with you, for you

NHS
Gloucestershire Health and Care
NHS Foundation Trust

Annual Report

2022/2023

working together | always improving | respectful and kind | making a difference

Gloucestershire Health and Care NHS Foundation Trust
Annual Report and Accounts 2022/23

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

Contents

This is us: Gloucestershire Health and Care NHS Foundation Trust

Welcome to our Annual Report, where you will find information about who we are and what we have done throughout 2022/23.

2022/23
344,968
REFERRALS

2022/23
979,272
CONTACTS

BUDGET
£302
MILLION

2022/23
5,887
COLLEAGUES

2022/23
5,873
PUBLIC MEMBERS

RATED
GOOD
BY THE CQC

Get involved

Find out more about our Trust at: www.ghc.nhs.uk

You can also keep in touch with us through our social media channels:

@GlosHealthNHS @GlosHealthNHS @GlosHealthNHS

Join us!

As a Trust member, you can help shape strategy and the way services are run. To become a member of the Trust, visit www.ghc.nhs.uk/membership or call 0300 421 7146.

Our registered address is: Gloucestershire Health and Care NHS Foundation Trust, Edward Jenner Court, 1010 Pioneer Avenue, Brockworth, GL3 4AW.
You can also contact us by telephone on **0300 421 8100**.

Welcome from Trust Chair, Ingrid Barker

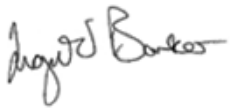
It's always a pleasure to introduce our Annual Report but this year I feel we have more to celebrate than in a long while. The Covid pandemic is largely behind us (we hope), although its impact is still being felt by many in our communities as well as our teams and services. However, 2022 to 2023 has been a year in which we have cemented our still relatively new Trust and been able to celebrate some real milestones.

Most significantly in terms of the quality of services we provide, we received a comprehensive inspection by the Care Quality Commission (CQC). The CQC visited us right at the beginning of the year, while we were still dealing with significant Covid challenges, so we were absolutely delighted when they announced that we had been rated 'Good'. The full report congratulated us on sustaining the level of care we have despite our still recent merger and the pandemic. This outcome was significant – not only for our Trust but for everyone who uses our services and this report gives me another opportunity to say a huge thank you to everyone in the Trust for helping us to uphold the quality of services we provide.

Another significant indicator of our Trust's performance is the annual NHS Staff Survey. The Staff Survey is the most indepth method we have of assessing how the people who work in our organisation feel about us and the services we provide. We were delighted, therefore, this year to have a better response rate than previously and to have improved our results in five of the nine People Promise themes. Most notably, we are particularly proud of the fact that our results were the best in the south west and our results compared very favourably nationally as well.

We cannot and will not rest on our laurels, however. One of our Trust values is 'Always Improving' and we really live that value through everything we do. In the year ahead, we will continue our work to deliver the strategic aims set out in our Trust strategy for 2021 to 2026. We are now half way through that strategy and making progress on, for example, becoming a 'great place to work', tackling health inequalities and focussing not just on doing what is best for people but on personalised care by asking 'what matters to you?' rather than 'what is the matter with you?'

We are also continuing to develop our use of technology and our estate. This year we will celebrate the completion of a project which has been particularly close to my heart – the new Forest of Dean Community Hospital. Of equal importance, of course, are the many community-based projects we are involved in, often with our partners. Our colleagues at Gloucestershire Hospitals NHS Foundation Trust, NHS Gloucestershire, Gloucestershire County Council, South West Ambulance Service, and the other local authorities, emergency services, third sector organisations and statutory services continue, like us, to face huge challenges. Our mutual support means we are in a strong position to do even better for the communities we serve. Finally, on behalf of our Board and Council of Governors, I would like to place on record my enormous thanks to all Trust colleagues, as well as our many partners, members and of course everyone who uses our services for their support throughout the year.



Ingrid Barker, Trust Chair **19 June 2023**

Performance Report

An overview of our purpose, objectives, and performance during 2022/23

Chief Executive's Statement

I am proud to present Gloucestershire Health and Care NHS Foundation Trust's Annual Report as the new Chief Executive of the organisation. This is an opportunity for me to pay tribute to all Trust colleagues who have worked hard in the year the report covers. What you read in this report is, of course, the result of an enormous amount of hard work and dedication by more than 5,800 colleagues. However, my thanks especially to my predecessor Paul Roberts, who has now retired, and who led the Trust for the five years between 2018 and 2023.

The year 2022/23 has given the Trust a lot to celebrate. Most notably, the comprehensive CQC inspection which rated the Trust as 'Good' and the outstanding NHS Staff survey results achieved. The Trust also ended the year in financial balance. I am pleased to have joined an organisation which is performing at a very high level and receiving positive feedback from both within and outside the organisation – from regulators and the people who use our services. I am determined that, under my leadership, we will continue to build on these successes and go on to achieve even better things, in particular by continuing to learn from when things go wrong.

At the forefront of everything we do is our commitment to the people of Gloucestershire. Our Trust Strategy for 2021 to 2026 is now guiding us further in our aim to transform community mental health, physical health and learning disability services. The strategy is underpinned by a number of enabling strategies and we also have our Working Together plan that challenges us to embed a culture of working together at every level and every service within our Trust.

This Annual Report gives a detailed overview of our work, our financial performance, our staff engagement, our sustainability initiatives and more. I hope you will enjoy reading it and thank you for your interest in the work of our Trust. If you want to get involved in shaping our ongoing programmes of improvement and change, then please make contact at ghccomms@ghc.nhs.uk

Douglas Blair
Chief Executive **19 June 2023**

About Us

Gloucestershire Health and Care NHS Foundation Trust provides joined-up services for people of all ages with physical health, mental health and learning disability needs. **Our services cover the whole of Gloucestershire.** We work out of health centres and children's centres, community venues such as libraries or schools as well as in people's own homes. We also provide services from our seven community hospitals, our learning disability unit and our two specialist mental health hospitals.

Gloucestershire Health and Care NHS Foundation Trust was formed on 1 October 2019. Our predecessor trusts were 2gether NHS Foundation Trust and Gloucestershire Care Services NHS Trust. Many of our services are delivered in partnership with primary care, social care and the voluntary sector.

Our five-year strategy for 2021 to 2026 can be read in full on our website. It sets out **our mission:**

Our Mission

Enabling People to Live the **Best Life** They Can

And **our vision:**

Our Vision

Working Together to Provide Outstanding Care

We have **four strategic aims:**

- High Quality Care
- Better Health
- Sustainability
- Great Place to Work

Our strategy is underpinned by a number of enabling strategies, including our Quality Strategy, our People Strategy, Digital Strategy, and Estates Strategy. We also have a Working Together Plan, which sets out how we work with people who use our services, as well as our partners and other stakeholders.

Our strategies are aimed at:

- Developing services around the needs of our communities
- Tackling health inequalities – unfair and avoidable differences in health caused by things like unemployment, poor education, race, disability, and where people live
- Using technology to improve access and choice in how patients receive care
- Improving our buildings to make them more efficient and a better environment for our patients and staff
- Promoting quality improvement and innovation
- Being an environmentally proactive organisation working with our communities to tackle the health impact of pollution and climate change
- Embedding co-production and engagement

Our Values and Behaviours

Our Trust's 'strapline' is With You, For You. It is a sign of our commitment to do everything with our communities and our colleagues, for their benefit. Our Values are our guiding principles and underpin everything we do. They were developed through a process of co-creation with colleagues, board members, Governors, service users and Experts by Experience.

Foundation Trust Status

As a foundation trust, we are a not-for-profit, public benefit corporation. NHS Foundation Trusts are accountable to their local population, rather than to central Government.

We work with our members, people who use our services, carers and local organisations to gather feedback and advice. This feedback helps us develop a range of comprehensive services that meet the needs of our local communities and make continued improvements in all that we do. This makes sure that the people we serve have access to the right services in the right place and at the right time.

Our People

We employ more than 5,800 members of staff (including bank staff). We also work in partnership with a wide range of commissioners, collaborators and our colleagues across the health and social care community.

As an NHS foundation trust, we are accountable to the local people, who help ensure local ownership and control of their NHS and the services we provide. More than 10,000 members (including staff members) influence our activities, both directly by contacting the Trust and through locally elected representatives who sit on our Council of Governors.

Our services

Our services are provided according to core NHS principles - free care, based on need and not on someone’s ability to pay.

The conditions we provide assessment, support, treatment and advice on include a wide range of mental health, physical health and learning disability conditions.

Our **mental health and learning disability services** are delivered through multidisciplinary and specialist teams. They are:

- One stop teams providing care to adults with mental health problems and those with a learning disability;
- Intermediate Care Mental Health Services (Primary Mental Health Services and Talking Therapies);
- Specialist services including Early Intervention, Crisis Resolution and Home Treatment, Assertive Outreach, Managing Memory, Children and Young People Services; Eating Disorders, Intensive Health Outcome Team and the Learning Disability Intensive Support Service; and
- Two inpatient mental health hospitals and one learning disability inpatient unit.

Our **physical health services** are delivered as follows:

- Community services in peoples' homes, community clinics, outpatient departments, community hospitals, schools and GP practices;
- In-reach services into acute hospitals, nursing and residential homes and social care settings;

- Seven community hospitals, providing nursing, physiotherapy, reablement and adult social care in community settings;
- Minor Injury and Illness Units;
- Health visiting, school nursing and speech and language therapy services for children; and
- Other specialist services including sexual health, heart failure, community dentistry, diabetes, intravenous therapy (IV), tissue viability and community equipment.

Specialist Services and Partnerships

Our specialist services include Chat Health, which is a service offered by the school nursing team and enables young people to obtain confidential health and wellbeing advice via text message, and our Talking Therapies service which is aimed at supporting people with common conditions such as stress, depression and anxiety.

Several of our countywide services work in partnership across the system. Sexual health services include the Sexual Assault Referral Centre we provide for Gloucestershire, Swindon and Wiltshire providing medical care, emotional and psychological support, and practical help to anyone who has been raped or sexually assaulted. The Trust works in partnership with First Light who are a voluntary sector organisation to deliver the service across Swindon and Wiltshire. The service can help facilitate police reporting and can provide information anonymously to the police, even if the victim does not wish to speak to the police themselves. Homeless Health Care services have a well-established network of partner organisations that help deliver holistic care to meet individual needs. Some examples include close working with Gloucestershire Action for Refugees and Asylum Seekers (GARAS), P3 and Change Grow Live (CGL). Complex Care at Home are currently piloting a new community outreach project to engage with ethnic minority communities to reduce health inequalities.

Working Well, our occupational health service provides services to our own employees as well as to those of other NHS Trusts in Gloucestershire, and to other public and private organisations. Our Gloucestershire-based Individual Placement and Support (IPS) Employment Services provide vocational opportunities and promote social inclusion for people recovering from mental ill health. We also provide, in partnership with other organisations, the Severn & Wye Recovery College, which delivers educational courses for people recovering from mental illness. We also provide Criminal Justice Liaison Services in Gloucestershire alongside the Youth Support Team (PROSPECTS) and the Nelson Trust.

The Wellbeing Line is hosted by GHC on behalf of the Integrated Care Board and provides mental health and wellbeing support to anyone working within health and social care in Gloucestershire. The purpose is to “unlock” discussions about mental health and wellbeing, to normalise people’s experiences and help them to access the support that is right for them. The Wellbeing Line provides a confidential service, which includes direct access telephone support for individuals, psychological consultation to team and service leads and bespoke support for teams. A key role is to engage with all parts of the Integrated Care System to identify, encourage collaboration and to empower people to prioritise the mental wellbeing of themselves and their teams.

Our research team is mainly funded by the National Institute for Health Research (NIHR) which works with educational providers, hospitals and commercial companies to promote

research studies. The team receives additional income from Commercial partners to undertake additional research that is not fully funded by the NIHR.

We are currently operating effectively in two provider collaboratives – The Adult Secure/Learning Disability collaborative in the south west and the Children and Adolescent Mental Health/Eating Disorders collaborative in the south east.

Health Inequalities

One of the driving factors behind our Trust merger was our aim to reduce health inequalities, and this aim came into even sharper focus following the Covid pandemic which disproportionately impacted some members of our communities. One way in which we worked with partners to address this was through our Covid Outreach Vaccination Team, which actively sought out people who were, for example, homeless or refugees and asylum seekers who we could protect through vaccination but who would not necessarily receive vaccines via traditional routes. Our team went out into our communities to encourage uptake and at the same time has been promoting the 'Making Every Contact Count' initiative, to carry out health checks and promote healthy lifestyles to groups of people who have experienced more barriers in engaging with health services.

Another way in which we are reducing inequalities is via the Community Mental Health Transformation programme. One of the aims of CMHT is to promote physical health checks to people with serious mental illness (SMI). Since the programme began, there has been a more than 50% increase in people on the SMI register who have received a physical health check. While there is still more to do, this will go some way to addressing the fact that people with SMI have, in the past, died 15 to 20 years sooner than the general population due to preventable physical health conditions.

Integrated Care System

Throughout 2022/23 we continued to work with our colleagues in the One Gloucestershire Integrated Care System, to develop an approach which will transform health and social care provision in the years to come. The plans involve not only NHS Trusts and local authorities, but voluntary sector organisations, communities, staff, and the public. These plans will enable our Trust and our partners to meet the increasing demands placed upon us and provide a responsive, high quality and equitable service to our communities that is sustainable for the future.

Going concern

After making enquiries, the directors have a reasonable expectation that Gloucestershire Health and Care NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing these accounts.

Performance Report - Analysis

As an NHS Foundation Trust, our performance is measured in a variety of ways, including the ratings we are given by our regulator, NHS England. We report on a number of local safety and quality standards agreed with commissioners. We are also inspected by our regulator, the Care Quality Commission. In addition to these operational performance measures, we also constantly undertake our own quality assurance reviews and audits across all services.

Financial performance

During 2022/23 our main commissioner was NHS Gloucestershire Integrated Care Board, with whom we agreed to provide clinical care and treatment through block contracts. We also hold contracts with commissioners in our surrounding region and a contract with NHS Specialist Commissioners for low secure mental health inpatient care.

Our 2022/23 Statement of Comprehensive income can be found on page 93. The following table details a financial performance summary for the past two years:

	2022/23 (£000s)	2021/22 (£000s)
Total income	289,023	260,170
Operating expenses	-302,102	-253,810
Other expenses	-1,825	-2,687
(Deficit) / Surplus	-14,904	3,673

Our operating expenses in 2022/23 totalled £302,102,000 of which staff costs accounted for £217,472,000 or 72.13%.

The Trust had a financial plan of breakeven and we achieved a financial performance surplus of £36K excluding impairments.

Although our accounts report a deficit £14m, our reported financial performance reported to NHSE is a surplus of £36k. The reason for this is that our performance excludes impairments. The impairments (in this instance) relate to the reduction in the value of property during the year which is calculated through valuation at year end. Although we are required to account for this movement as affecting our overall surplus/ deficit, it is not caused by the day to day management of the organisation. The table following shows the reconciliation between the two numbers which also includes other technical adjustments:

Adjusted Financial Performance	2022/23 £000s	2021/22 £000s
Deficit for the year	-14,904	3,673
Before consolidation of charity	-47	34
Add back all I&E impairments/(reversals)	14,781	80
Surplus/(Deficit) before impairments and transfers	170	3,719
Remove capital donations/grants I&E impact	84	95
Remove net impact of DHSC centrally procured inventories	122	278
Adjusted financial performance surplus/(deficit)	36	4,092

The financial regime for 2023/24 is underpinned by funding envelopes given to each Integrated Care System (ICS). The key financial aim is for the system to be in financial balance. The system position shows it consuming £3.716m resource above allocation but has submitted a balanced plan, with all system partners taking a share of the deficit while the deficit is collectively resolved. The Trust's share is £0.61m which is reflected as a non-recurring savings target. We have an agreed system envelope for capital and an agreed capital plan to spend £17.392m to complete the new Forest of Dean Hospital, begin the implementation of a new clinical IT system, and to make further improvements to our buildings.

Our full annual accounts can be found at page 92.

Efficiency savings

During 2022/23, Gloucestershire Health and Care NHS Foundation Trust was expected to deliver £5.61m of recurring efficiency savings. This comprised a 1.1% national efficiency requirement and additional savings to meet cost pressures and service development requests. The Trust delivered £4.58m at budget setting and a further £0.98m during the year. Over the year, we delivered total savings of £6.8m against a total income of £289m.

All efficiency schemes must be approved by our Medical Director, and Director of Nursing, Therapies and Quality at the planning and delivery stages. This helps us to ensure that an appropriate clinical risk assessment process informs our decisions.

Quality is uppermost in our mind and the Trust's Board receives regular updates on whether we are delivering our savings plans. They also provide challenge while seeking clear assurances on the impact that any schemes may have on our ability to deliver safe and appropriate clinical care. In addition, our Governance Committee receives a quarterly report to ensure that no unforeseen, adverse quality impacts arise from our savings plans. Further information on quality governance and data quality are included in the accountability report.

Cost allocation and charging requirements

The Directors confirm that Gloucestershire Health and Care NHS Foundation Trust complies with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information guidance.

Income disclosure

The Directors confirm that Gloucestershire Health and Care NHS Foundation Trust has met the requirement that income 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.

Post balance sheet events

There are no material post balance sheet events to report.

Public Sector Payment Policy

The Trust operates its 'Public Sector Payment Policy' in line with the Government's 'Prompt Payment policy' as administered by Crown Commercial Services and the Cabinet Office. This states that the target for all Government bodies is to pay all 'valid, undisputed invoices' within 30 days. The Trust's performance against the policy has remained high throughout 2022/23. The cumulative Public Sector Payment Policy (PSPP) performance for the Trust for the financial year 2022/23 was 95% paid within 30 days.

The figures, including a split between NHS and Non-NHS payments, are reported to the NHSI on a monthly basis.

The Trust paid no interest under the Late Payment of Commercial Debts (Interest) Act 1998.

This table sets out our payment record for the year, broken down by NHS and non-NHS payments.

Better payment practice code	**Actual 31/03/2023 YTD Number**	**Actual 31/03/2023 YTD £'000**
Non NHS		
Total bills paid in the year	44,924	161,195
Total bills paid within target	42,929	155,602
Percentage of bills paid within target	**95.6%**	**96.5%**
NHS		
Total bills paid in the year	624	10,465
Total bills paid within target	557	8,548
Percentage of bills paid within target	**89.3%**	**81.7%**
Total		
Total bills paid in the year	**45,548**	**171,660**
Total bills paid within target	**43,486**	**164,150**
Percentage of bills paid within target	**95.5%**	**95.6%**

Counter raud

Our robust and effective Counter Fraud Service demonstrates our commitment to ensuring that public money is not defrauded. This helps make sure that NHS funds are used for patient care and services. Over the year, Gloucestershire Local Counter Fraud Service (LCFS) has assisted us in reducing opportunities for the commission of fraud and corruption to an absolute minimum.

We continue to encourage the honest vast majority of staff to report any concerns to the LCFS about potential fraud and corruption or areas of high fraud risk. The LCFS then takes appropriate action and pursues appropriate sanctions. The outcome of this activity is reported to act as a deterrent to others.

Well Led

The Trust has a continuous self-assessment programme which includes scrutiny of how well-led the Trust is. This includes evaluation by services about themselves and is based around the Care Quality Commission's Key Lines of Enquiry. During 2022/23 our Trust received a comprehensive inspection by the Care Quality Commission, which included a Well Ledations, inspection. Our Trust was rated 'Good'.

There is a Trust improvement focus on health and wellbeing; engagement, response rates and embedding our values and behaviour; communications around responding to and acting upon feedback from colleagues and people who use our services; and improving our leadership and management skills. Data quality oversight is provided through a governance structure which includes the Trust's Resources Committee, Business Intelligence Management Group and operationally led Performance and Finance meetings.

Inclusion

Our Trust strategy for 2021 to 2026 puts people at the heart of everything we do. One of our four strategic aims is 'Better Health'. This means we will work together with people who use and work in our services to meet the needs of our diverse communities with services that are culturally sensitive and focus on early intervention and prevention.

Our Working Together plan details our ambition to have a Trust-wide culture of working together with the people and communities we serve.

Our aims are to:

- Inspire each other by working together to make improvements that matter and make a difference to everyone we serve.
- Include everyone by making it easy for all people and communities to have their say, get feedback and be involved in ways that suit them.

Environmental Sustainability

Following the national launch of 'Delivering a net zero NHS' in 2020, our Trust has made sustainability one of its key strategic aims for 2021 to 2026. In 2022, the Trust's Green Plan was fully embedded into the organisation which has led towards the development of a number of different workstreams and projects resulting in a reduced carbon footprint across our Estates and Facilities departments and Trust Business Travel.

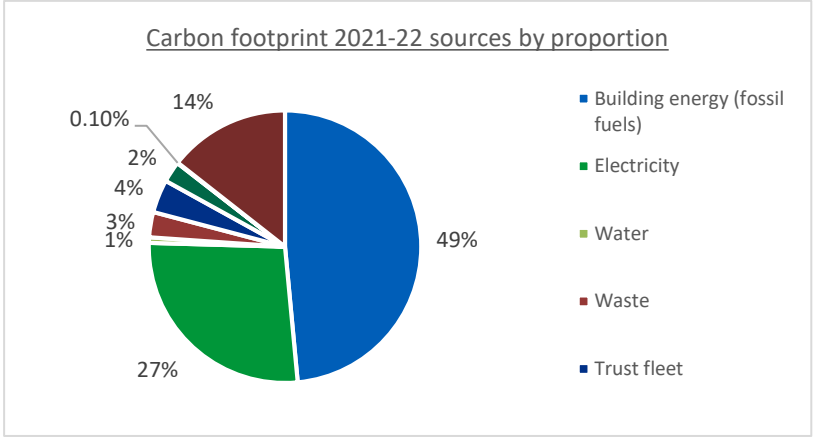
In December 2022, the Trust established the Sustainability Programme Board (SPB) for ensuring that all projects, workstreams and risks in the GHC Green Plan are fully supported by the Trust's Strategic Oversight Group. The SPB is Chaired by the Executive Director of Strategy and Partnerships and deputy Chaired by the Head of Sustainability. Meetings take place on a quarterly basis.

In March 2023, the Trust was pleased to present its first Sustainability Award which was a new addition to our Annual Better Together Awards Ceremony. The Award for Sustainability was presented to the winning nomination for undertaking community-based projects at our NHS Forest locations and supporting the upkeep of rural green spaces.

Carbon Footprint

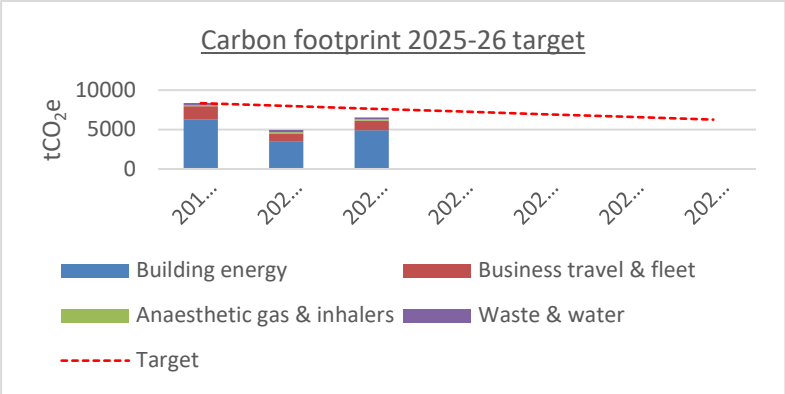
The Trust's carbon footprint covers emissions within the organisation's direct control. Gloucestershire Health and Care NHS Foundation Trusts (GHC) carbon footprint for 2021-22 was estimated to be 6,526 tCO_2e.

As shown in Figure 1 below, building energy from fossil fuels was responsible for 49% of the Trust's carbon footprint, 3,166 tCO_2e. Electricity contributed 1,758 tCO_2e (27%), business travel 941 tCO_2e (14%), Trust fleet 256 tCO_2e (4%), waste 195 tCO_2e (3%), anaesthetic gases 162 tCO_2e (2%), water 43 tCO_2e (1%), and inhalers 4.8 tCO_2e (0.1%).



In 2021-22 the Trust reported a 32% increase in carbon footprint compared to the previous year (2020-21). This increase was a result of operations resuming after the lockdowns during the Covid-19 pandemic. However, overall in 2021-22 a 22% decrease was reported compared to the baseline year in (2019-20). As of 2021-22, all emission sources have decreased in comparison to the baseline year except waste which increased by 67%. This is because Covid-19 waste streams remained active until the end of 2022.

The target for the latest Green Plan is to achieve a 25% reduction against the baseline year (2019-20) by 2025-26 for carbon footprint and the Trust is on track to meet this target.

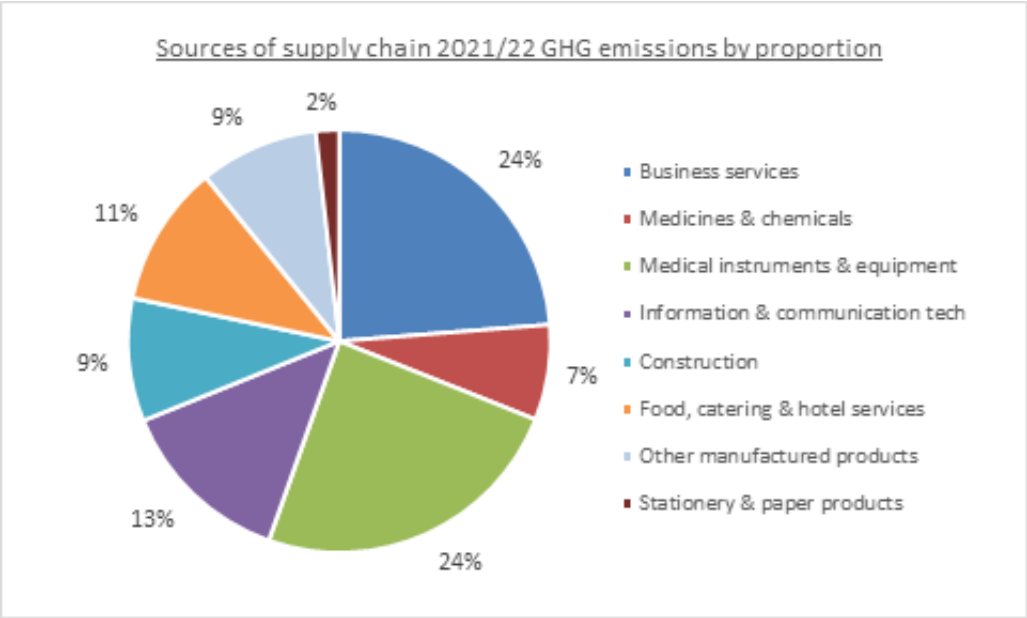


Emissions category	Emissions sub-category	tCO2e			Change from baseline
		2019-20	2020-21	2021-22	
Carbon footprint	Building energy (fossil fuels)	4,166	2,014	3,166	-24%
	Electricity	2,090	1,423	1,758	-16%
	Anaesthetic gases	*162	**162	**162	0%
	Inhalers	*7.2	*5.6	*4.8	-33%
	Trust fleet	269	214	256	-5%
	Water	106	114	43	-60%
	Waste	117	141	195	67%
	Business travel	1,433	867	941	-34%
Total carbon footprint		**8,350**	**4,940**	**6,526**	**-22%**

Carbon Footprint (Plus)

In 2022, the Trust worked with the Centre for Sustainable Healthcare to establish their supply chain emissions which belong to the national NHS Carbon Footprint (Plus) target for net zero by 2045. This is a new addition to the Trust's carbon footprint reporting which takes place at the end of each financial year running from the 1st April to the 31st March.

Supply chain emissions equate to 50% of our total carbon footprint and the biggest contributors affecting these emissions are generated from the purchasing of medical instruments and equipment which as of 2021-22 stands at 2,653tCO2e (24%) and business services at 2,585tCO2e (24%). NHS Supply Chain are revising their online ordering system and are working closely with suppliers and contractors in order to reduce carbon emissions to enable Trusts to attain the interim target of 80% reduction in their supply chain emissions by 2039.



Emission category	tCO_2e		Change
	2020-21	2021-22	
Medical instruments & equipment	2,590	2,653	2%
Business services	2,604	2,585	-1%
Information & communication tech	1,297	1,465	13%
Food, catering & hotel services	1,305	1,180	-10%
Construction	1,352	1,025	-24%
Other manufactured products	900	989	10%
Medicines & chemicals	584	795	36%
Stationery & paper products	142	195	37%
Total	**10,774**	**10,886**	**1%**

Our Sustainability Highlights

- In 2020-21 the Trust was successful in its application to the Salix Public Sector Decarbonisation Scheme (PSDS phase 1a) and £683k of funding was awarded, £100k of which was invested into the installation of roof mounted solar panels at Charlton Lane Hospital and the remaining funds were invested into upgrading lighting to LED at Charlton Lane Hospital, Wotton Lawn Hospital and George-Moore Community Clinic.

- In 2021-22 the Trust invested £890k of Capital funds into upgrading lighting to LED at Cirencester Hospital, Stroud General and Maternity and inpatient mental health sites comprising of Laurel House, Honeybourne and Brownhills. A further £22k was also invested in upgrades to the lighting at St. Paul's dentistry surgery in Cheltenham.

- In 2023 we plan to decommission two of the older hospital sites within the Forest of Dean. The two hospitals - the Dilke Memorial and Lydney and District - run on different types of fossil fuel heating systems. Heating oil boilers are in operation at the

Dilke Memorial and mains gas boilers are the main source of heating at the Lydney and District Hospital. These older hospitals will be replaced with a newly developed community hospital. The new community hospital is in the midst of being built and is designed and constructed to meet BREAAM Excellence building standards. To achieve this accreditation means that the new hospital's key features will consist of the following:

- Heat pumps powered by renewable/green energy from the grid
- LED lighting throughout and solar control glazing for optimising natural light levels in corridors, wards, and main entrances
- Solar PV panels for onsite power generation
- Electric vehicle charging points

Future investment

Changes in demographics, demand, awareness, national guidance and targets, the introduction of new technologies and our work with our partners, mean we must remain flexible and adaptable. Delivering against our financial plan while maintaining and enhancing the care we provide will be essential, yet demanding.

Our commitment to our service users, carers, staff, partners and communities remains at the forefront of everything we do. We will continue to invest in what we need to do and what is best for the people we serve, while ensuring that we are responsible and careful with our necessary spending.

Future performance and risks

The year ahead will undoubtedly challenge us. However, we have historically shown our ability to meet challenges, adapt and work with our partners to ensure that we continue to meet the demands placed upon us and continue to focus on our main aim – provision of high-quality services and support to our communities.

As a still relatively new Trust we are also still embarking upon a journey of innovation and transformation, enabling us to develop services to better meet the needs and improve the health of our communities. This will involve us continuing to work closely as part of the Integrated Care System in Gloucestershire but we will also remain focused on our own service users, carers, staff, partners and communities.

We are aware that we face risks in achieving our aims. We will continue to monitor and assess those risks and include them in our Risk Register and Board Assurance Framework, which is reported and discussed regularly at our Trust Board. Our main risks involve demand for services and recruitment and retention. These risks are shared with most, if not all, of our colleagues across the NHS and we have detailed plans in place to respond to and mitigate these risks. Further information on this is within our Annual Governance Statement.

This Performance Report has been approved by the directors of Gloucestershire Health and Care NHS Foundation Trust.

Douglas Blair
Chief Executive **19 June 2023**

Accountability Report

Our operating expenses in 2022/23 totalled £302,102,000 of which staff costs accounted for £217,472,000 or 72.13%.

The Trust had a financial plan of breakeven and we achieved a financial performance surplus of £36K excluding impairments.

Although our accounts report a deficit £14m, our reported financial performance reported to NHSE is a surplus of £36k. The reason for this is that our performance excludes impairments. The impairments (in this instance) relate to the reduction in the value of property during the year which is calculated through valuation at year end. Although we are required to account for this movement as affecting our overall surplus/ deficit, it is not caused by the day to day management of the organisation. The table following shows the reconciliation between the two numbers which also includes other technical adjustments:

Adjusted Financial Performance	2022/23 £000s	2021/22 £000s
Deficit for the year	-14,904	3,673
Before consolidation of charity	-47	34
Add back all I&E impairments/(reversals)	14,781	80
Surplus/(Deficit) before impairments and transfers	170	3,719
Remove capital donations/grants I&E impact	84	95
Remove net impact of DHSC centrally procured inventories	122	278
Adjusted financial performance surplus/(deficit)	36	4,092

Our full annual accounts can be found at page 92.

Charitable Funds

The Trust's Charitable Funds enable people to have experiences which are not part of core NHS spending. They enhance patient care, user and carer support and staff welfare and amenities. They are also used to improve the working environment and facilities at all of the Trust sites.

