NHS
York and Scarborough Teaching Hospitals
NHS Foundation Trust

Annual Report and Accounts 2021/22

York and Scarborough Teaching Hospitals NHS Foundation Trust

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Contents

This Annual Report and Accounts have been prepared on a Group basis and include references to York Teaching Hospital Facilities Management Limited Liability Partnership which is a subsidiary company.

Our Vision and Values

Our vision and values set out our ambitions and the core set of behaviours and beliefs that guide us in what we say and do. These were developed following a lot of work with our staff and stakeholders to make sure we got them right, and we have continued to work together to embed them into our everyday work and develop a shared culture.

Our Vision

We will:

- Deliver excellent care to our patients and communities collaboratively with all our health and social care partners.
- Deliver safe, effective and high-quality patient care.
- Support an engaged, healthy, diverse, and resilient workforce.
- Contribute to the sustainability of local healthcare services.

Our Values – Openness, Kindness, Excellence

Statement from the Chair

This is my first annual report as chair of York and Scarborough Teaching Hospitals NHS Foundation Trust, and I will begin by thanking my predecessor, Sue Symington, whose service to the Trust since 2015 was marked by her relentless advocacy and support for our patients and staff. I am also very grateful to Jenny McAleese, who chaired the Trust on an interim basis before my arrival. Jenny continues to play a key role as a Non-executive Director and Vice-Chair, and I greatly value her support and counsel.

I joined the Trust in February, at the end of the 2021/22 year covered by this report. I live in York and have friends and relatives across North Yorkshire and the East Riding. Having had the experience of chairing another acute trust, I can think of no better role than to serve as the Chair of the Trust in whose area I live and on whose services my family and I depend.

The Trust is a large complex organisation and is part of a wider system made up of other organisations which span the public, private and voluntary sectors. I therefore arrived knowing there was much to learn. My priority has been to listen, spending as much time as possible out and about with members of staff, getting to know the sites from which the Trust operates and gaining an understanding of how the Trust functions and what it feels like to work here. I am also keen to understand the experience of patients and their families and carers, and to find opportunities to hear from people in all the communities we serve.

Despite my relatively short time with the Trust, a number of things are already clear, in particular that we have some big strategic and operational challenges ahead of us.

The Trust has been under intense pressure from the COVID-19 pandemic, with case numbers at the time of writing at more manageable levels in our hospitals. We now need to focus on recovery and on treating patients who saw their operations postponed during the pandemic. The challenge of delivering both planned and unplanned care has never been greater or more deeply felt.

This is happening in the context of major structural change in health and social care, with the creation of Integrated Care Systems which will absorb Clinical Commissioning Groups and involve not only NHS bodies, but also partners in local government and the voluntary sector. We recognise that there are areas where we need to improve in terms of quality and performance, both as an organisation and as a partner in the wider system. In many cases this will require investment in people and facilities. The new financial settlement for the NHS means that we will have to make difficult choices between competing priorities.

We face challenges in providing sustainable services in all parts of our Trust, and a key strategic question for us, and for the system as a whole, is how to provide services safely and equitably across the geographical area we cover and the population we serve.

Workforce is one of the issues that concerns me most. I am hugely impressed by the commitment and professionalism of colleagues at all levels and in all disciplines, right across the organisation, but I am also conscious of the impact the last couple of years have had on morale. Colleagues are inevitably and understandably frustrated and disappointed when they feel unable to provide the standard of care they and our patients expect. This has been a recurrent theme in my conversations so far. We know we cannot solve any of our challenges without recruiting, developing and retaining a sufficient number of well-qualified, motivated, energetic and engaged members of staff. Improving their working lives must therefore be one of our top priorities as a Board.

There are no easy answers to the major challenges we face. However, what I have seen and heard so far tells me that, although it is unquestionably tough, we retain a strong shared commitment to come through the current pressures and once again be an organisation that commands the confidence and support of our staff, patients and communities.

My commitment as Chair is to help shape our ambition and to focus the Board on addressing and solving these strategic challenges in the months and years ahead.

Alan Downey, Chair
June 2022

Performance Report

Statement from the Chief Executive

Once again, COVID-19 has overshadowed this year, and we are now entering the third year of the pandemic. The efforts of our staff throughout this prolonged period have been phenomenal and are a credit to the Trust and the NHS at large. Our thanks must go to them once again. Despite our staff demonstrating an incredible capacity to continue through the uncertainty, it is fair to say that the strain is inevitably starting to show, and the impact of trying to recover whilst still managing waves and peaks of COVID-19 is clearly being felt.

COVID-19 certainly has not gone away. Whilst the majority of legal restrictions have been lifted and much of the infrastructure surrounding the management of the virus has now ceased, we have continued to see high numbers of patients with COVID-19 in hospital, with the highest ever number at the end of this year. Whilst it is fair to say they are generally not sick with COVID-19, the need to continue to follow the same guidance for the management of these patients has an impact on our hospital capacity, as do the requirements for isolation in terms of staff absence. The positive news is that the nature of the virus appears to be changing, and vaccines and treatments have been hugely effective in limiting severe illness from COVID-19. We now need to move into living with COVID-19, protecting those who are clinically vulnerable whilst making sure we can once again deliver acute care to patients with a range of conditions and needs.

We have faced a sustained high level of operational pressure for a number of months, and this is apparent across a range of measures including longer waits to be seen in our emergency departments, patients being delayed who are ready to be discharged, lengthy ambulance handovers and further delays for patients waiting for planned operations and procedures. We have prioritised the delivery of cancer and urgent care, and have been able to maintain this in the main, however the continuing high rates of COVID-19 and the ongoing staffing pressures mean that we still have much further to go in getting through the backlog of patients who are waiting. We know that this has been difficult both for patients and for our staff who have not been able to provide the quality of care they want to for some time.

On the subject of workforce, the current situation is without question the toughest it has been for our staff, and this was reflected in the NHS national staff survey results for 2021/22. Whilst it is true that most organisations have seen a decline in their staff survey performance, we know in our Trust that we need to do more. Throughout the pandemic the focus has rightly been on supporting staff wellbeing, however as we move in to what we hope will be the recovery phase we must go back to some of the basics that our staff tell us would help improve their experience at work. Of course, we must address some of our recruitment challenges, but also focus on ensuring staff have the opportunity to take proper breaks in suitable facilities, that they have good and secure changing areas, and that they have options for travelling to and from work, to name just a few examples. We must also improve how we listen to staff and demonstrate that they are valued for the work they do.

Despite the challenges presented by the ongoing pandemic, we have continued to move forward in our improvement journey. At the time of the CQC's last inspection of the Trust in the summer of 2019, we were rated overall as Requires Improvement, and a number of conditions were placed on our registration. Since that time we have worked hard to respond to the CQC's recommendations and have made progress against the action plans. I can also report that all but two of the conditions have been lifted. These are important steps forward for us, particularly in the current climate. In late March 2022 the CQC visited York Hospital and inspected a number of medical and elderly medicine wards. The subsequent report was published on the CQC website in June 2022, and we have responded with a robust plan of action. We have until the end of August 2022 to demonstrate that we have made the required improvements.

The emergency finance regime that has been in place throughout the pandemic came to an end at the end of this year, and whilst we are at the time of writing still finalising the system-wide plans for 2022/23, it is certain that next year will be hugely challenging and we will need to work collectively as a system in order to deliver all that is expected of us in terms of recovery from COVID-19 and managing acute care.

Looking ahead, Integrated Care Systems (ICSs) will be put on a statutory footing from July 2022, having been delayed by some months due to Parliamentary process. In spite of the delay, our ICS continues to take shape, and we are beginning to far more closely align the way we work as system with the future operating arrangements, with further clarity from a governance perspective emerging all the time.

I wish to end on a more positive and optimistic note as we move closer to recovery. We have seen a number of significant developments this year that signal how we are continuing to plan for the future and work towards achieving our ambitions. On the York site we opened the new ICU Pod, which provides six additional isolation beds for critical care. The scheme to redesign and expand the emergency department is also well underway. This will provide a new eight bedded resuscitation area, along with improvements to both the waiting room and the consultation and treatment areas to increase capacity and provide better care for patients.

At Scarborough Hospital, we saw the opening of a new helipad thanks to a £500,000 donation by the HELP Appeal. The larger and much improved landing space is a lifeline in terms of access to the emergency department given the rural location of the hospital and its proximity to the sea. We also received confirmation that the £47 million scheme to build a new urgent and emergency care centre at Scarborough Hospital has been approved. The scheme, which is the largest investment ever made by the trust, will see the creation of much improved facilities for urgent and emergency care, as well as bringing together Scarborough's critical care service into a single dedicated unit. The scheme also includes infrastructure improvements to the site. This is incredibly good news for Scarborough and a real step forward in providing vital urgent and emergency care for the community.

Whilst the transition from the pandemic to living with COVID-19 will be undeniably challenging, we must respond to this positively by listening to our staff and working with our health and care partners to put our patients' needs first.

Simon Morritt, Chief Executive
June 2022

Overview

The purpose of the overview is to provide a short summary of the organisation, its purpose, key risks and how it has performed during the year.

Statement of Purpose and Activities

The principal purpose of the Trust is the provision of goods and services for the purpose of the health service in England.

The Trust is registered with the Care Quality Commission to provide safe care that is responsive and effective.

We are a NHS Foundation Trust. Foundation Trusts operate independently of the Department of Health, but remain part of the National Health Service (NHS). This gives us greater freedom and more formal links with patients and staff, who we are accountable to through an elected and appointed Council of Governors.

The Trust covers one of the biggest geographical areas in the country. We are a large integrated acute and community trust that provides a comprehensive range of clinical services to a catchment population of approximately 800,000 people living in York, North and East Yorkshire and Ryedale, an area covering 3,400 miles. This includes the City of York but also covers a large rural geography with a dispersed population.

Services are provided from two main hospital sites in York and Scarborough but also from a range of other facilities including community hospitals and community units in York, Selby, Malton, Easingwold and Bridlington.

Both York and Scarborough hospitals have accident and emergency and critical care units and are admitting sites for emergencies and complex elective care. They both provide inpatient maternity and neonatal services, as well as children's inpatient services, along with a wide range of outpatient services.

The Trust provides specialist services from other sites, including renal dialysis in Easingwold and Harrogate, and sexual health services in Monkgate Health Centre in York. The Trust also works collaboratively in certain specialties through clinical alliances with Harrogate and District NHS Foundation Trust and Hull University Teaching Hospitals NHS Trust to strengthen the delivery of services.

We are part of the Humber and North Yorkshire Heath and Care Partnership Integrated Care System (ICS) which brings together health and social care partners across York, North Yorkshire, East Riding and North Lincolnshire. Together we have a shared ambition for the people living in the Humber, Coast and Vale to start well, live well, age well and end life well.

We also work in close partnership with local Clinical Commissioning Groups (CCGs) and local authorities to ensure services are developed to continue to meet the needs of our patients.

Brief History

York Hospital opened on its current site on Wigginton Road in 1976. When it first opened the Hospital had 600 beds and replaced numerous smaller sites, including Acomb Hospital, City Hospital, York County Hospital, Deighton Grove Hospital, Fulford Hospital, Military Hospital and Yearsley Bridge Hospital.

York Health Authority became a single district trust in April 1992, known as York Health Services NHS Trust and became York Hospitals NHS Foundation Trust on 1 April 2007. The Trust then decided to adopt 'Teaching' into its name, which was approved by NHS Improvement (formerly Monitor) and came into effect from 1 August 2010.

In April 2011, the Trust took over the management of community-based services in Selby, York, Scarborough, Whitby and Ryedale, and in July 2012 acquired Scarborough and North East Yorkshire Healthcare NHS Trust, bringing Scarborough and Bridlington hospitals into the organisation.

York Teaching Hospital Facilities Management LLP (YTHFM)

York Teaching Hospital Facilities Management LLP (YTHFM) was created in 2018 and is a wholly owned subsidiary of York & Scarborough Teaching Hospitals NHS Foundation Trust. The organisation is comprised of two members - York and Scarborough Teaching Hospitals NHS Foundation Trust and Northumbria Healthcare Facilities Management Limited (NHFML) who is a minority partner (5% shareholder).

YTHFM is led by a separate Management Group with its own representatives, Independent Chair, Managing Director and senior leadership team. NHFML is represented by one of their Directors. During the year the organisation has operated with the absence of a Managing Director.

The organisation currently employs circa 1200 employees and this is set to increase over the coming years, which will include the employment of additional apprentices and graduate trainees.

Our aim is to work in partnership to deliver safe, high quality and a cost-effective service which in turn enables the Trust to deliver its 2021-2023 Strategy – '**Building Better Care Together'.** Improving the patient experience and supporting excellence in patient care is at the heart of everything we do.

In addition we provide a portfolio of estates and facilities services to external healthcare partners to generate revenue (profit for a purpose) that is reinvested back into the delivery of healthcare for the communities we serve.

YTHFM continues to provide fully managed estates maintenance and facilities management service to our parent company as well as capital project management, assessing site conditions and creating safe, secure and quality healthcare facilities.

Key achievements during the year include:

- Continuing to respond to and support the Trust during the COVID-19 pandemic providing immediate support to clinical colleagues

- Supporting the set-up of the vaccine hubs with over 90% of YTHFM staff being vaccinated
- Delivering a bottom line surplus of just over £2m back to the Trust
- Capital projects, invested £25.9 million (inclusive of backlog maintenance and new kit and replacement equipment) across York and Scarborough Teaching Hospitals NHS Foundation Trust sites
- Modernising working practices with £4m investment in new kit and replacement equipment (included in the above capital projects investment amount).
- Delivering 86 backlog maintenance projects and spending £2.4million on backlog maintenance (included in the above capital projects investment amount).
- Contributing to sustainability and net zero by 25% of out-patient appointments non-face to face, 9EVs**,** pilot for e-scooters and bikes, public transport now serves Scarborough Hospital, York Park & Ride voucher scheme increased take up, 100% green electricity tariff, 10% reduction in single use plastic catering items
- Apprentice Levy funding with £57,940 amount committed
- Investment in staff with the introduction of the New Start Programme supporting the workforce in a large number of areas.

The Trust's compliance team monitor everything we deliver from cleanliness, food waste, policy and procedures through to the environment and equipment with KPI compliance improved from 66% in green (top performance) to 89%. This provides positive assurance to the YTHFM Management Group and Trust Board of Directors so they have peace of mind that the job is carried out professionally and to the highest standards.

Our focus during 2022/23 will be to continue to support and act as an enabler of the Trust's Strategy, with the delivery of the Capital and Backlog Maintenance programme across our sites, implement the new National Cleaning Standards and continue to deliver safe high quality estates and facilities services that enhance the patient experience and support excellence in patient care.

YTHFM will continue to invest in our teams, systems and processes to empower and sustain a motivated workforce and work will continue to embed our culture change programme 'New Start'.

The YTHFM Strategic Plan will be launched and we will look to work in collaboration with our Integrated Care System partners.

Key Issues & Risks

Clinical Sustainability

The Trust has continued to work with some of our most challenged and pressured specialties across all sites to improve outcomes for patients and ensure service provision in the long term.

The Trust has recently developed a coherent organisational strategy for the next two years. Key goals of delivering safe, effective and high-quality care, supporting an engaged, healthy, diverse and excellent workforce and contributing to the system's sustainability have been identified.

As part of the strategy, the Building Better Care Transformation Programme is seen as the key means of delivering the recovery plan post Pandemic to ensure the Trust achieves clinical sustainability. Work streams relating to acute care, planned care, diagnostics, integrated care and cancer are being developed.

Work has also been undertaken assessing the clinical sustainability of key clinical services including an analysis of the current and future workforce requirements, current and future activity in each service and an assessment of clinical service interdependency within the organisation and with neighbouring partners.

The Scarborough Acute Services Review has been progressed as an important part of this work.

The review has featured the active involvement of clinicians and managers from the locality and wider Trust, along with a number of partners and colleagues from primary care, commissioning organisations and the Humber and North Yorkshire Health and Care Partnership.

The review has been focussing on a detailed appraisal of existing hospital clinical services, evaluating potential clinical models to address identified issues which contain proposals for sustainable future service delivery.

A key part of the review has also been overseeing and taking forward the development of the capacity and integration of the interface services (planned and unplanned) across secondary, primary, and community care in the Scarborough and Bridlington localities.

The review and activity associated with it will be subsumed within the emerging Humber and North Yorkshire Heath and Care Partnership Integrated Care System (ICS) and place-based arrangements that will be implemented this calendar year and the Trust will continue to play a leading role in this work.

Notwithstanding this work, the Trust has already been involved in a number of other system wide transformational initiatives and service changes to improve the clinical sustainability of some of its services. In working with health and care partners on a larger geographical footprint, the Trust is part of collaborative networks for major trauma, critical care, cardiology and specialist rehabilitation and radiology and pathology services.

The Trust is an active member of a developing Humber and North Yorkshire Cardiac Network of clinicians and managers from all sectors involved in the care pathway which has been set up to review and implement a recently published national specification of standards.

Key priorities include full reviews of the heart failure, acute coronary syndrome (ACS)/ non-ST-elevation myocardial infarction (NSTEMI) and cardiac rehabilitation pathways and worked up plans to ensure compliance with standards along with a post COVID-19 Recovery strategy covering diagnostic service enhancements and development of performance targets.

The radiology group, involving senior clinicians and managers from the Trust, Hull University Teaching Hospitals Trust (HUTHT) and Northern Lincolnshire & Goole Foundation Trust (NLAGFT), has established a cross- organisational reporting hub to share capacity across partner Trusts, improving access to specialist reporting and maximising flexibility and working patterns for staff.

The pathology group of senior clinicians and managers from the Trust and HUTHT (now established as a formal network across both organisations) is developing a detailed work programme of shared equipment investment to improve reporting, training of advanced practitioner staff to create additional capacity and progression of a common information management system.

The Trust continues to work and develop its longstanding relationship with Harrogate and District NHS Foundation Trust on a number of service areas, where there are mutual benefits. This includes working together on vascular, head and neck and renal services to improve clinical quality and sustainability for patients across our shared geographical footprint.

The Trust recognises that the retention of existing staff and recruitment of new staff is a crucial part of the sustainability work. Further recruitment campaigns for key clinical groups and new degree and apprenticeship qualifications are being developed in partnership with local universities and colleges.

Financial Sustainability

The NHS Long Term Plan, published in January 2019, set out the transformation of services and outcomes the NHS will deliver by 2023/24 by investing the long term revenue settlement the NHS has received from the government. The NHS and its partners used this stability to develop local system-wide strategic plans during 2019 that will put the NHS on a sustainable financial footing whilst expanding and improving the services and care it provides patients and the public.

Putting the NHS back onto a sustainable financial path is a key priority in the Long Term Plan and is essential to allowing the NHS to deliver the service improvements in this Plan. This means:

- The NHS (including providers) will return to financial balance;
- The NHS will achieve cash-releasing productivity growth of at least 1.1% a year, with all savings reinvested in frontline care;

- The NHS will reduce the growth in demand for care through better integration and prevention;
- The NHS will reduce variation across the health system, improving providers' financial and operational performance;
- The NHS will make better use of capital investment and its existing assets to drive transformation.

To further support the delivery of the NHS Long Term Plan it is expected that new legislation, which will it is expected to be adopted into statute from July 2022, will remove individual Clinical Commissioning Groups (CCGs) and move to much larger statutory bodies known as Integrated Care Systems (ICSs); the ICS model moves focus away from individual organisation performance to system performance, underpinned by a new legal duty to collaborate. The NHS will move from a competitive operating model to a collaborative operating model.

It is worthy of note that the Secretary of State for Health and Social Care has doubled the cash releasing productivity ask from 1.1% in the Long Term Plan (LTP) to 2.2% for 2022/23 to further support the COVID-19 recovery process.

Group Going Concern Assessment

The going concern concept is fundamental to the way in which the assets and liabilities are recorded in the Group accounts and assumes that the Group will be able to realise its assets and liabilities in the normal course of business and that it will continue in business for the foreseeable future. The future should be at least, but not limited to, a period of twelve months from the end of the reporting period. For Foundation Trusts there is no automatic presumption that they will always be a going concern, particularly where difficult economic conditions and/or financial difficulties prevail.

Updated public sector Guidance on the Going Concern assessment

For 2020/21-year end onwards NHS England and Improvement (NHSE/I) provided an update to guidance for NHS accounts for assessing going concern. This guidance has been approved by the Financial Reporting Council (FRC) and updated in both the Department of Health and Social Care (DHSC) Group Accounting Manual (GAM) and HM Treasury's Financial Reporting Manual (FReM).

The updated guidance states *'while management in the NHS bodies will still need to document their basis for adopting the going concern basis, this assessment should solely be based on the anticipated future provision of the services in the public sector. This means that it is highly unlikely that NHS organisations would have any material uncertainties over going concern to disclose'.*

Management have completed a full going concern assessment and it is recommended that the Board of Directors prepare the Group 2021/22 annual accounts on the basis of the going concern principle.

Trust position 2021/22

At the end of the financial year, the Trust reported an income and expenditure surplus of £0.7m: this position is then adjusted by a series of relatively small technical adjustments in the sum of (£0.6m). These adjustments are prescribed by NHSE/I as our regulator and are

designed to normalise the position. When all these items are adjusted, the final regulator assessed position of the Group is a £0.1m surplus. The Group cash position remains strong with a closing balance of £65.4m.

Overall, the Group has been satisfactorily supported financially within the national emergency financial regime throughout the last 12 months.

COVID-19 & Financial Year 2022/23

The NHS has operated in what can only be described as a state of emergency for the majority of the last two years, dealing with the consequences of the global pandemic. The accompanying emergency financial regime has provided a level of financial stability and we leave the 2021/22 financial year in a position where both the revenue and capital plans have been met.

This position is changing in 2022/23 as COVID-19 support starts to be withdrawn and funding arrangements are now returning to what would be considered a more 'normal' position for the NHS, albeit within a revised operating framework of 'system first'. It is expected that new legislation will be adopted by Parliament from 1 July 2022 where Integrated Care Boards (ICBs) will become legal entities and become responsible for system performance. The very clear national expectation is that all systems deliver a balanced financial plan, alongside delivering all national operational and performance priorities.

Planning and Budgets - The initial planning work has underlined that the funding position is incredibly challenging for 2022/23, as the Group moves away from an emergency operating position to one of recovery; this position is mirrored throughout the Humber and North Yorkshire Heath and Care Partnership (HNYHCP) and indeed across the wider NHS.

We continue to work constructively with our ICS partners to produce what will inevitably be a challenging but balanced financial plan for 2022/23.

The final Board-agreed plan will be used to set the Group operational budgets.

Working Capital and Liquidity – The Group starts the year with a strong cash position of £65.4m and the Group continues to operate an enhanced cash management regime with monthly operational cash meetings and monthly debtor meetings with all Care Group finance teams and the cash position is regularly reviewed at a senior level within the finance team.

The Group is not expecting to have any cash issues in 2022/23; however it is fully expected the position will become much tighter given the challenging financial planning position and working capital will need to be monitored carefully.

Sustainable Resource Deployment - Although managing COVID-19 has understandably been the dominant factor in 2021/22, the Group has continued, where possible, to engage in a number of regional and national work streams, including:

- The Group has continued to fully engage and has worked very closely with the national Getting It Right First Time (GIRFT) team in 2021/22, and although this work has not continued at the same pace as previous years due to COVID-19, this work stream

continues to move forward and develop and will pick up pace in 2022/23 as elective recovery becomes a key focus.

- The Group continues to be a key partner within the Humber and North Yorkshire Heath and Care Partnership (HNYHCP), and indeed is at the forefront of the rapid development of the Integrated Care System (ICS) in anticipation of the new legislation passing into statute on July 2022.

- The Group has a solid record in over delivery of its cost improvement programme (CIP); the main challenge for 2022/23 will be the re-engagement of operational and clinical staff in the program; within the financial plan the Group savings requirement is currently set at £15.4m (2.4%); further savings are planned in COVID-19 expenditure, non-cash releasing productivity and technical savings increasing the overall programme to £30.6m (4%+).

Financial and Operational Risk Management - The operational standards are back in place for 2022/23 with the biggest issue being the very significant challenge to recover the well-publicised back log of elective patients; revised incremental thresholds have been published as part of the operational guidance:

- Eliminating waits over 104 weeks by July 2022.
- Eliminating waits over 78 weeks by March 2023.
- Eliminating waits over 52 weeks by March 2025.
- Reducing cancer 62+ day waiting list size to pre-pandemic levels by March 2023.
- 25% reduction in outpatient follow-ups by 2023.

These will of course prove very challenging given the continued operational pressures still being felt at the front line.

During 2018/19 the Trust was supported in its outline bid for £40m capital for a major urgent and emergency care unit investment at the Scarborough Hospital site. This case has been progressed over the last 2 years and has now been fully approved at the sum of £47m; the change in value was due to project scope change. This scheme is a very significant national investment and shows a high level of confidence in the system.

- The Group has a well-developed performance management framework with all Care Groups attending an executive oversight and assurance meeting quarterly, this process is supplemented by the Care Groups' governance processes.

- Corporate governance continues to be high on the Group's agenda. Revised arrangements have been implemented and governance continues to be monitored, reviewed and strengthened where applicable. Throughout 2021/22 the Group's new Associate Director of Corporate Governance has successfully deployed a new Board Assurance Framework and approach to Corporate Risk Management.

Workforce Sustainability

Workforce sustainability forms part of the Staff Report which can be found on page 97.

Performance Analysis

The Trust provides services within hospitals and in the community, using a variety of measures to track performance. These measures cover areas including emergency care, cancer care, waits for elective treatment; infection controls standards, the delivery of healthcare for people with learning disabilities and data completeness.

On a monthly basis the Board considers performance against these measures; each Care Group's performance is monitored via the Trust's Executive Oversight and Assurance meetings. Trust performance is regularly reported to NHS England and Improvement. More detailed discussions take place in the Trust Board's Sub Committees which meet monthly. Details of the Trust's performance during the year can be seen in the following table.

Performance against key targets 2021/22

Indicator	2019-20	Target 2021-22	Q1 2021-22	Q2 2021-22	Q3 2021-22	Q4 2021-22	Overall 2021-22
Total time in ED under 4 hours – national*	79.8%	95%	80.8%	72.5%	69.7%	71.4%	73.4%
*The Trust is monitored on the combined performance; Emergency Departments (Type 1) and Minor Injury Units (Type 3).							
Referral to treatment time, 18 weeks in aggregate, incomplete pathways	69.7%	92%	70.5%	66.2%	65.3%	59.4%	59.4%
Cancer 2 week wait (all)	89.9%	93%	91.9%	93.4%	85.6%	75.6%	85.2%
Cancer 2 week wait Breast Symptomatic	94.9%	93%	92.7%	94.2%	57.8%	28.1%	65.0%
Cancer 31 days from diagnosis to first treatment	98.0%	96%	97.4%	97.6%	97.2%	95.1%	96.9%
Cancer 31 days for second or subsequent treatment – surgery	92.5%	94%	94.9%	88.5%	99.6%	81.7%	93.2%
Cancer 31 days for second or subsequent treatment – drug treatment	100%	98%	99.6%	100.0%	91.4%	98.2%	98.3%
Cancer 62 day wait for first treatment (urgent GP)	79.5%	85%	73.5%	66.6%	71.1%	65.4%	69.1%
Cancer 62 day wait for first treatment (NHS Cancer Screening Referral Service)	95.1%	90%	91.9%	85.4%	82.1%	81.6%	85.3%
Cancer 28 day Faster Diagnosis Standard	65.5%	75%	64.0%	65.0%	71.7%	70.1%	67.8%
Diagnostics – 6 week wait referral to test	84.0%	99%	62.9%	56.4%	53.8%	54.8%	54.8%

The performance position has been particularly challenging throughout the year due to the continued impact of the COVID-19 pandemic.

Nationally, the COVID-19 Pandemic NHS Emergency Preparedness, Resilience and Response incident level has fluctuated between a level 4 (national oversight) response to level 3 (regional oversight) throughout the year. The Trust has been required to respond to two surges in COVID-19 activity; the Delta and Omicron variants which affected its ability to deliver its usual level of service impacting on performance against national standards and targets.

The Trust has responded to surges in the COVID-19 pandemic with the following operational and estate changes:

- The Trust's COVID-19 Command and Control structure was established at the end of January 2020 and has remained in place throughout 2021/22.

- Scarborough and York Hospitals ward capacity has at various times during the year fluctuated in line with social distancing requirements and the necessity to segregate COVID-19 positive, COVID-19 negative and COVID-19 contact patients.

- The Trust's COVID-19 Surge Plan has been refreshed and refined regularly building on learning from COVID-19 waves.

- Staff were redeployed from elective areas during the Delta and Omicron variant waves to support COVID-19 Wards.

- Identification of outsourcing opportunities in the Independent Sector, in particular for orthopaedics and endoscopy services, were pursued throughout the year.

- Productivity: continued drive for treating patients as a day case rather than overnight and theatre productivity programmes in place.

The Trust has seen Emergency Department attendances return to pre-pandemic levels. This return of demand in conjunction with COVID-19 pressures and increased numbers who require Social Care provision spending longer in a hospital bed has led to a reduction in performance against the Emergency Care Standard compared to 2019/20.

The Trust has prioritised cancer care and urgent elective work throughout the pandemic. The delivery of cancer activity is a key focus of both the Trust's Building Better Care work scheme and the 2022/23 planning process.

The national planned care Referral to Treatment Times (RTT) and diagnostics targets have been impacted by a reduction in routine activity. This has resulted in a significant increase in the RTT Total Waiting List (TWL).

The ongoing COVID-19 pressure, combined with the reduction of routine elective surgery, has resulted in the Trust having over 1,700 RTT patients waiting 52 weeks or longer at the end of February 2022. In response to delays in routine treatment caused by the COVID-19 pandemic the Trust is involved in the Humber and North Yorkshire Heath and Care Partnership ICS led 'Waiting Well' programme. Internally the Trust has adopted the national surgical prioritisation initiative to ensure patients are treated in clinical need and chronological order. To support the prioritisation of treatments and ensure oversight of capacity the Trust's theatre prioritisation panel has been re-instated with independent ethics review at times of COVID-19 surge.

