject to valuation, £176.7m 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 £278.9m

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 £16m.

Annual Leave Accruals

The NHS Foundation Trust has extracted the outstanding annual leave at 31st March 2023 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 £6m.

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 £0.114m 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 £4.8m

Note 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.

Note 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). 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 the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in the following year, that income is deferred and recognised as a contract liability.

Revenue from NHS Contracts

The main source of income for the Trust is contracts with commissioners for health care services. Funding envelopes are set at an Integrated Care System (ICS) level. The majority of the Trust's income is earned from NHS commissioners in the form of fixed payments to fund an agreed level of activity. In 2022/23 fixed payments are set at a level assuming the achievement of elective activity targets. These are termed 'Aligned Payment and Incentive' contracts. Elective recovery funding provides additional funding for the delivery of elective services. In 2022/23 elective recovery funding was included within the aligned payment and incentive contracts. In 2021/22 income earned by the system based on achievement of elective recovery targets was distributed between individual entities by local agreement and income earned from the fund was accounted for as variable consideration. The Trust also receives income from commissioners under Commissioning for Quality Innovation (CQUIN) and Best Practice Tariff (BPT) schemes. Delivery under these schemes is part of how care is provided to patients. As such CQUIN and BPT payments are not considered distinct performance obligations in their own right; instead they form part of the transaction price for performance obligations under the overall contract with the commissioner. In 2022/23 payment under these schemes is included in fixed payments from commissioners based on assumed achievement of criteria. The Trust also receives additional income outside of the block payments to reimburse specific costs incurred and other income top-ups to support the delivery of services. Reimbursement and top-up income is accounted for as variable consideration.

Revenue from Research Contracts

Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. For some contracts, it is assessed that the revenue project constitutes one performance obligation over the course of the multi-year contract. In these cases it is assessed that the Trust's interim performance does not create an asset with alternative use for the Trust, and the Trust has an

enforceable right to payment for the performance completed to date. It is therefore considered that the performance obligation is satisfied over time, and the Trust recognises revenue each year over the course of the contract.

NHS Injury Cost Recovery Scheme

The Trust receives income under the NHS injury cost recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when performance obligations are satisfied. In practical terms this means that treatment has been given, it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

Note 1.5.1 Other Forms of Income

Grants and Donations

Government grants are grants from government bodies other than income from commissioners or trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. Where the grants are 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

Note 1.6.1 Expenditure on Employee Benefits

Short-term Employee Benefits

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

Note 1.6.1 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. The schemes are subject to a full actuarial valuation every four years and an accounting valuation every year.

Note 1.7 Expenditure on Other Goods and Services

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

Note 1.8 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, sub categories 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

Items of property, plant and equipment are depreciated over their remaining useful lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated. Property, plant and equipment which has been reclassified as 'held for sale' cease to be depreciated upon the reclassification. Assets in the course of construction are not depreciated until the asset is brought into use.

Revaluation and Impairments

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating expenditure. Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'. 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 the criteria in IFRS 5 are met. The sale must be highly probable and the asset available for immediate sale in its present condition. Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met. Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Note 1.9 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. This includes assets donated to the Trust by the Department of Health and Social Care as part of the response to the Coronavirus pandemic. As defines 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.

Note 1.10 Intangible Assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Foundation Trust and 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 where it meets the requirements set out in IAS 38.

Software

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

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

"Subsequently intangible assets are measured at current value in existing use.

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

Amortisation

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

Useful Lives of Intangible Assets

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

	Min life	Max life
	Years	Years
Information Technology	5	5
Software Licences	5	10
Licences and Trademarks	5	10

Note 1.11 Government Grants

Government grants are grants from Government bodies other than income from Clinical Commissioning Groups (CCG's) / Integrated Care Board (ICB) 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.

Note 1.12 Inventories

Inventories are valued at the lower of cost and net realisable value, using the first-in first-out cost formula.

In 2022/23, 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.

Note 1.13 Private Finance Initiative (PFI) Transactions

At the 31 March 2023, the NHS Foundation Trust did not have any PFI transactions.

Note 1.14 Leases

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration. An adaptation of the relevant accounting standard by HM Treasury for the public sector means that for NHS bodies, this includes lease-like arrangements with other public sector entities that do not take the legal form of a contract. It also includes peppercorn leases where consideration paid is nil or nominal (significantly below market value) but in all other respects meet the definition of a lease. The Trust does not apply lease accounting to new contracts for the use of intangible assets.

The Trust determines the term of the lease term with reference to the non-cancellable period and any options to extend or terminate the lease which the Trust is reasonably certain to exercise.

The Trust as a Lessee

Recognition and Initial Measurement

At the commencement date of the lease, being when the asset is made available for use, the Trust recognises a right of use asset and a lease liability. The right of use asset is recognised at cost comprising the lease liability, any lease payments made before or at commencement, any direct costs incurred by the lessee, less any cash lease incentives received. It also includes any estimate of costs to be incurred restoring the site or underlying asset on completion of the lease term.

The lease liability is initially measured at the present value of future lease payments discounted at the interest rate implicit in the lease. Lease payments includes fixed lease payments, variable lease payments dependent on an index or rate and amounts payable under residual value guarantees. It also includes amounts payable for purchase options and termination penalties where these options are reasonably certain to be exercised. Where an implicit rate cannot be readily determined, the Trust's incremental borrowing rate is applied. This rate is determined by HM Treasury annually for each calendar year. A nominal rate of 0.95% applied to new leases commencing in 2022 and 3.51% to new leases commencing in 2023. The Trust does not apply the above recognition requirements to leases with a term of 12 months or less or to leases where the value of the underlying asset is below £5,000, excluding any irrecoverable VAT. Lease payments associated with these leases are expensed on a straight-line basis over the lease term. Irrecoverable VAT on lease payments is expensed as it falls due.

Subsequent Measurement

As required by a HM Treasury interpretation of the accounting standard for the public sector, the Trust employs a revaluation model for subsequent measurement of right of use assets, unless the cost model is considered to be an appropriate proxy for current value in existing use or fair value, in line with the accounting policy for owned assets. Where consideration exchanged is identified as significantly below market value, the cost model is not considered to be an appropriate proxy for the value of the right of use asset. The Trust subsequently measures the lease liability by increasing the carrying amount for interest arising which is also charged to expenditure as a finance cost and reducing the carrying amount for lease payments made. The liability is also remeasured for changes in assessments impacting the lease term, lease modifications or to reflect actual changes in lease payments. Such remeasurements are also reflected in the cost of the right of use asset. Where there is a change in the lease term or option to purchase the underlying asset, an updated discount rate is applied to the remaining lease payments.

The Trust as a Lessor

The Trust assesses each of its leases and classifies them as either a finance lease or an operating lease. Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases. Where the Trust is an intermediate lessor, classification of the sublease is determined with reference to the right of use asset arising from the headlease.

