with you, for you

NHS
Gloucestershire Health and Care
NHS Foundation Trust

Gloucestershire Health and Care NHS Foundation Trust

Annual Report and Accounts 2020/21

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

Gloucestershire Health and Care NHS Foundation Trust
Annual Report and Accounts 2020/21

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

Contents

	Overview and Introduction	**9**
1.	Performance Report	9
	Accountability Report	**26**
2.	Directors' Report	26
3.	Remuneration Report	47
4.	Staff Report	53
5.	Compliance with the NHS Foundation Trust Code of Governance	65
6.	Performance against the NHS Improvement Single Oversight Framework	72
7.	Statement of Accounting Officer's Responsibilities	73
8.	Annual Governance Statement	75
9.	Quality Report	103
10.	Annual Accounts 2020/21	104
11.	Auditor's Report	170
12.	Contact Us	176

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 2020/21.

1,233,608
Contacts for 2020/21

336,500
Referrals for 2020/21

94
Clinical services

400
Inpatient beds

5,685
Colleagues

5,987
Public members

71%
of colleagues would recommend the Trust as a place to work

79.5%
of colleagues would recommend the Trust to provide care

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.

Welcome from Trust Chair, Ingrid Barker

It goes without saying that the year 2020 to 2021 will be remembered for decades, if not centuries to come, because of the worldwide pandemic we have all experienced. The NHS and our Trust have been at the forefront of the response to Covid-19 and there is not a corner of our organisation which has not been involved in helping to support our communities through it in some way.

I feel incredibly proud to have experienced the way in which our Trust has responded – with commitment, resilience, determination and a tremendous team spirit. This is even more remarkable when you think that the Trust only came into being just a few months before the pandemic began.

Covid has without doubt impacted upon our exciting plans to transform services as a result of our merger, and bring about better health outcomes for the people we serve. However, we are still determined – and Covid has only increased our determination – to ensure that we fully integrate mental health, physical health and learning disability provision to provide better care for our communities. In fact, in some ways Covid has accelerated some of our plans – for example, our teams and services have in many parts of the organisation become more cohesive and joined-up purely because of the joint effort required throughout the pandemic.

Importantly, we have now agreed our Trust strategy for the next five years from 2021 to 2026. The strategy has been the culmination of a huge amount of engagement – conversations, surveys, events and discussions – between Trust colleagues, partners, stakeholders, members, patients, carers, volunteers and experts by experience. It sets out our mission, vision, and our strategic aims. At the heart of our strategy is people – both the people within the organisation and the people we serve. We pledge to focus on personalised care by asking ‘what matters to you?’ rather than ‘what is the matter with you?’ We want to be forward thinking, tackle health inequalities, improve our use of technology, promote co-production, quality improvement and innovation. Diversity and inclusion will also be a major focus for us in the coming months and years. The Covid pandemic and worldwide events have shown us that we are not, as a society, where we need to be in terms of tackling inequality and discrimination. In line with our Trust values, we pledge to continue to listen to and work in partnership and provide ‘Better Care Together’ which is what drove us throughout the run up to our 2019 formation.

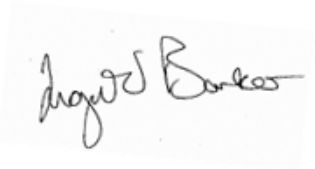
Of course we do not operate alone. We work with a huge range of partners, both locally and nationally. I want to give a special mention to our colleagues at Gloucestershire Hospitals NHS Foundation Trust, NHS Gloucestershire CCG, Gloucestershire County Council, South West Ambulance Service, and the other local authorities, emergency services, third sector organisations and statutory services who have, like us, been through huge challenges in the past year. Our mutual support and expertise has been tested like never before.

We have been through a huge amount as a Trust, as colleagues, as partners and as communities during 2020/21. We have risen to the challenges in our path – not without personal cost to many, I’m sad to reflect. However, I am confident that with our new strategy directing a clear path ahead of us (while preparing for anything that may try to push us off

course) we can continue to provide the high quality, safe services our patients have come to rely upon while helping our communities to access the support they need, when they need it and become, and stay, healthy and well.

I hope this report provides an interesting and informative overview of what have been doing during 2020/21. Thank you for taking an interest in the work of our Trust.

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, and of course everyone who uses our services for their support throughout the year.



Ingrid Barker, Trust Chair **26 May 2021**

1. Performance Report

An overview of our purpose, objectives, and performance during 2020/21

Chief Executive's Statement

As Chief Executive of Gloucestershire Health and Care NHS Foundation Trust, it is my pleasure to present our Annual Report for 2020/21.

There has never been a year quite like this in the history of the NHS or indeed our country. We've faced enormous challenges before, but Covid-19 and the worldwide pandemic has been an extraordinary and historic experience. Sadly, as we look back we can see the huge personal cost – lives lost, businesses decimated, emotional and mental distress for many. The impacts will be felt for many years and decades to come.

I am proud to say, however, that our Trust and everyone in it has been at the forefront of supporting the people of Gloucestershire and has done so remarkably well. From caring for Covid-positive patients in our services and in the community, to running the countywide Pillar I testing service, providing the emergency dental service while many high street dentists were closed, and vaccinating significant numbers of people – particularly those in vulnerable groups. Our Trust has done all of this and more, while continuing to provide the services we have always provided, through the toughest of circumstances.

We've done all this while still a relatively new organisation. In fact, we only formed as a Trust three months before we initiated our Covid response. Rather than direct us off course, the pandemic has galvanised us and we are more determined than ever to ensure that we get back on track to set out what we wanted to achieve before the pandemic began.

Our five-year strategy and its strategic aims focusses on:

- Providing High Quality Care
- Promoting Better Health
- Sustainability
- Creating and Maintaining a Great Place to Work

Most importantly, it puts people at the heart of everything we do. The pandemic has taught us that by working and joining together we can face more than we could have imagined.

As you read this document you will find that while the pandemic has been our main challenge, we have achieved great things in, for example, service user quality and care, as well as the many developments we have made in enhancing the services and support we provide, often in partnership with others. This includes our work as part of the

Gloucestershire Integrated Care System (ICS) as well as our work with national and local statutory, voluntary and third sector partners.

Our Annual Report also provides a full breakdown of our financial performance, our staff engagement work, our sustainability report and something very close to my heart – our work to improve and promote diversity and inclusion.

I'd like to finally pay tribute to my Trust colleagues. I am continuously amazed at the dedication and commitment I witness every day and the lengths that many colleagues go to in order to provide the best possible care, support and treatment to those who use our services. Thank you colleagues and thank you for taking the time to read this Annual Report.

Paul Roberts
Chief Executive **26 May 2021**

About Us

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.

Our merger marked an exciting new chapter for mental health, physical health and learning disability services. By coming together as one Trust, we can address the inequalities people with learning disabilities and mental illnesses face in accessing physical health care, and the challenges people with long-term physical health conditions face in accessing support for their mental health. We know we can provide better care together.

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

Enabling people to live the best life they can.

Our vision is:

Working together to provide outstanding care.

We have identified four strategic aims:

- Providing High Quality Care
- Promoting Better Health
- Sustainability
- Creating and Maintaining a Great Place to Work

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.

Many of our services are delivered in partnership with primary care, social care and the voluntary sector.

Our colleagues are our most precious resource. They ensure we have the right culture and values to meet the needs of our patients and service users.

We employ 5,400 colleagues working in a variety of roles across the organisation. We have over 40 different professional groups working across our 140 sites.

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 are regulated by NHS Improvement and help ensure local accountability, ownership and control of NHS services in your area. We also seek to provide people with an opportunity to learn about services and get more involved.

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 5400 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 11,000 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 Improving Access to Psychological Therapies);
- Specialist services including Early Intervention, Mental Health Acute Response Service, 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 to obtain confidential health and wellbeing advice via text message,

and Let's Talk, which is an Improving Access to Psychological Therapy (IAPT) service aimed at supporting people with common conditions such as stress, depression and anxiety.

Hope House is a Sexual Assault Referral Centre we provide for Gloucestershire. It offers medical care, emotional and psychological support, and practical help to anyone who has been raped or sexually assaulted. The team also offers information to friends and family. 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.

Our occupational health service provides services to our staff and to public and private organisations through our Working Well identity. Our Gloucestershire-based Better 2 Work 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. In 2016/17 we worked alongside our Gloucestershire Commissioners and Swindon Mind to open The Alexandra Wellbeing House, in Gloucester. We also provide Criminal Justice Liaison Services in Gloucestershire alongside the Youth Support Team (PROSPECTS) and the Nelson Trust.

Our research team is funded by the National Institute for Health Research (NIHR). This group works with educational providers, hospitals and commercial companies to promote research studies. Two of our senior research nurses are funded by Cobalt. This enables us to run commercial research projects. 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.

Integrated Care System

Throughout 2020/21 we continued to work with our colleagues in the 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 Improvement. As can be seen from our Regulatory Ratings our 'score' against the single governance oversight framework at the end of 2020/21 was 1, where '1' reflects the strongest performance, and '4' reflects the lowest rating.

We report on a number of local safety and quality standards agreed with commissioners through the Commissioning for Quality and Innovation (CQUIN) payment framework. You will be able to read more about our CQUINs and our achievements against them in our Quality Report when it is published at a later date.

In addition to these operational performance measures, we also constantly undertake our own quality assurance reviews and audits across all services.

Financial performance

During 2021/21 our main commissioner was NHS Gloucestershire Clinical Commissioning Group (CCG) 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 2020/21 Statement of Comprehensive income can be found on page 102.

The following table details a financial performance summary for the past two years:

	2020/21 (£000s)	2019/20 (£000s)*
Total income	246,727	199,273
Operating expenses	(244,194)	(198,000)
Other expenses	(2.444)	(2,166)
Gains/(losses) from transfers by absorption	(6,002)	78,697
(Deficit) / Surplus	(5,913)	77,804

As detailed above, our operating expenses in 2020/21 totalled £244,194,000 of which staff costs accounted for £176,432,000 or 72.25% of our operating expenses.

NHS Improvement (NHSI), our regulator, set the Trust a financial control total of a deficit of £(439,000) for the second half of 2020/21 and we achieved a financial performance surplus of £47,000 excluding absorption accounting.

The reconciliation of our reported financial performance to NHSEI with our accounts position of a deficit of £(5,913,000) is explained in the following table:

Adjusted Financial Performance	2020/21 £000s
Deficit for the year	(5,913)
Before consolidation of Charity	(59)
Add back all I&E impairments / (reversals)	353
Adjust (gains) / losses on transfers by absorption	6,002
Surplus / (deficit) before impairments and transfers	**383**
Remove capital donations / grants I&E impact	135
Remove net impact of DHSC centrally procured inventories	(471)
Adjusted financial performance surplus / (deficit)	**47**

Under an evolving Covid financial regime for 2021/22 we are still in discussions about system revenue funding and the position has not been finalised within the timescale of this report. We have an agreed system envelope for capital and an agreed capital plan to spend £15.993m to make further improvements to our buildings, tackle backlog maintenance and invest in our Information Technology programme.

Our full annual accounts can be found at page 105.

Efficiency savings

During 2020/21 Gloucestershire Health and Care NHS Foundation Trust was expected to deliver £5,462,000 of recurring efficiency savings. This comprised a 1.1% national efficiency requirement and additional savings to meet cost pressures and service development requests. The implementation of interim financial measures as part of the response to Covid however meant the requirement to make the 1.1% efficiency target was dropped which reduced the Trusts savings target to £3,230,000.

Over the year, we delivered savings of £3,619,000 against a total income of £246,565,000.

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.

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.

Public Sector Payment Policy

The Trust operates its 'Public Sector Payment Policy' in line with the Governments '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. It also states that 80% of all 'valid, undisputed invoices' should paid within 5 working days. The Trust's performance against the policy has remained high throughout 2020/21. The cumulative Public Sector Payment Policy (PSPP) performance for the Trust for the financial year 2020/21 was 90% paid within 30 days.

The figures, including a split between NHS and Non-NHS payments, is 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		**19ACTYTD01**	**19ACTYTD**
	Expected Sign	**Actual 31/03/2021 YTD Number**	**Actual 31/03/2021 YTD £'000**
Non NHS			
Total bills paid in the year	+	38,678	105,882
Total bills paid within target	+	34,788	97,488
Percentage of bills paid within target	%	**89.9%**	**92.1%**
NHS			
Total bills paid in the year	+	912	71,841
Total bills paid within target	+	694	68,793
Percentage of bills paid within target	%	**76.1%**	**95.8%**
Total			
Total bills paid in the year	+	**39,590**	**177,723**
Total bills paid within target	+	**35,482**	**166,281**
Percentage of bills paid within target	%	**89.6%**	**93.6%**

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.

Counter Fraud

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.

It has also helped to increase liaison with other government, public and private organisations, and the national and regional offices of NHS Counter Fraud Authority to improve the impact of our counter fraud activity. 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. There is a Trust quality 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 now 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. Both of our predecessor Trusts had a strong history of inclusion, including the embedding of experts by experience and peer support workers, and engagement with diverse communities. Our Trust now has a Partnerships and Inclusion team which spearheads this work, however everyone in the Trust is encouraged to work in partnership with our communities to improve the health outcomes of those who are most disadvantaged.

Environmental Sustainability

The Greener NHS Programme

Launched in January 2020, the 'Greener NHS' programme was announced by the Chief Executive of NHS England Sir Simon Stevens. The campaign is aimed at reducing the NHS carbon footprint to net-zero by 2040, with an interim target set out for an 80% reduction in direct emissions by 2028-32. The 'Greener NHS' campaign is part of the wider NHS strategy to create Sustainable, Resilient, Healthy People and Places**.**

Gloucestershire Health and Care NHS Foundation Trust has set new objectives from 2021 to:

- Reduce our carbon footprint in line with the new NHS reporting model.

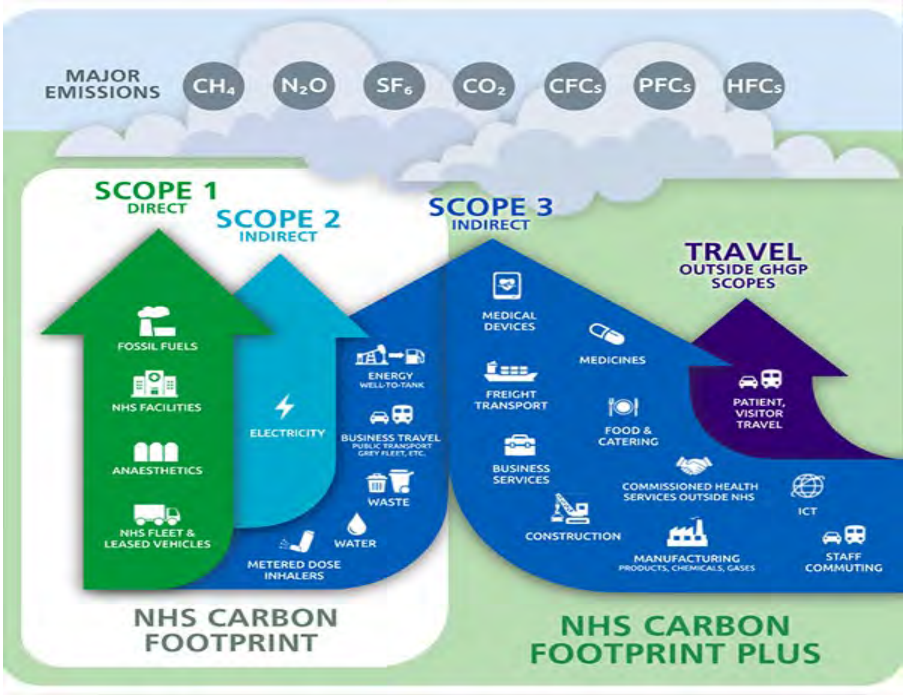
NHS Carbon Footprint

- For Scope 1 emissions (the emissions we control directly), we will aim to reach net-zero by 2040, with an ambition to reduce scope 1 emissions by an additional 55% to reach an overall 80% reduction in tCO2e by 2028-32.

  (Target includes carbon emissions which GHC inherited from 2gether NHS Foundation Trust's 2008-09 baseline whereby emissions had previously been reduced by 25% in reporting year 2018-19).

NHS Carbon Footprint Plus

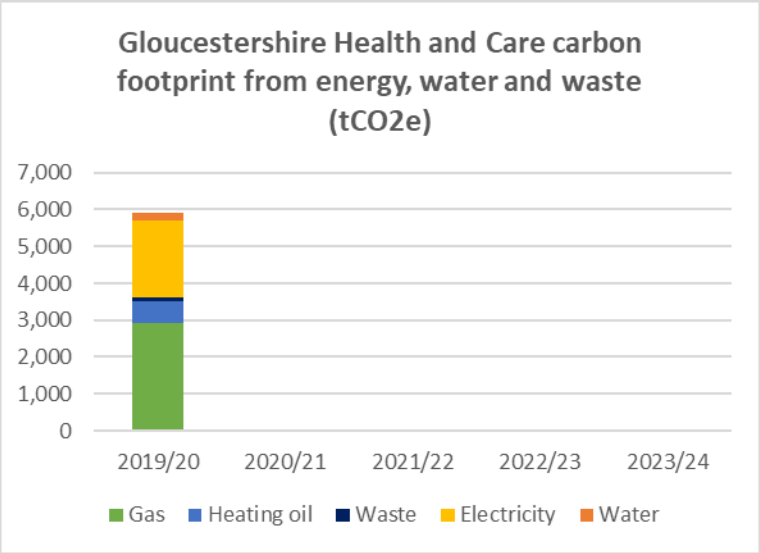
- For the emissions we can influence, scope 2 and 3 emissions, we aim to reach net-zero by 2045, with an ambition to reach 80% reduction by 2036-39.



2019-20 Carbon Report

Prior to the formation of Gloucestershire Health and Care the two predecessor trusts combined (2gether NHS FT and Gloucestershire Care Services NHS Trust) were successful in reducing carbon emissions by 25%. The Trust will continue to reduce carbon emissions by

-55% to achieve an overall reduction of -80% by 2028-32 as set out by the Greener NHS Programme.



On the 1st April 2020, the Trust handed over a number of its sites within the Herefordshire locality to Worcestershire Health and Care NHS Trust. The Herefordshire portfolio originated within 2gether NHS Foundation Trust and consisted of a number of buildings including Stonebow Hospital. The primary heating source at Stonebow is from oil fired boilers, therefore as a result of the handover we anticipate that direct emissions will decrease by up to -10% during the next reporting year 2020-21.

Electricity

In March 2020, we upgraded the lighting at Weavers Croft to low energy (LED) lighting. As a result this reduced carbon emissions by 11.0 tCO2e per annum. However, it is recognised that future energy saving projects will need to have a greater impact to achieve the -80% reduction in direct emissions by 2028-32. In acknowledgment of this, we have set out new plans to reduce electricity demand at two of our largest mental health inpatient sites, these are Charlton Lane and Wotton Lawn Hospitals.

The project is part of the Public Sector Decarbonisation Scheme which comprises of LED (lighting) upgrades and roof mounted solar photovoltaic (PV panels). The aim is to reduce electricity demand to the extent that it will be possible to install decarbonised heat pumps which are a greener alternative to the existing gas fired boilers. We anticipate that we will reduce carbon emissions by up to -250 tCO2e as an outcome of this project.

Gas

The vast majority of the Trust's carbon emissions are emitted from gas, and during 2019-20 the Trust generated a total of 2,926 tCO2e from heating systems. In order to achieve net zero, we will need to convert the heating systems from mains gas to low energy source heat pumps. In 2021 we will be setting out plans to decarbonise the heating systems located at Charlton Lane, Wotton Lawn and at George-Moore Community Clinic.

Heating Oil

The only oil-fired boiler that remains in the Trust is at the Dilke Hospital which is located in the Forest of Dean and we are currently developing a business case for the replacement of this site in 2023. As a result of the previous disposal of Stonebow Unit, in Hereford, we anticipate that our consumption of heating oil will decrease by up to -40% in reporting year 2020-21.

Renewable Energy

The Trust purchases green electricity from its suppliers. This means that we are eligible to report zero-carbon emissions equivalent to the amount of renewable electricity the Trust buys from the grid.

Water

To reduce our water consumption and reduce the risk of water loss from leaks we aim to install Automatic Meter Readers at our higher consuming sites. Automated Meter Readers (AMRs) will provide the level of accuracy needed to quantify our usage, detect water leaks and inform better decision making associated with reducing water use.

Waste

In 2019-20, the Trust generated 660 tonnes of waste resulting in 103 tCO2e - 49% of which derived from general waste. In April 2020, the Trust appointed a new qualified and experienced waste manager to undertake waste benchmarking and develop plans to promote reuse and recycle in order to minimise waste. Through engagement and training we aim to change the behaviours of staff within the Trust, and improve the segregation of waste. The same approach is applied for reuse. We operate an online system called Warp It. Items of office furniture and equipment can be advertised for transferal and be reused at other Trust locations. By adopting this approach, we can reduce the number of items we send to waste and limit carbon emissions embedded in the procurement of new goods.

Summary

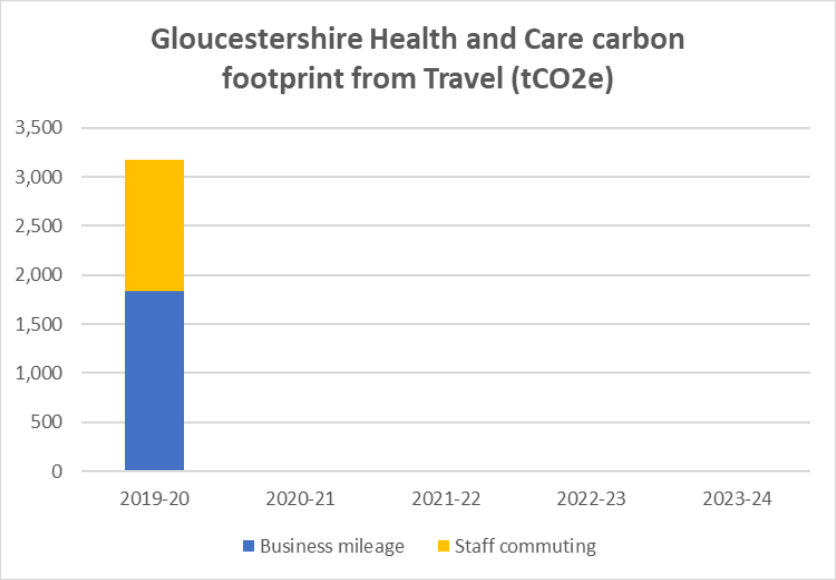
The table below summarises the extent of the Trusts carbon emissions from building use which have increased since the merger of [2]gether and Gloucestershire Care Services due to changes in reporting approach for the newly merged Trust. The data is captured from our 2019-20 annual Estates Return Information Collection (ERIC).