The Trust's planning process for 2022/23 is in progress with Care Groups challenged to return to at least 2019/20 levels of activity and deliver zero RTT 78 week waits and zero follow up outpatients being overdue by twelve months by March 2023. Even with additional funding or increased use of the Independent Sector to create additional capacity, a multi-year 'recovery' plan and timeframe is in place to address backlogs.

The Trust is a key member of the Humber and North Yorkshire Heath and Care Partnership Integrated Care System, with a number of Trust Directors and Senior Managers leading on and participating in work to re-design and configure pathways, and to optimise and expand service capacity where feasible to support elective recovery as well as timely access to cancer and emergency care.

Yorkshire and the Humber Local Health Resilience Partnership (LHRP)
Emergency Preparedness, Resilience and Response (EPRR) assurance 2020/2021

STATEMENT OF COMPLIANCE

York and Scarborough Teaching Hospitals NHS Foundation Trust has undertaken a self-assessment against required areas of the EPRR Core standards self-assessment tool v1.0

Where areas require further action, York and Scarborough Teaching Hospitals NHS Foundation Trust will meet with the LHRP to review the attached core standards, associated improvement plan and to agree a process ensuring non-compliant standards are regularly monitored until an agreed level of compliance is reached. Following self-assessment, the organisation has been assigned as an EPRR assurance rating of Substantial against the core standards.

Overall EPRR assurance rating	Criteria
Fully	The organisation is 100% compliant with all core standards they are expected to achieve. The organisation's Board has agreed with this position statement.
Substantial	The organisation is 89-99% compliant with the core standards they are expected to achieve. For each non-compliant core standard, the organisation's Board has agreed an action plan to meet compliance within the next 12 months.
Partial	The organisation is 77-88% compliant with the core standards they are expected to achieve. For each non-compliant core standard, the organisation's Board has agreed an action plan to meet compliance within the next 12 months.
Non-compliant	The organisation compliant with 76% or less of the core standards the organisation is expected to achieve. For each non-compliant core standard, the organisation's Board has agreed an action plan to meet compliance within the next 12 months. The action plans will be monitored on a quarterly basis to demonstrate progress towards compliance.

I confirm that the above level of compliance with the core standards has been agreed by the organisation's board / governing body along with the enclosed action plan and governance deep dive responses.

Signed by the organisation's Accountable Emergency Officer

20/10/2021

Date signed

04/11/2021	24/11/2021	01/09/2022
Date of Board/governing body meeting	Date presented at Public Board	Date to be published in organisations Annual Report

New and Significantly Revised Services

The Trust has continued to innovate in order to achieve our aim of delivering high quality services, better clinical outcomes and improving the experience of patients.

The past twenty four months have been challenging and have tested the emergency preparedness and resilience of the Trust and staff like never before. The first phase of the NHS's preparation and response to COVID-19 was triggered with the declaration of a Level 4 National Incident on 30 January 2020. In the months since then we have lived and worked through the biggest challenge the NHS has ever faced.

Following national direction, planned surgery and routine outpatient appointments were cancelled and all visiting to the hospital sites were suspended. At significant speed the wards and departments were reconfigured and surge planning and training was introduced in readiness for the rising number of patients who would need care.

Urgent and emergency care was maintained, as was care for patients with cancer and high clinical needs. COVID-19 and non-COVID-19 areas in our emergency departments, wards, operating theatres and critical care areas were created to more effectively manage different patient groups. This meant that clinical pathways were quickly redesigned and staff had to work differently to ensure that patients and staff were safe during rapidly changing times.

Responding to the pandemic necessitated an immediate and sustained response, but this system disruption caused by the pandemic created unforeseen opportunities to innovate. Some of these changes have the potential to offer longer term benefits to patients, the organisation and wider system.

During the pandemic the Trust maintained and developed its commitment to transform services through quality improvement and workforce redesign to maximise effectiveness, efficiency and productivity. To do this we continue to work in partnership across the Humber and North Yorkshire Health and Care Partnership Integrated Care System, through our alliances with neighbouring hospitals and at a local level with Primary Care, Local Authorities and community organisations.

The Trust's Corporate Improvement Team supports service transformation through a multi-faceted approach to quality improvement via its 'Dial I for Improvement' toolkit across the organisation, utilising a variety of tools and techniques to address problems and systematic issues.

The Trust approach to quality improvement applies a systematic method to engagement and involves all key stakeholders to help discover and develop solutions to complex problems or issues. Initiatives progressed in recent times include a review of the Head and neck cancer pathway and enhancements to the ophthalmology urgent care clinics at both Scarborough and York Hospitals.

Partnership working across the Integrated Care System has enabled improved mutual aid to support operational pressures.

Some of the main partnership innovations involving other health and social care organisations that have improved services for patients include:

- Whole system Planned Care Transformation Programme working with colleagues in Clinical Commissioning Groups and primary care to review pathways, pool resources and introduce innovative staffing roles. As part of this Programme, the Trust has further developed Outpatient Transformation to enhanced triage, increase the use of digital technology (Attend Anywhere allows live virtual consultation and advice), and introduce a new service called “Advice and Guidance”;

  This service allows teams in GP surgeries to send a clinical query directly to the relevant specialist at the hospital for a quick written response. By communicating directly and quickly with specialists, patients can be better supported by their General Practice team, often without the need to be seen at the hospital;

  It also means that relevant tests and treatments may have already been completed for some patients who do need to be seen by a specialist, all helping to deliver a safer, more efficient service. A similar approach for outpatient referrals involving a new direct interface between the GP and Consultant called Referral for Expert Opinion has also been developed and implemented, which will help inform the most appropriate clinical pathway to be followed;

- Excellent progress has been made with the implementation of patient video consultations with hospital clinicians which have been introduced across 40 pathway areas. Pilot work involving support for patients conducting video consultations from voluntary services and social care colleagues is being maintained in the Bridlington locality in the forthcoming year;

- A system supporting patient initiated follow up appointment telephone calls has also been introduced across a number of specialty areas;

- Use of the independent sector to maintain business continuity for some urgent care consultations, diagnostics and treatment. In 2020, vulnerable clinical services such as oncology and chemotherapy were temporarily relocated to Nuffield Hospital premises in York;

  Staff from York Hospital and the Nuffield and Ramsay Hospitals worked together to deliver and urgent surgery on the Nuffield and Ramsay Clifton Park Hospital sites;

- Building on these relationships, the Trust is engaged in a collaborative partnership with the Ramsay Organisation on the Clifton Park Hospital site in York, developing a new elective care unit for NHS surgical patients using NHSE capital monies (£3m) as part of the Elective Recovery Programme. The new unit will be operational from June 2022.

- Strengthening multi-agency Discharge Command Centres to ensure timely discharge from hospital, working over seven days as an integrated health and social care team;

- The development and embedding of the Discharge Command Centres has further improved partnership working to support discharge from hospital for patients on pathways 1-3. Despite gaps in the care markets, the teams have coordinated and prioritised capacity across the Humber and North Yorkshire geography;

- The Trust has established a Discharge Steering Group, chaired by the Medical Director, to ensure action is taken to improve processes which impact on safe discharge. This

focusses on the SAFER principles (linked with the reduction of delays in the inpatient care pathway) , particularly discharge processes for patients on pathway zero, criteria led discharge and seven day service provision;

- Closer working between community nursing teams and other partners such as Hospice at Home and primary care, particularly an 'integrated' offer by practice nurses and community nurses;

- A joint initiative with the East Riding Clinical Commissioning Group and Council has seen the creation of a Social Care suite on the Bridlington Hospital site. The Suite has enabled the movement of medically fit patients out of the acute care setting and into an environment that supports reablement;

- Thornton Ward at Bridlington Hospital has been repurposed as a unit for patients who have recently been cared for at Scarborough Hospital but no longer meet the medical criteria to reside in an acute hospital. The Bridlington Care Unit opened in January 2022 The Bridlington Care Unit opened in January 2022 and will remain open for a period of six months. It has cared for over 202 patients to date with an average length of stay of seven days; and,

- Revised arrangements for procurement, mutual aid and sharing of supplies between health and care organisations.

Teams have been working closely with local GPs and commissioners and across the wider Humber and North Yorkshire Health and Care Partnership to improve the effectiveness of services, reduce waiting times and help patients to get the right diagnostic test, first time. Key programme initiatives also promote the Care Closer to Home initiatives and they include:

- Developments to the musculoskeletal service, with Physiotherapy First Contact Practitioners in Primary Care well established to assess, treat and discharge patients in conjunction with GPs, as well as improvements in diagnostic provision (especially MRI and ultrasound) and the introduction of a nationally accredited back pain pathway;

- The introduction of a revised acute chest pain pathway and the management of other cardiology presentations generally including virtual reviews. In the York locality, the cardiology specialty has developed a community delivered IV diuretics and echocardiogram service, so patients are seen in the community by specialty clinicians, closer to home;

- The specialist dermatology team has worked with GP colleagues to ensure that practices have access to dermatoscopes (special cameras that can take detailed images of skin conditions). These images can be included with referrals and reduce the time patients with a suspected skin cancer wait for a specialist review and improve the communication between clinical teams; and,

- The anti-coagulation service has moved from being provided by a hospital-based team to teams based in GP practices. This means that patients in York requiring blood thinning medication (anti-coagulation) no longer have to come to the hospital and can receive this treatment in their local GP practice, closer to home.

Further recent pathway initiatives have also seen the introduction of:

- The chemotherapy home delivery service.
- Child health telephone clinics.
- A new triage process for sexual health service users to identify the most vulnerable and victims of domestic or sexual abuse.
- Telephone consultation for sexual health services, including increasing the availability of online testing and telephone consultation and introducing a postal supply of treatments for Sexually Transmitted Diseases (STDs) and progesterone only contraception.
- Enhanced online support for mums-to-be has been developed by the maternity team.
- The Scarborough Trauma Assessment and Treatment Unit (TATU) which provides training, splints, casts, and urgent senior decision making to the Bridlington Urgent Treatment Centre (UTC). This means that patients no longer have to attend appointments at Scarborough Hospital.
- Refreshed pathology requesting processes.
- An updated ophthalmology referral guidance for cataracts.
- Triage process by Occupational Therapists (OTs) for neurology and stroke outpatients; following a specialist, targeted and universal approach; and the development and launch self-management packs and videos to support patient education and exercises.
- Joint working on wards and critical care to provide greater flexibility and cross-cover between areas.
- Different ways of working so that services have become more community focussed, such as the Heart Failure Service and the telephone Rapid Access Heart Failure service.
- A single point of contact for some services, such as the York Cystic Fibrosis In-reach team, for advice to clinicians, patients, and families.
- The Electronic Palliative Care Coordination System.
- Virtual Wards which help to keep patients at home or supports earlier discharge, with outpatient attendances for investigations and home monitoring while in the recovery phase with regular contact and intervention from the hospital clinical team (e.g. vascular virtual ward, COVID-19 virtual ward).
- Strengthening of Same Day Emergency Care so that more patients are seen and treated on the same day, preventing the need for patients to stay in hospital overnight.
- Direct booking to UTCs and Emergency Departments (EDs) as part of the national 111 First programme.
- The Trust has continued to work closely with the national Emergency Care Intensive Support Team (ECIST) to progress this area of work in tandem with the promotion of the SAFER patient flow process which encourages senior clinical review and timely discharge planning.

- The completion of the work to develop a consolidated day unit facility at Scarborough Hospital to maximise and extend elective operating capacity.
- A revised patient pathway for Scarborough area residents accessing stroke services was introduced in May 2020. Patients contacting the Yorkshire Ambulance Service with stroke symptoms or presenting at Scarborough Hospital are now taken by ambulance to the nearest Hyper Acute Stroke Unit in York, Hull or Middlesbrough.

  This temporary service change, which has been introduced as a result of staffing challenges, has ensured quicker access to Hyper Acute Stroke Units and has been closely monitored by the Humber and North Yorkshire Stroke Network as part of a formal service review that was recently completed. The recommendation was that the temporary pathway should be made permanent.

  Development work on local hospital rehabilitation services for Scarborough and Bridlington Stroke patients after their stay in Hyper Acute Stroke Units has also been completed and the Johnson Ward in Bridlington Hospital is now acting as the specialist hospital rehabilitation unit for East Coast patients.

  Further development work on an enhanced Early Supported Discharge service with clinical support is also being progressed which will enable patients to recover in their home surroundings.
- The recently approved a business case for a new Radiology Information System which supports delivery of a two-year transformation of diagnostic imaging services is being implemented.

The Trust has also been engaged with the NHS Improvement Operational Productivity team over the last three years, working closely on several work streams including trauma and orthopaedics, cardiology and radiology. This collaborative piece of work between NHS Improvement and the Trust's clinical, operational, improvement, finance and efficiency teams uses information from a variety of sources, including the national 'Model Hospital', Service Line Reporting system and the 'Getting It Right First Time' (GIRFT) programme.

To support this work the Trust has recently established a GIRFT Project Assurance Board to ensure corporate oversight of the GIRFT programme. The local NHS Improvement GIRFT team is working closely with the Trust's Programme Manager to support our delivery of best practice. The Trust is also one of six in the region to receive additional support to improve theatre productivity through collaborative working and shared learning. The support offer involves a new approach to transforming theatre services, with NHS Improvement and the national GIRFT team supporting the Trust.

In capital development terms the Trust is planning for two significant urgent and emergency care initiatives on the Scarborough and York sites.

On the Scarborough site planning is well underway for a £47m NHSE supported capital development comprising a new emergency and urgent care department with approximately double the current clinical space (formal approval was recently received). The building will also house a new integrated critical care floor for intensive care, coronary care and is due to open in early 2024.

On the York Hospital site, funding of £15m has been obtained from NHSE to enable a re-design of services within the current emergency department footprint and an additional

modular build, which will support significant clinical and operational benefits for urgent and emergency services. The development is scheduled to be completed in April 2023.

During 2021 the Trust sited a range of specialist outpatient services (including rheumatology, sleep services and ophthalmology clinics) as part of the multi-agency York Community Stadium Project.

Further utilisation of the Stadium premises is planned for outpatient and routine minor elective procedures and some therapy services over the course of 2022.

It is anticipated that utilising these high quality, modern, accessible premises will improve and enhance the experience for many of our patients.

The Trust continues to increase and develop its use of new and alternative roles and to develop different workforce models. These include:

- Physician Associates - these roles are now embedded in the workforce models in a diverse range of medical specialties, including paediatrics, care of the elderly, acute medicine and rheumatology;

- Trainee Advanced Clinical Practitioners (ACPs) - ACPs are now embedded in the workforce models in a diverse range of specialities across the Trust; and,

- Trainee Nursing Associates - cohorts of Trainee Nursing Associates have been appointed alongside a small cohort of Trainee Associate Practitioners. The training is being delivered in partnership with the University of York and Coventry University, and represents the start of a rolling programme for clinical apprenticeships at the Trust.

We know that responding to the pandemic has had a significant impact on how we have delivered health and social care services and this has been challenging for our staff and local communities.

The innovations and changes made during the pandemic will help us to co-exist with COVID-19 whilst we refocus our efforts to reset and relaunch our services, building on the amazing work that our staff, health and care partners and local communities have taken forward over the last two years.

Out of Hospital Care

Our ambition for delivering care outside of hospital is to work within the local health and care system to adopt a 'Home First' culture which focuses on prevention and self-care; delivers care closer to home and allows the system to manage growing demand by increasing efficiency through integration.

The Trust has worked with a range of partners to continue to deliver our vision. This includes being a core member of locality forums in all of the communities that we serve alongside primary care networks, social care, community health partners, community and voluntary sector leads and mental health. These groups are leading the design and development of joined up services to meet the needs of local people and address health inequalities. These relationships have provided a solid foundation for collaborative working in response to the pandemic, providing opportunities for mutual support and the accelerated development of joined up pathways of care.

As with many services, the COVID pandemic has posed unprecedented challenges for adult community services teams. This includes an increasing number of people who need to receive care in their own homes, increasing health needs linked to the virus either directly or indirectly (such as increased isolation) and the loss of capacity due to increased staff absence.

Despite these challenges, we have continued to innovate and work collaboratively with partners to improve the services we provide for local people. These have included:

- Establishing a multi-disciplinary and multi-agency clinic in Selby to deliver a one-stop assessment service for people living in frailty which has been delivered in collaboration with the Selby Town Primary Care Network;
- Working with the Ways to Wellbeing social prescribing service in York to ensure that patients referred to the community therapy service can receive wider holistic support to achieve their goals;
- Establishing a partnership with the Wilberforce Trust to deliver interventions including administering eye medication through a new community support service;
- Working with care homes and the Primary Care Networks in Selby & District to improve nutritional support for residents and training for colleagues working in the social care sector and primary care;
- Working with primary care colleagues in the City of York to implement an improved test for people who are housebound and taking blood thinning medication that provides an immediate result instead of waiting for a blood test result from a laboratory;
- Further roll out of mobile technology for community based staff to access and update patient records remotely;
- An improved approach to discharge planning in our community inpatient units, involving patients and families in setting the goals that are important to them in being able to return home;
- Establishing new clinics in collaboration between heart failure specialist nurses and primary care clinicians to support patients living with heart failure;
- Working in partnership with the South Hambleton and North Ryedale Primary Care Network to introduce innovative new occupational therapy roles to support advanced care planning with local people and the co-ordination of services to deliver this.

We have also appointed two new Clinical Directors for Community Health Services in partnership with the Vale of York CCG and Nimbuscare. Drs Emma Olandj and Daniel Kimberling bring a wealth of primary care leadership experience and will continue to build our collaborative approach across health and care organisations locally.

The Children's Community Nurses have adapted rapidly to the use of mobile technology and more remote ways of working, reducing travel time and using virtual meetings. They have provided an increase in face to face visits for the complex and vulnerable children on the caseload that have been isolating and reluctant to attend GP/hospital, especially at the beginning of the pandemic. Teams supporting children in the community have led a number of developments through the year, including:

- Specialist nurses have provided video clinics. Both the diabetes team and respiratory team have embraced the use of virtually training for schools and nurseries;
- A nurse-led asthma clinic has been established in York and Scarborough. This is reducing hospital admissions, particularly for children who regularly attended with wheeze, increasing parents' knowledge and improving medication control and inhaler technique. The asthma nurse is working closely with the ICS to develop the asthma pathways and bundles.
- The bowel and bladder team are in the process of setting up educational sessions for parents of children with constipation with an aim to give advice and support to empower families, enabling them to manage their care needs with less reliance on healthcare staff. The team have fully assessed all children in receipt of containment products and have supported some of the young people and their families to manage their continence, resulting in independence and a better quality of family and social life. The waiting list for bowel and bladder has been reduced significantly over the last three months.
- The Trust continues to work closely with the commissioning bodies and local authorities to meet the needs of children with special educational needs. We have received funding to provide a new 'Transition' post for York, this post is working closely with commissioners and local authorities to improve the Education, Health and Care Plan (EHCP) process and returns.
- We have identified Special Educational Needs and Disabilities (SEND) champions across both York and Scarborough who attend regional meetings and support locally within the teams. We are looking to implement SEND training across the Trust to all staffing groups.
- The Trust has worked closely with schools to ensure vulnerable children were still able to access education throughout the pandemic.
- York Special schools have implemented transition clinics alongside the transition nurse for young people with SEND.
- The special school nurses continue to work closely with social care to implement training to allow children to access short breaks provision; and,
- The Care Group has worked closely with the CCG and Nimbuscare primary care federation to offer a community hub at Askham Bar since October 2021. This was implemented to relieve winter pressures on ED and the child assessment unit from children under five years who are suffering with respiratory viruses and wheeze. Children were referred to the hub from their GPs, they were then reviewed by a medic

and paediatric nurse who were able to offer reassurance, advice and a period of observation if appropriate in a community setting rather than in a busy ED or acute setting. This was for children with respiratory symptoms and offers appointment slots from 2.30-8.00pm and has seen ten children every day that would normally have ended up attending at ED.

Review of Financial Performance – Fair view of the Trust

The table below provides a high-level summary of the Trust's financial results for 2021/22.

Table 1 - Summary financial performance 2021/22

	Plan £million	Actual £million	Variance £million
Clinical income	574.3	585.3	11.0
Non-clinical income	72.8	77.5	4.7
Total income	**647.1**	**662.8**	**15.7**
Pay spend	426.8	438.2	-11.4
Non-pay spend	200.0	203.7	-3.7
Total spend before dividend, and interest	**626.8**	**641.9**	**-15.1**
Operating surplus (loss) before exceptional items	**20.3**	**20.9**	**0.6**
Dividend, finance costs and interest	20.3	20.2	0.1
Net profit/ (loss)	**(0.0)**	**0.7**	**0.7**

Statement of Comprehensive Income 2021/22 - Clinical income totalled £585.3m, and arose mainly from contracts with NHS Commissioners, including Vale of York CCG, North Yorkshire CCG, East Riding CCG, NHSE/I and Local Authorities (£583.6m), with the balance of (£1.7m) from other patient-related services, including private patients, overseas visitors and personal injury cases.

Other income totalled £77.6m and comprised funding for education and training, research and development, and for the provision of various non-clinical services to other organisations and individuals. The major variance in other income substantially relates to additional income relating to the increase in staff pension contributions, and income from the Elective Recovery Fund (ERF), the pension income is netted off within pay expenditure. There is also additional income support provided by NHSE/I under the emergency financial regime to cover exceptional COVID-19 expenditure.

The Trust re-values all of its property fixed assets, including land, buildings and dwellings, at the end of each year, to reflect the true value of land and buildings, taking into account in year changes in building costs, and the initial valuation of new material assets. In 2021/22, there has been an overall modest downward valuation (impairment) of the Trust's assets of £0.3m.

At the end of the financial year, the Trust reported an income and expenditure surplus of £0.7m: this position is then adjusted by a serious of relatively small technical adjustments in the sum of (£0.6m), including the fixed asset impairment detailed above, by NHSE/I to normalise the position. When all these items are adjusted, the final regulator assessed position of the Group is a £0.1m surplus.

Accounting policies - The Trust has adopted International Financial Reporting Standards (IFRS), to the extent that they are applicable under the Department of Health Group Accounting Manual (GAM).

Cash - The Trust's cash balance at the end of the year totalled £65.4m.

Capital investment - During 2021/22, the Trust invested £36.0m in capital projects across the estate. The major projects on site during this period included:

- Scarborough – Urgent & Emergency Care centre - £4.5m;
- Scarborough and York – Significant programme of back log maintenance and medical equipment replacement £6.8m;
- IT investment – All sites - £7.9m;
- York – Emergency department re-model - £5.2m;
- York – Surgical Hub at Ramsey - £2.7m; and,
- The acquisition of a new surgical robot £1.5m

Planned capital investment – The Trust has a major Capital investment plan for 2022/23 of £63.7m: The largest elements of this are:

- Scarborough – Transformation of urgent and emergency care - £29.8m;
- York – Vascular imaging unit - £5.3m;
- York ED – finalising scheme - £7.4m; and,
- York and Bridlington – Salix funding - major energy saving project - £9m

During 2018/19 the Trust was supported in its outline bid for £40m capital for a major urgent and emergency care unit investment on the Scarborough Hospital site. This case has been progressed over the last 2 years and has now been fully approved at the sum of £47m; the change in value was due to project scope change. This scheme is a very significant national investment and shows a high level of confidence in the system.

A key Trust focus remains on reducing backlog maintenance and investing in our IT infrastructure across all Trust sites, although capital funding has been extremely tight and there has been a requirement to prioritise the work within the capital programme.

Land interests - There are no significant differences between the carrying amount and the market value of the Trust's land holdings.

Investments - There are no significant differences between the carrying amount and the market value of the Trust's investment holdings.

Value for money – 2021/22 has proved to be another extremely challenging year with COVID-19 dominating the NHS agenda.

The NHS has operated in what only can be described as a state of emergency for the majority of the last two years which has provided a level of financial stability and we leave the 2021/22 financial year in a stable position with both the revenue and capital positions both being delivered to plan. The Group cash position remains strong with a year-end balance of £65.4m.

There was a phased approach for the re-introduction of the cost improvement programme (CIP) in 2021/22 with a requirement of 0.28% in H1; this was increased to a 1.1% annual savings requirement in H2, this equated to a savings target of £8.1m for the group. The Group has an excellent history in delivery of CIP, and for 2021/22 this was no different with the final position being reported at £8.9m, an over delivery of £0.8m.

Good resource management provides clarity of focus and is usually linked to improved patient care, when backed by a rigorous quality impact assessment (QIA) process. The work involves linking across the Trust to identify and promote efficient practices.

The Group has continued to fully engage and has worked very closely with the national Getting It Right First Time (GIRFT) team in 2021/22, and, although this work has not continued at the same pace as previous years due to COVID-19, this work stream continues to move forward and develop and will pick up pace as we enter 2022/23.

The Group continues to be a key partner within the Humber and North Yorkshire Heath and Care Partnership (HNYHCP), and indeed is at the forefront of the rapid development of the Integrated Care System (ICS) in anticipation of the new legislation passing through Parliament and being adopted into legislation from July 2022.

Better payment practice - The Better Payment Practice Code requires the Trust to aim to pay 95% of undisputed invoices by the due date, or within 30 days of receipt of goods or receipt of a valid invoice, whichever is later. The Trust's in year performance is detailed in table 2 below:

Table 2

BPP Performance	Number	Value
		(£'000)
Total Non-NHS trade invoices paid in year	109,323	305,486
Total Non-NHS trade invoices paid within target	98,143	283,852
Percentage of Non-NHS trade invoices paid within target	90%	93%
Total NHS trade invoices paid in year	4,219	225,630
Total NHS trade invoices paid within target	3,704	221,125
Percentage of NHS trade invoices paid within target	88%	98%

The Trust's performance in this area has significantly improved during 2021/22 due primarily to NHS acute trusts being provided with significant cash to ensure supplier payment terms were improved. The Group has achieved 95% overall, by value.

The total amount of any liability to pay interest which accrued by virtue of failing to pay invoices within the 30-day period was £1k.

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

Income disclosure - Section 43 (2A) of the National Health Service Act 2006 (as amended by the Health and Social Care Act 2012) requires that the income from the provision of the goods and services for the purpose of the health service in England must be greater than its income for the provision of goods and for any other purposes. The Trust can confirm it has met these requirements.

Insurance Cover - The Trust has purchased Officer and Liability Insurance that covers all officers of the Trust against any legal action, as long as the officer was not acting outside their legal capacity.

Political and charitable donations - No political or charitable donations were made during the year.

Accounting policies for pensions and other retirement benefits - Past and present employees are covered by the provisions of the NHS pension scheme. The scheme is accounted for as a defined contribution scheme. Further details are included in the accounting policies notes to the Trust's annual accounts.

Overseas operations - The Trust has no overseas operational activity and has received no commercial income from overseas activity during the year.

Statement as to disclosure to auditors - Each Director at the time of approving this report has confirmed that, as far as the Director is aware, there is no relevant audit information of which the NHS Foundation Trust's auditor is unaware. The Director has taken all the necessary steps in order to be aware of the relevant audit information and to establish that the Trust's auditor is aware of that information.

Counter Fraud Policies and Procedures – The Foundation Trust's counter fraud arrangements are in compliance with the NHS Standards for Providers: Fraud, Bribery and Corruption. These arrangements are underpinned by the appointment of accredited Local Counter Fraud Specialists and a Trust-wide countering fraud and corruption policy. An annual counter fraud plan identifying actions to be undertaken to create an anti-fraud culture, deter, prevent, detect and, where not prevented, investigate suspicions of fraud, is produced and approved by the Trust's Audit Committee.

Sustainability, Climate Change & Net Zero Carbon Commitments

As an NHS organisation, and as a spender of public funds, we must work in a way that has a positive effect on the communities we serve. Sustainability means spending public money well, the smart and efficient use of natural resources and building healthy, resilient communities. By making the most of social, environmental and economic assets, we can improve health both in the immediate and long term even in the context of rising cost of natural resources. Demonstrating that we consider the social and environmental impacts ensures that the legal requirements in the Public Services (Social Value) Act (2012) are met.

The healthcare system has a number of key legislative drivers that relate to climate change and decarbonisation which include the following:

- Civil Contingencies Act 2004;
- Public Services (Social Value) Act 2012; and,
- Climate Change Act 2008 (as amended) setting a Net Zero target by 2050.

NHS institutions across the country are now also committed to the "Delivering a Net Zero National Health Service" (published in October 2020) ahead of the current Climate Change Act targets. The introduction of numerous targets in the last few months from the NHS Standard Contract and through a Memorandum of Understanding from NHS England and

Improvement, set against a back drop of the overarching Net Zero NHS targets has served to highlight the improvements needed to strengthen the Trust's plan for tackling carbon reduction.

During 2021, the Trust developed and started to deliver its Board-approved Green Plan, which has now replaced its Sustainable Development Management Plan. This document includes the NHS net zero carbon target by 2040 for the emissions that we directly control (referred to as our NHS Carbon Footprint) through reducing our energy use, our fleet and business travel, our use of anaesthetic gases and with changes to prescribing inhalers, with 80% of this to be delivered by 2032. For emissions that we can influence but can't directly control, the net zero target is 2045 for our NHS Carbon Footprint Plus. The NHS Carbon Footprint Plus includes the embodied carbon emissions from the things we buy such as medicines and medical devices and also the carbon footprint of patient and visitor travel together with our staff commute. A copy of the Green Plan is now available to view on the Trust Website under the 'About Us' tab and by selecting the Publications page or by using the following link https://www.yorkhospitals.nhs.uk/seecmsfile/?id=6242.

This plan identifies a range of recent achievements in delivering the pathway to net zero as well as achievements against some of the new targets. For example, the plan identifies achievements such as the reduction of the use of the anaesthetic gas desflurane in favour of sevoflurane (a lower environmental impact gas) and the increased use of technology to allow people to receive consultations at home and also work from home. It is, however, clear that the speed of change to transition to lower carbon alternatives needs to accelerate.