Our Charitable Funds are registered with the Charities Commission and our Charity Number is 1096480.

Directors' responsibilities

The Directors confirm that, so far as they are aware, there is no relevant audit information of which the Trust's auditor is unaware. The Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Accounting policies for pensions and other retirement benefits are set out in note 1.6 to the accounts, and details of senior employees' remuneration can be found in the Trust's Remuneration Report.

Income disclosures

As per Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012), we can confirm that the income 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 impact of the provision of other income is not material on the provision of goods and services for the purposes of the health services in England.

Use of the Commissioning for Quality and Innovation (CQUIN) framework

The national contractual use of CQUINs is to support the essential focus upon quality improvement in the provision of services and incentivise through specific quality payments.

In 2022/23 there were nine National CQUINs applicable to GHC. Agreement was reached with commissioners that reporting would be for information purposes only with no financial penalties linked to thresholds. We have a separate CQUIN for Liaison and Diversion services.

Membership

Membership constituencies and eligibility requirements

Our members support us in appointing a Council of Governors.

Public constituencies

Members of our public constituency must live in England or Wales, be aged 11 or older and not eligible to become a member of our staff constituency. Six of our public constituencies are based in the city, borough and district councils of Gloucestershire. The seventh constituency is Greater England and Wales.

Staff constituency

Members of the staff constituency are individuals who are employed by the Trust under a contract of employment.

There are three classes:

- Medical, Dental and Nursing staff
- Health and Social Care Professional staff
- Management, Administrative and Other staff

The Trust provides automatic membership of the staff constituency.

Membership data

Constituency	As at 31 March 2022	As at 31 March 2023
Public	**5947**	**5873**
Staff	4654	4813

Membership data by constituency as at 31 March 2023

Cheltenham	888
Cotswolds	395
Forest of Dean	615
Gloucester	1504
Stroud	889
Tewkesbury	679
Greater England and Wales	903

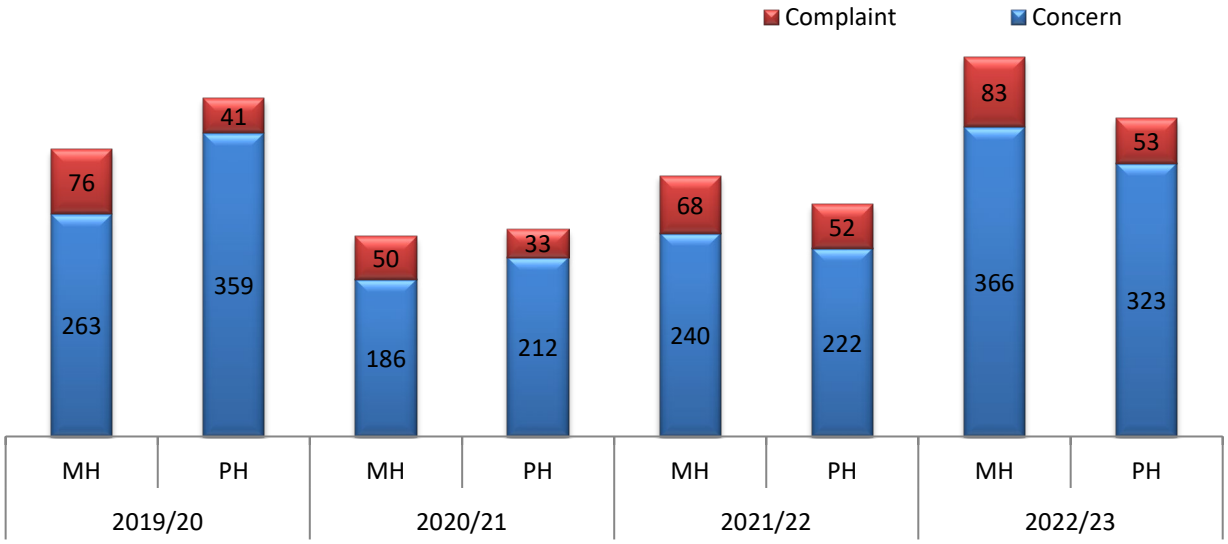
Become a member

If you are interested in helping to shape local NHS services, join us:

- Telephone: 0300 421 7142
- Email: members@ghc.nhs.uk
- Web: www.ghc.nhs.uk/membership

Patient and Carer Experience

Patient and Carer Experience 2022/23



It is difficult to interpret the quantitative complaints/concerns data due to the significant organisational and operational changes that have occurred since 2019; specifically, the merger of 2gether and Gloucestershire Care Services in October 2019 and the subsequent Coronavirus pandemic. The national pause in managing complaints (from 1st April – 30th June 2020) is likely to be the main driver in the low numbers recorded in 2020/21.

Analysis of the 2022/2023 data shows that there was an increase in the number of formal complaints (**n=136**) and in the number of concerns (**n=689**) compared to 2021/2022 (complaints n=120, concerns n=462).

There was a 42% increase (**n=825**) in the combined number of complaints and concerns reported to Patient and Carer Experience Team (PCET) during 2022/23 compared to 2021/2022 (n=582). 84% of feedback was managed as a concern and 16% as a complaint (excluding compliments and enquiries). In 2021/22, we managed 79% as concerns and 21% as complaints. This reflects our ambition to manage more feedback at local level.

It is important to acknowledge that PCET also record additional contacts made directly with the team and these are categorised as enquiries on Datix. Enquiries typically take less than 24 hours to resolve.

During 2020/21 there were **488** enquiries relating to our services (up from 292 in the previous year) along with an additional 99 contacts (up from 79) that did not relate to GHC services and were transferred/signposted to the correct organisation.

Overall, there were **1412** contacts. This represents a **48%** increase on 2021/22 contacts (n=953).

PCET works with the Director of Nursing, Therapies and Quality and other senior colleagues to facilitate Local Resolution Meetings when patients and carers feel that we have not fully answered the issues of their complaint through our investigation/response. We are also trialling Early Resolution Meetings, in line with the new NHS Model Complaints Standards, so that concerns can be addressed more immediately by the teams directly involved. These meetings reflect our approach to collaboratively working with patients and carers to resolve issues in a timely and co-operative way.

PCET also provides independent advocacy information and supports complainants to refer their case to the Parliamentary Health Services Ombudsman (PHSO) if the Trust is unable to provide a resolution. In 2022/23, 3 cases were referred to the PHSO, who recommended that we made a nominal compensation payment in one instance.

Historically, we have split data by mental health and physical health services. However, since January 2023, we have reported PCET data by directorate and sharing this information with Service Directors each month for discussion around investigations, emerging themes, hotspots and learning. Further reviews of the process and wider stakeholder engagement were sadly postponed due to the ongoing operational and organisational challenges within the Trust. This is our priority for 2023/24 and we will seek to engage with operational leads and other key stakeholders to develop this in line with the NHS Model Complaints Standards.

Whilst our PCET worked incredibly hard to keep patients and carers updated on the progress of their investigations, complainants also received a letter from our Director of Nursing, Therapies and Quality in January 2023. Following a challenging winter, which put pressure on all of our teams, this letter provided reassurance that we welcome all feedback and endeavour to respond as quickly as possible.

Responsiveness
Overall, we are much more responsive than in previous years. **100%** of complaints were acknowledged within the three-day target (up from 94% in 2020/2021 and 91% in 2021/2022).

- **86%** of complaints were closed within 6 months, up from 37% last year. 54% of these were closed within 3 months (target KPI of 95%).

- **85%** of concerns were closed within 20 days, up from 66% last year. 68% of these were closed within 10 days (target KPI of 80%).

PALS Visits
We have fully returned to weekly PALS visits in our mental health hospitals, attending Wotton Lawn and Charlton Lane each month. The visits provide patients with an opportunity to raise concerns and we provide the support and signposting required to resolve them. In 2022/23, we completed 27 PALS visits.

Compliments
This table displays the number of compliments GHC received for 2022/23, with a comparison for the same services in the previous two years. There has been an increase in compliments in comparison to the previous years, with the exception of 2019/2020; however, this may be due to a change in the system for recording compliments post-merger and work will continue to increase awareness of the new system. *Please note, the difference between the total compliments when reported by month (2,081) and the number reported when reported by year (2,458) is due to the compliments system being accessible by all staff – compliments have been added to Datix after month end reporting.*

Compliments	Mental health	Physical health	Total
2019-20	1,218	1,735	**2,953**
2020-21	298	905	**1,203**
2021-22	510	1,325	**1,835**
2022-23	903	1,555	**2,458**

NHS Friends and Family Test

In October 2022, we implemented a new NHS Friends and Family Test (FFT) process. Patients are now automatically sent a survey on discharge (unless the service has requested a manual process for safeguarding or health reasons). We have also developed a paper survey, not previously used across mental health services, and have provided electronic links and QR codes that can be used more widely.

For 2022/23, we have seen an uplift of 22% in responses (from 16581 in 2021/22 to 20256 this year). The percentage of responders reporting an overall positive experience remains at 94% (in line with last year).

NEDs Quality Visits

Over the past 12 months, our Non-Executive Directors (NEDs) have undertaken 29 visits and their feedback is shared through Quality Committee and Board. The services they have visited are listed below:

Service	Visit
ICT North Cots	Q1
District Nursing Stroud	Q1
Cardiac Rehab	Q1
Vale MIIU	Q1
Managing Memory Service	Q1
Gloucester Community Nurses	Q1
CAMHS	Q1
IV therapy	Q2
ASC	Q2
Street Triage	Q2
Homeless Health care	Q2
Podiatry	Q2
CATU	Q2
Mental Health Liaison Team	Q2
Greyfriars	Q3
Falls Rapid Response	Q3
Crisis Team	Q3
Later Life Team	Q3
Cirencester Hospital	Q3
Stroud Hospital Intensive Outreach LD	Q3
Stroud Hospital	Q3
Charlton Lane	Q4
Complex Needs Service	Q4
Adult MSK (Stroud)	Q4
IAPT	Q4
EDNS	Q4
Patient flow and SPCA	Q4
Tewkesbury MIIU	Q4
Eating Disorders Service	Q4

National Mental Health Community Patient Survey
The Care Quality Commission (CQC) requires that all providers of NHS mental health services in England undertake an annual survey of patient feedback.

The 2022 Community Mental Health Survey was sent as a random sample to 1250 service users who received treatment for a mental health condition between 1st September 2021 and 30th November 2021. Our Trust achieved a **29%** (n=358) response rate to the survey (the national average was 21%). The results of the Care Quality Commission's 2022 National Community Mental Health Survey showed that our Trust scored:

- Better than most Trusts in 8 of 12 domains
- Better than most Trusts in 9 of 30 questions (30%)

The Trust scored high in questions relating to person-centred care such organising and reviewing care and reviewing medicines, as well as service users being given support with their physical health needs and providing help and advice with finding work. The Trust scored 'better than most Trusts' in the following domains:

- Health and social care workers
- Organising people's care
- Planning people's care
- Reviewing people's care
- Medicines
- Support and wellbeing
- People's overall view
- People's overall experience

Areas for further focus include:

- **Crisis Care:** ensuring people have access to crisis care at the time of need and they receive the help they need when contact the Crisis Team.
- **Talking Therapies:** ensuring talking therapies is explained in an understandable way and service users are involved in decision making.

Thank you to everyone across the Trust for all of your support this year. We recognise everyone is incredibly stretched and are enormously grateful for your time.

Accountability

The NHS Foundation Trust Code of Governance

Governance is the system by which the Trust is directed and controlled to achieve its objectives and meet the necessary standards of accountability and probity. The Trust has adopted its own governance framework which requires Governors, Directors and staff to have regard for recognised standards of conduct including the overarching objectives and principles of the NHS, the seven Nolan Principles, the NHS Constitution and the NHS Foundation Trust Code of Governance.

Board of Directors

Our Board of Directors provides leadership and helps drive overall trust performance, ensuring accountability to Governors and our members.

The Board is legally responsible for the strategic and day-to-day operational management of the Trust, our policies and our services. It maintains a scheme of delegation giving authority to Directors and others within certain limits to carry out actions required under financial procedures and the Mental Health Act.

Members of the Board

About our Independent Non-Executive Directors

Ingrid Barker –Trust Chair
Ingrid Barker is the Trust Chair. From 1 January 2018 – 30th September 2019 she was Joint Chair of ²gether and Gloucestershire Care Services NHS Trust during the merger period. She was Chair of Gloucestershire Care Services NHS Trust from its inception in April 2011. She was previously a Non-Executive Director on the Board of NHS Gloucestershire for five years. She was an elected member of the NHS Providers board for eight years, representing community Trusts. She is currently a non-voting member of Gloucestershire ICB. Ingrid is currently a governor for the University of Gloucestershire.

Ingrid has undertaken national policy and service development roles through the Centre for Mental Health Services Development. She was Deputy Chief Executive of an NHS Trust in Surrey and led Croydon Mental Health Unit as Unit General Manager, transforming institutional services to community provision.

A qualified social worker, Ingrid established a service for young homeless people in Central London and was Regional Director of MIND. She also led the creation of the first mental health Patients Councils and Advocacy projects in Britain.

Graham Russell – Independent Non-Executive Director and Vice Chair
Graham Russell is former Chair of Elim Housing Association and currently Chair of Second Step, a mental health charity.

Prior to chairing Second Step and Elim Housing, Graham spent 10 years as an expert advisor to the Organisation for Economic Co-operation and Development (OECD), four years as executive director at the Commission for Rural Communities and a decade in a number of senior roles at Business in the Community, one of The Prince's Charities.

Graham was appointed as a non-executive director of Gloucestershire Care Services in August 2016. He is now Vice-Chair of Gloucestershire Health and Care NHS Foundation Trust. He is the Chair of the Great Place to Work Committee.

Marcia Gallagher - Independent Non-Executive Director and Senior Independent Director
Marcia was appointed to the 2gether Trust on 1 April 2016 and then appointed to the shadow Board of GHC in December 2018. Marcia brings with her over 40 years' NHS service and her experience both as a qualified accountant and the holder of a number of senior functioning roles in the NHS. Marcia chairs the Trust's Audit and Assurance Committee and is Vice Chair of the Charitable Funds Committee. Marcia is also a voting member of the ICB Audit Committee.

Marcia, who lives in the Forest of Dean, worked in both commissioner and provider organisations in Gloucestershire, Herefordshire and the West Midlands. More recently, she worked for NHS England, before her retirement. She has had both a professional and personal involvement with mental health services through a family member, something that helped drive her decision to become involved with the Trust.

Marcia is the Chair of Crossroads Gloucestershire an organisation which provides Domiciliary Care and day centre activities.

Sumita Hutchison – Independent Non-Executive Director
Sumita is an employment lawyer by background and a social care commissioner. She is also currently a Non- Executive Director on the Royal United Hospitals Bath NHS Foundation Trust.

In addition, she is one of the founding members of the Mayoral Bristol Commission for Race Equality and his work to cross health, policing, social care and education to influence positive policy changes.

She also has expertise in environmental sustainability and ecology and works on a policy level both in the UK and Europe on sustainable soil policy.

Sumita is Chair of the Charitable Funds Committee and Chair of the Mental Health Legislation Scrutiny Committee.

Jan Marriott – Independent Non-Executive Director
Jan Marriott qualified as a nurse and also has a degree in social policy as well as a MBA. Jan has previously been Director of Nursing and Operations in the NHS in Worcestershire and Gloucestershire as well as with a national independent sector care organisation. She was also Director of Clinical Change in the Gloucestershire Primary Care Trust. Jan cares deeply about nursing as a profession and the provision of high quality, personalised care which is fostered through the empowerment of colleagues and patients/service users.

Jan has worked in Gloucestershire since 2002. She Co-Chairs the Gloucestershire Learning Disability: Physical Disability and Sensory Impairment and Mental Health and Wellbeing Partnership Boards. The rationale for the Boards is that by working together with partners, other agencies and people with lived experience we can coproduce and deliver better strategies to improve the health and lives of the people of Gloucestershire. Jan is very committed to co-production and is an advocate for place-based approaches.

Jan is the Chair of the Quality Committee and the Working Together Advisory Group, and is a regular attendee at the ICB Quality Committee.

Steve Brittan – Independent Non-Executive Director
Steve joined the Trust as an Associate Non-Executive Director in May 2020, subsequently appointed as a Non-Executive Director from 17 September 2020. Steve lives in Gloucestershire and also serves on the Board of Xoserve Ltd, the UK Gas industry's Central Services Data Provider. He was previously a non-executive Director of the Numerical Algorithms Group and V-Auth Ltd

His previous roles included Chief Executive at the UK Defence Solutions Centre, a Technology Innovation Hub comprised of a UK Government/Industry partnership; Managing Director at QinetiQ Group, responsible for an advanced technology Division of the Company, and Partner at TecHorizons Ltd, acting as an investment advisor for dual-use technology companies seeking growth capital. He is a technologist, and patent holder; specialising in cyber security; advanced electronics, digital technologies.

Steve is the Chair of the Resources Committee and the Forest of Dean Assurance Committee.

Dr Stephen Alvis – Independent Non-Executive Director

Stephen was a GP in Gloucestershire for the 32 years; first with the Uley practice and then with the Cam and Uley Family Practice following a merger of two surgeries in 2013.
He chaired the Stroud and Berkeley Vale Primary Care Group, and has served as Treasurer on the Gloucestershire Local Medical Committee, working in liaison with the clinical commissioning group on specific projects.

A graduate of Bristol University, Stephen had junior doctor roles in Cheltenham, Exeter, Bristol, Weston-super-Mare, Milton Keynes and Aylesbury, before his GP training in Buckingham. He retired from general practice in October 2019.

Stephen joined the Trust as an Associate Non-Executive Director in January 2020, subsequently appointed as a Non-Executive Director from 19 November 2020. Steve is Vice Chair of the Quality Committee and the Mental Health Legislation Scrutiny Committee. Steve is also the Chair of the MH Act Managers Forum.

Nicola de Iongh – Independent Non-Executive Director (14 July 2022)

Nicola is also Chair of Council at the University of Gloucestershire. There she is an advocate for education as a means of transforming people's lives so that they can make the world a better place, and for the civic role the University plays in our community.

She serves as Vice Chair of the Gloucestershire Counselling Service, a charity dedicated to improving mental health in the county. She is also Senior Independent Director of Connexus Housing, a social landlord based in Shropshire and Herefordshire.

In the private sector, Nicola chairs the Reference Committee for the Premier Miton UK Responsible Investment Fund, with a remit to advise on the fund's investment policy and scrutinise investment decisions from the perspective of sustainability and ethics.

Previously, Nicola worked in the financial services sector as a global change lead. She also spent several years working as a freelance management consultant majoring in complex, strategic change across different sectors, both in the UK and internationally.

Nicola has lived in Gloucestershire for 20 years with her husband, two sons, two cats and a dog.

<u>Associate Non-Executive Directors (Non-Voting)</u>

Lorraine Dixon – Associate Non-Executive Director (Honorary) (24 November 2022)

Lorraine is the Head of the Health and Social Care School at the University of Gloucestershire. This new honorary appointment was created to secure and enhance the Trust's joint working and growing partnerships with the University of Gloucestershire. Lorraine joined the Trust in November 2022.

Vicci Livingstone-Thompson – Associate Non-Executive Director (1 March 2023)

Vicci is the Chief Executive Officer of Inclusion Gloucestershire, a user-led organisation working to further inclusion and champion the voice of people facing disabling barriers across

Gloucestershire and beyond. Vicci has a career history in senior leadership within the charity disability sector in Gloucestershire, and is passionate about empowering people to play the leading role in managing their health and wellbeing and advocating for community-based preventative care and support.

In 2022, Vicci was named one of the 100 most influential disabled people in the UK on the Shaw Trust's Power 100 List, and she is also a Trustee of Active Impact, an organisation breaking down barriers to inclusion for disabled children and young people.

About our Executive Directors

Paul Roberts – Chief Executive
Paul was the Chief Executive of Gloucestershire Health and Care NHS Foundation Trust until April 2023. He was appointed on 16 April 2018 as Joint Chief Executive of 2gether and Gloucestershire Care Services NHS Trust until the merger in 2019. Paul was a Chief Executive for over twenty years and spent more than five years in Wales leading a large health board responsible for community, mental health and learning disability services as well as four acute hospitals. He spent fourteen years in Plymouth as Chief Executive of community and mental health services and then the acute teaching hospital NHS Trust.

Paul Roberts officially retired on 9 October 2022, returning on 11 October. His last day with GHC was 16 April 2023.

Sandra Betney – Director of Finance and Deputy Chief Executive
Sandra became the Director of Finance for Gloucestershire Health and Care NHS Foundation Trust following the merger. Sandra was the Senior Responsible Officer (SRO) and lead executive for the successful merger and integration. Sandra became joint Director of Finance for 2gether and Gloucestershire Care Services in June 2019, having previously been Director of Finance for Gloucestershire Care Services. Her responsibilities include estates and facilities, business planning, financial and contract management as well as leadership of the finance services, procurement, business intelligence and IT functions. Sandra is the co-Chair of the Trust's Women's Leadership Network.

A qualified accountant, Sandra began her accountancy career with the Bradford and Northern Housing Association. She joined the NHS in 1993 and has held high profile roles in finance and procurement within health authorities, mental health trusts, and the NHS Information Authority.

David Noyes – Chief Operating Officer
David was previously Chief Operating Officer (Southampton and County Wide Services) at Solent NHS Trust, where he had been for the past four years. Prior to that, he was Director of Planning, Performance and Corporate Services at Wiltshire CCG – also for four years. Before joining the NHS, David was a Naval officer for 28 years specialising principally in logistics. During his Naval career he undertook a range of jobs including operational time in the Tank War and in support of operations in Bosnia. He also worked in Whitehall in the Ministry of Defence. Later in his career taking a secondment to the Army and a deployment as Chief Operating Officer for logistics with the Army's Logistics Brigade in Afghanistan.

Neil Savage – Director of Human Resources & Organisational Development
Neil has been the Trust's Director of HR and Organisational Development since 2016.

Prior to this he was Director of HR Transformation, leading on the HR integration of Birmingham Children's and Birmingham Women's NHS Foundation Trusts after a four-year tenure as Chief Operating Officer. Before this, he was the Trust's Interim Chief Executive and Director of Workforce & Organisational Development. Neil also previously worked for Gloucestershire Hospitals NHS Foundation Trust as Assistant HR Director and Acting Director of HR & Organisational Development. He has worked in other HR roles in acute, mental health, learning disabilities and community services. A Chartered Fellow of the CIPD,

Neil was the winner of the Health Education England West Midlands' "Inspirational Leader of the Year" award in 2015 and was shortlisted as a national finalist in 2016. He is currently the South West employers' representative on the national NHS Staff Council.

John Trevains – Director of Nursing, Therapies and Quality (Director of Infection Prevention and Control)
John joined the Trust in October 2018 and took up the post of Director of Nursing, Therapies and Quality at the merger. He has held a range of posts across health and social care settings since qualifying as a nurse in 1998. Prior to re-joining 2gether in 2018, John was Head of Mental Health and Learning Disabilities Nursing for NHS England. He has previously held a number of senior leadership roles including Assistant Director of Nursing, Patient Experience, Safeguarding and Mental Health Homicide Investigations (NHS England South Central) and Deputy Director of Nursing for ²gether.

A Registered Mental Health Nursing graduate of Plymouth University, John holds an MSc in Quality Improvement in Healthcare.

Dr Amjad Uppal – Medical Director
Amjad completed his undergraduate medical training in 1995 and subsequently worked in Primary Care and General Medicine before specialising in Psychiatry. He completed his core and specialist training in Gloucestershire in the Severn Deanery. He is on the GMC Specialist Register with accreditation in General Adult Psychiatry and an endorsement in Rehabilitation Psychiatry.

Amjad's first appointment as Consultant was with the Cheltenham Crisis and Home Treatment Team from January 2010 to July 2013. In August 2013 he was appointed as Consultant to the Gloucester Assertive Outreach Team.

Amjad has a keen interest in medical education and management. He served as Postgraduate Tutor and Inpatient Medical Lead from November 2010 to August 2013, Director of Medical Education from August 2013 to November 2017 and was appointed as Medical Director for 2gether NHS Foundation Trust in December 2017. He was appointed as joint Medical Director for 2gether NHS Foundation Trust and Gloucestershire Care Services NHS Trust in February 2019 and then became Medical Director for Gloucestershire Health and Care NHS Foundation Trust in October 2019. He continues with his clinical role as Consultant to the Gloucester Assertive Outreach Team.

Amjad is also the 'Caldicott Guardian' and 'Responsible Officer' in the Trust.

He was elected to Fellowship of the Royal College of Psychiatrists in November 2021.

Angela Potter - Director of Strategy and Partnerships
Angela joined as Director of Strategy & Partnerships in September 2019. Her responsibilities include all aspects of the Trust's strategy development and strategic input into the Trust's planning cycles, leading the transformation and quality improvement agenda across the Trust to support new ways of working along with the development of strategic partnerships across the Gloucestershire system ensuring co-production of plans and priorities with staff, patients, service users and wider stakeholders. Angela is also leading on sustainability and strategic estates planning for the Trust. She was previously Director of Business Development & Marketing at Nottinghamshire Healthcare NHS FT where she led on strategy, business development and annual planning along with a wider portfolio of corporate services including estates, facilities, capital planning and health & safety.

Angela started her career as a Registered General Nurse and worked in a number of Emergency Departments across the East Midlands before being appointed into a variety of General Management and Change Management roles at both a regional and national level. She holds a BA Hons in Health Studies and a Masters Degree in Business Administration from De Montfort University.

Non-Voting Executive Directors

Helen Goodey - Joint Director of Locality Development and Primary Care
Helen became a joint non-voting executive for 2gether and GCS from April 2019 and continues in this role with Gloucestershire Health and Care. Helen has been in Gloucestershire since 2012, working closely with GP clinical leaders to develop GP membership engagement. This has helped Gloucestershire practices to be well prepared in their clusters to develop into Primary Care Networks. Working closely with key stakeholders and partners, she is an ardent advocate of integrated place-based care working around patient populations to improve quality and deliver joined up care for patients, closer to home.

Helen has 20 years senior management experience working across both England and Wales, leading a wide portfolio of services including Workforce, Estates, Prescribing and Primary Care Development, with an MSc in Public Strategy and Leadership.

Helen is currently representative on a number of National Policy Development Groups.

Attendance by Non-Executive Directors and Directors

Terms of reference define membership for each Board committee. The Chair and Chief Executive by virtue of office may attend all meetings (except the Audit Committee).

The number of meetings and individual attendances at those meetings are detailed in the following table. Board members who are “members” of a particular committee, as per the Terms of Reference, and therefore expected to attend are highlighted. All Board members can attend any meeting and ad hoc attendance is also recorded.

It should be noted that Non-Executive Director portfolios were revised in October 2022 and some changes to the Non-Executive membership of the Committees were made. These changes are reflected in the attendance table.

Attendance at Trust Board and Board Committees by Non-Executive and Executive Members from 1 APRIL 2022 – 31 MARCH 2023											
Name and Position	**Council of Governors**	**Board**	**Resources**	**Audit & Assurance**	**Quality**	**Mental Health Legislation Scrutiny**	**Charitable Funds**	**ATOS**	**Forest of Dean Assurance**	**Great Place to Work**	**Working Together Advisory Group**
Total of Meetings Held	**5**	**6**	**6**	**5**	**6**	**4**	**3**	**5**	**1**	**7**	**4**
Ingrid Barker, Trust Chair [1]	**5**	6	3		5			5		2	4
Steve Alvis, Non-Executive Director	4	6	4	1	6	3		3	0		
Steve Brittan, Non-Executive Director	5	6	6	5				5	1	2/3	
Marcia Gallagher, Non-Executive Director	4	6	3	5	6		3	5		3	
Jan Marriott, Non-Executive Director	5	6	3/3	3/3	6			5		3	4
Graham Russell, Non-Executive Director	4	5	1	4	2/3			5	1	6	
Sumita Hutchison, Non-Executive Director	3	6	1	1/2		4	2	2		4	
Nicola de Iongh, Non-Executive Director [2]	2/3	3/5	2/3					3/3		3/4	
Lorraine Dixon, Associate Non-Executive Director (Honorary) [3]		1/3								1/2	
Vicci Livingstone-Thompson, Associate Non-Executive Director [4]	1/1	1/1									
Paul Roberts, Chief Executive [1]	4	6		1				3			
John Trevains, Director of Nursing, Therapies and Quality	3	5		2	6					2	
Dr Amjad Uppal, Medical Director		5			6	4					
Sandra Betney, Director of Finance/Dep. Chief Executive		6	6	5			0		1		
Neil Savage, Director of HR & Organisational Development	4	6	4	2			3	5	1	6	
David Noyes, Chief Operating Officer		6	6		6	2				6	
Angela Potter, Director of Strategy and Partnerships		5	6				3		1		4
Helen Goodey, Director of Locality Development and Primary Care		3									

	Member of a Committee/Board as stated in the terms of reference.		
	Member **until** 1 October (Change in NED portfolios 1 October 2022)		Member **since** 1 October (Change in NED portfolios 1 October 2022)

Board members are welcome to attend all Committees and ad hoc attendance is also included in the table above.

[1] The Chair and Chief Executive are Ex officio members of all Board Committees, except Audit. Attendance at Board Committees is therefore optional or by invitation only.
[2] Commenced in post on 14 July 2022
[3] Commenced in post on 24 November 2022
[4] Commenced in post on 1 March 2023

Board Committees

Audit and Assurance Committee

All Non-Executive Directors, except the Trust Chair, are members of the Audit and Assurance Committee with four nominated as core members. Marcia Gallagher chairs the Committee. The role of the Audit and Assurance Committee is to provide the Board of Directors with a means of independent and objective review of financial and corporate governance, assurance processes and risk management across the whole of the Trust's activities, both generally and in support of the Annual Governance Statement.

There were five meetings of the Audit and Assurance Committee held in the reporting period. The Committee's agenda is structured so as to enable consideration of significant issues throughout the year. Standing agenda items include:

Internal Audit: BDO LLP was appointed as the Trust's Internal Audit provider on 1 April 2022. The Committee has commissioned from BDO a full audit programme based upon risk as identified by the Board Assurance Framework and received regular reports on the outcomes and actions completed. Where appropriate, the findings of these audits were also reported to other Committees in order for action plans to be developed and their timely implementation monitored. A number of these audits were specifically requested by the Committee in order to scrutinise known areas of risk.

External Audit: Each year the Committee approves an External Audit plan setting out the timetable for the audit of the annual accounts and the Quality Report. The Committee also receives at each meeting a summary of any additional significant risks identified through the planned audit work, as well as a summary of significant risk, regulatory and health sector developments which are pertinent to the work of the Trust.

KPMG LLP were originally appointed as the Trust's external auditor by the 2gether Council of Governors from 1 April 2017, following a competitive procurement process overseen by an Audit Committee working group on which Governors were in the majority. Two extension options have since been enacted and the current contract was due to end on the 31 March 2022. To provide continuity of audit services, whilst reducing the admin burden of a lengthy procurement process on all parties, it was recommended to make a direct award to KPMG through the use of a framework contract. An Audit and Assurance Committee evaluation expressed a strong level of satisfaction with KPMG's performance and it was decided to offer a further two-year contract to KPMG. This would be done whilst also undertaking an evaluation of their proposal to ensure it met value for money considerations. The Council of Governors at their meeting in March 2022 considered the outcome of this evaluation and approved the appointment of KPMG, with the new contract commencing on 1st April 2022 for a period of two years.

Financial Reporting: The Committee receives a number of reports through the year on significant financial issues such as losses and special payments and valuation of intangible assets. In accordance with International Financial Reporting Standards the Committee also receives the 'Going Concern' report enabling the Trust to make and document a rigorous assessment of whether the Trust is a going concern when preparing its annual financial statements. In reviewing and approving the financial statements, the Committee also reviews any changes to accounting policies, and receives a report outlining factors on which the Committee must take into account in order to satisfy itself that no material misstatements have been made in the accounts, and providing assurance that sufficient controls exist for the Committee to be assured that the Annual Accounts present an accurate assessment of the Trust's financial position, and the External Auditor can rely on the information contained within the Letter of Representation.

Counter Fraud Reporting: The Committee approves a Counter Fraud Plan each year, and receives reports on Counter Fraud activity at each meeting.

Appointment and Terms of Service Committee

The Appointment and Terms of Service (ATOS) Committee is chaired by the Trust Chair and has a membership of all Non-Executive Directors. In the absence of the Chair, the Vice Chair of the Trust will lead the meeting. The Committee's role is to advise the Board on the appointment, remuneration and terms of service and performance of the Chief Executive and Executive Directors of the Board. This also includes Very Senior Managers (VSMs is defined by NHS Employers as 'other senior managers with Board level responsibility'). It also ensures there are appropriate arrangements for the consideration and management of succession planning.