Category tCO2e	2019-20
Water use	207
Waste	103
Heating oil	573
Gas	2,926.00
Electricity	2,090.00
Total	5,899.00

Business Travel and Commuting

In 2019-20, Trust colleagues travelled a total of 2,423,349 business miles which included miles from staff claimed mileage, fleet vehicles and rail. The total carbon emissions from business travel in 2019-20 was 1,831 tCO2e and 1,344 tCO2e has been contributed from staff commuting.

It should be noted that the figure provided for commuting is based on the (NHS Sustainable Development Unit) national average of miles travelled per annum, per whole time equivalent.



Remote Working

The NHS introduced Microsoft Teams in 2020. The purpose of this exercise was to enable virtual meetings during the Coronavirus pandemic and to prevent the risk of infection rates caused from meetings being held face-to-face. Since the rollout of MS Teams, we have identified the positive effect had by reducing non-essential business travel. During the first four months of the pandemic we undertook an evaluation by comparing mileage claims from the previous year and we noticed that there was a -28% decrease in staff claimed mileage and a -104 tCO2e reduction carbon emissions.

Mar-Jun 2019 claims	Mar-Jun 2020 claims	Saving £	% -/+ claims	Total miles saved for period	2019 DEFRA carbon factor	tCO2e saved
£722,073.52	£517,748.56	£204,324.96	-28%	364,866	0.28502	104

In our next report we aim to undertake a full 12-month evaluation for the period covering 2020-21. This data will help us to understand the full extent of the benefits and savings made by introducing MS Teams and enabling staff to work remotely. In addition, we will also consider the savings made from fleet vehicles.

Active Travel

The Trust has a cycle to work scheme and currently there are **20 members** of staff signed up to the scheme and **19** bikes have been sold to date. As part of an ongoing development we will be expanding our network of lockable bike shelters to encourage Trust wide engagement. This was started off in January 2021 by installing a new lockable bike shelter at Pullman Place, which securely houses up to 20 staff bikes.

Green Transport

The UK Government has placed a ban on manufacturing vehicles with combustion engines, which will commence from 2030 onwards. The decision is aimed at tackling global carbon emissions and improving air quality in built up and congested areas of the UK. In line with the Government's plans, we are installing electric vehicle charging stations at five of our sites in 2021. The installation will provide 18 Electric Vehicle (EV) sockets which are available for staff and visitor charging. In addition, the new infrastructure will enable the Trust to pilot test the use of electric vehicles prior to rationalising the pool car fleet to EVs.

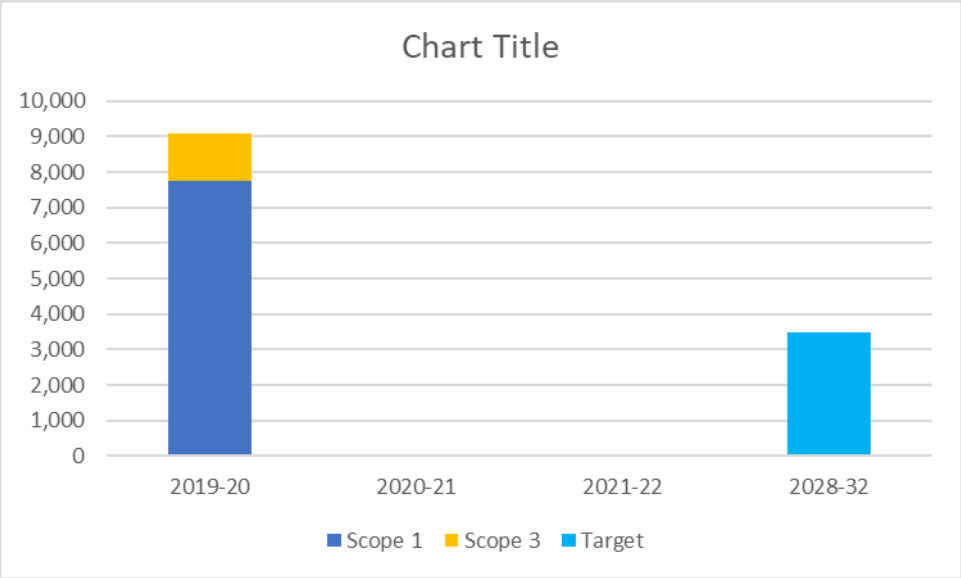
Installations in 2021

7.2Kwh EV Sockets	Location
4	Edward Jenner Court
4	North Cotswold Hospital
4	Cirencester Hospital
2	Charlton Lane Hospital
2	Pullman Place Hospital

Total Carbon Footprint

The Total carbon footprint for GHC in 2019-20 was 9,074 tCO2e which considers building and transport emissions. To meet the NHS interim target (2028-32) for NHS Carbon footprint, we will aim to reduce carbon emissions from scope 1 by -55% or 4,251.5 tCO2e.

From the new reporting year (2021-22) we will aim to remove or avoid carbon emissions contributed from scope 3 in order to achieve the NHS Carbon Footprint Plus target by 2045.



Carbon Footprint tCO2e	**2019-20**	**2028-32 (Target)**
NHS Carbon Footprint	9,074	3,478

Green Plan

From 2021, we will be replacing our Sustainable Development Management Plan with the new (NHS) Green Plan. The Green Plan is in line with the 'Greener NHS' programme and is a mandatory requirement for all NHS organisations. The aim of the plan is to develop system wide strategies and enable the NHS on its journey towards Net-zero carbon emissions. In response, the Trust has both an Executive and Non-Executive Lead for sustainability and recently appointed a new Head of Sustainability. The Trust has also ensured that a priority focus is placed on sustainable development and its wider social and corporate responsibilities by making sustainability one of the organisations strategic objectives. This will be achieved by working strategically with the Gloucestershire Integrated Care System and local partners to develop a system-wide approach towards sustainable development and embedding plans for net-zero emissions.

Sustainability Action Group

For 2021, we will be assembling a Sustainability Action Group to tackle the Climate Health Emergency. The Sustainability Action Group will enable collaboration between partners and stakeholders at a strategic level to improve decision making and deliver the best outcomes for Sustainable Development across the Trust and Gloucestershire's Integrated Care System. Overall, the group will be looking at eight strategic priorities but the main focus will be on items related to the five-year overarching Green Plan and staff behavioural change programmes to promote engagement and promote action.

The **Green Plan** will consist of Trust wide strategies such as:

1. Green Championship
2. Sustainable Models of Healthcare
3. Estates Strategy
4. Net-zero Carbon Emissions
5. Biodiversity and Greenspace
6. Sustainable Travel
7. Sustainable Procurement
8. Communications Strategy

NHS Forest

Our NHS Forest Programme at North Cotswold and Cirencester Hospitals is still ongoing. At Cirencester we have a team of local volunteers who provide upkeep to ancient woodlands and run a variety of community-led projects. Community projects largely consist of creating woodland paths, tree planting and building outdoor furniture for use within the woodlands and nearby grounds. In November 2020, we were successful in our application for obtaining 105 trees which were donated to the forest by the Woodlands Trust. The trees will be stored in the ground's nursery and grown on ready for planting by our local volunteers in Autumn 2021. The aim of planting the trees is to preserve and maintain the forest's natural biodiversity and wildlife. The aim of the NHS Forest programme is to promote preventative healthcare by increasing people's access to local greenspaces in rural parts of Gloucestershire.

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, particularly due to the recent and continued pressures presented by Covid-19. 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 relatively new Trust we are also 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 now be against the backdrop of Covid-19, which will inevitably have a huge impact on the health service as well as wider society, our communities and partners.

We will also continue our work with the Integrated Care System in Gloucestershire but 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. 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.

Paul Roberts
Chief Executive 26 May 2021

Accountability Report
2. Directors' Report

As described in our Performance report, NHSEI, our regulator, set Gloucestershire Health and Care NHS Foundation Trust a financial control total of a deficit of £(439,000) for the second half of 2020/21 after expecting the Trust to break even in the first half of the year.

We achieved a surplus of £47,000 which was higher than the financial control total set.

To reconcile to the reported financial accounts position of a deficit of £(5,913,000), impairment loss of £353,000 needs to be added to reduce the deficit along with £135,000 for capital donations/grants, £6,002,000 for the impact of the transfer of assets to Herefordshire, less a net £59,000 from the consolidation of charitable funds, and less £471,000 for the net impact of Department of Health and Social Care centrally procured inventories.

Under an evolving Covid financial regime for 2021/22 we are still in discussions about system revenue funding and the position has not been finalised within the timescale of this report. We have an agreed system envelope for capital and an agreed capital plan to spend £15.993m to make further improvements to our buildings, tackle backlog maintenance and invest in our Information Technology programme.

Income from health services is greater than income from any other source, income from non-health service provision, for example overseas patients, is not material.

The trust has disclosed the income and full cost associated with fees and charges levied by the trust where the full cost exceeds £1 million or the service is otherwise material to the accounts.

Our full annual accounts can be found on page 105.

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 the note 1.6 to our annual 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 2020/21 the use of CQUINs was paused, due to the Covid pandemic.

Trust membership

As an NHS foundation trust, we seek to provide local accountability, ownership and control of local services through inviting people to become members of the Trust.

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.

Following our merger, steps were taken to ensure that our membership and our Council of Governors was reflective of all the services we provide. We actively began recruiting people who use our physical health services and we also ensured that our staff Governors reflected our physical health services, as well as our mental health and learning disability services.

Staff constituency

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

There are three classes:

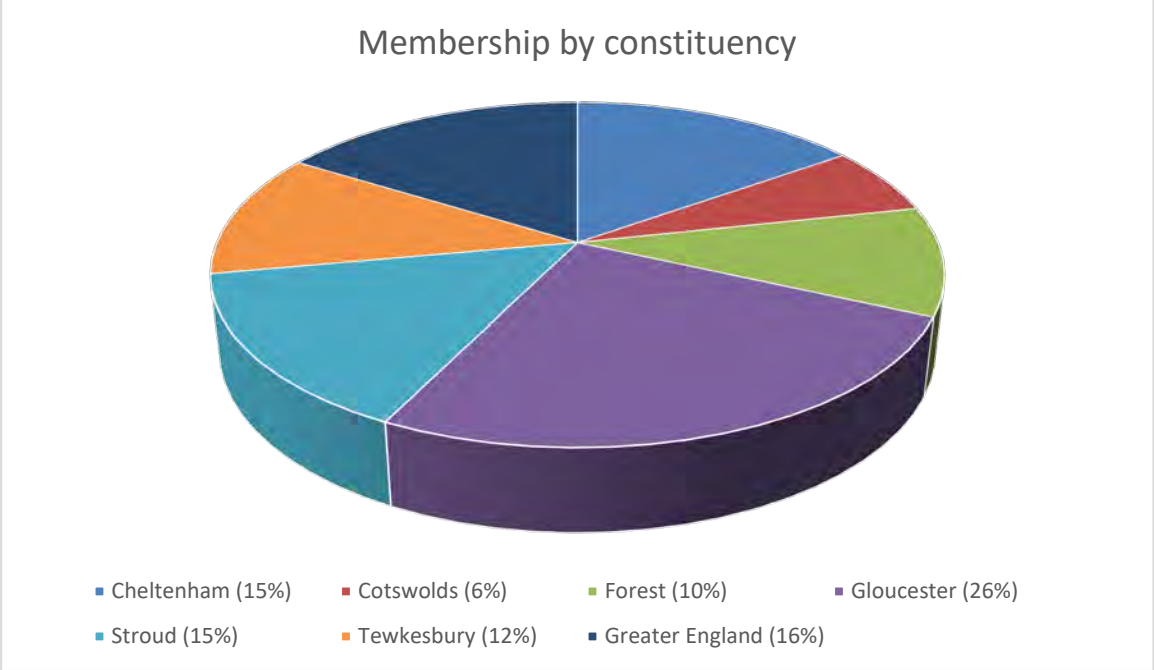
- Medical and nursing staff
- Social care and support staff
- Management, administrative and other staff

The Trust provides automatic membership of the staff constituency.

Membership data

Constituency	As at 31 March 2021	As at 31 March 2020
Public	5987	**6073**
Staff	4631	4661

Membership data by constituency as at 31 March 2021



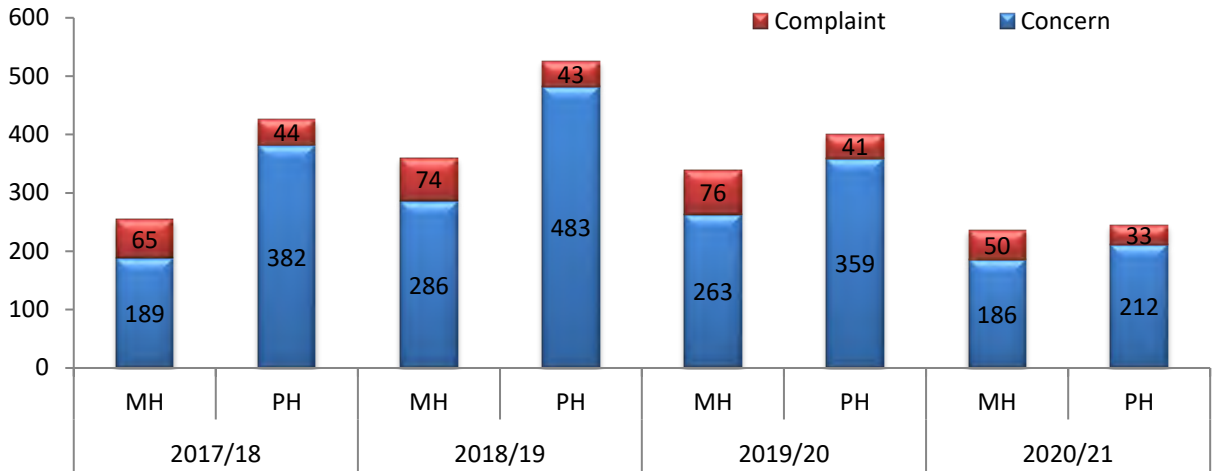
Become a member

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

Between 1 April 2020 and 31 March 2021, the Trust received 50 formal complaints about our mental health services, and 33 relating to our physical health services – a total of **83**. This is fewer than the previous year. Between 1st April 2019 and 31st March 2020 we received 76 formal complaints regarding our mental health services, and 41 about our physical health services – a total of 117.



From 1st April 2020 to 30th June 2020, NHS England instigated a "national pause" in investigating complaints to enable NHS Trusts to support responding to the Covid pandemic. During that time the Patient and Carer Experience Team (PCET) continued to review all new complaints, concerns and enquiries to assess whether any of the issues raised required an investigation to be initiated and prioritised e.g. if a complaint had potential issues relating to patient safety, safeguarding and/or related to the Covid pandemic. The need to conduct an investigation was in agreement with senior Trust management. Everyone who contacted the PCET to raise concerns about our services, were informed in writing that the Trust was experiencing significant delays in investigating and responding to complaints due to our response to the pandemic.

People who contact the PCET should receive a receipt of acknowledgement within three working days. The PCET seek to resolve any concerns in the most timely and proportionate manner. Those who wish to pursue a formal complaint will have their complaint issues clarified and sent to them in writing for confirmation – this is known as the acknowledgement of complaint process. During the period when complaints were paused, the acknowledgement letter informed complainants their complaint had been received and would be progressed in due course. The PCET also provided complainants with regular updates regarding the progress of their complaints and apologised for any ongoing delays.

Last year, 2019-2020, **88%** (**67 of 76)** of complaints regarding our mental health services were acknowledged within three days (these data were not available for our physical health services). This year, 2020-2021, **94%** (**78 of 83)** of complaints were acknowledged within the three-day time standard.

Analysis of this information for 2020/21 shows that there was a decrease in the number of formal complaints (**n=83**) and in the number of concerns (**n=389**) compared to 2019/20 (complaints n=117, concerns n=622).

There was a 35% decrease (**n=481**) in the combined number of complaints and concerns reported to the PCET during 2020/21 compared to 2019/20 (n=739). It is important to acknowledge that the PCET also record additional contacts made directly with the team and these are categorised as enquiries on Datix.

During 2019/20 there were **318** enquiries relating to our services. During 2020/21 there were **266** enquiries about our services; an additional **46** contacts did not relate to our services and were signposted to the correct organisation. The PCET provide information regarding independent advocacy services that are able to support people to make a complaint. People are encouraged to seek an independent investigation of their complaint via an external review by the Parliamentary Health Services Ombudsman (PHSO), Local Government Ombudsman (LGO) or the Care Quality Commission (CQC) if they are not satisfied with the outcome of the Trust's investigation or if they feel that their concern remains unresolved.

Compliments

This table displays the number of compliments we have received for 2020/21, with a comparison for the same services in the previous year. There has been a considerable decrease in compliments. However, this may be due to a change in the system for recording compliments the Trust receives; work is underway to increase awareness of the new system.

Compliments	Mental health	Physical health	Total
2019-20	1,218	1,735	**2,953**
2020-21	298	905	**1,203**

NHS Friends and Family Test

The NHS Friends and Family Test (FFT) was created to help service providers and commissioners understand whether people are happy with the service provided, or where improvements are needed. It is a quick and anonymous way to share views after receiving care or treatment across the NHS. We invite everyone who uses our services to respond to the FFT.

National changes were made to the FFT and was meant to launch in April 2020. However due to the Covid pandemic, the launch was put on hold and the new FFT was restarted across all Trust services on the 1st July 2020. Electronic versions of the FFT are used via email, SMS and iPads, and the FFT survey link is also made available to patients after consultation via Attend Anywhere. Paper copies of the survey have been put on hold through the period of the pandemic, but are being gradually reintroduced from March 2021.

The FFT involves service users being asked ***"Overall, how was your experience of our service?"***

The table below details the number of FFT responses received by the Trust for each quarter from 1st July 2020 onwards. The FFT score is the percentage of people who stated that the service was 'very good' or 'good'. National reporting of FFT figures was reintroduced in January 2021.

	Number of responses	FFT Score (%)
Quarter 2, 2020/21	2,385 (2,214 positive)	93%
Quarter 3, 2020/21	4,505 (4,270 positive)	95%
Quarter 4, 2020/21	5,089 (4,829 positive)	95%
Total	**11,979 (11,313 positive)**	**94%**

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 2020, the Community Mental Health Survey received feedback from a total of 17,601 people who received treatment for a mental health condition between 1st September 2019 and 30th November 2019; the sample was generated at random. Of the people surveyed for our Trust, 31% (n=380) responded (the national average was 26%).

The results of the Care Quality Commission's 2020 National Community Mental Health survey show that our Trust scored better than last year (2019):

- Better than most trusts in 8 of 11 domains
- Better than most trusts in 13 of 28 questions (45%)
- About the same in 15 questions (54%)

The Trust scored highly in questions relating to person-centred care such as knowing who to contact, being treated with respect and dignity, good organisation of care and services, discussions around care and medication. The Trust is categorised as performing 'better' than the majority of other mental health Trusts in 8 of the 11 domains (73%) (last year: 7 out of 11, 64%).

Areas where the Trust performed well include:

- Health and social care workers
- Organising people's care
- Reviewing people's care
- Discussing the possible side-effects of medicines
- Support and wellbeing
- People's overall view of care and services
- People's overall view

Areas for further focus include:

- Providing information about support from others experiencing the same mental health needs, financial advice and seeking employment
- Support people's physical health needs
- Asking people for their views on the quality of their care

This feedback has been considered and will be addressed in an action plan to be agreed with the Trust Senior Management Team.

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 – 30 September 2019 she was Joint Chair of ²gether and Gloucestershire Care Services NHS Trust. 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 is a Trustee and board member for NHS Providers, elected to represent the Community Trusts across the country. 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. Ingrid is currently a governor for the University of Gloucestershire.

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 Elim Housing and Second Step, 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 Resources Committee.

Maria Bond – Independent Non-Executive Director
Maria, who lives in Stroud, Gloucestershire, was appointed as a Non-Executive Director for 2gether in November 2016 and then to the Shadow Board. She is now the Chair of the Quality Committee and deputy Chair of the Audit and Assurance Committee at Gloucestershire Health and Care NHS Foundation Trust. Maria is also an appointed Lay-member of Council at the University of Bath, where she Chairs the Redundancy Committee.

Her professional experience comes in the construction and commercial development sector, where she has worked for many years as a chartered quantity surveyor. Maria is a Member of the Royal Institute of Chartered Surveyors and worked in construction for the Morgan Sindall Group and the Rok Group as Commercial Director, Area Director before joining the acquisition team to lead the due-diligence and integration of new businesses. She is also a qualified riding instructor.

More recently Maria has worked for Gloucestershire Hospitals NHS Foundation Trust as a Non-executive Director whilst also undertaking interim assignments based around Project Management. She has 12 years of Non-Executive experience working in the Gloucestershire NHS system.

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 the proposed merged Trust 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, 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 in January 2016. 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 a 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 a member of the Women's Commission (Bristol). Sumita, who lives in Bristol, is hoping to use both her personal and professional experience to support the work of the Trust.

Sumita is Chair of the Charitable Funds Committee and Deputy Chair of the Resources 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 and the Physical Disability and Sensory Impairment Partnership Boards as well as

being the Independent Chair of the Gloucestershire Mental Health and Wellbeing Partnership Board. 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 Mental Health Legislation Scrutiny Committee and the Deputy Chair of Quality Committee.