An analysis of our NHS Carbon Footprint shows that 73% of the footprint is due to our energy use with 55% of the footprint coming from our gas consumption. Fleet and business travel contributes 6% of our carbon emissions, patient and visitor travel accounts for the second largest proportion (17%) of the Carbon Footprint Plus, with medicines at 23% being the highest proportion. In summarising the actions required to achieve carbon and greenhouse gas reduction, there is a strong focus on energy, through better control, improvements to building fabric, installation of renewables and building to net zero standards, and also travel, through improvements of facilities for active travel and electric vehicle charging, but also noting that this is about total reduction to net zero through emerging technology, the way that we deliver services to minimise waste and procurement decisions that capture requirements to reduce the carbon impact and lead to net zero.

In order to fulfil our responsibilities for the role we play, York and Scarborough Teaching Hospitals NHS Foundation Trust has the following Net Zero carbon reduction mission statement in its Green Plan:

"**York and Scarborough Teaching Hospitals NHS Foundation Trust strives to actively encourage, promote and achieve zero carbon emissions in all that it does, through its staff, its services, its premises, its patients and visitors, and its partners in line with NHS targets."**

Whilst the Trust recognises the importance of communication, tracking progress, risks and finance, it is noted that the real cost of emitting carbon is the long-term impact of the changing climate and irreversible change. We only have a short window of opportunity to stop this happening. Much of the action needed to achieve net zero results in a cost of reducing carbon emissions and this currently has to be borne by the organisation meeting the targets. It is hoped that government will address this matter through taxation and /or

grant system that results in sufficient finances being made available to cover the cost burden.

Policies

In order to embed sustainability and carbon reduction within our business, it is important to explain where in our processes and procedures sustainability features.

Area	Is sustainability considered?
Travel	Yes
Business Cases	Yes
Procurement (environmental & social aspects)	Yes
Suppliers' Impact	Yes

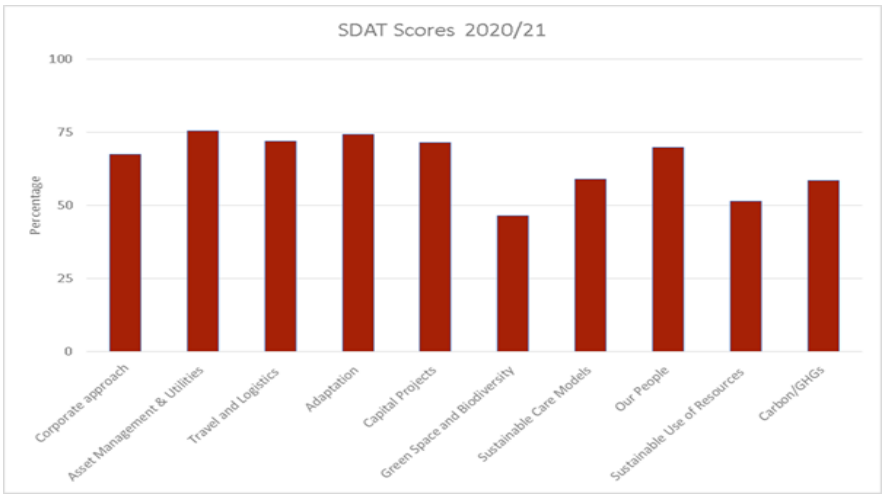
Our organisation currently embeds sustainability, tackling carbon reduction and responding to the changing climate using its Green Plan. The action taken in relation to this Trust-Board approved Plan will be reviewed annually so our plans for a more sustainable future are well known within the organisation and are clearly laid out. The Deputy Chief Executive/ Finance Director is the Board-level Lead for Sustainability and Net Zero, and, over the last year, the work has progressed through the Trust wide Sustainable Development Group (facilitated by the Head of Sustainability) with updates provided to the Resources Committee and to the Trust Board of Directors.

This sustainability commitment includes measuring carbon reduction, environmental, social and economic impacts through the Sustainable Development Assessment Tool (SDAT).

Our organisation adopts a sustainability impact assessment during business case development, which leads on to a procurement process incorporating a specification and tender evaluation award. The Sustainability Impact Assessment is a mandatory part of business cases and contract award procedures require evidence of the account taken in relation to the Public Services (Social Value) Act.

One of the ways in which we measure our impact as an organisation on corporate social responsibility is through the use of the SDAT. The last time we used SDAT was in March 2021, scoring 65% (as compared with, 62% in 2020, 55% in 2019 and 49% in 2018). This tool is currently under review nationally, so we have been unable to update our score in March 2022.

Sustainable Development Assessment Tool (SDAT) Results for March 2021



As an organisation that acknowledges its responsibility towards creating a sustainable future, we undertake awareness-raising events and campaigns that promote the benefits of sustainability to our staff. During the last year the impact of COVID-19 has continued to limit the gathering of people in groups, so much of the awareness raising activities have used staff bulletins and newsletters supported by promotional offers e.g. free trial for the use of e-scooters and staff park and ride buses. It is the personal responsibility of all staff to ensure that the Trust's resources are used efficiently with minimum wastage throughout their daily activities. In 2019 a network of Green Champions was established across the whole of the Trust, to help generate new ideas and promote resource efficiency.

United Nations Sustainable Development Goals (SDGs)

The SDAT process also identifies which Sustainable Development Goals are being tackled that contribute to the UK's national contribution to this UN commitment (see the table below).

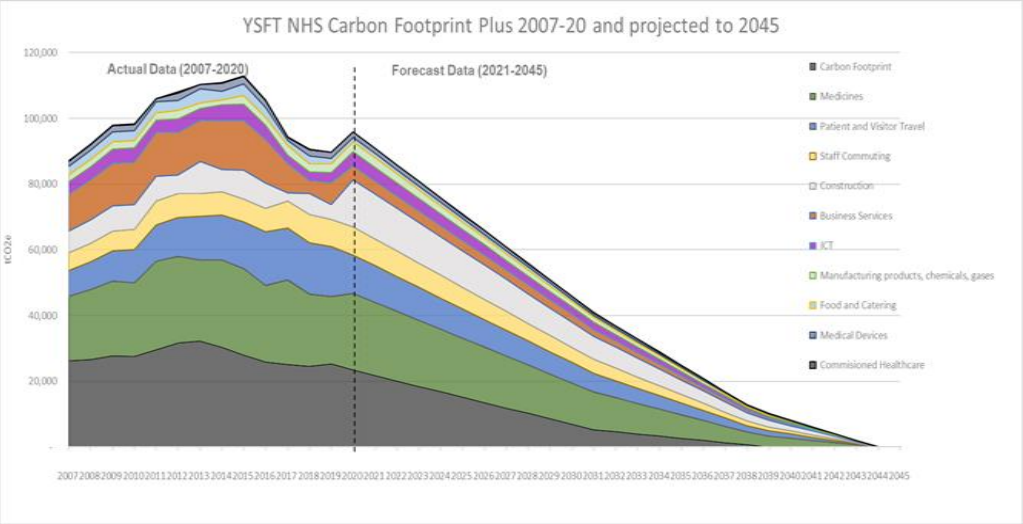
The Trust attaches great importance to sustainability and Corporate Social Responsibility. Our statement on modern slavery is available to view at:
https://www.yorkhospitals.nhs.uk/seecmsfile/?id=6377

Overall Performance Update relating to NHS Net Zero reporting

The latest compiled data set covers the period 2020/21 and the graph below shows our NHS Carbon Footprint Plus journey since 2007/8 to 2020/21, with a projection of the required pathway to meet the NHS Net Zero targets from 2021/22 to 2045/46.

The targets set by both the Climate Change Act and the Delivering a Net Zero National Health Service are measured against a 1990 emission baseline. As the Trust does not have complete data going back to 1990, a 2007/8 baseline is used, as advised by the NHS Sustainable Development Unit (SDU).

The 2010 SDU NHS Carbon Reduction Strategy Update report showed that in 2007 NHS England CO_2e emissions were almost identical to 1990. As the Trust reports in financial years, we have aligned this to our 2007/8 emissions. We have used this 2007/8 baseline to determine both our interim and final Net Zero NHS Carbon Footprint and Carbon Footprint Plus Targets.



The grey part i.e. the lowest section in the stacked graph refers to the NHS Carbon Footprint and shows a general reduction from 2013/14, whereas the upper sections relate to the services that we procure, noting that medicines (green) are the largest contributor followed by patient and visitor travel (blue), staff commute (yellow) and construction investment (white).

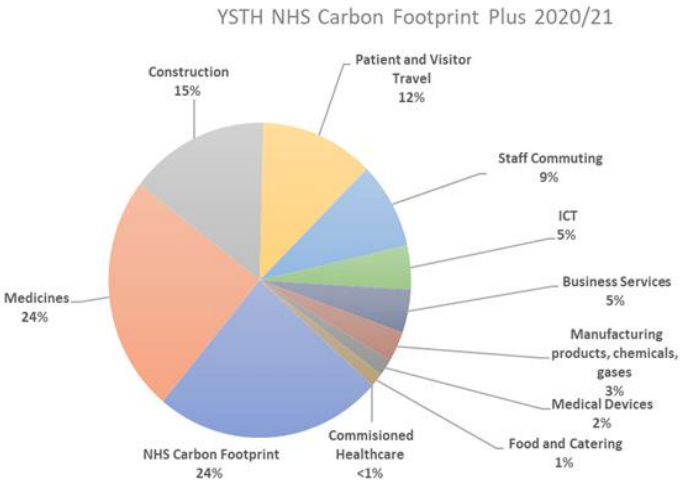
The Trust uses carbon factors historically provided by the SDU to calculate the CO2 emissions embedded in what we buy. These carbon factors have not been updated for several years, meaning that changes such as decarbonisation of the grid and reductions in freight emissions are not taken into account for 2008/09 onwards. We do, though, apply Retail Price Index (RPI) adjustments to account for inflation. We are also exploring options to quantify these emissions with a greater degree of accuracy in the future, which could lead to changes in our reported emissions in this area.

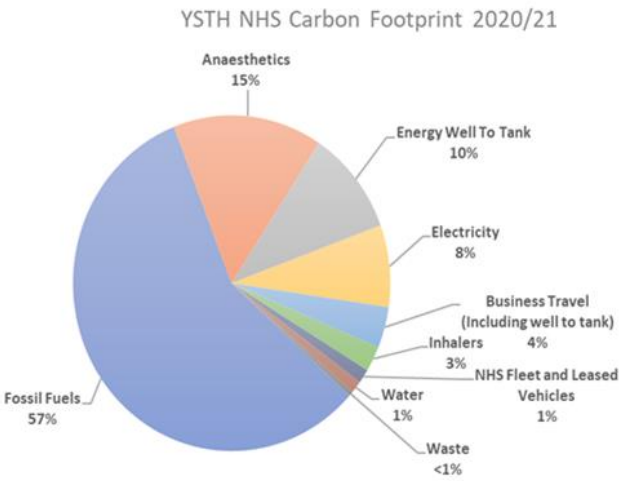
The national Greener NHS organisation is anticipated to publish new guidance to help NHS trusts to produce more accurate procurement emissions calculation in the coming year. The Carbon Footprint Plus shows an overall 7% increase (6,079 tonnes CO2) between 2019/20 and 2020/21 which includes things that we procure, with the increase being largely due to capital investment to cope with the COVID-19 Pandemic. As above, the method used for this calculation (relating to things that we buy) is directly related to the amount spent and as more money was spent in 2020/21 this shows greater carbon emissions and therefore using this method the only way to get to zero is to spend nothing, unless a new model is provided for these calculations.

The Carbon Footprint, however, shows a decrease of 8% (1,935 tonnes CO2) since 2019/20. These calculations are based on actual measurements of use converted into carbon emissions, e.g. kWh electricity using current CO2e conversion factors.

The Net Zero Target for the NHS Carbon Footprint is 2040 and for NHS Carbon Footprint Plus is 2045 so at the present time the Trust is focusing on reducing the NHS Carbon Footprint, which can be accurately calculated and which relates to emissions that the Trust can directly control.

The pie charts (below) provide more detail on the breakdown of the Carbon Footprint and the Carbon Footprint plus.





Currently 75% of the Trust's carbon emissions are from buildings energy use, 15% anaesthetic gases, fleet travel 5% Total 23.3k tonnes CO2e for our Carbon Footprint. The summary below shows the largest overall reductions achieved since 2013/14 and also the largest reductions since 2019/20

Since 2007/08 (equivalent to 1990 according to SDU report 2010)

- Emissions from grid electricity reduced by 80%
- Emissions from Grey Fleet vehicles reduced by 9%
- Emissions from nitrous oxide reduced by 5%
- **Overall NHS Carbon Footprint reduced by 11%**

Since 2013/14

- Emissions from Buildings energy use reduced by 29%
- Emissions from waste sent to landfill reduced by 99%
- **Overall Carbon Footprint reduced by 27%**
- **Overall Carbon Footprint Plus reduced by 13%**

Since 2019/20

- Desflurane (anaesthetic gas) emissions reduced by 78%
- Fleet and Business mileage reduced by 30%
- Emissions from water use and treatment reduced by 14%
- Reduction in single use plastic items in catering by 10%
- **Carbon Footprint reduced by 8%**
- **Carbon Footprint Plus increased by 6.8%**

Mandatory Carbon Emission Reporting

The Trust's CO_2 equivalent emissions are outlined below. The Trust records CO_2 equivalent (or CO_2e) emissions under three different scopes, Scope 1, 2 and 3, as required. The table below lists what is included in each Scope as sources of CO_2e, and the quantities in each category.

Total Trust emissions 2020/21

Scope	Category	Carbon Emissions (tCO2e)
Scope 1 (Direct)	Gas	**13,428**
	Oil	**2**
	Coal	**-**
	Owned Vehicles	258
	Anaesthetic Gases	3,552
	Inhalers	576
	Sub-total	**17,816**
Scope 2 (Indirect)	Thermal Energy (net of imports)	**-**
	Electricity (net of imports)	1,843
	Sub total	**1,843**
Scope 3 (Indirect)	Procurement	52,225
	Commissioning	42
	Travel (and well to tank (WTT))	21,180
	Waste	99
	Energy – WTT + Transmission+ distribution	2,371
	Water	279
	Sub- total	**76,197**
Overall	**Total**	**95,856**

Scope 1 emissions are those produced directly on our estate such as the emissions of owned vehicles, gas and anaesthetic gases. Scope 2 is emissions from the electricity we import from the grid, with Scope 3 accounting for indirect emissions such as our business travel and the items that we buy.

In 2020/21 total CO_2e emissions (95,856 tonnes Co2e) had increased by 6,079 tonnes (6.8%) from 2019/20. This is the first year since 2015/16 that an increase has been reported. This increase is due to the procurement emissions calculation which is directly related to spend. There has been a significant increase in spend as a result of the COVID-19 pandemic.

It should be noted that reporting all three scopes is not mandatory and many NHS Trusts and other organisations choose only to report Scopes 1 and 2. This Trust has consistently reduced, and continues to reduce, Scopes 1 and 2 emissions since 2013/14 with energy from buildings being the largest portion of these emissions. The total emissions from Scopes 1 and 2 in 2020/21 reduced by 6.4 % (1,341 tonnes CO2e), as compared with the previous year.

With gas contributing 68% of our combined Scope 1 and 2 emissions and 14% of total emissions, it is clear that this is an area where significant reductions need to be made in order to meet NHS carbon reduction targets. Procurement contributed 54% of all Trust emissions and whilst the Trust can influence this spend, the NHS supply chain will be critical

to reductions in the area, especially as there are central targets to increase the proportion of items NHS trusts buy via this route.

Despite these successes, progress needs to be accelerated. The “Delivering a Net Zero NHS” document published in October 2020 details the targets to reduce the NHS Carbon Footprint (scope 1 and 2 emissions, business travel and upstream energy distribution) by 80% by 2032 and the NHS Carbon Footprint Plus (all emissions) by 80% by 2039 from a 1990 baseline. In order to reach these targets, year on year reductions of 7.75% and 4.7% respectively will be required. The following are the key areas of focus in order to achieve these targets.

Key Areas of Focus

Adaptation

Climate change brings new challenges to our business, both in direct effects to the healthcare estates, but also to patient health. Examples in recent years include the effects of heat waves, extreme temperatures and prolonged periods of cold, floods, droughts etc. Our Board-approved Green Plan makes reference to the plans to address the potential need to adapt the delivery of the organisation's activities and infrastructure to climate change and adverse weather events.

Formal emergency planning procedures are in place to deal with any adverse weather circumstances, which include current and future climate change risks. Events such as heatwaves, cold snaps and flooding are expected to increase as a result of climate change. To ensure that our services continue to meet the needs of our local population during such events we have developed and implemented a number of policies and protocols in partnership with other local agencies.

The Trust’s Emergency Planning Steering Group (‘EPSG’) maintains a risk register, including the risks of severe weather such as flooding, heatwave etc. Issues arising from these risks can include risk to life, damage and disruption to properties, utilities and infrastructure, short term homelessness and increased admissions and hospital attendances. The EPSG also tests, reviews and monitors related plans and policies such as the Incidence Response Plan that incorporates the Adverse Weather Plan.

The Adverse Weather Plan provides temporary mitigation measures to respond to the effects of short-notice and short-term climatic events and is not responsible for long-term, permanent solution projects such as upgrading infrastructure environmental control and heating systems. The plan does however provide data collection opportunities to inform longer-term capital planning, risk identification and mitigation. Data collected during the implementation of the Adverse Weather Plan will be included in the annual report submitted by the Emergency Planning Manager to the Executive Committee and will be shared with the Head of Sustainability. This information will then be used to provide historical data sets to inform future Capital, Estate and Maintenance Planning.

In addition to the above, the Trust’s Sustainable Building Design Guide was introduced in 2018 to provide guidance on the measures which can be taken to reduce the impact of the changing climate for all Trust new build and refurbishment work. A pilot scheme has been proposed for 2022/23 and funding allocated to wirelessly test temperature monitoring on the wards where overheating can impact on patient care.

Sustainable Care Models

The Trust works with partners in the health and care system to reduce environmental impact, promote prevention and self-care. For example, anaesthetic gases used in surgery, such as desflurane and sevoflurane, have very high CO2 equivalent values (CO_2e). Desflurane is the most environmentally harmful, with a Global Warming Potential (GWP) of 3.72tCO_2e/litre (3720 times that of CO_2e). Sevoflurane is a viable alternative to desflurane in many clinical situations and has a significantly lower GWP of 0.2tCO_2e/litre.

The NHS Standard Contract for 2021/22 (SC18) required that the proportion of desflurane to sevoflurane used in surgery is reduced to less than 10% by volume. In 2018/19 desflurane use by this metric was 38.2% and 8.5% by 2019/20, well below the requirement. This was further reduced in 2020/21 to 2.7%. The reduction achieved by preferential use of sevoflurane over desflurane by colleagues working in anaesthesia.

The carbon savings achieved from the changes are presented below, showing a reduction of 131 tCO_2e (35%) in total Desflurane and Sevoflurane emissions between 2019/20 and 2020/21, with a 77% reduction in Desflurane use. It is anticipated that further reductions that will be shown in the 2022/23 Trust Annual Report.

Desflurane and Sevoflurane use and associated emissions 2019/20 to 2020/21

Anaesthetic gases	**2019/20**	**2020/21**
Desflurane Volume used (Litres)	39	9
Desflurane Emissions (tCO_2e)	145	32
Sevoflurane Volume used (Litres)	422	326
Sevoflurane Emissions (tCO_2e)	84	65
% Desflurane	**8.5%**	**2.7%**
Total emissions (tCO_2e)	229	98
Total emissions reduction 2019/20 – 2020/21 (tCO2e)		**131**

Between 2009 and 2019 hospital outpatient visits increased from 54 to 94 million annually across the NHS, at a cost of £8 billion. The NHS Long Term Plan (v1.2 2019) outlines the intentions for a fundamental redesign of outpatient services across the National Health Service that is expected to deliver a one third reduction in face-to-face outpatient appointments by 2023/24. A key element of this redesign is to incorporate video and telephone appointments into the services that NHS Trusts provide.

The Trust began a pair of concurrent video appointment trials in January 2020, to provide a range of departments with the technology to offer remote consultations to patients. It was intended that that these trials would inform a larger rollout of video appointments over the following months. However, the impact of COVID-19 on outpatient services across the country was such that there became an immediate, pressing need for non-face-to-face appointments. Staff across the Trust worked tirelessly to increase the availability of these appointments and as a result 27% of out-patient appointments were non-face-to-face in 2020/21, occurring either by telephone or video appointment as compared to less than 2% in February 2020.

Capital Projects

Set against the complexity of retrofitting a mixed-age estate, capital projects provide an opportunity to influence building efficiency at the design, build, and commissioning stages. It is therefore essential that sustainability and carbon reduction be factored into capital projects throughout the process.

A Sustainable Building Design guide was introduced in 2018 to incorporate capital project procedures and sustainability checklists, together with the objectives to achieve Building Research Establishment Environmental Assessment Method (BREEAM) 'Excellent'/'Very Good', including the need to gain 'innovation credits' in the field of sustainable performance by incorporating innovative technology where practicably feasible and economically viable to do so, also tackling issues around resilience, biodiversity and the use of green space.

The use of the Design Guide embeds sustainability into work to refurbish and develop the estate through the use of a whole life costing approach, which will help to reduce running costs and future proof the organisation. The Scarborough Urgent and Emergency Care capital scheme for delivery in the coming year has a current score of 'Excellent' on the formal BREEAM assessment, which is now a requirement for new build schemes and a requirement of the business case approval process**.** Also, by working with our contractors, this Trust has a corporate social responsibility plan to deliver value outcomes (e.g. engagement of local small businesses, local labour, certified considerate construction, and local skills development) as well as initiatives to benefit local charities.

The Trust procurement for a minor works contractor was awarded to contractors that would benefit the local economy and social value outcomes (e.g., engagement of local small businesses, local labour, certified considerate construction, and local skills development). These principles are also embedded into the design specification for the proposed Vascular Imaging Unit (VIU). The Trust will also be ensuring that the new VIU Facility is accredited using BREEAM.

We continue to monitor space utilisation across our estate to ensure we maximise the value of our estate, knowing that the most efficient estate is a lean estate. It continues to be our policy to consider brownfield sites rather than greenfield sites for capital projects. For example, we are currently exploring the feasibility of another 'over-build' solution to create additional accommodation for the laboratory medicine/pathology services at York Hospital.

Our People

The Trust has continued to expand the suite of support for all staff during the last year. A lot of this support has, of course, been in response to the added challenges that the global pandemic has brought. Enhanced support both locally and nationally has focussed on maintaining wellness in addition to identifying employees' level of individual risk factors in relation to COVID-19.

Changes in working practices were supported to increase the opportunities of working from home where appropriate and complying with government guidance to keep staff safe within the workplace, thereby reducing the commute mileage for staff. Food parcels and free lunch packs were available to maintain health and wellbeing of ward based staff particularly, during the early months of the pandemic.

The Trust has been very much aware of the impact on staff's mental health and additional resources have been available to support the workforce. Health support has moved more virtually with health checks, virtual activity sessions and Weight Management, Eating Well, and Being Active workshops all moving on-line and being more easily accessible.

There have been traumatic events that will stay with staff for years to come and the Trust has sought to reach out to all staff that have been present during these events to offer support at an early stage to try and rationalise events and signpost staff for further support as required. This has been undertaken in a structured way through a risk assessment process following such events.

Finally, the Trust has also developed a 'prompt sheet' to assist managers when they are re-integrating staff back into their substantive roles. Some staff have been redeployed in response to the pandemic, whilst other staff groups included Shielding staff, those with COVID-19 related absence and some that remained in their substantive roles. Bringing staff all back together will present its own challenges at different times and the prompt sheet helps managers to be aware of possible flash points and how and where they can get further support.

Green Space and Biodiversity

Supporting access to green space has benefits for mental and physical wellbeing. It can also lead to improved air quality, noise reduction, and supports the local biodiversity, to combat some of the impacts of our changing climate.

The Trust's Sustainable Design Guidance highlights the need to give consideration to green walls and green roofs. These additions have biodiversity benefits, as well as improving the appearance of Trust sites, reduce the impact of surface water flooding and surface water drainage, provide insulation and can also protect underlying building materials from increasing rainfall intensity. Any new building schemes under development will now follow this guidance. The recent helipad development, in the vicinity of the planned Scarborough Emergency, Urgent and Critical Care Department, has provided the opportunity to enhance the surrounding land by sowing the bund and flat land with meadow flowers and bee bombs to encourage flora and fauna into the area**.**

Over the last year work started to introduce over 20 wellbeing garden spaces across the Trust. These gardens address concerns highlighted in a recent survey around staff and patient outdoor areas for seating, interaction and reflection. These wellbeing garden spaces have been created across the Trust funded by York & Scarborough Hospitals Charity who received a £200,000 donation from Yorkshire artist Harland Miller. Three of the gardens are still to be created in the spring, two at York hospital and one at Scarborough. One of the gardens in York will provide a place for a Hospital bed to be brought down from a ward and give opportunity for access to open garden space and has been supported by a donation from York Rotary Club. These gardens have created well-being spaces across the Trust and provided increased opportunity for staff, patients, and visitors to spend time outside. All the gardens are part of a collaborative process between teams from estates, sustainability, funding, arts, staff benefits, capital planning, patient experience, finance, accessibility, and the staff who applied and are developing the green wellbeing spaces.

Partnerships

The NHS policy framework already sets the scene for commissioners and providers to operate in a sustainable manner. Crucially for us as an NHS provider organisation, evidence of this commitment will need to be provided in part through contracting mechanisms. Strategic partnerships are established with the following organisations: Hull and North Yorkshire Integrated Care Partnership, York and North Yorkshire Local Enterprise Partnership, North Yorkshire County Council, and City of York Council and its partners.

The Trust's Sustainable Development Group has continued to deliver sustainability communication and engagement work through a range of events and activities across several sites. This has included, for example, personal travel planning and active travel advice, National Clean Air Day, and staff messages on a variety of sustainability and carbon reduction measures. Many of these activities have been undertaken in partnership with others, such as local councils, and contractors, and are often based on best practice from other NHS trusts and the Greener NHS (formerly the national Sustainable Development Unit).

All of our partners are working to reach Net Zero by at least 2050 in line with the Climate Change Act. Some organisations such as City of York Council have gone further and set more ambitious targets such as a 2030 Net Zero target for scope 1 and 2 emissions. Through the York and North Yorkshire Local Enterprise Partnership and the Humber and North Yorkshire Integrated Care Partnership (HNY ICS), we share best practice and ideas so that all groups can make progress and achieve some economies of scale. This Trust shared its Green Plan with the HNY ICS and contributed to discussions over the development of the ICS Green Plan.

Performance - Organisational change

Sustainability has to be considered in the context of the overall challenges facing the NHS. With an ageing population, obesity rates among the highest in Europe and an increasing proportion of patients with multiple chronic conditions, the backdrop is challenging. In 2020 /21 the Trust added 1,024m^2 and in 2019/20, the Trust added 6500m^2 to its estate in comparison to 2018/19 and FTE staff numbers have increased to 9,007, which is an increase of by 29% over the past 5 years.

Units	2016/17	2017/18	2018/19	2019/20	2020/21
M^2	191,234	158,642	156,646	163,329	164,353
Number of FTE Staff	6,968	8,313	8,113	8,276	9,007

The NHS Standard Contract sustainability section (SC18) outlines key initiatives for the coming years and the Trust is working to achieve these targets.

The Trust has supported the long-term commitment of the NHS to becoming carbon neutral by:

- Historically making significant reductions to our carbon emissions by installing combined heat and power plants at our major sites, along with improvements to insulation, lighting and heating controls;

- Currently our decarbonisation plans are being updated following recent successes with our Public Sector Decarbonisation Scheme grant applications for York and Bridlington Hospitals;
- Establishing digital twin projects at our Scarborough and Selby hospitals to assess the carbon reduction potential at these sites and to help further decarbonisation plans;
- Encouraging staff to use the travel hierarchy and consider alternatives to travelling by car as a sole occupant;
- Encouraging increased use of teleconferencing to reduce inter-site travel;
- Considering our procurement options and undertaking sustainability impact of all new business cases;
- Ensuring that as much of our waste is recycled or used in waste to energy plant as possible;
- Using the material reuse portal “Warp It” to reduce waste and procurement cost and save carbon emissions by encouraging internal reuse of items;
- Running switch off campaigns to encourage staff to reduce energy use and increase engagement;
- Through groups of key staff reviewing energy use;
- Working with anaesthetists to encourage reduction in the use of desflurane in favour of more environmentally friendly anaesthetic gases; and,
- Working to increase access to patient teleconferencing/videoconferencing to reduce unnecessary travel for patients.

The Trust will continue to support the transition to Net Zero through further measures such as the requirements of the NHS Standard Contract, NHS Long Term Plan and Delivering a Net Zero National Health Service documents. Further details about these targets and how they will be achieved are set out in the Trust Green Plan. The sections which follow provide quantifiable changes in carbon emissions.

Energy

In the previous Annual Report, the Trust advised that carbon emission from energy increased by 5.7% between 2018/19 and 2019/20, following a reduction of 12% from 2016/17-2018/19. This reduction was due to an under reporting of gas use in 2018-19 as a result of billing issues and it was compensated for by a 6.2% increase in reported usage in 2019/20. Electricity use also increased by approx. 3.5% but this was likely to be as a result of the increase in floor area from the introduction of the new endoscopy building at York Hospital. Oil use also showed a significant increase but this was actually a record of oil bought in the year when the price dropped and most of this is now stored for use by back-up generators.

During 2020/21, the consumption of gas reduced and electricity increased, the overall carbon emissions continued with a reduction against the previous year due to the decarbonised CO_2 factors for electricity.

Resource	kWh/tCO2e	2016/17	2017/18	2018/19	2019/20	2020/21
Gas	Use (kWh)	70,495,528	73,615,758	69,598,117	73,941,860	73,029,801
Gas	CO2 emissions (tCO2e)	14,733	15,608	14,583	15,559	15,363
Electricity	Use (kWh)	9,579,760	6,629,918	7,422,655	7,688,289	7,905,497
Electricity	CO2 emissions (tCO2e)	4,951	2,955	2,618	2,429	2,279
Oil	Use (kWh)	-	-	188,370	814,028	6,200
Oil	CO2 emissions (tCO2e)	-	-	10	48	0

The Trust has previously made cost and carbon savings by installing combined heat and power systems (CHPs) at its largest sites. However, the grid has rapidly decarbonised over recent years and whilst the CHPs still provide financial savings, the electricity they produce is no longer less carbon intensive than grid imports.