During the year the committee met 5 times and considered:

- The appointment and terms and conditions for a new Chief Executive
- The interim performance of each Executive Director and the Chief Executive
- Executive Director and Chief Executive remuneration
- Succession planning for Executive Directors
- The allocation of clinical excellence awards for consultants, in line with Trust's policies and procedures
- The Gender Pay Gap Annual Report and associated recommendations.

Appointment

Appointment of new Non-Executive Directors is for an initial period of three years subject to earlier termination or extension and is governed by the terms of the Trust's Constitution and the Standing Orders for the Council of Governors and Board of Directors. Appointment of both Executive and Non-Executive Directors is subject to candidates satisfying the requirements for Fit and Proper Persons; Directors, as set out in the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014. Directors must continue to satisfy these requirements during the term of their appointment.

Reappointments

Non-Executive Directors are eligible for reappointment at the end of their initial period of office in accordance with the Trust's Constitution, but they have no absolute right to be reappointed. Decisions about reappointment of Non-Executive Directors are made by the Council of Governors.

In reaching a decision, in addition to having regard to the appraised performance of the individual, the Council of Governors will consider the performance of the Trust, the make-up of the Board of Directors in terms of skills, diversity and geographical representation, the Board dynamics and the effectiveness of its team working.

The full term of office for a Non-Executive Director is six years. However, the Trust's Constitution does include a clause stating that in exceptional circumstances, a Non-Executive Director may be reappointed for further term(s) of 1 year, up to a maximum of 3 consecutive years in total. Any proposed reappointment under this clause shall be subject to annual re-appointment, rigorous review and a satisfactory appraisal carried out in accordance with procedures which the Council of Governors has approved.

Termination of Appointment

Our Constitution sets out the following circumstances in which the appointment of a Non-Executive Director may be terminated by the Trust:

- Removal from the Board of Directors being approved by 75% of members of the Council of Governors at a general meeting of the Council of Governors
- The Non-Executive Director being adjudged bankrupt or their estate being sequestrated and (in either case) not being discharged
- The Non-Executive Director making a composition or arrangement with, or granting a trust deed for, their creditors and not having been discharged in respect of it

- Within the past five years, the Non-Executive Director having been convicted in the British Isles of any offence for which a sentence of imprisonment (whether suspended or not) for a period of not less than three months (without the option of a fine) was imposed
- The Non-Executive Director being a person whose tenure of office as a Chair or as a member or director of a health service body having been terminated on the grounds that the appointment is not in the interests of public service, for non-attendance at meetings, or for non-disclosure of a pecuniary interest
- The Non-Executive Director being a person who is undergoing a period of disqualification from a statutory health or social care register. This provision shall not apply where a person's registration lapses or their name has been removed at their own request, for example following retirement.
- The Non-Executive Director having within the previous two years been dismissed, otherwise than by reason of redundancy or ill health, from any paid employment with a health service body.
- The Non-Executive Director being subject to a director's disqualification order made under the Company Directors Disqualification Act 1986.
- The Non-Executive Director being a person who is the subject of an Order pursuant to the Sexual Offences Act 2003 or any subsequent legislation.
- The Non-Executive Director ceasing to be a public member of the Trust.
- The Non-Executive Director being or becoming a Governor of the Trust

If the Council of Governors is of the opinion that it is no longer in the interests of the National Health Service that a Non-Executive Director continue to hold office then, subject to the provisions of the Trust's Constitution, their appointment may be terminated.

The following list provides examples of matters which may indicate to the Council of Governors that it is no longer in the interests of the National Health Service that a Non-Executive Director continues in office:

- If an annual appraisal or sequence of appraisals is unsatisfactory
- If the Non-Executive Director loses the confidence of the public or local community in a substantial way
- If the Non-Executive Director fails to deliver work against agreed targets incorporated within their annual objectives
- If there is a terminal breakdown in essential relationships, for example between the Chair and Chief Executive, or between a Non-Executive Director and the other directors.

The above list is not intended to be exhaustive or definitive. The Council of Governors will consider each case on its merits, taking all relevant factors into account.

Balance of the Board and appraisal

The Board reviews its effectiveness after each meeting, and through developmental workshops throughout the year. These build on similar performance evaluations carried out during previous years. Board Committees' objectives and Terms of Reference are reviewed annually, and Committee membership is regularly reviewed to take account of any new Non-Executive Directors joining the Board, and to ensure that Non-Executive Directors' skills and knowledge are being put to the best possible use. It is the Trust Chair's responsibility to ensure Committee and Board membership is revitalised when appropriate. The balance of skills on the Board is considered when appointing replacements, thus ensuring that the Board's mix of skills, knowledge and experience remains appropriate for the current and future requirements of the Trust.

Except where people join the Board late in the financial year, all Board members have a performance appraisal during the year involving input from colleagues and, when appropriate, Governors and others in order to provide insight into effectiveness and to identify learning and development opportunities. The results of the appraisals of the

Executive Directors have been shared in summary with the Appointments and Terms of Service Committee of the Board of Directors. Similar arrangements have been followed for the summary of Non-Executive and Chair appraisals to be given to the Nominations and Remuneration Committee of the Council of Governors. Each Board member has individual development and performance targets for the coming year, and it is the responsibility of the Trust Chair to ensure that the results of Directors' performance appraisals are acted upon.

Board Remuneration

Accounting policies for pensions and other retirement benefits are set out in note 1.6 of the accounts.

Details of senior employees' remuneration can be found in page 46 of the Remuneration Report; and details of company directorships and other significant interests held by Directors or Governors which may conflict with their management responsibilities are set out in note 46 of the accounts.

Directors' Statement as to Disclosure to the Auditors

The Directors confirm that so far as they are aware, there is no relevant audit information of which the auditors are unaware. The Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Going Concern

After making enquiries, the Directors have a reasonable expectation that Gloucestershire Health and Care NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

Council of Governors

Our Council of Governors consists of public, staff, and appointed Governors from the local authority and partner organisations.

Governors are an essential link between our membership and the Board of Directors. They help ensure that the Trust hears everyone's views.

Public and staff Governors are elected by members of their own constituency using the single transferable vote system.

The following elections took place during 2022/23 for public and staff governor positions.

Constituency	Vacant Posts	Candidates	Total Votes Cast	Turnout
June/July 2022				
Public: Cotswolds	1	Jenny Hincks	Re-Elected - Unopposed	
Public: Forest of Dean	1	Jacob Arnold	Elected Unopposed	
Public: Gloucester	1	Ismail Surty	Elected Unopposed	
Public: Stroud	1	Keith Ardron Michael Gibbons * Andy Treacher	Eligible Voters: 874 Valid votes cast: 118	13.5%
Public: Tewkesbury	1	Alan Cole	Elected Unopposed	
Staff: Medical, Dental & Nursing *(vacancy reserved for Qualified nursing staff)*	1	No applications received		

November 2022				
Staff: Management & Administration	1	Nicholas Bond Alison Hartless * Martin Pittaway	Eligible Voters: 1211 Valid votes cast: 275	22.7%
Staff: Medical, Dental & Nursing *(vacancy reserved for Qualified nursing staff)*	1	No applications received		

* Elected

The appointment term of all Governors is three years. Governors can stand for two terms. Local authority Governors may hold office for as long as they remain a local authority councillor.

Council of Governors by constituency and current vacancies		
Category of Governor	**Total number of Governors**	**Vacancies as of 31 March 2023**
Public constituencies		
Cheltenham	2	0
Cotswold	2	0
Forest	2	0
Gloucester	2	0
Stroud	2	0
Tewkesbury	2	0
Greater England	1	0
Staff constituencies		
Medical, Dental and Nursing	3	1
Health and Social Care Professions	2	0
Management, administrative and other staff	2	0
Appointed Governors		
Gloucestershire County Council	1	0
Young Gloucestershire	1	0
Healthwatch Gloucestershire	1	0
Total	**23**	**1**

The Council of Governors has three primary roles:

- to hold the Non-Executive Directors to account for the performance of the Board; and
- to represent the interests of the Trust's stakeholders in the governance of the organisation; and
- to communicate the key messages of the Trust to the electorate and appointing bodies.

The duties and powers of Governors are defined within the constitution and include:

- Reviewing and providing advice and comments to the Board of Directors on any strategic plans
- Developing and approving a membership strategy, including feeding information back to their constituencies and stakeholder organisations
- Appointing or removing the Chair and the Non-Executive Directors
- Deciding the remuneration and allowances of the Chair and Non-Executive Directors
- Appointing or removing the Trust's auditors
- Receiving and reviewing the annual accounts, any report of the auditor on the accounts and the Trust's annual report
- Holding the Non-Executive Directors to account for the performance of the Board
- Approving an appointment by the Non-Executive Directors of the Chief Executive
- Enforcing standards of conduct for Governors

- Such other responsibilities as the Board of Directors and Council of Governors may agree

The following table shows the composition of the Council of Governors during the reporting period, listing names, appointment dates and length of service. The following also shows the number of Council of Governor meetings attended by Governors during the reporting period. Attendance by Board members at Council of Governors meetings is detailed elsewhere in this report.

Constituency	Number of Constituency Governors	Name of Governor	Date of appointment/ Nomination (Date of reappointment) *(resignation date)*	Council of Governor Meeting Attendance
Elected Public Governors				
Cheltenham Borough Council	2	Dan Brookes	Sept 2020	3/5
		Juanita Paris	Sept 2020	1/5
Cotswold District Council	2	Graham Hewitt	August 2020	5/5
		Jenny Hincks	July 2019 (July 2022)	4/5
Forest District Council	2	Chris Witham	Sept 2020	5/5
		Jacob Arnold	June 2022	4/4
Gloucester City Council	2	***Said Hansdot*** [1]	***July 2016 (July 2019)*** ***June 2022***	0/1
		Tracey Thomas	Sept 2020	2/5
		Ismail Surty	July 2022	2/4
Stroud District Council	2	***Mervyn Dawe*** [2]	***July 2016 (July 2019)*** ***June 2022***	1/1
		Steve Lydon	Feb 2022	3/5
		Michael Gibbons	July 2022	4/4
Tewkesbury Borough Council	2	Laura Bailey	Jan 2021	3/5
		Alan Cole	June 2022	3/4
Greater England	1	Ruth McShane	Sept 2020	4/5
Elected Staff Governors				
Medical Dental and Nursing	3	Kizzy Kukreja	January 2021	4/5
		Paul Winterbottom	September 2021	1/5
		Vacant		
Health and Social Care Professionals	2	Nic Matthews	June 2018 (June 2021)	4/5
		Sarah Nicholson	March 2020 (March 2023)	4/5
Management, Administrative and Other	2	***Karen Bennett*** [3]	***Nov 2019*** ***Nov 2022***	0/2
		Erin Murray	September 2021	3/5
		Alison Hartless	December 2022	1/2
Governors Appointed by partner organisations				
Gloucestershire CCG	1	***Julie Clatworthy*** [4]	***June 2020*** ***June 2022***	0/1
Gloucestershire County Council	1	Cllr Rebecca Halifax	July 2021	2/5
Young Gloucestershire	1	Alicia Wynn	September 2022	2/3
Healthwatch Gloucestershire	1	Bob Lloyd-Smith	January 2023	2/2

[1] End of Final Term – 30 June 2022
[2] End of Final Term – 30 June 2022
[3] End of First Term – decision made not to restand – 26 November 2022
[4] Gloucestershire Clinical Commissioning Group (CCG) became Gloucestershire ICB on 1 July 2022. Appointed Governor position ceased at this point.

How Governors work with Directors and Members

Meetings of the Council of Governors and Board of Directors are both presided over by the Chair of the Trust or, in her absence, the Deputy Chair of the Board of Directors.

It is the Chair's role to ensure there is a positive working relationship between the Council of Governors and the Board of Directors. The constitution provides for the sharing of responsibilities, and this is supported by standing orders for each forum. The Trust has a formal process for the resolution of disputes between the two bodies if required but use of this process has not been necessary to date. Directors' duties are set out in a scheme of delegation.

Both Non-Executive and Executive Directors have attended Council of Governors meetings to present information and to seek Governors' views. Non-Executive Directors are regular attendees at the Council. The Council of Governors was consulted as part of the Trust's business planning process and their views were taken into account when developing the new

Trust Strategy. Individual Non-Executive Directors provide assurance to the Council of Governors on areas relevant to their roles as Committee Chairs, as part of the Council of Governors' responsibility to hold the Non-Executive Directors to account for the performance of the Board.

The Council has received the annual Staff Survey Results and CQC Patient Survey Results and been given the opportunity to hold small working groups with the Executive Director leads to discuss the results and associated action plans in more detail. The Chair informs the Council of Governors of the work of the Board through regular correspondence to Governors and reports at meetings. Other business conducted at the Council of Governors meetings during 2022/23 include a review of the Trust's Constitution, formal receipt of the Trust's "Good" CQC Comprehensive and well-led inspection report and a regular review of the Governor Dashboard providing a high-level snapshot of performance and quality measures. Two Governor Development sessions took place in 2022/23 hosted by NHS Providers, which focused on Membership & Engagement and Effective Questioning and Challenge.

The Chief Executive regularly attends Council meetings and provides presentations on current and future developments for the Trust. Some Governors have attended Board of Directors meetings as observers and the Chair keeps the Board informed of the issues dealt with at the Council of Governors. The minutes of Council meetings are included on the agenda of the Board of Directors.

Members are informed of changes and proposals through a newsletter and invited to comment and make suggestions.

Nominations and Remuneration Committee

The Nominations and Remuneration Committee is a committee of the Council of Governors which advises the Council on the appointment, dismissal, remuneration and terms of service of the Chair and Non-Executive Directors of the Board. The Committee is normally chaired by the Trust Chair, unless they must be excluded from the meeting due to the business being conducted. In this instance the Deputy Trust Chair, or Lead Governor, will oversee the meeting.

The committee has delegated authority to manage and oversee the recruitment and appraisal processes for the Chair and Non-Executive Directors on behalf of the Council.

In 2022/23 the Committee oversaw the appointment of a new Non-Executive Director (Nicola de Iongh) and considered and recommended the reappointment of an existing Non-Executive Director (Graham Russell). The Committee also received and supported the proposals to recruit to two new Associate NED positions. The Committee reviewed the remuneration for the Chair and Non-Executives, and received the outcome of the 2021/22 annual appraisals of the Non-Executive Directors and Trust Chair, and the process for future appraisals was agreed. The Committee approved the creation of a formal Deputy Lead Governor position, received regular updates on the recruitment of a new Chief Executive, reviewed the annual NED Skills audit and endorsed a recommendation to extend the term of office of the Trust Chair for a 4-month period.

The Nominations and Remuneration Committee met 6 times during the reporting period.

As at 31 March 2023, our Lead Governor is Chris Witham (Public Governor) who was appointed by the governors from 1 January 2021. The Council of Governors endorsed the creation of a formal Deputy Lead Governor position in September 2022. Following a nomination process, Jacob Arnold (Public Governor) was appointed as the Deputy from 1 January 2023. In addition to deputising for the Lead Governor, this role will include a particular focus on our membership and engagement agenda.

Register of Governors' and Directors' interests

Our hospitality register and register of Governors' interests, are available from the Trust Secretary who may be contacted by emailing TrustSecretary@ghc.nhs.uk

Our register of Directors' interests is available on our Trust website at www.ghc.nhs.uk

19 June 2023

Remuneration Report

Annual Statement on Remuneration

Our Appointments and Terms of Service Committee has delegated responsibility from the Board of Directors to review and set the remuneration and terms of service of the Chief Executive and the Executive Directors.

All other senior managers are covered by Agenda for Change, or, in the case of medical managers, Consultant terms and conditions of service. The Trust policy has been for all colleagues who are not board members to be employed on national or equivalent terms and conditions of employment. The Appointment and Terms of Service Committee is chaired by the Trust Chair and has a membership of all Non-Executive Directors. In the absence of the Chair, the Vice Chair of the Trust leads the meeting.

The Committee has overseen the appointment a new Chief Executive Officer and reviewed Executive Director performance and succession planning over the year.

Salary ranges for Executive Directors are agreed through an established job evaluation process alongside relevant national Very Senior Manager (VSM) remuneration guidance. The remuneration package does not include any Performance Related Pay scheme and has no additional other pay or non-pay benefits which are outside standard terms and conditions that apply to the majority of staff employed within the Trust e.g. NHS Pension Scheme, annual leave, sick pay etc.

Decisions which the Committee takes on the salary and terms of conditions of service of its Chief Executive and Executive Directors are informed by reviews that take into account the wider labour market, the scope of responsibilities, performance, best practice, NHS Providers' annual remuneration survey and benchmarking, and, where appropriate, national Very Senior Manager (VSM) remuneration guidance from NHS England. The Committee also considers the awards for other staff groups as required, through, for example, the NHS Pay Review Body (NHSPRB). The Committee operates in line with the Trust's commitment to equality, diversity and inclusion, see further detail within the staff report.

For all other senior managers, performance is managed in accordance with our appraisal and pay progression policies, both of which are consistent with national terms and conditions of service and agreed locally with our Staff Side trades unions representatives.

The appraisal process for Executive Directors and senior managers employed on Agenda for Change terms ensures that objectives for each individual are regularly reviewed and aligned to the Trust strategy and business needs.

For senior managers on Agenda for Change terms and conditions under the Trust's Pay Progression Policy, pay steps may be withheld if levels of performance are not maintained.

The Committee receives an annual report on the performance of the Chief Executive and Executive Directors from the Chair and Chief Executive respectively. This follows the assessment of the appraisal objectives for each member of the Board that are agreed for each financial year.

The Chief Executive and Executive Directors are employed on substantive contracts of employment. The current Chief Executive's contract and those of our Executive Team are subject to six months' written notice from either party. Executive Director contracts are subject to a notice period of six months to minimise the risk from loss of management capacity at this level, while recruitment processes take place. None of the contracts for the Chief Executive or Board Directors contains clauses specifying termination payments which

are in excess of contractual obligations. Contractual occupational redundancy terms are as per Section 16 of the Agenda for Change NHS Terms and Conditions of Service Handbook.

Senior managers on Agenda for Change terms and conditions are employed on substantive contracts subject to three months' written notice by the individual and statutory notice by the Trust. No contract contains clauses specifying termination payments which are in excess of contractual obligations.

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The Scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State. As a consequence, it is not possible for the NHS Trust to identify its share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as a defined contribution scheme and the cost of the scheme is equal to the contributions payable to the scheme for the accounting period. Further details can be found in note 1.6 of our annual accounts.

The Appointment and Terms of Service Committee also review and approve the annual Local Clinical Excellence Awards for consultant medical staff and the Gender Pay Gap report and action plan on behalf of the Board of Directors, reporting outcomes to the Board.

Salary and Benefits of Board Members 2022/23

Single Total Figure Table							
		a	b	c	d	e	Total
Name and Title	Year	Salary (bands of £5,000) £0	Expense payments (taxable) (Rounded to nearest £100) £0	Performance pay and bonuses (bands of £5,000) £0	Long-term performance pay and bonuses (bands of £5,000) £0	Pension related benefits (bands of £2,500) £0	(bands of £5,000) £0
Non Executive Directors							
Ingrid Barker	2022/23	45-50	0	0	0	0	45-50
Chair	2021/22	45-50	0	0	0	0	45-50
Graham Russell	2022/23	15-20	0	0	0	0	15-20
Vice Chair	2021/22	15-20	0	0	0	0	15-20
Marcia Gallagher	2022/23	15-20	0	0	0	0	15-20
	2021/22	15-20	0	0	0	0	15-20
Sumita Hutchison	2022/23	10-15	0	0	0	0	10-15
	2021/22	10-15	0	0	0	0	10-15
Jan Marriott	2022/23	10-15	0	0	0	0	10-15
	2021/22	10-15	0	0	0	0	10-15
Steve Brittan	2022/23	10-15	0	0	0	0	10-15
	2021/22	10-15	0	0	0	0	10-15
Dr Stephen Alvis	2022/23	10-15	0	0	0	0	10-15
	2021/22	10-15	0	0	0	0	10-15
Nicola de longh	2022/23	10-15	0	0	0	0	10-15
from 14/07/22	2021/22	0	0	0	0	0	0

Executive Directors

Paul Roberts	2022/23	175-180	0	0	0	0	175-180
Chief Executive	2021/22	170-175	0	0	0	0	170-175
Sandra Betney	2022/23	150-155	0	0	0	67.5-70	215-220
Director of Finance/Deputy Chief Executive	2021/22	140-145	0	0	0	52.5-55	195-200
David Noyes	2022/23	135-140	0	0	0	65-67.5	200-205
Chief Operating Officer	2021/22	30-35	0	0	0	27.5-30	60-65
Neil Savage	2022/23	115-120	0	0	0	55-57.5	175-180
Director of HR & Organisational Development	2021/22	110-115	0	0	0	22.5-25	135-140
John Trevains	2022/23	120-125	0	0	0	57.5-60	180-185
Director of Nursing, Therapies & Quality	2021/22	115-120	0	0	0	45-47.5	160-165
Amjad Uppal (1)	2022/23	195-200	0	0	0	47.5-50	245-250
Medical Director	2021/22	190-195	0	0	0	40-42.5	230-235
Angela Potter	2022/23	120-125	0	0	0	55-57.5	180-185
Director of Strategy & Partnerships	2021/22	115-120	0	0	0	27.5-30	145-150
Helen Goodey - Secondment from Gloucestershire CCG (2)	2022/23	0	0	0	0	0	0
Director of Locality Development & Primary Care	2021/22	30-35	0	0	0	0	30-35

Senior Manager

Lavinia Rowsell	2022/23	90-95	0	0	0	22.5-25	110-115
Head of Corporate Governance/Trust Secretary	2021/22	90-95	0	0	0	20-22.5	110-115

(1) Dr Uppal has a 12 PA (programmed activity) job plan with 8 sessions dedicated to his Medical Director role and 4 to his Consultant Psychiatrist role. From Gloucestershire Health and Care NHSFT Dr Uppal received remuneration of £150-155k for his Medical Director role, and remuneration of £45-50k for his Clinical work during 2022/23.
(2) The post of Director of Locality Development & Primary Care is a part time role. Mrs Goodey is seconded into the role from Gloucestershire CCG. There was no cost for this role in 2022/23.

Pension Entitlement of Senior Managers - Pension Benefits

Name and title	Real increase in pension at pension age	Real increase in pension lump sum at pension age	Total accrued pension at pension age at 31 March 2023	Lump sum at pension age related to accrued pension at 31 March 2023	Cash Equivalent Transfer Value at 1 April 2022	Cash Equivalent Transfer Value at 31 March 2023	Real Increase in Cash Equivalent Transfer Value	Employers Contribution to Stakeholder Pension
	(bands of £2,500)	(bands of £2,500)	(bands of £5,000)	(bands of £5,000)	£'000	£'000	£'000	£'000
Paul Roberts - Chief Executive	0	0	0	0	0	0	0	0
Sandra Betney – Dir of Finance	2.5-5	2.5-5	60-65	125-130	1108	1238	76	0
David Noyes – Chief Operating Officer	2.5-5	0	20-25	0	256	330	47	0
Neil Savage – Dir of HR & OD	2.5-5	2.5-5	50-55	100-105	888	992	60	0
John Trevains – Dir of Nursing	2.5-5	0-2.5	40-45	35-40	529	604	42	0
Amjad Uppal – Medical Director	2.5-5	0	50-55	85-90	871	969	44	0
Angela Potter – Dir of Strategies & Partnerships	2.5-5	2.5-5	60-65	130-135	1161	1284	69	0
Lavinia Rowsell – Trust Secretary	0-2.5	0	5-10	0	43	66	9	0

- Paul Roberts chose not to be covered by the pension arrangements during the reporting year.

- As Non-Executive members do not receive pensionable remuneration, there are no entries in respect of pensions for Non-Executive Directors.

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 the 27 April 2023; this guidance will be used in the calculation of 2023/24 CETV figures.

Median Pay

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.

There has been no change to the highest paid director during the year with the Medical Director being the highest paid director in 2022/23 and 2021/22. The banded remuneration of the highest-paid director in Gloucestershire Health and Care Foundation Trust in the financial year 2022-23 was £195,000 - £200,000 (2021-22, £190,000 to £195,000). This is a change between years of 1.67%.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 £10,132 to £254,296 (£10,132 to £193,233 for 2021/22). The percentage change in average employee remuneration (based on total for all employees divided by full time equivalent number of employees) between years is 1.1%. The average employee remuneration does not include the element of the pay award for 22/23 that is still under negotiation. The Trust has used actual spend and WTE numbers for calculating the average employee remuneration, except for agency staff where an estimate of the number of WTEs has been derived from the costs and invoices received.

One employee received remuneration in excess of the highest-paid director in 2022-23 with banded remuneration of £250,000 to £255,000 (£190,000 -195,000 in 2021-22).

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

2022/23	25th percentile	Median	75th percentile
Salary component of pay	20,294	26,284	38,821
Total pay and benefits excluding pension benefits	21,839	32,646	48,505
Pay and benefits excluding pension: pay ratio for highest paid	7 :1	5:1	3:1

2021/22	25th percentile	Median	75th percentile
Salary component of pay	19,836	25,655	35,130
Total pay and benefits excluding pension benefits	23,749	32,306	39,494
Pay and benefits excluding pension: pay ratio for highest paid	8: 1	6: 1	5: 1

Governors

Governors do not receive remuneration but are paid reasonable expenses in order to perform their role. During the reporting period, there were three claims received from one Governor totalling £123.56.

Directors

In 2022/23, 17 Directors were in post during the year. 14 claimed expenses totalling £13,389.

The above information has been audited.

Douglas Blair
Chief Executive **19 June 2023**

Staff Report

On March 31 2023 we employed 5,887 people across a variety of professions, including doctors, dentists, nurses, Allied Health Professionals, social workers and support staff.

Our staff are categorised as follows:

Permanent employees	4510
Bank staff	1072
Others (fixed term temporary staff and locums)	297

The following table provides a breakdown of the number and percentage of **female and male members of staff:**

Board Members	**Employees**	**Percentage**
Female	3	37%
Male	5	63%

Senior Clinicians/Manager (Band 8c and above) (Excludes Executives, bank staff, temporary staff and locums)	**Employees**	**Percentage**
Female	111	65%
Male	61	35%

Total staff (Up to Band 8b) (Permanent staff only)	**Employees**	**Percentage**
Female	3948	85%
Male	687	15%

Staff Costs

Staff costs

	Group			
			2022/23	**2021/22**
	Permanent	**Other**	**Total**	**Total**
	£000	**£000**	**£000**	**£000**
Salaries and wages	163,406	479	**163,885**	141,035
Social security costs	15,437	-	**15,437**	13,352
Apprenticeship levy	795	-	**795**	679
Employer's contributions to NHS pension scheme	27,583	-	**27,583**	25,659
Pension cost - other	163	-	**163**	139
Temporary staff	-	9,609	**9,609**	7,741
Total gross staff costs	**207,384**	**10,088**	**217,472**	**188,605**
Recoveries in respect of seconded staff	-	-	**-**	(315)
Total staff costs	**207,384**	**10,088**	**217,472**	**188,290**
Of which				
Costs capitalised as part of assets	-	-	**-**	-

Average number of employees (WTE basis)

	Group			
			2022/23	2021/22
	Permanent Number	Other Number	Total Number	Total Number
Medical and dental	114	-	**114**	106
Administration and estates	1,031	20	**1,051**	1,011
Healthcare assistants and other support staff	913	235	**1,148**	1,027
Nursing, midwifery and health visiting staff	1,223	214	**1,437**	1,342
Nursing, midwifery and health visiting learners	17	-	**17**	9
Scientific, therapeutic and technical staff	655	3	**658**	643
Total average numbers	**3,953**	**472**	**4,425**	**4,139**
Of which:				
Number of employees (WTE) engaged on capital projects	-	-	**-**	-

Sickness absence and turnover data

Data items: ESR does not hold details of the planned working/non-working days for employees so days lost and days available are reported based upon a 365-day year. For the Annual Report and Accounts the following figures are used:

The number of FTE-days available has been taken directly from ESR. This has been converted to FTE years in the first column by dividing by 365.

The number of FTE-days lost to sickness absence has been taken directly from ESR. The adjusted FTE days lost has been calculated by multiplying by 225/365 to give the Cabinet Office measure.

The average number of sick days per FTE has been estimated by dividing the FTE Days by the FTE days lost and multiplying by 225/365 to give the Cabinet Office measure. This figure is replicated on returns by dividing the adjusted FTE days lost by Average FTE.

April 2022 to March 2023

Average FTE 2022	Adjusted FTE days lost to Cabinet office definitions	Average sick days per FTE	FTE days available	FTE days recorded sickness absence
a	b	c	d	e
3,907.72	46,975.19	12.02	1,426,318.81	76,204.19

a=d/365
b=e/365*225
c=e/d*225
and d and e are from the ESR Data Warehouse

Please see the link to the NHS Digital publication series on NHS Workforce Statistics for information on staff turnover. The link can be found here: NHS workforce statistics - NHS Digital

Equal Opportunities

We continue to meet our responsibilities as part of the Public Sector Equality Duty (PSED) that are outlined in the Equality Act 2010. As part of GHC's ongoing commitment to equality, diversity and inclusion the Trust appointed a dedicated Equality, Diversity and Inclusion Lead, based within the OD and Leadership Development Team during 2021. The postholder works closely with our Freedom to Speak Up Lead, Health and Wellbeing programmes and represents the Trust in ICS activity across Gloucestershire.

Our Director of Human Resources and Organisational Development ensures that equality and diversity is represented at all levels of our organisation including at Board level. We work within the parameters of the NHS Equality Delivery System and we recognise the diversity of the community we serve and make every effort to engage with hard to reach communities to ensure high quality care is received by all who need it. We have implemented both the Workforce Disability Equality Standard (WDES) and the Workforce Race Equality Standard (WRES). These are tools to identify gaps in the work experiences of colleagues from ethnic minorities or those who identify as disabled. In support of our ambitions on equality, diversity and inclusion, we have also reviewed our Diversity and Inclusion Policy in 2021 in partnership with our trades unions.

In the recent past we have celebrated events such as International Women's Day and Race Equality Week whilst supporting national campaigns such as the #MyNameIs initiative; encouraging colleagues to add the phonetic spelling of their names to their email signatures. We have also introduced rainbow lanyards and the use of pronouns on email signatures.

The Trust has a number of systems in place to enable anyone who may experience discriminatory or other forms of unacceptable behaviour to seek support and resolution. These include our "Freedom to Speak Up Guardian" and advocates, Dignity at Work officers, "Direct to Douglas," and an anonymous online dialogue system called "Work In Confidence". The Trust Diversity Network is well established now, with the support of a range of specialist networks that focus on supporting and providing a voice for ethnic minorities, LGBTQI+ and colleagues with a disability, as well as a dedicated Women's Leadership Network. Through the Diversity Network and these additional networks, we are working to ensure all colleagues have a strong voice, feel valued and supported and that key Trust decisions are informed by lived experience and developed in collaboration.

Alongside the afore-mentioned feedback routes, indicators within the Staff Survey, Pulse Surveys, the quarterly Staff Friends and Family Test, WRES and WDES inform the actions we take to address inequality and poor experience. We are proud to maintain our Disability Confident Leader status and pride ourselves on esuring all reasonable adjustments are made to the work environment to enable colleagues to remain in work and prosper. Our values-based and candidate-centred recruitment processes supports candidates to perform to the best of their ability throughout their recruitment journey. During 2021 we shortened our NHS Jobs application form in response to feedback from colleagues who found the standard form to be an obstacle to successful recruitment.

We have complied with the national Gender Pay Gap reporting requirements and have an associated action plan to address the issues identified. The reports and associated data have been published on our website here: Gender-Pay-Gap-Update-Report-Report-March-2023.pdf (ghc.nhs.uk)

From a training perspective we cover Equal Opportunities in our on-boarding induction process, provide access to Equality and Diversity and Human Rights e-learning, alongside the provision of additional specialist training from our Social Inclusion Team.

Health and Wellbeing

Working Well is our occupational health service. The service promotes, monitors and helps improve the health and wellbeing of people in work – both within our Trust and for a variety of external public and private sector organisations. Working Well is accredited fully to the 'Safe Effective Quality Occupational Health Service' (SEQOHS) national quality standards set by the Faculty of Occupational Medicine. This accreditation provides independent and impartial recognition that Working Well has objectively demonstrated its competence, as defined by the SEQOHS standards, to a team of trained assessors.

The service offers independent advice both to managers and employees, which includes guidance on how to support people to stay in work, how to return to work safely following a period of absence, as well as assessments of the health risks associated with the workplace. The latter has been particularly relevant during the last few years in relation to COVID-19 and where the service has undertaken extensive contact tracing in order to control the spread of the virus as well as welfare calls to those colleagues who were unable to attend work. The team also supported colleagues with advice and guidance regarding vaccination and the impact of the VCOD Regulations which were subsequently revoked by the Government.