Steve Brittan – Independent Non-Executive Director (from 17 September 2020)

Steve joined the Trust as an Associate Non-Executive Director in May 2020. Steve lives in Gloucestershire and also serves on the Board of Xoserve Ltd, the UK Gas industry's Central Services Data Provider. He is also a partner at TecHorizons Ltd, a consultancy established to identify, incubate and source investments into innovative UK Dual-Use Technologies. Before this he was the Chief Executive of the UK Defence Solutions Centre – an Innovation Centre comprised of a UK Government/Industry partnership to promote, develop and invest in UK technology. Between 2009 and 2014 he was a Technology and Innovation Consultant working with various clients to identify options/strategies to create new market entry points to create additional commercial value.

He previously spent eight years at QinetiQ Group Plc, as a Managing Director and Chief Operating Officer. The majority of Steve's early career was spent at Marconi Underwater Systems (1990-1998). In addition he was a Council Member of Cranfield University Advanced Manufacturing Group (from 2015-2020), and a Non-Executive Director of V-Auth Ltd (from 2013-2018); he is also a former Non-Executive Director of the Numerical Algorithms Group (2013-2016).

Dr Stephen Alvis – Independent Non-Executive Director (from 19 November 2020)

Stephen has been a GP in Gloucestershire for the last 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. He is a member of the Quality Committee and the Chair of the MH Act Managers Forum.

Duncan Sutherland – Independent Non-Executive Director (Until 30 September 2020)

Duncan Sutherland was appointed to the 2gether Trust on 1 April 2016 and lives just outside Hereford. He brings with him years of experience as a non-executive director of a number of public companies.

Duncan was previously non-executive director of the British Waterways Board for eight years before stepping down and non-executive director for High Speed 2, in a role focusing on economic growth, regeneration and property. His on-going non-executive director post is with the South Bank Sinfonia, which works with music graduates.

He is also a director of Sigma, a specialist regeneration company, working with local authorities. Duncan was a member of a number of the Board's Committees, including Resources and Audit.

About our Executive Directors

Paul Roberts – Chief Executive
Paul is the Chief Executive of Gloucestershire Health and Care NHS Foundation Trust. 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 has been 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.

An Oxford University graduate, Paul has also held a variety of national roles across the NHS, including being a trustee of the NHS Confederation, vice-chair of the Association of UK University Hospitals and a member of the Independent Reconfiguration Panel.

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 strategy and business development, planning, financial management and contract management as well as leadership of the finance services, procurement, performance and IT functions.

Sandra was previously Executive Director of Resources at Birmingham and Solihull Mental Health NHS Foundation Trust, where she led on a wide portfolio of corporate services including finance, estates, ICT and business development. 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.

Neil Savage – Director of Human Resources & Organisational Development
Neil took on the role of Joint Director of HR/Organisational Development for both 2gether and Gloucestershire Care Services NHS Trust from 1 July 2018 and became the Trust's Director of HR and Organisational Development on 1st October 2019.

Neil's previous role was Director of HR Transformation, leading on the HR integration of Birmingham Children's and Birmingham Women's NHS Foundation Trusts. Prior to this, Neil worked at Birmingham Women's NHS Foundation Trust, most recently as Chief Operating Officer. In this role, he successfully delivered local and national performance and access targets, developed and implemented a number of service improvements and people strategies, as well as implementing Business Continuity Management and Emergency Planning systems. Before this, he was Executive Director of Workforce & Organisational Development. From 2004, Neil worked for Gloucestershire Hospitals NHS Foundation Trust as Assistant HR Director and Acting Director of HR & Organisational Development. Neil has previously also worked in other HR roles for NHS trusts covering 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.

John Trevains – Director of Nursing, Therapies and Quality
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 over a 23-year long career and is well known both nationally and locally within the NHS. Prior to joining 2gether, 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), Clinical Lead for the National Transformation Care Programme and Deputy Director of Nursing for ²gether.

A Registered Mental Health Nursing graduate of Plymouth University, John also 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 joined the Trust in August 2002 and completed his basic and specialist training locally 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. His first appointment as Consultant was with the Cheltenham Crisis and Home Treatment Team from January 2010 to July 2013. In August 2013 he joined the Gloucester and Forest of Dean Assertive Outreach Team as Consultant. His previous additional roles include Inpatient Medical Lead (March 2010 to August 2013), Postgraduate Tutor (November 2010 to August 2013) and Director of Medical Education (August 2013 to December 2017). He was an elected and later a co-opted member of South West Division of the Royal College of Psychiatrists. He is a member of the Faculty of Medical Leadership and Management and represented the South West Division in the Leadership and Management Committee of the Royal College of Psychiatrists. He was appointed as Medical Director in 2gether NHS Foundation Trust in December 2017 and Joint Medical Director 2gether NHS Foundation Trust and Gloucestershire Care Services in February 2019. He is also the Responsible Officer and Caldicott Guardian in the Trust.

John Campbell – Chief Operating Officer
John has over 20 years senior management experience in both the NHS and the third sector, spanning mental health, learning disabilities, acute and community services. Prior to joining ²gether in February 2018, John held a national role as managing director for mental health for Turning Point, one of the largest social enterprises in the country. He oversaw the attainment of 'outstanding' rating from the Care Quality Commission (CQC) for two independent hospitals, the first services in Turning Point to achieve this rating, and developed innovative models of care combining digital and therapeutic intervention for Improved Access to Psychological Therapy (IAPT) services.

John's last NHS posts before joining ²gether were as Chief Operating Officer and then Deputy Chief Executive for Black Country Partnership NHS Foundation Trust. During his eight years with the Trust, he led the programme to attain foundation trust status, oversaw a range of large scale service developments and improvements and managed integration and transformation of services as a result of acquisitions.

John has an MSc in Healthcare Policy and Management from the University of Birmingham and holds qualifications in marketing (Chartered Institute of Marketing), coaching and project and programme management (APM). He is passionate about leadership development and co-production of service solutions, working alongside people that use services, carers and wider stakeholders. He is particularly keen to promote the employment of 'Experts by Experience' in the delivery of services.

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 Clinical Commissioning Group (CCG) 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, including national representative for NHSCC.

Attendance by Non-Executive Directors and Directors

Terms of reference define membership for each 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.

Attendance at Trust Board and Board Committees by Non-Executive and Executive Members from 1st April 2020 – 31st March 2021								
Name and Position	**Council of Governors**	**Board**	**Resources**	**Audit & Assurance**	**Quality**	**Mental Health Legislation Scrutiny**	**Charitable Funds**	**ATOS**
Total of Meetings Held	**5**	**7**	**6**	**5**	**5**	**3**	**2**	**4**
Ingrid Barker Trust Chair [1]	**5**	**7**	2	-	2	1		**4**
Steve Alvis, Non-Executive Director [2]	4	**7**		1	**4**	**3**		**4**
Steve Brittan, Non-Executive Director [3]	3	**6/6**	**5**	**5**				**4**
Maria Bond, Non-Executive Director	4	**7**		**4**	**5**			**4**
Marcia Gallagher, Non-Executive Director	5	**7**	2	**5**	2		**2**	**4**
Jan Marriott, Non-Executive Director	4	**7**	**6**	3	**5**	**3**		**3**
Graham Russell, Non-Executive Director	3	**7**	**6**	**5**			**2**	**4**
Sumita Hutchison, Non-Executive Director	5	**6**	**4**	1	**4**		**2**	**4**
Duncan Sutherland (until 30th Sep 2020)		**4/4**	**2/3**					**0/1**
Paul Roberts, Chief Executive [1]	3	**7**	1	1				**4**
John Trevains, Director of Nursing, Therapies and Quality	1	**7**			**4**		**0**	
Dr Amjad Uppal, Medical Director	1	**7**		1	**5**	**3**		
Sandra Betney, Director of Finance/Dep. Chief Executive	2	**7**	**5**	5			**0**	
Neil Savage, Director of HR & Organisational Development	3	**7**	**5**	1			**1**	4
John Campbell, Chief Operating Officer		**6**	**5**		**1**	**3**		
Angela Potter, Director of Strategy and Partnerships	2	**7**	**6**				**2**	
Helen Goodey, Director of Locality Development and Primary Care		**4**						

	Member of a Committee/Board as stated in the terms of reference. 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] Appointed Associate Non-Executive Director 20th January 2020. Appointed Non-Executive Director 19th November 2020
[3] Appointed Associate Non-Executive Director 18th May 2020. Appointed Non-Executive Director 17th September 2020

Board Committees

Audit and Assurance Committee

All Non-Executive Directors, except the Trust Chair, are members of the Audit and Assurance Committee. 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: PwC is the Trust's Internal Audit provider. The Committee has commissioned from PwC 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 when required. 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.

The Council of Governors appointed KPMG as the Trust's External Auditor from 1 April 2017, following a competitive procurement process overseen by an Audit Committee working group on which Governors were in the majority. In November 2020 it was confirmed to Governors that the Trust proposed to extend its contract with KPMG, in line with the option agreement at appointment.

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 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 4 times and considered:

- The performance of each Executive Director and the Chief Executive, including a review of the Chief Executive's annual objectives
- Executive Director and Chief Executive pay
- The allocation of clinical excellence awards for consultants, discretionary points to associate specialists and optional points to staff grades in line with Trust's policies and procedures and as necessary

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 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 maximum term of office for a Non-Executive Director is six years.

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 having had his/her name removed from any relevant list of medical practitioners prepared pursuant to paragraph 10 of the National Health Service (Performers Lists) regulations 2004 or Section 151, of the 2006 Act (or similar provision elsewhere), and has not subsequently had his/her name included in

such a list; or a person who has had their professional clinical registration revoked. 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 a registered sex offender pursuant to the Sex Offenders Act 2003
- 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 Nomination 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 the note 1.6 to our annual accounts.

Details of senior employees' remuneration can be found in page 49 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 38 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 clinical commissioning groups.

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 2020/21 for public and staff governor positions.

Constituency	Vacant Posts	Candidates	Total Votes Cast	Turnout
August/September 2020				
Cheltenham	2	Dan Brookes* Juanita Paris* Phoebe Brogan Arron Gregory Bob Lloyd-Smith Stephen McDonnell Caroline Walker John Yeomans	Eligible votes: 940 Valid votes cast: 103	11.3%
Cotswolds	1	Graham Hewitt*	Elected Unopposed	-
Forest of Dean	2	Dawn Rooke* Chris Witham* Paul McMahon Robert Young	Eligible voters: 625 Valid votes cast: 78	12.6%
Gloucester	1	Tracey Thomas* Vicci Livingstone-Thompson Julie Thompson	Eligible voters: 1560 Valid votes cast: 134	8.8%

Greater England & Wales	1	Ruth McShane* Christopher Shellam	Eligible voters: 988 Valid votes cast: 48	5%
January 2021				
Staff: Medical, Dental & Nursing	1	Kizzy Kukreja* Elizabeth Browne	Eligible voters: 1586 Valid votes cast: 169	10.7%
Public: Tewkesbury	1	Laura Bailey* Geoffrey Cave	Eligible voters: 622 Valid votes cast: 68	10.9%

* Elected

The appointment term of all Governors is three years unless they are appointed Governors. Governors can stand for two terms. Local authority Governors may hold office for as long as they remain a local authority councillor. Other appointed Governors may hold office for as long as their sponsoring organisation supports their tenure.

Council of Governors by constituency and current vacancies		
Category of Governor	**Total number of Governors**	**Vacancies as of 31 March 2021**
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	0
Health and Social Care Professions	3	0
Management, administrative and other staff	3	0
Appointed Governors		
Gloucestershire Clinical Commissioning Group	1	0
Gloucestershire County Council	1	0
Total	**24**	**0**

* A review of the Staff Governor constituencies was carried out during 2020/21, and it was agreed that each of the constituencies would be reduced in number to bring the Trust into line with other Foundation Trusts. The Medical, Dental & Nursing class reduced from 4 posts to 3 from 1 January 2021. The Health & Social Care Professions class will reduce from 3 posts to 2 from 1 June 2021. The Management, administration & other class will reduce from 3 posts to 2 from 1 January 2022.

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 Trust's Constitution was amended in November 2020 following agreement by the Council of Governors and the Board to reduce the number of staff Governor positions on the Council. In January 2019, the constitution had been expanded to put in a preparatory provision for the recruitment of additional staff Governors from Gloucestershire Care Services following the merger. This provision was no longer required and the reduction in staff Governor posts from 13 back to 10 was in line with other similar NHS Foundation Trusts. The Trust agreed a phased approach to this reduction, as set out in the table above.

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	***Vic Godding***[1]	***Aug 2014 (Aug 2017) (July 2020)***	***1/1***
		Stephen McDonnell[2]	***Aug 2017 (July 2020)***	***0/1***
		Dan Brookes	Sept 2020	4/4
		Juanita Paris	Sept 2020	2/4
Cotswold District Council	2	Graham Hewitt	August 2020	4/4
		Jenny Hincks	1 July 2019	4/5
Forest District Council	2	Dawn Rooke	Sept 2020	2/4
		Chris Witham	Sept 2020	4/4
Gloucester City Council	2	Said Hansdot	July 2016	4/5
		Tracey Thomas	Sept 2020	3/4
Stroud District Council	2	June Hennell	July 2019	4/5
		Mervyn Dawe	July 2016 (July 2019)	4/5
Tewkesbury Borough Council	2	***Bren McInerney***[3]	***Nov 2017 (July 2020)***	***1/1***
		Josephine Smith	July 2015 (July 2018)	5/5
		Laura Bailey	Jan 2021	2/2
Greater England	1	Ruth McShane	Sept 2020	4/4
Elected Staff Governors				
Medical and Nursing	3	***Dr Faisal Khan***[4]	***Jan 2018 (Dec 2020)***	**3/3**
		Dr Anneka Newman	August 2018	3/5
		Katherine Stratton	March 2020	4/5
		Kizzy Kukreja	Jan 2021	1/2
Health and Social Care Professions	3	Nic Matthews	June 2018	5/5
		Alison Feher	June 2018	3/5
		Sarah Nicholson	March 2020	5/5
Management, Administrative and Other	3	Karen Bennett	Nov 2019	1/5
		Katie Clark	Dec 2015 (Dec 2018)	3/5
		Anne Roberts	Nov 2019	4/5
Governors Appointed by partner organisations				
Gloucestershire CCG	1	***Dr Lawrence Fielder***[5]	***August 2017 (May 2020)***	***0/0***
		Julie Clatworthy	June 2020	4/4
Gloucestershire County Council	1	Cllr Brian Robinson	February 2020	5/5

[1] End of Final Term – 31 July 2020
[2] End of First term – Not reappointed – 31 July 2020
[3] Resigned from the Council – 18 July 2020
[4] End of First term – Decision not to stand for a further term - 31 Dec 2020
[5] Retired as a GP and therefore not eligible to continue as CCG representative - 1 May 2020

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. 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.

Governors have been provided with summaries of feedback received by the Trust about its services. Actions taken in response to issues raised have also been reported. 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.

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 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. During 2020/21 due to the Covid-19 pandemic, the Trust has been unable to hold Public and member events showcasing services or highlighting issues. It is hoped that these engagement events will resume in 2021/22.

Nomination and Remuneration Committee

The Nomination 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 2020/21 the Committee considered and recommended the appointment of two existing Associate Non-Executive Directors into full Non-Executive Director positions. The Committee also received and supported the commencement of a recruitment process for a new NED, to replace an existing NED whose final term of office would come to an end in September 2021. The Committee reviewed the remuneration for Non-Executives, and agreed an appraisal process for the Trust Chair which was in line with national requirements.

The outcome of the 2019/20 annual appraisals of the Non-Executive Directors and Trust Chair were discussed, and the process for future appraisals agreed.

The Nominations and Remuneration Committee met 4 times during the reporting period.

As at 31 March 2021, our Lead Governor is Chris Witham who was appointed by the governors from 1 January 2021.

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

Paul Roberts,
Chief Executive

26 May 2021

3. 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 staff 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 adopted a policy of developing a simple reward package. Salary ranges for Executive Directors have been agreed through an established job evaluation process alongside national Very Senior Manager (VSM) remuneration guidance for their respective roles. The remuneration package does not include a 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. 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 will be informed by reviews that take into account the wider labour market, the scope of responsibilities, performance, best practice, NHS Providers' remuneration benchmarking and, where appropriate, national Very Senior Manager (VSM) remuneration guidance from NHS Improvement. The Committee also takes into account the awards for other staff groups through, for example, the NHS Pay Review Body (NHSPRB).

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 representatives.

The appraisal process for Executive Directors and senior managers employed on Agenda for Change terms ensures that objectives for each individual are 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.

Salary and Benefits of Senior Managers 2020/21

Name and Title	Year	a Salary and fees (bands of £5,000) £0	b Taxable benefits (Rounded to nearest £100) £0	c Annual performance-related bonuses (bands of £5,000) £0	d Long-term performance related bonuses (bands of £5,000) £0	e Pension related benefits (bands of £2,500) £0	Total (bands of £5,000) £0
Non-Executive Directors							
Ingrid Barker	2020/21	45-50	0	0	0	0	45-50
Chair	2019/20	30-35	0	0	0	0	30-35
Graham Russell	2020/21	15-20	0	0	0	0	15-20
	2019/20	10-15	0	0	0	0	10-15
Marcia Gallagher	2020/21	15-20	0	0	0	0	15-20
	2019/20	15-20	0	0	0	0	15-20
Maria Bond	2020/21	15-20	0	0	0	0	15-20
	2019/20	15-20	0	0	0	0	15-20
Duncan Sutherland	2020/21	05-10	0	0	0	0	05-10
(term ended 30th September 2020)	2019/20	15-20	0	0	0	0	15-20
Sumita Hutchison	2020/21	10-15	0	0	0	0	10-15
	2019/20	10-15	0	0	0	0	10-15
Jan Marriott	2020/21	10-15	0	0	0	0	10-15
	2019/20	10-15	0	0	0	0	10-15
Dr Stephen Alvis	2020/21	10-15	0	0	0	0	10-15
	2019/20	00-05	0	0	0	0	00-05
Steve Brittan	2020/21	10-15	0	0	0	0	10-15
(from 18th May 2020)	2019/20	0	0	0	0	0	0
Executive Directors							

Paul Roberts	2020/21	180-185	0	0	0	0	180-185
Chief Executive	2019/20	125-130	0	0	0	140-142.5	270-275
Sandra Betney	2020/21	140-145	0	0	0	40-42.5	180-185
Director of Finance/Deputy Chief Executive	2019/20	100-105	0	0	0	60-62.5	165-170
John Campbell	2020/21	125-130	0	0	0	35-37.5	160-165
Chief Operating Officer	2019/20	115-120	0	0	0	135-137.5	250-255
Neil Savage	2020/21	110-115	0	0	0	50-52.5	165-170
Director of HR & Organisational Development	2019/20	80-85	0	0	0	40-42.5	120-125
John Trevains	2020/21	110-115	0	0	0	42.5-45	155-160
Director of Nursing, Quality and Therapies	2019/20	105-110	0	0	0	107.5-110	215-220
Amjad Uppal (1)	2020/21	195-200	0	0	0	90-92.5	285-290
Medical Director	2019/20	155-160	0	0	0	12.5-15	170-175
Angela Potter	2020/21	115-120	0	0	0	77.5-80	195-200
Director of Strategy & Partnerships	2019/20	65-70	0	0	0	85-87.5	150-155
Helen Goodey - Secondment from Gloucestershire CCG (2)	2020/21	40-45	0	0	0	0	40-45
Director of Locality Development & Primary Care	2019/20	15-20	0	0	0	0	15-20

Executive Directors

Lavinia Rowsell	2020/21	85-90	0	0	0	20-22.5	105-110
Head of Corporate Governance/Trust Secretary	2019/20	20-25	0	0	0	5-7.5	25-30

(1) The post of Medical Director is a part time role. From Gloucestershire Health and Care NHSFT Dr Uppal received remuneration of £125-130k for his Medical Director role, and remuneration of £65-70k for his Clinical work.

(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. The cost of the secondment in 2020/21 was £44,352.

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 2021	Lump sum at pension age related to accrued pension at 31 March 2021	Cash Equivalent Transfer Value at 1 April 2020	Cash Equivalent Transfer Value at 31 March 2021	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	0-2.5	0	50-55	115-120	964	1,026	46	0
John Campbell – Chief Operating Officer	0-2.5	0	40-45	100-105	749	801	40	0
Neil Savage – Dir of HR & OD	2.5-5	0-2.5	40-45	95-100	774	840	53	0
John Trevains – Dir of Nursing	2.5-5	0-2.5	35-40	35-40	434	478	37	0
Amjad Uppal – Medical Director	5-7.5	2.5-5	40-45	85-90	702	805	91	0
Angela Potter – Dir of Strategies & Partnerships	2.5-5	2.5-5	55-60	125-130	999	1,100	84	0
Lavinia Rowsell – Trust Secretary	0-2.5	0	0-5	0	5	23	18	0

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

Median Pay

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

There has been no change to the highest paid director during the year with the Medical Director being the highest paid director in 2020/21 and 2019/20. The banded remuneration of the highest-paid director in Gloucestershire Health and Care NHS Foundation Trust in the financial year 2020/21 was £195,000 to £200,000 (2019/20 was £155,000 to £160.000). This was 6.5 times (2018/19 6.6) the median remuneration of the workforce, which was £30,615 (2019/20, £30,112).

In 2020/21, 1 (2019/20, 1) employees received remuneration in excess of the highest paid director.

There has not been a pay freeze during the year.

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

The calculation is based on the full-time, annualised equivalent of every member of staff in post at 31 March 2021, including bank staff and medical locums.

Governor expenses

Governors do not receive remuneration but are paid reasonable expenses in order to perform their role. During the reporting period, the aggregate sum of expenses paid to Governors was £0.

Directors

In 2020/21, 18 Directors were in office during the period, including starters and leavers. During the reporting period 14 claimed expenses to a total of £10,550.

The above information has been audited.

Paul Roberts
Chief Executive 26 May 2021

4. Staff Report

Everyone who works for Gloucestershire Health and Care NHS Foundation Trust is working together with the people we serve with the aim of making their lives better.