Energy Metrics						
Metric	Unit	2016/17	2017/18	2018/19	2019/20	2020/21
Total emissions from energy	(tCO2e)	19,683	18,563	17,261	18,245	17,644
Emissions per patient contact	(kgCO2e)	15.1	14.5	14.9	15.0	18.0
Total energy Spend	(£)	£2,660,680	£2,796,746	£2,856,730	£2,630,580	£2,449,467

Since both total carbon emissions from energy and patient contacts decreased during the last year, the overall picture is an increase in carbon emissions from energy per patient contact. It is assumed that this is the result in changes in the way the hospital was occupied due to the COVID-19 pandemic, which resulted in significantly lower numbers of patient contacts during this period.

Total energy spend decreased by £181,110 largely due to lower gas unit costs, but the 2021/2022 spend is anticipated to show an increase of around £1m against last year due to the rapidly escalating energy costs caused by the energy markets.

York Hospital emissions have been reported under the mandatory European Union, now UK, Emissions Trading System (EU/UK ETS) as the site has boilers sized for a gas input of more than 20MW for the production of thermal energy.

EU/UK ETS Charges 2017-2021	
Year	**Cost**
2017	£9,839
2018	£11,202
2019	£29,949
2020	£52,977
2021	£5,036

The UK ETS system was introduced with higher allowance targets which meant that the 2021 charges were significantly less but it is anticipated that these charges will increase exponentially over time with the estimated charges next year being £14,560. During 2019/20, the Trust reviewed the size of its gas boilers at York Hospital to determine how they could be more closely matched to the actual heat demand. The largest oldest boiler is now to be removed and replaced with a much smaller boiler.

During 2021, the Trust was successful in its applications for Public Sector Decarbonisation Grants which will see works being undertaken in 2022/23 at York and Bridlington Hospitals. The £4.735 million grant for Bridlington Hospital and £4.338 million grant for York Hospital from the Department for Business, Energy and Industrial Strategy (BEIS) and

managed by Salix Finance, supports the transition from fossil fuel such as gas, oil and coal heating to renewable technologies.

At Bridlington Hospital the funding has the potential to make the site a shining example of sustainability, reducing by more than 80% carbon emissions at the site, by replacing a twenty year old boiler with air source heat pumps, together with solar panels to the roof and land area surrounding the hospital, insulation to pipework and fitting high efficiency motors. York Hospital will also see energy efficiency improvements to the main ward block with external wall insulation and new windows, together with heat pumps and pipework insulation.

Re-use of goods and equipment

The re-use of goods and community equipment in the NHS has several key co-benefits: reducing cost to the NHS, reducing emissions from procuring and delivery of new goods and providing social value when items are re-used in the community. The Trust implemented a re-use portal in December 2019. The portal allows staff within the Trust to donate and claim items, such as furniture, and redistribute items to other users in the Trust. Using the system saved the Trust £4,800, nearly 3000kg of CO_2e and avoided 800kg of materials being turned into waste in the first 3 months of use. The COVID-19 pandemic and the associated changes to working practices and infection prevention guidelines have reduced uptake of the portal since March 2020 and total savings to date (March 2021) were £6600, 3800kg of CO_2e emissions and 1100kg of waste saved from disposal. Further promotion of Warp-It is planned in 2022.

Plastic straws have been removed from Trust restaurants and from regular meal service (NB. a small number of plastic straws are still used by patients who require a flexible necked straw). Single-use plastic takeaway food containers have been replaced with compostable alternatives, alongside the sale of re-useable cups to encourage staff to take drinks away in reusable containers. The Trust signed the NHS Plastics Pledge in March 2020, committing to reducing the number of single use plastics used in the Trust.

Travel and Logistics

The tables below outline the number of miles and CO_2e emissions for each transport category.

Category	Units	2016/17	2017/18	2018/19	2019/20	2020/21
Fleet and Pool Vehicles	(Miles)	251,523	465,921	948,578	1,087,558	933,895
Fleet and Pool Vehicles	(tCO2e)	76	134	276	310	258
Business travel	(Miles)	251,523	465,921	948,578	1,087,558	933,895
Business travel	(tCO2e)	659	866	1,413	1,328	921
Business travel via active/public transport	(Miles)	599	443,054	435,746	663,822	70,331
Business travel via active/public transport	(tCO2e)	-	22	28	104	103
Owned Electric and PHEV	(Miles)	29,790	83,845	83,845	114,722	102,242
Owned Electric and PHEV	(tCO2e)	3	10	10	13	12
Annual Total	**(Miles)**	**533,435**	**1,458,741**	**2,416,747**	**2,953,660**	**2,040,363**
Annual Total	**(tCO2e)**	**738**	**1,032**	**1,726**	**1,755**	**1,293**

Table 1: Transport emissions excluding staff commute and patient and visitor travel

The Trust emissions from its fleet have increased every year until last year when the COVID-19 Pandemic and the availability of tele- and video-conferencing reduced the need for travel.

Category	Units	2016/17	2017/18	2018/19	2019/20	2020/21
Patient and Visitor Travel	(Miles)	45,354,442	44,472,456	40,378,884	42,412,819	34,091,808
Patient and Visitor Travel	(tCO2e)	16,392	15,847	15,599	15,176	11,625
Staff Commute	(Miles)	19,447,688	23,201,583	22,643,383	23,098,316	25,138,537
Staff Commute	(tCO2e)	7,029	8,267	8,747	8,265	8,572
Annual Total	**(Miles)**	**64,802,130**	**67,674,039**	**63,022,267**	**65,511,135**	**59,230,345**
Annual Total	**(tCO2e)**	**23,420**	**24,114**	**24,346**	**23,440**	**20,198**

Table 2: Transport emissions – staff commute and patient and visitor travel

We can improve local air quality and improve the health of our community by promoting active travel - to our staff and to the patients and public that use our services - and by converting the vehicles used in connection with the Trust services to electric. The Trust has already implemented a CO2 cap on all new business leases and plans are being put in place to reduce this limit.

The 2019 Trust Travel Plan (which is currently being reviewed) takes account of the NHS Long Term Plan Targets and the recent staff and patient/visitor travel surveys. The Travel Plan has five aims around which various targets and prioritised actions have been developed:

- To support and encourage healthy and active travel;
- To reduce travel related pollution and traffic congestion;
- To reduce single occupancy car journeys;
- To ensure that there is fair, consistent and adequate provision of transport and travel choices for all staff, patients and visitors; and,
- To contribute to the Trust wide environmental sustainability agenda.

Work has continued to promote healthy and active travel through a range of online promotions to staff at our York and Scarborough hospital sites (in conjunction with City of York Council and North Yorkshire County Council). This work has been supplemented with new additions such as the My PTP Tool and electric scooters.

My PTP tool: My PTP (provided by Liftshare as part of the car journey sharing software package), is a free travel-planning tool that offers staff an opportunity to input their work commute/journey and be sent all available travel options and information including duration, outbound and return journey details, maps, calories burned etc. Launched in December 2020, 73 staff had used this tool and downloaded personalised travel plans as of March 2021.

Electric Scooters (York): In December 2020 York Hospital provided an electric scooter parking bay and thereby became a network location in the new City of York Council (Department for Transport approved) electric scooter and electric bikes scheme. Based on a pool-bike concept, the network has been fully established across York City centre and surrounding residential areas. This scheme offers an additional, fully electric, low carbon travel option for patients and visitors. Since the start of the scheme, over 3,760 journeys have been made to and from the hospital.

The 2017 NICE Guidance (NG70) on Air Pollution: Outdoor Air Quality and Health, which covers road-traffic related air pollution and its links to ill health, has served to highlight the need for action based on the links between action to improve air quality and the prevention of a range of health conditions and deaths. The Trust has recorded its current status on NG70 as 'Partially compliant with an action plan'.

The Trust also participates in National Clean Air Day promotions with the City of York Council on an annual basis, with a focus on encouraging modal shift towards more sustainable transport options and reducing idling of stationary vehicles on site.

The York Hospital Park and Ride was established in April 2019 to provide staff and visitors with the opportunity to park on the outer ring road and travel direct to the hospital. The bus service helps to reduce local emissions in peak periods and improve the hospital car parking availability for those who need it most. The increasing numbers of use by both staff and visitor users, combined with the positive feedback about the service, led to agreement to continue this service for at least a further three years from April 2020. Passenger numbers declined significantly in 2020/2021 due to COVID-19, which affected all public transport patronage and changed staff/patient travel habits and working patterns. However, promotion of the service has recently increased now social distancing measures have been lifted. Public confidence in bus services and associated modal shift will take time to return, but we will push to make the bus a sustainable travel option for staff and patients/visitors and relieve pressure on the hospital car parks.

The Trust continues to use Liftshare (a car journey sharing platform) where colleagues can travel together to work and compensate the driver for petrol. This has a number of benefits:

- Reduced cost of travel for staff;
- Reduced single occupancy car journeys and associated emissions; and,
- Increased availability of on-site parking.

As of March 2021, the Trust Liftshare scheme had 546 members; exceeding the 468-member target set in the Travel Plan (a new target will be set but currently our Trust is preventing promotion, due to the continuing high number of cases of COVID-19 locally. This has been in place since the introduction of COVID-19 social distancing rules which have now been lifted).

The Trust is also working in partnership with NHS Supply Chain to reduce the number is single supplier deliveries and consolidate to a smaller the number of deliveries that are made to site.

Waste

Total waste increased by 114 tonnes (4.8%) between 2019/20 and 2020/21, during this time patient contacts decreased by 19.6% and there was a significant increase (30.3%) in waste volume per patient contact. Two additional lines have been added to the table to show the trend. It is assumed that this is as a result of the COVID-19 Pandemic practices.

Trust waste overview 2016/17- 2020/21

Category	Units	2016/17	2017/18	2018/19	2019/20	2020/21
Recycling	**Tonnes**	599	645	615	576	665
Recycling	**tCO_2e**	13	14	13	12	14
Other Recovery	**Tonnes**	938	1,371	1,364	1,490	1,598
Other Recovery	**tCO_2e**	20	30	29	32	34
Incineration Disposal	**Tonnes**	253	-	279	296	223
Incineration Disposal	**tCO_2e**	56	-	61	65	50
Landfill Disposal	**Tonnes**	590	613	67	14	4
Landfill Disposal	**tCO_2e**	183	211	23	5	1
Total Spend	**£**	**515,920**	**566,291**	**1,119,673**	**1,706,021**	**1,528,931**
Total Waste	**Tonnes**	**2,380**	**2,629**	**2,325**	**2,376**	**2,490**
Total CO_2	**tCO_2e**	**272**	**255**	**126**	**114**	**99**
Proportion recycled	**%**	**25.17**	**24.53**	**26.45**	**24.24**	**26.71**
Patient contacts	**number**	1,304,038	1,278,679	1,160,980	1,219.460	980,213
kg per patient contact	**kg**	**1.83**	**2.05**	**2.00**	**1.95**	**2.54**

It is encouraging to note that Total CO_2e (carbon) emissions from waste dropped from 15 tCO_2e in 2020/21 as part of a continuing trend due largely to all black bag waste going into a local waste to energy facility at Allerton Park. In total, this continuing trend in reductions has led to a decrease in carbon emissions from waste of 63.6% between 2016/17 and 2020/21.

Landfill waste also continues to fall, the Trust only sent 4 tonnes of waste to landfill in 2019/20, a decrease on the previous year and now only 0.2% of the total waste tonnage, whilst recycling rates increased by 2.5% to 26.7%.

Water and Sewerage

Water use and associated emissions decreased by 14.4% between 2019/20 and 2020/21 but this can be attributed to the reduction inpatient contacts which decreased by 19.6% during this period due to the COVID-19 pandemic restrictions.

Category	Units	2016/17	2017/18	2018/19	2019/20	2020/21
Mains water & Sewerage	**m^3**	270,981	287,488	297,250	358,217	306,763
Mains water & Sewerage	**tCO_2e**	247	262	271	326	279

In the News – Moments in Our Year

In this last year our work has once again been dominated by COVID-19, which continued to present the NHS with the greatest challenge it has faced since its creation. However, our health service - through our skilled and dedicated staff - is renowned for the professional, flexible and resilient way that it responds to adversity and as an entire Trust pulled together, as one, in a coordinated effort.

As a Trust we are incredibly proud and thankful for everything our staff have done, and continue to do, in the face of pressure and challenges of the global pandemic. We continue to be humbled by their strength, resilience and tenacity.

April 2021

New name for the Trust

Following an extensive engagement exercise with our key stakeholders, the public and staff, from 1 April 2021 we formally changed the Trust name to 'York and Scarborough Teaching Hospitals NHS Foundation Trust'.

The change helps us be more inclusive for our staff and move forward as a single organisation. We also believe the name better reflects our organisation's purpose and will help us with some of our strategic challenges. It also provides a more honest description of the Trust and improves our connections with all of the communities we serve.

May 2021

A Great Big Thank You!

In May we launched our 'Great Big Thank You' campaign for staff.

After the most difficult year most people have ever faced on a personal and professional level, the Trust launched 'The Great Big Thank You' campaign, which gave teams a £1,000 reward and every member of staff an extra day's leave for their birthday.

Chief Executive Simon Morritt, said: "Strength, dedication and commitment have been the backbone of everything staff have achieved over the last year. It is difficult to articulate my gratitude; however - as the saying goes - actions speak louder than words."

There were many more rewards and gestures of thanks throughout the summer, culminating on the NHS 72 birthday with a COVID-19 thank you keepsake badge for all staff and volunteers.

New values

This month we also launched our new Trust-wide values, which were developed through extensive staff engagement. Our new values are kindness, openness and excellence. Every individual across the Trust is involved in making hundreds of decisions every day and these values help inform our thoughts, words, and actions.

June 2021

Inspiring tomorrow's leaders

In June, York Hospital collaborated with academics from the University of York and industry partners to offer local sixth form students the opportunity to discover more about the fascinating world of computing and its applications in real world settings.

Paul Laboi, renal physician at York Hospital, teamed up with Dr Ibrahim Habli of the Department of Computer Science at the University of York to organise a virtual programme for Year 12 students at York state schools. The programme mixed theoretical and practical applications of computer science in medicine in particular, offering students a chance to learn about the fundamentals of IT in healthcare, team working, how to put humans at the centre of the development process, as well as considering the ethical and social implications of the use of AI in healthcare.

Dr Laboi said: "Modern technology is hugely inter-linked with medicine. To inspire the interest of tomorrow's leaders in IT we need to be able to show them what opportunities exist."

July 2021

COVID-19 mouthwash study

In July, our Research team launched a new innovative clinical trial to see whether using mouthwash can inactivate the COVID-19 virus.

A previous study between the Trust and Public Health England (PHE) has proven that multiple commercially available mouthwashes reduce the level of SARS-CoV-2, the virus that causes COVID-19, in a laboratory setting. This trial investigates how well mouthwashes perform in the real world, and how long the effects last for.

David Seymour, Consultant in Oral Rehabilitation, explained: "Mouthwashes that we found can kill coronavirus in a laboratory is an exciting development, which we are now studying in patients. This simple procedure could be a useful mitigation against coronavirus for the dental sector and potentially other close contact sectors."

August 2021

Quality Councils

In August, we launched new quality councils in order to improve patient care. The quality councils are made up of staff that are passionate about making the small quality improvements that can make a big difference within child health, women's health and sexual

health. The groups choose small projects to work on that have been identified from staff feedback.

September 2021

A new way for patients to manage their health

In September, the Trust introduced a new patient-powered digital service accredited by the NHS - Patients Know Best (PKB). Designed to improve patient experience, it offers online access to personal health records to revolutionise the way patients access and use NHS services.

The service integrates patient data from existing IT systems - from local hospitals, GP surgeries, social care, and mental health services, to create one complete, 'live' health record.

James Taylor, Medical Director at the Trust said: "Patients of the Trust can now access all their outpatient appointments from any device. In the near future they will also be able to view their medical letters, test results, care plans and hospital discharge information, offering patients an active role in tracking and monitoring their health."

October 2021

Award winning Trust

This month, the Diabetes Education Team made their mark at the celebrated Quality in Care Awards sweeping up the best Diabetes Education Programme trophy for their 'Good2Go' education course for people newly diagnosed with Type 2 diabetes.

The team adapted their face-to-face diabetes education programmes into a virtual webinar, delivered daytime or evening, or a workbook with one to-one Q&A for those without internet access.

The judges commented: "The York and Scarborough team's entry was a comprehensive and thoughtful review of how to deliver education and meet varying patient needs."

The Trust's Rapid Diagnosis Centre (RDC) were also finalists in the prestigious BMJ awards. The team were selected from more than 1,000 applicants for the cancer care category.

The RDC has gone from strength to strength since it was launched in January 2020. It offers patients with symptoms that are cause for concern but do not meet the criteria for urgent cancer referral a rapid diagnostic at a one stop clinic. This involves radiology and endoscopy with either onward internal referral to the appropriate speciality, or back to their GP.

The feedback from the judges was extremely positive, highlighting great team work and excellent clinical engagement and praised the service as patient centred and innovative with a holistic approach.

November 2021

Major development for York A&E

In November, work started on a multi-million pound improvement to the Emergency Department (A&E) at York Hospital.

The project will expand and redesign the department's urgent and emergency care facilities. This requires significant work on site to create a two-storey extension which will provide a vital new eight bedded resuscitation area, along with improvements to both the waiting room and the consultation and treatment areas to increase capacity and provide better care for patients. It also includes twelve new assessment and treatment cubicles, where patients will be seen and assessed by a senior member of the team.

Once complete it will bring significant improvement for both staff and patients.

December 2021

Autumn Project

One of the Trust priorities is for patients to live well and die well. A new pilot, the Autumn Project, was launched to support patients at the end of life and their families.

The Autumn Project improves the quality of care for patients and their loved ones as they spend their last days together, as well as providing consistency of care across the wards.

As part of the wider Autumn Project the Trust has invested in Autumn Rooms and specially designed screens to ensure privacy and dignity is maintained.

January 2022

Trust appoints new Chair

In January we confirmed Alan Downey as the new Chair of York and Scarborough Teaching Hospitals NHS Foundation Trust. Alan succeeds Sue Symington, who was appointed as Designate Integrated Care System Chair for the Humber, Coast and Vale Health and Care Partnership.

Alans's appointment was made and confirmed by the Council of Governors at their meeting on 13 January 2022.

Simon Morritt, Chief Executive said: "I am confident that Alan will provide excellent leadership as the Trust continues to strive to provide excellent care in the very challenging and demanding healthcare environment we are operating in.

"With his wealth of experience Alan is ideally placed to lead our Trust in the next phase of our journey, as we navigate our way through the pandemic and develop our role within the Humber and North Yorkshire Heath and Care Partnership Integrated Care System."

New research hub to improve care for long term conditions

Also in January, the Scarborough Multimorbidity Research Hub was officially launched, in partnership with Hull York Medical School (HYMS). The Hub brings together clinical researchers in both primary and secondary care to deliver research studies to benefit patients on the East Coast.

The Hub will enable patients with two or more long term conditions to take part in research studies into diseases such as chronic obstructive pulmonary disease (COPD), diabetes, asthma, heart failure and stroke.

This means that patients whose care is normally delivered in a community setting, such as GP surgery clinics, will be able to take part in studies that will help researchers improve treatment in the future.

February 2022

Specialist scanner for East Coast cancer patients

In February, a new specialist scanner was launched at Scarborough Hospital, which saves cancer patients on the East Coast a 90-mile round trip for a crucial scan.

The PET-CT scanner produces detailed three-dimensional images of the inside of the body to determine how far the cancer has spread and how well it's responding to treatment.

Previously all cancer patients from York, Scarborough, Malton, Bridlington and Selby needed to travel to other hospital sites to get access to this essential diagnostic test. The closest PET-CT scanners were located at Castle Hill Hospital in Hull, St James in Leeds and Newcastle.

The specialist scan means that clinicians can more quickly identify the presence, location and severity of cancers and the information is used to help ensure patients receive the right treatment.

March 2022

New ICU Pod opens

In March work completed on a new £2.5 million pound purpose built intensive care unit at York Hospital which will provide six new isolation beds for critical care.

The unit, which is linked directly to the Emergency Department, provides vital extra beds for patients who need critical care as well as extra capacity that will mean more day case operations can be carried out.

During the pandemic demand on critical care meant that we had to spill out of its usual footprint and use the theatres environment to deliver care to patients, the main reason for this was because we did not have enough isolation facilities on the critical care unit. This resulted in reduced operating for elective surgery which means patients have had to wait longer for their surgery.

The pod will negate the need to use other areas of the hospital in future and the right patients will be in the right place to receive care.

Accountability Report

Directors' Report

Composition of the Board of Directors

The Board membership during the year was as follows:

Executive Directors			
Name	Role	From	To
Simon Morritt	Chief Executive	August 2019	Present
Andrew Bertram	Finance Director Deputy Chief Executive	January 2009 May 2018	Present
Jim Taylor	Medical Director	October 2015	Present
Wendy Scott	Chief Operating Officer	Sept 2017	Present
Heather McNair	Chief Nurse	July 2019	Present
Polly McMeekin	Director of Workforce and OD	February 2019	Present
Dylan Roberts	Chief Digital Information Officer	August 2020	Present

Non-executive Directors			
Name	Role	From	To
Alan Downey	Chair	February 2022	Present
Susan Symington	Chair	April 2015	Nov 2021
Jenny McAleese	Non-executive Director Senior Independent Director Vice Chair	March 2017 May 2019 October 2020	Present Feb 2020 Present
Lorraine Boyd	Associate NED Non-executive Director	April 2018 July 2018	June 2018 Present
Lynne Mellor	Associate NED Non-executive Director	April 2018 July 2018	June 2018 Present
Stephen Holmberg	Non-executive Director Senior Independent Director	July 2019 March 2020	Present

Jim Dillon	Non-executive Director	July 2019	Present
Matt Morgan	Hull/York Medical School Stakeholder Non-executive Director	June 2020	Present
David Watson	Non-executive Director	Nov 2020	May 2021
Denise McConnell	Non-executive Director	Nov 2021	Present
Ashley Clay	Assoc. Non-executive Director	Nov 2021	Present

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

The Board of Directors has included an additional non-voting Director in the membership of the Board:

Non-voting Directors			
Name	Role	From	To
Lucy Brown	Director of Communications	February 2020	Present

The following changes occurred in the Board membership during the year:

- Susan Symington, Chair, resigned in November 2021.
- Alan Downey was appointed as the new Trust Chair in February 2022.
- Jenny McAleese, NED, was appointed as Interim Chair in December 2021 until the new Chair, Alan Downey, took up post.
- David Watson, NED, was appointed in November 2020 and resigned in May 2021.
- Denise McConnell, NED, was appointed in November 2021
- Ashley Clay, ANED, was appointed in November 2021.

The gender balance and age profile of the Board at 31 March 2022 was:

Gender		
	Female	**Male**
Non-executive Directors including Chair	4	5
Executive Directors	3	4
Corporate Directors	1	0

Age	
Range	**No. of Directors**
18 - 39	1
40 - 49	2
50 - 59	8
60 - 69	5
70+	0

Directors' Biographies

Under section 17 and 19 of Schedule 7 of the National Health Service Act 2006, the Chair, Chief Executive, Executive and Non-executive Directors were appointed to the Board of Directors as follows:

Chair – Susan Symington

Appointed 1 April 2015 to 31 March 2018
Reappointed 1 April 2018 to 31 March 2021
Reappointed 1 April 2021 to 30 November 2021 (resigned)

Prior to being appointed as Chair of our Trust on 1 April 2015, Susan was a Non-executive Director and Vice Chair of Harrogate and District NHS Foundation Trust. She served on the Board at Harrogate District NHS Foundation Trust from 2008 and continued to act as a Non-executive Director at the Beverley Building Society since appointment in 2013. Susan's executive background is within human resources / organisational development. She was previously HR Director for Bettys and Taylors of Harrogate.

Chair – Alan Downey

Appointed 1 February 2022

Alan began his career in the civil service before joining KPMG, where latterly he led the firm's public sector practice. He has subsequently held a number of Non-executive roles, including on the Board of South London & Maudsley NHS Foundation Trust and as Chair of South Tees Hospitals NHS Foundation Trust.

Chief Executive – Simon Morritt

Appointed August 2019

Simon joined the Trust from Chesterfield Royal Hospital NHS Foundation Trust, where he had been Chief Executive since 2016. He has more than 25 years' experience in the NHS, which he joined in September 1989 as a General Management Trainee in Greater Manchester. After roles across Yorkshire he went on to be successful in number of senior positions. His first Chief Executive post was for the Doncaster Central Primary Care Trust in October 2000 and he was appointed Chief Executive of the former Bradford and Airedale Teaching Primary Care Trust (now NHS Bradford and Airedale) in October 2006. Following his time in commissioning organisations, he became Chief Executive of Sheffield Children's Hospital.

Executive Finance Director – Andrew Bertram

Appointed January 2009
Deputy Chief Executive - appointed May 2018

Andrew has previously held a number of roles at the Trust, first joining in 1991 as a Finance Trainee as part of the NHS Graduate Management Training Scheme. On qualifying as an accountant, he undertook a number of finance

manager roles supporting many of the Trust's clinical teams. He then moved away from finance to take a general management role as Directorate Manager for Medicine. Andrew then joined the senior finance team, firstly at York, subsequently at Harrogate and District NHS Foundation Trust, as their Deputy Finance Director, and then returning to York to become the Executive Finance Director. He has since been appointed Deputy Chief Executive in May 2018.

Executive Medical Director – Jim Taylor

Appointed October 2015

Jim graduated with a dental degree from Glasgow University in 1983. He then worked in posts in Bristol, Manchester and Greater London before re-entering medical school and graduating from Charing Cross and Westminster Medical School in 1993. Jim was appointed Medical Director for the Trust in October 2015. He has served as a Consultant Maxillofacial Surgeon with the Trust since 2001, providing services across North Yorkshire, including Scarborough and Bridlington, during that time.

Executive Chief Nurse – Heather McNair

Appointed July 2019

Heather joined the Trust from her previous position as Director of Nursing and Quality at Barnsley Hospital NHS Foundation Trust. She is a qualified midwife and became Head of Midwifery at Huddersfield Royal Infirmary in 1998 before becoming Deputy Director of Nursing in 2001, a post she held for 10 years.

Executive Chief Operating Officer – Wendy Scott

Appointed September 2017

Wendy joined the Trust in July 2012, managing Scarborough, Whitby and Ryedale and York and Selby Community Services. She was the Director of Out of Hospital Care from October 2015 to August 2017, when she took up her current post as Chief Operating Officer. Wendy is a nurse by background and then moved into commissioning roles.

Executive Director of Workforce and Organisational Development – Polly McMeekin

Appointed February 2019

After graduating from Durham University in 2000, Polly began her career in Financial Services. In 2002 she joined the NHS working for Great Ormond Street Hospital, where she trained in Human Resource Management. Polly joined Harrogate and District NHS Foundation Trust 2009 and progressed to Deputy Director of Workforce and Organisational Development before she left in 2015. She joined the Trust in September 2015 as Deputy Director of Workforce reporting into the Chief Executive. She was subsequently appointed to the position of Director of Workforce and Organisational Development in February 2019. Her portfolio includes Human Resources, Organisational Development, Corporate Learning and Equality and Diversity.

Executive Chief Digital Information Officer – Dylan Roberts

Appointed August 2020

Dylan joined the board of the Trust as an executive Director and Chief Digital and Information Officer (CDIO) in August 2020. He comes to the Trust with a considerable amount of experience in delivering value from information and technology to affect better outcomes for people and places. He has played a key role locally, regionally and nationally representing local public services in the development and implementation of national IT strategy, policy and programmes. His role is to improve the way we use Information and Technology to improve patient outcomes and make everybody's jobs easier.

Non-executive Director - Jenny McAleese

Appointed 1 March 2017 to 28 February 2020
Senior Independent Director from May 2019 – February 2020
Vice Chair from September 2020

After graduating from Jesus College, Oxford in French and German, Jenny joined Grant Thornton and qualified as a chartered accountant. She remained with the firm for ten years, becoming an Audit Manager and then a Senior Healthcare Financial Consultant advising NHS Trusts. For 18 months she was seconded to the NHS Management Executive as a Business Analyst. In 1996, Jenny joined The Retreat Psychiatric Hospital in York as Director of Finance and a year later became Chief Executive until retiring in October 2016.

Non-executive Director – Lynne Mellor

Associate Non-executive Director from 1 April to 30 June 2018
Appointed 1 July 2018 to 30 June 2021

Lynne brings over 26 years of experience in the public and private sector, having held a wide-range of leadership positions with a particular focus in the network and IT sector.

Non-executive Director – Lorraine Boyd

Associate Non-executive Director from 1 April to 30 June 2018
Appointed 1 July 2018 to 30 June 2021

Lorraine is a GP and brings 30 years of experience of direct patient care. In recent years Lorraine has been involved as GP representative within NHS Vale of York Clinical Commissioning Group and The Humber, Coast and Vale Sustainability and Transformation Partnership. She is the founder Directory of City and Vale GP Alliance and she has supported the development of collaborative working between the Trust and primary care.

Non-executive Director – Jim Dillon

Appointed 1 July 2019

Jim was Chief Executive at Scarborough Borough Council from April 2006 until his recent retirement. Before that he was a Director at Ipswich Borough Council. Jim has a strong passion for the Scarborough area and wishes to continue contributing to improving the quality of life of the community through being a Director of the Trust and having been involved at a strategic level of health and wellbeing agenda at both local and regional levels for many years.

Non-executive Director – Stephen Holmberg

Appointed 1 July 2019
Senior Independent Director from March 2020

Stephen has been a Consultant Cardiologist in the NHS with more than 25 years' experience in direct patient care. He brings extensive experience as a previous Trust Board Executive and also held senior roles in other NHS organisations and the charitable sector. Steve has a strong interest in education in health care and in the development of safety and quality in patient care.