The service has a team of counsellors who provide emotional and psychological face to face/virtual support, and the specialist occupational health physiotherapist also works very closely with the Trust's rapid-access physiotherapy self-referral service for colleagues to ensure our people receive support for musculoskeletal issues. The Starting Well with Working Well programme was launched in 2021 which offers advice on emotional and physical resilience to new employees, as well as an optional fitness assessment. Working Well continues to run the annual flu vaccination programme.

The service has continued to support the activities of the Trust's Health and Wellbeing Hub which has included developing policies for menopause and health and wellbeing and has worked collaboratively with One Gloucestershire in securing national funding for the creation of a new mental health and wellbeing hub. The Wellbeing Line was launched in October 2021 and now offers comprehensive mental health support and signposting to individuals, managers and groups on issues such as Long Covid, bereavement, anxiety and sleep to all people who work in health and social care in Gloucestershire.

Through VIVUP, our Employee Assistance programme, we provide additional 24/7 telephone counselling service for all colleagues and due to the pandemic, we have invested, partially through successful bids made in 2020 and 2021 via NHS Charities Together, further in our colleague health and wellbeing offer. Additionally, there is enhanced psychological support, a

comprehensive intranet section signposting colleagues to support, alongside monthly health and wellbeing newsletters, a salary finance scheme, and investment in colleague rest areas, including outdoor seating for colleagues enabling them to take restful breaks away from their work environment.

Working Well are supported by the Wellbeing Line, a mental health support and signposting service for teams and individuals working within health and social care across the wider ICS. This service is hosted by the Trust on behalf of the system.

Engagement

Colleagues have access to information and are able to contribute views through a number of different communication mechanisms. Our Executives publish regular blogs and the Chief Executive offers “Direct to Douglas” as an engagement opportunity for colleagues. Our weekly colleague e-bulletin is called “Indi-to-go”, and we provide two-way monthly Bite-Sized briefing sessions with managers and senior clinicians, which enables a flow of key information to and from teams. We also publish comprehensive news updates, policies and other information of relevance and interest to colleagues on Indigo – our intranet, which also enables discussion forums. There are a number of other Trust-wide gatherings, such as our Senior Leadership Network, which acts as an opportunity for leaders to be kept up to date and involved in key developments. This forum supports the development of new ideas whilst providing an opportunity for leaders across the Trust to feedback on the issues that concern them; working together to co-produce solutions. Our Foundation Trust elected Staff Governors meet regularly with board directors and members of the Corporate Governance team to ensure good engagement, involvement and communications. In addition, we host a monthly Staff Forum for colleagues across the Trust to enable them to raise issues, concerns, and develop solutions. This ensures engagement at all levels. We also enable colleagues to feedback their views on a range of subjects through regular surveys and the national Pulse Survey. We have an established staff Facebook group, with a membership of circa 1200 colleagues.

We work in partnership with non-medical Staff Side colleagues through the formal Joint Negotiation and Consultative Forum, which meets bi-monthly. With medical colleagues we meet regularly through the Local Negotiating Committee. In addition, we encourage participation from Staff Side representatives and colleagues at all levels from across the Trust. These mechanisms are used to consult with colleagues, share Trust performance, seek feedback, to review and create workforce policies and procedures, as well as co-developing initiatives.

Trades Unions and Professional Association colleagues are encouraged to attend and participate in the One Gloucestershire Social Partnership Forum which meets quarterly to discuss workforce matters within the ICS. The Trust also participates in the South West Regional Social Partnership Forum.

Staff Side representatives, including Safety Representatives, meet regularly with managers to discuss, monitor and share a range of information on health and safety; health and wellbeing and other related workplace health issues. We also work closely with our local Counter Fraud Service to ensure policies and procedures are “fraud proofed”. The service provides regular briefings, training and refreshers to colleagues to maintain fraud awareness and best practice.

Speaking Up

We actively promote a speaking up culture, through our Freedom to Speak Up Guardian, Sonia Pearcey, who works closely with the National Guardian's Office, reporting regularly to the Trust's Board of Directors.

We firmly believe that to improve safety and make our Trust a better place to work, we need a culture that places less emphasis on blame when things go wrong and more importance on transparency and learning from mistakes.

During 2021 we refreshed our advocate network following The National Guardian's Office new guidance. This sets out principles for the development and support of Freedom to Speak Up Champion networks. Engagement and training continue to refresh, raise awareness and promote the value of speaking up and support and sign post colleagues

Reward and Recognition

In 2021 the Trust launched the first Better Care Together Awards, to celebrate the outstanding commitment, dedication, care, compassion and expertise of our colleagues. We have held annual events since then – first virtually due to Covid restrictions and then in 2023 in person.

We also hold regular Long Service Awards to highlight the long service of colleagues who have worked for the NHS for 20, 30, 40 or 50 years.

In addition, some teams and services hold their own award events. For example, the Apprenticeships Team holds an annual awards event and the Estates and Facilities Team present an 'Employee of the Month' award. We also promote awards such as the NHS Parliamentary Awards, and regularly submit nominations.

The Trust actively celebrates national profession days such as International Nurses Day, Mental Health Nurses Day and National Apprenticeship Week with promotional campaigns to highlight and thank individuals who consistently make a difference to the communities we serve.

The Trust does not operate performance related pay but does operate an annual local Consultant Clinical Excellence Award (LCEA) Scheme.

Staff Survey and Staff Friends and Family Test

The NHS Staff Survey is conducted annually. The survey questions align to the seven themes of the NHS 'People Promise', and includes a further two themes of engagement and morale. All indicators are based on a score out of 10 for specific questions with the indicator score being the average of those.

The most recent results present a very positive and improving view of how colleagues rate the Trust as an employer and benchmark favourably against peers. Within the South West, the Trust's overall ratings were ranked 1st amongst NHS provider trusts. This was an improvement from the previous year's 3rd place.

The response rate to the 2022/23 survey among Trust staff saw a **2% i**mproved response rate – from 52.7% in 2021 to **54.9%** for 2022. The median response rate for Mental Health & Learning Disability and Mental Health, Learning Disability and Community Trusts was at **50%**. This compares with the average national NHS response rate of **46%.**

2022 and 2021

Scores for each indicator together with that of the survey benchmarking group (specify the benchmarking group]) are presented below.

Indicators ('People Promise' elements and themes)	2022/23		2021/22	
	Trust score	Benchmarking group score	Trust score	Benchmarking group score
People Promise:				
We are compassionate and inclusive	7.7	7.5	7.6	7.5
We are recognised and rewarded	6.4	6.3	6.4	6.3
We each have a voice that counts	7.1	7.0	7.1	7.0
We are safe and healthy	6.3	6.2	6.3	6.2
We are always learning	5.8	5.7	5.7	5.6
We work flexibly	6.7	6.7	6.6	6.7
We are a team	7.1	7.1	7.0	7.1
Staff engagement	7.2	7.0	7.2	7.0
Staff Morale	6.2	6.1	6.1	6.0

Additional Commentary
Across the 9 Theme results, colleagues rated the Trust above average in eight (seven in 2021) of these and one at average, reversing the two below average in 2021, with an increase in ratings for We Are A Team and We Work Flexibly.
Colleagues' ratings placed the Trust **above average** compared to its benchmark group in the following Our NHS People.

Promise and Theme areas:

- We Are Compassionate and Inclusive
- We Are Recognised and Rewarded
- We Each Have A Voice That Counts
- We Are Safe and Healthy
- We Are Always Learning
- We Are A Team
- Staff Engagement
- Morale

Ratings placed the Trust at average in the following:

- We work flexibly (and colleagues' rating improved over 2021)

69.8% of colleagues would recommend the Trust as a place to work a 1% increase from 68.2% in 2021. Whilst this remains below our 2020 benchmark by 1.3%, it is encouragingly 7% better than the average for our benchmark group and compares with all NHS organisation average of **57.4%.** It is further encouraging that we have achieved an upward trend in our result given that the wider NHS has taken a hit in terms of this rating. The best performing Trust remains more than 4% lower than 2020 with a slight decline from 73.6% in 2021 to 73% in 2022.

73.9% of colleagues would recommend the Trust to provide care, a year on year decline from 2021 (78%) and 2020 (79.5%) results. This compares with the average national NHS response rate of **62.9%** - a notable decline area across England since the 2021 survey. Historically the survey was only issued to substantive colleagues and excluded Bank workers. For the 2022 survey all NHS organisations were provided with an option to run an additional survey for Bank Only workers.

For the Bank Staff Survey results, key Trust headlines include:

- Four of the Seven People Promise themes were higher than the bank comparator score.
- From available sub themes scores, three out of five (61%) were above the Bank score average

Future priorities

Whilst the survey results for 2022 were positive, we recognise that are differences between directorate scores as well as thematic elements to address. Our priorities for the year, based on the survey results will therefore be to:

- **Support Directorates** to find new ways of meeting and communicating results; supporting ideas such as directorate and team engagement initiatives where appropriate.
- **Drill down** within Directorates to determine which colleagues, teams and professional groups report that they struggle to **meet conflicting demands** on their time, seeking solutions to mitigate this. Actions will also directly feed stress at work, absence and health and wellbeing indicators.
- Ensure colleagues are provided with **reassurance about how concerns are handled and addressed**. Seek to understand if there are any specific groups or departments where this is a particular issue.
- Whilst coverage of appraisals is positive in the survey**,** review quality of **appraisals and appraisal training** particularly with a view to ensuring staff leave the appraisal feeling they can do their job more effectively.

Expenditure on consultancy

In 2022/23 our consultancy cost totalled £44k. During 2021/22 our consultancy costs totalled £27k.

Political Donations

The Trust does not make political donations.

Off-payroll engagements/arrangements

Table 1: For all off-payroll engagements as of 31 Mar 2023, for more than £245 per day and that last for longer than six months	
	Number
No. of existing engagements as of 31 Mar 2023	31
Of which:	

Number that have existed for less than one year at the time of reporting	3
Number that have existed for between one and two years at the time of reporting	16
Number that have existed for between two and three years at the time of reporting	9
Number that have existed for between three and four years at the time of reporting	1
Number that have existed for four or more years at the time of reporting	2

Table 2: For all off-payroll engagements between 1st April 2022 and 31 March 2023, for more than £245 per day	
	Number
Number of temporary off-payroll workers engaged between 1st April 2022 and 31 March 2023	3
Of which:	0
Not subject to off-payroll legislation	
Subject to off-payroll legislation and determined as in-scope of IR35	3
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

Exit packages

We are required to publish information on our use of exit packages during the year, with comparative tables for the previous year.

Reporting of compensation schemes - exit packages 2022/23

There were no Exit packages paid in 2022/23

Reporting of compensation schemes - exit packages 2021/22

In 2021/22 there were 14 Exit packages paid

	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	-	9	**9**
£10,000 - £25,000	-	4	**4**
£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	**-**	**14**	**14**
Total resource cost (£)	£0	£165,000	**£165,000**

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	-	-	1	17
Mutually agreed resignations (MARS) contractual costs	-	-	-	-
Early retirements in the efficiency of the service contractual costs	-	-	-	-
Contractual payments in lieu of notice	-	-	13	148
Exit payments following Employment Tribunals or court orders	-	-	-	-
Non-contractual payments requiring HMT approval	-	-	-	-
Total	**-**	**-**	**14**	**165**
Of which:				
Non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months of their annual salary	-	-	-	-

Note 5.4 Early retirements due to ill health	Expected sign	A09CY14 2022/23 £000	A09CY15 2022/23 No.	A09PY14 2021/22 £000	A09PY15 2021/22 No.	Maincode Subcode
No of early retirements on the grounds of ill-health	+		1		2	STA0510
Value of early retirements on the grounds of ill-health	+	4,659		67		STA0520

Trade Union Facility Time

The Trade Union (Facility Time Publication Requirements) Regulations require NHS foundation trusts with at least one trade union representative and at least 49 full time equivalent employees during any seven of the twelve-month periods of the annual report to report the amount of facility time granted. This is captured in the following table for the period in question.

Period Covered: **1 April 2022 to 31 March 2023**	
Number of employees who were relevant union officials during the relevant period	28
% time spent on facility time over this period spent a) 0%, b) 1%-50%, c) 51%-99% or d) 100% of their working hours on facility time	a) 0% x 7 b) 1%-50% x 21 c) 51-99% x zero d) 100% x 1
Percentage of the total pay bill spent on facility time	0.03%
Total number of hours spent on paid trade union activities i.e. Joint Negotiating & Consultative Forum/ Local Negotiating Committee, Safety, Health and Environment Committee, case work, trade union training courses, conferences etc.	Total hours for period: 2584

Compliance with the NHS Foundation Trust Code of Governance

The purpose of the Foundation Trust Code of Governance is to assist Foundation Trust Boards in improving their governance practices by bringing together the best practice of public and private sector corporate governance. The Foundation Trust Code of Governance can be found on the GOV.uk website, at https://www.gov.uk/government/publications/nhs-foundation-trusts-code-of-governance

The Code requires Foundation Trusts to:

- *Make certain information publicly available, either on the Foundation Trust's website or on request.* The Trust provides such information both through its website, and via its Freedom of Information Act Publication Scheme. The Trust is therefore fully compliant with these requirements of the Code.

- *Confirm to Governors that where a Non-Executive Director seeks re-appointment, his/her performance continues to be effective.* The Trust provides Governors with annual summary appraisal information in respect of each Non-Executive Director, including the Chair, and this information is reprised in reports to the Council of Governors accompanying a resolution about the re-appointment of the Non-Executive Director.

- *Provide biographical and other relevant information to members to enable them to make an informed decision about any Governor seeking election or re-election.* The Trust uses an external organisation to manage Governor elections, and is fully compliant with this provision of the Code.

- *Make clear within their annual reports where compliance with the Code has not been achieved.*

The Code of Governance also requires Foundation Trusts to provide some supporting explanation within the annual report to demonstrate compliance with certain provisions of the Code, or the Foundation Trust Annual Reporting Manual (FT ARM) and these are set out below. Where the information required by the Code is already provided elsewhere in the annual report, a reference to its location is given to avoid unnecessary duplication.

Reference	Code of Governance requirement	Trust response
A.1.1	The schedule of matters reserved for the Board of Directors should include a clear statement detailing the roles and responsibilities of the Council of Governors. This statement should also describe how any disagreements between the Council of Governors and the Board of Directors will be resolved. The annual report should include this schedule of matters or a summary statement of how the Board of Directors and the Council	The Trust's Scheme of Delegation sets out the roles and responsibilities of the Board of Directors, its Committees, the Council of Governors and executive management. Any disputes between the Board and the Council are resolved in accordance with the

	of Governors operate, including a summary of the types of decisions to be taken by the Board and the Council of Governors and which are delegated to the executive management of the Board of Directors.	procedure set out in the Trust's constitution, whereby the Trust Chair will seek to resolve the matter in the first instance. Where this cannot be achieved, the matter may be escalated to a special joint committee of Governors and Directors, or as a final step, referred to an external mediator. Details of how the Board and the Council of Governors operate are given in pages P29-43 of this Annual Report.
A.1.2	The annual report should identify the chairperson, the deputy chairperson (where there is one), the chief executive, the senior independent director (see A.4.1) and the chairperson and members of the Appointments and Terms of Service, and Audit & Assurance committees. It should also set out the number of meetings of the Board and those committees and individual attendance by directors.	This information can be found on page P38-42 of the Annual Report
A.5.3	The annual report should identify the members of the Council of Governors, including a description of the constituency or organisation that they represent, whether they were elected or appointed, and the duration of their appointments. The annual report should also identify the nominated lead governor.	This information is set out in pages P39-41 of the Annual Report
FT ARM	The annual report should include a statement about the number of meetings of the Council of Governors and individual attendance by Governors and Directors	This information is set out in page 41 of the Annual Report
B.1.1	The Board of Directors should identify in the annual report each non-executive director it considers to be independent, with reasons where necessary.	This information is set out in pages P29-32 of the Annual Report
B.1.4	The Board of Directors should include in its annual report a description of each director's skills, expertise and experience. Alongside this, in the annual report, the Board should make a clear statement about its own balance, completeness and appropriateness to the requirements of the NHS foundation trust.	This information is set out in pages P29-34 of the Annual Report

FT ARM	The annual report should include a brief description of the length of appointments of the non-executive directors, and how they may be terminated	This information is set out in pages P29-43 of the Annual Report
B.2.10	A separate section of the annual report should describe the work of the Appointments & Terms of Service Committee, and the Governors' Nomination & Remuneration Committee, including the process each has used in relation to Board appointments.	This information is set out in pages P37-38 of the Annual Report
FT ARM	The disclosure in the annual report on the work of the Governors' Nomination & Remuneration Committee should include an explanation if neither an external search consultancy nor open advertising has been used in the appointment of a chair or non-executive director	This information is set out in pages P42 of the Annual Report
B.3.1	A chairperson's other significant commitments should be disclosed to the Council of Governors before appointment and included in the annual report. Changes to such commitments should be reported to the Council of Governors as they arise, and included in the next annual report.	This information is set out in pages P39-42 of the Annual Report. Interests are disclosed to the Council of Governors as part of the appointments process for Non-Executives, and the declaration of interests is a standing agenda item at Council of Governors' meetings.
B.5.6	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. The annual report should contain a statement as to how this requirement has been undertaken and satisfied.	The Council of Governors has had the opportunity to comment on the annual business plan on behalf of the Trust's members, public, and key stakeholders. Feedback was taken into account when compiling the final version of the document.
FT ARM	If during the financial year the Council of Governors has exercised its power under Paragraph 10C of Schedule 7 of the NHS Act 2006 (to require a director to attend a meeting of the Council of Governors) then information on this must be included in the annual report.	Not relevant. This power has not been exercised.
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 chairperson, has been conducted.	The Board evaluates its own performance after each meeting. Committees provide a summary report to each Board meeting

		setting out the work being carried out. An annual self-evaluation of the Board Committees is carried out looking at how they have performed against their terms of reference. This is incorporated within the Committee Agenda Cycles. The outcome of the self-evaluations is received and considered by the Trust Board. All Directors are subject to annual performance appraisals. For Non-Executive Directors, including the Chair, Governors are invited to contribute through a 360^{O} feedback process. The outcome of the Chair and Non-Executive Director appraisals are presented in summary form to the Governors' Nomination & Remuneration Committee, and onward to the Council of Governors.
B.6.2	Where there has been external evaluation of the Board and/or governance of the Trust, the external facilitator should be identified and a statement made as to whether they have any other connection with the trust.	The Care Quality Commission (CQC) carried out a Core Services inspection of GHC in April 2022 and a Well-Led inspection in May 2022. GHC received a Good rating.
C.1.1	The directors should explain in the annual report 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. There should be a statement by the external auditor about their reporting responsibilities. Directors should also explain	This information is set out in pages P72 of the Annual Report

	their approach to quality governance in the Annual Governance Statement (within the annual report).	
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.	This information is set out in the Annual Governance Statement on pages P72 of the Annual Report
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.	This information is set out in pages P36 of the Annual Report
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 in the annual report a statement from the audit committee explaining the recommendation and should set out reasons why the Council of Governors has taken a different position.	Not relevant. A renewal of the External Audit function was made and agreed by the Council of Governors.
C.3.9	A separate section of the annual report should describe the work of the Audit committee in discharging its responsibilities. The report should include: • the significant issues that the committee considered in relation to financial statements, operations and compliance, and how these issues were addressed; • an explanation of how it has assessed 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 tenure of the current audit firm and when a tender was last conducted; and • 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 are safeguarded.	This information is set out in pages P36 of the Annual Report
D.1.3	Where an NHS foundation trust releases an executive director, for example to serve as a non-executive director elsewhere, the remuneration disclosures of the annual report	This information is set out in pages P42 of the Annual Report

	should include a statement of whether or not the director will retain such earnings.	
E.1.5	The Board of Directors should state in the annual report the steps they have taken to ensure that the members of the Board, and in particular the non-executive directors, develop an understanding of the views of governors and members about the NHS foundation trust, for example through attendance at meetings of the Council of Governors, direct face-to-face contact, surveys of members' opinions and consultations.	This information is set out in pages P41 of the Annual Report
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.	This information is set out in pages P23 of the Annual Report
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 Trust website and in the annual report	This information is set out in pages P24 and Contact us information of the Annual Report and is available on the Trust website
FT ARM	The annual report should include: • a brief description of the eligibility requirements for joining different membership constituencies, including the boundaries for public membership; • information on the number of members and the number of members in each constituency; and • a summary of the membership strategy, an assessment of the membership and a description of any steps taken during the year to ensure a representative membership [see also E.1.6 above], including progress towards any recruitment targets for members.	This information is set out in pages P23-24 of the Annual Report
FT ARM	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 possibly 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, an alternative	See Page 43 for process to access the Register of Interests.

	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.	

Gloucestershire Health and Care 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.

Douglas Blair
Chief Executive **19 June 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.

The Gloucestershire system is in segment '2' at time of writing (April 2023)

Current segmentation information for NHS trusts and foundation trusts is published on the NHS England website: https://www.england.nhs.uk/publication/nhs-system1oversight-framework-segmentation/

Statement of Chief Executive's Responsibilities as the Accounting NHS Officer of Gloucestershire Health and Care NHS Foundation Trust

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

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require Gloucestershire Health and Care 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 Gloucestershire Health and Care 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 Improvement, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the *NHS Foundation Trust Annual Reporting Manual* (and the *Department of Health and Social Care Group Accounting Manual*) have been followed, and disclose and explain any material departures in the financial statements
- ensure that the use of public funds complies with the relevant legislation, delegated authorities and guidance
- confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS foundation trust's performance, business model and strategy and
- prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern.

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

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

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

Douglas Blair, Chief Executive **Date: 19 June 2023**

Annual Governance Statement – 2022/23

1. Scope of responsibility

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

2. 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 Gloucestershire Health and Care 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 Gloucestershire Health and Care NHS Foundation Trust for the year ended 31 March 2023 and up to the date of approval of the annual report and accounts.

3. Capacity to handle risk

3.1 Leadership of the Risk Management Process

To support the Trust Board and myself as Accounting Officer, the Board has in place:

- An Audit and Assurance Committee, comprising only Non-executive Directors, to review the adequacy of arrangements for risk management and internal control.
- A Quality Committee to review and provide assurance that the appropriate integrated systems, processes and reporting arrangements are in place for all aspects of clinical governance and patient safety.
- A Mental Health Legislation Scrutiny Committee that receives assurance on the measures in place to ensure the Trust's continued compliance with the Mental Health Act, Mental Capacity Act, Human Rights Act and associated codes of practice.
- A Resources Committee to review and ensure assurance on Transformation, Sustainability, Innovation & Performance (all areas including financial).
- A Charitable Funds Committee that oversees the management, in accordance with Charity Commission requirements, of funds held on trust by the Board of Trustees.
- A Great Place to Work Committee that receives assurance on all aspects of workforce and organisational development, and related strategies, supporting the provision of great colleague experience that enables safe, high quality, patient-centred care.
- A Forest of Dean Assurance Committee that receives and provides assurance to the Board on the overarching delivery of the new Forest of Dean Hospital Programme, ensuring it is delivered on time, to the agreed budget and to a satisfactory quality.

These committees, chaired by Non-executive Directors, are directly accountable to the Board and report to it. The Committees' Terms of Reference, membership and objectives are subject to regular self-assessment and review to ensure that they remain

sufficiently focussed on relevant quality, performance and financial risks and to further improve coordination between Committees in their support of the Board.

In addition to the Committees outlined above, the Trust Executive meets on a weekly basis and is accountable to the Trust Board for enacting the Trust's strategic priorities.

Executive Directors have a portfolio of responsibilities, for which they will act as Executive lead for the Trust, and deliver through partnership working and liaison with Executive colleagues, to ensure that the Trust delivers its ambitions and meets its statutory and regulatory obligations. Lead Executive Directors have been identified for areas including Clinical Governance and Patient Safety, Service Delivery, Finance, Risk Management, Mental Health Act, Infection Prevention and Control, Safeguarding Children and Vulnerable Adults, Security, Service User Experience, Engagement and Integration, Health and Safety, Workforce and Organisational Development and Information Governance. They provide leadership for the management of the risks presented in their areas of responsiblity.

Under the remit of the Quality Committee, an Ethics Group was established in 2020 to support executive directors who were making decisions that had complex ethical considerations given the extraordinary circumstances resulting from the Covid-19 pandemic. This group did not meet during 2022/23, but continues to be part of the governance framework and can be enacted as required.

3.2 Training for Staff

The Trust has in place a number of policies and procedures designed to ensure the safety of its staff. These policies are supported by a suite of statutory and mandatory training which includes training to enable good quality care to be delivered across our services in both our inpatient units and community services while ensuring that both staff and service users are able to remain safe. Delivery of statutory and mandatory training is monitored within the Great Place to Work Committee, and incidents involving injury to or aggression towards staff are recorded and scrutinised regularly Health and Safety Management Group to identify areas for procedural or policy improvement and ensure that learning is disseminated throughout the organisation. Other Board Committees also reflect on training and development as relates to their remits.

To help minimise the number of incidents, ensure risks are appropriately controlled and to equip staff for their roles, all new staff are required to attend corporate induction training prior to commencing employment with the Trust, and to undertake a local induction during their first week in the work place. These are supported through a range of e-learning modules. For all staff, annual appraisals include a review of training including attendance at courses appropriate to their authority and duties. Monitoring, benchmarking and other means are used to identify examples of good practice that can be introduced into services and systems as appropriate.

3.3 Learning from Good Practice in the Management of Risk

The Trust takes steps to seek out and learn from good practice in terms of the management of risk. This includes compliance with guidance issued by the Department of Health, NHS England, the Care Quality Commission and other regulatory bodies. Additionally, to support the Trust in Learning from good practice it is an active leader and participant in the following groups:

- South of England Mental Health Quality and Patient Safety Improvement Collaborative (a network of eleven NHS Mental Health Trusts in the South of England which is funded and supported by the West of England)
- NHS Providers
- NHSP Community Network
- the South West Academic Health Science Networks (AHSNs).

The Board undertakes regular development in relation to Risk, most recently at a Risk Seminar in June 2023 – this focused on improving Board understanding of risk appetite and tolerance in the trust and how to best operationalise risk appetite in its decision making.

The Trust also keeps updated through:

- regular bulletins from its legal advisers and auditors outlining sector developments and good practice, including in terms of risk management;
- development reports from its External Auditor which also highlight relevant guidance in terms of risk management;
- actions arising from Internal Audit reports,
- reviews of incidents to ensure that lessons are captured and implemented in the organisation.

3.3 The Risk and Control Framework

Risk Management Strategic Approach – working with Partners

Through meetings, reports and correspondence the Chair, Directors and Chief Executive have regularly exchanged information about risks with NHS England, the Care Quality Commission and our system partners, including within the Gloucestershire Integrated Care Board (ICB), and Gloucestershire County Council. Whenever possible and appropriate the Trust works jointly with these partners to manage risks. The Audit Committee Chairs of the main system provider partners of the ICB are members of the ICB Audit Committee to support joint understanding and oversight of system risks.

Risk Management Approach

Risk management principles and practical risk management arrangements, including the duties of relevant committees, directors, managers, clinicians, specialist advisors and individual employees, are set out in the Trust's Risk Management framework. The framework is underpinned by, procedures, guidance documentation and training resources that contribute to the management and control of risk. The framework and supporting information have been brought to the attention of all managers and is widely available in all work areas through the Trust intranet. All managers are required to draw the attention of employees to their duties and responsibilities in relation to the identification and control of risks. The Board promotes a culture of openness in reporting without fear of unwarranted repercussions. This is reinforced in the advice and training given to staff.

The Risk Management framework sets out a process for the assessment and prioritisation of risks and describes the level at which risks may simply be monitored, those that must be treated and the level at which the Board must be informed of a risk and ensure that mitigating actions are in place and working. The Policy is kept under regular review and updated as necessary to reflect good practice and changes in practice. The Policy was last updated in May 2023.

Risk Management Process

The Trust has a detailed Risk Management Process which is set out within its Risk Management Policy, which was approved by the Audit and Assurance Committee on behalf of the Board. The framework includes clear roles and responsibilities to ensure risks are recognised and work undertaken to control them using a standardised approach for categorising risk in line with the guidance in the policy, which reflects national guidance**.**

Responsibilities - Managing and Monitoring of Risks

All colleagues within the Trust, including permanent, part-time, locum, interim bank and agency staff, volunteers, staff on honorary contracts and staff contractors are responsible for ensuring that they*:*

- are familiar with the Trust's risk management policies
- remain aware of local risk issues which may affect or impact upon their working practices
- suggest remedial actions in respect of the management of any local risks
- raise potential risks with their manager for consideration for addition to the Risk Register
- initiate appropriate action, within their sphere of responsibility, to prevent or reduce the adverse effects of risk
- participate in risk assessments as may be relevant to their individual post/specialty
- take reasonable care of the health, safety and security of themselves and others

*The **Trust Board*** supported by the Audit and Assurance Committee has overall responsibility for the management of risk across the organisation. Its specific duties include:

- Reviewing and re-evaluating the risk appetite for the organisation
- Ensuring an effective system of internal control including risk management across the Trust
- Receiving the Board Assurance Framework regularly at Board meetings, and advising on mitigations and actions as appropriate
- Receiving assurance reports from all Board subcommittees with regard to risks, internal controls and assurance, including the Audit and Assurance Committee

Board Committees consider risks at the threshold designated within the Risk stratification matrix that are within their remit and report to the Board where they consider further mitigation action is required.

*The **Chief Executive*** is responsible for risk management in the Trust. The Chief Executive ensures that the appropriate arrangements are in place to manage risk across the Trust and that staff are aware of their specific responsibilities, and processes are in place to identify and respond to training needs of employees. The Chief Executive ensures the Board is aware of the most significant risks for the organisation.

*All **Executive Directors*** are responsible for owning risks as managed in their areas of responsibility. This includes the duty for monitoring local systems of risk identification and control, recording and reviewing progress, escalating concerns where required, and tracking actions detailed within the Corporate Risk Register and Board Assurance Framework. The Lead for Risk Management is the Head of Corporate Governance (Trust Secretary).

The ***Directorate Risk Lead*** is a member of the Trust's workforce whose role and position gives them responsibility for the identification, management and mitigation of risks within their area of responsibility; and appropriate escalation of risk based on their risk score.

Risk leads are expected to take an active lead in ensuring that risk management practices and systems of internal control pertinent to their remit, are of the highest possible standard. Supporting the management of risks to reduce the risk score down to the target acceptable to the Trust where possible.

The ***Risk Manager*** is responsible for the management and oversight of the Corporate Risk Register and ensuring appropriate co-ordination with the Board Assurance Framework. This role reports to the Trust Secretary. Whilst not owning the risks on the Risk Register, the Risk Manager provides support, advice, challenge and guidance on the management of the risks.

The *Risk Management Group* regularly reviews all reported significant operational risks and all strategic risks to ensure a consistent approach to risk ratings, that risks are

being effectively managed in a timely way, escalated as appropriate and serves to enable a robust mechanism to provide feedback to local risk managers in respect of any risks which the Group deems incorrectly rated.

Risks are identified by the following methods:

- operational risks may be identified at any time by any member of staff. Such identification may result from any number of factors which may include the direct observation / identification of issues of concern within the workplace,
- emergency escalation processes
- Board and its Committees
- internal risk assessments of routine working practice
- internal audits, both clinical and non-clinical, of routine working practices
- internal evaluations that may include quality visits, peer reviews etc
- external evaluations that may include Care Quality Commission inspections, Healthwatch reports etc;
- external guidance or alerts that are issued by the Department of Health & Social Care, NHS England and Improvement and successor bodies
- a trend in under-performance within a particular service
- a trend in incidents or concerns arising from Serious Incidents Requiring Investigation (SIRI)
- a trend in complaints or other related quality issues
- a concern regarding a legal claim or Coroner enquiry
- Raised by colleagues at appropriate organisation forums [e.g. Team meetings]
- Fraud / Bribery /Corruption – response to the Trust's Counter Fraud, Bribery and Corruption policy.

Risk analysis and assessment

The Trust adopts the NHS National Patient Safety Agency (NPSA) matrix for assessing and analysing risk. An operational risk will be considered to be effectively closed when it is considered that the target risk score has been achieved and is sustainable. Risk closure is confirmed by the Risk Management Group. The combined risk management module on the Datix system is used to record all risks that are identified by the Trust and has a number of fields (some mandatory) which helps ensure that risks are consistently categorised and ownership recorded. A key category will to ensure that the risk is correctly allocated to a Locality or corporate directorate.

Risks will generally be input to the Datix system by staff who will have received appropriate training on risk management principles and the Datix system. The system's functionality will alert the Risk Manager of any new risk thereby providing an oversight control before the risk is signed off on the system.

Risk Appetite

The Board has set its Risk Appetite in line with good practice guidance following comprehensive consideration by the Board. The Risk Appetite is kept under ongoing review and informs the management of Risk through the organisation both within the Corporate Risk Registers and the Board Assurance Framework. The Risk Appetite was last reviewed and updated in Spring 2023.