Finance Leases

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

Operating Leases

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

Initial Application of IFRS 16

IFRS 16 Leases as adapted and interpreted for the public sector by HM Treasury has been applied to these financial statements with an initial application date of 1 April 2022. IFRS 16 replaces IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease and other interpretations. The standard has been applied using a modified retrospective approach with the cumulative impact recognised in the income and expenditure reserve on 1 April 2022. Upon initial application, the provisions of IFRS 16 have only been applied to existing contracts where they were previously deemed to be a lease or contain a lease under IAS 17 and IFRIC 4. Where existing contracts were previously assessed not to be or contain a lease, these assessments have not been revisited.

The Trust as Lessee

For continuing leases previously classified as operating leases, a lease liability was established on 1 April 2022 equal to the present value of future lease payments discounted at the Trust's incremental borrowing rate of 0.95%. A right of use asset was created equal to the lease liability and adjusted for prepaid and accrued lease payments and deferred lease incentives recognised in the statement of financial position immediately prior to initial application. Hindsight has been used in determining the lease term where lease arrangements contain options for extension or earlier termination. No adjustments have been made on initial application in respect of leases with a remaining term of 12 months or less from 1 April 2022 or for leases where the underlying assets has a value below £5,000. No adjustments have been made in respect of leases previously classified as finance leases.

The Trust as Lessor

Leases of owned assets where the Trust is lessor were unaffected by initial application of IFRS 16.

2021/22 Comparatives

Comparatives for leasing transactions in these accounts have not been restated on an IFRS 16 basis. Under IAS 17 the classification of leases as operating or finance leases still applicable to lessors under IFRS 16 also applied to lessees. In 2021/22 lease payments made by the Trust in respect of leases previously classified as operating leases were charged to expenditure on a straight line basis.

Note 1.15 Cash and Cash Equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

Note 1.16 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 Office of National Statistics (ONS). This includes the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements and are recognised when, and to the extent which, performance occurs, i.e., when receipt or delivery of the goods or services is made.

Classification and Measurement

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

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

Financial assets are classified as subsequently measured at amortised cost or, fair value through profit or loss. The Trust has no financial assets at fair value through profit and loss or fair value through other comprehensive income. Financial liabilities classified as subsequently measured at amortised cost. The Trust has no financial liabilities at fair value through profit and loss.

Financial Assets and Financial Liabilities at Amortised Cost

Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable. After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

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

Financial Assets Measured at Fair Value through Other Comprehensive Income

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

Financial Assets and Financial Liabilities at Fair Value through Profit and Loss

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

Impairment of Financial Assets

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

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2). Expected credit losses are determined by reference to past experience within separate categories of debt, classified by level of risk. Judgement is also applied, where the expectation of future credit losses is anticipated to impact upon the recoverable amount of the asset. The age of a receivable is taken into account and the more overdue a receivable becomes, the higher the value of expected credit loss. A different risk classification has been applied to a specific group of private patient billing that is at higher risk of not being collected than usual.

HM Treasury has ruled that central government bodies may not recognise stage 1 or stage 2 impairments against other government departments, their executive agencies, the Bank of England, Exchequer Funds, and Exchequer Funds' assets where repayment is ensured by primary legislation. The Trust therefore does not recognise loss allowance 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 24.86% (2021/22 23.76%) 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.

Note 1.17 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Early retirement provisions and injury benefit provisions both use the HM Treasury's pension discount rate of minus 1.70% in real terms (2021/22: minus 1.30%). 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 £0.114m to support payments in line with the NHS Foundation Trust pay protection policy.

Clinical Negligence Costs

NHS Resolution operates a risk pooling scheme under which the trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the trust is disclosed at note 33 but is not recognised in the Trust's accounts. Non-Clinical Risk Pooling The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses when the liability arises.

Note 1.18 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.

Note 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 34 where an inflow of economic benefits is probable. Contingent liabilities are not recognised, but are disclosed in note 34, unless the probability of a transfer of economic benefits is remote.

Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

Note 1.20 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 organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32. The Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received. A charge, reflecting the cost of capital utilised by the Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, with certain additions and deductions as defined by the Department of Health and Social Care.

This policy is available at <https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts> In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the “pre-audit” version of the annual accounts. The dividend calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

Note 1.21 Value Added Tax

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

Note 1.22 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 England and Improvement, the HM Treasury and the Inland Revenue.

Note 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.

Note 1.24 Third Party Assets

Assets belonging to third parties in which the Trust has no beneficial interest (such as money held on behalf of patients) are not recognised in the accounts. However, they are disclosed in a separate note (note 28.2) to the accounts in accordance with the requirements of HM Treasury’s FReM.

Note 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 that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis. The losses and special payments note (note 40) is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

Note 1.26 Transfers of Functions to / from Other NHS Bodies / Local Government Bodies

For functions that have been transferred to the Trust from another NHS / local government body, the transaction is accounted for as a transfer by absorption. The assets and liabilities transferred are recognised in the accounts using the book value as at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition. The net gain / loss corresponding to the net assets/ liabilities transferred is recognised within income / expenses, but not within operating activities. For property, plant and equipment assets and intangible assets, the cost and accumulated depreciation / amortisation balances from the transferring entity's accounts are preserved on recognition in the Trust's accounts. Where the transferring body recognised revaluation reserve balances attributable to the assets, the Trust makes a transfer from its income and expenditure reserve to its revaluation reserve to maintain transparency within public sector accounts. There has been no transfer of functions to the Trust during the year.

Note 1.27 Early Adoption of Standards, Amendments and Interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2022/23.

Note 1.28 Standards, Amendments and Interpretations in Issue but not yet Effective or Adopted

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 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 2022/23, 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	
	2022/23	2021/22	2022/23	2021/22
	£000	£000	£000	£000
Income	536,657	510,699	536,657	510,699
(Surplus) / Deficit before impairments	1,069	(11,118)	1,069	(11,118)
Impairment reversals relating to market value changes included in expenses	(2,954)	(5,397)	(2,954)	(5,397)
Impairments relating to market value changes charged to expenses	16,517	5,992	16,517	5,992
Retained (Surplus) / Deficit	14,632	(10,523)	14,632	(10,523)
Segment net assets	242,760	224,443	242,760	224,443

Note 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

	Trust	Trust
	2022/23	2021/22
	£000	£000
Income	1,795	870
Direct costs	(1,407)	(1,295)
Surplus before indirect costs	388	(425)
Indirect Costs	(783)	(786)
(Deficit)/Surplus	(395)	(1,211)

ii) Staff Accommodation

Staff accommodation amounted to £2.4m (£2.1m 2021/22) during the year. However, the costs associated with the income generation form part of the costs of the total provision of accommodation and property services.