Non-executive Director (Hull/York Medical School Stakeholder) – Matt Morgan

Appointed 1 June 2020

Matt is Deputy Dean and Professor of Renal Medicine and Medical Education at Hull York Medical School. As Deputy Dean he supports the Dean in the strategic development and delivery of the Medical School. Matt has wide experience in both undergraduate and postgraduate medical and allied health profession education and is a Fellow of both the Higher Education Academy and the Royal College of Physicians. He has also been active in promoting diversity and inclusion in healthcare and healthcare education. He continues to practice as a consultant in renal medicine in the NHS.

Non-executive Director – David Watson

Appointed 1 November 2020 – 31 May 2021 (resigned)

David is a chartered accountant (Price Waterhouse) with a law degree from Cambridge University. He has worked throughout his career in the financial services sector and has held senior management roles within investment banking, private equity and asset management.

Non-executive Director - Denise McConnell

Appointed 1 November 2021

Denise is a qualified chartered accountant, and brings over 30 years of experience of working in the private, public and charitable sectors. Since 2011 she has worked in higher education where she was interim chief financial officer for a number of universities, including Hull and Durham.

Associate Non-executive Director - Ashley Clay

Appointed 1 November 2021

Ashley was appointed as an associate Non-executive Director of York and Scarborough Teaching Hospitals NHS Foundation Trust in 2021. He is a qualified chartered accountant, and brings over 14 years of experience of working in the private sector, where he has held a range of leadership positions throughout Europe.

A further Director has provided additional support to the Board:

Director of Communications – Lucy Brown

Appointed February 2020
Acting Director of Communications June 2018 – February 2020

Lucy joined the Trust in July 2008 as Communications Service Manager, bringing a wealth of knowledge with her. She established the Trust's first in-house communications function and was later appointed Head of Communications in 2011, reporting to the Chief Executive. Her portfolio includes media relations and PR, internal communications, stakeholder engagement and charity fundraising. She was appointed Acting Director of Communications in June 2018 and was appointed to the substantive role in February 2020.

Register of Directors' Interests

Declarations of interest by members of the Trust Board are sought at each meeting of the Board and its committees and recorded in the minutes of the relevant meetings. The Register of Interests of Board Members is published each year on the Trust website, and includes those interests recorded during the preceding 12 months for Directors whose appointments have terminated in-year.

Guidance to the codes defines 'relevant and material' interests as follows:

a) Directorships, including Non-executive Directorships held in private companies or PLCs (with the exception of those for dormant companies);

b) Ownership or part ownership of private companies, businesses or consultancies likely or possibly seeking to do business with the NHS;

c) Majority or controlling shareholding in organisations likely or possibly seeking to do business with the NHS;

d) A position of authority in a charity or voluntary organisation in the field of health and social care;

e) Any connection with a voluntary or other organisation contracting for NHS services;

f) Research funding / grants that may be received by an individual or department; and,

g) Interests in pooled funds that are under separate management.

The public can access the register on the website, or by making a request in writing to:

The Associate Director of Corporate Governance
York & Scarborough Hospitals NHS Foundation Trust
Wigginton Road
York YO31 8HE

Or by emailing mike.taylor@york.nhs.uk

Board Committees

During 2021/22 the Trust had five Board Committees: the Quality Assurance Committee, the Resources Assurance Committee, the Group Audit Committee, the Remuneration Committee and the Executive Committee.

All the Committees, except the Executive Committee, are chaired by a Non-executive Director and its membership is drawn from the Non-executive Directors. Each Committee is supported by the Executive Directors and managers of the Trust. The Executive Committee is chaired by the Chief Executive and is the senior operational Committee of the Trust.

The Remuneration Committee

Details of the Remuneration Committee can be found on page 88.

The Group Audit Committee

The Group Audit Committee met five times during the year. Attendance and membership of the Committee is as follows:

	11/05/21	10/06/21	16/09/21	09/12/21	17/03/22
Jenny McAleese (Chair)	✓	✓	✓	✓	✓
Lynne Mellor	-	-	✓	✓	✓
Lorraine Boyd	-	✓	-	-	-
David Watson	✓	-	-	-	-
Stephen Holmberg	✓	Ap	✓	✓	✓
Denise McConnell	-	-	-	✓	✓

A number of officers attended the meetings to provide assurance to the Committee, including:

- Andrew Bertram, Deputy Chief Executive / Finance Director
- Steve Kitching, Deputy Finance Director
- Helen Kemp-Taylor, Head of Internal Audit (until 31/12/21)
- Helen Higgs, Head of Internal Audit (from 01/01/22)
- Jonathan Hodgson, Audit Manager
- Steve Moss, Counter Fraud Officer
- Penny Gilyard, Director of Resources, YTHFM
- Caroline Johnson, Deputy Director of Governance and Patient Safety
- Mike Taylor, Associate Director of Corporate Governance
- Mark Dalton, Engagement Lead, Mazars
- Mark Outterside, Engagement Manager, Mazars

The Committee receives reports from internal and external auditors and undertakes reviews of financial, value for money and clinical reports on behalf of the Board of Directors. The Committee considers matters for both the Trust and YTHFM LLP.

The Committee's terms of reference require the Committee to:

- Monitor the integrity of the activities and performance of the Trust and YTHFM and any formal announcement relating to the Group's financial performance;
- Monitor governance and internal control for the Group;
- Monitor the effectiveness of the internal audit function for the Group;
- Consider the appointment of the external auditors, providing support to the appointment made by the Council of Governors;
- Review and monitor external audit's independence and objectivity and the effectiveness of the audit process for the Group;
- Develop and implement policy on the employment of the external auditors to supply non-audit services;
- Review standing orders, financial instructions and the scheme of delegation;
- Review the schedule of losses and compensation;
- Review the annual fraud report;
- Provide assurance to the Board of Directors on a regular basis; and,
- Report annually to the Board of Directors on its work in support of the Annual Governance Statement.

Each meeting considers the business that will enable the Committee to provide the assurance to the Board of Directors that the systems and processes in operation within the Trust are functioning effectively.

The Trust has an independent internal audit function provided by Audit Yorkshire. The internal audit service also provides audit services to a number of other Foundation Trusts and CCGs in the region. To coordinate the governance and working arrangements of the service, all Trusts that obtain services from the internal audit service are members of the Board of Audit Yorkshire.

The internal audit service agrees a work programme at the beginning of the financial year with the Trust. The service reports to each Group Audit Committee meeting on the progress of the work programme and provides detailed reports on the internal audits that have been completed during the previous quarter.

The list of activities below shows some of the work the Committee has undertaken during the year:

- Considered internal audit reports and reviewed the recommendations associated with the reports;
- Reviewed the progress against the work programme for internal and external audit and the Counter Fraud Service;
- Considered the annual accounts and associated documents and provided assurance to the Board of Directors;
- Considered, provided challenge and approved various ad hoc reports about the governance of the Trust;
- Received the work of the Data Quality Group and cross related it to other Group Audit Committee information;
- Considered the external audit report, including interim and annual reports to those charged with governance and external assurance review of the Quality Report;
- Reviewed and monitored the clinical audit process, triangulating information with the Quality and Resources Committees to ensure there is also assurance around effectiveness of the processes in place;
- Considered the effectiveness of the Committee and internal audit; and,
- Provided a focus on risk management, the Corporate Risk Register and Board Assurance Framework processes in order to challenge and evolve the documents.

Role of Internal Audit

The Trust's internal audit and anti-crime services are provided by Audit Yorkshire. Audit Yorkshire provides independent assurance to the Board of Directors via the Group Audit Committee.

The Head of Internal Audit and Managing Director are supported by two Deputy Directors and a management team, all of whom are CCAB qualified. All Audit Yorkshire's auditors are either qualified or working towards an externally validated professional qualification to ensure the organisation has the correct skill set to deliver a wide range of assurance reviews and demonstrate proficiency and due professional care. At the start of the financial year, or on commencement of employment with Audit Yorkshire during the year, all internal auditors complete a declaration and certify that they have no conflicts of interest which might compromise their independence as an auditor working for Audit Yorkshire.

Audit Yorkshire has extensive experience of delivering award winning, high quality and cost-effective Internal Audit services to their members. Their approach and methodology:

- Provide an independent and objective opinion on risk management and governance, compliant with prevailing Public Sector Internal Audit Standards;
- Provide professional, high quality audit coverage of key risks;
- Give clear opinions on systems of internal control;
- Use the audit coverage and collate the opinions drawn to provide a meaningful Head of Internal Audit Opinion to support the Annual Governance Statement; and,

- Offer value-added work to assist the Trust in making business improvements and achieving its corporate objectives.

As well as undertaking specific audits and other pieces of work commissioned by the Trust, Audit Yorkshire also provides general advice on governance, counter-fraud and systems/process issues and undertakes consultancy/advisory work as required.

Role of External Audit

External Auditors are invited to attend every Group Audit Committee meeting. The appointed External Auditors have right of access to the Chair of the Group Audit Committee at any time. The Trust's current External Auditors are Mazars who were appointed at the beginning of August 2020 to provide this service for the Trust.

The objectives of the External Auditors fall under two broad headings. To review and report on:

- The audited body's financial statements, and on its Statement on Internal Control; and,
- Whether the audited body has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

In each case, the Group Audit Committee sees the resulting conclusions.

External Audit also prepares an annual audit plan, which is approved by the Group Audit Committee. This annual plan sets out details of the work to be carried out, providing sufficient detail for the Group Audit Committee and other recipients to understand the purpose and scope of the defined work and the level of priority. The Group Audit Committee discusses with the External Auditors the main issues and parameters for audit planning in the meeting before the annual audit plan is due to be approved. This allows the Committee members time and space to:

- Discuss the organisation's audit needs;
- Reflect on the previous years' experience;
- Be updated on likely changes and new issues; and,
- Ensure coordination with other bodies.

In reviewing the draft plan presented to the Committee, members concentrate on the outputs from the plan and what they will receive from the external auditors, balanced against an understanding of the auditors' statutory functions. Review of the audit fee is an important role, but the focus should be on consistency with NHSE/I's guidelines and appropriateness, in the context of the organisation's needs, and the statutory functions of the external auditors.

The annual audit plan is kept under review to identify any amendments needed to reflect changing priorities and emerging audit needs. The Group Audit Committee approves material changes to the annual audit plan.

External audit works with both management and other assurance functions to optimise their level of coverage. The Committee seeks and gains assurance that duplication with Internal Audit is minimised wherever possible, consistent with the requirements of *ISA (UK and*

Ireland) 610 that external audit should never direct the work of internal audit and review and re-perform similar items for any piece of work on which it intends to place reliance.

The Data Quality Working Group – Chaired by Jenny McAleese

The Data Quality Group, a sub-group of the Group Audit Committee, examines and understands data quality issues relating to finance, human resource, risk and legal services and patient information systems. This work has continued throughout the year. The group has received presentations from information system owners and actively sought assurances from these owners on aspects of data quality. The assurance work has specifically explored issues in relation to the integration and development of systems. The group uses the intelligence it is gathering to test the robustness of the internal audit work programme in seeking and further supporting assurance on system data quality issues.

The group has met four times during this period. Membership of the group comprises:

- Jenny McAleese, Non-executive Director
- Lynne Mellor, Non-executive Director
- Stephen Holmberg, Non-executive Director
- Andrew Bertram, Executive Finance Director
- Helen Kemp-Taylor, Head of Internal Audit (until 31/12/21)
- Helen Higgs, Head of Internal Audit (from 01/01/22)

Other senior managers and executive Directors attend as appropriate.

Resources Assurance Committee

The purpose of the Resources Assurance Committee is to provide assurance to the Board of Directors around patient safety and putting the best interests of patients first in relation to the Trust's financial, digital, estates and workforce and organisational development performance and drawing any issues or matters of concern to the attention of the Board of Directors.

The Resources Assurance Committee met monthly during the year. Attendance and membership of the Committee is as follows:

	20/04/21	18/05/21	22/06/21	20/07/21	21/09/21	19/10/21	11/11/21	14/12/21	18/01/22	15/02/22	22/03/22
Lynne Mellor (Chair from June 2021))	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Jim Dillon	✓	✓	✓	Ap	✓	✓	✓	✓	✓	✓	✓
Denise McConnell	-	-	-	-	-	-	✓	✓	✓	✓	✓
David Watson (Chair until May 2021)	✓	✓	-	-	-	-	-	-	-	-	-

A number of officers attended the meetings to provide assurance to the Committee:

- Andrew Bertram, Deputy Chief Executive / Director of Finance
- Polly McMeekin, Director of Workforce and Organisational Development
- Kevin Beatson, Head of Systems Development
- Adrian Shakeshaft, Head of IT Infrastructure
- Mike Taylor, Associate Director of Corporate Governance
- Penny Gilyard, Director of Resources, YTHFM
- Prof. Matt Morgan, Non-executive Director, for Research & Development presentations
- Simon Hayes, IT Services & Transformation Lead
- Rebecca Bradley, Information Governance
- Jane Money, Head of Sustainability

During the year the Committee explored in more detail some of the concerns and risks that faced the Trust, predominantly steered by the COVID-19 pandemic. To support this, they received additional information on the following topics:

- Board Assurance Framework
- Corporate Risk Register
- YTHFM LLP
- Workforce
- Finance
- Sustainability
- Digital
- COVID-19 pandemic
- Draft year-end financial outturn and financial regime for 2021/22
- Overseas visitors
- Staff survey
- Gender Pay Gap
- Freedom to Speak Up (FTSU)
- Equality and diversity
- Getting It Right First Time (GIRFT) programme
- Data protection
- Community Stadium

The Quality Assurance Committee

The purpose of the Quality Assurance Committee is to provide assurance to the Board of Directors around patient safety and putting the interests of patients first in relation to the Trust's performance on quality and safety, performance improvement and transformational quality improvement, and drawing any issues or matters of concern to the attention of the Board of Directors.

The Committee met monthly during the year. Attendance and membership of the Committee is as follows:

	20/04/21	18/05/21	22/06/21	20/07/21	21/09/21	19/10/21	11/11/21	14/12/21	18/01/22	15/02/22	22/03/22
Steven Holmberg (Chair)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Jenny McAleese	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Lorraine Boyd	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Key officers attended the meeting to provide assurance to the Committee, including:

- Heather McNair, Chief Nurse
- Jim Taylor, Medical Director
- Wendy Scott, Chief Operating Officer
- Caroline Johnson, Deputy Director of Patient Safety, Medical Governance
- Donald Richardson, Consultant, Medical Specialties
- Lynette Smith, Head of Operational Performance
- Nicky Slater, Head of Information Services and Patient Access
- Mike Taylor, Associate Director of Corporate Governance

During that time the Committee considered the following:

- Chief Nurse report
- Medical Director report
- Chief Operating Officer report
- COVID-19 pandemic updates
- CQC update
- Director of Infection Prevention and Control report
- Adult and child safeguarding
- Nurse staffing
- Complaints annual report
- 2020/21 quality priorities report
- Patient experience report
- Pressure ulcer report
- Falls report
- Performance report
- End of life care report
- Nutrition report
- Mortality review report
- Continuity of Carer progress update
- Cancer performance
- Reset and restore recovery plan
- Dementia report
- In-patient survey
- Safer Working Guardian report
- Duty of Candour report
- Winter plan
- Governance and assurance report
- Maternity report
- Ockenden Review
- Quality improvement report
- Health and safety review
- Patient equality, diversity and inclusion report 2019/20
- Quality report
- Board Assurance Framework
- Corporate Risk Register

The past year has been the second full year dominated by the impact of COVID-19 on both our patients and our staff and this has generated huge implications for the safety and quality of patient care. These issues have appropriately been the major focus for the Committee:

- **Safe staffing levels:** The direct impact of COVID-19 and the requirements for self-isolation have put an enormous strain on staff as well as the need to redeploy staff in line with clinical priorities. The Committee has recognised the enormous effort and professionalism of our staff and welcomed the initial uplift in funding for clinical staff albeit in a climate of severe skills shortage. We have received assurance that financial constraints do not prevent managers from maintaining safe levels of staffing.

- **Emergency care standards and patient access times for cancer and elective care:** The latest wave of COVID-19 infection has seen unprecedented levels of delays in ambulance handover times and prolonged stays in our emergency departments. The Committee recognised the immense efforts of the Executive and managers to put in place measures to minimize the impact on patient safety and the quality of care associated with these delays and also that of the front-line staff providing care in adverse circumstances. Increase in access times for all non-emergency diagnostic and treatment procedures is a national issue and the Committee has received assurance about the additional work in place to liaise with affected patients and to mitigate the associated risks.

- **Hospital acquired infections:** This has been a challenging year with regard to infection control. The Committee welcomed an external review and have received assurance that recommendations will be implemented through an action plan. The fabric of the estate is a major factor that needs to be addressed and the Committee look for more coordination leadership in this area and fuller engagement from all relevant staff groups.

- **Quality Improvement**: The Committee was pleased to note the commencement of this programme and the opportunity to embed further a culture of learning from multiple sources of information e.g., serious incidents, learning from deaths, external reviews. The Committee has received assurance regarding on-going work in the Care Groups to strengthen ward to board visibility with regard to patient safety.

- **Maternity services:** The Committee continues to receive monthly updates on progress against recommendations in the Ockenden Report. Overall, we have been assured that the work plan is moving forward satisfactorily but remain concern about short-term staffing shortages that have resulted in infrequent closure of on or other of our maternity units; the associated risks being mitigated through coordinated actions across the ICS and more widely.

- **CQC:** We receive regular updates on the work to close the regulatory actions imposed by the CQC and, overall, the outcome has been very positive over the year. We have received assurance from regular departmental CQC self-assessments although further work is required to provide assurance that we might achieve a 'GOOD' rating from a CQC inspection. A Serious Incident was escalated to the CQC and we received assurance that our response has been accepted by the CQC and that work is on-going through 'Perfect Ward' and improved streamlining of clinical documentation to mitigate future risks.

Executive Committee

The Executive Committee is the key operational group of the Trust and is chaired by the Chief Executive. Its membership comprises the Executive Directors and Care Group Directors. The Executive Committee discusses the formulation and implementation of

strategy as well as key operational decisions. The formed strategy proposals are discussed with the Board of Directors through the Board and Board Committee meetings.

NHS England and Improvement's Well-Led Framework

NHSE/I states that it is good practice for organisations to conduct 'in-depth, regular and externally facilitated developmental reviews of leadership and governance' every three to five years. These reviews should then be used to facilitate development of the Board. The Key Lines of Enquiry which were developed also underpin the Care Quality Commission's regular regulatory well led assessments.

The Trust carried out a well-led review in 2019 and as part of that has continued to review its committee/reporting structures and has also put in place a Board development programme for 2020/21 which has been re-evaluated into 2021/22. Further information can be found on page 114.

Patient Experience

Complaints and Patient Advice and Liaison Service (PALS)

Our Patient Advice and Liaison Service supported 4308 people this year and the team has been incredibly busy.

616 formal complaints were received; an increase of 43% from 430 in 2020-21. 16% complaints related to ED services. As waiting times, bed shortages and ambulance delays have increased, so too has the volume of complaints.

The PHSO opened five investigations, up from four last year. One case was concluded and partially upheld due to poor communication with the family.

Key themes

- Communication with relatives/carers/patient
- Care needs not adequately met
- Appointment availability
- Delay or failure in treatment or procedure
- Discharge arrangements

Complaint Performance

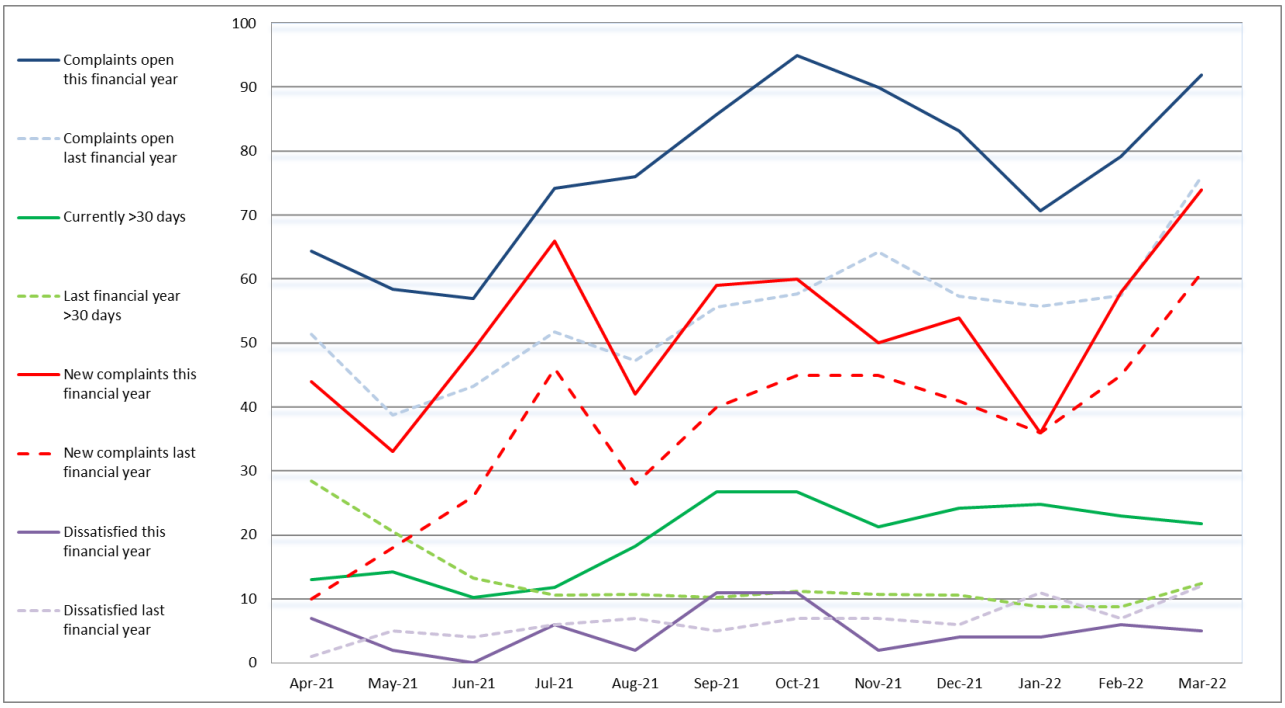
On average 66% of closed PALS cases met the Trust's ten day response target compared to 74% last year.

On average 57% of closed complaint cases met the Trust's 30 day response target the same as in 2020-21.

Due to ongoing service pressures responding to complaints has been challenging this year.

PATIENT EXPERIENCE: COMPLAINTS & PALS	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	
New complaints this month	41	34	57	56	46	54	61	61	41	39	62	67	
% overall complaint responses closed within target	74%	50%	71%	61%	47%	60%	51%	54%	53%	52%	52%	63%	↑
CG1	61%	31%	67%	50%	55%	55%	53%	42%	52%	50%	28%	50%	↑
CG2	78%	67%	100%	67%	50%	82%	65%	100%	100%	75%	100%	100%	=
CG3	92%	57%	56%	75%	36%	63%	54%	38%	67%	50%	38%	53%	↑
CG4	75%	100%	75%	67%	33%	None	67%	50%	None	50%	None	60%	↑
CG5	100%	60%	83%	63%	43%	29%	8%	67%	13%	60%	56%	56%	=
CG6	43%	50%	71%	50%	57%	67%	57%	43%	18%	25%	60%	78%	↑
New PALS concerns this month	144	142	159	166	160	150	88	48	24	25	33	33	
% PALS responses closed within target	74%	74%	77%	77%	78%	71%	53%	62%	57%	48%	67%	55%	↓
CG1	73%	67%	67%	66%	65%	66%	60%	69%	64%	25%	56%	44%	↓
CG2	96%	90%	95%	80%	88%	100%	83%	90%	100%	100%	100%	86%	↓
CG3	68%	63%	69%	84%	77%	71%	46%	60%	57%	50%	57%	57%	=
CG4	82%	100%	92%	90%	83%	73%	80%	100%	33%	50%	75%	25%	↓
CG5	67%	55%	69%	76%	82%	44%	20%	29%	25%	75%	33%	40%	↑
CG6	50%	72%	87%	76%	79%	65%	44%	50%	100%	0%	100%	100%	=

It is expected that the forthcoming patient experience service review will result in complaints officers being able to investigate low risk complaints, taking some pressure off the Care Groups.



Service Improvement examples

Despite service pressures during the pandemic the Trust is committed to learning from feedback.

- The Trust has implemented a Nutritional Support Improvement Plan and is seeking to implement a competency assessment for registered and non-registered nursing staff. The Trust has also employed a nutrition nurse to drive forwards improvements in patient care and the assessment of patients.
- The Trust is committed to objective assessment and management of pain. We are now participating in the Tendable Quality Reporting Audit system. This is a reliable, quality

improvement and assurance tool. It gives us valuable insights in to the care we provide and highlights areas for improvement.

- Record keeping is also audited as part of the Tendable Quality Reporting Audit system and we are focusing on ways in which our nursing documentation can be streamlined with a new online tool.
- We know that effective communication builds trust between patients, their families and our staff. At each step of the way, there is an opportunity for us to reduce the amount of anxiety a patient feels and provide thoughtful care. To this end we have been working on improving communication in a variety of ways since a complaint in 2019. Where it was identified a family would benefit from a meeting with the multidisciplinary team through ward board rounds, this is now being arranged in CG2. A programme was also developed in Scarborough Hospital for ward sisters in 2021 called 'Always Aiming High' which included training on improving communication and patient experience. This programme is going to be rolled out Trust-wide from this year to continue the development and learning opportunities for our nursing staff.
- We have successfully trialed volunteers helping with a daily family update in some of our wards and we are actively recruiting volunteers to assist ward staff with communication with family members.

Volunteering

The volunteering cohort is comprised of 386 active volunteers, contributing 74,112 volunteering hours in total for the 2021/2022 period. This is estimated to save the Trust approximately £700,000 every year if volunteers were paid at an equivalent Band 2 level. Volunteers this year have continued to support the COVID-19 vaccination programme, assisted ward teams with answering phones, helped support patients at mealtimes and assisted in a number of non-clinical areas including main reception.

The Volunteering Team have focused on recruitment for the 2021/2022 period, overhauling our processes in order to all volunteers are recruited and inducted to the same standard. For the year, 282 volunteers were recruited which is an increase of 60% from the year before. The average time for recruitment checks has halved to six weeks and we can accommodate recruitment checks for 60 applicants at a time due to an increase in administrator hours.

The volunteering survey conducted at the end of 2021 showed positive trends in volunteer satisfaction. In comparison to the recent staff survey, findings suggest data from the volunteering survey was higher on five out of six questions. Volunteers reported feeling enthusiastic about coming into volunteer and felt they made a difference to patients and staff. This reflects the nature of volunteering and people choosing to donate their time to the Trust, but could also reflect the significant effort from the Volunteering Team to involve volunteers in decisions, provide regular check-ins and keep the workforce informed of Trust changes. In regards to recruitment initiatives, the survey identified a dramatic swing from 60% negative feedback regarding recruitment in 2019 to 92% positive in 2021. This echoes the priorities for the service over the last 24 months to ensure our recruitment processes are fit for purpose and supports the recruitment of a large cohort of volunteers.

For 2022/2023, the volunteering team will be focusing on our induction programme in order to make sure volunteers have a successful start to the organisation. Outreach work with local schools and colleges is also planned in order to support the 'Volunteer to Career'

initiative and promote volunteering as a way to exploring careers in the NHS. The service will continue to promote new volunteering opportunities whilst balancing this with supporting our existing service partners and volunteer stakeholders.

Partnerships and Alliances

Partnership working is a key strategic ambition for the Trust, supporting the delivery of effective healthcare to our communities. Collaborative working is a key contributing factor in the delivery of effective and patient centred clinical pathways.

The Trust has developed and is part of a number of clinical alliances with both Hull University Teaching Hospitals NHS Trust and Harrogate and District NHS Foundation Trust, which support the delivery of hospital services across the Humber and North Yorkshire Health and Care Partnership geographic area as part of an Integrated Care System (ICS).

Historically, Hull University Teaching Hospitals NHS Trust has provided specialist Neurosurgical and Cancer services for residents in the eastern side of the Trust's catchment population and there is an established Hull York Medical School.

Recently, networked specialist service developments in the areas of hepatology, HIV, renal, Cystic fibrosis and vascular surgery involving the two organisations have been successfully established, enabling local access for patients across the combined geographic area.

Within the framework of the Humber and North Yorkshire Health and Care Partnership Integrated Care System, emerging enhanced collaborative service arrangements are being pursued with Hull University Teaching Hospitals NHS Trust, Northern Lincolnshire and Goole NHS Foundation Trust and Harrogate and District NHS Foundation Trust as part of a Collaborative of Acute Providers (CAP).

A key initiative during the pandemic period has been the sharing of waiting list information between the organisations and the development of plans around flexible use of buildings and staffing to deliver services and address waiting list pressures as part of an elective care recovery programme.

Sharing of physical capacity has enabled mutual aid to address waiting list pressures, in particular the delivery of day case and elective procedures in the specialties of orthodontics, urology and plastics.

The Trust is an active member of a developing Humber and North Yorkshire Cardiac Network of clinicians and managers. Key focus is the review and implementation of recently published national specification of standards.

Key priorities include full reviews of the heart failure, ACS/NSTEMI and cardiac rehabilitation pathways and worked up plans to ensure compliance with standards along with a post COVID-19 Recovery strategy covering diagnostic service enhancements and development of performance targets.

In addition, as part of an emerging Radiology Network, a group of clinicians and managers has established a cross-organisational reporting hub to share capacity across partner Trusts, improve access to specialist reporting and maximise flexibility and working patterns for staff.

Plans are being developed to ensure shared care pathways and joint training and education programmes.

A formal pathology service collaborative between the Trust and Hull University Teaching Hospitals NHS Trust has now been established.

The Pathology Collaborative has developed a detailed work programme of shared equipment investment to improve reporting, training of advanced practitioner staff to create additional capacity and has secured funding for a common information management system (£2.6m) to support integrated working. The system will be fully operational by early 2023.