On March 31 2021 we employed 5,685 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	4384
Bank staff	1044
Others (fixed term temporary staff and locums)	257

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

Board Members	**Employees**	**Percentage**
Female	4	44%
Male	5	56%

Senior Clinicians/Manager (Band 8c and above) (Excludes Executives, bank staff, temporary staff and locums)	**Employees**	**Percentage**
Female	99	61%
Male	61	39%

Total staff (Up to Band 8b) (Permanent staff only)	**Employees**	**Percentage**
Female	3835	86%
Male	638	14%

Staff Costs

Our staffing costs for 2020/21 and a comparison with the previous financial year are detailed here:

	12 Months to 31 March 2021 (£000)	**12 Months to 31 March 2020 (£000)**
Salaries and wages	£135.698	£105,530
Social security costs	£12,228	£10,028
Pension cost - employer contributions to NHS pension scheme	£16,781	£13,460
Pension cost - employer contributions paid by NHSE on provider's behalf (6.3%)	£7,340	£5,432
Pension cost – other contributions	£96	£43
Apprenticeship levy	£550	£495
Other post-employment benefits	£405	£0

Other employment benefits	£0	£0
Termination benefits	£0	£0
Temporary staff - external bank	£0	£1,297
Temporary staff - agency/contract staff	£5,245	£6,429
Total staff costs	£178,343	£142,615

Sickness absence and turnover data

Please see the link to the NHS Digital publication series on NHS Sickness Absence Rates – in line with DHSC Guidance for preparation of Annual Report and Accounts whilst responding to Covid-19. The link can be found here: https://digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates

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: https://digital.nhs.uk/data-and-information/publications/statistical/nhs-workforce-statistics

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. We are committed to ensuring equality of opportunity in both the provision of our services and how we support and develop our workforce.

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 who have a disability.

We work to address any issues relating to the lack of inclusivity arising from the Staff Survey, Staff Friends and Family Test, WRES and WDES. We are proud to have achieved Disability Confident Leader status. Our values-based recruitment processes were reviewed by an external organisation that also achieved this status and were found to be of high quality and supportive of removing barriers that may prevent applicants with a disability from working for the Trust and ensuring all reasonable adjustments are made to the work environment to enable colleagues to remain in work and prosper.

We also have many 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, “Paul’s Open Door,” and an anonymous online dialogue system called “Work In Confidence”. We also recognise there is always more we can do and this year we have established a vibrant Diversity Network with sub-group networks to focus on key ethnic minority, LGBTQ+ and disability issues affecting our colleagues and our patients as well as a dedicated women’s leadership group. Through the Diversity Network and the sub groups, we are working to ensure all colleagues have a voice, feel equally valued and supported and that key Trust decisions are informed by lived experience.

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.

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.

Occupational Health

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 external public and private sector organisations.

The service offers independent advice both to managers and employees, which includes staff counselling; appropriate return to work guidance; the working environment; and assessment of health risks associated with the workplace. Staff are also able to benefit from a comprehensive self-referral musculo-skeletal physiotherapy service. Over the past year, Working Well has continued to develop further support for healthy sleep, managing stress, team resilience and mindfulness, as well as continuing provision of a comprehensive website with health and wellbeing information and guidance.

Working Well is accredited fully to the 'Safe, Effective, Quality, Occupational Health Service' (SEQOHS) national quality standards. This accreditation provides independent and impartial recognition that our occupational health service has objectively demonstrated its competence, as defined by the SEQOHS standards, to a team of trained assessors.

In 2020, due to the Covid pandemic, an additional 24/7 telephone counselling service was introduced for all colleagues and we have also invested, partially through successful bids made via NHS Charities Together, further in our staff health and wellbeing offer. This includes the establishment of a new Health and Wellbeing Team, additional psychological support, a new intranet section to signpost colleagues to support, monthly health and wellbeing newsletters, a new salary finance scheme, and investment in staff rest areas, including some outdoor seating for colleagues to be able to take restful breaks away from their work environment.

Engagement

Staff have access to information and are able to contribute views through a number of different communication mechanisms. Our Executives publish a regular blog and the Chief Executive offers 'Paul's Open Door' as an engagement opportunity for staff. Our weekly staff e-bulletin is called 'Indi-to-go', and we provide two-way monthly Team Talk sessions with managers and senior clinicians, which enables a flow of key information to and from their teams. We also publish comprehensive news updates, policies and other information of relevance and interest to staff on Indigo – our intranet. There are a number of other Trust-wide gatherings, such as our Senior Leadership Network, which acts as an opportunity for leaders to be engaged with on policy and performance issues. We also run regular staff forums for staff across the Trust to enable colleagues to raise issues, concerns, and develop solutions. This ensures engagement with staff at all levels.

We enable staff to feedback their views on a range of subjects through regular surveys. Throughout the Covid pandemic we promoted the national People Pulse Survey. We also established a new staff Facebook group, which currently has more than 700 members.

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

We also support and encourage managers to engage with their teams and colleagues both informally and formally, through the provision of appraisal paperwork, including one-to-one templates, which ask colleagues how they are finding their role, questions about their health and wellbeing, their future plans and any support they require.

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.

We also have a network of Freedom to Speak Up Advocates and Dignity at Work officers who are trained for their roles to provide support and guidance to anyone who feels they are a victim of harassment or bullying in the workplace.

Reward and Recognition

We have recently reviewed our reward and recognition systems and had planned to hold an award ceremony in Autumn 2020, however this was temporarily put on hold pending the conclusion of the Trust’s response to the Covid-19 pandemic. We held a Trust appreciation evening instead, and plan on reinvigorating our awards during 2021/22.

We nominate colleagues for national and regional awards and were proud that our colleagues from Coln Ward, in Cirencester, won the NHS Parliamentary Awards in the Care and Compassion category for the South West. Furthermore, we hold other specific awards events, such as our Apprenticeship Awards.

The Trust does not operate performance related pay but does operate an annual local Consultant Clinical Excellence Award Scheme in line with national guidance.

During the pandemic, increased emphasis was placed on thanking colleagues for their contribution and dedication. Our Chief Executive and Chair personally wrote to all colleagues on two occasions to thank them for everything they had done. We also gifted colleagues a 'thank you day' – an additional day when they did not need to come to work – and thanked them in other ways, such as through gifts like water bottles and thank you badges.

Staff Survey and Staff Friends and Family Test

The Trust participates in the annual NHS Staff Survey. While staff also have a wide variety of other ways to feed back their views and experiences of work, the Staff Survey provides the most in-depth and comprehensive analysis of how staff view the Trust as an employer and as a provider of care.

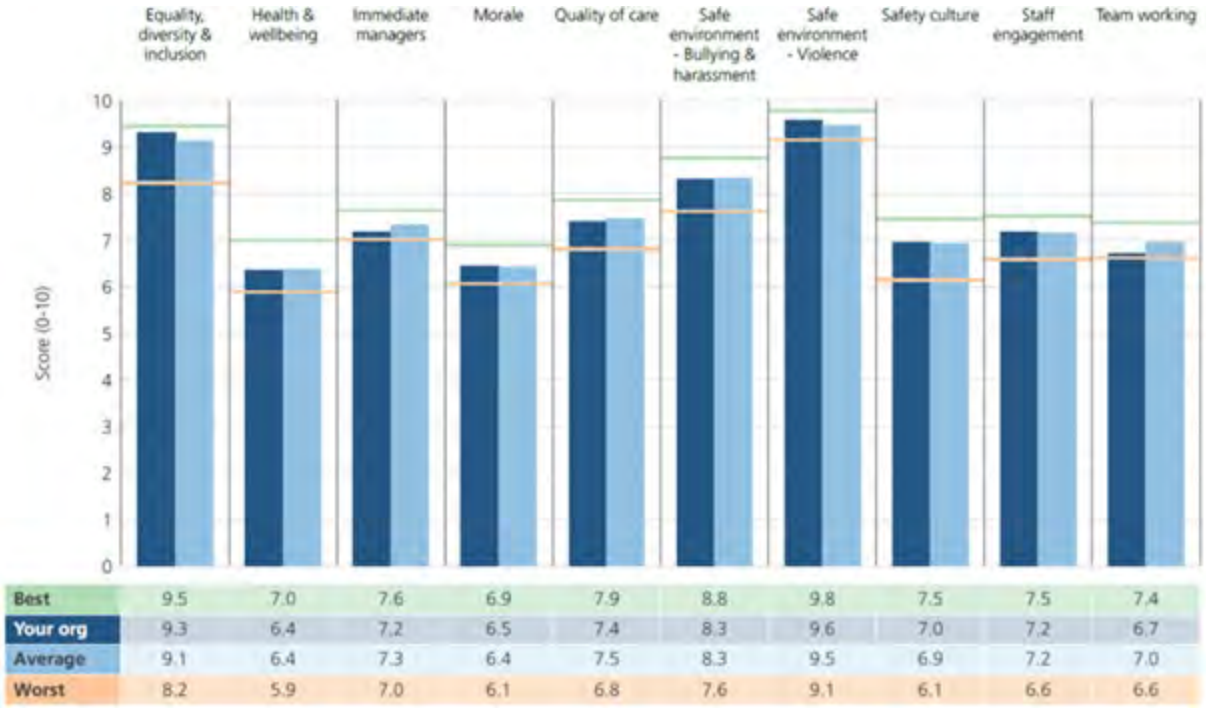
The responses to each of the questions asked are now grouped into 11 "Themes", progress against which can be measured year on year. These Themes and the questions within the survey are set nationally and cover the following areas:

- Equality, diversity and inclusion
- Health and wellbeing
- Immediate managers
- Morale
- Quality of appraisals
- Quality of care
- Safe environment – Bullying and harassment
- Safe environment – Violence
- Safety Culture
- Staff engagement
- Team Working

The **headlines from our 2020 Staff Survey** results are:

- A significantly improved response rate – 2,023 colleagues (46.3%)
- 80% of ratings improved or remained unchanged (56% improved, 24% remained unchanged)
- 20% worsened
- Of the Ten Themes – 7 have improved, two are unchanged, and one worsened
- 10% improvement on colleagues agreeing the Trust takes positive action on Health and Well-being
- 71% of colleagues would recommend the Trust as a place to work
- 79.5% of colleagues would recommend the Trust to provide care

Our results by theme are:



	Equality, diversity & inclusion	Health & wellbeing	Immediate managers	Morale	Quality of care	Safe environment - Bullying & harassment	Safe environment - Violence	Safety culture	Staff engagement	Team working
Best	9.5	7.0	7.6	6.9	7.9	8.8	9.8	7.5	7.5	7.4
Your org	9.3	6.4	7.2	6.5	7.4	8.3	9.6	7.0	7.2	6.7
Average	9.1	6.4	7.3	6.4	7.5	8.3	9.5	6.9	7.2	7.0
Worst	8.2	5.9	7.0	6.1	6.8	7.6	9.1	6.1	6.6	6.6

This table demonstrates how we compare with previous combined totals (of the former 2gether NHS Foundation Trust and Gloucestershire Care Services NHS Trust):

Theme	2019 score	2020 score
Equality, diversity and inclusion	9.1	9.3 ↑
Health and wellbeing	6.0	6.4 ↑
Immediate managers	7.2	7.2 =
Morale	6.3	6.5 ↑
Quality of care	7.4	7.4 =
Safe environment - Bullying & harassment	8.2	8.3 ↑
Safe environment - Violence	9.5	9.6 ↑
Safety culture	6.8	7.0 ↑
Staff engagement	7.1	7.2 ↑
Team working	6.9	6.7 ↓

We are still in the process of reviewing the full results across the Trust and broken down by professional and service areas. Key areas of focus for the coming year will be further improving our response rate, leadership development to improve the support provided by immediate managers, further improving quality of care and enhancing team working.

Expenditure on consultancy

During 2020/21 our consultancy costs totalled £5k. This consultancy relates to a high-level five-year strategy for the Trusts IT network. During 2019/20 our consultancy costs totalled £170k.

Political Donations

The Trust does not make political donations.

Off-payroll engagements/arrangements

We are required to declare highly paid and/or senior off-payroll engagements. The off-payroll engagements for more than £245 per day and that lasted for longer than six months are as follows:

Table 1: For all off-payroll engagements as of 31 Mar 2021, for more than £245 per day and that last for longer than six months	**2020/21** **Number of engagements** **Number**
No. of existing engagements as of 31 Mar 2021	14
Of which:	
Number that have existed for less than one year at the time of reporting	5
Number that have existed for between one and two years at the time of reporting	4
Number that have existed for between two and three years at the time of reporting	2
Number that have existed for between three and four years at the time of reporting	0
Number that have existed for four or more years at the time of reporting	3

Table 2: For all new off-payroll engagements, or those that reached six months in duration, between 01 Apr 2020 and 31 Mar 2021, for more than £245 per day and that last for longer than six months	2020/21 Number of engagements Number
Number of new engagements, or those that reached six months in duration between 01 Apr 2020 and 31 Mar 2021	5
Of which:	0
Number assessed as within the scope of IR35	5
Number assessed as not within the scope of IR35	0
Number engaged directly (via PSC contracted to trust) and are on the Trust's payroll	0
Number of engagements reassessed for consistency/ assurance purposes during the year	0
Number of engagements that saw a change to IR35 status following the consistency review	0

Exit packages

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

This table details the number of exit packages used during 2020/21 and the table below gives a comparative for 2019/20.

	Number of compulsory redundancies	Cost of compulsory redundancies	Number of other departures agreed	Cost of other departures agreed	Total number of exit packages	Total cost of exit packages	Number of departures where special payments have been made	Cost of special payment element included in exit packages
	No.	£000	No.	£000	No.	£000	No.	£000
Exit package cost band (including any special payment element)								
<£10,000			4	16				
£10,000 - £25,000								
£25,001 - £50,000								
£50,001 - £100,000								
£100,001 - £150,000								
£150,001 - £200,000								
>£200,000								
Total	**0**	**0**	**4**	**16**	**0**	**0**	**0**	**0**

	Number of compulsory redundancies	Cost of compulsory redundancies	Number of other departures agreed	Cost of other departures agreed	Total number of exit packages	Total cost of exit packages	Number of departures where special payments have been made	Cost of special payment element included in exit packages
	No.	£000	No.	£000	No.	£000	No.	£000
Exit package cost band (including any special payment element)								
<£10,000			6	3	6	23		
£10,000 - £25,000	1	14			1	14		
£25,001 - £50,000	1	25			1	25		
£50,001 - £100,000	2	192			2	192		
£100,001 - £150,000					0	0		
£150,001 - £200,000					0	0		
>£200,000					0	0		
Total	**4**	**231**	**6**	**23**	**10**	**254**	**0**	**0**

This table details the other (non-compulsory) departure payments used during the year, with comparison figures for the previous year:

Note 6.3 Exit packages: other (non-compulsory) departure payment		Expected sign	A09CY25 Payments agreed 2020/21 No.	A09CY26 Total value of agreements 2020/21 £000	A09PY25 Payments agreed 2019/20 No.	A09PY26 Total value of agreements 2019/20 £000
Voluntary redundancies including early retirement contractual costs		+	0	0		
Mutually agreed resignations (MARS) contractual costs		+	0	0		
Early retirements in the efficiency of the service contractual costs		+	0	0		
Contractual payments in lieu of notice		+	4	16	6	23
Exit payments following employment tribunals or court orders		+	0	0		
Non-contractual payments requiring HMT approval (special severance payments)*	*i*	+	0	0		
Total**		+	**4**	**16**	**6**	**23**
of which:						
Non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months' of their annual salary		+	0	0		

Early Retirements for 2020/21 compared with 2019/20 can be seen here:

Note 5.4 Early retirements due to ill health	Expected sign	A09CY14 2020/21 £000	A09CY15 2020/21 No.	A09PY14 2019/20 £000	A09PY15 2019/20 No.
No of early retirements on the grounds of ill-health	+		4		0
Value of early retirements on the grounds of ill-health	+	63		0	

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 period 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 2020 to 31 March 2021	
Number of employees who were relevant union officials during the relevant period	34
% 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 3 b) 1%-50% x 29 c) 51-99% x1 d) 100% x 1
Percentage of the total pay bill spent on facility time	0.04%
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:

5. 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 NHS Improvement 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. To avoid duplication, where the information i 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	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

	how the Board of Directors and the Council 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.	accordance with the 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 page 39-46 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 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 P32-37 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 P42-46 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 pages P38 and 44 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 P32-34 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 P23-37 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 P39-40 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 P39 and 45 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 P45 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 P32 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.	Not relevant. No externally facilitated evaluation has taken place during the year. As part of its inspection of the Trust, the Care Quality Commission undertook a Well-Led inspection in March 2018, which is referred to in pages P88 of the Annual Report.
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	This information is set out in pages P77 of the Annual Report

	external auditor about their reporting responsibilities. Directors should also explain 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 P75 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 P77 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.
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 P39 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 P49 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 P39 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 P27 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 P28 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 P27-29 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 82 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.	

GHC 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.

Paul Roberts,
Chief Executive 26 May 2021

6. NHS Improvement's Single Oversight Framework

The Single Oversight Framework provides the basis for overseeing NHS providers and identifying potential support needs. It has five themes:

- Quality of care
- Finance and use of resources
- Operational performance
- Strategic change
- Leadership and improvement capability (well-led)

Based on information from these themes, providers are given a segmentation or grading from 1 to 4. A '4' reflects providers who receive the most support, and a '1' reflects providers who have the most independence. A Foundation Trust will only be graded '3' or '4' if it has been found to be in breach or suspected of breaching its licence. The Single Oversight Framework was introduced in Quarter 3 of 2016/17.

Gloucestershire Health and Care's Segmentation

As at April 2021, we are currently in segment **'1',** the best score achievable. The most up-to-date segmentation information for our Trust can be found on the NHS Improvement website.

7. 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*.

Paul Roberts, Chief Executive 26 May 2021

8. Annual Governance Statement – 2020/21

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 on-going 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 2021 and up to the date of approval of the Annual Report and Accounts.

Capacity to handle risk

Merger with Gloucestershire Care Services NHS Trust
As reported last year the merger took place successfully on 1st October 2019, and during the past year consolidation of the two former Trusts has been largely completed, with the impact of the pandemic serving to accelerate some elements.

Leadership of the Risk Management Process
To support the Trust's 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 of Executive and Non-executive Directors to review and ensure assurance on all functions of Patient Safety & Quality Improvement.
- A Mental Health Legislation Scrutiny Committee of Executive and Non-executive Directors 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 of Executive and Non-executive Directors – to review and ensure assurance on Transformation, Innovation & Performance (all areas including financial).
- A Charitable Funds Committee of Executive and Non-executive Directors that oversees the management, in accordance with Charity Commission requirements, of funds held on trust by the Board of Trustees.

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, as the executive decision-making body of the Trust and is accountable to the Trust Board for enacting the Trust's strategic priorities.

Lead Executive Directors have been identified for Clinical Governance and Patient Safety, Service Delivery, Finance, Risk Management, Mental Health Act and Mental Capacity Act compliance, Infection Prevention and Control, Safeguarding Children and Vulnerable Adults, Security, Service User Experience, Engagement and Integration, Health and Safety, Workforce and Organisational Development. They provide leadership for the management of the risks presented.

Variation to the Committee structure set out above. From March – July 2020, in response to Covid-19, the Board agreed revised interim governance arrangements to ensure that resources were focused on necessary clinical and operational matters to enable safe and sustainable service delivery. These revised interim arrangements reflected guidance from NHSE and NHSI.

Board Committees, other than the Audit and Assurance Committee were temporarily suspended, with individual work plans reviewed to ensure all issues to be considered were reviewed and either postponed or identified for alternative governance processes as set out below, and any urgent Committee business considered directly by the Board.

The Board rescheduled to meet on a monthly basis with agendas focussed on urgent/exceptional and important business only.

A short-life **Board Assurance Committee focusing on Covid-19**, was established which focused on specific elements of the Covid- 19 pandemic with respect to:

- patient safety
- workforce safety and wellbeing
- review of major operational decisions taken
- risk

The establishment of an Ethics Group to support executive directors who were making decisions that have complex ethical considerations given the extraordinary circumstances resulting from the Covid-19 pandemic.

The Board continued to ensure open and transparent operation by continuing to operate public Board meetings, which were conducted using tele-conferencing facilities with the ability for members of the public and governors to dial in, (from April meetings were conducted using Microsoft Teams). The benefits of these processes will be evaluated to assess whether they provide improved opportunities for wider engagement in Trust governance going forwards.

In response to the level of risk relating to Covid-19 the Trust put in place a "programme approach" with Executive Directors also having specific responsibilities within the programme.

The Deputy Chief Operating Officer, was identified as Senior Responsible (accountable Emergency) Officer for coordination of the incident, reporting to the Executive team through the Programme Board which reports to the Board of Directors. The Director of Infection Prevention and Control (DIPC) for the Trust remained the lead for Infection Prevention Control and also chairs the IPC "Bronze Cell" co-ordinating this activity across One Gloucestershire ICS. This use of existing expertise and recognised key leads ensured actions established processes could be activated swiftly without disruption to clinical operation.

From the July Board the usual governance arrangements resumed, with only the Ethics Group also continuing to operate.

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 by the Resources Committee, and incidents involving injury to or aggression towards staff are recorded and scrutinised regularly by the Audit and Assurance Committee to identify areas for procedural or policy improvement and ensure that learning is disseminated throughout the organisation.

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. (Some variations to the induction were put in place in response to Covid-19, with an increased use of e-learning but the necessary learning elements for induction remained in place. These changes remain in place.). 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.

Where the response to Covid-19 required additional training to be rolled out this was put in place using pre-existing protocols and practices.

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 and NHS Improvement), 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 undertook a Development Seminar on Strategy and Risk from the Good Governance Institute in September 2020 and held a further Risk seminar on 14th January 2021.

The Trust also keeps updated through:

- regular bulletins from its legal advisers 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.

The Trust's response to Covid-19 was informed through national guidance and good practice from other Trusts.

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 NHSE (& Improvement), the Care Quality Commission and our partners including Clinical Commissioning Groups, and Gloucestershire County Council. Whenever possible and appropriate the Trust works jointly with these partners to manage risks. Representatives of Gloucestershire Clinical Commissioning Group have the opportunity to attend the Quality Committee as observers, and are provided with the papers for the Committee, enabling them to contribute to and take assurance from the Trust's approach to the management of clinical and quality 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 policies, procedures and guidance documentation that contribute to the management and control of risk. The framework and supporting information has 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 was updated in Spring 2021 to reflect minor changes in organisational practice and the updated Risk Appetite Statement which reflects the Trust's updated Strategic Aims and Objectives. This updated Policy was implemented from 1 April 2021.