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 Note 1.4

Note 3.1 Income from Patient Care Activities (by nature)

	Trust	Trust
	2022/23	2021/22
	£000	£000
Income from commissioners under API contracts*	424,319	416,294
High cost drugs income from commissioners (excluding pass-through costs)	27,253	10,764
Other NHS clinical income	3,544	1,245
Private patient income	1,283	998
Elective recovery fund	8,428	4,877
Agenda for change pay award central funding	11,275	-
Additional pension contribution central funding**	12,356	11,691
Other clinical income	-	9,820
Total income from activities	488,458	455,689

*Aligned Payment and Incentive contracts are the main form of contracting between NHS providers and their commissioners. More information can be found in the 2022/23 National Tariff Payments System documentation.

<https://www.england.nhs.uk/publication/past-national-tariffs-documents-and-policies/>

**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.

*** In March 2023 the government announced an additional pay offer for 2022/23, in addition to the pay award earlier in the year. Additional funding was made available by NHS England for implementing this pay offer and the income and expenditure has been included in these accounts as guided by the Department of Health and Social Care and NHS England. In May 2023 the government confirmed this offer will be implemented as a further pay award in respect of 2022/23 based on individuals in employment at 31 March 2023.

Note 3.2 Income from Patient Care Activities (by source)

	Trust	Trust
	2022/23	2021/22
	£000	£000
Income from patient care activities received from:		
NHS England	51,854	38,343
Clinical commissioning groups	103,636	415,304
Integrated Care Boards	330,560	-
Department of Health and Social Care	23	141
Other NHS providers	438	489
Non-NHS: private patients	773	840
Non-NHS: overseas patients (chargeable to patient)	510	157
Injury cost recovery scheme	664	415
Total income from activities	488,458	455,689
<i>Of which:</i>		
Related to continuing operations	488,458	455,689

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

	Trust	Trust
	2022/23	2021/22
	£000	£000
Income recognised this year	510	157
Cash payments received in-year	106	43
Amounts written off in-year	113	270

Note 4 Other Operating Income (Group)

	2022/23			2021/22		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	784	-	784	661	-	661
Education and training	17,212	624	17,836	15,129	714	15,843
Non-patient care services to other bodies	20,489	-	20,489	19,027	-	19,027
Reimbursement and top up funding	861	-	861	1,470	-	1,470
Receipt of capital grants and donations and peppercorn leases *	-	440	440	-	12,078	12,078
Charitable and other contributions to expenditure	-	953	953	-	1,199	1,199
Revenue from operating leases	-	248	248	-	237	237
Charitable fund incoming resources	-	839	839	-	735	735
Other income **	5,749	-	5,749	3,760	-	3,760
Total other operating income	45,095	3,104	48,199	40,047	14,963	55,010
<i>Of which:</i>						
Related to continuing operations			48,199			55,010

* Capital grants and donations in 2021/22 includes £0.5m of Covid equipment from DHSC.

** Other income included £1.8m (£0.87m 2021/22) for car parking and £2.4m (£2.1m 2021/22) for staff accommodation.

Note 5.1 Income from Activities arising from Commissioner Requested Services

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

	Trust	Trust
	2022/23	2021/22
	£000	£000
Income from services designated as commissioner requested services	460,947	440,755
Income from services not designated as commissioner requested services	27,511	14,934
Total	488,458	455,689

Note 5.2 Profits and Losses on Disposal of Property, Plant and Equipment

	Trust	Trust
	2022/23	2021/22
	£000	£000
Gains on disposal of other property plant and equipment	128	43
Losses on disposal of other property plant and equipment *	(27)	(234)
Total gain/(loss) on disposal of assets	101	(191)

* 2021/22 includes £145k loss recognised on return of donated Covid-19 assets to DHSC.

Note 5.3 Fees and Charges

HM Treasury requires disclosure of fees and charges income. The following disclosure is of income from charges to service users where income from that service exceeds £1 million and is presented as the aggregate of such income. The cost associated with the service that generated the income is also disclosed.

	Trust	Trust
	2022/23	2021/22
	£000	£000
Income	1,795	870
Full cost	(2,190)	(2,081)
Surplus / (deficit)	(395)	(1,211)

The fees and charges above relate to Car Parking Services.

Note 6 Operating leases

Northern Lincolnshire and Goole NHS Foundation Trust as lessor

This note discloses income generated in operating lease agreements where the Trust is the lessor. The Trust has applied IFRS 16 to account for lease arrangements from 1 April 2022 without restatement of comparatives. Comparative disclosures in this note are presented on an IAS 17 basis. This includes a different maturity analysis of future minimum lease receipts under IAS 17 compared to IFRS 16.

Note 6.1 Operating Leases Income

	Trust	Trust
	2022/23	2021/22
	£000	£000
Lease receipts recognised as income in year:		
Minimum lease receipts	248	237
Variable lease receipts / contingent rents	-	-
Other	-	-
Total in-year operating lease income	248	237

Note 6.2 Future Lease Receipts

	Trust
	31 March 2023
	£000
Future minimum lease receipts due at 31 March 2023:	
- not later than one year	248
- later than one year and not later than two years	248
- later than two years and not later than three years	248
- later than three years and not later than four years	248
- later than four years and not later than five years	248
- later than five years	-
Total	1,240
	31 March 2022
	£000
Future minimum lease receipts due at 31 March 2022:	
- not later than one year;	237
- later than one year and not later than five years;	948
- later than five years.	-
Total	1,185

Note 7.1 Operating Expenses (Group)

	2022/23	2021/22
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	4,958	5,234
Purchase of healthcare from non-NHS and non-DHSC bodies	10,922	9,757
Staff and executive directors costs	368,290	342,978
Remuneration of non-executive directors	154	167
Supplies and services - clinical (excluding drugs costs)	41,577	36,688
Supplies and services - general	5,538	4,776
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	36,180	34,027
Inventories written down	8	1
Consultancy costs	587	1,203
Establishment	3,998	3,587
Premises	20,947	17,844
Transport (including patient travel)	3,048	2,677
Depreciation on property, plant and equipment and right of use assets	15,203	10,831
Amortisation on intangible assets	680	317
Net impairments	13,563	595
Movement in credit loss allowance: contract receivables / contract assets	102	89
Change in provisions discount rate(s)	(995)	119
Fees payable to the external auditor		
audit services- statutory audit	142	73
Internal audit costs	74	72
Clinical negligence	14,678	15,342
Legal fees	199	90
Insurance	390	426
Research and development	624	628
Education and training	1,966	2,743
Expenditure on low value leases (current year only)	241	-
Operating leases expenditure (comparative only)	-	2,561
Redundancy	15	152
Car parking & security	1,355	1,286
Hospitality	32	3
Losses, ex gratia & special payments	32	16
Other NHS charitable fund resources expended	243	302
Other *	1,562	708
Total	546,313	495,292
<i>Of which:</i>		
Related to continuing operations	546,313	495,292

* Other includes; £0.55m of patient welfare, £0.35m professional fees & £0.075 interpreting services.