Trust clinicians and managers are key members of the Humber and North Yorkshire Cancer Alliance (H&NYCA) which shares best practice and drives service improvement and improvements in performance across cancer pathways.

Strong partnership working with the H&NYCA has enabled the Trust to begin to successfully deliver the key themes in their Cancer Strategy 2020-2025 and the national requirements of the Long Term Plan.

Through this relationship, the Trust has secured a significant amount of funding to support a range of improvement initiatives, the most prominent of these being the development and implementation of a Rapid Diagnostic Centre service. This pathway allows GPs to refer patients with suspected serious but non-specific symptoms for rapid testing to confirm or rule out a cancer diagnosis.

The learning from this improvement initiative is now being embedded into the site-specific tumour pathways with the H&NYCA funding further pathway navigator roles to support patients from referral to diagnosis. This improves not only patient experience of this diagnostic phase, but reduces timescales helping the Trust to deliver earlier and faster diagnosis for patients.

The serious non-specific symptom pathway of the RDC initiative has now been fully implemented throughout the Trust. A pathway supporting the trust colorectal fast track service and Primary Care clinicians investigating FIT (faecal occult blood test) negative patients still thought to have a high suspicion of cancer is being piloted. Also, the Pinpoint trial involving a blood test to assist in the early diagnosis of cancer is being progressed.

The Trust's partnership with the H&NYCA has seen an increase in our opportunities to trial innovations. Examples include participation in the colon capsule pilot (a less invasive test to identify gastrointestinal cancer), the GRAIL research study (another blood test identifying the risk of a patient developing cancer) and the implementation of a one stop skin cancer clinic at Malton Hospital.

The H&NYCA have also funded a number of roles to support these innovations and clinical leadership positions. These have enabled Trust clinicians to work across the patch shaping clinical services and reducing variation and inequality.

Work is also proceeding on the development of Community Diagnostic Centres and Hubs which is an NHSE initiative focussing on earlier diagnoses for patients through easier, faster, and more direct access to the full range of diagnostic tests needed to understand

patients' symptoms. The aim is to streamline the numbers of hospital attendances through the provision of multiple tests at one visit in acute and community settings.

A network of hubs comprising enhanced diagnostic provision at hubs in York and Scarborough supported by services at Malton, Selby and Bridlington drawing on NHSE funding is being developed during the course of 2022/23.

Recent service initiatives with Harrogate and District NHS Foundation Trust have included the extension and enhancement of the Vascular Surgical service, the establishment of a self-care dialysis unit for Harrogate residents and the development of a hepatology outpatient service.

The York/Harrogate population is also served by combined clinical teams in the service areas of head and neck, oncology and ophthalmology and further potential joint developments in relation to the vascular and renal services are planned.

The Trust continues to build on its relationships with key local partners in delivering care to our local communities. Examples of this include strengthening relationships between GPs and hospital consultants to design new pathways of care, developing integrated teams of health and social care staff, working with mental health colleagues in the development of liaison services and collaboration with the voluntary sector in new partnerships.

The Trust is heavily involved in the emerging Humber and North Yorkshire Community Services Collaborative partnership. A key priority for the Collaborative has been to improve discharge from hospitals and to support the Humber and North Yorkshire Community Planning Submission. This has focussed on the planning priorities to transform and build community services capacity to deliver more care at home and improve hospital discharge.

The initiative includes work to increase the number of patients managed via 'virtual wards' (including hospital at home provision) and the delivery of two-hour urgent community response services to meet national standards.

A very positive relationship has been developed between the Trust and the Independent Sector during the pandemic under the auspices of the NHSE scheme for utilisation of Independent Sector capacity which was operational throughout 2020. Vulnerable clinical services such as oncology and chemotherapy were temporarily relocated to Nuffield Hospital premises in York and urgent surgery was delivered on the Nuffield and Ramsay Clifton Park Hospital site.

Staff from York and the Nuffield and Ramsay Hospitals worked together in delivering care on all three sites, supporting outpatient consultations and surgical procedures in theatres and in ICU.

Building on these relationships, the Trust is engaged in a collaborative partnership with the Ramsay Group on the Clifton Park Hospital site in York, developing a new elective care unit for NHS surgical patients using NHSE capital monies (£3m) as part of the Elective Recovery Programme. The new Unit will be operational from May 2022.

The Trust continues to develop meaningful working relationships with commissioners, primary care and social care partners as part of an integrated care system.

Pivotal to this work is the development of local ‘place’ based planning arrangements across the Humber and North Yorkshire Health and Care Partnership geographic area covering the Trust catchment population.

The Trust is an active partner in the multiagency York Provider Alliance Board which is the vehicle for delivery of collaborative project working across the locality.

Planned initiatives include the development of a population health hub, joint funding arrangements between the agencies and an integrated approach to diabetes care across the primary, social and secondary care sectors.

The Trust is actively involved in the York Community Stadium Project led by the City of York Council, as a tenant. From early 2021 when the Stadium opened officially, the Trust has been utilising space to deliver staff education and training and outpatient services in high quality accessible accommodation, which will relieve accommodation pressures on the main York Hospital site and associated premises.

Further utilisation of the Stadium premises is planned for outpatient and routine minor elective procedures and some therapy services over the course of 2022.

In addition, the Trust is developing its existing partnership working arrangements with the local Charity York Against Cancer who have recently supported the development of a Nurse Systemic Anti-Cancer Therapy (SACT) Clinical Educator post. A community Cancer Care Centre in the Community Stadium involving Trust staff will be funded and developed by YAC.

The Macmillan Organisation (who has supported cancer specific roles over a number of years in the Trust) is also helping to redevelop the Cancer information and support centre at York Hospital.

It is envisaged that there will be scope for collaborative work with partner organisations in the fields of health promotion/education and training.

A positive working relationship has also been forged with the Scarborough and Ryedale Multi-agency Partnership Board and a full programme is being developed, with priorities focussed on the frailty pathway, direct transfers of care, mental health and the System Recovery Programme.

The Trust has been also engaged with the development of a multi-agency ‘Healthy Bridlington Strategy’ with a focus on health inequalities, education and workforce development, transport, digital developments, COVID-19 recovery, diagnostics, primary care, and voluntary sector engagement.

Plans are also being developed and actioned for future surgical and outpatient provision on the Bridlington Hospital site which also includes the development of Stroke service rehabilitation and the potential relocation of Primary Care and community services. This work will be picked up by the emerging East Riding Locality Partnership Board.

The Digital and Information Service (DIS) within the Trust has been leading the way with Digital Partnerships and Alliances over the past year with partners across the Humber and North Yorkshire Health and Care Partnership Integrated Care System.

The development of the Trust's Strategic Outline Case for an Electronic Patient Record (EPR) was collaboratively developed with partners to also serve as the catalyst for the Acute EPR Strategy across the Integrated Care System. This is currently being progressed with partners (the North East and Yorkshire regional colleagues and policy leads at NHS England) to explore the viability of the case and the potential for collaborative approaches to rationalise EPRs in the areas that makes sense to do so.

There are many cross-ICS digital programmes of work where the Trust DIS team have participated in or led. These include initiatives connected with the Imaging Collaborative, Technical Steering Group, Maternity Information Technology System, Laboratory Information Management System, Cancer Information System along with Patient Held Record, Video Consultation and COVID-19 Elective Recovery targeted investment projects.

As an active partner within the ICS, the Trust intends to continue to champion Digital and Information Systems as an enabler to producing better patient outcomes as part of the transitional arrangements in establishing the NHS Humber and North Yorkshire Health and Care Partnership Integrated Care Board.

The Trust actively participates in development of the workforce strategy across the Humber and North Yorkshire Heath and Care Partnership Integrated Care System. It has taken a lead role in co-ordinating and driving many of the Place based workforce initiatives to ultimately achieve the aim of 'one workforce' across the locality of health and social care. These range from small operational arrangements to ensure policy consistency to larger more bespoke programmes of work to establish a stronger recruitment pipeline and maintain staff retention.

Remuneration Report

Annual statement from the Chair

The Remuneration Report summarises our remuneration policy and, particularly, its application in connection with the Executive Directors.

The report also describes how the Trust applies the principles of good corporate governance in relation to Directors' remuneration as defined in the NHS Code of Governance, in sections 420 to 422 of the Companies Act 2006 and the Directors' Remuneration Report Regulation 11 and Parts 3 and 5 of Schedule 8 of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) ('the Regulations') as interpreted for the context of NHS Foundation Trusts, Parts 2 and 4 Schedule 8 of the Regulations and elements of the Foundation Trust Code of Governance.

The Remuneration Committee considers and acts with delegated authority from the Board of Directors on all matters concerning the remuneration, allowances and other terms of service of the Executive Directors. The Committee comprises the Trust Chair and all Non-executive Directors. The Committee is attended by the Chief Executive and others at the request of the Chair in an advisory capacity where appropriate.

Non-executive Directors' remuneration and terms and conditions of service are developed and reviewed periodically by the Council of Governors Nomination and Remuneration Committee and ratified by the Council of Governors.

All Directors of the Trust are subject to individual performance review. This involves the setting and agreeing of objectives for a 12-month period running from 1 April to 31 March.

The full remuneration report of salary, allowances and benefits of senior managers are set out in the Salaries and Pension Entitlements of Senior Managers section of the Annual Report on Remuneration.

Remuneration for Non-executive Directors is also set out within that section and within the Full Statutory Accounts. No additional fees are payable in the role of Non-executive Director.

Alan Downey
Chair

Senior Managers' Remuneration Policy

Future Policy Table					
Item	**Salary/Fees**	**Taxable Benefits**	**Annual Performance Related Bonus**	**Long Term Related Bonus**	**Pension Related Bonus**
How this supports for the short and long term objectives of the Foundation Trust	Ensure the recruitment and retention of Directors of sufficient calibre to deliver the Trust's objectives	None disclosed	None Paid	None Paid	Ensure the recruitment and retention of Directors of sufficient calibre to deliver the Trust's objectives
How the component operates	Determined by the Remuneration Committee using a range of data and criteria as set out in the Remuneration Committee section. Paid in even twelfths	Senior Managers in the Trust are entitled to lease cars	None Paid	None Paid	Contributions paid by both employee and employer, except for any employee who has opted out of the scheme, in line with national regulations
Maximum payment	As set out in the accounts	None disclosed	None Paid	None Paid	Contributions are made in accordance with the NHS Pension Scheme
Framework used to assess performance	The Trust's Values Based Appraisal and objective setting process is used for all staff including Executive Directors, together with specific measures agreed for the Executive Team by the Remuneration Committee.	None disclosed	None Paid	None Paid	Not applicable
Performance period	Tailored to individual posts	None disclosed	None Paid	None Paid	Not applicable

Amount paid for minimum level of performance and any further level of performance	Salaries are agreed on appointment and set out in the contract of employment	None disclosed	None Paid	None Paid	Not applicable
Explanation of whether there are any provisions for recovery of sums paid to Directors or provisions for withholding payments	Any sums paid in error may be recovered.	None disclosed	None Paid	None Paid	Any sums paid in error may be recovered.

Service Contract Obligations

All Executive Directors are required to provide six months' notice; however in appropriate circumstances this could be varied by mutual agreement. Terms of each of the Non-executive Directors are given in the details of the Board members below.

Policy on payment for Loss of Office

Payment for loss of office is covered within contractual notice periods and standard employment policies and legislation. The Trust has made no provision for compensation for early termination and no payment for loss of office for senior managers.

Trust's Consideration of Employment Conditions

Other members of staff who are not Board members are employed on agenda for change terms and conditions and any percentage pay increases are applied in accordance with national agreements. The Remuneration Committee agrees very senior managers' pay and conditions following consideration of benchmarking information on comparable roles.

The Non-executive Director fees are considered by the Council of Governors Nomination and Remuneration Committee and a recommendation is approved by the Council of Governors. The recommendation is prepared following a discussion and the receipt of benchmarking data. The Nomination and Remuneration Committee includes a Staff Governor as part of its membership. The Council of Governors includes five Staff Governors as part of its membership.

Service Contracts

All Executive Directors are employed on a permanent basis.

As stated in the Service Contract Obligations above, all Executive Directors are subject to six months' notice period and the Non-executive Directors are subject to a month's notice period. The table below shows their start and finish dates, where applicable, or if their role is current:

Executive Director	Title	Date of appointment	Contract date to
Simon Morritt	Chief Executive	Aug 2019	Current
Andrew Bertram	Finance Director	Jan 2009	Current
	Deputy Chief Executive	May 2018	Current
Jim Taylor	Medical Director	Oct 2015	Current
Heather McNair	Chief Nurse	July 2019	Current
Wendy Scott	Chief Operating Officer	Sept 2017	Current
Polly McMeekin	Director of Workforce and Organisational Development	Feb 2019	Current
Dylan Roberts	Chief Digital Information Officer	Aug 2020	Current
Lucy Brown	Director of Communications	Feb 2020	Current

Non-executive Director	Title	Date of Appointment	Contract date to
Susan Symington	Trust Chair	01.04.18 (3rd term)	Resigned 30.11.21
Alan Downey	Trust Chair	01.02.22 (1st term)	31.01.25
Jenny McAleese	Non-executive Director	01.03.20 (2nd term)	28.02.23
Lynne Mellor	Non-executive Director	01.07.18 (2nd term)	30.06.24
Lorraine Boyd	Non-executive Director	01.07.18 (2nd term)	30.06.24
Jim Dillon	Non-executive Director	01.07.19 (1st term)	30.06.22
Steven Holmberg	Non-executive Director	01.07.19 (1st term)	30.06.22

Matt Morgan	Non-executive Director	01.06.20 (1st term)	31.05.23
David Watson	Non-executive Director	01.11.20 (1st term)	Resigned 31.05.21
Denise McConnell	Non-executive Director	01.11.21 (1st term)	31.10.24
Ashley Clay	Associate Non-executive Director	01.11.21	31.10.22

*Ashley Clay is part of the NED Insight Programme developed by Gatenby Sanderson and is with the Trust for 1 year only.

Remuneration Committees

The Trust has two Remuneration Committees: The Board of Directors Remuneration Committee and the Council of Governors Nomination and Remuneration Committee.

Board Remuneration Committee

The Board's Remuneration Committee is composed of all NEDs and is responsible for determining and agreeing, on behalf of the Board, policies for the remuneration and terms and conditions of service for all VSMs (Executive Directors and other managers on VSM contracts). It is responsible for considering the performance and annual objectives of the Chief Executive and Executive Directors and for termination arrangements that involve severance payment.

The Committee is responsible for:

- reviewing of the structure, size and composition of the board of Directors;
- developing succession plans for the Chief Executive and other executive Directors, taking into account the challenges and opportunities facing the Trust;
- appointing candidates to fill vacancies amongst the executive Directors;
- reviewing remuneration and terms of conditions for executive Directors and very senior managers (those managers not on NHS agenda for change pay scales); and,
- recommending to the board of Directors the award of discretionary points for consultants and specialist and associate specialist and staff grade doctors.

The Trust Chair is the Chair of the Remuneration Committee and its members are the remaining Non-executive Directors. The Chief Executive attends for any decisions relating to the appointment or removal of the Executive Directors. The Committee is also advised by the Chief Executive on performance aspects, by the Director of Finance on the financial implications of remuneration or other proposals, and by the Director of Workforce and OD on personnel and remuneration policy.

The Committee reviews national pay awards for staff within the Trust alongside information on remuneration for Executive Directors at other trusts of a similar size and nature, taking account of overall and individual performance and relativities, with the aim of ensuring that remuneration of Executive Directors is fair and appropriate. Through this process any salary above the threshold of £150,000 used by the Civil Service is considered and approved by the

Committee with a view to attracting and retaining individuals to support the Trust in delivering its vision and meeting its objectives.

The Committee also reviews the balance of skills, knowledge and experience on the Board of Directors when considering the appointment of an executive Director or when a vacancy arises for a Non-executive Director rather than annually as set out in paragraph B.2.3 of the NHS Foundation Trust Code of Governance.

The table below sets out the members of the committee during 2021/22 and the number of meetings at which each Director was present.

	23/06/21	04/11/21
Susan Symington (Chair to 30/11/21)	✓	✓
Alan Downey (Chair from 01/02/22)	-	-
Jenny McAleese	✓	✓
Lynne Mellor	✓	✓
Lorraine Boyd	✓	-
Steven Holmberg	✓	✓
Jim Dillon	✓	✓
Matt Morgan	✓	✓

Key officers who attended the meeting to provide assurance to the Committee, included:

- Simon Morritt, Chief Executive
- Polly McMeekin, Director of Workforce and Organisational Development

Governor Nomination and Remuneration Committee

The Council of Governors Nomination and Remuneration Committee is responsible for making recommendations to the Council of Governors on the following:

- Appointment and remuneration of the Chair and Non-executive Directors;
- Appraisal of the Chair;
- Approval of appointment of the Chief Executive; and,
- Succession Planning for posts of Chair and Non-executive Directors

During 2021/22 one Non-executive Director (NED) resigned – David Watson. The Council of Governors agreed to recruit a substantive NED to replace David, but also to take part in the Aspiring NEDs Programme and recruit an Associate NED for a one year appointment. A recruitment process took place, resulting in the appointment of a substantive NED, Denise McConnell, and an Associate NED, Ashley Clay. The Council of Governors also approved the recommendation to appoint a new Chair as the current Chair, Susan Symington,

resigned on 31 November 2021. This resulted in a new Chair being appointed, Alan Downey, from 1 February 2022.

Non-executive Directors are appointed on fixed term contracts, normally three years in length, and they do not gain access to the Pension Scheme because of this engagement. The fee payable to Non-executive Directors is set out on page 91. They do not receive any other payments from the Trust.

The Council of Governors Nomination and Remuneration Committee and its membership comprise the Chair, the Lead Governor and 6 Governors.

There were 7 meetings of the committee during this financial period, and the members' attendance is set out below:

	20.05.21	08.06.21	26.08.21	14.09.21	09.11.21	07.12.21	13.01.22
Susan Symington	√	√	√	√	√	-	-
Margaret Jackson	√	√	√	Ap	-	-	-
Catherine Thompson	Ap	Ap	Ap	√	√	Ap	√
Gerry Richardson	√	√	Ap	√	√	√	√
Helen Fields	Ap	√	Ap	√	√	√	√
Jeanette Anness	√	√	√	√	-	-	-
Gerry Robins	√	Ap	-	-	-	-	-
Stephen Hinchliffe	√	√	√	Ap	-	-	-
Mick Lee	-	-	-	-	√	√	√
Jill Hall	√	√	√	√	-	-	-
Mike Taylor	-	-	-	√	√	√	√
Keith Dawson	-	-	-	-	√	Ap	√
Doug Calvert	√	Ap	√	√	√	√	√
Sally Light	√	√	√	Ap	√	√	√
Jenny McAleese	-	-	-	-	-	-	√

The Associate Director of Corporate Governance services the Committee and provides advice to the Committee.

Disclosures required by Health and Social Care Act

Remuneration for senior managers is set out within the Salaries and Pension Entitlements of Senior Managers section of the Remuneration Report. For all other staff the Trust adheres to the national agenda for change guidelines for the setting of pay and notice periods.

The expenses of Directors and Staff Governors are reimbursed in accordance with the Trust's policy on expenses applicable to all staff. Travel and other costs and expenses for all other Governors are reimbursed in accordance with a separate policy approved by the Nomination and Remuneration Committee, made up of the Non-executive Directors. Governors are volunteers and do not receive any remuneration for their roles.

Salaries and pension entitlements of Senior Managers

a) Salary

Name and Title	2021/22					
	Salary and Fees	Taxable benefits	Annual Performance Related Bonus	Long Term Performance Related Bonus	Pension Related Benefits	Total
	£000's Bands of £5,000	£s Nearest £100	£000's Bands of £5,000	£000's Bands of £5,000	£000's Bands of £2,500	£000's Bands of £5,000
Executive Directors						
Mr S Morritt Chief Executive	200-205	1,200	-	-	-	205-210
Mr A Bertram Finance Director & Deputy Chief Executive	150-155	3,300	-	-	20-22.5	175-180
Mr J Taylor Medical Director	195-200	4,700	-	5-10	-	210-215
Mrs W Scott Chief Operating Officer	145-150	1,400	-	-	22.5-25	170-175
Ms P McMeekin Director of Workforce & Organisational Development	135-140	-	-	-	30-32.5	165-170
Mrs H McNair Chief Nurse	145-150	2,100	-	-	2.5-5	150-155
Mr D Roberts Chief Digital Information Officer	140-145	400			1,525-1,527.5	1,665-1,700
Non-Voting Directors						
Mrs L Brown Director of Communications	100-105	-	-	-	22.5-25	125-130
Non-executive Directors						
Ms S Symington Chairman Apr - Nov	35-40	-	-	-	-	35-40
Mr A Downey Chairman Feb - Mar	5-10	-	-	-	-	5-10
Mrs J McAleese Non-executive Director	20-25	-	-	-	-	20-25
Dr L Boyd Non-executive Director	15-20	-	-	-	-	15-20
Ms L Mellor Non-executive Director	15-20	-	-	-	-	15-20
Mr S Holmberg Non-executive Director	15-20	-	-	-	-	15-20
Mr J Dillon Non-executive Director	15-20	-	-	-	-	15-20
Mr M Morgan Non-executive Director	5-10	-	-	-	-	5-10

Ms Denise McConnell Non-executive Director	5-10	-	-	-	-	5-10
Mr A Clay Associate Non-executive Director	0-5	-	-	-	-	0-5
Mr D Watson Non-executive Director	0-5	-	-	-	-	0-5

* Amounts shown above in brackets are negative figures.

NHS Foundation Trusts are required to disclose the relationship between the remuneration of the highest-paid Director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce.

The banded remuneration for the highest-paid Director in the organisation in the financial year 2021/22 was £212.5 (2020-22 was 217.5). This is a change between years of 2%.

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

For employees of the Trust as a whole the range of remuneration in 2021/22 was from £7,953 to £320,117 (2020-21 £7,953 - £229,629).

The percentage change in average employee remuneration (based on total for all employees on an annualised basis divided by full time equivalent number of employees) between years is 2%.

Seven employees received remuneration in excess of the highest-paid Director in 2021/22 (four employees in 2020-21).

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

2021/22	**25th Percentile**	**Median**	**75th Percentile**
Total Pay and benefits excluding pension benefits	£21,766	£28,243	£40,939
Pay and Benefits excluding pension: Pay ratio for highest paid Director	9.76:1	7.52:1	5.19:1
2020-21			
Total Pay and benefits excluding pension benefits	£21,586	£28,756	£40,000
Pay and Benefits excluding pension: Pay ratio for highest paid Director	10.08:1	7.56:1	5.44;1

The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20, less the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension

rights. This value derived does not represent an amount that will be received by the individual. It is a calculation that is intended to provide an estimation of the benefit being a member of the pension scheme could provide. The pension benefit table (below) provides further information on the pension benefits accruing to the individual.

Taxable benefits listed above relate to those Executive Directors who are in receipt of a Trust business lease cars.

Directors' pay is made up of basic pay plus enhancements. The Trust does not award bonuses or performance related payments.

Those Directors' salaries above which include elements for clinical roles are:

- Mr J Taylor's salary for clinical role £157,121.
- Mr J Taylor also receives a Clinical Excellence Award which is presented in the Long Term Performance related bonus section above.

Ms S Symington's appointment as Chair of the Board ended on 30 November 2021.
Mr A Downey's appointment as Chair of the Board started on 1 February 2022.
Mr D Watson's appointment as a Non-executive Director ended on 30 May 2021.
Mr A Clay's appointment as an Associate Non-executive Director started on 1 November 2021.
Ms D McConnell's appointment as a Non-executive Director started on 1 November 2022.

Name and Title	**2020-21**					
	Salary and Fees	Taxable benefits	Annual Performance Related Bonus	Long Term Performance Related Bonus	Pension Related Benefits	Total
	£000's Bands of £5,000	£s Nearest £100	£000's Bands of £5,000	£000's Bands of £5,000	£000's Bands of £2,500	£000's Bands of £5,000
Executive Directors						
Mr S Morritt Chief Executive	200-205	1,200	-	-	-	200-205
Mr A Bertram Finance Director & Deputy Chief Executive	150-155	1,400	-	-	10-12.5	160-165
Mr J Taylor Medical Director	200-205	7,000	-	5-10	-	215-220
Mrs W Scott Chief Operating Officer	140-145	10,600	-	-	5-7.5	155-160
Ms P McMeekin Director of Workforce & Organisational Development	130-135	-	-	-	25-27.5	155-160
Mrs H NcNair Chief Nurse	140-145	900	-	-	30-32.5	175-180
Mr D Roberts Chief Digital Information Officer	90-95				20-22.5	115-120
Non-Voting Directors						
Mrs L Brown Director of Communications	100-105	-	-	-	20-22.5	120-125
Non-executive Directors						

Ms S Symington Chairman	55-60	-	-	-	-	55-60
Mr D Watson Non-executive Director	5-10	-	-	-	-	5-10
Mr S Holmberg Non-executive Director	15-20	-	-	-	-	15-20
Mr J Dillon Non-executive Director	15-20	-	-	-	-	15-20
Mrs J Adams Non-executive Director	5-10	-	-	-	-	5-10
Mrs J McAleese Non-executive Director	15-20	-	-	-	-	15-20
Ms L Mellor Non-executive Director	15-20	-	-	-	-	15-20
Mr M Morgan Non-executive Director	5-10	-	-	-	-	5-10
Dr L Boyd Non-executive Director	15-20	-	-	-	-	15-20
Band of highest paid Director's total salary (£'000)	217.5					
Median Total Remuneration	£28,829					
Remuneration Ratio	7.54					

* Amounts shown above in brackets are negative figures.

The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20, less the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights. This value derived does not represent an amount that will be received by the individual. It is a calculation that is intended to provide an estimation of the benefit being a member of the pension scheme could provide. The pension benefit table (below) provides further information on the pension benefits accruing to the individual.

Taxable benefits listed above relate to those Executive Directors who are in receipt of a Trust business lease cars.

Those Directors' salaries above which include elements for clinical roles are:

- Mr J Taylor's salary for clinical role £160,176.
- Mr J Taylor also receives a Clinical Excellence Award which is presented in the Long Term Performance related bonus section above.

Mr D Roberts' appointment as Chief Digital Information Officer (with voting rights) started on 10 August 2020.
Mrs J Adams' appointment as a Non-executive Director ended on the 31 August 2020.
Mr M Morgan's appointment as a Non-executive Director started on the 1 June 2020.
Mr D Watson's appointment as a Non-executive Director started on the 2 November 2020.

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.

The mid-point of the banded remuneration of the highest paid Director in York & Scarborough Teaching Hospitals NHS Foundation Trust in the financial year 2020-21 £215-

220 (2019-20 was £210-215).This was 7.54 times (2019-20, 7.57) the median remuneration of the workforce, which was £28,829 (2019-20 £28,089).

In 2020-21, three employees (2019-20, four) received remuneration in excess of the highest paid Director. Remuneration ranged from £7,953 to £229,628 (2019-20 £12,356 to £271,870).

Employees receiving nil basic pay and nil whole time equivalents have been excluded from the calculations as these relate to one-off individual payments and would distort the overall figures.

Payments made to agency staff and bank staff has also been excluded as these mainly relate to payments made to cover long term absence of existing employees whose whole time, full year equivalent remuneration is already included in the calculation. To include the payments made to agency staff would also distort the overall figures.