How significant/high level risks are managed:

Significant/high level risks are escalated through local governance routes to the Executive Lead. These will be recorded with details of the risk owner and actions on the risk registers. All identified risks of this nature have robust plans and monitoring arrangements in place. These are reported to the Executive Team and progress monitored through the Board sub-committees.

Board Assurance Framework
The design of the Board Assurance Framework (BAF) was agreed by the Board. It adopts the NHS standard format and uses the BAF to identify risks to the delivery of the Trust's strategic objectives and also to capture the controls and assurance in relation to strategic risks. The Board and sub-committees review the BAF regularly, and update it to reflect progress in managing risks and environmental changes or concerns. The BAF is fully reviewed by the Board twice times a year and quarterly by Board Committees and it informs the Chief Executive in completing the Annual Governance Statement at the end of each financial year. The development and maintenance of the BAF is the responsibility of the Head of Corporate Governance (Trust Secretary).

Strategic risks are defined as those risks that, if realised, could fundamentally affect the way in which the Trust exists or operates, and that could have a detrimental effect upon the Trust's achievement of its strategic objectives.

Strategic risks are identified by Directors, and are aligned to the Trust's outline strategic objectives. The nominated lead for each strategic risk will be responsible for identifying controls and sources of assurance to ensure that these controls operate effectively. Any gaps will be identified and action plans put in place to strengthen controls Risks will be assigned to board or board committees for consideration at each meeting to provide appropriate visibility, monitoring and assurance.

Incident Reporting
All incidents are reported via the Trust's web-based incident and risk reporting system, Datix. Staff are trained in how to report incidents and this forms part of the Trust's corporate induction programme for new staff. Incidents are analysed on a quarterly basis and reported to the relevant committees within the Trust with patterns and trends identified to inform future actions.

Conflict of Interests Policy
A policy is in place to enable the Trust and its staff to manage conflicts of interest, this is in line with the guidance issued by NHS England in 2017 and includes provisions relating to interests, gifts and hospitality. Those elements of the policy relating to Directors and Governors have also been incorporated into the Trust's constitution to provide a sound footing for the open, honest and transparent management of potential conflicts. This Policy is regularly reviewed and updated where necessary.

The foundation trust has published on its website an up-to-date register of interests, including gifts and hospitality, for decision making staff (as defined by the Trust with reference to the Guidance) within the past 12 months as required by the Managing Conflicts of Interest in the NHS Guidance.

Raising Staff Concerns
The Trust is committed to delivering high quality services and in conducting its business with honesty, openness, candour and integrity promoting a culture of openness in which all colleagues are encouraged to raise concerns without fear of suffering detriment. The Trust has fully integrated the need for colleagues to speak up in line with the recommendations and in response to the independent 'Freedom to Speak Up' review 2015, led by Sir Robert Francis QC, and highlights the Trust's commitment to fostering a culture of safety and learning in which all colleagues feel safe and supported to raise concerns. These have been integrated into the Trust's Speaking Up at Work Policy which describes the various routes that staff can employ in order to raise concerns.

To complement the above policy the Trust has 'Work in Confidence', a web-based system enabling staff to have an anonymous and confidential dialogue to raise concerns with another colleague of their choice. This is highlighted to staff on an ongoing basis,

for example through global emails, updates from the Freedom to Speak up Guardian and through Corporate Induction etc.

The Trust has appointed and invested in, the Ambassador for Cultural Change, a unique role which incorporates the Freedom to Speak Up Guardian. She operates independently, impartially and objectively on all matters relating to concerns raised in the workplace, taking a highly visible leadership role in promoting the processes through which these concerns can be raised (including trust and confidence in the processes themselves). The wider role remit plays a key role in promoting a culture of transparency and service user safety.

To enhance the role and to ensure further visibility and diversity throughout the Trust, the Freedom to Speak Up Guardian is supported by Freedom to Speak Up Advocates, Dignity at Work Officers and the Trust leadership to support the organisation in becoming a more open and transparent place to work, where all workers are actively encouraged and enabled to speak up safely.

In addition to these more formal methods of raising concerns, the Trust has an additional and more informal way of making direct contact with the Chief Executive, to raise an issue or an idea or let him know when staff feel things are not going right. Messages are reviewed by the Chief Executive each week (or his deputy when he is on leave), and are discussed with the Executives as appropriate to agree any follow up actions. The staff member raising the issue receives a personal response from the Chief Executive within 14 days.

Performance Management
The Trust's Business Intelligence Team supports service delivery teams with information reports that identify data quality risks and provide service performance insight to inform decision and assurance. A Business Information Management Group meets regularly to monitor and oversee the performance of the organisation across all aspects of data activity to ensure that services are delivered to the highest possible standards for patients and service users.

In performing this function, it engages with senior leaders and information user groups who utilise information reporting systems data to identify risk, resolution and inform clinical and management decisions. It ensures that systems are in place for the effective performance management of contracts and services, and to support continuous improvement and service development.

The group acts as an assurance function to the Trust's Resources Committee and provides a forum for escalation of risks and issues that have not been resolved at a service delivery level. The group is required to prioritise and commission any necessary action required to fulfil this duty.

The performance reports produced are subject to robust challenge from management and the Board. To support this Service Directors and managers meet regularly with their respective teams to discuss any performance and finance concerns to inform the corporate awareness to developing risks and identify potential issues. Review meetings are held regularly with commissioning colleagues to provide assurance, give early warning of any potential quality or performance issues, and seek joint solutions where appropriate. **Collectively this ensures accurate reporting to the Trust Board against local and national operational and contractual targets.**

In addition to these control mechanisms, the Trust undertakes its own quality assurance reviews, audits and benchmarking exercises on a frequent basis across all services. The Trust takes advantage of a number of benchmarking opportunities which allow measurement of Trust service performance against local and regional comparators.

Financial performance is closely monitored by the Trust Board and Resources Committee at each meeting to ensure that financial plans are realistic and achievable, and that savings and expenditure plans are realised in accordance with the Trust's agreed financial plan and its external financial obligations.

Emergency Preparedness

The Trust has contingency response plans and a robust business continuity process to support the emergency preparedness assurance process. These processes demonstrate the Trust's ability to adapt to variations in demand throughout the year, and respond to risks such as staffing availability, severe weather, service pressures, increased demand on services, and bed availability. The Trust also considers its response as part of the Gloucestershire Integrated Care System. These plans and processes are subject to scrutiny both by the Executive and by the Board's Quality Committee to ensure not only that the Trust's own services are prepared, but that partners, are able to support the local health economy in maintaining patient flows within acute hospitals. An ICS Mutual Aid Agreement is also in place to allow sharing of staffing resources across partner organisations.

The Trust's systems are subject to regular major incident testing, to ensure that the Trust has adequate capacity, systems and expertise to respond to a major incident in the area. Plans for and outcomes of these tests are reported to the Audit and Assurance Committee. Cyber security risks, particularly those relating to clinical and other IT systems, are also captured in the annual data security standards declaration submitted by the Board each year to NHS Digital.

Clinical Audit and Assurance Processes - The Trust regards clinical audit and clinical assurance processes as important tools in promoting the adoption of clinically effective practice and is committed to maintaining an effective programme of review which includes participating in national audits.

Internal Audit - The integrity of the Trust's arrangements for both general and financial management and control is a fundamental requirement of sound risk management. The Trust actively commissions a comprehensive programme of internal audit designed to provide assurance on the main risks of the Trust, and responds positively to the auditor's findings and recommendations.

A full programme of internal audit reviews was completed for the year ending 31 March 2023. Audits are classified in relation to Design Opinion and Design Effectiveness with the levels of assurance defined as substantial, moderate, limited, no. Recommendations are classified as high, medium or low risk as appropriate. 3 high risk findings were reported overall, across the internal audit programme. The Trust's Audit and Assurance Committee continues to monitor progress, to provide assurance that improvements to these processes have been progressed and embedded.

Health and Safety – The Trust has a specialist Health & Safety team to oversee the compliance with health and safety legislation and internal H&S policies as it is central to the welfare of staff and service users. These processes have supported the Trust's response to Covid-19 and risk assessment work has included consideration of Health, safety, security and wellbeing.

There is an annual health and safety audit to assess compliance with H&S regulations; risk assessments are carried out at each site and team and the risk assessments are shared with all staff; there is a programme of training (all staff attend induction which includes H&S eLearning and ongoing local induction at site). Statutory/Mandatory H&S training has been implemented for all band 7 and above managers.

Codes of practice and procedures are monitored by the Health & Safety and Security Management Group. The Group pays particular attention to health and safety, security, and fire compliance training, and receives regular assurance reports on these issues.

Training – The Trust recognises that ensuring the delivery of transformational education, training and development, underpinned by our values, will help us respond to changes in service requirements and will support colleagues to deliver safe, effective, evidence based and compassionate care. This work is overseen by the Workforce Management Group and the Board Great Place to Work Committee.

Quality Governance

The Trust has robust arrangements in place to monitor and improve the safety, experience and effectiveness of care provided to those who use our services, to support delivery of NHS Improvement's Quality Governance Framework, and to provide the Board with evidence which in turn enables the Board to make an informed declaration of compliance to NHS Improvement as and when required.

Quality is a central element of the Trust's vision and values, organisational strategy, and annual business plan. Together with the Quality Report, these mechanisms enable the Board to take assurance that quality governance is embedded into the organisation. For 2022/23 the Trust produced a quality report in line with its usual processes, which include engagement from stakeholders. The report will be available on our website.

The Board is supported in identifying risks to quality through the work of its committees, notably the Quality Committee which reviews quality matters on a bi-monthly basis as a minimum, is constantly challenging of what we can do to continuously improve, and reports to the Board on these issues. The Quality Committee is supported by a monthly management meeting, which undertakes detailed scrutiny of safety and quality issues and provides onward assurance to the Quality Committee.

The Audit and Assurance Committee also considers quality and the governance processes, and is supported by a programme of internal audits. Aspects of quality which are considered to be higher risk are included in the clinical audit and assurance programme, with action plans arising from these audits being monitored by the appropriate committee to ensure implementation and delivery of the intended outcome. Care Quality Commission outcome standards are allocated to specific directors, and both the Board and the Quality Committee receive regular reports on CQC compliance. The Trust is fully compliant with the registration requirements of the Care Quality Commission.

Board agendas include a number of standing items relating to quality, including reports on Patient Safety and Serious Incidents, Learning from Deaths Quality Report monitoring. A comprehensive monthly performance dashboard provides timely monitoring information on all quality targets, and data assurance processes are in place to ensure that quality information presented to the Board is robust.

The Trust continues to ensure that its response to the publication of the Mid Staffordshire NHS Foundation Trust Public Inquiry (the Francis report), and the subsequent report by Professor Don Berwick 'A promise to learn – a commitment to act: Improving the safety of patients in England' a comprehensive and ongoing programme of engagement in order to identify and embed learning is active, with progress monitored by the Executive. The Quality Committee receives regular updates on safe staffing levels in inpatient wards.

The Board and Council of Governors have jointly developed a number of measures designed to improve quality by enabling both bodies to work more effectively together on an ongoing basis. These include a detailed Governor role description, a detailed Governor induction process, a governor dashboard with key quality indicators, Governor

site visits with Non-Executive Directors, ongoing review of working processes and training on the role of the Council.

The Medical Director and Director of Nursing, Therapies and Quality take the executive lead for quality, working closely with the Chief Executive and other Directors, and for assessing Quality Impact Assessments in respect of every cost improvement programme to ensure that adverse safety impacts are avoided and adverse quality impacts other than safety are mitigated. The Director of Nursing, Therapies and Quality is the lead Executive for service experience and complaints. The Board takes an active leadership role in quality in order to promote a quality-focused culture throughout the Trust, and Non-Executive Directors participate in a programme of service/quality visits. Executive Directors visit clinical and non-clinical sites regularly through a range of engagement processes. The organisation is structured to enable quality accountability in appointed Clinical Directors, Heads of Profession, and Lead Nurses. A Quality Management Team provides support in embedding this quality culture and ensuring that learning is captured from complaints, incidents and other initiatives.

The Trust has a policy of Learning from Deaths in Care, in line with guidance, and the Trust Board receives a quarterly dashboard report at a public meeting, setting out relevant data on deaths in care and learning actions taken as a result. The Trust publishes an annual overview of this in its Quality Report.

During the year the Trust participated in a number of initiatives which demonstrate the Trust's commitment to clinical continuous improvement. These activities enable the identification of learning themes which can be implemented within the Trust and fits with our organisational aim to make life better for those who use the Trust's services.

The Trust actively engages with patients, staff and other key stakeholders on quality; the Quality Report and public Board papers are published, and quarterly updates on the Quality Report are shared with stakeholders such as the Integrated Care Board, Gloucestershire Health Overview and Scrutiny Committee and Healthwatch and feedback is encouraged and provided within the Annual Quality Report. The Board receives a 'patient story' at each meeting in public, providing an opportunity for the Board to hear first-hand service users' experience of the Trust's services. Stakeholder sessions comprising Trust staff, experts by experience, voluntary and community sector representatives, and Trust Governors provides further opportunities for the Trust to engage with its stakeholders and to understand their views, and the Working Together Advisory Group has been operating for a year, and its first strategy has been developed. The Council of Governors' agenda also includes regular items on service and quality issues, and there is active development of patient and carer experience through the Director of Strategy and Partnerships.

Regular surveys of service users inform the quality debate and help to ensure quality of service. These surveys include a 'How did we do?' survey which combines the "Friends and Family Test" and "Quality Survey" and is used for all Trust services apart from Talking Therapies and CYPS/CAMHS, where alternative service experience feedback systems are in place. Survey results are reported internally, locally to our Commissioners, and nationally to NHS Benchmarking. The Friends and Family Test survey provides a link for people to complete additional Trust Quality Survey questions which provide people with an opportunity to comment on key aspects of the quality of their treatment, such as the provision of information, and the opportunity to be involved in agreeing the care they receive.

The CQC undertook a formal inspection of the Trust's core services, where it was graded "Good", together with a review against the 'Well-Led Framework', where it was also graded "Good", - in April and May 2022. Full details of the reviews are available on the GHC and CQC websites. The grading for "are services safe" was "Requires

Improvement" and work to respond to this, and other areas highlighted for improvement are ongoing. The Trust is committed to ensuring continuous improvement.

Review and Assurance – Each level of management, including the Board, frequently reviews the risks and controls for which it is responsible. These reviews are monitored by and reported to the next level of management and the results recorded on the risk register. Any need to change priorities or controls is either actioned or reported to those with authority to act. Lessons that can be learned, from both successes and failures, are identified and disseminated to those who can gain from them. The Board ensures an appropriate level of independent assurance is provided on the whole process of risk identification, evaluation and control.

Information Governance – The Trust maintains a number of systems and processes to ensure that all information, but particularly person-identifiable information, is kept safe, accurate and only shared with appropriate authority and lawfulness.

The Trust has appointed, at Board level, a Caldicott Guardian and a Senior Information Risk Owner to oversee this. A detailed report on our Information Governance processes, produced by our Senior Information Risk Owner is available on our website. This report updates in more detail on Information Governance, Clinical Coding and Health Records, Data Quality and Cyber Security.

The Trust's processes and operating practice are driven by the relevant guidance and legislation.

The Trust actively encourages the reporting of information governance incidents and near misses. These are investigated internally where it is appropriate to do so, and incident trends and themes are reported to and reviewed by the Information Governance Group to ensure that learning is appropriately cascaded throughout the organisation. The Trust had 2 incidents during the year which met the criteria for reporting to the Information Commissioner's Office (ICO), as set out in the Data Security and Protection Incident Reporting Tool. The required steps advised were taken.

Information Governance Controls have been reviewed and updated as required in response to increased offsite working and greater use of digital technology, in response to both Covid 19 and the Trust's evolving Digital Strategy.

Involvement – The Trust aims to involve service users, carers, members, the local community and its own staff in matters that affect them and to ensure the manner of their participation will enhance their own confidence that the Trust and its employees will always act professionally, and listen to and take account of their views. The Trust has an established membership and a Council of Governors which represents the interests of constituents and members of the public. This is further enhanced by the Working Together Advisory Group. The Trust has developed a Working Together Strategy which will improve still further its communication and engagement with stakeholders. The Trust is also a member of both the Regional and local Gloucestershire Social Partnership Fora, which provides an established route for regional and local health and social care employers to engage with and involve local and regional trades unions.

In line with other NHS employers, the Trust undertakes an annual staff survey. The Trust encourages participation in this survey from all staff, including from 2022 bank staff, rather than a representative sample. Results of the annual staff surveys are published by NHS England in March. The outcomes of the surveys are reviewed by Board and action plans to address issues raised by the survey results are prepared by the Trust, and approved and monitored through the year by the relevant Board Committee, which provides onward assurance to the Trust Board. Alongside the annual staff survey, the Staff Friends and Family Test has become firmly embedded as a regular quarterly check to determine staff attitudes on the Trust as a provider of care,

and as a place to work. Regular NHS Pulse Surveys, alongside ad hoc health and wellbeing surveys are also undertaken.

The Duty of Candour is considered in all the Trust's serious incident investigations, and we include service users and their families and carers in this process to ensure that their perspective is taken into account. We provide feedback to service users, families and carers on conclusion of each investigation. The Trust is a participant in the Triangle of Care programme, a national scheme bringing carers, service users and professionals together to offer support to adult and young carers.

Holding Non-Executives to account - The Council of Governors holds the Trust's Non-Executive Directors to account for the performance of the Board through sessions at each Council of Governors' meeting. This is done by focussing on the activities of a Non-Executive Director in his/her role as the Chair of one of the Board's Committees in providing challenge, triangulating information, and obtaining assurances which may be passed on to the Trust Board. The Council of Governors is aided in this function through review of a Governor Dashboard which enables them to highlight issues of concern to drill into with the Non-Executives. Governors also attend the Trust Board as members of the public, thus enabling them to gain further assurance as to the effectiveness of Non-Executives in holding the Executive to account.

Equality and Diversity - Supporting its work on human rights the Trust utilises the Trust's Diversity and Inclusion Policy and the Workforce Race and Disability Equality Schemes as the basis for ensuring it meets its legal obligations under the Equality Act 2010. Feedback obtained from service users, carers, volunteers, staff, partner agencies, volunteers and others enables the Trust to reduce health inequalities based on a protected characteristic, reduce stigma and discrimination and improve our working environment and employment practices. The Trust requires equality impact assessments to be undertaken on all policies, practices, activities, services and cost improvement programmes. These are then reviewed by trained nominated individuals in the Trust prior to being published on the Trust's intranet. Through the use of equality impact assessments, the Trust makes reasonable adjustments to ensure people with protected characteristics have their rights secured and are provided with fair and appropriate access to high quality care. The Trust published an annual Equality Statement as required by the Equality Act 2010, made its annual submission of data to the Workforce Race and Disability Equality Standards, and has continued to develop its commitment to equality this year by implementing changes to its service planning process and embedding the use of the Equality Delivery System into service delivery. The Trust has also published its annual Gender Pay Gap report and has an accompanying action plan to support this. The Board of Directors has published a statement of support and related intent. The Trust encourages applications from under-represented groups for election as a Governor or appointment as a Non-Executive Director, as well as in other areas of under-representation.

The Trust was the first mental health NHS trust in the country to sign the Armed Forces Corporate Covenant, and in doing so has committed to the Covenant's two core principles:

- no member of the armed forces community should face disadvantage in the provision of public and commercial services compared to any other citizen; and
- in some circumstances special treatment may be appropriate, especially for the injured or bereaved.

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with. Human Rights control measures are monitored by the Mental Health Legislation Scrutiny Committee through scrutiny of Key Performance Indicators regarding the Mental Health Act, Deprivation of

Liberty Safeguards and Mental Capacity Act, and by scrutinising audits of compliance with requirements to ensure patients and their carers are informed and aware of their rights.

Processes to Assess Risks to Compliance with Trust Licence

In addition to supporting the Trust's Risk Management Strategy, the structures, policies and procedures set out in this Annual Governance Statement also allow the Trust to address risks to compliance with the terms of its licence. One such risk is that the Trust's governance structures and reporting lines may not be sufficiently focussed to enable an appropriate level of oversight of the Trust's operations, management and control. The Trust takes a number of actions to mitigate this risk: The Trust's governance structures are subject to regular review to ensure that they remain fit for purpose and to maintain compliance with relevant legislation, licence conditions and good practice. Committee membership and responsibilities are regularly reviewed and revised where necessary to ensure continued oversight of performance standards.

Alignment of Board and Committee dates where possible ensures that Committees provide appropriate challenge to management and provide onward assurance to the Board based on the latest available information.

The Trust's Annual Governance Statement also provides assurance to the Board that risks to compliance with the terms of its licence are being appropriately addressed. Before signing off its Annual Governance Statement, the Board receives and reviews a detailed report summarising the evidence upon which the Board might rely in making each individual declaration within the Annual Governance Statement. The Board also considers reports it has received through the year and takes account of the work undertaken through the year by its Committees in assessing the Trust's performance, overseeing compliance with relevant legislation, and ensuring the efficient, effective and economic operation of the Trust.

The Council of Governors provides a further layer of governance to monitor compliance with the license. The Council receives regular training to support this. In January 2023 it received training from NHS Providers on the Governor Role in System Working following the passing of the Health and Care Act 2022.

Workforce Strategy

We have put in place our 2021-2026 People Strategy. This takes account of and is aligned with the following national, regional and local guidance and plans;

- The NHS People Plan published in mid-2020
- The People's Promise
- Stepping Forward to 2020/21: the mental health workforce plan
- The Gloucestershire ICS People Plan and Strategy (2021).

This strategy reflects what matters most to our colleagues and sets out our ambitious but realistic plans for the next five years. In line with our values we will continue to listen and work in partnership with colleagues as well as patients, carers and communities.

Our strategy outlines a wide range of plans and priorities, including:

- Attracting and retaining colleagues with a focus on job design, digital enablement, flexible working and innovative roles
- Developing our health and well-being offers to support all colleagues
- Creating a supportive culture with great values and behaviours
- Enabling people to have strong voices, to be influential and empowered
- Ensuring equality, diversity and inclusion are at the heart of what we do
- Offering opportunities for people to reach their full potential, by ensuring they are appropriately skilled to provide consistently great services, that there are succession

planning and talent management approaches in place to ensure a sustainable future workforce.

This Strategy is monitored by the Board and the Great Place to Work Committee.

Recruitment within specific staff groups remains a national challenge and a key risk for the NHS. Taking account of NHSI guidelines for 'Safer Staffing and Developing Workforce Safeguards', we have put plans in place and continue to develop these through our strategy to mitigate workforce risks and challenges.

Approach to Workforce Planning

Our approach to workforce planning relies on the output of focussed operational modelling, completed for a number of strategic and transformational priorities across our integrated physical and mental health services as part of the NHS Improvement (NHSI) Operational Workforce Planning self-assessment. Our Trust continues to work with partners across the Integrated Care System (ICS) to identify opportunities for additional training, upskilling and the development of new roles and new ways of working. A small number of GHC colleagues have completed specialist training provided by Health Education England in the use of workforce modelling tools, NHSI demand and capacity training for operational colleagues. We share a system wide approach to workforce planning in partnership with ICS provider colleagues and use this to inform the system workforce narrative and planning submissions.

Key priority areas in 2022-23 included:

- Modelling the future workforce requirements of the Forest of Dean Hospital
- The incentivisation of hard to recruit and high turnover roles such as, Home first and Reablement services, Wotton Lawn inpatient nursing and Estates and Facilities roles.
- The management and review of the impact of national workforce challenges particularly for CAMHS and Talking Therapies services.
- Focus on our ambitious Community Mental Health Transformation workstream, with future workforce modelling support from Health Education England, presenting both risks and opportunities for workforce in terms of supply, new roles and ways of working, leadership and upskilling.
- The commencement of the development of alternative roles and new ways of working across Eating Disorder services and continued work to embed roles such as the Band 4 Nursing Associate role across a range of services within our Trust.
- Continued partnership working with our universities, including the offer of an increased number of student placements to nurture our vital district nursing workforce pipeline.
- The successful recruitment of International Nurses to work in our Community Hospitals and more recently our Mental Health services, providing an important recruitment pipeline of qualified Nursing colleagues.
- Recruitment for rotational therapy posts, with more new graduates anticipated to join in the summer. We are also supporting the career development into Assistant Practitioner roles and Physiotherapy Practitioners in support of the Additional Roles Reimbursement scheme.

Our governance structure integrates finance, workforce and performance considerations at Board level, supported by its assurance committees which meet bi-monthly and consider planning and assurance regarding the affordability, capacity, capability and transformation of the workforce. The Great Place to Work Committee receives workforce key performance indicators (KPIs), including staff survey and friends and family test ratings. The Quality Committee also considers workforce in relation to the safety and

quality of our service delivery to our patients including safer staffing, appraisal, statutory and mandatory training.

Within the Gloucestershire ICS, workforce plans and issues are shared, discussed and progressed through the ICS Workforce and Organisational Development Steering Groups and their respective subgroups reporting to the operational One Gloucestershire People Board, and from summer 2022 the ICB People Committee too. The Trust and the ICS has representation and input to the regional People Board and a range of other related regional workforce meetings.

The Trust's Highest-Level Risks and their proposed mitigations to reduce them to target level

Risk	***Mitigations***	***Assessment***
There is a risk of demand for services beyond planned and commissioned capacity, which cannot be managed through usual mechanisms, resulting in services not meeting the expectations of our community leading to poorer outcomes for patients and service users and- potentially reinforced health inequalities. The risk is exacerbated by the challenge of recovery from the pandemic, with potential for more disruption in the event of further spikes/variants.	Performance Reviews and Deep Dives are ongoing to assess issues, impact on patient outcomes and highlight areas of focus. Work to build capacity and self-care is ongoing and will continue to be actioned through co-production. Relationship with commissioners and MPs continues to receive focus. We are now in the early stages of work to define the future capacity and capability required of the community estate with a view to enhancing our service offer to support independence. We maintain a full suite of service improvement plans with are regularly reviewed at operational and governance level. A Project is being undertaken to resolve data quality issues relating to physical health and the information held in the clinical system to enable an accurate waiting list position across services is making strong progress, on track for completion by the end of the financial year. However, greater system intelligence/collaboration is required to understand future demand and how our services may be further impacted by other changes/challenges within the system. We have developed a plan to reconfigure service around local partnerships will be brought to Board in due course.	Demand for our services remains high. The enduring and consistent level of high pressure on our services has an ongoing impact on staff wellbeing and retention. The relationship between health and social care (and social care funding) remains to be resolved at a national level. This continues to manifest itself locally. The recent Newton Europe diagnostic intervention identified areas for improvement which are currently be prioritised; the next phase of implementation is being mobilised at system level from March 2023 (in the meantime, actions under our direct control are being taken forward). To date relationships with Commissioners remain supportive, but we need to ensure clear understanding of the volumes we are dealing with and how we are supporting Health & Care provision across the County.
Risk	***Mitigations***	***Assessment***
There is a risk that we fail to recruit, retain and plan for a sustainable workforce to deliver services in line with our strategic objectives.	Specific recruitment and retention initiatives in progress include the Widening Access/Apprenticeship Hub, international recruitment programme with a cohort of 30 RGNs in place, with RMNs in the pipeline; targeted recruitment for key areas including Home First and Bank, a pilot of bank pay rates and incentives; a pilot of retention incentives for Wotton Lawn	This continues to be recognised nationally, regionally and within the Trust as a key risk for the NHS. The Board has developed its People's Strategy to respond and will be working to lower this risk through the implementation of this Strategy which will be monitored by the Great Place to Work Committee. Old to be reviewed

	Hospitals RMNs, a pilot of Refer and Friend Scheme and the commencement of the new NHS Cadet Scheme. The sustainable staffing oversight group in place.	

The Trust achieved its control total following effective delivery of the Cost Improvement Plan.

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.

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

The Trust committed, in March 2020, to sustainability, with "sustainable" identified as one of the four strategic aims to achieve our vision. In January 2022, the Trust board approved its Green Plan. This commitment was identified following thorough engagement with stakeholders and was supported throughout this process as a core enabler. This is underpinned by a number of strategic priorities, of greatest impact here is to "Focus on sustainable delivery and be a good citizen". An example of this commitment is that the Trust has signed up to the NHS plastics pledge and committed to reducing single use plastics in out catering and office environments**.**

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

The Trust has a number of key processes designed to ensure the economy, efficiency and effectiveness of the use of resources. These include;

- Bi-monthly monitoring by the Board of Trust performance in relation to contracts, services, financial performance and associated risk ratios, training and attendance targets, resource usage and the delivery of national and local target trajectories.
- The use of reference cost benchmarks for service review and economic improvement
- The use of Patient Level Information and Costing to enable the Trust to understand better its cost structure, improve the potential for benchmarking, and inform future cost improvement programmes
- The use of internal audit to review the efficiency and effectiveness of corporate business processes
- Active management of NICE Technical Appraisals and Guidelines implementation including planned audits
- Service and pathway redesign within the Trust's services

The Executive has responsibility for overseeing the day-to-day operations of the Trust and for ensuring that resources are used efficiently, effectively and economically.

At a strategic level, the Resources Committee receives assurance on the efficient, economic and effective use of resources and provides onward assurance on these matters to the Board through its bi-monthly summary report.

Internal Audit conducts a review of the Trust's internal control systems and processes as part of an annually agreed audit plan. This review encompasses the flow through the organisation of information pertaining to risk and assurance. It ensures that systems are in place, are appropriate, and can be evidenced by a range of documents available within the organisation. Internal audits have reviewed the governance arrangements within the organisation over a range of financial and other functions to ensure that there is an appropriate and robust approach to the use of resources.

The Trust knows that staff are its biggest resource and account for its highest expenditure. The Trust is committed to minimising its expenditure on agency staff and has set up a Sustainable Staffing Group led by the Chief Operating Officer working in collaboration with the Director of HR and Organisational Development.

The Trust ended the year with a segmentation rating of 2 under NHS Improvement's System Oversight Framework.

Annual Quality Report

Gloucestershire Health and Care NHS Foundation Trust has built on its existing clinical data quality arrangements and put in place the following actions to support data quality:

- We have aligned our performance monitoring tools and data warehousing to facilitate the needs of a progressive, integrated health and care organization;
- Data quality oversight is provided through a governance structure which includes the Trust's Resources Committee, Business Intelligence Management Group (BIMG) and operationally led Performance & Finance meetings. Collectively these raise the profile of performance and data quality amongst operational leaders and educates them in how to get the most from the Business Intelligence tools and visualisations available;
- Data quality is owned by operational service directors and supported through Business Intelligence (BI) business partnering;
- We have progressed our automated suite of internal data quality reporting tools to support daily monitoring and early warning notifications so operational managers can observe and are alerted to any identified data quality gaps;
- An integrated, single infrastructure platform has been developed that brings many data sources together into one place and has been rolled out to all inpatient and community teams across mental health, learning disability and physical health;
- Patient Tracking Lists have been expanded to provide an overview off all clients within the service detailing waiting times from the referral to treatment and then waiting times between appointments;
- Service level performance scrutiny will continue through focused Service Recovery Action Plans, reviewing all aspects of service performance and data quality focusing on demand, capacity, outcomes and risk

The Trust has processes in place to ensure that data is used to inform reporting and decision making and are subject to a system of internal control and validation. Internal and external reporting requirements have been critically assessed and data provision is reviewed regularly. Data is used to populate a Performance Dashboard which is reviewed by Executives, the Resources Committee, Service Directorates and the Trust Board, subjected to appropriate levels of challenge, and used to inform strategic and operational decision making and monitor performance. The Performance Dashboard contains information about performance in relation to national and local targets and contractual obligations including waiting times, quality targets, internal 'stretch' performance targets and other internal performance measures regarding finance and human resources. Work is ongoing to review the Dashboard to ensure that the Trust is "measuring what matters".

Financial and performance data are subject to scrutiny and challenge by the Resources Committee and the Audit and Assurance Committee, in order to provide assurance to the Board. Non-Executive Directors chairing these Committees will request further clarification and assurance in the event that information initially presented is unclear.

A Clinical System User Group, which covers all clinical systems is in place and provides a forum to ensure that data quality issues arising from the use of the Electronic Patient Record System can be tackled consistently across all Trust services

A number of mechanisms exist to ensure that staff have the knowledge, competencies and capacity for their roles in relation to data quality. Managers monitor staff competencies and development needs through the annual appraisal process, and ensure that staff have access to appropriate training opportunities. The Trust has put training programmes in place to ensure staff have the capacity and skills for effective collection, recording and analysis of data. Clinical System training is provided to all appropriate staff, and support materials are available on a dedicated intranet page. Individual members of staff have their own training records and are responsible for identifying their own individual skill requirements in relation to data quality.