Note 7.2 Other Auditor Remuneration

	Group	
	2022/23	2021/22
	£000	£000
Other auditor remuneration paid to the external auditor:		
1. Audit of accounts of any associate of the trust	-	-
2. Audit-related assurance services	-	-
3. Taxation compliance services	-	-
4. All taxation advisory services not falling within item 3 above	-	-
5. Internal audit services	-	-
6. All assurance services not falling within items 1 to 5	-	-
7. Corporate finance transaction services not falling within items 1 to 6 above	-	-
8. Other non-audit services not falling within items 2 to 7 above	-	-
Total	-	-

Note 7.3 Limitation on Auditor's Liability

The auditor's liability for external work carried out for the financial year 2022/23 is limited to £167,500. There is no limitation on auditor's liability for external audit work carried out for the financial year 2021/22.

Note 8 Impairment of Assets

	Group	
	2022/23	2021/22
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	13,563	595
Total net impairments charged to operating surplus / deficit	13,563	595
Impairments charged to the revaluation reserve	1,665	661
Total net impairments	15,228	1,256

The majority of the impairment losses in 2022/23 were as a result of bringing into use the new Emergency Departments at Grimsby (£5.9m) and Scunthorpe Hospitals (£5.7m).

Note 9 Employee Benefits

	Group	
	2022/23	2021/22
	Total	Total
	£000	£000
Salaries and wages	268,959	251,256
Social security costs	30,105	25,049
Apprenticeship levy	1,412	1,277
Employer's contributions to NHS pensions	40,656	38,457
Temporary staff (including agency)	28,831	28,961
Total gross staff costs	369,963	345,000
Recoveries in respect of seconded staff	-	-
Total staff costs	369,963	345,000
<i>Of which</i>		
Costs capitalised as part of assets	467	787

Note 9.1 Retirements due to Ill-health

During 2022/23 there were 6 early retirements from the Trust agreed on the grounds of ill-health (4 in the year ended 31 March 2022). The estimated additional pension liabilities of these ill-health retirements is £650k (£241k in 2021/22). These estimated costs are calculated on an average basis and will be borne by the NHS Pension Scheme.

Note 9.2 Directors' Remuneration

The aggregate amounts payable to Directors were:

	Group	
	2022/23	2021/22
	Total	Total
	£000	£000
Salary	1,477	1,501
Employer's National Insurance	193	189
Employer's pension contributions	152	160
Total	1,822	1,850

Note 9.3 Management Costs

	Group	
	2022/23	2021/22
	Total	Total
	£000	£000
Management Costs	23,887	23,133
Income	538,044	510,539
Management Costs as a % of income	4.44%	4.53%

The above is excluding Charitable income and costs.

Note 10 Pension Costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period. In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2023, is based on valuation data as at 31 March 2022, updated to 31 March 2023 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers. The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 at 20.6% of pensionable pay. The actuarial valuation as at 31 March 2020 is currently underway and will set the new employer contribution rate due to be implemented from April 2024. The expected employer contributions to NHS Pensions for 23/24 are estimated to be £29,715k.

Note 11 Finance Income

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

	Group	
	2022/23	2021/22
	£000	£000
Interest on bank accounts	1,058	61
NHS charitable fund investment income	49	50
Total finance income	1,107	111

Note 12 Finance Expenditure

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

	Group	
	2022/23	2021/22
	£000	£000
Interest expense:		
Interest on loans from the Department of Health and Social Care	194	224
Interest on lease obligations	129	2
Interest on late payment of commercial debt	10	2
Total interest expense	333	228
Unwinding of discount on provisions	(61)	(61)
Total finance costs	272	167

Note 12.1 The Late Payment of Commercial Debts (interest) Act 1998 / Public Contract Regulations 2015

	2022/23	2021/22
	£000	£000
Amounts included within interest payable arising from claims made under this legislation	10	2

Note 12.2 Other Gains / (Losses)

	Group	
	2022/23	2021/22
	£000	£000
Gains on disposal of assets	128	43
Losses on disposal of assets	(27)	(234)
Total gains / (losses) on disposal of assets	101	(191)
Fair value gains / (losses) on charitable fund investments & investment properties	(90)	139
Total other gains / (losses)	11	(52)

Note 13 Revaluation of Assets (Property, Plant and Equipment) Cushman & Wakefield Valuations Summary

	Group	
	2022/23	2021/22
	£000	£000
Impairments		
Impairments charged to Revaluation Reserve	(1,665)	(661)
Impairments charged to Statement of Comprehensive Income	(16,517)	(5,992)
Total Impairments due to Market Changes	(18,182)	(6,653)
	Group	
	2022/23	2021/22
	£000	£000
Revaluation gains		
Revaluation gains credited to Revaluation Reserve	3,746	4,999
Revaluation gains relating to previous impairments credited to Statement of Comprehensive income	2,954	5,397
Total Revaluation gains due to Market Changes	6,700	10,396

Note 14 Trust Income Statement and Statement of Comprehensive Income

In accordance with Section 408 of the Companies Act 2006, the Trust is exempt from the requirement to present its own income statement and statement of comprehensive income. The Trust's deficit for the period was £14.6 million (2021/22 surplus: £10.4 million). The Trust's total comprehensive income/(expense) for the period was (£12.6) million (2021/22: £14.7 million).

Note 15 Discontinued Operations

	Group	
	2022/23	2021/22
	£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 16.1 Intangible Assets - 2022/23

Group	Software licences	Intangible assets under construction	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2022 - brought forward	9,464	-	9,464
Additions	96	1,429	1,525
Disposals / derecognition	(148)	-	(148)
Valuation / gross cost at 31 March 2023	9,412	1,429	10,841
Amortisation at 1 April 2022 - brought forward	6,968	-	6,968
Provided during the year	680	-	680
Disposals / derecognition	(148)	-	(148)
Amortisation at 31 March 2023	7,500	-	7,500
Net book value at 31 March 2023	1,912	1,429	3,341
Net book value at 1 April 2022	2,496	-	2,496

Note 16.2 Intangible Assets - 2021/22

Group	Software licences	Intangible assets under construction	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2021 - as previously stated	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 - as previously stated	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

Note 17.1 Property, Plant and Equipment - 2022/23

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 2022 - brought forward	9,761	146,847	15,996	44,848	53,125	186	19,790	1,035	291,588
IFRS 16 implementation - reclassification to right of use assets	-	-	-	-	(304)	-	-	-	(304)
Additions	-	17,022	72	17,224	5,199	-	3,490	216	43,223
Impairments	(546)	(1,041)	(78)	-	-	-	-	-	(1,665)
Revaluations	136	(17,075)	1,088	-	-	-	-	-	(15,851)
Reclassifications	-	31,008	-	(31,509)	290	-	136	75	-
Disposals / derecognition	-	-	-	-	(1,566)	-	(687)	-	(2,253)
Valuation/gross cost at 31 March 2023	9,351	176,761	17,078	30,563	56,744	186	22,729	1,326	314,738
Accumulated depreciation at 1 April 2022 - brought forward	-	-	-	-	36,057	142	12,914	881	49,994
IFRS 16 implementation - reclassification to right of use assets	-	-	-	-	(286)	-	-	-	(286)
Provided during the year	-	5,716	318	-	4,341	15	2,216	80	12,686
Impairments	-	16,517	-	-	-	-	-	-	16,517
Reversals of impairments	-	(1,932)	(1,022)	-	-	-	-	-	(2,954)
Revaluations	-	(20,301)	704	-	-	-	-	-	(19,597)
Disposals / derecognition	-	-	-	-	(1,534)	-	(687)	-	(2,221)
Accumulated depreciation at 31 March 2023	-	-	-	-	38,578	157	14,443	961	54,139
Net book value at 31 March 2023	9,351	176,761	17,078	30,563	18,166	29	8,286	365	260,599
Net book value at 1 April 2022	9,761	146,847	15,996	44,848	17,068	44	6,876	154	241,594