Risk Management Process

The Trust's risk management process has the following key components:

- DATIX – Risk Module
- Risk Identification
- Reporting of risks
- Risk assessment (Risk Score/Categorisation)
- Risk Controls
- Risk Ownership
- Risk Management Group moderation and monitoring
- Action Plans & Owners
- Committee Oversight
- Risk Reporting arrangements

Responsibilities - Managing and Monitoring of Risks

All colleagues within the Trust, including permanent, part-time, interim bank and agency staff, 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 **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.

All **Executive Directors** are responsible for owning risks as managed in their areas of responsibility. This includes 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 **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 their 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.

The Group consists of the Executives or their nominated deputies.

The **Chief Executive** is responsible for risk management in the Trust. The Chief Executive ensures that the appropriate arrangements are I 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.

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.

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
- internal risk assessments of routine working practice
- audits, both clinical and non-clinical, of routine working practices
- Internal evaluations that may include quality visits, peer reviews etc.
- Internal Audits
- External Audit
- 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 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, Paul's Open Door and management groups]

Risk analysis and assessment

The Trust adopts the NHS National Patient Safety Agency (NPSA) matrix for assessing and analysing risk:

	Likelihood				
Consequence	**1**	**2**	**3**	**4**	**5**
	Rare	**Unlikely**	**Possible**	**Likely**	**Almost certain**
5 Catastrophic	5	10	**15**	**20**	**25**
4 Major	4	8	12	**16**	**20**
3 Moderate	3	6	9	12	**15**
2 Minor	2	4	6	8	10
1 Negligible	1	2	3	4	5

Key:

1 – 3 LOW RISK	**4-6 MODERATE RISK**	**8-12 SIGNIFICANT RISK**	**15 and over HIGH RISK**

This approach does not automatically identify which areas of risk require greatest attention. However, it will help inform discussion about which risks are most significant, and what action is required to address them. The risks that score the most points are likely to be those which most demand some form of control action, and those risks which are assessed as "Significant" or "High" should be given

particular attention. Once an operational risk has been identified and assessed, it should be explored in greater detail so as to determine an appropriate course of action and/or mitigation.

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 Head of Risk 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, informed by the two Trusts' approaches prior to merger. 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 2021 in readiness for the Board Assurance Framework planned for implementation from 1 April 2021.

How significant/high level risks are managed:

Significant/high level risks are escalated through locality and business unit risk registers through operational performance and quality governance reporting routed. These will be recorded with details of the risk owner and actions in locality and directorate risk registers. All identified risks of this nature have robust plans and monitoring arrangements in place. These are reported at Trust board and progress monitored through the Trust Quality committee in locality/directorate teams.

For the management of the risks associated with Covid-19 a separate Covid -19 Risk Register was established, following Trust practice in managing a project to ensure the interrelated risks could be managed consistently and inter related consequences fully understood.

An overarching Covid-19 risk is managed through the Board Assurance Framework, again building on existing developed practice. From April 2021, under the updated Board Assurance Framework, the risks relating to Covid-19 are integrated within risks within the Board Assurance Framework, recognising that managing the Covid-19 risks has become part of business as usual and enabling its impact to be assessed against achievement of the Strategic Aims.

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 reviews the BAF regularly. Further development of the Board Assurance Framework is ongoing following the refinement of the Trust's Strategic Objectives. An updated BAF, with revised

format and content, although continuing to reflect national standards and good practice, was approved for use from April 2021.

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.

The BAF is fully reviewed by the Board three times a year, and it will support the Chief Executive in completing the Annual Governance Statement at the end of each financial year. In addition the BAF is reviewed quarterly by the Audit and Assurance Committee.

The development and maintenance of the BAF is the responsibility of the Head of Corporate Governance (Trust Secretary).

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 was reviewed and updated in November 2020. The main change reflected the introduction of the use of an electronic system for maintaining the registers, which is to be implemented from April 2021, this will support refined reporting to improve management of risks relating to potential conflicts.

We have published on our 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 workers 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 'Freedom to Speak Up policy' which describes the various routes that staff can employ in order to raise concerns.

To complement the above policy the Trust has 'Speak in Confidence', a web-based system enabling staff to have an anonymous and confidential dialogue to raise concerns with another staff member 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 etc, and has been reinforced during the Covid-19 pandemic to reinforce the standards that remain integral to the Trust's agreed approach to openness.

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, Paul Roberts, 'Paul's Open Door', to raise an issue or an idea or let him know when staff feel things are not going right. Messages are submitted via a dedicated page on the staff intranet, and can be treated in confidence if that is what the member of staff prefers. Messages are reviewed by the Chief Executive each week (or his deputy when he is on leave), and are discussed with the Executive Team 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 Service 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.

Development plans are in place to more comprehensively integrate complimentary data streams such as workforce, and finance activity alongside clinical information and refine performance measurement.

The performance reports that are produced are subject to robust challenge from management and the Board and are augmented by Service Recovery Action Plans from Service Leads and Managers which actively respond to significant performance risks or issues.

To support this Service leads 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 strategy and its external financial obligations. A mid-year financial review was carried out reassess cost pressures, developments, reserves, financial opportunities and delivery of savings for the financial year and to give an up-to-date, clear assessment of the likely financial outturn position.

Emergency Preparedness

The Trust has systems in place to ensure that services can continue to be provided in an emergency situation. The Trust is required to demonstrate its ability to adapt to variations in demand throughout the year, with particular emphasis placed on risks to service continuity in the local health system in the winter period between November and March. Those risks include staffing availability, severe weather, service pressures, increased demand on services, and bed availability. The Trust's Operational Resilience and Capacity Plan and Pandemic Flu Action Plan represent two core aspects of the assurance process for emergency preparedness. Before being submitted to Gloucestershire Clinical Commissioning Group annually as part of the health system assurance process, the plan is 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. These systems and processes were central to local and national responses to Covid-19.

In addition to routine winter planning, 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 2021, with findings graded as high, medium or low risk as appropriate. No critical risks were reported. Overall, across the internal audit programme four high risk recommendations were made and the identified actions are being progressed, as is the position with all recommendations made. The Trust's Audit and Assurance Committee continues to monitor progress, to provide assurance that improvements to these processes have been embedded.

- **Health and Safety** – Three Health & Safety specialists are employed by the Trust 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 is being implemented for all 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.

  Work this year included developing and delivering a newly agreed proposal for statutory and mandatory training requirements, which reflect the needs of the Trust and which are fully aligned to the Skills for Health Core Skills Framework. Following on from this will be the implementation of a training system which reflects these new training requirements and which ensures staff and managers have easy access to training activity and e-learning, as well as access to timely and accurate training data. The system will also provide a suite of training reports which will help the Trust understand its levels of training compliance and development activity, including being able to identify any areas in need of improvement.

  Over the next 12 months, work to develop more sophisticated evaluations systems will provide more detailed information about the organisational gain from its training and educational development activity, as well as activity to

more closely integrate learning from serious incidents and service user feedback into training content.

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 2020/21 the Trust produced a quality report in line with its usual processes, which include engagement from stakeholders. The report has not been subject to audit, in line with the variations to the usual statutory process agreed by NHSI and NHSE in response to Covid-19. 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, Quality Report monitoring, Service Delivery and Service Experience reports. 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.

Following 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' the Trust instigated a comprehensive and ongoing programme of engagement in order to identify and embed learning. Monitoring of the resulting detailed action plans takes place through the Resources Committee Progress is 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 revised Governor role description, a

revised Governor induction process, a review of working processes, 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 visits and patient safety walkabouts, these were suspended in March 2020 due to Covid-19, and alternative virtual processes implemented. Where appropriate and safe physical walkabouts will be reverted to. 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 in place 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 information 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 enables the identification of learning themes which can be implemented within the Trust and thus 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 Clinical Commissioning Group, Healthwatch, and Health Overview and Scrutiny Committee, and feedback is encouraged. The Board receives a 'patient story' presentation 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. 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 IAPT 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 Trust benchmarks feedback from services, where benchmarks are available. For example, the CQC's national Community Mental Health Survey provides the Trust with valuable insight into the views of those people to whom it provides community services. The CQC uses this survey to make a comparison with all 56 English mental health Trust. The results this year included the highest scores in England on 6 of the 28 questions and on 2 of the 11 domains, with results '*better*' than most Trusts for 13 of the 28 questions (45%) and Results '*about the same*' as other Trusts for the remaining 15 questions (54%). This was a further improvement on last year's results and classed overall as 'better than expected' for the fourth consecutive year.

The CQC undertook a formal inspection of the Trust's core services, together with a review against the 'Well-Led Framework' in February and March 2018. The CQC rated the Trust as 'Good' overall and the classification for "well led" was also as "Good". (Gloucestershire Care Services NHS Trust was also inspected by CQC in 2018 and also rated as Good overall and the classification for "well led" was also "Good"). Full details of the reviews are available on the CQC website.

The Trust has worked to ensure that it maintained the processes and procedures to ensure services continued to be well led.

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 take action. Lessons that can be learned, from both successes and failures, are identified and disseminated to those who can gain from them by the Assistant Director of Governance & Compliance or the Head of Risk. 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 Officer to oversee this area of risk. A detailed report on our Information Governance processes, produced by our Senior Information Risk Officer 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:

- General Data Protection Regulation (2016)
- Data Protection Act (2018)
- Public Records Act (1958)
- Access to Health Records Act (1990)
- Freedom of Information Act (2000)
- Computer Misuse Act (2000)
- Caldicott Principles
- Common Law duty of confidentiality
- Information Commissionaires Guidance
- Records Management, NHS Code of Practice
- The Data Security and Protection Toolkit

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) to ensure that learning is appropriately cascaded throughout the organisation. The Trust has had no 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.

During increased offsite working, and greater use of digital technology in response to Covid-19 information governance controls were maintained and guidance sought on an ongoing basis from the Information Governance Manager.

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 established a membership and created a Council of Governors which represents the interests of constituents and members of the public. The Trust has developed an Engagement and Communication strategy which will improve still further its communication and engagement with stakeholders. The Trust is also a member of the Gloucestershire Social Partnership Forum, which provides an established route for 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, rather than just from a representative sample, which has led to an increase in response rates for 2020/21, reflecting the results of the first combined survey of the combined Trust. Results of the annual staff surveys are published by NHS England in March. The outcomes of the surveys were reviewed by Board and action plans to address issues raised by the survey results were prepared by the Trust, and approved and monitored through the year by the Resources 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) pulse check to determine staff attitudes on the Trust as a provider of care, and as a place to work. During 2020/21 regularly health and wellbeing surveys were implemented, recognising the need to understand and respond to the impact of Covid-19 on the workforce.

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 by the attendance of Governors at Board Committees, who are present to observe proceedings and provide additional feedback and assurance to the Council about the performance of the Non-Executives in holding the Trust's managers and Executives to account. Governors also frequently 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.

The Interim Governance arrangements put in place in response to Covid-19 continue to recognise the importance of the role of governors in holding the Trust's Non-Executives to account. The Council was kept fully appraised of the interim governance arrangements and processes were put in place to ensure the Council moved to effective remote ways of working, supported by a Governors' Newsletter. Processes to ensure continuing inclusivity of the Council's operation have continued to be embedded.

Human Rights

Fundamental to the work of the Trust is the protection and promotion of the human rights of its service users and others in contact with the organisation. The Trust ensures that its responsibilities are carried out through a programme of staff training, policy review, audit and inspection of services. The Board's Mental Health Legislation Scrutiny Committee ensures the rights of detained patients are properly safeguarded. The Director of Human Resources and Organisational Development is the Trust's lead for human rights.

Equality and Diversity

Supporting its work on human rights the Trust utilises the NHS Equality Delivery System 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 and services. These are then reviewed by trained nominated individuals in the Trust prior to being published on the Trust's intranet and internet sites. 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 Equality Standard, 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 encourages applications from under-represented groups for election as a Governor or appointment as a Non-Executive Director. 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. The Resources Committee receives

an annual assurance statement outlining measures taken to meet the Trust's Public Sector Equalities duty in accordance with the Equalities Act 2010.

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 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. As part of its joint development work with the Board, the Council of Governors has developed and implemented a revised process by which Governors are able to hold Non-Executive Directors individually and collectively to account for the performance of the Board, in accordance with its duty under the Health and Social Care Act 2012. This holding to account process provides a valuable additional layer of assurance to the Council of Governors, and to the Trust's members and the public about the performance of the Non-Executive Directors and the Board in general. This continues to be maintained and kept under ongoing review.

The revised interim governance arrangements in the light of Covid-19 did not impact on the processes to ensure ongoing assessment of risks to the licence.

Workforce Planning and Strategies

Workforce planning for 2020-21 was understandably largely concerned with mobilising the workforce to ensure staff were in the right place with the right skills and in the right numbers to meet the needs of the Trust's response to the COVID-19 pandemic, alongside the re-alignment and transformation of services that had

been developed following the successful merger of the former Gloucestershire Care Services NHS Trust and ²gether NHS Foundation Trust in October 2019.

One of the key priority areas was to safely transfer circa 400 colleagues working in our Herefordshire Mental Health and Learning Disability Services. This transaction was concluded successfully with their new employer on 1st April 2020 as planned.

In Quarters 3 and 4 2020/21 the Trust participated in two significant workforce planning activities. The first was implementing Phase 3 of the NHS response to the COVID-19 pandemic, and, the second was the Mental Health and Learning Disability data collection exercise which was commissioned by the South West Mental Health Programme Board.

Approach to Workforce Planning

Our approach to workforce planning now and going forwards is to build on the foundations that evolved from our trust-wide and service specific workforce planning workshops which took place across our predecessor organisations in the last 3 quarters of 2019-20. Once operational services have been fully restored following the Covid-19 pandemic it will be important to review and sense check whether the information collected during the workshops is still valid post pandemic.

A key priority area for 2021/22 will be to run a series of workforce planning workshops to support the development of the new Forest of Dean Hospital. This will ensure that there is a sound understanding of current and future workforce needs in relation to the effective delivery of services out of the new hospital and any associated amendments to community provision. It will also be important to review our response to the NHS Improvement (NHSI) Operational Workforce Planning self-assessment tool to identify gaps in our workforce planning infrastructure and to plan how these can be closed. As part of a previous self-assessment our workforce planning capacity and capability had been strengthened both within the Trust and the Integrated Care System (ICS) via additional training and upskilling. Trust staff successfully completed specialist training provided by Health Education England in the use of workforce modelling tools, NHSI demand and capacity training for operational colleagues, and a joint approach to workforce planning was also developed in partnership with ICS provider colleagues and subsequently used to inform the system workforce narrative and planning submissions.

Workforce planning priorities for Quarter 1 2021-22 will be to respond to the NHSI/E Workforce Elements of the next Phase 4 Operational Planning Guidance and NHSI/E data collection.

Our governance structure integrates finance, workforce and performance within the Resources Committee and the Executive. This supports triangulation, joined up planning and assurance regarding the affordability, capacity, capability and transformation of the workforce. The Resources Committee meets bi-monthly and receives workforce key performance indicators (KPIs), including staff survey and friends and family test ratings. KPIs are being further developed for 2021/22. 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 One Gloucestershire Local Workforce Action Board (LWAB). Additionally, for 2021, the

Trust and the ICS has representation and input to the regional People Board and a range of other related regional workforce meetings.

Alignment

Our workforce planning has been aligned with the annual Budget Setting and Operational Planning processes. This has been to ensure plans are well-modelled, affordable and with sufficient capacity and capability throughout the year to deliver safe, high quality services. Following a successful merger of the two legacy organisations' Electronic Staff Records (ESR) workforce systems in 2019/20, a project has been completed to align the ESR with the new Financial Ledger to ensure we have the best possible data to inform decision-making. This was done in tandem with the implementation of the new Business Intelligence system and a combined Totara learning management system, "Care To Learn". Our workforce planning has taken into account the impact of the Cost Improvement Programmes, productivity initiatives and improvements in recruitment and retention. It has also ensured that the Trust workforce has been able to respond appropriately to service changes due to agreed commissioning intentions.

Proposed workforce changes are subject to a Quality Equality Impact Assessment (QEIA) process with clinical sign off to ensure that quality and equality impacts are fully considered. Individual department and service changes are also subject to Management of Change cases considered by the Executive and with trades union partners on the Joint Negotiating and Consultative 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 to mitigate workforce risks and challenges.

In order to address these challenges the organisation will continue, through its new Our People Strategy, to focus on prioritising recruitment and retention, maximising opportunities for productivity and efficiency through effecting skill-mix, new ways of working and workforce transformation.

Throughout 2020/21 Trust workforce plans were shared and incorporated into ICS system wide narratives, plans and submissions.

Workforce Transformation

In order to ensure an effective supply and retention of staff, a range of initiatives have continued throughout 2020-21 to best support and develop our current workforce. 2020/21 priorities have been significantly concerned with responding to the COVID-19 pandemic to ensure our staff in the right place with the right skills to deliver priority services. This has meant redeployment, retraining and further supporting staff through many new and improved Health and Wellbeing initiatives. Many staff are now working remotely which has highlighted the need for digital transformation and flexible working and many of these new ways of working will be carried into 2021/22 and beyond. Where it has been possible, the embedding of new routes to career pathways, innovative new roles and care models linked to known issues has continued.

New Workforce Initiatives through 2020/21

Developing Our People Strategy

In the second two quarters of 2020/21 we have invested time and focus on engaging with colleagues to develop our new organisational workforce strategy,

informed by the national NHS People Plan and People Promise alongside local, ICS and regional factors. As we move into 2021, the agreement of the new strategy and the implementation plan will be a key focus of activity alongside COVID recovery.

Flexible/Adaptable Workforce Programme

In Quarter 2 2020/21 a programme was established to refresh the strategic priorities and create the mechanisms and infrastructure to enable the development and maintenance of a more flexible and adaptable workforce for the Trust. In developing the programme the Trust was provided with an opportunity to bring together a number of previous projects that were underway prior to COVID-19. In addition to this we have been able to utilise learning from the pandemic incident response to improve the ability to recruit, train and retain the required workforce across the Trust. Sustainable, affordable workforce solutions remain a key organisational priority as part of the emerging GHC workforce strategy in line with the NHS People Plan.

The objective of the programme was to review the Trust's approach to a flexible and adaptable workforce as a result of the learning and new practices developed in response to the Covid-19 crisis in order to agree new policies, practices and guidelines that support a more flexible approach to work and included:

- Flexible and Adaptable Workforce (including a refresh of our homeworking policy and guidance)
- Recruitment, On Boarding and Retention
- Leadership, Practice Development and Training
- Health and Wellbeing and Resilience

Recruitment, On Boarding and Retention

This workstream reviewed recruitment, on boarding and retention processes to incorporate learning from recently implemented fast track processes to establish an agreed effective recruitment process and improve retention. The review of recruitment processes has ensured that robust systems and processes were further developed to support the Trust's recruitment response to the global pandemic ensuring compliance with national and local guidelines. Job evaluation training and procedures have been strengthened and work to support retention has commenced with Recruitment and Retention Advisors appointed to support this work. The NHS Jobs platform is being utilised more fully which has enabled better reporting to begin on recruitment activity and timescales. International recruitment is underway with up to 70 international nurses expected to start throughout 2021/22 with further improved vacancy reporting planned after the implementation of the new Financial Ledger in April 2021.

Developing our Leadership

We were funded by NHS England, Health Education England (HEE) and the South West Leadership Academy to deliver further cohorts of the well-regarded and positively evaluated ICS system "Five Elements of Successful Leadership" development programme, Alumni and online toolkit. Due to Covid these cohorts have been delayed and are now due to commence in June 2021.

The pilot HEE / ICS High Potential Talent Scheme, is on hold and no date has been agreed nationally or locally to commence the scheme.

In year we co-designed the Trust's "Brilliant Essentials" and "Leading Better Care Together" leadership development programmes with external partners. These new programmes will be launched in April 2021.

An easy to access Trust Intranet site for organisational development and leadership is being designed to ensure our managers and leaders are clear about the range of OD support and personal development opportunities across the Trust, the ICS and nationally.

Staff Health and Wellbeing

In response to Covid in 2020 the Trust established a colleague Health and Wellbeing Hub, with a focus on individual and team health and wellbeing support. The hub has overseen the offers and provision of support across the Trust.

This team consists of colleagues from HR, Occupational Health, Organisational Development, Psychological Services, Operations, Corporate services, Freedom to speak up and Communications. There is a range of support now available to staff and during 2020 colleagues increased their rating of the Trust taking effective and positive action on health and well-being by 10%.

In summer 2021 we will carry out our second Heath Trust-wide Needs Analysis (HNA). Based on feedback from HNA, surveys and H&W hub we will develop and agree our new Trust Health and Wellbeing Strategy.

We will continue to ensure we have a wide and developing range of staff benefits such as apps, counselling, psychology, musculoskeletal, financial support and discounts.

We will also update our appraisal paperwork to include Health and Wellbeing Conversations, equality, diversity and inclusion and flexible working.

Equality, Diversity and Inclusion

We have actions plans which support delivery of the Trust's Workforce Disability Equality Scheme (WDES) and the Workforce Race Equality Scheme.

We are establishing an accessible Trust Intranet site with information relevant to anyone with an interest in matters relevant to BAME and LGBTQ+ staff or staff with a disability, and which also support the expansion of the Trusts Staff Networks.

We have been developing an ICS Stepping Up programme for BAME and LGBTQ+ staff, and those with a disability, which provide demonstrable support to career enhancement.

We have continued to progress the Trust's Reciprocal Mentoring programme.

Engagement and Collaborative Working with Commissioners

We have continued to align workforce planning within the ICS through its Workforce Steering Group which meet monthly and this is supported by the Workforce Planning sub-group. This is strategically overseen by the LWAB which meets bi-monthly with representation from all ICS partners to deliver the Joint Strategic Workforce Plan across the ICS. The 5 year plan was developed with system partners through 2019 and taken through the Trusts' governance structures prior to

agreement through the ICS Workforce Steering Group and the One Gloucestershire LWAB.

We have worked with our Integrated Locality Partnerships where there have been opportunities for new ways of working, and we have organised our workforce and services across Primary Care Networks to further support place based primary and community care. This work has been further strengthened throughout 2020/21 in the countywide response to the Covid-19 pandemic. We maintain our belief that integrated working and rebalancing the workforce will serve to support the new models of care being developed across our ICS.