The Trust has a comprehensive suite of care practice policies in place to ensure the quality of care provided to service users. Care practice policies are subject to regular programme of consultation, review and update to incorporate emerging good practice and inform existing training and awareness programmes. An annual programme of local audits measures compliance against these policies, and results are reported to the Quality Committee or Mental Health Legislation Scrutiny Committee as appropriate.

In the development of the annual Quality Report, the Trust draws on several sources of information and data to develop a holistic analysis of its performance against nationally and locally defined quality measures. These have included internal data and information such as clinical audit findings, patient care performance data and NICE compliance. The Trust has also drawn on information from independent studies such as the patient survey, staff survey and achievement of CQUINs, as well as external bodies such as the Care Quality Commission assessment of compliance. This triangulated approach provides assurance that the information provided to the Trust Board on its Quality Reports is both measured and objective.

We have involved stakeholders including Governors, Healthwatch, Overview and Scrutiny Committee and commissioners, in the development of our Quality Report objectives and have taken that opportunity to include many of their very useful comments and suggestions. The comments received indicate an agreement that the Quality Report is representative and that there are no significant omissions of concern. Our commissioners have confirmed that the accuracy of the data presented in the Quality Report accords with the data and information they have available and that there are robust arrangements in place to monitor and review the quality of services. Quality Reports are produced on a quarterly basis and shared with commissioners and stakeholders to enable continuous feedback to be collected.

7. Review of effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the internal auditors, clinical audit and the executive managers and clinical leads within the NHS foundation trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system

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

The assurance framework provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its principal objectives have been reviewed.

The Head of Internal Audit Opinion at the end of the year was ‘‘**moderate** assurance that there is a sound system of internal control, designed to meet the Trust’s objectives and that the controls are being applied consistently.’’ In forming this view the following has been taken into account:

- All internal audits undertaken by BDO LLP during 2022/23: The Key Financial Systems and Data Quality audits which are core control reviews, produced moderate opinions
- Any follow-up action taken in respect of audits from previous periods for these audit areas: The Trust has a good record of implementing audit recommendations
- We have closed all but three prior year recommendations and management are proactive in discussing plans to address risks identified in the 2022/23 audits. The three prior year recommendations relate to audits of Cyber Security and Data Security and Protection Toolkit completed in 2020/21 by the Trust’s previous auditors. The completion of these recommendations has relied on work to be completed by the Countywide IT Services (CITS) which is led by Gloucestershire Hospitals NHS FT, and therefore out of the direct control of the Trust. The Trust’s Associate Director of Digital Services has ensured these recommendations remain a key priority for CITS and both areas will be reaudited in the 2023/24 audit plan
- Whether any significant recommendations have not been accepted by management and the consequent risks: all recommendations were accepted by management
- The effects of any significant changes in the organisation’s objectives or systems
- Matters arising from previous internal audit reports to Gloucestershire Health and Care NHS FT
- The Trust has reported a year end surplus of £32k against a break-even plan
- The effects of any significant changes in the organisation’s objectives, organisation or systems
- Whilst one area was given a rating of limited effectiveness for operational effectiveness of controls, all recommendations were accepted by management for implementation or further discussion. Additionally, the two high priority recommendations raised within the audit have been mostly addressed and are now medium priority with significant progress made.

The following assurances have been considered in maintaining and reviewing the effectiveness of the system of internal control:

- The Board has reviewed its assurance framework.
- The Board or its committees have considered all major assurance reports received by the Trust and ensured action plans were developed to address any weaknesses.
- The Board has received reports on the revalidation of medical staff.
- The Quality Committee has received regular reports on revalidation of nursing staff, and on professional regulation for Health and Social Care staff.
- The Quality Committee has received bi-monthly reports on safe staffing levels.
- The Board has received bi-annual reports on safe staffing levels.
- The Audit and Assurance Committee has reviewed all internal and external audit reports and ensured action is taken to address the recommendations, and has

provided an annual report to the Board setting out the Committee's work during the year.

- The Audit and Assurance Committee has received reports on various aspects of internal control, including prompt payment, losses, special payments and waivers, and has received regular reports from the Local Counter Fraud Specialist.
- The Audit and Assurance Committee has considered the risks of material mis-statements in the preparation of the annual accounts.
- The Quality Committee has also considered the results of the monitoring of incidents and complaints to ensure any lessons were carefully reviewed and acted upon.
- The Board and Quality Committee have monitored arrangements for the prevention and control of infection. They have also monitored all service areas and continued the implementation of a substantial clinical governance development plan.
- The Quality Committee has received regular clinical audit reports in order to take assurance regarding compliance with national and local policies and processes, and has requested and received assurance on actions taken to address any identified areas of improvement.
- The Risk Manager has reported on the management of the risk register and supporting processes.
- Non-executive and Executive Directors have visited services and met staff, service users, carers, members and governors as part of an informal programme of review, using virtual processes where necessary to meet restrictions on physical meetings.

Conclusion

The Trust firmly believes that it has comprehensive and robust governance processes in place. No significant internal control issues have been identified.

Signed

Douglas Blair, Chief Executive **19 June 2023**

Foreword to the accounts

Gloucestershire Health and Care NHS Foundation Trust

These accounts, for the year ended 31 March 2023, have been prepared by Gloucestershire Health and Care NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 within the National Health Service Act 2006.

Gloucestershire Health and Care NHS Foundation Trust provided mental health services and physical health services to the populations of Gloucestershire.

Signed

Douglas Blair
Chief Executive
19 June 2023

Consolidated Statement of Comprehensive Income

	Note	Group 2022/23 £000	2021/22 £000
Operating income from patient care activities	3	268,693	251,572
Other operating income	4	20,330	8,598
Operating expenses	6,8	(302,103)	(253,898)
Operating surplus/(deficit) from continuing operations		**(13,081)**	**6,272**
Finance income	10	1,158	45
Finance expenses	11	(179)	(15)
PDC dividends payable		(2,804)	(2,717)
Net finance costs		**(1,825)**	**(2,687)**
Other gains/(losses)	12	0	0
Surplus/(deficit) for the year from continuing operations		**(14,905)**	**3,585**
Surplus/(deficit) on discontinued operations and the gain/(loss) on disposal of discontinued operations	14	0	0
Surplus/(deficit) for the year		**(14,905)**	**3,585**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	7	(6,623)	(177)
Revaluations	20	5,487	4,539
Total comprehensive income/(expense) for the period		**(16,040)**	**7,947**
Surplus/(deficit) for the period attributable to:			
Non-controlling interest, and		0	0
Gloucestershire Health and Care NHS Foundation Trust		(14,905)	3,585
TOTAL		**(14,905)**	**3,585**
Total comprehensive income/(expense) for the period attributable to:			
Non-controlling interest, and		0	0
Gloucestershire Health and Care NHS Foundation Trust		(16,040)	7,947
TOTAL		**(16,040)**	**7,947**

All transactions within the Statement of Comprehensive Income are attributable to the beneficiaries of the Trust (taxpayers).

Statements of Financial Position

	Note	Group 31 March 2023 £000	Group 31 March 2022 £000	Trust 31 March 2023 £000	Trust 31 March 2022 £000
Non-current assets					
Intangible assets	15	1,371	958	1,371	958
Property, plant and equipment	17	113,686	123,276	113,536	123,126
Right of use assets	21	17,715	0	17,715	0
Receivables	28	1,085	542	1,085	542
Total non-current assets		**133,857**	**124,776**	**133,707**	**124,626**
Current assets					
Inventories	27	406	493	406	493
Receivables	28	19,539	10,872	19,539	10,872
Non-current assets held for sale	31.1	3,698	0	3,698	0
Cash and cash equivalents	32	49,092	59,205	48,836	58,896
Total current assets		**72,735**	**70,570**	**72,479**	**70,261**
Current liabilities					
Trade and other payables	33	(43,224)	(36,358)	(43,215)	(36,250)
Borrowings	35	(1,447)	(109)	(1,447)	(109)
Provisions	37	(7,881)	(4,246)	(7,881)	(4,246)
Other liabilities	34	(1,107)	(2,409)	(1,107)	(2,409)
Total current liabilities		**(53,659)**	**(43,122)**	**(53,650)**	**(43,014)**
Total assets less current liabilities		**152,933**	**152,224**	**152,536**	**151,873**
Non-current liabilities					
Trade and other payables	33	0	0	0	0
Borrowings	35	(15,297)	(1,253)	(15,297)	(1,253)
Provisions	37	(2,479)	(2,548)	(2,479)	(2,548)
Total non-current liabilities		**(17,776)**	**(3,801)**	**(17,776)**	**(3,801)**
Total assets employed		**135,157**	**148,423**	**134,760**	**148,072**
Financed by					
Public dividend capital		130,166	128,280	130,166	128,280
Revaluation reserve		10,053	11,188	10,053	11,188
Other reserves		(1,241)	(1,241)	(1,241)	(1,241)
Income and expenditure reserve		(4,218)	9,845	(4,218)	9,845
Charitable fund reserves	26	397	351	0	0
Total taxpayers' equity		**135,157**	**148,423**	**134,760**	**148,072**

The financial statements, and notes **1** to **48** form part of these accounts.

Signed

Douglas Blair
Chief Executive
19 June 2023

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

Group	Public dividend capital £000	Revaluation reserve £000	Other reserves £000	Income and expenditure reserve £000	Charitable fund reserves £000	Total £000
Taxpayers' and others' equity at 1 April 2022 - brought forward	**128,280**	**11,188**	**(1,241)**	**9,845**	**351**	**148,423**
Impact of implementing IFRS 16 on 1 April 2022	0	0	0	**888**	0	**888**
Surplus/(deficit) for the year	0	0	0	(14,951)	46	**(14,905)**
Impairments	0	(6,623)	0	0	0	**(6,623)**
Revaluations	0	5,487	0	0	0	**5,487**
Public dividend capital received	1,886	0	0	0	0	**1,886**
Other reserve movements	0	0	0	0	0	**0**
Taxpayers' and others' equity at 31 March 2023	**130,166**	**10,053**	**(1,241)**	**(4,218)**	**397**	**135,157**

* Other Reserves;

£1,157k; When the 2gether NHS Foundation Trust was originally established the Statutory Instrument that confirmed the Public Dividend Capital was incorrect. As advised by the Department of Health and Social Care, the element which had been missed off was classified as 'other reserves'.

(£2,398k); When the Gloucestershire Care Services NHS Trust merged with 2gether NHS Foundation Trust in October 2019 other reserves in respect of donated assets included on the Trust's balance sheet were merged into Gloucestershire Health and Care NHS Foundation Trust.

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

Group	Public dividend capital £000	Revaluation reserve £000	Other reserves £000	Income and expenditure reserve £000	Charitable fund reserves £000	Total £000
Taxpayers' and others' equity at 1 April 2021 - brought forward	**126,578**	**6,826**	**(1,241)**	**6,206**	**405**	**138,774**
Surplus/(deficit) for the year	0	0	0	3,593	(8)	**3,585**
Impairments	0	(177)	0	0	0	**(177)**
Revaluations	0	4,539	0	0	0	**4,539**
Public dividend capital received	1,702	0	0	0	0	**1,702**
Other reserve movements	0	0	0	46	(46)	**0**
Taxpayers' and others' equity at 31 March 2022	**128,280**	**11,188**	**(1,241)**	**9,845**	**351**	**148,423**

* Other Reserves;

£1,157k; When the 2gether NHS Foundation Trust was originally established the Statutory Instrument that confirmed the Public Dividend Capital was incorrect. As advised by the Department of Health and Social Care, the element which had been missed off was classified as 'other reserves'.

(£2,398k); When the Gloucestershire Care Services NHS Trust merged with 2gether NHS Foundation Trust in October 2019 other reserves in respect of donated assets included on the Trust's balance sheet were merged into Gloucestershire Health and Care NHS Foundation Trust.

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

Trust	Public dividend capital £000	Revaluation reserve £000	Other reserves £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2022 - brought forward	**128,280**	**11,188**	**(1,241)**	**9,845**	**148,072**
Impact of implementing IFRS 16 on 1 April 2022	0	0	0	**888**	**888**
Surplus/(deficit) for the year	0	0	0	**(14,951)**	**(14,951)**
Impairments	0	**(6,623)**	**0**	**0**	**(6,623)**
Revaluations	0	**5,487**	0	0	**5,487**
Public dividend capital received	1,886	0	0	0	**1,886**
Other reserve movements	0	0	0	0	**0**
Taxpayers' and others' equity at 31 March 2023	**130,166**	**10,053**	**(1,241)**	**(4,218)**	**134,760**

* Other Reserves;

£1,157k; When the 2gether NHS Foundation Trust was originally established the Statutory Instrument that confirmed the Public Dividend Capital was incorrect. As advised by the Department of Health and Social Care, the element which had been missed off was classified as 'other reserves'.

(£2,398k); When the Gloucestershire Care Services NHS Trust merged with 2gether NHS Foundation Trust in October 2019 other reserves in respect of donated assets included on the Trust's balance sheet were merged into Gloucestershire Health and Care NHS Foundation Trust.

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

Trust	Public dividend capital £000	Revaluation reserve £000	Other reserves £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2021 - brought forward	**126,578**	**6,826**	**(1,241)**	**6,206**	**138,369**
Surplus/(deficit) for the year	0	0	0	3,593	**3,593**
Impairments	0	(177)	0	0	**(177)**
Revaluations	0	4,539	0	0	**4,539**
Public dividend capital received	1,702	0	0	0	**1,702**
Other reserve movements	0	0	0	**46**	**46**
Taxpayers' and others' equity at 31 March 2022	**128,280**	**11,188**	**(1,241)**	**9,845**	**148,072**

* Other Reserves;

£1,157k; When the 2gether NHS Foundation Trust was originally established the Statutory Instrument that confirmed the Public Dividend Capital was incorrect. As advised by the Department of Health and Social Care, the element which had been missed off was classified as 'other reserves'.

(£2,398k); When the Gloucestershire Care Services NHS Trust merged with 2gether NHS Foundation Trust in October 2019 other reserves in respect of donated assets included on the Trust's balance sheet were merged into Gloucestershire Health and Care NHS Foundation Trust.

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.

Other reserves

£1,157k; When the 2gether NHS Foundation Trust was originally established the Statutory Instrument that confirmed the Public Dividend Capital was incorrect. As advised by the Department of Health and Social Care, the element which had been missed off was classified as 'other reserves'.

(£2,398k); When the Gloucestershire Care Services NHS Trust merged with 2gether NHS Foundation Trust in October 2019 other reserves in respect of donated assets included on the Trust's balance sheet were merged into Gloucestershire Health and Care NHS Foundation Trust.

Income and expenditure reserve

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

Charitable funds reserve

This reserve comprises the ring-fenced funds held by the NHS charitable funds consolidated within these financial statements. These reserves are classified as restricted or unrestricted; a breakdown is provided in note **47**

Statements of Cash Flows

	Note	Group 2022/23 £000	Group 2021/22 £000	Trust 2022/23 £000	Trust 2021/22 £000
Cash flows from operating activities					
Operating surplus/(deficit)		**(13,081)**	**6,272**	**(13,127)**	**6,326**
Non-cash income and expense:					
Depreciation and amortisation	6.1	8,002	7,197	8,002	7,197
Net impairments	7	14,781	80	14,781	80
(Increase)/decrease in receivables and other assets		(7,763)	553	(7,763)	553
(Increase)/decrease in inventories		87	225	87	225
Increase/(decrease) in payables and other liabilities		8,814	5,125	8,814	5,125
Increase/(decrease) in provisions		3,566	1,845	3,566	1,845
Movements in charitable fund working capital		(99)	40	0	0
Net cash flows from/(used in) operating activities		**14,307**	**21,337**	**14,360**	**21,351**
Cash flows from investing activities					
Interest received		1,144	45	1,144	45
Purchase of intangible assets		(723)	(833)	(723)	(833)
Purchase of PPE and investment property		(21,927)	(13,508)	(21,927)	(13,508)
Finance lease receipts (principal and interest)		219	0	219	0
Net cash flows from/(used in) investing activities		**(21,287)**	**(14,296)**	**(21,287)**	**(14,296)**
Cash flows from financing activities					
Public dividend capital received		1,886	1,702	1,886	1,702
Capital element of lease liability repayments		(1,632)	(108)	(1,632)	(108)
Interest paid on lease liability repayments		(171)	(15)	(171)	(15)
PDC dividend (paid)/refunded		(3,217)	(2,070)	(3,217)	(2,070)
Net cash flows from/(used in) financing activities		**(3,134)**	**(491)**	**(3,134)**	**(491)**
Increase/(decrease) in cash and cash equivalents		**(10,113)**	**6,550**	**(10,060)**	**6,564**
Cash and cash equivalents at 1 April – brought forward		**59,205**	**52,656**	**58,897**	**52,333**
Cash and cash equivalents at 31 March	32	**49,092**	**59,205**	**48,836**	**58,897**

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

Accounting convention

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

Note 1.2 Going concern

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

Note 1.3 Consolidation

NHS Charitable Funds

The trust is the corporate trustee to Gloucestershire Health and Care NHS charitable fund, registration number 1096480. The Trust was the Corporate Trustee of 2gether Foundation Trust NHS Charitable Fund, registration number 1097529, the New Highway Charity, registration number 1063888 and Gloucestershire Care Services NHS Trust Charities, registration number 1096480 and all have been merged to form one charity Gloucestershire Health and Care NHS charitable fund, registration number 1096480. The trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to affect those returns and other benefits through its power over the fund.

The charitable fund's statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on UK Financial Reporting Standard (FRS) 102. On consolidation, necessary adjustments are made to the charity's assets, liabilities and transactions to:

- recognise and measure them in accordance with the trust's accounting policies and
- eliminate intra-group transactions, balances, gains and losses.

Note 1.4 Revenue from contracts with customers

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

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

The majority of the Trust's service contracts measure the delivery of the service on a monthly basis so that the Trust can receive regular income and cashflows across the financial year.

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 block contract arrangements. The Trust receives block funding from its commissioners, where funding envelopes are set at an Integrated Care System level.

The related performance obligation is the delivery of healthcare and related services during the period, with the trust's entitlement to consideration not varying based on the levels of activity performed.

The Trust also receives additional income outside of the block payments to reimburse specific costs incurred. Reimbursement and top-up income is accounted for as variable consideration.

In 2022/23, the Elective Recovery Fund enabled systems to earn income linked to the achievement of elective activity targets including funding any increased use of independent sector capacity. Income earned by the system is distributed between individual entities by local agreement. Income earned from the fund is accounted for as variable consideration.

The Trust also receives income from commissioners under Commissioning for Quality Innovation (CQUIN). Delivery under this scheme is part of how care is provided to patients. As such CQUIN 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.

Revenue from research contracts

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

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 Other forms of income

Grants and donations

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

Apprenticeship service income

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

Note 1.6 Expenditure on employee benefits

Short-term employee benefits

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

Pension costs

NHS Pension Scheme

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

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

Local Government Pension Scheme

Some employees are members of the Local Government Pension Scheme which is a defined benefit pension scheme. The Trust elected at 31/03/2016 not to show the value of any attributable surplus pension scheme assets on its balance sheet as there is no scenario where these would become the property of the Trust. The assets are measured at fair value, and liabilities at the present value of future obligations.

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 exceptwhere it results in the creation of a non-current asset such as property, plant and equipment.

Note 1.8 Discontinued operations

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

Note 1.9 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

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

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

Subsequent expenditure

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

Measurement

Valuation

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

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

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

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

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

Valuation guidance issued by the Royal Institute of Chartered Surveyors states that valuations are performed net of VAT where the VAT is recoverable by the entity.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowings costs. Assets are revalued and depreciation commences when the assets are brought into use.

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

All land and buildings are restated to fair value using professional valuations in accordance with IAS16 every five years. A three-year interim revaluation is also carried out. In September 2022 the District Valuer Service (DVS) performed a MEA valuation taking into account properties and land which were to transfer to Assets Held for Sale. In March 2023, March 2022 and March 2021 the Trust undertook an annual impairment review and commissioned the District Valuer Service (DVS) to revalue all land and buildings in a desktop exercise.

Valuations are carried out by professionally qualified valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual.

The property valuations are carried out primarily on the basis of Depreciated Replacement Cost (DRC) for specialised operational property (e.g. NHS patient treatment facilities) and Existing Use Value (EUV) for non-specialised operational property. The value of land for existing use purposes is assessed at EVU. For non-operational land including surplus land, the valuations are carried out at Market Value.

The MEA approach incorporates the Building Cost Information Service Index to determine an increase or decrease in building costs which impact on the asset valuation.

It is impracticable to disclose the extent of the possible effects of an assumption or another source of estimation uncertainty at the end of the reporting period. On the basis of existing knowledge, outcomes within the next financial year that are different from the assumption around the valuation of our land, property, plant and equipment could require a material adjustment to the carrying amount of the asset or liability recorded in note 17.1.

Additional alternative Open Market Value figures have only been supplied for operational assets scheduled for imminent closure and subsequent disposal.

Right of Use assets (capitalised projects on leased properties) are carried at current value in existing use.

The carrying values of Property Plant & Equipment (PPE) are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

The costs arising from financing the construction of PPE are not capitalised but are charged to the Statement of Comprehensive Income (SOCI) in the year to which they relate.

The valuation has been undertaken having regard to IFRS as applied to the UK public sector and in accordance with HM Treasury guidance. The Trust has valued its land and buildings at fair value - non-specialised assets at existing use value and specialised operation assets at depreciated replacement cost.

Depreciation

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

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

Revaluation gains and losses

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

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses. Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments

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

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

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

De-recognition

Assets intended for disposal are reclassified as 'held for sale' once the criteria in IFRS 5 are met. The sale must be highly probable and the asset available for immediate sale in its present condition.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met.

Donated and grant funded assets

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

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

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

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

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

The Trust does not have any Private Finance Initiative transactions.

Useful lives of property, plant and equipment

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

	Min life Years	Max life Years
Land	0	0
Buildings, excluding dwellings	5	80
Dwellings	0	0
Plant and machinery	5	15
Transport equipment	5	7
Information technology	3	10
Furniture and fittings	5	10

Note 1.10 Intangible assets

Recognition

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

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 Years	Max life Years
Information technology	3	5
Software licences	3	0

Note 1.11 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the weighted average cost method.

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

Note 1.12 Investment properties

The Trust has no Investment properties.

Note 1.13 Cash and cash equivalents

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

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

Note 1.14 Financial assets and financial liabilities

Recognition

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

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

Classification and measurement

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

Financial assets or financial liabilities in respect of assets acquired or disposed of through 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.

Financial liabilities classified as subsequently measured at amortised cost.

Financial assets and financial liabilities at amortised cost

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

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

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

Financial assets measured at fair value through other comprehensive income

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

Financial assets and financial liabilities at fair value through income and expenditure

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

Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets or assets measured at fair value through other comprehensive income, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 120 month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

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

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

Derecognition

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

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

Note 1.15 Leases

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 straight0line 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.

Whilst working with our NHS counter bodies on IFRS16 leases the exercise concluded that the Trust was a lessor for three leases that have, in the past, been treated as operational, revenue rentals. These three leases are treated as new lessor leases in 2022/23 to match our NHS counter bodies recording their transactions under IFRS16.

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 1.16 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective from 31 March 2022:

		Nominal rate	Prior year rate
Short-term	Up to 5 years	0.47%	Minus 0.02%
Medium-term	After 5 years up to 10 years	0.70%	0.18%
Long-term	After 10 years up to 40 years	0.95%	1.99%
	Exceeding 40 years	0.66%	1.99%

HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates. The following inflation rates are set by HM Treasury, effective from 31 March 2022:

	Inflation rate	Prior year rate
Year 1	4.00%	1.20%
Year 2	2.60%	1.60%
Into perpetuity	2.00%	2.00%

Early retirement provisions and injury benefit provisions both use the HM Treasury's pension discount rate of minus 1.30% in real terms (prior year: minus 0.95).

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 **37.2** but is not recognised in the Trust's accounts.

Non-clinical risk pooling

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

Note 1.17 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in note **38** where an inflow of economic benefits is probable. Contingent liabilities are not recognised, but are disclosed in note **38**, unless the probability of a transfer of economic benefits is remote.

Contingent liabilities are defined as:

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

Note 1.18 Public dividend capital

Public dividend capital (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 1.19 Value added tax

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

Note 1.20 Corporation tax

The Trust is a Health Service Body within the meaning of s519A ICTA 1988 and accordingly is exempt from taxation in respect of income and capital gains within categories covered by this. There is a power for the Treasury to dis-apply the exemption in relation to specified activities of a Foundation Trust (s519A (3) to (8) ICTA 1988). Accordingly, the Trust is potentially within the scope of corporation tax in respect of activities which are not related to, or ancillary to, the provision of healthcare, and where the profits there from exceed £50,000 per annum.

The Trust has determined that it has no corporation tax liability as it does not carry out any applicable commercial activities.

Note 1.21 Climate change levy

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

Note 1.22 Foreign exchange

The functional and presentational currency of the trust is sterling.

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

The Trust has no assets or liabilities denominated in a foreign currency at the Statement of Financial Position date.

Note 1.23 Third party assets

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

Note 1.24 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis.

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

Note 1.25 Gifts

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

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

For functions that have been transferred to the trust from another [NHS/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.

For functions that the trust has transferred to another NHS/local government body, the assets and liabilities transferred are de-recognised from the accounts as at the date of transfer. The net loss/gain corresponding to the net assets/liabilities transferred is recognised within expenses/income, but not within operating activities. Any revaluation reserve balances attributable to assets de-recognised are transferred to the income and expenditure reserve. Adjustments to align the acquired function to the trust's accounting policies are applied after initial recognition and are adjusted directly in taxpayers' equity. See Note 2.3 Discontinued Operations and Note 2.4 Business combinations involving the Trust and another entity within the Whole of Government Accounts (WGA) boundary.

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

Other standards, amendments and interpretations

There are no other standards, amendments and interpretations that have been issued which are not yet effective or adopted for the public sector which will have an impact on will have on the Trust's financial statements.

Note 1.29 Critical judgements in applying accounting policies

The following are the judgements, apart from those involving estimations (see below) that management has made in the process of applying the trust accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

The Trust believes the use of the Modern Equivalent Asset (MEA) basis to value land and buildings to fair value is the methodology with least risk of material uncertainty.

The underlying principle is that the valuation of land and buildings should reflect the extent of estate required for the provision of the same service as already provided by the existing estate. With service delivery requirements evolving, this requires the Trust to consider whether the existing buildings and sites are optimal in terms of number and size.

The fundamental principle is that the hypothetical buyer of a Modern Equivalent Asset would purchase the least expensive site that would be suitable and appropriate for its proposed use. If the Trust were starting with a "clean sheet", the Modern Equivalent Asset aligned to service delivery could be different to the current layout in terms of buildings configuration and the number of sites. The Trust is responsible for providing the requirements of the optimised site to the Trust's Valuer.

For the initial application of IFRS 16, where formal contract documentation wasn't explicit, available or existed, IFRS 16 lease liabilities were calculated using current lease payments and term. For peppercorn leases the estimation of a fair rent were made based on approximate floor area and current lease rental rates for their vicinity.

Note 1.30 Sources of estimation uncertainty

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

With regard to valuing provisions the methodology to determine best estimate differs according to the class of provision.

Annual leave carry forwards are only approved under exceptional circumstances whereby staff are unable to take the full annual leave allowance. In 2022/23 staff were allowed to carry forward up to eight days into the following financial year. Trust staff were awarded three Thank You Days which they were entitled to use in 20/21, 21/22 or 2022/23. No thank you days were allowed to be carried forward into 23/24. The only exception to this was Medical staff leave which, due to the fact their annual leave year coincides with their start date, meant that their annual leave carry forward was costed based on the number of days left at 31st March 2023. The remaining leave was valued at an appropriate average pay scale for each classification of staff.

Note 2 Operating Segments

Note 2.1 Operating Segments

The Trust has determined that it only has one reportable segment. All services delivered by the Trust are as an NHS Community Services Provider or Mental Health Services Provider and over 85% of Income is earned through contracts with NHS Gloucestershire Clinical Commissioning Group

Note 2.2. Going Concern and Liquidity Risk

The Trust's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report. In addition, notes 1 to 42 to the financial statements include the Trust's policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its exposures to credit risk and liquidity risk.

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

Note 2.3 Discontinued Operations

There were no discontinued services or operations in 2022/23 or 2021/22.

Note 2.4 Business combinations involving the trust and another entity within the Whole of Government Accounts (WGA) boundary

There were no new business combinations involving the trust and another entity within the Whole of Government Accounts (WGA) boundary in 2022/23 or 2021/22.

On 1st April 2020 the mental health services to the population of Herefordshire was transferred to Herefordshire and Worcestershire Health and Care Trust (transfer by absorption).

On 1st October 2019 2gether NHS Foundation Trust merged (transfer by absorption) with Gloucestershire Care Services NHS Trust and the combined organisation became known as Gloucestershire Health and Care 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 1.4.

Note 3.1 Income from patient care activities (by nature)

	2022/23 £000	2021/22 £000
Mental health services		
Income from commissioners under API contracts*	120,794	111,895
Services delivered under a mental health collaborative	3,756	1,993
Clinical partnerships providing mandatory services (including S75 agreements)	1,001	963
Clinical income for the secondary commissioning of mandatory services	38	7,107
Other clinical income from mandatory services	2,276	5,523
Community services		
Income from commissioners under API contracts*	121,807	112,796
Income from other sources (e.g. local authorities)	2,276	3,466
All services		
Private patient income	0	0
Agenda for Change pay offer central funding	8,359	0
Additional pension contribution central funding*	8,386	7,829
Total income from activities	**268,693**	**251,572**

* 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.

Note 3.2 Income from patient care activities (by source)

Income from patient care activities received from:	2022/23 £000	2022/22 £000
NHS England	25,152	18,924
Clinical commissioning groups	55,717	214,056
Integrated care boards	178,851	0
Department of Health and Social Care	0	224
Other NHS providers	4,794	10,063
NHS other	0	907
Local authorities	3,100	7,107
Injury cost recovery scheme	145	177
Non NHS: other	933	114
Total income from activities	**268,693**	**251,572**
Of which:		
Related to continuing operations	268,693	251,572
Related to discontinued operations	0	0

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

	2022/23 £000	2022/21 £000
Income recognised this year	0	0

Note 4 Other operating income (Group)

	2022/23			2021/22		
	Contract income £000	Non-contract income £000	Total income £000	Contract income £000	Non-contract income £000	Total income £000
Research and development	512	0	**512**	519	0	**519**
Education and training	5,847	515	**6,362**	4,632	520	**5,152**
Non-patient care services to other bodies	10,021		**10,021**	40		**40**
Reimbursement and top up funding	328		**328**	392		**392**
Charitable and other contributions to expenditure		502	**502**		555	**555**
Revenue from finance leases		0	**0**		0	**0**
Revenue from operating leases		0	**0**		0	**0**
Charitable fund incoming resources		96	**96**		124	**124**
Other income	2,509	0	**2,509**	1,495	319	**1,815**
Total other operating income	**19,217**	**1,113**	**20,330**	**7,079**	**1,518**	**8,598**
Of which:						
Related to continuing operations			20,330			8,598
Related to discontinued operations			0			0

There are no partially completed contracts where the Trust does not recognise the revenue until the completion of the full performance obligation. Instead the Trust only has contracts that recognises revenue as work is undertaken.

Note 4.1 Additional information on contract revenue (IFRS 15) recognised in the period

	2022/23 £000	2021/22 £000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	0	0
Revenue recognised from performance obligations satisfied or partially satisfied) in previous periods	0	0

Note 4.2 Transaction price allocated to remaining performance obligations

	31 March 2023 £000	31 March 2022 £000
Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:		
within one year	0	0
after one year, not later than five years	0	0
after five years	0	0
Total revenue allocated to remaining performance obligations	**0**	**0**

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

Note 4.3 Income from activities arising from commissioner requested services

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

	2022/23 £000	2021/22 £000
Income from services designated as commissioner requested services	0	0
Income from services not designated as commissioner requested services	268,693	251,572
Total	**268,693**	**251,572**

Note 4.4 Profits and losses on disposal of property, plant and equipment

In 2022/23 (and 2021/22) no land or buildings were disposed off.

Note 4.5 Fees and charges (Group)

The Trust have no material income from charges to service users

Note 5 Operating leases - Gloucestershire Health and Care NHS Foundation Trust as lessor

Gloucestershire Health and Care NHS Foundation Trust has no income generated in operating lease agreements where Gloucestershire Health and Care NHS Foundation Trust is the lessor.