Note 17.2 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 - as previously stated	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 - as previously stated	-	-	-	-	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

Note 17.3 Property, Plant and Equipment Financing - 31 March 2023

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
Owned - purchased	9,351	173,356	17,078	21,874	14,046	29	8,265	365	244,364
Owned - donated/granted	-	3,405	-	8,689	4,120	-	21	-	16,235
NBV total at 31 March 2023	9,351	176,761	17,078	30,563	18,166	29	8,286	365	260,599

Note 17.4 Property, Plant and Equipment Financing - 31 March 2022

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
Owned - purchased	9,761	143,545	15,996	36,291	14,089	44	6,872	154	226,752
Finance leased	-	-	-	-	18	-	-	-	18
Owned - donated/granted	-	3,302	-	8,557	2,961	-	4	-	14,824
NBV total at 31 March 2022	9,761	146,847	15,996	44,848	17,068	44	6,876	154	241,594

Note 17.5 Property Plant and Equipment Assets Subject to an Operating Lease (Trust as a Lessor) - 31 March 2023

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
Subject to an operating lease	-	1,541	-	-	-	-	-	-	1,541
Not subject to an operating lease	9,351	175,220	17,078	30,563	18,166	29	8,286	365	259,058
NBV total at 31 March 2023	9,351	176,761	17,078	30,563	18,166	29	8,286	365	260,599

Note 18 Donations of Property, Plant and Equipment

The NHS Foundation Trust received Charitable contributions to support capital purchases as follows;

	2022/23	2021/22
	£000	£000
Buildings ex Dwellings	224	2,638
Assets under Construction	0	8,557
Plant and machinery	155	883
Intangible	61	0
	440	12,078

Note 19 Revaluations of Property, Plant and Equipment

The NHS Foundation Trust's property have been revalued on a Modern Equivalent Asset basis. On the 31 March 2023, 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 with a valuation date of 31 March 2023, 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 £203.2m net book value of land and buildings subject to valuation, £176.7m 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

The NHS Foundation Trust Valuers (Cushman & Wakefield) completed a valuation of the Property Assets at 31 March 2023 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	3,535	7,272	(2,438)	(1,299)
Scunthorpe General Hospital	Land and Buildings	8,479	9,245	(464)	(302)
Goole District Hospital	Land and Buildings	(532)	-	(52)	(480)
Other	Land and Buildings	-	-	-	-
	Total	11,482	16,517	(2,954)	(2,081)

All the above changes relate to properties in the Trust's main healthcare segment.

Note 20 Leases - Northern Lincolnshire and Goole NHS Foundation Trust as a Lessee

This note details information about leases for which the Trust is a lessee. The Trust's leases are for property, equipment and vehicles and vary in terms from 1 to 10 years. The Trust has applied IFRS 16 to account for lease arrangements from 1 April 2022 without restatement of comparatives. Comparative disclosures in this note are presented on an IAS 17 basis.

Note 20.1 Right of Use Assets - 2022/23

Group	Property (land and buildings)	Plant & machinery	Transport equipment	Total	Of which: leased from DHSC group bodies
	£000	£000	£000	£000	£000
IFRS 16 implementation - reclassification of existing leased assets from PPE or intangible assets	-	304	-	304	-
IFRS 16 implementation - adjustments for existing operating leases / subleases	15,239	1,013	479	16,731	12,790
Additions	255	-	440	695	-
Disposals / derecognition	-	(15)	-	(15)	-
Valuation / gross cost at 31 March 2023	15,494	1,302	919	17,715	12,790
IFRS 16 implementation - reclassification of existing leased assets from PPE or intangible assets	-	286	-	286	-
Provided during the year	1,905	301	311	2,517	1,324
Disposals / derecognition	-	(15)	-	(15)	-
Accumulated depreciation at 31 March 2023	1,905	572	311	2,788	1,324
Net book value at 31 March 2023	13,589	730	608	14,927	11,466
Net book value of right of use assets leased from other NHS providers					7,276
Net book value of right of use assets leased from other DHSC group bodies					4,190

Note 20.2 Reconciliation of the Carrying Value of Lease Liabilities

Lease liabilities are included within borrowings in the statement of financial position. A breakdown of borrowings is disclosed in Note 31.

	Group	Trust
	2022/23	2022/23
	£000	£000
Carrying value at 31 March 2022	22	22
IFRS 16 implementation - adjustments for existing operating leases	16,200	16,200
Lease additions	695	695
Interest charge arising in year	129	129
Lease payments (cash outflows)	(2,395)	(2,395)
Carrying value at 31 March 2023	14,651	14,651

Lease payments for short term leases, leases of low value underlying assets and variable lease payments not dependent on an index or rate are recognised in operating expenditure. These payments are disclosed in Note 7.1. Cash outflows in respect of leases recognised on-SoFP are disclosed in the reconciliation above.

Note 20.3 Maturity Analysis of Finance Lease Liabilities at 31 March 2022 (IAS 17 basis)

The following table details the maturity of obligations under leases the trust previously determined to be finance leases under IAS 17 at 31 March 2022.

	Group	Trust
	31 March 2022	31 March 2022
	£000	£000
Undiscounted future lease payments payable in:		
- not later than one year;	6	6
- later than one year and not later than five years;	19	19
Total gross future lease payments	25	25
Finance charges allocated to future periods	(3)	(3)
Net finance lease liabilities at 31 March 2022	22	22
of which payable:		
- not later than one year;	5	5
- later than one year and not later than five years;	17	17

There are no sub lease or contingent rents.

Note 20.4 Commitments in Respect of Operating Leases at 31 March 2022 (IAS 17 basis)

This note discloses costs incurred in 2021/22 and commitments as at 31 March 2022 for leases the Trust previously determined to be operating leases under IAS 17.