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

b) Pensions

	(a) Real increase in pension at pension age	(b) Real increase in pension lump sum at pension age	(c) Total accrued pension at pension age at 31 March 2022	(d) Total Lump Sum at pension age related to accrued pension at 31 March 2022	(e) Cash Equivalent Transfer Value at 1 April 2021	(f) Real Increase in Cash Equivalent Transfer Value	(g) Cash Equivalent Transfer Value at 31 March 2022	(h) Employer's contribution to stakeholder pension
Name	**Bands of £2500**	**Bands of £2500**	**Bands of £5000**	**Bands of £5000**	**£000**	**£000**	**£000**	**£000**
Mr S Morritt Chief Executive	0	0	70-75	165-170	1,440	0	1,447	0
Mr A Bertram Finance Director & Deputy Chief Executive	0-2.5	0	60-65	130-135	1,123	32	1,175	0
Mr J Taylor Medical Director	0	0	55-60	170-175	1,126	0	1,132	0
Mrs W Scott Chief Operating Officer	0-2.5	0	55-60	120-125	1,030	33	1,084	0
Ms P McMeekin Director of Workforce & Organisational Development	0-2.5	0	25-30	40-45	342	14	377	0
Mrs H McNair Chief Nurse	0-2.5	0-2.5	65-70	200-205	1,547	43	1,612	0
Mr D Roberts Chief Digital Information Officer	75-77.5	0	75-80	0	21	1,048	1,089	0
Mrs L Brown Acting Director of Communications	0-2.5	0	25-30	40-45	332	12	359	0

The following Directors chose not to be covered by the pension arrangements during the reporting year:

- Mr S Morritt
- Mr J Taylor

The following Directors' opted out of the Pension Scheme during the year:

- Mr A Bertram - opted out 30 November 2021
- Mrs W Scott - opted out 30 November 2021 and then opted in 1 March 2022
- Mrs H McNair - opted out 31 December 2021

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

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

Real increase in CETV reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Simon Morritt
Chief Executive
June 2022

Staff Report

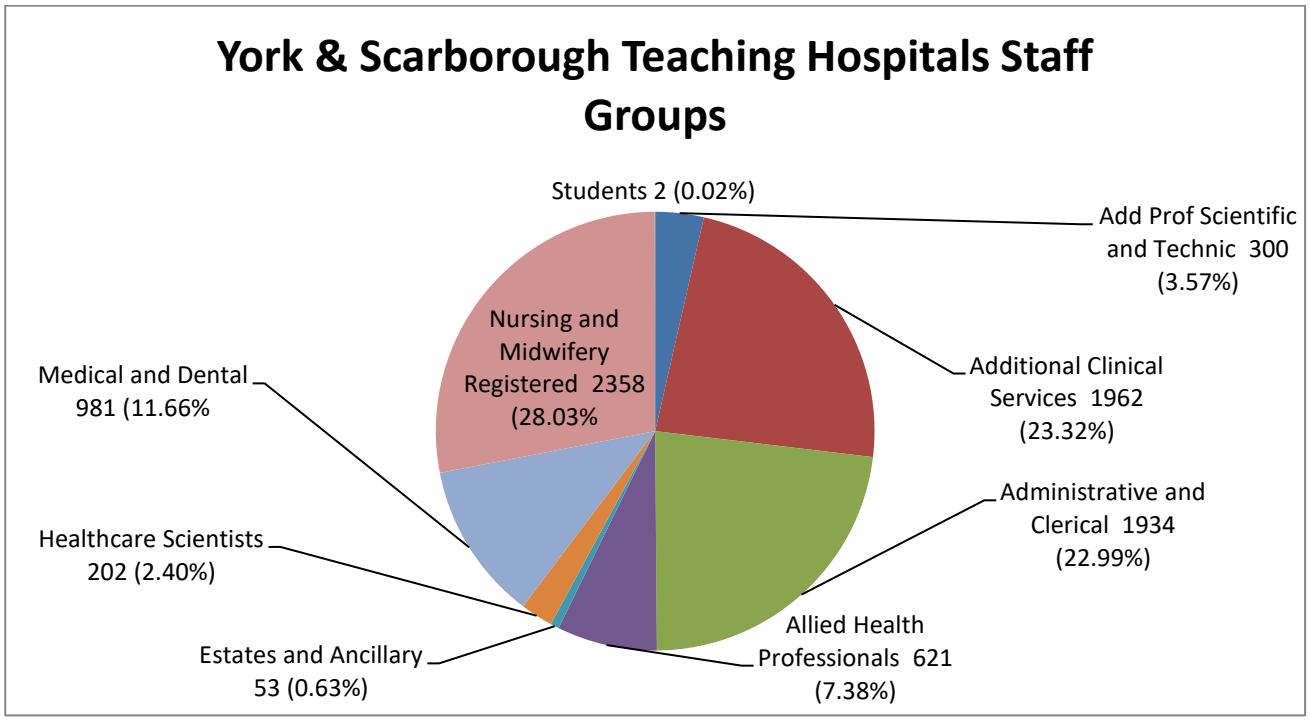
Staff Metrics

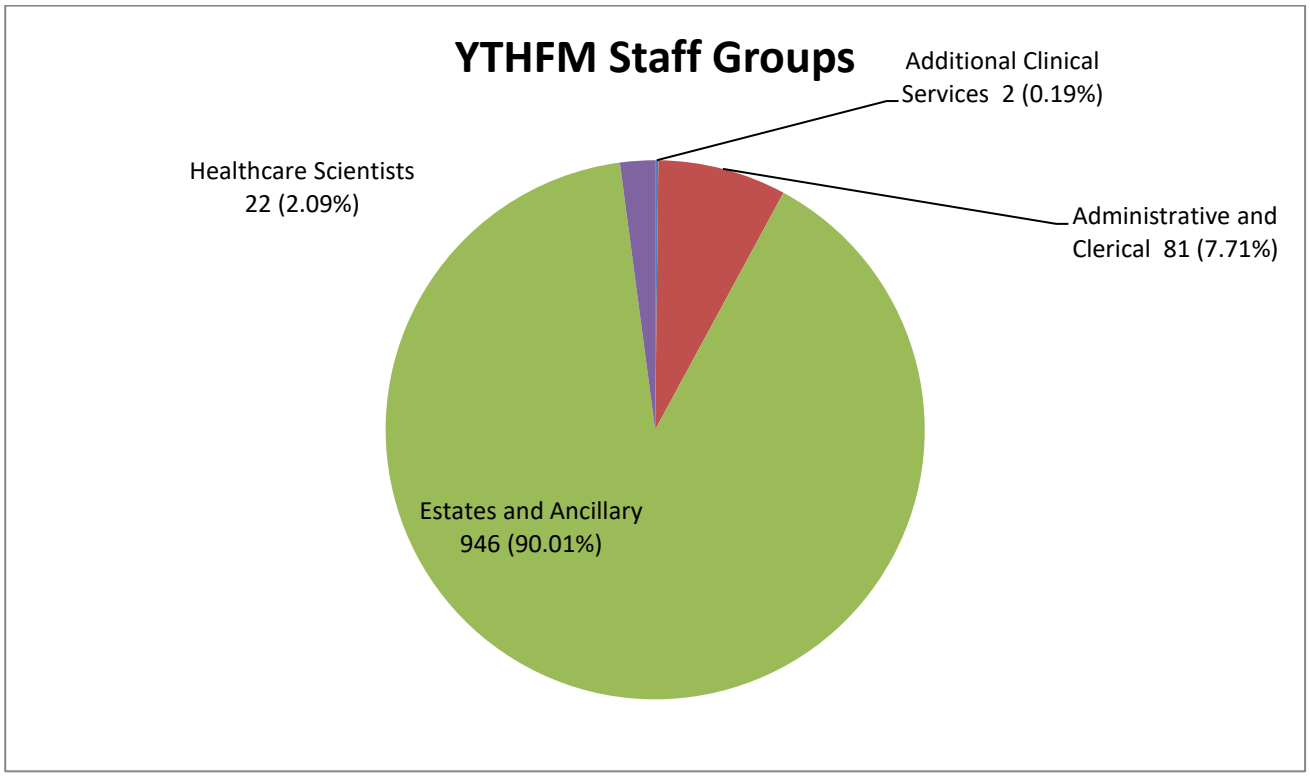
The table below provides a summary of the staff employed by the organisation during 2021/22, broken down by age, ethnicity, gender and recorded disabilities. York and Scarborough Teaching Hospitals NHS Foundation Trust has 7,516 permanent employees and 897 staff holding fixed term contracts. York Teaching Facilities Management (YTHFM) has 1,019 permanent employees and 32 staff holding fixed term contracts.

			York & Scarborough Teaching Hospitals		YTHFM	
	Staff 2021/22	%	Staff 2021/22	%	Staff 2021/22	%
Age						
<=20 Years	54	**0.57%**	45	**0.53%**	9	**0.86%**
21-25	692	**7.31%**	652	**7.75%**	40	**3.81%**
26-30	1120	**11.83%**	1048	**12.46%**	72	**6.85%**
31-35	1288	**13.61%**	1190	**14.14%**	98	**9.32%**
36-40	1111	**11.74%**	1004	**11.93%**	107	**10.18%**
41-45	1050	**11.09%**	957	**11.38%**	93	**8.85%**
46-50	1157	**12.23%**	1040	**12.36%**	117	**11.13%**
51-55	1179	**12.46%**	1022	**12.15%**	157	**14.94%**
56-60	1085	**11.46%**	898	**10.67%**	187	**17.79%**
61-65	596	**6.30%**	464	**5.52%**	132	**12.56%**
66-70	109	**1.15%**	76	**0.90%**	33	**3.14%**
>=71 Years	23	**0.24%**	17	**0.20%**	6	**0.57%**
Ethnicity						
Any Other Ethnic Group	82	0.87%	75	0.89%	7	0.67%
Asian British	9	0.10%	9	0.11%	0	0%
Asian Mixed	2	0.02%	2	0.02%	0	0%
Asian or Asian British - Any other Asian background	168	1.78%	164	1.95%	4	0.38%
Asian or Asian British - Bangladeshi	10	0.11%	10	0.12%	0	0%
Asian or Asian British - Indian	266	2.81%	260	3.09%	6	0.57%
Asian or Asian British - Pakistani	32	0.34%	32	0.38%	0	0%
Asian Sinhalese	1	0.01%	1	0.01%	0	0%
Asian Tamil	1	0.01%	1	0.01%	0	0%
Asian Unspecified	3	0.03%	3	0.04%	0	0%
Black British	1	0.01%	1	0.01%	0	0%
Black Mixed	1	0.01%	1	0.01%	0	0%
Black Nigerian	3	0.03%	3	0.04%	0	0%

Black or Black British - African	150	1.58%	146	1.74%	4	0.38%
Black or Black British - Any other Black background	14	0.15%	14	0.17%	0	0%
Black or Black British - Caribbean	23	0.24%	20	0.24%	3	0.29%
Black Unspecified	1	0.01%	1	0.01%	0	0%
Chinese	34	0.36%	34	0.40%	0	0%
Filipino	52	0.55%	52	0.62%	0	0%
Malaysian	2	0.02%	2	0.02%	0	0%
Mixed - Any other mixed background	12	0.13%	11	0.13%	1	0.10%
Mixed - Asian & Chinese	1	0.01%	1	0.01%	0	0%
Mixed - Other/Unspecified	13	0.14%	13	0.15%	0	0%
Mixed - White & Asian	34	0.36%	31	0.37%	3	0.29%
Mixed - White & Black African	17	0.18%	17	0.20%	0	0%
Mixed - White & Black Caribbean	13	0.14%	13	0.15%	0	0%
Not Stated	259	2.74%	220	2.62%	39	3.71%
Other Specified	5	0.05%	5	0.06%	0	0%
Unspecified	25	0.26%	20	0.24%	5	0.48%
White - Any other White background	219	2.31%	182	2.16%	37	3.52%
White - British	7001	73.98%	6229	74.04%	772	73.45%
White - Irish	48	0.51%	46	0.55%	2	0.19%
White Albanian	1	0.01%	1	0.01%	0	0%
White Cypriot (non-specific)	1	0.01%	1	0.01%	0	0%
White English	549	5.80%	488	5.80%	61	5.80%
White Greek	4	0.04%	4	0.05%	0	0%
White Italian	2	0.02%	2	0.02%	0	0%
White Mixed	2	0.02%	2	0.02%	0	0%
White Northern Irish	8	0.08%	8	0.10%	0	0%
White Other European	75	0.79%	64	0.76%	11	1.05%
White Other Ex-Yugoslav	2	0.02%	2	0.02%	0	0%
White Polish	77	0.81%	33	0.39%	44	4.19%
White Scottish	23	0.24%	22	0.26%	1	0.10%
White Serbian	2	0.02%	2	0.02%	0	0%
White Turkish	2	0.02%	2	0.02%	0	0%
White Unspecified	209	2.21%	158	1.88%	51	4.85%
White Welsh	5	0.05%	5	0.06%	0	0%
Gender						
Female	7339	**77.55%**	6747	**80.2%**	592	**56.33%**
Male	2125	**22.45%**	1666	**19.8%**	459	**43.67%**
Recorded disabilities						
Yes	347	**3.67%**	321	**3.82%**	26	**2.47%**
No	7142	**75.46%**	6164	**73.27%**	978	**93.05%**
Not Declared	195	**2.06%**	153	**1.82%**	42	**4.00%**
Prefer not to answer	2	**0.02%**	1	**0.01%**	1	**0.10%**
Unspecified	1778	**18.79%**	1774	**21.09%**	4	**0.38%**

Pie charts of staff group breakdowns split by Trust and YTHFM:





Gender Profile - The breakdown below includes information about female and male staff at the end of the year. The data is split by Directors, senior managers and the remainder of the workforce.

York and Scarborough Teaching Hospitals NHS Foundation Trust

	Female		Male		Total
	Headcount	% of group	Headcount	% of group	
Directors	8	53.3%	7	46.7%	15
Managers	33	80.49%	8	19.51%	41
All other staff	6706	80.24%	1651	19.76%	8357

YTHFM

	Female		Male		Total
	Headcount	% of group	Headcount	% of group	
Directors	0	0%	2	100%	2
Managers	1	33.3%	2	66.7%	3
All other staff	591	56.5%	455	43.5%	1046

Staff Costs - In line with the HM Treasury requirements, some previous accounts disclosures relating to staff costs are now required to be included in the staff report section of the annual report instead. The following tables link to data contained in the TAC and are included here for ease of formatting for the annual report. They should not be included in the annual accounts and these tables are not a complete list of numerical disclosures for the staff report.

	Group			
	Permanent £000	Other £000	2021/22 Total £000	2020/21 Total £000
Salaries and wages	271,500	61,840	**333,340**	319,351
Social security costs	27,606	6,288	**33,894**	31,222
Apprenticeship levy	1,352	308	**1,660**	1,543
Employer's contributions to NHS pension scheme	44,323	10,095	**54,418**	50,629
Pension cost - other	178	40	**218**	288
Other post employment benefits	62	-	**62**	-
Temporary staff	-	17,592	**17,592**	15,611
Total gross staff costs	**345,021**	**96,163**	**441,184**	**418,644**
Recoveries in respect of seconded staff	-	-	**-**	-
Total staff costs	**345,021**	**96,163**	**441,184**	**418,644**
Of which				
Costs capitalised as part of assets	1,291	-	**1,291**	1,061

Average number of employees (WTE basis)	Permanent Number	Other Number	2021/22 Total Number	2020/21 Total Number
Medical and dental	431	688	**1,119**	1,229
Administration and estates	1,635	99	**1,734**	1,654
Healthcare assistants and other support staff	1,741	361	**2,102**	1,811
Nursing, midwifery and health visiting staff	2,224	476	**2,700**	2,907
Scientific, therapeutic and technical staff	942	56	**998**	1,003
Healthcare science staff	515	25	**540**	404
Total average numbers	**7,488**	**1,705**	**9,193**	**9,008**
Of which:				
Number of employees (WTE) engaged on capital projects	-	-	**19**	19

Reporting of compensation schemes – exit packages 2021/22 – The exit package detailed here relates to one former employee. The amount (including employer on-costs) was subject to a judgement made by the Employment Tribunal.

	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
		Number	Number	Number
Exit package cost band (including any special payment element)				
£50,001 - £100,000		-	1	**1**
Total number of exit packages by type		**-**	**1**	**1**
Total cost (£)		£0	£62,000	**£62,000**

Sickness Absence Rates - The Department of Health and Social Care Group Accounting Manual requires the sickness absence data for NHS bodies to be reported in the annual report on a calendar year basis.

		A09CY16	A09PY16	Maincode
		2021/22	2020/21	
	Expected sign	No.	No.	Subcode
Total days lost	+	96,853		STA0530
Total staff years	+	7,945		STA0540
Average working days lost (per WTE)	+	**12**	0	STA0550

The most current data for the Trust for the calendar year 2021 can be found at: NHS Sickness Absence Rates - NHS Digital

Being attractive to new staff

We have held a number of engagement and recruitment events virtually this year, including at the Universities of Sheffield, Coventry, York and Hull, and have returned to face to face events from March 2022 onwards. We have continued to attend virtual careers events across the region to represent the Trust, and again plan for these to return to face to face imminently. We held a large-scale recruitment event at the Community Stadium in November 2021 for our Health Care Support Worker (HCSW) role which was a great success with 75 attendees.

We are in the process of developing a recruitment microsite with a launch date of Spring 2022. This will provide candidates with details of the roles we have at the Trust and include all the vacancies available. The microsite will contain a wealth of information about the benefits of working at York and Scarborough Teaching Hospitals NHS Foundation Trust. We have also completed a photoshoot for the microsite showcasing staff in the various roles we have across the Trust.

We have developed an updated HCSW video with funding we obtained from NHSEI. This video is used across our information sessions and adverts to attract candidates to the role, and sections of it are used to promote this role across social media. In terms of flexible working, we have also recently introduced an additional option of joining a flexible working pool to HCSW candidates, which essentially offers more flexible hours that cater for shorter shifts/different working patterns to fit around other commitments staff may have.

International Nurse Recruitment - The Trust has faced a number of ongoing hurdles during the pandemic with ever changing rules regarding quarantine, international travel, and red list countries. The organisation has succeeded in overcoming these challenges, notably bringing 194 nurses to York and Scarborough Hospitals between January 2021 and January 2022. A further 90 internationally qualified nurses and 6 internationally qualified midwives are planned to arrive by December 2022.

Learning Technologies Update

ESR Streamlining for statutory and mandatory training

The interface between ESR and Learning Hub which enables streamlining of statutory and mandatory training completions aligned to the Core Skills Training Framework (CSTF) between systems went live in November 2021.

These completions now flow between ESR and Learning Hub every 24 hours this means:

- New starters from other organisations are not being asked to repeat statutory and mandatory training which is still in date on arrival.
- Aligned statutory and mandatory completions on Learning Hub are being passed to ESR so if staff do leave their record is passed to their new employer.
- Those staff employed across two organisations only have to do the training once and both organisations are updated.

This interface will be particularly useful where we employ staff who rotate through different organisations e.g. junior doctors.

HYMS Students

We've worked with our HYMS team to create a mandatory training profile enabling medical students to move between us and Hull University Teaching Hospitals on placements taking their mandatory training record with them - all courses are aligned to the CSTF. HYMS students access a different home page to our employees.

Workforce fit for the future

Apprenticeships

Despite the many challenges as a consequence of the COVID-19 pandemic; the Trust continues to offer an extensive portfolio of Level 2 (GCSE equivalent) to Level 7 (Master's Degree) clinical and non-clinical apprenticeship programmes.

We supported 89 new apprenticeship starts, culminating in a total of 431 apprentices (new recruits and existing staff) employed by the Trust since the introduction of the Apprenticeship Reforms (England) in 2017.

A significant portion of Trust apprenticeships have been higher apprenticeships to support the specific professionally qualified workforce challenges within our geographical domain; this means that the Apprenticeship Levy utilisation is supporting high-cost apprenticeships to enable us to grow a workforce fit for the future.

The Trust continues to collaborate with clinical and Care Group leads, Health Education England Yorkshire and Humber and regional partners to facilitate places on specialist apprenticeship programmes; in particular Advanced Clinical Practitioner, Occupational Therapist, Diagnostic Radiographer and Health Care Science specialisms.

In addition, we have facilitated a number of Leadership and Management apprenticeships that incorporate the highly valued NHS Leadership Academy's leadership programmes.

Apprenticeships to support the nursing workforce has continued to grow, with the Trust supporting 77 Nursing Associate apprentices, 20 Assistant Practitioner apprentices and 37 Registered Nurse Degree apprentices to date.

The Trust has worked closely with our educational partners to facilitate apprenticeship programmes with flexible entry points and recognition of prior learning to enable apprentices to progress onto higher apprenticeships but through a shortened pathway.

HYMS

The Hull York Medical School (HYMS) teams at Scarborough and York Hospitals and external partners have had a challenging year alongside the whole Trust in managing the implications of the COVID-19 pandemic.

Medical students and all healthcare students were categorised as 'business critical' during the pandemic and were able to continue with the majority of clinical placement activity in order to achieve their required learning outcomes and practical clinical skills assessments. The culmination of the Trust's support for the students was the end of year 'final' clinical examinations held at York Hospital with HYMS students successfully graduating as new foundation doctors to join the workforce in August 2021.

The numbers of students attending HYMS is expanding and the first cohort have now entered year three of the medical degree. The expanded numbers attending for clinical placement has been mirrored by an increase in resource to the Trust from Health Education England to deliver the additional teaching and support. Consequentially the extra numbers have been successfully absorbed into the Trust despite all the complexities created by the pandemic. The HYMS Clinical Deans and administrative staff have worked tirelessly to support this and as a team were very grateful to all the hospital staff for accommodating the additional students in addition to all the challenges of managing the hospital through the COVID-19 crisis.

Challenges continue to be managed as the Trust re-configures clinical service provision to deliver the best possible care for patients. Focussing services in one geographical location has brought the HYMS site teams closer together with co-ordination required as students are now moving between York and Scarborough Hospitals to ensure that all necessary clinical activities can be experienced.

Preparations for the increase in student numbers into the 4th and 5th year of the medical degree are focussing on the planning and the provision of dedicated clinical teaching time for the students and in the longer-term the potential for a new 'education' building for the Trust.

As the year closed, the restructure of the Directorate brought undergraduate and postgraduate doctor training much closer together and delivering synergies will be a focus for the year ahead.

Looking after our Current Workforce and protecting their Health and Wellbeing

In July 2020 the NHS People Plan was published. This national document acknowledged the new and unprecedented pressures facing NHS staff as a result of COVID-19. It also set out the focus and expectations of how the NHS should look after its employees, with more people, working differently, in a compassionate and inclusive culture as the cornerstone for improvements for 2020/21 and beyond.

In response the Trust developed a Trust wide Workforce People Plan Action Plan, launched in September 2020, reflecting the priorities set out nationally and aligned to the impact of the COVID-19 19 pandemic on NHS staff. One of the key priority themes was Health and Wellbeing.

Health and wellbeing outcomes are grouped under headings which align to the best practice NHS Employers Health and Wellbeing Framework and Diagnostic Tool. The table below details actions and initiatives under these headings, which commenced or were delivered during the 2021/22 year and planned work for the 2022/23 year.

	Current Position 2021/22	Plans 2022-23+
Personal H&WB	• Health and wellbeing workshops continued during 2021/22, with virtual sessions covering healthy eating, being active, weight management, menopause and staying well during COVID-19. • 84 virtual health checks offered across the Trust as part of a pilot running from September 2021 to April 2022. • Two 12 week 'Step into Health' distance learning courses delivered through out 2021/22, with 31 participants • Bridlington hospital wellbeing space has continued to provide gym facilities to staff (where government directives have allowed use) • Developed communications including a poster with QR code to enable all staff to access supports and contacts on all aspects of wellbeing on their own devices rather than via StaffRoom	• Working with Smoking Cessation Project Manager on support for staff to stop smoking • Exploring roll out of Wellbeing Passport as an app • Continuing to deliver 'Step into Health' courses, with three courses per year planned. Next courses are scheduled for April and October, and will be advertised soon.
Relationships	• Freedom to Speak Up Guardian and Fairness Champions are in post. • Values & behaviours training roll out has begun. • Staff Networks established for LGBTQ+, Carers, Disabled staff & BAME staff	• Working on a plan to roll out a 360-degree feedback tool across the organisation
Fulfilment	• Agile & Flexible Working Project ran from Q1 to Q3 2021/22. • Agile working actively encouraged in many areas of the organisation in terms of both location and working time. • Appraisal framework supports talent management conversation.	• Actively work to increase the number of Menopause Champions.
Environment	• Calm spaces. A location is currently being sought on the York Hospital site for a dedicated calm space. Spaces are available in all others sites. • Charities bid is being made to refurbish and brand all dedicated calm spaces. • Agile & Flexible Project ran Q1 to Q3 2021/22. Resources to support agile working and working from home developed by ODIL & sub teams	• Cross trust multi-disciplinary working /project group to progress staff safety around violence experienced at work and perceptions of safety and support will run through 2022/23 and report into H&WB Steering Group
Management & Leadership	• Wellbeing Guardian (NED Matt Morgan) continued to support Trusts H&WB agenda • Wellbeing Champion (Director of Workforce & OD continued to support H&WB agenda at Board level) • 100 Values Ambassadors identified and trained by ODIL from Q4 2021/22.	• Roll out of Values & Behaviours training planned through 2021/22 • Review of current Employee Relations policies scheduled for refresh by autumn 2022 (including review of the existing 3 policies Grievance, Disciplinary and Bullying to refocus approach and align to Just

	Some of these will have also delivered awareness sessions in their teams. • New Head of Occupational Health and Wellbeing appointed summer 2021 • Wellbeing Conversations launched May 2021 across the Trust with supporting guidance & videos on StaffRoom, and a check on Wellbeing embedded in annual appraisal (A4C) for 2021 window • Sickness management training rolled out to majority of Trust managers • Dedicated Vaccination Hubs established from January 2021 to vaccinate Trust staff (and partner organisations) with COVID-19 vaccines and, from October 2021, with seasonal flu vaccines. Vaccination figures for our staff (and partner organisation staff): • - 10,891 first dose; - 10,689 second dose; - 9,070 COVID-19 booster - 7,350 annual Flu • The Trust embarked on work with HC&V to achieve Menopause Accreditation, and currently has two Menopause Champions and two members of the HR team are also working to ensure Trust HR policies are menopause friendly	Culture principles • Achievement of Menopause Accreditation • Launch of Leadership & Management journey from April 2022
Data Insights	• Sickness absence Trust average Dec 2020 to Dec 2021: 5.43% • Mental Health Trust average Dec 2020 to Dec 2021: 1.51% • MSK absence Trust average Dec 2020 to Dec 2021: 0.86% • TiPi delivered to 398 staff between March 2021 and February 2022 • RAFT delivered to 44 staff between March 2021 and February 2022 • Full time RAFT Lead in post from 1 November 2021. • Average of 46 calls per month to Spectrum Life EAP • 227 staff have signed up to the Spectrum Life EAP app. Other staff may also have engaged, without creating an account.	
Professional Wellbeing Support	• Trust now has 74 trained Mental Health First Aiders across all Trust sites • The Staff Wellbeing Psychology team ran regular bookable 1:1 sessions which were attended by 82 staff in Bridlington, 101 staff in Scarborough and 120 staff in York. • 8 online Schwartz (Team Time) sessions delivered across various teams	• Identify relevant topics for ongoing delivery of Schwartz sessions. • Increase numbers of trained Mental Health First Aiders

Supporting Staff Development

Staff at all levels, whatever their background, are offered personal development opportunities through a portfolio of internal leadership, management and communication focused programmes, workshops and quality improvement learning. We offer a blended learning approach of live on-line and face to face events, bitesize workshops with supporting materials, access to online resources and encouragement of practical application in the workplace. This hybrid approach, developed and introduced during the COVID-19 pandemic has proved successful and popular with increasing numbers of staff from all areas across the organisation accessing workshops without the need for travel and lengthy study leave.

The Trust is now offering a modular and individually targeted approach to leadership and management development which allows delegates to access learning and development appropriate to their role, circumstance and previous learning. This encourages and promotes career progression from an internal talent management perspective. Many of the programmes now have co-created content, with input from the delegates on issues of particular interest or focus at that time.

It is a reflection of the Trust's dedication to continuing with the development of its workforce and flexibility in offering training options that numbers accessing personal development opportunities in leadership and management through the COVID-19 pandemic have increased on previous years' attendance figures.

This hybrid approach includes a growing number of bitesize resources aimed to support staff with visual hints and tips on particular topics of relevance, including supporting staff through redeployment during the pandemic and onwards.

Places on all workshops and programmes are offered to our wider partners from local hospices in York and Scarborough and across the Integrated Care System (ICS).

The organisation supports access to coaching and mentoring for all staff, whatever their role or background, targeting personal and team development, building resilience and contributing to supporting staff wellbeing. This includes targeted coaching offers to support staff returning to work following long term absence and shielding.

Culture & Engagement (Values & Behaviours)

We continue to support the embedding of the Trust values of kindness, openness and excellence across the Organisation with a network of values ambassadors being developed to help shape action in relation to cultural transformation and empower this social movement. The values are the powerful principles which guide everything we do at the Trust and are underpinned by a behavioural framework which provides clarity and direction about how everyone who works in our Trust should act. We continue to engage and collaborate across Care Groups, facilities management, corporate areas and nursing to promote, support and develop the idea that all staff are values ambassadors.

Staff Survey 2021

In 2021 the national annual staff survey results, compared York and Scarborough Teaching Hospitals NHS Foundation Trust to a benchmark group of **126** 'Acute and Acute & Community Trusts'. As in previous years a full census was undertaken with **40%** (36% 2019) completing the survey, totalling **3,250** (2,831 in 2019) respondents. This was below the benchmark group average of **46%** (45% in 2019).

From 2021, the questions in the NHS staff survey are aligned to the People Promise. This sets out in the words of NHS staff, the things that would most improve their working experience and is made up of seven elements. The results of the survey are now measured against the seven elements of the People Promise and two of the themes reported in previous years (Staff Engagement and Morale) will also remain. As this is a significant change from previous years to the way the results are presented, there is no trend information available for seven of the nine themes.

9 Indicators in 2021	2021 Trust Results	2021 Benchmark Average Results	Trust Results against Benchmark Average 2021
We are compassionate & inclusive	7.1	7.2	Below average
We are recognised & rewarded	5.7	5.8	Below average
We each have a voice that counts	6.5	6.7	Below average
We are safe and healthy	5.8	5.9	Below average
We are always learning	5.2	5.2	Average
We work flexibly	6.0	5.9	Above average
We are a team	6.5	6.6	Below average
Staff engagement	6.6	6.8	Below average
Morale	5.6	5.7	Below average

10 Indicators in 2020	2020 Trust Results	2020 Benchmark Average Results
Equality, Diversity & Inclusion	9.2	9.1
Health & Wellbeing	6.1	6.1
Immediate Managers	6.7	6.8
Morale	6.2	6.2
Quality of Care	7.2	7.5
Safe Environment – Bullying & Harassment	8.1	8.1
Safe Environment – Violence	9.4	9.5
Safety Culture	6.5	6.8
Staff Engagement	6.9	7.0
Team Working	6.3	6.5

11 Indicators in 2019	2019 Trust Results	2019 Benchmark Average Results
Equality, Diversity & Inclusion	9.3	9.2
Health & Wellbeing	6.2	6.0
Immediate Managers	6.8	6.9
Morale	6.2	6.2
Quality of Appraisals	5.4	5.5
Quality of Care	7.2	7.5
Safe Environment – Bullying & Harassment	8.2	8.2
Safe Environment – Violence	9.4	9.5
Safety Culture	6.4	6.8
Staff Engagement	6.9	7.1
Team Working	6.5	6.7

In summary, out of the nine themes included in the 2021 survey, the Trust's results in comparison to the benchmark group average were;

- Above average for one theme
- Average for one theme
- Below average for seven themes

For those two themes for which there is trend detail available as they were previously presented in the survey results, the Trust's score has deteriorated from the results of the 2020 survey.

These results require an ambitious delivery plan to improve the experience staff have whilst at work. The Trust is reviewing and reprioritising its approach to staff engagement; a People Recovery Plan is being developed through listening events with stakeholders, which will set out how we will improve our employee experience.

Work is also ongoing to review the 'Fix the Basics' ideas that were put forward by staff through #OurVoiceOurFuture, an online platform which was supported by Clever Together prior to the COVID-19 pandemic. Whilst some actions have been completed there are a number outstanding. The People Recovery Plan will go beyond fixing the basics for staff, it will be linked to the People Promise and will include actions to improve culture and leadership, review our health and wellbeing offer and ensure that the workforce is the Trust's priority going forward.