Our Commissioners have contributed positively to our regular ICS Social Partnership Forum meetings, and work alongside system partners in the ICS HR Directors meetings which have included strong focus on Covid and winter planning through the year.

Responding to Legislation

We put in place a number of key workforce initiatives in response to the NHS Long Term Plan and the People Plan. Our workforce plan incorporated national drivers for demand and capacity modelling and productivity and efficiency including the recommendations made by Lord Carter, developments in education and local alignment with colleagues across the ICS. These have included embedding e-rostering across services and enabling mobile working for community teams through use of digital technology and also the introduction of ICT referral centres aligned to Primary Care Networks to ensure efficient and effective use of resources. A project plan was agreed for the implementation of a single integrated e-rostering solution in response to the national requirement for future e-rostering coverage.

In Quarter 3 2020/21 we set out our response to the NHS People Plan- action for us all and have developed a comprehensive action plan based on the commitments set out by NHSI/E.

We will continue to review our workforce plan to implement emerging national policy changes in Workforce and Organisational Development. We welcomed the emphasis on workforce issues in the NHS Long Term Plan and have been committed to the key workforce element: “Backing our workforce”.

In Quarter 3 2020/21 we responded to and enabled the Government’s changes in pensions arrangements for clinical colleagues’ pension entitlements.

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

Risk	Mitigations	Assessment
Risk 1 – That the impact of Covid-19 places the Trust’s services under increased clinical and operational pressure which negatively influences patient care in terms of patient safety, wellbeing and mortality outcomes and limited access to services exacerbated by lower staffing levels	We have ensured continued compliance with national guidance and requirements i.e. Covid secure environments, Public Health England personal protective equipment guidance, BAME guidance and high standards of infection control, all to maintain safety and wellbeing of	This risk was monitored and kept under assessment through the Board Assurance Framework monitoring process. The Quality Committee was the lead committee for managing this risk. Key measures to assess the position were safe staffing levels, sickness reporting, staff

	patients, carers and staff. We have put in place ongoing staff support and wellbeing measures to care for staff and maintain effectiveness. The Trust is making an ongoing contribution to the roll out of Mass Vaccination Programme and put in place processes to support staff take up of the vaccine.	survey and ongoing staff feedback mechanisms. This risk has been integrated within risks in the revised Board Assurance Framework which will be in place from 1 April 2021.
Risk 2 - That we are unable to recruit and retain the workforce we need to meet our ambitions to: • **provide outstanding, joined up care** • **maintain colleague wellbeing** • **minimise use of agency and bank staff**	Workforce planning processes were in place, integrated within the business planning process to ensure impact. First Integrated Care System People Plan submission developed and agreed. Board, Senior Leadership Network, Executives, Staff Side and staff engagement sessions run on the People Plan to ensure integrated into working approaches. A breadth of revised recruitment processes and training and development provision (from degree to general training programmes were put in place. There has also been improved monitoring through development of a new dashboard reporting monthly vacancy rates across all groups of staff. Staff Turnover has reduced since April 2020. Detailed fortnightly bank and agency use reported to Management Group. Revised policies in place: homeworking, flexible retire and return, Flexible Working policy.	This was monitored and kept under assessment through the Board Assurance Framework monitoring process. The Resources Committee was the lead committee for managing this risk. Key measures to assess outcomes were vacancy rates, staff turnover, vacancies in priority areas, agency use rates, “pulse” surveys, quarterly staff FFT and annual Staff Survey responses. This risk has been taken forward within risks in the revised Board Assurance Framework which will be in place from 1 April 2021.
Risk 3 - That we fail to establish a culture which:	Integration of organisational values	This risk was monitored and kept under

• **engages and empowers colleagues engendering a sense of collective ownership** • **supports discretionary innovation**	into workforce policies processes e.g. recruitment, appraisal, performance, staff awards, resolutions and disciplinary policies. The values have also been made central to the new Induction sessions, leadership development programme and health and wellbeing. A Co-design process was used to develop the leadership development programme and is key to the ongoing Better Care Together Programme. An updated Freedom to Speak Up Policy was implemented, Work in Confidence anonymous platform for raising issues & engaging relaunched and Paul's Open door continued. There are regular reviews of colleague communications and "You said, we did" comms approach with colleagues on Survey Surveys. BAME, LGBTQ, Disabled & Women's Networks were established and a new Staff Diversity Network has been added. Health and Well-being Pulse Survey took place through the year. Additional surveys took place on health, charitable funds and BAME and series of other at-risk staff on-line risk assessments run.	assessment through the Board Assurance Framework monitoring process. The Resources Committee was the lead committee for this risk. Key measures to assess outcomes were vacancy rates, staff turnover, staff surveys, quarterly staff FFT and annual Staff Survey responses. This risk has been taken forward within risks in the revised Board Assurance Framework which will be in place from 1st April 2021.

Reflecting the fact that Risk Management is a dynamic process the Following Risks were closed in year:

There is a risk we do not achieve our individual organisation's financial sustainability and contribute to whole system sustainability.

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

The Trust committed, in March 2020, to the sustainability agenda, with "sustainable" identified as one of the four strategic aims to be focused on to achieve our vision. 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
- Board seminar on delivering value
- The use of internal audit and consideration of the Carter metrics 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
- Undertaking a mid-year financial review

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 an Agency Management 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 1 (the best available) under NHS Improvement's Single Oversight Framework.

Annual Quality Report

Over the last year Gloucestershire Health and Care NHS Foundation Trust has built on its existing clinical data quality arrangements and taken the following actions to progress data quality:

- We have aligned our performance monitoring tools and data warehousing to facilitate the needs of a progressive, integrated health and care organisation;
- Data quality oversight is now provided through a governance structure which includes the Trust's Resources Committee, Business Intelligence Management Group (BIMG) and operationally led Performance and Finance meetings (and pre-P&Fs). 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 the Executive, 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.

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.

For 2020-21 the Trust produced a quality report in line with its usual processes, and with engagement from stakeholders, the report was not subject to audit in line with the variations to the usual statutory process agreed by NHSI and NHSE in response to Covid-19.

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.

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 'Generally Satisfactory with some improvements required', which means that governance, risk management and control in relation to business critical areas is generally satisfactory. The Internal auditors commented that "We completed 14 internal audit reviews set out within the 2020/21 internal audit plan for the year ended 31 March 2021. Through the above, we identified the following findings: 4 high risk rated findings 18 medium risk rated findings, 11 low risk rated findings and 1 Advisory finding. The Trust has maintained an effective internal control environment during the year and where risk have been identified has put in place clear action plans.' The high risk findings were identified in reviews carried out in the following areas;

- Recruitment – missing and delayed background checks
- Consultant job planning – lack of trust wide guidance
- Supplier data – transfer process
- And supplier data – potential duplicate records

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 and the Executive have each reviewed the assurance regularly during the year.
- The Audit and Assurance Committee has received reports on various aspects of internal control, including 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 closely 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 appropriate to meet restrictions on physical meetings.
- The Trust implemented interim Governance arrangements, on a short term basis, to respond to Covid-19 which build on existing practice and usual practice was resumed by July 2020. The interim arrangements were kept under regular review to ensure they did not impact on the controls environment.

Conclusion

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

Paul Roberts, Chief Executive Date: 26 May 2021

9. Quality Report

For 2020-21 the Trust produced a quality report in line with its usual processes, but it will be published on our website, with engagement from stakeholders. The report has not been subject to audit, in line with the variations to the usual statutory process agreed by NHSI and NHSE in response to Covid-19.

10. Annual Accounts 2020/21

Foreword to the accounts

Gloucestershire Health and Care NHS Foundation Trust

These accounts, for the year ended 31 March 2021, have been prepared by Gloucestershire Health and Care NHS Foundation Trust in accordance with paragraphs 24 & 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.

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

The comparator figures cover 1st April 2019 to 31st March 2020 for services provided by 2gether NHS Foundation Trust and 1st October 2019 to 31st March 2020 for services provided by Gloucestershire Care Services NHS Trust. Half year accounts for Gloucestershire Care Services equates to c. £60m expenditure.

2gether NHS Foundation Trust provided mental health services to the population of Herefordshire until 31st March 2020 and the comparator figures also includes these services c.£23.6m income. From 1st April 2020 these services have been transferred to Herefordshire and Worcestershire Health and Care NHS Trust.

Signed

Paul Roberts
Chief Executive
26 May 2021

Consolidated Statement of Comprehensive Income

	Note	Group 2020/21 £000	2019/20 £000
Operating income from patient care activities	3	234,075	187,601
Other operating income	4	12,651	11,635
Operating expenses	6, 8	(244,194)	(198,000)
Operating surplus / (deficit) from continuing operations		**2,533**	**1,236**
Finance income	11	18	206
Finance expenses	12	(25)	(21)
PDC dividends payable		(2,437)	(2,351)
Net finance costs		**(2,444)**	**(2,166)**
Other gains / (losses)	13	-	37
Gains / (losses) arising from transfers by absorption	39	(6,002)	78,697
Surplus / (deficit) for the year		**(5,913)**	**77,804**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	7	(696)	(1,065)
Revaluations	20	1,316	1,373
Total comprehensive income / (expense) for the period		**(5,293)**	**78,112**
Surplus/ (deficit) for the period attributable to:			
Gloucestershire Health and Care NHS Foundation Trust		(5,913)	77,804
TOTAL		**(5,913)**	**77,804**
Total comprehensive income / (expense) for the period attributable to:			
Gloucestershire Health and Care NHS Foundation Trust		(5,293)	78,112
TOTAL		**(5,293)**	**78,112**

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

Statements of Financial Position

		Group		Trust	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
	Note	£000	£000	£000	£000
Non-current assets					
Intangible assets	16	488	1,669	488	1,669
Property, plant and equipment	18	109,946	113,648	109,796	113,498
Receivables	23	592	345	592	345
Total non-current assets		**111,026**	**115,662**	**110,876**	**115,512**
Current assets					
Inventories	22	718	283	718	283
Receivables	23	12,006	20,455	12,005	20,441
Cash and cash equivalents	25	52,656	37,931	52,333	37,720
Total current assets		**65,380**	**58,669**	**65,056**	**58,444**
Current liabilities					
Trade and other payables	26	(28,931)	(25,036)	(28,870)	(25,015)
Borrowings	28	(107)	(189)	(107)	(189)
Provisions	30	(3,526)	(3,622)	(3,526)	(3,622)
Other liabilities	27	(2,273)	(535)	(2,273)	(535)
Total current liabilities		**(34,837)**	**(29,382)**	**(34,776)**	**(29,361)**
Total assets less current liabilities		**141,569**	**144,949**	**141,156**	**144,595**
Non-current liabilities					
Borrowings	28	(1,363)	(1,471)	(1,363)	(1,471)
Provisions	30	(1,423)	(229)	(1,423)	(229)
Total non-current liabilities		**(2,786)**	**(1,700)**	**(2,786)**	**(1,700)**
Total assets employed		**138,783**	**143,249**	**138,370**	**142,895**
Financed by					
Public dividend capital		126,578	125,751	126,578	125,751
Revaluation reserve		6,826	7,203	6,826	7,203
Other reserves		(1,241)	(1,241)	(1,241)	(1,241)
Income and expenditure reserve		6,207	11,182	6,207	11,182
Charitable fund reserves	21	413	354		
Total taxpayers' equity		**138,783**	**143,249**	**138,370**	**142,895**

The notes on pages 114 to 169 form part of these accounts.

Paul Roberts
Chief Executive
26 May 2021

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

	Taxpayers' Equity			Others' Equity		
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 2020 - brought forward	**125,751**	**7,203**	**(1,241)**	**11,182**	**354**	**143,249**
Surplus/(deficit) for the year	-	-	-	(5,981)	68	**(5,913)**
Transfers by absorption: transfers between reserves	-	(997)	-	997	-	**-**
Impairments	-	(696)	-	-	-	**(696)**
Revaluations	-	1,316	-	-	-	**1,316**
Public dividend capital received	827	-	-	-	-	**827**
Other reserve movements	-	-	-	9	(9)	**-**
Taxpayers' and others' equity at 31 March 2021	**126,578**	**6,826**	**(1,241)**	**6,207**	**413**	**138,783**

*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.

Transfers by absorption;

(£997k); From 1st April 2020 the mental health services to the populations of Herefordshire, have been transferred to Herefordshire and Worcestershire Health and Care NHS Trust.

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

	Taxpayers' Equity			Others' Equity		
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 2019 – brought forward	**46,680**	**2,418**	**1,157**	**14,082**	**230**	**64,567**
Surplus/(deficit) for the year	-	-	-	77,813	(9)	**77,804**
Transfers by absorption: transfers between reserves	78,501	4,678	(2,398)	(80,977)	196	**-**
Impairments	-	(1,065)	-	-	-	**(1,065)**
Revaluations	-	1,373	-	-	-	**1,373**
Transfer to retained earnings on disposal of assets	-	(201)	-	201	-	**-**
Public dividend capital received	570	-	-	-	-	**570**
Other reserve movements	-	-	-	63	(63)	**-**
Taxpayers' and others' equity at 31 March 2020	**125,751**	**7,203**	**(1,241)**	**11,182**	**354**	**143,249**

*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 2021

Trust	Public dividend capital £000	Revaluation reserve £000	Other reserves* £000	Income and expenditure reserve £000	Total
Taxpayers' and others' equity at 1 April 2020 - brought forward	**125,751**	**7,203**	**(1,241)**	**11,182**	**142,895**
Surplus/(deficit) for the year	-	-	-	(5,981)	**(5,981)**
Transfers by absorption: transfers between reserves	-	(997)	-	(997)	-
Impairments	-	(696)	-	-	**(696)**
Revaluations	-	1,316	-	-	**1,316**
dividend capital received	827	-	-	-	**827**
Other reserve movements	-	-	-	9	**9**
Taxpayers' and others' equity at 31 March 2021	**126,578**	**6,826**	**(1,241)**	**6,207**	**138,370**

*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.

Transfers by absorption;

(£997k); From 1st April 2020 the mental health services to the populations of Herefordshire, have been transferred to Herefordshire and Worcestershire Health and Care NHS Trust.

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

Trust	Public dividend capital £000	Revaluation reserve £000	Other reserves* £000	Income and expenditure reserve £000	Total
Taxpayers' and others' equity at 1 April 2019 - brought forward	**46,680**	**2,418**	**1,157**	**14,082**	**64,337**
Surplus/(deficit) for the year	-	-	-	77,813	**77,813**
Transfers by absorption: transfers between reserves	78,501	4,678	(2,398)	(80,977)	**(196)**
Impairments	-	(1,065)	-	-	**(1,065)**
Revaluations	-	1,373	-	-	**1,373**
Transfer to retained earnings on disposal of assets	-	(201)	-	201	**-**
Public dividend capital received	570	-	-	-	**570**
Other reserve movements	-	-	-	63	**63**
Taxpayers' and others' equity at 31 March 2020	**125,751**	**7,203**	**(1,241)**	**11,182**	**142,895**

*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.

Financial assets reserve

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

Other reserves

£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 1.3.

Statements of Cash Flows

	Note	Group 2020/21 £000	Group 2019/20 £000	Trust 2020/21 £000	Trust 2019/20 £000
Cash flows from operating activities					
Operating surplus / (deficit)		2,533	1,236	2,428	1,308
Non-cash income and expense:					
Depreciation and amortisation	6.1	9,915	4,968	9,915	4,968
Net impairments	7	353	3,489	353	3,489
Income recognised in respect of capital donations	4	(4)	-	(4)	(24)
(Increase) / decrease in receivables and other assets		8,144	(3,516)	8,144	(3,516)
(Increase) / decrease in inventories		(435)	(38)	(435)	(38)
Increase / (decrease) in payables and other liabilities		2,221	1,716	2,221	1,716
Increase / (decrease) in provisions		1,098	2,485	1,098	2,485
Movements in charitable fund working capital		53	-		
Net cash flows from / (used in) operating activities		**23,878**	**10,340**	**23,720**	**10,388**
Cash flows from investing activities					
Interest received		18	206	18	206
Purchase of intangible assets		(131)	-	(131)	
Purchase of PPE and investment property		(7,264)	(5,319)	(7,264)	(5,319)
Sales of PPE and investment property		-	1,020	-	1,020
Receipt of cash donations to purchase assets		-	-	-	24
Net cash flows from / (used in) investing activities		**(7,377)**	**(4,093)**	**(7,377)**	**(4,069)**
Cash flows from financing activities					
Public dividend capital received		827	570	827	570
Capital element of finance lease rental payments		(190)	(137)	(190)	(137)
Other interest		(3)	-	(3)	
Interest paid on finance lease liabilities		(18)	(21)	(18)	(21)
PDC dividend (paid) / refunded		(2,392)	(2,565)	(2,392)	(2,565)
Net cash flows from / (used in) financing activities		**(1,776)**	**(2,153)**	**(1,776)**	**(2,153)**
Increase / (decrease) in cash and cash equivalents		**14,725**	**4,094**	**14,567**	**4,166**
Cash and cash equivalents at 1 April - brought forward		**37,931**	**14,873**	**37,720**	**14,637**
Prior period adjustments				-	-
Cash and cash equivalents at 1 April - restated		**37,931**	**14,873**	**37,720**	**14,637**
Cash and cash equivalents transferred under bsorption accounting	39	-	18,963		18,917
Cash and cash equivalents at 31 March	25	**52,656**	**37,931**	**52,287**	**37,720**
Increase / (decrease) in cash and cash equivalents		14,725	23,057	14,567	23,083

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

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

Accounting convention

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

Note 1.2 Going concern

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

2020/21.

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

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

Comparative period (2019/20)

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

In 2019/20, the Provider Sustainability Fund enabled providers to earn income linked to the achievement of financial controls and performance targets. Income earned from the funds is accounted for as variable consideration.

Revenue from 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 except where it results in the creation of a non-current asset such as property, plant and equipment.

Note 1.8 Discontinued operations

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

Note 1.9 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

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

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

Subsequent expenditure

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

Measurement

Valuation

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

Assets are measured subsequently at valuation. Assets which are held for their service potential and are in use (ie operational assets used to deliver either front line services or back office functions) are measured at their current value in existing use. Assets that were most recently held for their service potential but are surplus with no plan to bring them back into use are measured at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale. Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

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

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

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 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.

The Trust's land and building valuation was carried out by the Trust's current valuer DVS, on a MEA "Optimised Alternative Site" method valuation, and applied on 1st October 2019. This was updated at March 21 with a desktop valuation by the DVS.

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 9.5.

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.

All impairments resulting from price changes are charged to the SOCI. If the balance on the revaluation reserve is less than the impairment the difference is taken to SOCI.

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.

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

Donated and grant funded assets

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

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

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

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

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	-	-
Buildings, excluding dwellings	5	80
Plant & machinery	5	15
Transport equipment	5	7
Information technology	3	10
Furniture & fittings	5	10

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

Note 1.10 Intangible assets

Recognition

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

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	5

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.

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

Note 1.12 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 1.13 Financial assets and financial liabilities

Recognition

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

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

Classification and measurement

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

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

Financial assets are classified as subsequently measured at amortised cost.

Financial liabilities classified as subsequently measured at amortised cost.

Financial assets and financial liabilities at amortised cost

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

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

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

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 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

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

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

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 1.14 Leases

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

The Trust as a lessee

Finance leases

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

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

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

Operating leases

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

Leases of land and buildings

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

Note 1.15 Provisions

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

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

HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates. The following inflation rates are set by HM Treasury, effective 31 March 2020:

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

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

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. 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 30.3 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 1.16 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 31 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 31, 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 1.17 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 1.18 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 1.19 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 1.20 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 1.21 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 1.22 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 1.23 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 1.24 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 bodies, 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 1.25 Early adoption of standards, amendments and interpretations

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

Note 1.26 Standards, amendments and interpretations in issue but not yet effective or adopted

IFRS 16 Leases

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

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

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

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

Note 1.27 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.

Note 1.28 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 2020/21 however due to the Covid 19 pandemic staff were allowed to carry forward upto ten days into 21/22. Trust staff were also awarded a Thank You Day which they were entitled to use in 20/21 or 21/22. 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 2020. The remaining leave was valued at an appropriate average payscale 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 22 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.

The Directors are confident that the Trust has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Note 2.3 Discontinued Operations

There were no discontinued services or operations in 2019/20.

From 1st April 2020 the mental health services to the population of Herefordshire, were transferred to Herefordshire and Worcestershire Health and Care NHS Trust. The full year income for Herefordshire related services was £23.8m.

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

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.

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

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)

	2020/21 £000	2019/20 £000
Mental Health & Community Services		
Block contract / system envelope income*	214,970	172,059
Other clinical income from mandatory services	11,765	9,880
Additional pension contribution central funding**	7,340	5,432
Other clinical income	-	230
Total income from activities	**234,075**	**187,601**

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

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

Note 3.2 Income from patient care activities (by source)

Income from patient care activities received from:	2020/21 £000	2019/20 £000
NHS England	19,419	12,560
Clinical commissioning groups	201,210	165,281
Other NHS providers	7,336	4,465
NHS other	866	797
Local authorities	5,018	4,452
Non-NHS: overseas patients (chargeable to patient)	1	(55)
Injury cost recovery scheme	199	101
Non NHS: other	26	-
Total income from activities	**234,075**	**187,601**
Of which:		
Related to continuing operations	234,075	187,601
Related to discontinued operations	-	-

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

	2020/21 £000	2019/20 £000
Income recognised this year	1	(55)
Cash payments received in-year	-	33

Note 4 Other operating income (Group)

	2020/21			2019/20		
	Contract income	Non-contract income	**Total**	Contract income	Non-contract income	**Total**
	£000	£000	**£000**	£000	£000	**£000**
Research and development	254	-	**254**	423	-	**423**
Education and training	3,451	365	**3,816**	2,950	288	**3,238**
Non-patient care services to other bodies	1,118		**1,118**	1,069		**1,069**
Provider sustainability fund (2019/20 only)			**-**	2,042		**2,042**
Reimbursement and top up funding	1,943		**1,943**			**-**
Income in respect of employee benefits accounted on a gross basis	351		**351**	1,884		**1,884**
Receipt of capital grants and donations		4	**4**		-	**-**
Charitable and other contributions to expenditure		3,142	**3,142**		-	**-**
Rental revenue from finance leases		38	**38**		-	**-**
Charitable fund incoming resources		170	**170**		14	**14**
Other income*	1,815	-	**1,815**	2,882	83	**2,965**
Total other operating income	**8,933**	**3,719**	**12,651**	**11,250**	**385**	**11,635**
Of which:						
Related to continuing operations			12,651			11,635
Related to discontinued operations			-			-

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.