	Group	Trust
	2021/22	2021/22
	£000	£000
Operating lease expense		
Minimum lease payments	2,561	2,561
Total	2,561	2,561
	31 March 2022	31 March 2022
	£000	£000
Future minimum lease payments due:		
- not later than one year;	3,893	3,893
- later than one year and not later than five years;	9,483	9,483
- later than five years.	7,131	7,131
Total	20,507	20,507

Note 20.5 Initial Application of IFRS 16 on 1 April 2022

IFRS 16 as adapted and interpreted for the public sector by HM Treasury has been applied to leases in these financial statements with an initial application date of 1 April 2022. The standard has been applied using a modified retrospective approach without the restatement of comparatives. Practical expedients applied by the Trust on initial application are detailed in the leases accounting policy in Note 1.14. Lease liabilities created for existing operating leases on 1 April 2022 were discounted using the weighted average incremental borrowing rate determined by HM Treasury as 0.95%.

Reconciliation of Operating Lease Commitments as at 31 March 2022 to Lease Liabilities under IFRS 16 as at 1 April 2022.

	Trust
	1 April 2022
	£000
Operating lease commitments under IAS 17 at 31 March 2022	20,507
Impact of discounting at the incremental borrowing rate	
IAS 17 operating lease commitment discounted at incremental borrowing rate	19,902
Less:	
Commitments for short term leases	(132)
Commitments for leases of low value assets	(3,018)
Irrecoverable VAT previously included in IAS 17 commitment	(28)
Other adjustments:	
Rent increases / (decreases) reflected in the lease liability, not previously reflected in the IAS 17 commitment	(502)
Finance lease liabilities under IAS 17 as at 31 March 2022	22
Other adjustments	(22)
Total lease liabilities under IFRS 16 as at 1 April 2022	16,222

Note 21 Other Investments / Financial Assets (non-current)

	Group		Trust	
	2022/23	2021/22	2022/23	2021/22
	£000	£000	£000	£000
Carrying value at 1 April 2022 - brought forward	1,772	1,633	-	-
Movement in fair value through income and expenditure	(90)	139	-	-
Disposals	(300)	-	-	-
Carrying value at 31 March 2023	1,382	1,772	-	-

Note 22 Analysis of 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 represent 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 2022/23, the NHS Charitable Funds balances are as follows:

	31 March 2023	31 March 2022
	£000	£000
Unrestricted funds:		
Unrestricted income funds	1,412	2,025
	1,412	2,025

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 23 Inventories

	Group		Trust	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	£000	£000	£000	£000
Drugs	1,182	968	1,182	968
Consumables	2,198	2,207	2,198	2,207
Energy	201	30	201	30
Other	392	258	392	258
Total inventories	3,973	3,463	3,973	3,463

Inventories recognised in expenses for the year were £39,445k (2021/22: £32,341k). Write-down of inventories recognised as expenses for the year were £8k (2021/22: £1k). 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 2022/23 the Trust received £953k of items purchased by DHSC (2021/22: £1,199k). These inventories were recognised as additions to inventory at deemed cost with the corresponding benefit recognised in income. The utilisation of these items is included in the expenses disclosed above.

Note 24.1 Receivables

	Group		Trust	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	£000	£000	£000	£000
Current				
Contract receivables *	20,923	18,966	21,019	18,985
Allowance for impaired contract receivables / assets	(1,007)	(1,022)	(1,007)	(1,022)
Prepayments (non-PFI)	4,149	3,156	4,149	3,156
Interest receivable	184	32	184	32
PDC dividend receivable	101	319	101	319
VAT receivable	1,079	918	1,079	918
Corporation and other taxes receivable **	21	37	21	37
NHS charitable funds receivables	48	45		-
Total current receivables	25,498	22,451	25,546	22,425
Non-current				
Other receivables ***	977	1,216	977	1,216
Total non-current receivables	977	1,216	977	1,216
Of which receivable from NHS and DHSC group bodies:				
Current	15,603	10,220	15,603	10,220
Non-current	977	1,216	977	1,216

* Contract receivables for 2022/23 includes £11.3m relating to pay award funding.

** Corporation and taxes receivable relates to Clinicians pension tax provision reimbursement funding from NHS England.

*** Non-current other receivables relates to Clinicians pension tax provision reimbursement funding from NHS England.

Note 24.2 Allowances for Credit Losses - 2022/23

	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 2022 - brought forward	1,022	-	1,022	-
Changes in existing allowances	248	-	248	-
Utilisation of allowances (write offs)	(146)	-	(146)	-
Changes arising following modification of contractual cash flows	(117)	-	(117)	-
Allowances as at 31 Mar 2023	1,007	-	1,007	-

Note 24.3 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 - as previously stated	1,228	-	1,228	-
Changes in existing allowances	221	-	221	-
Utilisation of allowances (write offs)	(132)	-	(132)	-
Changes arising following modification of contractual cash flows	(295)	-	(295)	-
Allowances as at 31 Mar 2022	1,022	-	1,022	-

Note 25.1 Finance Lease Receivables Maturity Analysis as at 31 March 2023

	Group		Trust	
	Total	Of which leased to DHSC group bodies:	Total	Of which leased to DHSC group bodies:
	31 March 2023	31 March 2023	31 March 2023	31 March 2023
	£000	£000	£000	£000
Undiscounted future lease receipts receivable in:				
not later than one year;	-	-	-	-
later than one year and not later than two years;	-	-	-	-
later than two years and not later than three years;	-	-	-	-
later than three years and not later than four years;	-	-	-	-
later than four years and not later than five years;	-	-	-	-
later than five years.	-	-	-	-
Total future finance lease payments to be received	-	-	-	-
Estimated value of unguaranteed residual interest	-	-	-	-
Unearned interest income	-	-	-	-
Allowance for uncollectable lease payments	-	-	-	-
Net investment in lease (net lease receivable)	-	-	-	-
of which:				
Leased to other NHS providers		-		-
Leased to other DHSC group bodies		-		-

Note 25.2 Finance Lease Receivables as at 31 March 2022 (IAS 17 basis)

	Group	Trust
	31 March 2022	31 March 2022
	£000	£000
Undiscounted future lease receipts receivable in:		
- not later than one year;	-	-
- later than one year and not later than five years;	-	-
- later than five years.	-	-
Total future finance lease payments to be received	-	-
Unearned interest income	-	-
Allowance for uncollectable lease payments	-	-
Net investment in lease (net lease receivable)	-	-
of which those receivable in:		
- not later than one year;	-	-
- later than one year and not later than five years;	-	-
- later than five years.	-	-
The unguaranteed residual value accruing to the lessor	-	-
Contingent rents recognised as income in the period	-	-

Note 26 Other Assets

	Group		Trust	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	£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 26.1 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 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	
	2022/23	2021/22	2022/23	2021/22
	£000	£000	£000	£000
At 1 April	58,862	54,735	58,616	54,399
Net change in year	(17,218)	4,127	(17,142)	4,217
At 31 March	41,644	58,862	41,474	58,616
Broken down into:				
Cash at commercial banks and in hand	458	484	288	238
Cash with the Government Banking Service	41,186	58,378	41,186	58,378
Total cash and cash equivalents as in SoFP	41,644	58,862	41,474	58,616
Total cash and cash equivalents as in SoCF	41,644	58,862	41,474	58,616