Note 6.1 Operating expenses (Group)

	2022/23 £000	2021/22 £000
Purchase of healthcare from NHS and DHSC bodies	84	244
Purchase of healthcare from non-NHS and non-DHSC bodies	8,487	8,530
Purchase of social care	8,585	7,902
Staff and executive directors costs	215,513	186,506
Remuneration of non-executive directors	161	160
Supplies and services - clinical (excluding drugs costs)	9,176	8,205
Supplies and services - general	3,667	2,635
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	4,306	3,890
Consultancy costs	44	27
Establishment	5,394	2,831
Premises	14,869	13,255
Transport (including patient travel)	2,713	2,526
Depreciation on property, plant and equipment	7,692	6,834
Amortisation on intangible assets	310	363
Net impairments	14,781	80
Movement in credit loss allowance: contract receivables/contract assets	220	(208)
Increase/(decrease) in other provisions	451	1,022
Fees payable to the external auditor audit services-statutory audit*	107	90
Internal audit costs	53	120
Clinical negligence	1,207	928
Legal fees	563	348
Insurance	238	234
Research and development	438	442
Education and training	3,334	3,385
Expenditure on short term leases (current year only)	0	0
Operating leases expenditure (comparative only)	0	1,511
Redundancy	0	17
Car parking and security	3	2
Hospitality	3	0
Losses, ex gratia and special payments	12	3
Other services, eg external payroll	0	592
Other NHS charitable fund resources expended	48	128
Other**	(355)	1,294
Total	**302,103**	**253,898**
Of which:		
Related to continuing operations	302,103	253,898
Related to discontinued operations	0	0

* Audit services - statutory audit fee is £87.5k excluding VAT. (£75k in 2021/22)

** The 2022/23 credit is for 2021/22 accruals which were higher than needed.

Note 6.2 Other auditor remuneration (Group)

	2022/23 £000	2021/22 £000
Other auditor remuneration paid to the external auditor:		
1. Audit of accounts of any associate of the trust	0	0
2. Audit-related assurance services	0	0
3. Taxation compliance services	0	0
4. All taxation advisory services not falling within item 3 above	0	0
5. Internal audit services	0	0
6. All assurance services not falling within items 1 to 5	0	0
7. Corporate finance transaction services not falling within items 1 to 6 above	0	0
8. Other non-audit services not falling within items 2 to 7 above	0	0
Total	**0**	**0**

Note 6.3 Limitation on auditor's liability (Group)

The limitation on auditor's liability for external audit work is £1 million (2021/22: £2 million).

Note 7 Impairment of assets (Group)

	2022/23 £000	2022/22 £000
Net impairments charged to operating surplus/deficit resulting from:		
Loss or damage from normal operations	0	0
Over specification of assets	0	0
Abandonment of assets in course of construction	0	0
Unforeseen obsolescence	0	0
Loss as a result of catastrophe	0	0
Changes in market price	14,781	80
Impairments of charitable fund assets	0	0
Other	0	0
Total net impairments charged to operating surplus/deficit	**14,781**	**80**
Impairments charged to the revaluation reserve	6,623	177
Total net impairments	**21,404**	**257**

The DVS did a review of the operational land and buildings at the 30th September 2022 for the Trust (details below).

The Trust recorded £12,699 Change in Market Prices. This was resulting from Impairments of £12,699k (Land £4,972k, Buildings £7,727k).

The Trust recorded £5,571k Impairments charged to the Revaluation Reserve (Land £125k, Buildings £5,446k)

The DVS did a desktop review of the operational land and buildings at the 31st March 2023 for the Trust (details below).

The Trust recorded £2,082k Change in Market Prices. This was resulting from Impairments of £2,082k (Land £0k, Buildings £2,082k).

The Trust recorded £1,052k Impairments charged to the Revaluation Reserve (Land £0k, Buildings £1,052)

Note 8 Employee benefits (Group)

	2022/23 Total £000	2021/22 Total £000
Salaries and wages	163,885	141,035
Social security costs	15,437	13,352
Apprenticeship levy	795	679
Employer's contributions to NHS pensions	27,583	25,659
Pension cost - other	163	139
Other post employment benefits	0	0
Other employment benefits	0	0
Termination benefits	0	0
Temporary staff (including agency)	9,609	7,741
NHS charitable funds staff	0	0
Total gross staff costs	**217,472**	**188,605**
Recoveries in respect of seconded staff	0	(315)
Total staff costs	**217,472**	**188,290**
Of which		
Costs capitalised as part of assets	0	0

The Trust has contributed £115k to pension schemes in respect of directors in 2022/23 (£98k in 2021/22). None of the directors have benefits accruing under money purchase schemes or non NHS pension schemes. No advances or credits have been made to directors by the Trust, nor have any guarantees been entered into on their behalf. See the Staff report tables tab for the disclosure that is now required in the Staff Report section of the annual report.

Note 8.1 Retirements due to ill-health (Group)

During 2022/23 there was 1 early retirement from the trust agreed on the grounds of ill-health (2 in the year ended 31 March 2022). The estimated additional pension liabilities of these ill-health retirements is £4,659k (£67k in 2021/22).

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

Note 9 Pension costs

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

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

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 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%, and the Scheme Regulations were amended accordingly.

The 2016 funding valuation also tested the cost of the scheme relative to the employer cost cap that was set following the 2012 valuation. There was initially a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

HMT published valuation directions dated 7 October 2021 that set out the technical detail of how the costs of remedy are included in the 2016 valuation process. Following these directions, the scheme actuary has completed the cost control element of the 2016 valuation for the NHS Pension Scheme, which concludes no changes to benefits or member contributions are required. The 2016 valuation reports can be found on the NHS Pensions website at https://www.nhsbsa.nhs.uk/nhs-pension-scheme-accounts-and-valuation-reports.

Note 10 Finance income (Group)

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

	2022/23 £000	2021/22 £000
Interest on bank accounts	1,136	29
Interest income on finance leases	14	0
Other finance income	8	16
Total finance income	**1,158**	**45**

Note 11.1 Finance expenditure (Group)

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

	2022/23 £000	2021/22 £000
Interest expense:		
Interest on lease obligations	171	15
Interest on late payment of commercial debt	0	0
Total interest expense	**171**	**15**
Other finance costs	8	0
Total finance costs	**179**	**15**

Note 11.2 The late payment of commercial debts (interest) Act 1998/Public Contract Regulations 2015 (Group)

	2022/23 £000	2021/22 £000
Total liability accruing in year under this legislation as a result of late payments	0	0
Amounts included within interest payable arising from claims made under this legislation	0	0
Compensation paid to cover debt recovery costs under this legislation	0	0

Note 12 Other gains/(losses) (Group)

There were no gains or losses in 2021/22 or 2020/21

Note 13 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 surplus/(deficit) for the period was £(14.6)million (2021/22: £3.6 million). The trust's total comprehensive income/(expense) for the period was £(16.0) million (2021/22: £7.9 million).

Note 14 Discontinued operations (Group)

There were no discontinued operations in 2022/23 and 2021/22

Note 15 Intangible assets - 2022/23

Group	Software licences £000	Internally generated information technology £000	Total £000
Valuation/gross cost at 1 April 2022 - brought forward	**5,566**	**1,253**	**6,819**
Additions	723	0	**723**
Valuation/gross cost at 31 March 2023	**6,289**	**1,253**	**7,542**
Amortisation at 1 April 2022 - brought forward	**4,608**	**1,253**	**5,861**
Provided during the year	310	0	**310**
Amortisation at 31 March 2023	**4,918**	**1,253**	**6,171**
Net book value at 31 March 2023	**1,371**	**0**	**1,371**
Net book value at 1 April 2022	**958**	**0**	**958**

Note 15.1 Intangible assets - 2021/22

Group	Software licences £000	Internally generated information technology £000	Total £000
Valuation/gross cost at 1 April 2021 - as previously stated	**4,733**	**1,253**	**5,986**
Additions	833	0	**833**
Valuation/gross cost at 31 March 2022	**5,566**	**1,253**	**6,819**
Amortisation at 1 April 2021 - as previously stated	**4,245**	**1,253**	**5,498**
Provided during the year	363	0	363
Amortisation at 31 March 2022	**4,608**	**1,253**	**5,861**
Net book value at 31 March 2022	**958**	**0**	**958**
Net book value at 1 April 2021	**488**	**0**	**488**

Note 16.1 Intangible assets - 2022/23

Trust	Software licences £000	Internally generated information technology £000	Total £000
Valuation/gross cost at 1 April 2022 - brought forward	**5,566**	**1,253**	**6,819**
Additions	723	0	723
Valuation/gross cost at 31 March 2023	**6,289**	**1,253**	**7,542**
Amortisation at 1 April 2022 - brought forward	**4,608**	**1,253**	**5,861**
Provided during the year	310	0	310
Amortisation at 31 March 2023	**4,918**	**1,253**	**6,171**
Net book value at 31 March 2023	**1,371**	**0**	**1,371**
Net book value at 1 April 2022	**958**	**0**	**958**

Note 16.2 Intangible assets - 2021/22

Trust	Software licences £000	Internally generated information technology £000	Total £000
Valuation/gross cost at 1 April 2021 - as previously stated	4,733	1,253	**5,986**
Additions	833	0	**833**
Valuation/gross cost at 31 March 2022	**5,566**	**1,253**	**6,819**
Amortisation at 1 April 2021 - as previously stated	4,245	1,253	**5,498**
Provided during the year	363	0	**363**
Amortisation at 31 March 2022	**4,608**	**1,253**	**5,861**
Net book value at 31 March 2022	**958**	**0**	**958**
Net book value at 1 April 2021	**488**	**0**	**488**

Note 17.1 Property, plant and equipment - 2022/23

Group	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Charitable fund PPE assets	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2022 - brought forward	**10,136**	**95,023**	**15,891**	**12,229**	**304**	**22,639**	**4,135**	**150**	**160,507**
IFRS 16 implementation - reclassification to right of use assets	0	(2,062)	0	0	0	0	0	0	**(2,062)**
Additions	0	4,066	7,076	3,857	0	1,944	1,844	0	**18,787**
Impairments	(5,097)	(16,307)	0	0	0	0	0	0	**(21,404)**
Revaluations	2,400	3,087	0	0	0	0	0	0	**5,487**
Transfers to/ from assets held for sale	(3,214)	(533)	0	0	0	0	0	0	**(3,747)**
Disposals/ derecognition	(148)	(1,258)	0	0	(38)	0	0	0	**(1,444)**
Valuation/gross cost at 31 March 2023	**4,077**	**82,017**	**22,967**	**16,086**	**266**	**24,583**	**5,979**	**150**	**156,124**
Accumulated depreciation at 1 April 2022 - brought forward	**0**	**10,393**	**0**	**7,992**	**212**	**17,212**	**1,422**	**0**	**37,231**
IFRS 16 implementation - reclassification to right of use assets	0	(699)	0	0	0	0	0	0	(699)
Provided during the year	0	2,880	0	950	30	1,978	304	0	6,142
Disposals/ derecognition	0	(149)	0	0	(38)	0	0	0	(187)
Accumulated depreciation at 31 March 2023	**0**	**12,376**	**0**	**8,942**	**204**	**19,190**	**1,726**	**0**	**42,438**
Net book value at 31 March 2023	**4,077**	**69,641**	**22,967**	**7,144**	**62**	**5,393**	**4,253**	**150**	**113,686**
Net book value at 1 April 2022	**10,136**	**84,630**	**15,891**	**4,237**	**92**	**5,427**	**2,713**	**150**	**123,276**

Note 17.2 Property, plant and equipment - 2021/22

Group	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Charitable fund PPE assets	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2021 - as previously stated	**10,136**	**87,106**	**10,892**	**10,564**	**304**	**19,604**	**1,587**	**150**	**140,343**
Additions	0	3,635	4,999	1,665	0	3,035	2,548	0	15,882
Impairments	0	(257)	0	0	0	0	0	0	(257)
Revaluations	0	4,539	0	0	0	0	0	0	4,539
Valuation/gross cost at 31 March 2022	**10,136**	**95,023**	**15,891**	**12,229**	**304**	**22,639**	**4,135**	**150**	**160,507**
Accumulated depreciation at 1 April 2021 - as previously stated	**0**	**7,715**	**0**	**6,740**	**181**	**14,514**	**1,247**	**0**	**30,397**
Provided during the year	0	2,678	0	1,252	31	2,698	175	0	6,834
Accumulated depreciation at 31 March 2022	**0**	**10,393**	**0**	**7,992**	**212**	**17,212**	**1,422**	**0**	**37,231**
Net book value at 31 March 2022	**10,136**	**84,630**	**15,891**	**4,237**	**92**	**5,427**	**2,713**	**150**	**123,276**
Net book value at 1 April 2021	**10,136**	**79,391**	**10,892**	**3,824**	**123**	**5,090**	**340**	**150**	**109,946**

Note 17.3 Property, plant and equipment financing - 31 March 2023

Group	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Charitable fund PPE assets	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	4,077	68,650	22,967	7,080	62	5,393	4,244	150	**112,622**
Owned - donated/granted	0	991	0	64	0	0	9	0	**1,064**
NBV total at 31 March 2023	**4,077**	**69,641**	**22,967**	**7,144**	**62**	**5,393**	**4,253**	**150**	**113,686**

Note 17.4 Property, plant and equipment financing - 31 March 2022

Group	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Charitable fund PPE assets	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	10,136	82,172	15,891	4,168	92	5,427	2,699	150	**120,735**
Finance leased	0	1,363	0	0	0	0	0	0	**1,363**
Owned - donated /granted	0	1,095	0	69	0	0	14	0	**1,178**
NBV total at 31 March 2022	**10,136**	**84,630**	**15,891**	**4,237**	**92**	**5,427**	**2,713**	**150**	**123,276**

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	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Charitable fund PPE assets	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Subject to an operating lease	0	0	0	0	0	0	0	0	**0**
Not subject to an operating lease	4,077	69,641	22,967	7,144	62	5,393	4,253	150	**113,686**
NBV total at 31 March 2023	**4,077**	**69,641**	**22,967**	**7,144**	**62**	**5,393**	**4,253**	**150**	**113,686**

Note 18.1 Property, plant and equipment – 2022/23

Trust	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2022 – brought forward	**10,136**	**95,023**	**15,891**	**12,229**	**304**	**22,639**	**4,135**	**160,357**
I IFRS 16 implementation – reclassification of existing leased assets to right of use assets	0	(2,062)	0	0	0	0	0	(2,062)
Additions	0	4,066	7,076	3,857	0	1,944	1,844	**18,787**
Impairments	(5,097)	(16,307)	0	0	0	0	0	**(21,404)**
Revaluations	2,400	3,087	0	0	0	0	0	**5,487**
Transfers to/from assets held for sale	(3,214)	(533)	0	0	0	0	0	**(3,747)**
Disposals/derecognition	(148)	(1,258)	0	0	(38)	0	0	**(1,444)**
Valuation/gross cost at 31 March 2023	**4,077**	**82,017**	**22,967**	**16,086**	**266**	**24,583**	**5,979**	**155,974**
Accumulated depreciation at 1 April 2022 – brought forward	**0**	**10,393**	**0**	**7,992**	**212**	**17,212**	**1,422**	**37,231**
IFRS 16 implementation – reclassification of existing leased assets to right of use assets	0	(699)	0	0	0	0	0	**(699)**
Provided during the year	0	2,880	0	950	30	1,978	304	**6,142**
Disposals/derecognition	0	(149)	0	0	(38)	0	0	**(187)**
Accumulated depreciation at 31 March 2023	**0**	**12,376**	**0**	**8,942**	**204**	**19,190**	**1,726**	**42,438**
Net book value at 31 March 2023	**4,077**	**69,641**	**22,967**	**7,144**	**62**	**5,393**	**4,253**	**113,536**
Net book value at 1 April 2022	**10,136**	**84,630**	**15,891**	**4,237**	**92**	**5,427**	**2,713**	**123,126**

Note 18.2 Property, plant and equipment – 2021/22

Trust	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2021 - as previously stated	**10,136**	**87,106**	**10,892**	**10,564**	**304**	**19,604**	**1,587**	**140,193**
Additions	0	3,635	4,999	1,665	0	3,035	2,548	15,882
Impairments	0	(257)	0	0	0	0	0	(257)
Revaluations	0	4,539	0	0	0	0	0	4,539
Valuation/gross cost at 31 March 2022	**10,136**	**95,023**	**15,891**	**12,229**	**304**	**22,639**	**4,135**	**160,357**
Accumulated depreciation at 1 April 2021 - as previously stated	**0**	**7,715**	**0**	**6,740**	**181**	**14,514**	**1,247**	**30,397**
Provided during the year	0	2,678	0	1,252	31	2,698	175	6,834
Accumulated depreciation at 31 March 2022	**0**	**10,393**	**0**	**7,992**	**212**	**17,212**	**1,422**	**37,231**
Net book value at 31 March 2022	**10,136**	**84,630**	**15,891**	**4,237**	**92**	**5,427**	**2,713**	**123,126**
Net book value at 1 April 2021	**10,136**	**79,391**	**10,892**	**3,824**	**123**	**5,090**	**340**	**109,796**

Note 18.3 Property, plant and equipment financing - 31 March 2023

Trust	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	4,077	68,650	22,967	7,080	62	5,393	4,244	**112,472**
Owned - donated/granted	0	991	0	64	0	0	9	**1,064**
Total net book value at 31 March 2023	**4,077**	**69,641**	**22,967**	**7,144**	**62**	**5,393**	**4,253**	**113,536**

Note 18.4 Property, plant and equipment financing - 31 March 2022

Trust	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	10,136	82,172	15,891	4,168	92	5,427	2,699	**120,585**
Finance leased	0	1,363	0	0	0	0	0	**1,363**
Owned - donated/granted	0	1,095	0	69	0	0	14	**1,178**
Total net book value at 31 March 2022	**10,136**	**84,630**	**15,891**	**4,237**	**92**	**5,427**	**2,713**	**123,126**

Note 18.5 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2023

Trust	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Subject to an operating lease	0	0	0	0	0	0	0	**0**
Not subject to an operating lease	4,077	69,641	22,967	7,144	62	5,393	4,253	**113,536**
Total net book value at **31 March 2023**	**4,077**	**69,641**	**22,967**	**7,144**	**62**	**5,393**	**4,253**	**113,536**

Note 19 Donations of property, plant and equipment

There were no donations of equipment to the Trust in 2022/23 (£0k in 2021/22.

Note 20 Revaluations of property, plant and equipment

The DVS did a review of the operational land and buildings at the 30th September 2022 for the Trust (details below).

As a result of the review of land and buildings being carried out by the DVS, the Trust's overall land and buildings value decreased by £16,299k (revaluation £1,970k, impairment £(18,269)k.

The total revaluation decrease in value for the year taken to the revaluation reserve was £1,970k (Land £0k, Buildings £1,970).

The DVS did a desktop review of the operational land and buildings at the 31st March 2023 for the Trust (details below).

As a result of the review of land and buildings being carried out by the DVS, the Trust's overall land and buildings value decreased by £2.018k (revaluation £1.117k, impairment £(3.135)k.

The total revaluation decrease in value for the year taken to the revaluation reserve was £1,117k (Land £0k, Buildings £1,117k).

Note 21 Leases - Gloucestershire Health and Care NHS Foundation Trust as a lessee

This note details information about leases for which the Trust is a lessee.

	No of leases	RoU Asset Value £'000	RoU Liability Value £'000
The Trust has shown two finance leases with commercial property suppliers for many years.	2	1,363	1,363
Under IFRs 16 the Trust recognised on 1st April 2022 the following leases;			
Vehicle leases with lease car suppliers	64	327	327
Property leases with commercial property suppliers	5	9,686	9,686
Property leases with NHS Property Services (a DHSC body)	5	4,360	4,360
Property lease with a local authority	1	38	38
Peppercorn property leases with local authorities	2	888	n/a
During the year the Trust authorised the following leases;			
Property leases with commercial property suppliers	2	2,559	2,559
Vehicle leases with lease car suppliers	3	44	44
	84	19,265	18,377

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.

Having calculated the opening April 2022 values of IFRS 16 leases, the Trust did no revaluations during the financial year.

Note 21.1 Right of use assets - 2022/23

Trust	Property land and buildings £000	Transport equipment £000	Total £000	Of which: leased from DHSC group bodies £000
IFRS 16 implementation - reclassification of existing leased assets from PPE or intangible assets	2,062	0	**2,062**	**0**
IFRS 16 implementation - adjustments for existing operating leases/subleases	14,972	327	**15,299**	4,360
Transfers by absorption	0	0	0	**0**
Additions	2,559	44	**2,603**	**0**
Valuation/gross cost at 31 March 2023	**19,593**	**371**	**19,964**	**4,360**
IFRS 16 implementation - reclassification of existing leased assets from PPE or intangible assets	**699**	0	**699**	**0**
Provided during the year	1,407	143	**1,550**	**441**
Accumulated depreciation at 31 March 2023	**2,106**	**143**	**2,249**	**441**
Net book value at 31 March 2023	**17,487**	**228**	**17,715**	**3,919**
Net book value of right of use assets leased from other NHS providers				0
Net book value of right of use assets leased from other DHSC group bodies				3,919

Note 21.2 Right of use assets - 2022/23

Trust	Property land and buildings £000	Transport equipment £000	Total £000	Of which: leased from DHSC group bodies £000
IFRS 16 implementation - reclassification of existing finance leased assets from PPE or intangible assets	2,062	0	2,062	0
IFRS 16 implementation - adjustments for existing operating leases/subleases	14,972	327	15,299	4,360
Additions	2,559	44	2,603	0
Valuation/gross cost at 31 March 2023	**19,593**	**371**	**19,964**	**4,360**
IFRS 16 implementation - reclassification of existing finance leased assets from PPE or intangible assets	699	0	699	0
Provided during the year	1,407	143	1,550	441
Accumulated depreciation at 31 March 2023	**2,106**	**143**	**2,249**	**441**
Net book value at 31 March 2023	**17,487**	**228**	**17,715**	**3,919**
Net book value of right of use assets leased from other NHS providers				0
Net book value of right of use assets leased from other DHSC group bodies				3,919

Note 21.3 Revaluations of right of use assets

No revaluations for right of use assets that have taken place in year.

Note 21.4 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.

	Group 2022/23 £000	Trust 2022/23 £000
Carrying value at 31 March 2022	**1,362**	1,362
IFRS 16 implementation - adjustments for existing operating leases	14,411	14,411
Lease additions	2,603	2,603
Interest charge arising in year	171	171
Lease payments (cash outflows)	(1,803)	(1,803)
Carrying value at 31 March 2023	**16,744**	**16,744**

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 6.1. Cash outflows in respect of leases recognised on-SoFP are disclosed in the reconciliation above.

Note 21.5 Maturity analysis of future lease payments at 31 March 2023

	Group		Trust	
	Total 31 March 2023 £000	Of which: leased from land and DHSC group bodies 31 March 2023 £000	Total 31 March 2023 £000	Of which: leased from land and DHSC group bodies 31 March 2023 £000
Undiscounted future lease payments payable in:				
- not later than one year;	1,447	428	1,447	428
- later than one year and not later than five years;	4,833	1,669	4,833	1,669
- later than five years.	10,464	1,840	10,464	1,840
Total gross future lease payments	**16,744**	**3,937**	**16,744**	**3,937**
Finance charges allocated to future periods	0	0		
Net lease liabilities at 31 March 2023	**16,744**	**3,937**	**16,744**	**3,937**
Of which:				
Leased from other NHS providers		0	0	0
Leased from other DHSC group bodies		3,937	0	3,937

Note 21.6 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 31 March 2022 £000	Trust 31 March 2022 £000
Undiscounted future lease payments payable in:		
- not later than one year;	**123**	**123**
- later than one year and not later than five years;	337	337
- later than five years.	1,012	1,012
Total gross future lease payments	**1,472**	**1,472**
Finance charges allocated to future periods	(110)	(110)
Net finance lease liabilities at 31 March 2022	**2,834**	**2,834**
of which payable:		
- not later than one year;	109	109
- later than one year and not later than five years;	296	296
- later than five years.	957	957
Total of future minimum sublease payments to be received at the reporting date	0	0

Note 21.7 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 2021/22 £000	Trust 2021/22 £000
Operating lease expense		
Minimum lease payments	1,511	1,511
Total	**1,511**	**1,511**

	31 March 2022 £000	31 March 2022 £000
Future minimum lease payments due:		
- not later than one year;	1,603	1,603
- later than one year and not later than five years;	5,485	5,485
- later than five years.	4,121	4,121
Total	**11,209**	**11,209**
Future minimum sublease payments to be received	0	

Note 21.8 Leases - other information

The Trust has no sale and leaseback transactions or restrictions or covenants imposed by leases

Note 21.9 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 15.

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

	Group 1 April 2022 £000	Trust 1 April 2022 £000
Operating lease commitments under IAS 17 at 31 March 2022	**11,209**	**11,209**
Impact of discounting at the incremental borrowing rate	**(108)**	**(108)**
IAS 17 operating lease commitment discounted at incremental borrowing rate	**11,101**	**11,101**
Less:		
Commitments for short term leases	0	0
Commitments for leases of low value assets	0	0
Commitments for leases that had not commenced as at 31 March 2022	0	0
Other adjustments:		
Differences in the assessment of the lease term	0	0
Public sector leases without full documentation previously excluded from operating lease commitments	30	**30**
Finance lease liabilities under IAS 17 as at 31 March 2022	1,362	**1,362**
Other adjustments	3,280	**3,280**
Total lease liabilities under IFRS 16 as at 1 April 2022	**15,773**	**15,773**

Note 22.1 Investment Property

The Trust has no Investment Properties

Note 23 Investments in associates and joint ventures

The Trust has no investments in associates and join ventures

Note 24 Other investments/financial assets (non-current)

The Trust has no Other investments or financial assets

Note 25 Disclosure of interests in other entities

The Trust has no interests in other entities.

Note 26 Analysis of charitable fund reserves

The following charities Gloucestershire Care Services NHS Trust Charities, 2Gether NHS Foundation Trust Charitable Fund and New Highway Charity have been merged into one charity, Gloucestershire Health and Care NHS Foundation Trust Charitable Fund, which has been consolidated into the Group accounts.

	31 March 2023 £000	31 March 2022 £000
Unrestricted funds:		
Unrestricted income funds	142	131
Restricted funds:		
Other restricted income funds	255	220
	397	**351**

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 27 Inventories

	Group		Trust	
	31 March 2023 £000	31 March 2022 £000	31 March 2023 £000	31 March 2022 £000
Consumables	406	493	406	493
Total inventories	**406**	**493**	**406**	**493**
of which:				
Held at fair value less costs to sell	0	0	0	0

Inventories recognised in expenses for the year were £2,131k (2021/22: £738k). Write-down of inventories recognised as expenses for the year were £0k (2021/22: £0k).

In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2022/23 the Trust received £374k of items purchased by DHSC (2021/22: £460k).

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 28.1 Receivables

	Group		Trust	
	31 March 2023 £000	31 Marc 2022 £000	31 March 2023 £000	31 March 2022 £000
Current				
Contract receivables	18,868	10,794	18,868	10,794
Allowance for impaired contract receivables/assets	(2,163)	(2,039)	(2,163)	(2,039)
Prepayments (non-PFI)	1,339	1,304	1,339	1,304
Interest receivable	0	0	0	0
Finance lease receivables	216	0	216	0
PDC dividend receivable	396	0	396	0
VAT receivable	876	810	876	810
Corporation and other taxes receivable	2	0	2	0
Other receivables	5	3	5	3
Total current receivables	**19,539**	**10,872**	**19,539**	**10,872**
Non-current				
Finance lease receivables	835	0	835	0
Other receivables	250	542	250	542
Total non-current receivables	**1,085**	**542**	**1,085**	**542**
Of which receivable from NHS and DHSC group bodies:				
Current	14,889	4,279	14,889	4,279
Non-current	1,085	305	1,085	305

Note 28.2 Allowances for credit losses - 2022/23

	Group		Trust	
	Contract receivables and contract assets £000	All other receivables £000	Contract receivables and contract assets £000	All other receivables £000
Allowances as at 1 Apr 2022 - brought forward	**2,039**	**0**	**2,039**	**0**
Transfers by absorption	0	0	0	0
New allowances arising	0	0	0	0
Changes in existing allowances	250	0	**250**	**0**
Reversals of allowances	0	0	0	0
Utilisation of allowances (write offs)	(30)	0	**(30)**	**0**
Changes arising following modification of contractual cash flows	(96)	0	**(96)**	**0**
Foreign exchange and other changes	0	0	0	0
Allowances as at 31 Mar 2023	**2,163**	**0**	**2,163**	**0**

Note 28.3 Allowances for credit losses - 2021/22

	Group		Trust	
	Contract receivables and contract assets £000	All other receivables £000	Contract receivables and contract assets £000	All other receivables £000
Allowances as at 1 Apr 2021 - as previously stated	2,247	0	2,247	0
Prior period adjustments	0	0	0	0
Allowances as at 1 Apr 2021 - restated	**2,247**	**0**	**2,247**	**0**
Transfers by absorption	0	0	0	0
New allowances arising	0	0	0	0
Changes in existing allowances	0	0	0	0
Reversals of allowances	0	0	0	0
Utilisation of allowances (write offs)	(208)	0	(208)	0
Changes arising following modification of contractual cash flows	0	0	0	0
Foreign exchange and other changes	0	0	0	0
Allowances as at 31 Mar 2022	**2,039**	**0**	**2,039**	**0**

Note 28.4 Exposure to credit risk

The majority of the Trust's income comes from contracts with other public sector bodies. The Trust has low exposure to credit risk. The maximum exposures as at 31 March are in receivables from customers, as disclosed in the trade and other receivables note.

The Trust invests in fixed term money market deposits with a small number of banks and building societies. The Trust manages counterparty credit risks by monitoring credit ratings from three agencies and by only investing in organisations with a very strong credit rating and by investing for short periods only.

Note 29 Finance leases (Gloucestershire Health and Care NHS Foundation Trust as a lessor)

This note discloses future lease payments receivable from lease arrangements classified as finance leases where the Gloucestershire Health and Care NHS Foundation 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.

Note 29.1 Reconciliation of the carrying value of finance lease receivables (net investment in the lease)

	Group 2022/23 £000	Trust 2022/23 £000
Finance lease receivables at 31 March 2022	**0**	**0**
IFRS 16 implementation - adjustments for existing subleases	0	0
Additions	1,256	**1,256**
Interest arising (unwinding of discount)	14	**14**
Lease receipts (cash payments received)	(219)	**(219)**
Finance lease receivables at 31 March 2023	**1,051**	**1,051**

For many decades the Trust has had had three leases with other local NHS foundations trusts which have been informally treated as rental agreements. After discussion with our NHS counterbodies it has been agreed that the nature of each agreement should be treated as a finance lease and these leases have been treated as new finance leases in 2022/23.

Note 29.2 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 £000	31 March 2023 £000	31 March 2023 £000	31 March 2023 £000
Undiscounted future lease receipts receivable in:				
not later than one year;	216	216	216	216
later than one year and not later than two years;	4	4	4	4
later than two years and not later than three years;	4	4	4	4
later than three years and not later than four years;	4	4	4	4
later than four years and not later than five years;	4	4	4	4
later than five years.	975	975	975	975
Total future finance lease payments to be received	**1,207**	**1,207**	**1,207**	**1,207**
Estimated value of unguaranteed residual interest	689	689	689	689
Unearned interest income	(845)	(845)	(845)	(845)
Allowance for uncollectable lease payments	0	0	0	0
Net investment in lease (net lease receivable)	**1,051**	**1,051**	**1,051**	**1,051**
of which:				
Leased to other NHS providers		1,051		1,051
Leased to other DHSC group bodies		0		0

Note 29.3 Finance lease receivables as at 31 March 2022 (IAS 17 basis)

The Trust were showing no Finance lease recievables as at 31st March 2022 im IAS 17 basis)

Note 29.4 Assets derecognised under finance leases with other DHSC group bodies

None of the three assets leased to other DHSC group bodies under finance leases are material.

Note 29.3 Finance lease receivables as at 31 March 2022 (IAS 17 basis)

The Trust were showing no Finance lease recievables as at 31st March 2022 im IAS 17 basis)

Note 29.4 Assets derecognised under finance leases with other DHSC group bodies

None of the three assets leased to other DHSC group bodies under finance leases are material.

Note 30 Other assets

	Group		Trust	
	31 March 2023 £000	31 March 2022 £000	31 March 2023 £000	31 March 2022 £000
Current				
Other assets	0	0		
Total other current assets	**0**	**0**	**0**	**0**
Non-current				
Net defined benefit pension scheme asset	0	0		
Other assets	0	0		
Total other non-current assets	**0**	**0**	**0**	**0**

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

	Group		Trust	
	2022/23 £000	2021/22 £000	2022/23 £000	2021/22 £000
NBV of non-current assets for sale and assets in disposal groups at 1 April	**0**	**0**	**0**	**0**
Assets classified as available for sale in the year	3,698	0	3,698	0
Assets sold in year	0	0	0	0
NBV of non-current assets for sale and assets in disposal groups at 31 March	**3,698**	**0**	**3,698**	**0**

During the period three assets classified as land and one asset classified as buildings have been transferred to assets held for sale.