'Other' includes supporting people services of £1,277k (£1,172k in 2019/20), Westridge Income £0k (£441k in 2019/20), Non Health Care CCG £38k (£423k in 2019/20), rental income £427k (£402k in 2019/20). Staff contributions to employee benefit schemes £65k (£174k in 2019/20), improving patient safety programme monies £10k (£46k in 2019/20), catering income £16k (£37k in 2019/20), insurance claims £0k (£30k in 2019/20), and Non Health Care – Gov Body £0k (£26k in 2019/20).

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

	2020/21 £000	2019/20 £000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	-	107
Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods	-	-

Note 5.2 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:

	2020/21 £000	2019/20 £000
Income from services designated as commissioner requested services	-	-
Income from services not designated as commissioner requested services	246,727	199,236
Total	**246,727**	**199,236**

Note 5.3 Profits and losses on disposal of property, plant and equipment

In 2020/21 no land or buildings were disposed off. In 2019/20 there was a £37k gains on disposal of assets held for sale

Note 6.1 Operating expenses (Group)

	2020/21 £000	2019/20 £000
Purchase of healthcare from NHS and DHSC bodies	841	753
Purchase of healthcare from non-NHS and non-DHSC bodies	7,471	7,050
Purchase of social care	7,812	7,143
Staff and executive directors costs	176,432	140,494
Remuneration of non-executive directors	167	180
Supplies and services - clinical (excluding drugs costs)	6,186	3,299
Supplies and services - general	6,818	1,526
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	3,160	3,104
Inventories written down	383	-
Consultancy costs	5	170
Establishment	2,613	1,681
Premises	13,145	8,912
Transport (including patient travel)	1,917	2,307
Depreciation on property, plant and equipment	8,603	4,331
Amortisation on intangible assets	1,312	637
Net impairments	353	3,489
Movement in credit loss allowance: contract receivables / contract assets	602	819
Increase/(decrease) in other provisions	766	1,679
Change in provisions discount rate(s)	9	-
Audit fees payable to the external auditor audit services- statutory audit	87	45
other audit or remuneration (external auditor only)	-	2
Internal audit costs	-	63
Clinical negligence	663	365
Legal fees	141	231
Insurance	235	169
Research and development	477	402
Education and training	1,613	2,302
Rentals under operating leases	1,193	978
Redundancy	-	231
Car parking & security	6	69
Hospitality	-	11
Losses, ex gratia & special payments	2	649
Other NHS charitable fund resources expended	97	19
Other	1,085	4,891
Total	**244,194**	**198,000**
Of which:		
Related to continuing operations	244,194	198,000
Related to discontinued operations	-	-

Note 6.2 Other auditor remuneration (Group)

	2020/21 £000	2019/20 £000
Other auditor remuneration paid to the external auditor:		
1. Audit of accounts of any associate of the Trust	-	-
2. Audit-related assurance services	-	2
3. Taxation compliance services	-	-
4. All taxation advisory services not falling within item 3 above	-	-
5. Internal audit services	-	-
6. All assurance services not falling within items 1 to 5	-	-
7. Corporate finance transaction services not falling within items 1 to 6 above	-	-
8. Other non-audit services not falling within items 2 to 7 above	-	-
Total	**-**	**2**

Note 6.3 Limitation on auditor's liability (Group)

The limitation on auditor's liability for external audit work is £4 million (2019/20: £4 million).

Note 7 Impairment of assets (Group)

	2020/21 £000	2019/20 £000
Net impairments charged to operating surplus / deficit resulting from:		
Unforeseen obsolescence	-	433
Changes in market price	353	3,056
Total net impairments charged to operating surplus / deficit	**353**	**3,489**
Impairments charged to the revaluation reserve	696	1,065
Total net impairments	**1,049**	**4,554**

The DVS did a desktop review of the operational land and buildings at the 31st March 2021 for the Trust (details below).

The Trust recorded £353k Change in Market Prices. This was resulting from Impairments of £353k (Land £20k, Buildings £333k).

The Trust recorded £696k Impairments charged to the Revaluation Reserve (Land £0k, Buildings £696k).

Following the 1st October 2019 merger the Trust asked the DVS to review the Trust's operational properties on a new Modern Equivalent Asset (MEA) basis. The DVS then did a desktop review of the operational land and buildings at the 31st March 2020 for the Trust (details below).

At the 31st March 2020 the Trust reviewed the Equipment Assets and impaired some, mostly IT assets (details below).

The Trust recorded £433k Unforeseen obsolescence (Tangible Equipment £131k, Intangible Equipment £302k).

The Trust recorded £3,056k Change in Market Prices. This was resulting from Impairments of £7,416k (Land £3,320k, Buildings £4,096k) and Reversal of Impairments of (£4,360)k (Land £1,201)k, Buildings (£3,159)k).

The Trust recorded £1,065k Impairments charged to the Revaluation Reserve (Land £1,056k, Buildings £9k).

Note 8 Employee benefits (Group)

	2020/21 £000 Total £000	2019/20 £000 Total £000
Salaries and wages	135,698	105,530
Social security costs	12,228	10,028
Apprenticeship levy	550	495
Employer's contributions to NHS pensions	24,121	18,892
Pension cost - other	96	43
Other post employment benefits	405	-
Temporary staff (including agency)	5,245	7,726
Total gross staff costs	**178,342**	**142,714**
Recoveries in respect of seconded staff	(827)	(99)
Total staff costs	**177,515**	**142,615**
Of which		
Costs capitalised as part of assets	132	94

The Trust has contributed £104k to pension schemes in respect of directors in 2020/21 (£91k in 2019/20). 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 2020/21 there were 4 early retirements from the Trust agreed on the grounds of ill-health (none in the year ended 31 March 2020). The estimated additional pension liabilities of these ill-health retirements is £63k (0k in 2019/20).

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 2021, is based on valuation data as at 31 March 2020, updated to 31 March 2021 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

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

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

Note 10 Operating leases (Group)

Note 10.1 Gloucestershire Health and Care NHS Foundation Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where Gloucestershire Health and Care NHS Foundation Trust is the lessee.

In addition to several immaterial leases there are 2 material building leases, the headquarters builidng at Edward Jenner Court and a clinical building Southgate Moorings, Gloucester.

	2020/21 £000	2019/20 £000
Operating lease expense		
Minimum lease payments	1,076	613
Contingent rents	117	365
Less sublease payments received	-	-
Total	**1,193**	**978**

	31 March 2021 £000	31 March 2020 £000
Future minimum lease payments due:		
- not later than one year;	903	1,375
- later than one year and not later than five years;	4,108	2,212
- later than five years.	1,535	755
Total	**6,546**	**4,342**
Future minimum sublease payments to be received	-	-

Future minimum lease payments are made up of;

	Land £000	Buildings £000	Other £000	31 March 2021 £000
Future minimum lease payments due:				
- not later than one year;-		734	170	904
- later than one year and not later than five years;	-	3,631	476	4,107
- later than five years.	-	1,535	-	1,535
Total	**-**	**5,900**	**646**	**6,546**

Note 11 Finance income (Group)

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

	2020/21 £000	2019/20 £000
Interest on bank accounts	18	190
Interest income on finance leases	-	16
Total finance income	**18**	**206**

Note 12.1 Finance expenditure (Group)

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

	2020/21 £000	2019/20 £000
Interest expense:		
Finance leases	18	21
Interest on late payment of commercial debt	3	-
Total interest expense	**21**	**21**
Other finance costs	4	-
Total finance costs	**25**	**21**

Note 12.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015 (Group)

	2020/21 £000	2019/20 £000
Amounts included within interest payable arising from claims made under this legislation	3	-

Note 13 Other gains / (losses) (Group)

	2020/21 £000	2019/20 £000
Gains on disposal of assets	-	37
Total gains / (losses) on disposal of assets	**-**	**37**
Total other gains / (losses)	**-**	**37**

Note 14 Trust income statement and statement of comprehensive income

In accordance with Section 408 of the Companies Act 2006, the Trust is exempt from the requirement to present its own income statement and statement of comprehensive income. The Trust's surplus/(defict) for the period was (£5.9) million (2019/20: £77.8 million). The Trust's total comprehensive income /(expense) for the period was (£5.3) million (2019/20: £78.1 million).

Note 15 Intangible assets - 2020/21

Group	Software licences	Internally generated information technology	Intangible assets under construction	Total
	£000	£000	£000	£000
Valuation / gross cost at 1 April 2020 - brought forward	**2,657**	**3,198**	**-**	**5,855**
Additions	131	-	-	131
Reclassifications	1,945	(1,945)	-	-
Valuation / gross cost at 31 March 2021	**4,733**	**1,253**	**-**	**5,986**
Amortisation at 1 April 2020 - brought forward	**1,388**	**2,798**	**-**	**4,186**
Provided during the year	1,275	37	-	**1,312**
Reclassifications	1,582	(1,582)	-	-
Amortisation at 31 March 2021	**4,245**	**1,253**	**-**	**5,498**
Net book value at 31 March 2021	**488**	**-**	**-**	**488**
Net book value at 1 April 2020	**1,269**	**400**	**-**	**1,669**

Note 15.1 Intangible assets - 2019/20

Group	Software licences	Internally generated information technology	Intangible assets under construction	Total
	£000	£000	£000	£000
Valuation / gross cost at 1 April 2019 - **as previously stated**	**2,277**	**1,253**	**249**	**3,779**
Transfers by absorption	180	1,945	-	2,125
Reclassifications	200	-	(249)	(49)
Valuation / gross cost at 31 March 2020	**2,657**	**3,198**	**-**	**5,855**
Amortisation at 1 April 2019 - as previously stated	**761**	**1,028**	**-**	**1,789**
Transfers by absorption	50	1,408	-	1,458
Provided during the year	398	239	-	637
Impairments	179	123	-	302
Amortisation at 31 March 2020	**1,388**	**2,798**	**-**	**4,186**
Net book value at 31 March 2020	**1,269**	**400**	**-**	**1,669**
Net book value at 1 April 2019	**1,516**	**225**	**249**	**1,990**

Note 16.1 Intangible assets - 2020/21

Trust	Software licences	Internally generated information technology	Intangible assets under construction	Total
	£000	£000	£000	£000
Valuation / gross cost at 1 April 2020 - brought forward	**2,657**	**3,198**	**-**	**5,855**
Additions	131	-	-	**131**
Reclassifications	1,945	(1,945)	-	-
Valuation / gross cost at 31 March 2021	**4,733**	**1,253**	**-**	**5,986**
Amortisation at 1 April 2020 - brought forward	**1,388**	**2,798**	**-**	**4,186**
Provided during the year	1,275	37	-	1,312
Reclassifications	1,582	(1,582)	-	-
Amortisation at 31 March 2021	**4,245**	**1,253**	**-**	**5,498**
Net book value at 31 March 2021	**488**	**-**	**-**	**488**
Net book value at 1 April 2020	**1,269**	**400**	**-**	**1,669**

Note 16.2 Intangible assets - 2019/20

Trust	Software licences	Internally generated information technology	Intangible assets under construction	Total
	£000	£000	£000	£000
Valuation / gross cost at 1 April 2019 - as previously stated	**2,277**	**1,253**	**249**	**3,779**
Transfers by absorption	180	1,945	-	2,125
Reclassifications	200	-	(249)	(49)
Valuation / gross cost at 31 March 2020	**2,657**	**3,198**	**-**	**5,855**
Amortisation at 1 April 2019 - as previously stated	**761**	**1,028**	**-**	**1,789**
Transfers by absorption	50	1,408	-	1,458
Provided during the year	398	239	-	637
Impairments	179	123	-	302
Amortisation at 31 March 2020	**1,388**	**2,798**	**-**	**4,186**
Net book value at 31 March 2020	**1,269**	**400**	**-**	**1,669**
Net book value at 1 April 2019	**1,516**	**225**	**249**	**1,990**

Note 17.1 Property, plant and equipment - 2020/21

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 2020 - brought forward	**11,503**	**90,025**	**5,875**	**9,051**	**151**	**17,154**	**1,582**	**150**	**135,491**
Transfers by absorption	(1,347)	(4,601)	-	(103)	-	-	-	-	(6,051)
Additions	-	1,395	5,175	1,616	-	2,450	-	-	10,636
Impairments	(20)	(1,029)	-	-	-	-	-	-	(1,049)
Revaluations	-	1,316	-	-	-	-	-	-	1,316
Reclassifications	-	-	(158)	-	153	-	5	-	-
Valuation/gross cost at 31 March 2021	**10,136**	**87,106**	**10,892**	**10,564**	**304**	**19,604**	**1,587**	**150**	**140,343**
Accumulated depreciation at 1 April 2020 - brought forward	**-**	**4,310**	**-**	**5,692**	**151**	**10,660**	**1,030**	**-**	**21,843**
Transfers by absorption	-	-	-	(49)	-	-	-	-	(49)
Provided during the year	-	3,405	-	1,097	30	3,854	217	-	8,603
Accumulated depreciation at 31 March 2021	**-**	**7,715**	**-**	**6,740**	**181**	**14,514**	**1,247**	**-**	**30,397**
Net book value at 31 March 2021	**10,136**	**79,391**	**10,892**	**3,824**	**123**	**5,090**	**340**	**150**	**109,946**
Net book value at 1 April 2020	**11,503**	**85,715**	**5,875**	**3,359**	**-**	**6,494**	**552**	**150**	**113,648**

Note 17.2 Property, plant and equipment - 2019/20

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 2019 - as previously stated	**7,402**	**38,687**	**144**	**2,073**	**-**	**7,361**	**10**	**-**	**55,677**
Transfers by absorption	7,140	50,322	1,600	6,822	157	8,843	1,516	150	**76,550**
Additions	-	986	5,083	66	-	431	24	-	**6,590**
Impairments	(4,376)	(4,105)	-	-	-	-	-	-	**(8,481)**
Reversals of impairments	1,201	2,554	-	-	-	-	-	-	**3,755**
Revaluations	136	1,237	-	-	-	-	-	-	**1,373**
Reclassifications	-	344	(952)	90	-	519	32	-	**33**
Disposals / derecognition	-	-	-	-	(6)	-	-	-	**(6)**
Valuation/gross cost at 31 March 2020	**11,503**	**90,025**	**5,875**	**9,051**	**151**	**17,154**	**1,582**	**150**	**135,491**
Accumulated depreciation at 1 April 2019 - as previously stated	**-**	**418**	**-**	**1,183**	**-**	**2,792**	**9**	**-**	**4,402**
Transfers by absorption	-	2,577	-	3,989	154	5,952	933	-	13,605
Provided during the year	-	1,936	-	515	2	1,790	88	-	4,331
Impairments	-	-	-	5	-	126	-	-	131
Reversals of impairments	-	(605)	-	-	-	-	-	-	(605)
Reclassifications	-	(16)	-	-	-	-	-	-	(16)
Disposals / derecognition	-	-	-	-	(5)	-	-	-	(5)
Accumulated depreciation at 31 March 2020	**-**	**4,310**	**-**	**5,692**	**151**	**10,660**	**1,030**	**-**	**21,843**
Net book value at 31 March 2020	**11,503**	**85,715**	**5,875**	**3,359**	**-**	**6,494**	**552**	**150**	**113,648**
Net book value at 1 April 2019	**7,402**	**38,269**	**144**	**890**	**-**	**4,569**	**1**	**-**	**51,275**

Note 17.3 Property, plant and equipment financing - 2020/21

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
Net book value at 31 March 2021									
Owned - purchased	10,136	76,794	10,892	3,731	123	5,090	321	150	107,237
Finance leased	-	1,461	-	-	-	-	-	-	1,461
Owned - donated/ granted	-	1,136	-	93	-	-	19	-	1,248
NBV total at 31 March 2021	**10,136**	**79,391**	**10,892**	**3,824**	**123**	**5,090**	**340**	**150**	**109,946**

Note 17.4 Property, plant and equipment financing - 2019/20

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
Net book value at 31 March 2020									
Owned - purchased	11,503	82,964	5,875	3,226	-	6,357	529	150	**110,604**
Finance leased	-	1,556	-	-	-	137	-	-	**1,693**
Owned - donated/ granted	-	1,195	-	133	-	-	23	-	**1,351**
NBV total at 31 March 2020	**11,503**	**85,715**	**5,875**	**3,359**	**-**	**6,494**	**552**	**150**	**113,648**

Note 18.1 Property, plant and equipment - 2020/21

Trust	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
Valuation/gross cost at 1 April 2020 - brought forward	**11,503**	**90,025**	**5,875**	**9,051**	**151**	**17,154**	**1,582**	**135,341**
Transfers by absorption	(1,347)	(4,601)	-	(103)	-	-	-	**(6,051)**
Additions	-	1,395	5,175	1,616	-	2,450	-	**10,636**
Impairments	(20)	(1,029)	-	-	-	-	-	**(1,049)**
Revaluations	-	1,316	-	-	-	-	-	**1,316**
Reclassifications	-	-	(158)	-	153	-	5	**-**
Valuation/gross cost at 31 March 2021	**10,136**	**87,106**	**10,892**	**10,564**	**304**	**19,604**	**1,587**	**140,193**
Accumulated depreciation at 1 April 2020 - brought forward	**-**	**4,310**	**-**	**5,692**	**151**	**10,660**	**1,030**	**21,843**
Transfers by absorption	-	-	-	(49)	-	-	-	(49)
Provided during the year	-	3,405	-	1,097	30	3,854	217	8,603
Accumulated depreciation at 31 March 2021	**-**	**7,715**	**-**	**6,740**	**181**	**14,514**	**1,247**	**30,397**
Net book value at 31 March 2021	**10,136**	**79,391**	**10,892**	**3,824**	**123**	**5,090**	**340**	**109,796**
Net book value at 1 April 2020	**11,503**	**85,715**	**5,875**	**3,359**	**-**	**6,494**	**552**	**113,498**

Note 18.2 Property, plant and equipment - 2019/20

Trust	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
Valuation / gross cost at 1 April 2019 - as previously stated	**7,402**	**38,687**	**144**	**2,073**	**-**	**7,361**	**10**	**55,677**
Transfers by absorption	7,140	50,322	1,600	6,822	157	8,843	1,516	**76,400**
Additions	-	986	5,083	66	-	431	24	**6,590**
Impairments	(4,376)	(4,105)	-	-	-	-	-	**(8,481)**
Reversals of impairments	1,201	2,554	-	-	-	-	-	**3,755**
Revaluations	136	1,237	-	-	-	-	-	**1,373**
Reclassifications	-	344	(952)	90	-	519	32	**33**
Disposals / derecognition	-	-	-	-	(6)	-	-	**(6)**
Valuation/gross cost at 31 March 2020	**11,503**	**90,025**	**5,875**	**9,051**	**151**	**17,154**	**1,582**	**135,341**
Accumulated depreciation at 1 April 2019 - as previously stated	**-**	**418**	**-**	**1,183**	**-**	**2,792**	**9**	**4,402**
Transfers by absorption	-	2,577	-	3,989	154	5,952	933	**13,605**
Provided during the year	-	1,936	-	515	2	1,790	88	**4,331**
Impairments	-	-	-	5	-	126	-	**131**
Reversals of impairments	-	(605)	-	-	-	-	-	(605)
Reclassifications	-	(16)	-	-	-	-	-	**(16)**
Disposals / derecognition	-	-	-	-	(5)	-	-	**(5)**
Accumulated depreciation at 31 March 2020	**-**	**4,310**	**-**	**5,692**	**151**	**10,660**	**1,030**	**21,843**
Net book value at 31 March 2020	**11,503**	**85,715**	**5,875**	**3,359**	**-**	**6,494**	**552**	**113,498**
Net book value at 1 April 2019	**7,402**	**38,269**	**144**	**890**	**-**	**4,569**	**1**	**51,275**

Note 18.3 Property, plant and equipment financing - 2020/21

Trust	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
Net book value at 31 March 2021								
Owned - purchased	10,136	76,794	10,892	3,731	123	5,090	321	**107,087**
Finance leased	-	1,461	-	-	-	-	-	**1,461**
Owned - donated / granted	-	1,136	-	93	-	-	19	**1,248**
NBV total at 31 March 2021	**10,136**	**79,391**	**10,892**	**3,824**	**123**	**5,090**	**340**	**109,796**

18.4Note 18.4 Property, plant and equipment financing - 2019/20

Trust	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
Net book value at 31 March 2020								
Owned - purchased	**11,503**	**82,964**	**5,875**	**3,226**	**-**	**6,357**	**529**	**110,454**
Finance leased	-	1,556	-	-	-	137	-	**1,693**
Owned - donated / granted	-	1,195	-	133	-	-	23	**1,351**
NBV total at 31 March 2020	**11,503**	**85,715**	**5,875**	**3,359**	**-**	**6,494**	**552**	**113,498**

Note 19 Donations of property, plant and equipment

There were no no donations of equipment to the Trust in 2020/21. In 2019/20 one of the Trusts charities, 2gether NHS Foundation Trust Charitable Fund made a payment of £24k to the Trust to contribute to a Project to provide Outdoor Gym equipmemnt to Wotton Lawn.

Note 20 Revaluations of property, plant and equipment

The DVS did a desktop review of the operational land and buildings at the 31st March 2021 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 increase by £287 (revaluation £1,316k, impairment £(1,049)k.

The total revaluation increase in value for the year taken to the revaluation reserve was £696k (Land £0k, Buidlings £696k).

Following the 1st October 2019 merger the Trust asked the DVS to review the Trust's operational properties on a new Modern Equivalent Asset (MEA) basis. The DVS then did a desktop review of the operational land and buildings at the 31st March 2020 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 £2,748k (revaluation £1,373k, impairment £(4,121)k

The total revaluation increase in value for the year taken to the revaluation reserve was £1,373k (Land £1,237k, Buidlings £136k).