Note 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 2023	31 March 2022
	£000	£000
Monies on deposit	5	6
Total third party assets	5	6

Note 29.1 Trade and Other Payables

	Group		Trust	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	£000	£000	£000	£000
Current				
Trade payables	13,203	17,490	13,203	17,490
Capital payables	14,796	22,774	14,796	22,774
Accruals	22,067	23,436	22,067	23,436
Social security costs	8,063	7,895	8,063	7,895
Pension contributions payable	3,917	3,726	3,917	3,726
Other payables	18,937	14,956	18,937	14,956
NHS charitable funds: trade and other payables	93	19	-	-
Total current trade and other payables	81,076	90,296	80,983	90,277
Non-current				
Total non-current trade and other payables	-	-	-	-
Of which payables from NHS and DHSC group bodies:				
Current	5,934	7,812	5,934	7,812
Non-current	-	-	0	0

Note 29.2 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 2023	31 March 2023	31 March 2022	31 March 2022
	£000	Number	£000	Number
	- to buy out the liability for early retirements over 5 years	-	-	-
- number of cases involved	-	-	-	-

Note 30 Other Liabilities

	Group		Trust	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	£000	£000	£000	£000
Current				
Deferred income: contract liabilities	797	1,177	797	1,177
Total other current liabilities	797	1,177	797	1,177
Non-current				
Total other non-current liabilities	-	-	-	-

Note 31 Borrowings

	Group		Trust	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	£000	£000	£000	£000
Current				
Loans from DHSC	1,396	1,407	1,396	1,407
Lease liabilities*	2,365	5	2,365	5
Total current borrowings	3,761	1,412	3,761	1,412
Non-current				
Loans from DHSC	6,883	8,212	6,883	8,212
Lease liabilities*	12,286	17	12,286	17
Total non-current borrowings	19,169	8,229	19,169	8,229

* The Trust has applied IFRS 16 to lease arrangements within these accounts from 1 April 2022 without restatement of comparatives. More information about leases and the impact of this change in Accounting policy can be found in Note 20.

Note 31.1 Reconciliation of Liabilities Arising from Financing Activities

Group - 2022/23	Loans from DHSC	Lease liabilities	Total
	£000	£000	£000
Carrying value at 1 April 2022	9,619	22	9,641
Cash movements:			
Financing cash flows - payments and receipts of principal	(1,329)	(2,266)	(3,595)
Financing cash flows - payments of interest	(205)	(129)	(334)
Non-cash movements:			
IFRS 16 implementation - adjustments for existing operating leases / subleases	-	16,200	16,200
Additions	-	695	695
Application of effective interest rate	194	129	323
Carrying value at 31 March 2023	8,279	14,651	22,930

Group - 2021/22	Loans from DHSC	Finance leases	Total
	£000	£000	£000
Carrying value at 1 April 2021	10,958	38	10,996
Prior period adjustment	-	-	-
Carrying value at 1 April 2021 - restated	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

Note 32 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 2022	1,526	3,131	269	118	1,253	6,297
Change in the discount rate	(121)	(874)	-	-	(878)	(1,873)
Arising during the year	39	137	241	117	604	1,138
Utilised during the year	(221)	(144)	(83)	(121)	(1)	(570)
Reversed unused	-	-	(172)	-	-	(172)
Unwinding of discount	(20)	(41)	-	-	20	(41)
Movement in charitable fund provisions	-	-	-	-	-	-
At 31 March 2023	1,203	2,209	255	114	998	4,779
Expected timing of cash flows:						
- not later than one year;	212	142	255	114	21	744
- later than one year and not later than five years;	756	545	-	-	56	1,357
- later than five years.	235	1,522	-	-	921	2,678
Total	1,203	2,209	255	114	998	4,779

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. The provision also includes any redundancy costs. Other provisions include £998k relating to clinician pension tax reimbursement. A reimbursement has been recognised within non-current debtors.

Note 33 Clinical Negligence Liabilities

At 31 March 2023, £156,832k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Northern Lincolnshire and Goole NHS Foundation Trust (31 March 2022: £182,960k).

Note 34 Contingent Assets and Liabilities

	Group		Trust	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	£000	£000	£000	£000
Value of contingent liabilities				
NHS Resolution legal claims	(79)	(123)	(79)	(123)
Other	(1,000)	-	(1,000)	-
Gross value of contingent liabilities	(1,079)	(123)	(1,079)	(123)
Amounts recoverable against liabilities	-	-	-	-
Net value of contingent liabilities	(1,079)	(123)	(1,079)	(123)
Net value of contingent assets	-	-	-	-

Other Contingent liabilities relates to the cost to remove and replace Reinforced Autoclave Aerated Concrete (RAAC) found at the Scunthorpe site. The Trust is planning to undertake the works during the next financial year and is hopeful that funding will be received in the form of Public Dividend Capital to cover these costs.

Note 35 Contractual Capital Commitments

	Group		Trust	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	£000	£000	£000	£000
Property, plant and equipment	9,927	15,647	9,927	15,647
Intangible assets	-	-	-	-
Total	9,927	15,647	9,927	15,647

Note 36 Defined Benefit Pension Schemes

The NHS Foundation Trust has no defined benefit pension schemes.

Note 37 On-SoFP PFI, LIFT or Other Service Concession Arrangements

The NHS Foundation Trust does not have any PFI or LIFT schemes at 31 March 2023.

Note 38 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 2023.

Note 39 Financial Instruments

Note 39.1 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 its commissioners (Integrated Care Systems and NHS England) and funding flows from the Treasury, the NHS Foundation Trust is not exposed to the degree of financial risk faced by business entities. Clinical Commissioning Groups did not exist as from 1st July 2022, when the commissioning relationship transferred to the Integrated Care System. 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 £8.212m (£9.541m 2021/22), (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	Balance at
	Rate	31 March
	%	2023
		£000
Loan - Purpose		
Residential Accommodation DPoW Phase 1	2.06	4,132
Energy Performance Contract	2.39	4,080
Total		8,212

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 2023 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 Integrated Care Systems, 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.