Note 31.2 Liabilities in disposal groups

The Trust has no Liabilities in disposal groups in 2022/23 or 2021/22

Note 32.1 Cash and cash equivalents movements

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

	Group		Trust	
	2022/23 £000	2021/22 £000	2022/23 £000	2021/22 £000
At 1 April	**59,205**	**52,656**	58,896	52,333
Prior period adjustments		0		
At 1 April (restated)	**59,205**	**52,656**	**58,896**	**52,333**
Transfers by absorption	0	0	0	0
Net change in year	(10,113)	6,549	(10,113)	6,563
At 31 March	**49,092**	**59,205**	**48,783**	**58,896**
Broken down into:				
Cash at commercial banks and in hand	28	342	28	33
Cash with the Government Banking Service	49,064	58,863	48,808	58,863
Deposits with the National Loan Fund	0	0	0	0
Other current investments	0	0	0	0
Total cash and cash equivalents as in SoFP	**49,092**	**59,205**	**48,836**	**58,896**
Bank overdrafts (GBS and commercial banks)	0	0	0	0
Drawdown in committed facility	0	0	0	0
Total cash and cash equivalents as in SoCF	**49,092**	**59,205**	**48,836**	**58,896**

Note 32.2 Third party assets held by the trust

Gloucestershire Health and Care 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 £000	31 March 2022 £000
Bank balances	0	89
Total third party assets	**0**	**89**

Note 33.1 Trade and other payables

	Group		Trust	
	31 March 2023 £000	31 March 2022 £000	31 March 2023 £000	31 March 2022 £000
Current				
Trade payables	5,989	5,952	5,989	5,952
Capital payables	4,343	7,482	4,343	7,482
Accruals	25,681	16,186	25,681	16,186
Receipts in advance and payments on account	0	0	0	0
PFI lifecycle replacement received in advance	0	0	0	0
Social security costs	2,020	1,923	2,020	1,923
VAT payables	0	0	0	0
Other taxes payable	1,613	1,485	1,613	1,485
PDC dividend payable	0	17	0	17
Pension contributions payable	2,673	2,525	2,673	2,525
Other payables	896	680	896	680
NHS charitable funds: trade and other payables	9	108	0	0
Total current trade and other payables	**43,224**	**36,358**	**43,215**	**36,250**
Non-current				
Trade payables	0	0	0	0
Total non-current trade and other payables	**0**	**0**	**0**	**0**
Of which payables from NHS and DHSC group bodies:				
Current	1,452	1,699	1,452	1,699
Non-current	0	0	0	0

Note 33.2 Early retirements in NHS payables above

The payables note above includes no amounts in relation to early retirements.

Note 34 Other liabilities

	Group		Trust	
	31 March 2023 £000	31 March 2022 £000	31 March 2023 £000	31 March 2022 £000
Current				
Deferred income: contract liabilities	1,107	2,409	1,107	2,409
Total other current liabilities	**1,107**	**2,409**	**1,107**	**2,409**
Non-current				
Deferred income: contract liabilities	0	0	0	0
Total other non-current liabilities	**0**	**0**	**0**	**0**

Note 35 Borrowings

	Group		Trust	
	31 March 2023 £000	31 March 2022 £000	31 March 2023 £000	31 March 2022 £000
Current				
Lease liabilities*	1,447	109	1,447	109
Total current borrowings	**1,447**	**109**	**1,447**	**109**
Non-current				
Lease liabilities*	15,297	1,253	15,297	1,253
Total non-current borrowings	**15,297**	**1,253**	**15,297**	**1,253**

* 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 21.

Note 35.1 Reconciliation of liabilities arising from financing activities (Group)

Group - 2022/23	Loans from DHSC £000	Other loans £000	Lease liabilities £000	PFI and LIFT schemes £000	Total £000
Carrying value at 1 April 2022	**0**	**0**	**1,362**	**0**	**1,362**
Cash movements:					
Financing cash flows - payments and receipts of principal	0	0	(1,632)	0	**(1,632)**
Financing cash flows - payments of interest	0	0	(171)	0	**(171)**
Non-cash movements:					
IFRS 16 implementation - adjustments for existing operating leases subleases	0	0	14,411	0	**14,411**
Transfers by absorption	0	0	0	0	**0**
Additions	0	0	2,603	0	**2,603**
Lease liability remeasurements	0	0	0	0	**0**
Application of effective interest rate	0	0	171	0	**171**
Change in effective interest rate	0	0	0	0	**0**
Changes in fair value	0	0	0	0	0
Early terminations	0	0	0	0	**0**
Other changes	0	0	0	0	**0**
Carrying value at 31 March 2023	**0**	**0**	**16,744**	**0**	**16,744**

Group - 2021/22	Loans from DHSC £000	Other loans £000	Finance leases £000	PFI and LIFT schemes £000	Total £000
Carrying value at 1 April 2021	**0**	**0**	**1,470**	**0**	**1,470**
Prior period adjustment	0	0	0	0	0
Carrying value at 1 April 2021 - restated	0	0	**1,470**	**0**	**1,470**
Cash movements:					
Financing cash flows - payments and receipts of principal	0	0	(108)	**0**	**(108)**
Financing cash flows - payments of interest	0	0	(15)	**0**	**(15)**
Non-cash movements:					
Transfers by absorption	0	0	0	0	0
Additions	0	0	0	0	0
Application of effective interest rate	0	0	15	0	**15**
Change in effective interest rate	0	0	0	0	0
Changes in fair value	0	0	0	0	0
Early terminations	0	0	0	0	0
Other changes	0	0	0	**0**	**0**
Carrying value at 31 March 2022	**0**	**0**	**1,362**	**0**	**1,362**

Note 35.2 Reconciliation of liabilities arising from financing activities

Trust - 2022/23	Loans from DHSC £000	Other loans £000	Finance leases £000	PFI and LIFT schemes £000	Total £000
Carrying value at 1 April 2022	**0**	**0**	**1,362**	**0**	**1,362**
Cash movements:					
Financing cash flows - payments and receipts of principal	0	0	(1,632)	0	**(1,632)**
Financing cash flows - payments of interest	0	0	(171)	0	**(171)**
Non-cash movements:	**0**	**0**	**0**	**0**	
IFRS 16 implementation - adjustments for existing operating leases/subleases	0	0	14,411	0	**14,411**
Transfers by absorption	0	0	0	0	**0**
Additions	0	0	2,603	0	**2,603**
Lease liability remeasurements	0	0	0	0	**0**
Application of effective interest rate	0	0	171	0	**171**
Change in effective interest rate	0	0	0	0	**0**
Changes in fair value	0	0	0	0	**0**
Early terminations	0	0	0	0	**0**
Other changes	0	0	0	0	**0**
Carrying value at 31 March 2023	**0**	**0**	**16,744**	**0**	**16,744**

Trust - 2021/22	Loans from DHSC £000	Other loans £000	Finance leases £000	PFI and LIFT schemes £000	Total £000
Carrying value at 1 April 2021	**0**	**0**	**1,470**	**0**	**1,470**
Prior period adjustment	0	0	0	0	0
Carrying value at 1 April 2021 - restated	**0**	**0**	**1,470**	**0**	**1,470**
Cash movements:					
Financing cash flows - payments and receipts of principal	0	0	**(108)**	**0**	**(108)**
Financing cash flows - payments of interest	0	0	**(15)**	**0**	**(15)**
Non-cash movements:					
Transfers by absorption	0	0	0	0	0
Additions	0	0	0	0	0
Application of effective interest rate	0	0	**15**	**0**	**15**
Change in effective interest rate	0	0	0	0	0
Changes in fair value	0	0	0	0	0
Early terminations	0	0	0	0	0
Other changes	0	0	0	0	0
Carrying value at 31 March 2022	**0**	**0**	**1,362**	**0**	**1,362**

Note 36 Other financial liabilities

The Trust has no other financial liabilities.

Note 37.1 Provisions for liabilities and charges analysis (Group)

Group	Pensions early departure costs £000	Pensions injury benefits £000	Legal claims £000	Re-structuring £000	Equal Pay (including Agenda for Change) £000	Redundancy £000	Other £000	Charitable fund provisions £000	Total £000
At 1 April 2022	**0**	**240**	**216**	**0**	**0**	**0**	**6,338**	**0**	**6,794**
IFRS 16 implementation - adjustments for onerous lease provisions	0	0	0	0	0	0	0	0	0
Transfers by absorption	0	0	0	0	0	0	0	0	0
Change in the discount rate	**0**	**0**	**0**	**0**	**0**	**0**	(222)	**0**	**(222)**
Arising during the year	0	0	44	0	0	0	4,847	0	**4,891**
Utilised during the year	0	(14)	(13)	0	0	0	(45)	0	**(72)**
Reclassified to liabilities held in disposal groups	0	0	0	0	0	0	0	0	**0**
Reversed unused	0	0	(78)	0	0	0	(958)	0	**(1,036)**
Unwinding of discount	0	0	0	0	0	0	5	0	**5**
Movement in charitable fund provisions	0	0	0	0	0	0	0	0	**0**
At 31 March 2023	**0**	**226**	**169**	**0**	**0**	**0**	**9,965**	**0**	**10,360**
Expected timing of cash flows:									
- not later than one year;	0	14	100	0	0	0	7,767	0	**7,881**
- later than one year and not later than five years;	0	212	69	0	0	0	2,198	0	**2,479**
- later than five years.	0	0	0	0	0	0	0	0	**0**
Total	**0**	**226**	**169**	**0**	**0**	**0**	**9,965**	**0**	**10,360**

The provisions of £10,360k relates to £226k NHS Injury Benefits Claim, £169k legal claims (£56k with NHS Resolution, £41k Employment Tribunal Cases, £72k Personal Injury Claim, and £9,965k Other (£2,526k HCS Bandings, £622k Herefordshire liabilities, £1,483k Provider Collaborative Income to be returned, £811k Rates with Councils, £150k Section 117 and £1,953k Landlord Rent Dilapidations, £1,437k VAT with HMRC and £234k Final Payment Pension contributions, £175k for retentions, golden hellos and recruit a friend, £100k temporary X-ray provision, £88k Supplier Dispute, £134k Eating Disorders Service Continuation)

Note 37.2 Provisions for liabilities and charges analysis (Trust)

Total	Pensions early departure costs £000	Pensions injury benefits £000	Legal claims £000	Re-structuring £000	Equal Pay (including Agenda for change) £000	Redundancy £000	Other £000	Total £000
At 1 April 2022	**0**	**240**	**216**	**0**	**0**	**0**	**6,338**	**6,794**
IFRS 16 implementation - adjustments for onerous lease provisions	0	0	0	0	0	0	0	0
Transfers by absorption	0	0	0	0	0	0	0	0
Change in the discount rate	**0**	**0**	**0**	**0**	**0**	**0**	**(222)**	**(222)**
Arising during the year	**0**	**0**	**44**	**0**	**0**	**0**	**4,847**	**4,891**
Utilised during the year	**0**	**(14)**	**(13)**	**0**	**0**	**0**	**(45)**	**(72)**
Reclassified to liabilities held in disposal groups	0	0	0	0	0	0	0	0
Reversed unused	**0**	**0**	**(78)**	**0**	**0**	**0**	**(958)**	**(1,036)**
Unwinding of discount	**0**	**0**	**0**	**0**	**0**	**0**	**5**	**5**
At 31 March 2023	**0**	**226**	**169**	**0**	**0**	**0**	**9,965**	**10,360**
Expected timing of cash flows:								
- not later than one year;	0	0	0	0	0	0	0	0
- later - later than one year and not later than five years;	0	14	100	0	0	0	7,767	7,881
- later than five years.	0	212	69	0	0	0	2,198	2,479
Total	**0**	**226**	**169**	**0**	**0**	**0**	**9,965**	**10,360**

Note 37.3 Clinical negligence liabilities

At 31 March 2023, £847k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Gloucestershire Health and Care NHS Foundation Trust (31 March 2022: £539k).

Note 38 Contingent assets and liabilities

	Group		Trust	
	31 March 2023 £000	31 March 2022 £000	31 March 2023 £000	31 March 2022 £000
Value of contingent liabilities				
NHS Resolution legal claims	(10)	(29)	(10)	(29)
Employment tribunal and other employee related litigation	0	0	0	0
Redundancy	0	0	0	0
Other	0	0	0	0
Gross value of contingent liabilities	**(10)**	**(29)**	**(10)**	**(29)**
Amounts recoverable against liabilities	0	0		
Net value of contingent liabilities	**(10)**	**(29)**	**(10)**	**(29)**
Net value of contingent assets	**0**	**0**		

Note 39 Contractual capital commitments

	Group		Trust	
	31 March 2023 £000	31 March 2022 £000	31 March 2023 £000	31 March 2022 £000
Property, plant and equipment	8,851	761	8,851	761
Intangible assets	0	0	0	0
Total	**8,851**	**761**	**8,851**	**761**

Note 40 Other financial commitments

The group/trust has no non-cancellable contracts (which are not leases, PFI contracts or other service concession arrangement).

Note 41 Defined benefit pension schemes

Past and present employees are covered by the provisions of the NHS Pension Schemes. These schemes are unfunded, defined benefit schemes that cover NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. The schemes 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, the schemes are accounted for as though they were defined contribution schemes: the cost to the NHS body of participating in a scheme is taken as equal to the contributions payable to the scheme for the accounting period.

Local Government Pension Scheme (LGPS)

As part of the S75 Integrated Services arrangements, the Trust employs staff who were TUPEd from Gloucestershire County Council. As part of the TUPE transfer, former local authority staff could elect to remain in the LGPS. The LGPS is a defined benefit statutory scheme administered by the County Council in accordance with the LGPS (Benefits, Membership and Contributions) Regulations 2007; the LGPS (Administration) Regulations 2008 and the LGPS (Transitional Provisions) Regulations 2008. It is contracted out of the State Second Pension.

During the financial period 1 April 2022 to 31 March 2023, the Trust's pension contributions totalled £61k and employees' contributions totalled £15k.

Key Assumptions in actuarial valuation of assets and liabilities	**31-Mar-23**	**31-Mar-22**
	%	%
Pension Increase Rate	3.00%	3.30%
Salary Increase Rate	3.50%	3.60%
Discount Rate	4.75%	2.70%

The fair value of employer assets of the whole fund as at 31 March 2023 is as shown below:

	31-Mar-23		**31-Mar-22**	
Assets	**£000s**	**%**	**£000s**	**%**
Private Equity	180	22.6%	107	1.1%
Real Estate	795	100.0%	763	7.8%
Investment Funds and Unit Trusts	8,367	1052.6%	8,830	89.8%
Cash and Cash Equivalents	90	11.4%	131	1.3%
	9,432	**1186.6%**	**9,831**	**100.0%**

Note 41.1 Details of the Trust's share of assets and the net position as included in the accounts are as follows

	Assets **£000**	Obligations **£000**	Net Asset/(Liability) **£000**
Fair Value of employer assets	9,831	0	9,831
Present value of funded liabilities	0	8,278	(8,278)
Opening position at 1 April 2022	9,831	8,278	1,553
Current service cost	0	108	(108)
Net interest			
Interest on plan assets	263	0	263
Interest cost on defined benefit obligation	0	222	(222)
Total net interest	263	222	41
Total defined benefit cost recognised in SOCI	263	330	(67)
Participants contributions	15	15	0
Employer contributions	61		61
Benefits paid	(236)	(236)	0
Expected closing position	**9,934**	**8,387**	**1,547**
Remeasurements			
Change in financial assumptions		(2,477)	2,477
Change in demographic assumptions	0	(201)	201
Other experience	(59)	766	(825)
Returns on assets excluding amounts included in net interest	(443)	0	(443)
Remeasurements recognised in other comprehensive income	**(502)**	**(1,912)**	**1,410**
Fair value of employer assets	9,432	0	9,432
Present Value of funded liabilities	0	6,475	(6,475)
Closing position at 31 March 2023	**9,432**	**6,475**	**2,957**
In Year Movement	**(399)**	**(1,803)**	**1,404**

The in year increase in attributable net assets has not been reflected in the accounts of the Trust. The Trust elected at 31/3/16 not to show the value of any attributable surplus pension scheme assets on its balance sheet as there is no scenario where these would become the property of the Trust.

Note 42 On-SoFP PFI, LIFT or other service concession arrangements

The Trust has no PFI LIFT or other service concession arrangements

Note 42.1 Off-SoFP PFI, LIFT and other service concession arrangements

Gloucestershire Health and Care NHS Foundation Trust incurred the no charges in respect of off-Statement of Financial Position PFI and LIFT arrangements:

Note 43 Financial instruments

Note 43.1 Financial risk management

Financial Reporting Standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Because of the continuing service provider relationship that the Trust has with local Clinical Commissioning Groups and the way those Clinical Commissioning Groups are financed, the NHS Foundation Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies, to which the reporting standards mainly apply.

The Trust's treasury management operations are carried out by the Finance Department, within parameters formally defined within the Trust's Standing Financial Instructions and policies agreed by a committee of the Board. Trust treasury activity is subject to review by the Trust's internal auditor.

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 fluctuations.

Interest rate risk

The Trust invests in fixed term money market deposits with the National Loans Fund only as all other banking institutions are now not part of the Government Banking Scheme as such penalties arise on such investments. Investments are for period of three months only. The Trust therefore has low exposure to interest rate fluctuations.

Credit risk

The majority of the Trust's income comes from contracts with other public sector bodies. The Trust has low exposure to credit risk. The maximum exposures as at 31 March are in receivables from customers, as disclosed in the trade and other receivables note.

The Trust invests in fixed term money market deposits with a small number of banks and building societies. The Trust manages counterparty credit risks by monitoring credit ratings from three agencies and by only investing in organisations with a very strong credit rating and by investing for short periods only.

Liquidity risk

The Trust's operating costs are incurred under contracts with Clinical Commissioning Groups, which are financed from resources voted annually by Parliament. The Trust funds its capital expenditure from retained surpluses and capital disposals. The Trust is not, therefore, exposed to significant liquidity risks. The Trust keeps £8 million in cash and short term deposits to ensure the liquidity position.

Note 43.2 Carrying values of financial assets (Group)

Carrying values of financial assets as at 31 March 2023	Held at amortised cost £000s	Total book value £000s
Trade and other receivables excluding non financial assets	18,013	**18,013**
Cash and cash equivalents	48,836	**48,836**
Consolidated NHS Charitable fund financial assets	256	**256**
Total at 31 March 2023	**67,105**	**67,105**

Carrying values of financial assets as at 31 March 2022	Held at amortised cost £000s	Total book value £000s
Trade and other receivables excluding non financial assets	9,100	**9,100**
Cash and cash equivalents	58,896	**58,896**
Consolidated NHS Charitable fund financial assets	309	**309**
Total at 31 March 2022	**68,305**	**68,305**

Note 43.3 Carrying values of financial assets (Trust)

Carrying values of financial assets as at 31 March 2023	Held at amortised cost £000s	Total book value £000s
Trade and other receivables excluding non financial assets	18,013	18,013
Cash and cash equivalents	48,836	48,836
Total at 31 March 2023	**66,849**	**66,849**

Carrying values of financial assets as at 31 March 2022	Held at amortised cost £000s	Total book value £000s
Trade and other receivables excluding non financial assets	9,100	9,100
Cash and cash equivalents	58,896	58,896
Total at 31 March 2022	**67,996**	**67,996**

Note 43.4 Carrying values of financial liabilities (Group)

Carrying values of financial liabilities as at 31 March 2023	Held at amortised cost £000s	Total book value £000s
Loans from the Department of Health and Social Care	0	**0**
Obligations under leases	16,744	**16,744**
Obligations under PFI, LIFT and other service concessions	0	**0**
Other borrowings	0	**0**
Trade and other payables excluding non financial liabilities	39,567	**39,567**
Other financial liabilities	0	**0**
Provisions under contract	0	**0**
Consolidated NHS charitable fund financial liabilities	0	**0**
Total at 31 March 2023	**56,311**	**56,311**

Carrying values of financial liabilities as at 31 March 2022	Held at amortised cost £000s	Total book value £000s
Loans from the Department of Health and Social Care	0	**0**
Obligations under finance leases	1,362	**1,362**
Obligations under PFI, LIFT and other service concessions	0	**0**
Other borrowings	0	**0**
Trade and other payables excluding non financial liabilities	32,824	**32,824**
Other financial liabilities	0	**0**
Provisions under contract	0	**0**
Consolidated NHS charitable fund financial liabilities	0	**0**
Total at 31 March 2022	**34,186**	**34,186**

Note 43.5 Carrying values of financial liabilities (Trust)

Carrying values of financial liabilities as at 31 March 2023	Held at amortised cost £000s	Total book value £000s
Loans from the Department of Health and Social Care		**0**
Obligations under leases	16,744	**16,744**
Obligations under PFI, LIFT and other service concessions	0	**0**
Other borrowings	0	**0**
Trade and other payables excluding non financial liabilities	39,567	**39,567**
Other financial liabilities	0	**0**
Provisions under contract	0	**0**
Total at 31 March 2023	**56,311**	**56,311**

Carrying values of financial liabilities as at 31 March 2022	Held at amortised cost £000s	Total book value £000s
Loans from the Department of Health and Social Care		**0**
Obligations under finance leases	1,362	**1,362**
Obligations under PFI, LIFT and other service concessions	0	**0**
Other borrowings	0	**0**
Trade and other payables excluding non financial liabilities	32,824	**32,824**
Other financial liabilities	0	**0**
Provisions under contract	0	**0**
Total at 31 March 2022	**34,186**	**34,186**

Note 43.6 Fair values of financial assets and liabilities

For all categories of the Trust's financial liabilities the book values are equal to the fair values.

Note 43.7 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 £000	31 March 2022 £000	31 March 2023 £000	31 March 2022 £000
In one year or less	41,014	33,407	41,014	33,407
In more than one year but not more than five years	4,833	337	4,833	337
In more than five years	10,464	1,012	10,464	1,012
Total	**56,311**	**34,756**	**56,311**	**34,756**

Note 44 Losses and special payments

Group and trust	2022/23 Total number of cases Number	2022/23 Total value of cases £000	2021/22 Total number of cases Number	2021/22 Total value of cases £000
Losses				
Cash losses	4	0	0	
Bad debts and claims abandoned	44	71	313	164
Total losses	**48**	**71**	**313**	**164**
Special payments				
Ex-gratia payments	13	12	11	3
Total special payments	**13**	**12**	**11**	**3**
Total losses and special payments	**61**	**83**	**324**	**167**
Compensation payments received				

Note 45 Gifts

The Trust has not given any material gifts to an individual or to another organisation.

Note 46 Related parties

Gloucestershire Health and Care NHS Foundation Trust is a corporate body established by order of the Secretary of State for Health.

Gloucestershire Health and Care NHS Foundation Trust is under the government control of the Department of Health and Social Care. The Trust has had a number of material transactions with other government departments and other central and local government bodies within the public sector such as Gloucestershire County Council, NHS Pension Scheme and HM Revenue and Customs.

During the year none of the Board members or members of the key management staff or parties related to them has undertaken any material transactions with the Trust.

The Chair, Ingrid Barker, is a Governor of University of Gloucestershire. In 2022/23 the Trust spent £112,242 with University of Gloucestershire.

A Non-Executive Director, Nicola de Longh, is Chair of the University of Gloucestershire.

A Non-Executive Director, Marcia Gallagher, is the Chair of Crossroads Care - Forest of Dean and Herefordshire. Crossroads Care - Forest of Dean and Herefordshire is a charity that provides care and in 2022/23 received £3,830.54 from Gloucestershire Health and Care NHS Foundation Trust to provide support to service users.

A Non-Executive Director, Jan Marriott, is a Trustee of Crossroads Care - Forest of Dean and Herefordshire.

During the year none of the members of the Council of Governors have undertaken any material transactions with the Trust.

Chris Witham, a public governor, is Chair of Cinderford Town Council. The Trust paid £2,952 to Cinderford Town Council in 2022/23 principally for room hire.

Dr Paul Winterbottom, a Consultant Psychiatrist in our Learning Disabilities service, is a Staff Governor. Dr Winterbottom is also the Chair and Trustee Gloucestershire Young Carers, a Trustee/Director Kingshill House Trust.

The Council of Governors have two nominated roles with bodies that are under the government control of the Department of Health and Social Care and local government bodies:

Rebecca Halifax is a Gloucestershire County Councillor.

Bob Lloyd-Smith is the Healthwatch Gloucestershire Appointed Governor with the Trust. He is also a Trustee with the Independence Trust which is part of the Gloucestershire Rural Community Council (County Council).

Gloucestershire Health and Care NHS Foundation Trust is the corporate trustee to the following charities which are registered with the Charity Commission; 2gether NHS Foundation Trust Charitable Fund, registration number 1097529; Gloucestershire Care Services NHS Trust Charities, registration number 1096480; New Highway Charity, registration number 1063888. These charities were merged into one charity Gloucestershire Health and Care NHS Foundation Trust Charitable Fund in 2021/22 with registration number 1096480.

Trustees, officers and key management staff of 2gether NHS Foundation Trust Charitable Fund and Gloucestershire Care Services NHS Trust Charities are members of the Board of Gloucestershire Health and Care NHS Foundation Trust or its employees. During 2021/22 (and 2020/21) none of the trustees or members of key management staff or parties related to them undertook any material transactions with the 2gether NHS Foundation Trust Charitable Fund or Gloucestershire Care Services NHS Trust Charities. The executive and non executive Directors of the Trust Board share the responsibility for ensuring that the NHS body fulfils its duties as a corporate trustee in managing the charitable funds.

During 2022/23 (and 2021/22) none of the trustees or members of key management staff of New Highway Charity or parties related to them undertook any material transactions with Gloucestershire Health and Care NHS Foundation Trust, 2gether NHS Foundation Trust Charitable Fund or Gloucestershire Care Services NHS Trust Charities.

Note 47 Gloucestershire Health an Care Charitable Fund

The Trust is the corporate trustee to Gloucestershire Health and Care NHS charitable fund, registration number 1096480. The Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to affect those returns and other benefits through its power over the fund.

	31 March 2023 £000	31 March 2022 £000
Charity's statement of financial activities/SoCI		
Operating income	96	124
Cash donations and other cash expenditure	(48)	(84)
Audit fee (payable to external auditor)	(2)	(6)
Total operating expenditure	(50)	(90)
Net (outgoing)/incoming resources before other recognised gains and losses	46	34
Net movement in funds	**46**	**34**

Note 47 Gloucestershire Health an Care Charitable Fund continued.

	31 March 2023 £000	31 March 2022 £000	31 March 2021 £000
From charity's balance sheet/statement of financial position			
Non-current assets			
Property, plant and equipment	150	150	150
Total non-current assets	**150**	**150**	**150**
Current assets			
Receivables	0	0	1
Cash and cash equivalents	256	309	323
Total current assets	256	309	324
Current liabilities			
Trade and other payables	(9)	(12)	(61)
Total current liabilities	(9)	(12)	(61)
Net assets	397	447	413
Funds of the charity			
Restricted funds:	255	318	266
Unrestricted funds:	142	129	147
Total current trade and other payables	**397**	**447**	**413**

Note 48 Transfers by absorption

There were no transfers by absorption in 2022/23 or 2021/22

Note 48.1 Prior period adjustments

There were no prior period adjustments that need reporting.

Note 48.2 Events after the reporting date

There are no events after the balance sheet date that need reporting.

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF GLOUCESTERSHIRE HEALTH & CARE NHS FOUNDATION TRUST

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Gloucestershire Health & Care NHS Foundation Trust ("the Trust") for the year ended 31 March 2023 which comprise the Consolidated Statement of Comprehensive Income, Group and Trust Statements of Financial Position, Consolidated and Trust Statements of Changes in Equity, Group and Trust Statements of Cash Flows, and the related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and Trust's affairs as at 31 March 2023 and of the Group's income and expenditure for the year then ended; and
- have been properly prepared in accordance with the accounting policies directed by NHS England with the consent of the Secretary of State in March 2023 as being relevant to NHS Foundation Trusts and included in the Department of Health and Social Care Group Accounting Manual 2022/23; and
- have been prepared in accordance with the requirements of the National Health Service Act 2006 (as amended).

Basis for opinion

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

Going concern

The Accounting Officer has prepared the financial statements on the going concern basis as they have not been informed by the relevant national body of the intention to either cease the Group and Trust's services or dissolve the Group and Trust without the transfer of their services to another public sector entity. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Accounting Officer's conclusions, we considered the inherent risks associated with the continuity of services provided by the Group and Trust over the going concern period.

Our conclusions based on this work:

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

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group and Trust will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

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

- Enquiring of management, the Audit and Assurance Committee and internal as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and Audit and Assurance Committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

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

As required by auditing standards, we performed procedures to address the risk of management override of controls in particular the risk that Group management may be in a position to make inappropriate accounting entries and the risk of fraudulent revenue recognition, in particular the risk that NHS income outside of the Group and Trust's block contract funding is accounted for in the incorrect financial period.

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

We did not identify any additional fraud risks.

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

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included unexpected account pairings, high risk users, and material post-closing entries.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.
- Inspecting transactions in the period after 31 March 2023 to verify that income and expenditure had been recognised in the correct accounting period.
- Evaluating accruals posted as at 31 March 2023 and verifying accruals are appropriate and accurately recorded.
- Assessing the completeness of disclosed related party transactions and verifying they had been accurately recorded within the financial statements.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

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

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

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

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

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

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

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

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

Other information in the Annual Report

The Accounting Officer is responsible for the other information, which 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, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

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

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

Annual Governance Statement

We are required by the Code of Audit Practice published by the National Audit Office in April 2020 on behalf of the Comptroller and Auditor General (the "Code of Audit Practice") to report to you if the Annual Governance Statement has not been prepared in accordance with the requirements of the NHS Foundation Trust Annual Reporting Manual 2022/23. We have nothing to report in this respect.

Remuneration and Staff Reports

In our opinion the parts of the Remuneration and Staff Reports subject to audit have been properly prepared in all material respects, in accordance with the NHS Foundation Trust Annual Reporting Manual 2022/23.

Accounting Officer's responsibilities

As explained more fully in the statement set out on page 70 the Accounting Officer is responsible for the preparation of financial statements that give a true and fair view. They are also responsible for: such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to either cease the services provided by the Group and Trust or dissolve the Group and Trust without the transfer of their services to another public sector entity.

Auditor's responsibilities

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

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

REPORT ON OTHER LEGAL AND REGULATORY MATTERS

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

Under the Code of Audit Practice, we are required to report if we identify any significant weaknesses in the arrangements that have been made by the Trust to secure economy, efficiency and effectiveness in its use of resources.

We have nothing to report in this respect.

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

As explained more fully in the statement set out on page 70, the Accounting Officer is responsible for ensuring that the Trust has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

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

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

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

Statutory reporting matters

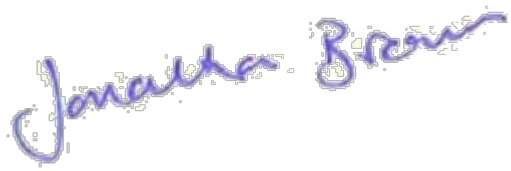
We are required by Schedule 2 to the Code of Audit Practice to report to you if any reports to the Regulator have been made under paragraph 6 of Schedule 10 of the National Health Service Act 2006. We have nothing to report in this respect.

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

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

CERTIFICATE OF COMPLETION OF THE AUDIT

We certify that we have completed the audit of the accounts of Gloucestershire Health & Care NHS Foundation Trust for the year ended 31 March 2023 in accordance with the requirements of Schedule 10 of the National Health Service Act 2006 and the Code of Audit Practice.



Jonathan Brown

for and on behalf of KPMG LLP

Chartered Accountants

66 Queen Square
Bristol
BS1 4BE

Date: 30 June 2023

Quality Report

The Trust has produced a quality report for 2022/2023 with engagement of stakeholders. The report has been published on our website.

Contact Us

If you would like to contact the Trust you can:

Write to: Trust Secretary, Edward Jenner Court, 1010 Pioneer Avenue, Gloucester Business Park, Brockworth, Gloucester GL3 4AW
Email: trustsecretary@ghc.nhs.uk
Tel: 0300 421 7111

Communicating with Governors

Members of the Trust may contact Governors via:

Email: trustsecretary@ghc.nhs.uk

Writing to: Freepost RLYA-XAKR-HABZ, Edward Jenner Court, 1010 Pioneer Avenue, Gloucester Business Park, Brockworth, Gloucester GL3 4AW

Telephone: The Assistant Trust Secretary on 0300 421 7111

There is also a feedback form on the Trust website at www.ghc.nhs.uk

Information in other languages/formats

The Gloucestershire Health and Care NHS Foundation Trust Annual Report and Accounts 2022/23 describe the activities of the Trust during the 2021/22 financial year.

If you would like the Annual Report in large print, Braille, audio cassette tape or another language please telephone 0300 421 7146 or email us at ghccomms@ghc.nhs.uk.