Note 21 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 2021 £000	31 March 2020 £000
Unrestricted funds:		
Unrestricted income funds	147	201
Restricted funds:		
Other restricted income funds	266	153
	413	**354**

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

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

Note 22 Inventories

	Group		Trust	
31 March	**31 March**	**31 March**	**31 March**	
	2021 £000	**2020 £000**	**2021 £000**	**2020 £000**
Consumables	718	283	718	283
Total inventories	**718**	**283**	**718**	**283**
of which:				
Held at fair value less costs to sell	-	-		

Inventories recognised in expenses for the year were £2,304k (2019/20: £755k). Write-down of inventories recognised as expenses for the year were £383k (2019/20: £0k).

Note 23.1 Receivables

	Group		Trust	
	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
Current				
Contract receivables	12,329	19,828	12,329	19,828
Allowance for impaired contract receivables / assets	(2,247)	(2,004)	(2,247)	(2,004)
Prepayments (non-PFI)	889	830	889	830
PDC dividend receivable	630	675	630	675
VAT receivable	369	445	369	445
Other receivables	35	667	35	667
NHS charitable funds receivables	1	14		
Total current receivables	**12,006**	**20,455**	**12,005**	**20,441**
Non-current				
Contract receivables	255	265	255	265
Prepayments (non-PFI)	61	80	61	80
Other receivables	276	-	276	-
Total non-current receivables	**592**	**345**	**592**	**345**
Of which receivable from NHS and DHSC group bodies:				
Current	6,077	14,174		
Non-current	276	-		

Note 23.2 Allowances for credit losses - 2020/21

	Group Contract receivables and contract assets £000	Trust Contract receivables and contract assets £000
Allowances as at 1 Apr 2020 - brought forward	**2,004**	**2,004**
New allowances arising	611	611
Reversals of allowances	(9)	(9)
Utilisation of allowances (write offs)	(359)	**(359)**
Allowances as at 31 Mar 2021	**2,247**	**2,247**

Note 23.3 Allowances for credit losses - 2019/20

	Group Contract receivables and contract assets £000	Trust Contract receivables and contract assets £000
Allowances as at 1 Apr 2019 - as previously stated	**686**	**686**
Transfers by absorption	505	**505**
New allowances arising	558	**558**
Changes in existing allowances	263	**263**
Reversals of allowances	(2)	**(2)**
Utilisation of allowances (write offs)	(6)	**(6)**
Allowances as at 31 Mar 2020	**2,004**	**2,004**

Note 23.4 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 24 Non-current assets held for sale and assets in disposal groups

	Group		Trust	
	2020/21 £000	2019/20 £000	2020/21 £000	2019/20 £000
NBV of non-current assets for sale and assets in disposal groups at 1 April	**-**	**500**	**-**	**500**
Assets sold in year	-	(500)	-	(500)
NBV of non-current assets for sale and assets in disposal groups at 31 March	**-**	**-**	**-**	**-**

As at 31st March 2021 the Trust has no assets held for sale. During 2019/20 the Trust sold the one asset it held for sale.

Note 25 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	
	2020/21	2019/20	2020/21	2019/20
	£000	£000	£000	£000
At 1 April	**37,931**	**14,873**	**37,720**	**14,637**
Transfers by absorption	-	18,963		18,917
Net change in year	14,725	4,095	14,613	4,166
At 31 March	**52,656**	**37,931**	**52,333**	**37,720**
Broken down into:				
Cash at commercial banks and in hand	40	39	40	39
Cash with the Government Banking Service	52,616	37,892	52,293	37,892
Total cash and cash equivalents as in SoFP	**52,656**	**37,931**	**52,333**	**37,931**
Total cash and cash equivalents as in SoCF	**52,656**	**37,931**	**52,333**	**37,931**

Note 25.1 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	31 March
	2021	2020
	£000	£000
Bank balances	83	133
Total third party assets	**83**	**133**

Note 26.1 Trade and other payables

	Group		Trust	
	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
Current				
Trade payables	6,615	5,977	6,615	5,977
Capital payables	5,108	1,736	5,108	1,736
Accruals	12,790	12,382	12,790	12,382
Receipts in advance and payments on account	-	-	-	-
Social security costs	2,439	2,616	2,439	2,616
Other taxes payable	578	694	578	694
Other payables	1,340	1,610	1,340	1,610
NHS charitable funds: trade and other payables	61	21	61	21
Total current trade and other payables	**28,931**	**25,036**	**28,931**	**25,036**
Non-current				
Total non-current trade and other payables	**-**	**-**	**-**	**-**
Of which payables from NHS and DHSC group bodies:				
Current	3,022	2,859		
Non-current	-	-		

Note 27 Other liabilities

	Group		Trust	
	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
Current				
Deferred income: contract liabilities	2,273	535	2,273	535
Total other current liabilities	**2,273**	**535**	**2,273**	**535**

Note 28 Borrowings

	Group		Trust	
	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
Current				
Obligations under finance leases	107	189	107	189
Total current borrowings	**107**	**189**	**107**	**189**
Non-current				
Obligations under finance leases	1,363	1,471	1,363	1,471
Total non-current borrowings	**1,363**	**1,471**	**1,363**	**1,471**

Note 28.1 Reconciliation of liabilities arising from financing activities (Group)

Group - 2020/21	Finance leases	Total
	£000	£000
Carrying value at 1 April 2020	**1,660**	**1,660**
Cash movements:		
Financing cash flows - payments and receipts of principal	(190)	**(190)**
Financing cash flows - payments of interest	(18)	(18)
Non-cash movements:		
Application of effective interest rate	18	**18**
Carrying value at 31 March 2021	**1,470**	**1,470**

Group - 2019/20	Finance leases	Total
	£000	£000
Carrying value at 1 April 2019	**228**	**228**
Cash movements:		
Financing cash flows - payments and receipts of principal	(137)	**(137)**
Financing cash flows - payments of interest	(21)	**(21)**
Non-cash movements:		
Transfers by absorption	1,569	**1,569**
Application of effective interest rate	21	**21**
Carrying value at 31 March 2020	**1,660**	**1,660**

Note 28.2 Reconciliation of liabilities arising from financing activities

Trust - 2020/21	Finance leases	Total
	£000	£000
Carrying value at 1 April 2020	**1,660**	**1,660**
Cash movements:		
Financing cash flows - payments and receipts of principal	(190)	(190)
Financing cash flows - payments of interest	(18)	(18)
Non-cash movements:		
Application of effective interest rate	18	18
Carrying value at 31 March 2021	**1,470**	**1,470**

Trust - 2020/21	Finance leases	Total
	£000	£000
Carrying value at 1 April 2019	**228**	**228**
Cash movements:		
Financing cash flows - payments and receipts of principal	(137)	(137)
Financing cash flows - payments of interest	(21)	(21)
Non-cash movements:		
Transfers by absorption	1,569	1,569
Application of effective interest rate	21	21
Carrying value at 31 March 2020	**1,660**	**1,660**

Note 29 Finance leases

Gloucestershire Health and Care NHS Foundation Trust as a lessee

Obligations under finance leases where the trust is the lessee.

	Group		Trust	
	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
Gross lease liabilities	**1,595**	**1,803**	**1,595**	**1,803**
of which liabilities are due:				
- not later than one year;	122	208	122	208
- later than one year and not later than five years;	398	456	398	456
- later than five years.	1,075	1,139	1,075	1,139
Finance charges allocated to future periods	(125)	(143)	(125)	(143)
Net lease liabilities	**1,470**	**1,660**	**1,470**	**1,660**
of which payable:				
- not later than one year;	107	189	107	189
- later than one year and not later than five years;	350	401	350	401
- later than five years.	1,013	1,070	1,013	1,070

The Trust has 2 finance lease arrangements:-

Avon House - the term of the lease is 19 years and 6 months ending May 2024.
Independent Living Centre Building - this is a 24 year lease ending March 2043.

Note 30.1 Provisions for liabilities and charges analysis (Group)

Group	Pensions: injury benefits £000	Legal claims £000	Redundancy £000	Other £000	Total £000
At 1 April 2020	**193**	**2,452**	**47**	**1,159**	**3,851**
Change in the discount rate	**-**	**9**	**-**	**-**	**9**
Arising during the year	**83**	**678**	**-**	**582**	**1,343**
Utilised during the year	**(13)**	**(166)**	**-**	**-**	**(179)**
Reversed unused	**-**	**(28)**	**(47)**	**-**	**(75)**
At 31 March 2021	**263**	**2,945**	**-**	**1,741**	**4,949**
Expected timing of cash flows:					
- not later than one year;	**13**	**2,850**	**-**	**663**	**3,526**
- later than one year and not later than five years;	**53**	**14**	**-**	**55**	**122**
- later than five years.	**197**	**81**	**-**	**1,023**	**1,301**
Total	**263**	**2,945**	**-**	**1,741**	**4,949**

The provisions of £4,949k relates to £263k NHS Injury Benefits Claim, £2,945k legal claims (£47k with NHS Resolution, £779k Employment Tribunal Cases, £73k Personal Injury Claim, £287k Doctors Pension, £581k Herefordshire liabilities, £447k Income to be returned, £645k Rates with Councils, £250k Section 117 and £125k Landlord Rent Dilapidations) and £1,741k Other (£1,045k VAT with HMRC and £410k Final Payment Pension contributions).

.

Note 30.2 Provisions for liabilities and charges analysis (Trust)

Trust	Pensions - Injury benefits	Legal claims	Redundancy	Other	Total
	£000	£000	£000	£000	£000
At 1 April 2020	193	2,452	47	1,159	3,851
Change in the discount rate	-	9	-	-	9
Arising during the year	83	678	-	582	1,343
Utilised during the year	(13)	(166)	-	-	(179)
Reversed unused	-	(28)	(47)	-	(75)
At 31 March 2021	263	2,945	-	1,741	4,949
Expected timing of cash flows:					
- not later than one year;	13	2,850	-	663	3,526
- later than one year and not later than five years;	53	14	-	55	122
- later than five years.	197	81	-	1,023	1,301
Total	263	2,945	-	1,741	4,949

Note 30.3 Clinical negligence liabilities

At 31 March 2021, £418k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Gloucestershire Health and Care NHS Foundation Trust (31 March 2020: £604k).

Note 31 Contingent assets and liabilities

	Group		Trust	
	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
Value of contingent liabilities				
NHS Resolution legal claims	(12)	-	(12)	-
Gross value of contingent liabilities	**(12)**	**-**	**(12)**	**-**
Amounts recoverable against liabilities	-	-		
Net value of contingent liabilities	**(12)**	**-**	**(12)**	**-**
Net value of contingent assets	**18**	**-**	**18**	**-**

Note 32 Contractual capital commitments

	Group		Trust	
	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
Property, plant and equipment	-	-	-	-
Total	-	-	-	-

Note 33 Other financial commitments

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

	Group		Trust	
	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
not later than 1 year	-	-	-	-
after 1 year and not later than 5 years	-	-	-	-
paid thereafter	-	-	-	-
Total	**-**	**-**	**-**	**-**

Note 34 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 2019 to 31 March 2020, the Trust's pension contributions totalled £65k and employees' contributions totalled £17k.

Key Assumptions in actuarial valuation of assets and liabilities	**31-Mar-21**	**31-Mar-20**
	%	%
Pension Increase Rate	2.85%	2.00%
Salary Increase Rate	3.15%	2.30%
Discount Rate	1.95%	2.30%

The fair value of employer assets of the whole fund as at 31 March 2019 is as shown below:

	31-Mar-21		**31-Mar-20**	
Assets	**£000s**	%	**£000s**	%
Debt Securities	1,232	13.2%	1,010	13.5%
Private Equity	48	0.5%	25	0.3%
Real Estate	635	6.8%	588	7.8%
Investment Funds & Unit Trusts	7,165	76.7%	5,792	77.2%
Derivatives	3	0.0%	2	0.0%
Cash and Cash Equivalents	260	2.8%	87	1.2%
	9,343	**100.0%**	**7,504**	**100.0%**

The details of the Trust's share of assets and the net position as included in the accounts are as follows:

	Assets	Obligations	Net Asset / (Liability)
	£000s	£000s	£000s
Fair Value of employer assets	7,504	-	7,504
Present value of funded liabilities	-	7,154	(7,154)
Opening position at 1 March 2021	**7,504**	**7,154**	**350**
Current service cost	-	93	(93)
Net interest			
Interest on plan assets	171	-	171
Interest cost on defined benefit obligation	-	163	(163)
Total net interest	171	163	8
Total defined benefit cost recognised in SOCI	171	256	(85)
Participants contributions	17	17	34
Employer contributions	65		65
Benefits paid	(219)	(219)	-
Expected closing position	**7,538**	**7,208**	**364**
Remeasurements			
Change in demographic assumptions		102	(102)
Change in financial assumptions	-	1,413	(1,413)
Other experience		(83)	83
Returns on assets excluding amounts included in net interest	1,805	-	1,805
Remeasurements recognised in other comprehensive income	**1,805**	**1,432**	**373**
Fair value of employer assets	9,343	-	9,343
Present Value of funded liabilities	-	8,640	(8,640)
Closing position at 31 March 2020	**9,343**	**8,640**	**703**
In Year Movement	**1,839**	**1,486**	**353**

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 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 35 Financial instruments

Note 35.1 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 as such penalties arise on such investments. Investments are for a 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 35.2 Carrying values of financial assets (Group)

Carrying values of financial assets as at 31 March 2021	Held at cost amortised £000	Total book value £000
Trade and other receivables excluding non financial assets	10,028	**10,028**
Other investments / financial assets	-	-
Cash and cash equivalents	52,333	**52,333**
Consolidated NHS Charitable fund financial assets	324	**324**
Total at 31 March 2021	**62,685**	**62,685**

Carrying values of financial assets as at 31 March 2021	Held at cost amortised £000	Total book value £000
Trade and other receivables excluding non financial assets	18,227	**18,227**
Other investments / financial assets	-	-
Cash and cash equivalents	37,720	**37,720**
Consolidated NHS Charitable fund financial assets	211	**211**
Total at 31 March 2020	**56,158**	**56,158**

Note 35.3 Carrying values of financial assets (Trust)

Carrying values of financial assets as at 31 March 2021	Held at cost amortised £000	Total book value £000
Trade and other receivables excluding non financial assets		-
Other investments / financial assets		-
Cash and cash equivalents		-
Total at 31 March 2021	**-**	**-**

Carrying values of financial assets as at 31 March 2021	Held at cost amortised £000	Total book value £000
Trade and other receivables excluding non financial assets		-
Other investments / financial assets		-
Cash and cash equivalents		-
Total at 31 March 2020	**-**	**-**

Note 35.4 Carrying values of financial liabilities (Group)

Carrying values of financial liabilities as at 31 March 2021	Held at cost amortised £000	Total book value £000
Obligations under finance leases	1,470	**1,470**
Trade and other payables excluding non financial liabilities	25,733	**25,733**
Consolidated NHS charitable fund financial liabilities	12	**12**
Total at 31 March 2021	**27,215**	**27,215**

Carrying values of financial liabilities as at 31 March 2020	Held at cost amortised £000	Total book value £000
Obligations under finance leases	1,660	**1,660**
Trade and other payables excluding non financial liabilities	21,705	**21,705**
Consolidated NHS charitable fund financial liabilities	18	**18**
Total at 31 March 2020	**23,383**	**23,383**

Note 35.5 Carrying values of financial liabilities (Trust)

Carrying values of financial liabilities as at 31 March 2021	Held at cost amortised £000	Total book value £000
Obligations under finance leases	1,470	**1,470**
Trade and other payables excluding non financial liabilities	25,733	**25,733**
Total at 31 March 2021	**27,203**	**27,203**

Carrying values of financial liabilities as at 31 March 2020	Held at cost amortised £000	Total book value £000
Obligations under finance leases	1,660	**1,660**
Trade and other payables excluding non financial liabilities	21,705	**21,705**
Total at 31 March 2020	**23,365**	**23,365**

Note 35.6 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 35.7 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 2021	31 March 2020 restated*	31 March 2021	31 March 2020 restated*
	£000	£000	£000	£000
In one year or less	25,982	21,931	25,982	21,931
In more than one year but not more than five years	398	456	398	456
In more than five years	1,075	1,139	1,075	1,139
Total	**27,455**	**23,526**	**27,455**	**23,526**

Note 36 Losses and special payments

Group and trust	2020/21		2019/20	
	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	number	£000	number	£000
Losses				
Cash losses	1	-	2	-
Bad debts and claims abandoned	168	43	4	2
Total losses	**169**	**43**	**6**	**2**
Special payments				
Ex-gratia payments	11	5	28	44
Total special payments	**11**	**5**	**28**	**44**
Total losses and special payments	**180**	**48**	**34**	**46**
Compensation payments received		-		-

Note 38 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, Herefordshire 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 Board member and Trustee of NHS Providers, Gloucestershire Health and Care NHS Foundation Trust is a member of the organisation and make use of their national networks and training events. Ingrid Barker is also a Governor of 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 2020/21 received £2,780 from Gloucestershire Health and Care NHS Foundation Trust to provide support to service users.

Chris Witham, a public governor, is Chair of Cinderford Town Council

The Board of Governors has three nominated roles (one of which is vacant at 31 March 2021):

Brian Robinson is a Gloucestershire County Councillor.

Julie Clatworthy is a senior clinician and board member at Gloucestershire Clinical Commissioning Group

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 2020/21 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 2020/21 (and 2019/20) 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 2020/21 (and 2019/20) 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 39 Transfers by absorption

2gether NHS Foundation Trust provided mental health services to the population of Herefordshire until 31st March 2020. From 1st April 2020 these services have been transferred to Herefordshire and Worcestershire Health and Care NHS Trust. £6,002k of property, plant and equipment were transferred under this Transfer by Absorption of assets to the new organisation.

PPE	
Cost / valuation: Land	1,347
Cost / valuation: Building (excl dwelings)	4,601
Cost / valuation: Plant & Machinery	103
Accumulated depreciation: Plant & Machinery	**(49)**
Net book value of PPE transferring	**6,002**
Revaluation reserve: PPE	**(997)**

On 1st October 2019 2gether NHS Foundation Trust acquired (transfer by absorption) Gloucestershire Care Services NHS Trust and the combined organisation became known as Gloucestershire Health and Care Services NHSFT. The new Trust recognised a surplus in its SOCI of £78.697m reflecting the net gain from the Transfer by Absorption of GCS assets to the new organisation. The cash included with Transfer by Absorption totalled £18,963k.

Note 40 Prior period adjustments

There were no Prior period adjustments that need reporting.

Note 41 Events after the reporting date

There are no Events after the Balance Sheet Date that need reporting.

11. Independent Auditor's Report to the Council of Governors of Gloucestershire Health and 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 2021 which comprise the Group and Trust Statements of Comprehensive Income, Group and Trust Statements of Financial Position, Group and Trust Statements of Changes in Taxpayers Equity and 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 2021 and of the Group's and Trust's income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Accounts Direction issued under paragraphs 24 and 25 of Schedule 7 of the National Health Service Act 2006 and the Department of Health and Social Care Group Accounting Manual 2020/21.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of, the 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 Directors have prepared the financial statements on the going concern basis as they have not been informed by the relevant national body of the intention to dissolve the Group and Trust without the transfer of its services to another public sector entity. They have also concluded that there are no material uncertainties that could have cast significant doubt over 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 Directors' conclusions, we considered the inherent risks to the Group's and Trust's business model and analysed how those risks might affect the Group's and Trust's financial resources or ability to continue operations over the going concern period.
Our conclusions based on this work:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Directors' assessment that there is not a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the 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 absence of reference to a material uncertainty in this auditor's report is 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 audit and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Assessing the incentives for management to manipulate reported financial performance as a result of the need to achieve control totals delegated to the Group by NHS Improvement
- Reading Board and Audit and Assurance Committee minutes.
- Using analytical procedures to identify any usual or unexpected relationships.
- Reviewing the Group's accounting policies.

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

As required by auditing standards, and taking into account possible pressures to meet delegated targets, we performed procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk of incentive for revenue to be manipulated into the wrong period around the year end and the risk that Group management may be in a position to make inappropriate accounting entries.

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

We did not identify any additional fraud risks.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included combinations of users who seldom post journals, postings by super users where segregation of duty had not been followed, unusual postings to cash accounts, unusual pairings to/from fraud risk accounts and finally the final journals posted in the period.
- Assessing significant estimates for bias.
- Inspecting transactions in the period prior to and following 31 March 2021 to verify income and expenditure had been recognised in the correct accounting period.
- Agreeing a sample of income transactions through to supporting documentation.
- Evaluating accruals posted as at 31 March 2021 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 due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience and through discussion with the directors and other management (as required by auditing standards), and from inspection of the Group's and Trust's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

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

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

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

The Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. Whilst the Group is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

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

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

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

Other information in the Annual Report

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

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

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

Annual Governance Statement

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

Remuneration and Staff Reports

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

Accounting Officer's responsibilities

As explained more fully in the statement set out on page 67, 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 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

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

We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources are operating effectively.

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

Statutory reporting matters

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

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

We have nothing to report in these respects.

The Purpose of Our Audit Work and to Whom We Owe Our Responsibilities

This report is made solely to the Council of Governors of the Trust, as a body, in accordance with Schedule 10 of the National Health Service Act 2006 and the terms of our engagement by the Trust. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust, as a body, those matters we are required to state to them in an auditor's report, and the further matters we are required to state to them in accordance with the terms agreed with the Trust, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust, as a body, for our audit work, for this report, or for the opinions we have formed.

Certificate of Completion of the Audit

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

Jonathan Brown
for and on behalf of KPMG LLP
Chartered Accountants
66 Queen Square
Bristol
BS1 4BE

23 June 2021

12. 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 2020/21 describe the activities of the Trust during the 2020/21 financialyear.

If you would like the Annual Report in large print, Braille, audio cassette tape oranother language, please telephone 0300 421 7146 or email us at ghccomms@ghc.nhs.uk.

Gloucestershire Health and Care NHS Foundation Trust
Edward Jenner Court, 1010 Pioneer Avenue, Gloucester Business Park, Brockworth, Gloucester, GL3 4AW
0300 421 8100 | www.ghc.nhs.uk