Note 39.2 Carrying Values of Financial Assets (Group)

Carrying values of financial assets as at 31 March 2023	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	21,022	-	-	21,022
Cash and cash equivalents	41,474	-	-	41,474
Consolidated NHS Charitable fund financial assets	1,601	-	-	1,601
Total at 31 March 2023	64,097	-	-	64,097
Carrying values of financial assets as at 31 March 2022				
	£000	£000	£000	£000
Trade and other receivables excluding non-financial assets	19,229	-	-	19,229
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

Note 39.3 Carrying Values of Financial Assets (Trust)

Carrying values of financial assets as at 31 March 2023	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	21,022	-	-	21,022
Cash and cash equivalents	41,474	-	-	41,474
Total at 31 March 2023	62,496	-	-	62,496
Carrying values of financial assets as at 31 March 2022				
	£000	£000	£000	£000
Trade and other receivables excluding non-financial assets	19,248	-	-	19,248
Cash and cash equivalents	58,616	-	-	58,616
Total at 31 March 2022	77,864	-	-	77,864

Note 39.4 Carrying Values of Financial Liabilities (Group)

Carrying values of financial liabilities as at 31 March 2023	Held at amortised cost	Held at fair value through I&E	Total book value
	£000	£000	£000
Loans from the Department of Health and Social Care	8,279	-	8,279
Obligations under leases	14,651	-	14,651
Trade and other payables excluding non-financial liabilities	68,927	-	68,927
Provisions under contract	4,779	-	4,779
Consolidated NHS charitable fund financial liabilities	93	-	93
Total at 31 March 2023	96,729	-	96,729
Carrying values of financial liabilities as at 31 March 2022	Held at amortised cost	Held at fair value through I&E	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

Note 39.5 Carrying Values of Financial Liabilities (Trust)

Carrying values of financial liabilities as at 31 March 2023	Held at amortised cost	Held at fair value through I&E	Total book value
	£000	£000	£000
Loans from the Department of Health and Social Care	8,279	-	8,279
Obligations under leases	14,651	-	14,651
Trade and other payables excluding non-financial liabilities	68,927	-	68,927
Provisions under contract	4,779	-	4,779
Total at 31 March 2023	96,636	-	96,636
Carrying values of financial liabilities as at 31 March 2022	Held at amortised cost	Held at fair value through I&E	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

Note 39.6 Fair Values of Financial Assets and Liabilities

The carrying value of short term trade and other payables is a reasonable approximation to fair value, all trade payables are considered to be short term. The nature of obligations relating to finance leases and other borrowings are that they are arms-length transaction with values determined by contract. There is no significant difference between the carrying value and the fair value of these liabilities.

Note 39.7 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 2023	31 March 2022	31 March 2023	31 March 2022
	£000	£000	£000	£000
In one year or less	73,634	66,446	73,634	66,446
In more than one year but not more than five years	12,712	5,977	12,712	5,977
In more than five years	10,929	2,838	10,929	2,838
Total	97,275	75,261	97,275	75,261

Note 40 Losses and Special Payments (Audited)

Group and Trust	2022/23		2021/22	
	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000	Number	£000
Losses				
Cash losses	9	3	7	20
Fruitless payments and constructive losses	-	-	1	1
Bad debts and claims abandoned	81	113	252	275
Stores losses and damage to property	23	37	16	18
Total losses	113	153	276	314
Special payments				
Compensation under court order or legally binding arbitration award	-	-	1	-
Ex-gratia payments	32	26	34	15
Total special payments	32	26	35	15
Total losses and special payments	145	179	311	329
Compensation payments received				

Note 41 Related Parties (Group)

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; Integrated Care Systems; 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.

	2022/23	2022/23	2022/23	2022/23
	Income	Expenditure	Receivables	Payables
	£000	£000	£000	£000
Care Quality Commission	-	305	-	-
Department of Health and Social Care	39	-	-	-
Doncaster & Bassetlaw Teaching Hospitals NHS Foundation Trust	82	219	346	87
Health Education England	16,964	-	-	192
Harrogate & District NHS Foundation Trust	65	19	5	10
Hull University Teaching Hospitals NHS Trust	3,527	3,921	1,526	1,355
Leeds and York Partnership NHS Foundation Trust	-	25	-	-
Leeds Teaching Hospitals NHS Trust	3	380	1	163
Lincolnshire Community Health Services NHS Trust	365	-	124	-
Lincolnshire Partnership NHS Foundation Trust	186	-	19	-
NHS Blood & Transplant	14	1,442	-	64
NHS Derby & Derbyshire ICB	175	-	-	-
NHS Doncaster CCG	354	-	-	-
NHS East Riding of Yorkshire CCG	5,067	-	-	-
NHS England	39,865	142	12,359	579
NHS Hull CCG	19,800	-	-	-

	2022/23	2022/23	2022/23	2022/23
	Income	Expenditure	Receivables	Payables
	£000	£000	£000	£000
NHS Humber & North Yorkshire ICB	286,336	168	260	106
NHS Leicester, Leicestershire and Rutland ICB	168	-	41	-
NHS Lincolnshire ICB	42,044	267	-	267
NHS Lincolnshire CCG	13,204	-	-	-
NHS North East Lincolnshire CCG	31,133	-	-	-
NHS North Lincolnshire CCG	33,332	-	-	-
NHS Nottingham and Nottinghamshire ICB	370	-	-	-
NHS Pension Scheme	-	40,656	-	3,917
NHS Property Services	-	1,158	13	1,756
NHS Resolution	-	14,940	-	13
NHS South Yorkshire ICB	903	-	94	-
NHS Vale of York CCG	212	-	-	-
NHS West Yorkshire ICB	289	-	-	-
Norfolk and Norwich University Hospitals NHS Foundation Trust	62	1	-	3
North Cumbria Integrated Care NHS Foundation Trust	43	70	-	9
North East Lincolnshire Council	-	-	117	-
North Lincolnshire Council	-	61	153	-
North West Anglia NHS Foundation Trust	49	-	6	3
Northern Care Alliance NHS Foundation Trust	-	306	-	52
Nottingham University Hospitals NHS Foundation Trust	138	276	32	76
Portsmouth Hospitals University NHS Trust	-	101	-	6
Rotherham Doncaster and South Humber Mental Health NHS Foundation Trust	240	216	142	25
Sheffield Children's NHS Foundation Trust	64	193	70	195
Sheffield Teaching Hospitals NHS Foundation Trust	643	315	115	167
United Lincolnshire Hospitals NHS Trust	11,266	1,078	240	428
University Hospitals of Leicester NHS Trust	45	70	12	38
Other (Total)	1,424	1,946	87	923
Total Related Parties	508,471	68,275	15,762	10,434

	2022/23	2022/23	2022/23	2022/23
	Income	Expenditure	Receivables	Payables
	£000	£000	£000	£000
HM Revenue and Customs (Taxes and Duties)	-	31,517	1,079	8,063
Other Government Departments	-	31,517	1,079	8,063
Comparatives 2021/22				
Total Related Parties	478,458	66,928	9,864	12,594
Other Government Departments	-	26,326	918	7,895

Related Party Transactions with bodies outside of the whole of government accounting were as follows:

	2022/23	2022/23	2022/23	2022/23
Organisation name/Trust Officer/ Nature of Relationship	Income	Expenditure	Receivables	Payables
	£000	£000	£000	£000
Health Service Journal - Chief Executive/Hospitality	-	5	-	-
Healthcare Financial Management Association Ltd - Chief Financial Officer/Vice President	-	1	-	-
NHS Providers - Chief Executive/Hospitality	-	32	-	-
University of Lincoln - Non-Executive Director/Deputy Vice Chancellor	-	2	-	-

The Accounting Officer authorised these financial statements for issue on 5 December 2023.

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