Temporary Staffing

It has been another challenging year for temporary staffing as the Trust has continued to navigate through the pandemic, resulting in increased requests for bank and agency across all staffing groups. Demand remains high, leading to record numbers of nursing shifts being requested, with some weeks recording in excess of 3,000 shift requests. The demand for medical bank cover has increased too, with 967 shifts requested in April 2021 rising to a record 1490 in August 2021. The average number of requests for medical staff is now around 1300 per month.

Despite the increased demand, the Trust has successfully completed its business case to centralise all non-nursing, non-medical temporary staffing requirements in line with NHSEI best practice guidelines and has seen the Trust's bank workforce increase to over 4,800 workers registered across all Agenda for Change (AfC) staffing groups. The Trust's medical bank has continued to grow too, with over 1300 workers registered to work in 2022, an increase of over 200 workers from the previous year. Although our bank workforce has increased in size, the increase in demand has had an impact on bank fill rates and we are now seeing an average fill rate of 66% for our nursing bank and 80% for our medical bank, a decrease on last year's position. The challenges of meeting the level of demand have led to increased incentives and rate escalations across the Trust banks with incentives being offered for longer periods and at higher rates than seen before.

One of the biggest achievements in the last year has been the success in increasing the compliance rate for statutory and mandatory training requirements across the Trust's AfC bank only workers. In July 2021 the compliance rate was just 59% and through a new proactive approach the Trust has been able to increase this to 80.1% by January 2022. This is the highest record for compliance to date for the Trust bank and means it is well on track to achieve the Trust threshold of 85% compliance soon. To help improve the medical bank compliance with statutory and mandatory training, the organisation is restructuring the on-boarding and governance process for our medical bank which will see this function move from our rota team to be co-ordinated by the temporary staffing team in future, ensuring processes for the medical bank are brought in line with the rest of the Trust's bank workforce.

Agency supply continues to struggle to get back to pre-pandemic levels due to a distinct lack of available workers in the market and with those who are available commanding the rates that they are prepared to work for. This has seen the organisation facing increased rates for limited agency supply; something that is being felt by other Trusts across the region too. As a result of the lack of supply, the Trust continues to engage a high volume of nursing shifts from off framework providers. Fortunately, the organisation has not engaged with any off-framework suppliers for medical locums since March 2021.

Positively, the Trust continues to manage 100% of our Allied Health Professional (AHP) agency bookings via a direct engagement model, delivering over £123k of savings for the organisation to date. The organisation continues to participate in the AHP Master Vendor Stakeholder Group chaired regionally by the NOECPC and recently took part in the regional collaborative to retender the AHP Master Vendor contract with a focus on reducing rates and improving agency performance through a series of KPIs, all to the benefit of the Trust. Medical direct engagement continues to grow, with 84% of agency locums now contracted under this model. The Trust aims to expand the coverage further in the coming year which will be supported by the new contract for Medical Master Vendor and Direct Engagement which has recently been awarded. The Trust is currently in the process of transitioning between providers with the new contract expected to go-live on 28th March 2022. It is anticipated that a new direct engagement contract alone could present savings of over £100K for the Trust, with the new provider looking to take greater control of supply and rates in an attempt to reduce these once the contract has gone live.

Levels of Attainment

The Trust has now achieved Level 1 in the eRostering Levels of Attainment for our Nursing and Midwifery staff (both ward based and non-ward based) by having over 90% of the workforce on electronic rosters. Plans to implement eRostering were delayed due to pressures resulting from the pandemic however Level 1 attainment has also been met for our Operating Department Practitioners with over 90% of the workforce on electronic rosters. Physiotherapists, Occupational Therapists, Dieticians and Additional Clinical Services are all over 70% implemented onto electronic rosters with plans over the next 12 months to focus on achieving level 1 for these staffing groups.

The Trust is currently at level zero in terms of Levels of Attainment for Medical staff. The implementation of eRostering began in August 2021. Currently all junior Doctors in medicine for the elderly and acute medicine and some in specialist medicine are eRostered using Allocate (this equates to 15% of the medical workforce). 100% of Junior Doctor rota patterns are now created and checked for compliance on eRota. Plans to implement medical eRostering were delayed due to service and staffing pressures, however the implementation roll out is due to be continued by the start of the next financial year.

Trade Union Facility Time Disclosures

The Trust fulfils its obligations under the Trade Union (Facility Time Publication Requirements) Regulations. The information reported for financial year 2021/22 is as follows:

- Number of Trade Union representatives: 11
- The percentage of time spent on facility time:
  - 1 to 50% of working hours: 10 representatives
  - 51 to 99% of working hours: 1 representative
- The amount spent on facility time: £53,356
- Percentage of pay spent on facility time: 0.01%
- The percentage of paid facility time spent on paid trade union activities: 4.31%

Reporting High Paid Off-Payroll Arrangements – The Trust had no off-payroll engagements.

Disclosures set out in the NHS FT Code of Governance

York & Scarborough Teaching Hospitals NHS Foundation Trust has applied the principles of the NHS Foundation 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. The Trust reviewed its governance arrangements in light of the code and makes the following statements.

Directors

The Trust is headed by a Board; it exercises its functions effectively, efficiently and economically. The Board is a unitary Board and at the end of March 2022 consisted of a Non-executive Chair, seven Non-executive Directors and seven Executive Directors. Full details of members of the Board and changes to the membership of the Board during 2021/22 can be found on page 61. The Board meets a minimum of 12 times a year so that it can regularly discharge its duties.

The Board provides active leadership within a framework of prudent and effective controls and ensures it is compliant with the terms of its licence. In February 2018, the Trust underwent a Licence Review by NHSI which focused on the Trust's business model and sustainability. All enforcement notices have been lifted. Further reference is made to this in the Annual Governance Statement on page 152.

The Non-executive Directors hold Executive Directors accountable through scrutiny of performance outcomes, management of business process systems and quality controls, and satisfy themselves as to the integrity of financial, clinical and other information. Financial and clinical quality control systems of risk management are robust and defensible.

The Non-executive Directors, through the Board Remuneration Committee, fulfil their responsibility for determining appropriate levels of remuneration of Executive Directors. The Committee is provided with benchmark data to support decisions being made about the level of remuneration for the Executive Directors. More details about the Board Remuneration Committee can be found on page 88.

The Board reviews the strategic aims and takes responsibility for the quality and safety of healthcare services, education, training and research. Day-to-day responsibility is devolved to the Executive Directors and their teams. The Board of Directors is committed to applying the principles and standards of clinical governance set out by NHSE/I, the Department of Health and the Care Quality Commission. As part of the planning exercise, the Board of Directors reviews its membership and undertakes succession planning.

The Board of Directors has reviewed its values and standards to ensure they meet the obligations the Trust has to its patients, members, staff and other stakeholders as part of the work around the Five Year Strategy.

The appointment process for the Chair and Non-executive Directors is detailed on page 115 and forms part of the information included in the Standing Orders written for the Council of Governors. Each year the Chair and Non-executive Directors receive an appraisal which is reviewed by the Council of Governors. The Chair undertakes an appraisal of the Chief Executive and the Chief Executive undertakes the appraisal of the Executive Directors. Details of the approach to appraisals can be found on page 117 of this report.

Members of the Board of Directors regularly attend the Council of Governors and discuss issues with the Governors. The Non-executive Directors attend the private section of the Council of Governors and are involved in committees and groups where the Governors are members or attend the meetings. A Board to Council of Governors is held a minimum of once a year and the agenda for this meeting is determined by the Council of Governors.

The Chair

A clear statement outlining the division of responsibility between the Chair and the Chief Executive has been approved by the Board of Directors.

Council of Governors

The Trust has a Council of Governors that is responsible for representing the interests of the members of the Trust, partners, voluntary organisations within the local health economy and the general community served by the Trust. Governors and their constituencies are identified on page 124. The Council of Governors holds the Board of Directors to account for the performance of the Trust, including ensuring the Board of Directors acts within the terms of the Licence. Governors' feedback information about the Trust to Members and the local community through a monthly newsletter, information placed on the Trust's website and public Council of Governor meetings.

The Council of Governors consists of elected and appointed Governors. More than half of the Governors are Public Governors elected by members of the Trust. Elections take place once a year. The next elections will be held during summer 2022.

The Council of Governors has in place a process for the appointment of the Chair which includes understanding the other commitments a prospective candidate has. The Council of Governors appointed a new Chair during 2021/22 who took up office from 1 February 2022. The Chair has confirmed to the Council of Governors that he has no other significant commitments, other than as an independent chair of a mental health partnership board within the Surrey Heartlands Integrated Care System.

Information, Development and Evaluation

The information received by the Board of Directors and Council of Governors is timely, appropriate and in a form that is suitable for members of the Board and Council to discharge their duty.

Development is provided throughout the year for Governors and Non-executive Directors in several formats.

The Council of Governors has agreed the process for the evaluation of the Chair and Non-executive Directors and the process for appointment or re-appointment of the Non-executive Directors.

The Chair, having sought the views of the Non-executive Directors and Executive Director Board members, reviews the performance of the Chief Executive as part of the annual appraisal process.

The Chief Executive evaluates the performance of the Executive Directors on an annual basis and the outcome is reported to the Chair. The Chair and Non-executive Directors provide the Chief Executive with their view of the Executive Directors' performance in the Board meeting.

Performance Evaluation of the Board and its Committees

Deloitte, who have no other connection to the Trust, conducted a well-led review in June/July 2019 which overlapped with that conducted by the CQC. The Deloitte review included interviews with key staff and observation of the Board and Committees.

The key findings were that the Trust required a Board development programme and the Resources and Quality Committees should move back to monthly meetings instead of bimonthly.

A development programme for 2020/21 was approved by the Board in December 2019 and commenced in January 2020. Due to the COVID-19 pandemic the programme was suspended, recommenced in 2021 and is to be re-evaluated with the Trust's governance in 2022/23.

The Board's Sub-Committees produce an annual report each year which is presented to the Board. The report sets out the work of the committees and their performance against their respective Terms of Reference.

Further information about the CQC visits to the Trust can be found on pages 139 and 150 of the Annual Report and Annual Governance Statement.

Appointment of Members of the Board of Directors

The Council of Governors is responsible for the appointment and/or removal of the Chair and Non-executive Directors. The Governors have a standing Nominations/Remuneration

Committee which takes responsibility for leading the process of appointment/removal on behalf of the Council of Governors. The Non-executive Directors are responsible for the appointment of the Executive Directors, including the Chief Executive. The Council of Governors is required to approve the appointment of the Chief Executive.

The Process for the Appointment of the Chair

During 2021 the Council of Governors and the Governors' Nomination/Remuneration Committee considered and agreed the process for the appointment of the Chair. It was agreed that an outside recruitment agency should manage the process, led by the Lead Governor, and supported by the Associate Director of Corporate Governance. The Council of Governors agreed that the Nomination/Remuneration Committee would agree the job description and criteria for the post, along with approving the advertisement and the appointment process.

A long list of applicants is reviewed for compliance with the requirements of the constitution and a short list of candidates is agreed by the Nomination/Remuneration Committee. The candidates are required to complete a Fit and Proper Person Declaration; an online search is undertaken and the Trust asks the External Auditors to undertake an independent search against each declaration.

The shortlisted candidates are asked to attend a one-to-one interview that tests pre-agreed requirements. This is followed by a number of group interviews which involve membership from Governors, Directors and members of staff and an unseen presentation. The candidates will then be asked to attend a final interview. The panel for the final interview comprises the Lead Governor and four other Governors, along with an invited external advisor. After the final interview the panel discusses the candidates and agrees what recommendation to put forward to the Council of Governors for approval. Following approval by the Council of Governors, the successful candidate is advised of their appointment.

Throughout the process both the Nomination/Remuneration Committee and the Council of Governors are updated on progress.

The Process for the Appointment of the Non-executive Directors

Once it has been established that there is a need to appoint a Non-executive Director, the Nomination/ Remuneration Committee meets to agree the details. The post is advertised and a long list process is completed. The Nomination/Remuneration Committee reviews the applications to develop a shortlist. Governors from the Nomination/Remuneration Committee form the appointment panel and the panel undertakes the interviews. The panel develops a recommendation for approval by the Council of Governors, following which the successful candidate is advised.

Non-executive Directors can serve a total of nine years but can choose to leave or have their service terminated by a recommendation of the Nomination/Remuneration Committee and a majority vote of the Council of Governors.

Appointment of Executive Directors

The Trust has not appointed any Executive Directors during 2020/21. In the event of needing to recruit to an Executive Director post in future, the Trust would place an advert in appropriate media and work with an outside recruitment agency if appropriate to invite applications. Each shortlisted candidate would then undertake a series of profiling exercises followed by a formal interview process including a presentation to the interview panel, which would include members of the Board of Directors.

Compliance with the Code of Governance

York and Scarborough Teaching Hospitals NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a 'comply or explain' basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012.

For the year ending 31 March 2022, the Board considers that it was fully compliant with the Provisions of the NHS Foundation Trust Code of Governance. Information relating to disclosures to meet the requirements of the Code of Governance is documented throughout this Annual Report.

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

Responsibility for Preparing the Annual Report and Accounts

The Directors of the Trust are responsible for the preparation of the Annual Report and Accounts. The Directors approve the Annual Report and Accounts prior to their publication. The Directors are of the opinion that the Annual Report and Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and stakeholders to assess the NHS Foundation Trust's performance, business model and strategy.

Resolution of Disputes between the Council of Governors and the Board of Directors

The Code of Governance requires the Trust to hold a clear statement explaining how disagreements between the Council of Governors and the Board of Directors would be resolved.

The Board of Directors promotes effective communications between the Council of Governors and the Board. The Board, through the Chief Executive and the Chair, provides regular updates to the Council of Governors on developments being undertaken in the Trust. The Board encourages Governors to raise questions and concerns during the year and to ask for further discussions at their public meetings where they feel further detail is required. The Chief Executive and any invited Director, or Non-executive Director, will ensure that the Council of Governors is provided with any information when, for example, the Trust has materially changed the financial standing of the Trust, or the performance of

its business has changed, or where there is an expectation as to performance, which, if made public, would be likely to lead to a substantial change to the financial wellbeing, healthcare delivery performance or reputation and standing of the Trust.

The Chair of the Trust also acts as Chair of the Council of Governors. The Chair's position is unique and allows him to have an understanding of a particular issue expressed by the Council of Governors. Where a dispute between the Council of Governors and the Board occurs, in the first instance, the Chair of the Trust would endeavour to resolve the dispute.

Should the Chair not be willing or able to resolve the dispute, the Senior Independent Director and the Lead Governor of the Council of Governors would jointly attempt to resolve the dispute. In the event of the Senior Independent Director and the Lead Governor being unable to resolve the dispute, the Board of Directors, pursuant to section 15(2) of Schedule 7 of the National Health Service Act 2006, will decide the disputed matter.

The Board makes decisions about the functioning of the Trust and, where appropriate, consults with the Council of Governors prior to making a decision. Any major new development in the sphere of activity of the Trust which is not public knowledge is reported to the Council of Governors in a private session, and to NHSE/I.

The Council of Governors is responsible for the decisions around the appointment of Non-executive Directors, the appointment of the External Auditors in conjunction with the Group Audit Committee, the approval of the appointment of the Chief Executive and the appointment of the Chair. The Council of Governors sets the remuneration of the Non-executive Directors and the Chair. The Council of Governors is encouraged to discuss decisions made by the Trust and highlight any concerns it has. The Council of Governors also has in place a statement that identifies at what level the Board of Directors will seek approval from the Council of Governors when there is a proposed significant transaction.

Board Balance, Completeness and Appropriateness

As at 31 March 2022, the Board of Directors for York and Scarborough Teaching Hospitals NHS Foundation Trust comprised seven Executive Directors, seven Independent Non-executive Directors and an Independent Non-executive Chair. One Corporate Director (non-voting) also attends the Board.

Changes to the Board composition during the financial year 2021/22 are set out on page 62.

Appraisal of Board Members

The Chair has conducted a thorough review of each Non-executive Director to assess their independence and contribution to the Board of Directors and confirmed that they are all effective, independent Non-executive Directors.

The appraisals are used as an opportunity to provide a basis for both individual and collective development programmes. A programme of appraisals has been run during 2021/22 and all Non-executive Directors have undergone an annual appraisal as part of the review.

The appraisal of the Chief Executive is undertaken on an annual basis by the Chair. The Chair has put in place a robust system where he discusses the outcome of his enquiries with the Chief Executive and draws up a set of objectives.

The Board of Directors maintains a register of interests as required by the constitution and Schedule 7 section 20 (1) of the National Health Service Act 2006.

The Board of Directors requires all Non-executive Directors to be independent in their judgement. The structure of the Board and integrity of the individual Directors ensure that no one individual or group dominates the decision-making process.

Each member of the Board of Directors upholds the standards in public life and displays selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

All Board members have confirmed that they are fit and proper persons to hold the office of Director in the Trust and have no declarations to make that would be contrary to the requirements. All Board members have confirmed that they do not hold any additional interests that are not declared in the Trust's Declaration of Interests.

The appointment of Executive Directors is discussed at the Remuneration Committee.

Biographies for the Board of Directors can be found on page 63 of this report.

Internal Audit Function

The Trust has an internal audit function in place that provides support to the management of the organisation. Details of the internal audit function can be found on page 70 and 158.

Attendance of Non-executive Directors at the Council of Governors

All Non-executive Directors have an open invitation to attend the Council of Governors meetings, which they attend on a regular basis. The Board of Directors and the Governors meet at the Board to Council of Governor meetings, which are held twice a year. Each meeting has focused on areas that the Governors would like more information or understanding of.

Members of the Council of Governors and Non-executive Directors work together on other occasions through various groups and committees and meet on a one-to-one basis during the year.

Executive/Corporate Directors' Remuneration

The Board Remuneration Committee meets on a regular basis, as a minimum once a year, to review the remuneration of the Executive/Corporate Directors. Details of the work of the Remuneration Committee can be found on page 88.

The Council of Governors has a Nominations/Remuneration Committee which meets a minimum of four times a year. Part of the role of the Nominations/Remuneration Committee is to review the remuneration of the Non-executive Directors. Details of the Governor Nominations/Remuneration Committee can be found on page 89.

Accountability and Audit

The Board of Directors has an established Group Audit Committee that meets on a quarterly basis, as a minimum. A detailed report on the activities of the Group Audit Committee is on page 68.

Relations and Stakeholders

The Board of Directors has ensured that there is satisfactory dialogue with its stakeholders during the year. Examples of the Trust working with stakeholders can be found on pages 24, 78 and 153.

Council of Governors Report

Annual statement from the Lead Governor

The ongoing pandemic has brought a number of challenges to the delivery of services over the year and many of these have been the focus for the work of the Governors. Throughout the year we have continued with our quarterly Council of Governor (CoG) meetings, albeit only two of those have been an in-person meeting. We have met regularly with Executive and Non-executive (NED) members of the Board through CoG meetings, Board to CoG meetings and by observing various committees. Although we are keen to return to face-to-face meetings, we accept that the on-line alternative has made meetings more accessible for some and has enabled us to continue our role of holding the NEDs to account for the performance of the Board, in spite of the restrictions.

Inevitably many of our discussions with the Executive Team and the NEDs have been COVID-19 related – vaccination rates, staffing pressures, elective waiting lists, the financial position and changes to the funding model for example. Services on the East Coast have also been regularly discussed including recruitment issues, travel difficulties from the coastal towns and, more positively, the significant investment in the capital scheme at Scarborough Hospital. I have been pleased to be involved recently in discussions with the Bridlington Health Forum about issues faced by the local community and I hope that, as COVID-19 restrictions ease, there will be more such opportunities for public governors to meet face-to-face with people in their constituency and fulfil our role to represent the interests of members of the Trust and the wider public.

There has been ongoing work throughout the year to look at ways to increase the Trust's membership community. By doing so we hope to ensure a strong voice for patients through members and the governors they elect. Similarly, the staff governors are looking at how they can best engage with the staff colleagues they represent and to bring those views into discussions at CoG and with the NEDs. We are fortunate to also have a number of governors from partner organisations who bring an external and very important perspective to discussions.

Through the year there have been a number of changes to CoG membership as existing governors completed their terms of office and new governors were elected. Our lead governor, Margaret Jackson, stood down after many years of loyal and committed service and we take this opportunity to thank her again for all she contributed. I took over from Margaret as Lead Governor in October 2021. We have also had some changes to the Board following the resignation of our Chair Sue Symington and NED David Watson. We thank and wish them both well and congratulate Sue on her appointment to the role of Chair for the Humber and North Yorkshire Heath and Care Partnership Integrated Care System. As one of the key roles of the governor is to appoint the Chair and NEDs, we were actively involved in the recruitment of our new Chair, Alan Downey, and NEDs Denise McConnell and Ashley Clay. We look forward to working closely with them on behalf of patients of the Trust in the coming months and years.

Looking forward, the governors are anticipating a busy agenda as the Trust and wider NHS face the ongoing challenges of the pandemic and the resulting impact on the number of people waiting for treatment. This is in the context of the development of the Integrated Care System for Humber and North Yorkshire and the challenges and opportunities that brings. I would like to take this opportunity to thank my fellow governors for their commitment to the Trust and the people it serves and for the energy and enthusiasm with which they take on this voluntary role.

Sally Light
Lead Governor
June 2022

Role of the Council of Governors

All NHS Foundation Trusts are required to have a body of elected and nominated Governors. York and Scarborough Teaching Hospitals NHS Foundation Trust has a Council of Governors which is responsible for representing the interests of the public in their local areas, Trust members, staff members and partner organisations in the local health economy.

As a public benefit corporation, the Trust is accountable to the local community, staff who have registered for membership and to those elected or appointed to seats on the Council of Governors.

The Council of Governors' roles and responsibilities are outlined in legislation and detailed in the Trust's constitution. The primary function of the Council of Governors is:

- To hold the Non-executive Directors, individually and collectively, to account for the performance of the Board of Directors; and,
- To represent the interests of the members of the Trust as a whole and the interests of the public.

The Council of Governors has a right to be consulted on the Trust's strategies and plans, and on any matter of significance affecting the services it provides. All Governors, both elected and appointed, are required to act in the best interest of the NHS Foundation Trust and to adhere to the values and code of conduct of the Trust.

Their duties and responsibilities include:

- To hold the Non-executive Directors, individually and collectively, to account for the performance of the Board of Directors;
- To represent the interests of the members of the Trust as a whole and the interests of the public;
- To appoint and remove the Chair and other Non-executive Directors;
- To approve the appointment of the Chief Executive;
- To appoint and remove the External Auditors;

- To ensure one or more of the Directors attend a meeting of the Council of Governors for the purpose of obtaining information about the Trust's performance, of its functions, or the Directors' performance of their duties;
- To review the Annual Accounts, Auditors' Report and Annual Report;
- To provide a view from the membership on matters of significance affecting the Trust or the services it provides;
- To represent the interests and views of Trust members and local people;
- To regularly feedback information about the Trust, its visions and its performance to the communities they represent;
- To attend meetings of the Council of Governors;
- To attend Board to Council of Governors meetings;
- To receive an annual report from the Board of Directors;
- To monitor performance and other targets;
- To advise the Board of Directors on its strategic plans;
- To make sure the strategic direction of the Trust is consistent with its terms of authorisation as agreed by NHSE/I;
- To be consulted on any changes to the Trust's constitution;
- To agree the Chair's and Non-executive Directors' remuneration;
- To provide representatives to serve on specific groups and committees working in partnerships with the Board of Directors; and,
- To inform NHSE/I if the Trust is at risk of breaching its terms of authorisation, if the concerns cannot be resolved within the Trust.

The Council of Governors and the Board of Directors continue to work together to develop an appropriate and effective working relationship. They are regularly updated on the performance of the Trust from the Board of Directors and receive both the agenda and minutes of each public Board of Directors meeting.

The Council of Governors at York and Scarborough Teaching Hospitals NHS Foundation Trust currently has 28 Governor seats in the constitution, as follows:

Public Governors	17 elected seats
Staff Governors	5 elected seats
Stakeholder Governors: • Local Authorities • Healthcare Organisations • Local Universities • Voluntary Sector • YTHFM	6 appointed comprising: • 1 seat • 2 seats • 1 seat • 1 seat • 1 seat

Governor Elections

The Trust held an election during 2021. The next elections will be held during the summer of 2022. The following seats will be included in the elections:

- Hambleton constituency – 1 seat
- York constituency – 2 seats

- Selby constituency – 2 seats
- East Coast of Yorkshire constituency – 3 seats
- Staff – 2 seats

The elections process will begin at the end of June 2022 and the election results will be announced at the end of September 2022.

The Governors

Listed below are the members, elected or appointed, who have served on the Council of Governors during the year 2021/22.

Name	Initial Appt Year	Date Appointed	Term of Office	End of Term Date
ELECTED GOVERNORS – PUBLIC				
Hambleton Constituency (1 seat)				
Catherine Thompson	2016	01.10.19	3 Years	30.09.22
East Coast of Yorkshire (5 seats)				
Stephen Hinchliffe	2012	01.10.18	3 Years	30.09.21
Liz Black	2018	01.10.18	3 Years	30.09.21
Ian Mackay Holland	2020	01.11.20	3 Years	31.10.23 (resigned Feb'22)
Angela Walker	2020	01.11.20	3 Years	31.10.23 (resigned Mar'22)
Josie Walker	2020	01.11.20	3 Years	31.10.23 (resigned Mar'22)
Bernard Chalk	2021	01.10.21	3 Years	30.09.24
Keith Dobbie	2021	01.10.21	3 Years	30.09.24
Selby Constituency (2 seats)				
Keith Dawson	2019	01.10.19	3 Years	30.09.22 (resigned Feb'22)
Doug Calvert	2020	01.11.20	3 Years	31.10.23 (resigned Jan'22)
Ryedale and East Yorkshire Constituency (3 seats)				
Andrew Butler	2012	01.10.19	2 Years	30.09.21
Sheila Miller	2012	01.10.17	4 Years	30.09.21 (Term extended so 9 years can be done)
Jeanette Anness	2012	01.10.18	3 Years	30.09.21
Sue Smith	2021	01.10.21	3 Years	30.09.24
David Wright	2021	01.10.21	3 Years	30.09.24
Alastair Falconer	2021	01.10.21	3 Years	30.09.24
York Constituency (5 seats)				
Sally Light	2018	01.10.21	3 Years	30.09.24
Michael Reakes	2016	01.10.19	3 Years	30.09.22

Helen Fields	2013	01.10.19	3 Years	30.09.22
Margaret Jackson	2012	01.10.17	4 Years	30.09.21 (Term extended so 9 years can be done)
Rukmal Abeysekera	2020	01.11.20	3 Years	31.10.23
Beth Dale	2021	01.10.21	3 Years	30.09.24
Out of Area Constituency (1 seat)				
Amit Bhagwat	2021	01.10.21	3 Years	30.09.24
STAKEHOLDER GOVERNORS				
North Yorkshire County Council (1 seat)				
Chris Pearson	2015	01.10.21	3 Years	30.09.24
University of York (1 seat)				
Gerry Richardson	2017	01.05.20	3 Years	30.04.23
Voluntary Sector (1 seat)				
Jo Holloway-Green	2019	01.03.20	3 Years	28.02.23
Healthcare Organisations (2 seats)				
Dawn Clements	2016	01.10.19	3 Years	30.09.22
Vacancy				
YTHFM LLP (1 seat)				
Paul Johnson	2020	01.11.20	3 Years	31.10.23
ELECTED GOVERNORS - STAFF				
Community (1 seat)				
Sharon Hurst	2015	01.10.19	3 Years	30.09.2022
Scarborough and Bridlington (2 seats)				
Helen Noble	2012	01.10.17	4 Years	30.09.21 (Term extended so 9 years can be done)
Maya Liversidge	2020	01.11.20	3 Years	31.10.23
Byron Stevenson-Wightwick	2021	01.10.21	3 Years	30.09.24 (resigned Feb'22)
York (2 seats)				
Mick Lee	2014	01.10.21	3 Years	30.09.24
Vanessa Muna	2020	01.11.20	3 Years	31.10.23
Gerry Robins	2020	01.11.20	3 Years	31.10.23 (resigned Jun'21)

The appointment to the Council of Governors is for a maximum term length of three years or until the Governor ends their term, whichever is sooner. A Governor can serve a maximum of nine years.

The following changes occurred in the Council of Governors membership during the year:

<u>Incoming</u>

- Beth Dale was appointed as Public Governor for York constituency on 01.10.21.

- Bernard Chalk and Keith Dobbie were appointed as Public Governors for East Coast of Yorkshire constituency on 01.10.21.
- Sue Smith, David Wright and Alastair Falconer were appointed as Public Governors for Ryedale & East Yorkshire constituency on 01.10.21
- Amit Bhagwat was appointed as Public Governor for Out of Area constituency on 01.10.21
- Mick Lee was appointed Staff Governor for York constituency on 01.10.21.

Outgoing

- Ian Mackay Holland, Public Governor for East Coast of Yorkshire constituency, resigned on 05.02.22.
- Angela Walker, Public Governor for East Coast of Yorkshire constituency, resigned on 07.03.22.
- Josie Walker, Public Governor for East Coast of Yorkshire constituency, resigned on 07.03.22
- Doug Calvert, Public Governor for Selby constituency, resigned on 26.01.22.
- Keith Dawson, Public Governor for Selby constituency, resigned on 15.02.22
- Gerry Robins, Staff Governor for York constituency, resigned on 15.06.21.
- Byron Stevenson-Wightwick, Staff Governor for Scarborough & Bridlington constituency resigned on 04.02.22.

The Council of Governors Meetings

The Trust Chair also acts as Chair of the Council of Governors. Meetings of the Council of Governors took place on five occasions. The table below shows the attendance of Governors at the formal Council of Governors meetings.

Attendees	09.06.21	14.09.21	08.12.21	13.01.22 *	15.03.22	Total meetings attended
Rukmal Abeysekera	√	√	√	√	√	5/5
Jeanette Anness	√	√				2/2
Amit Bhagwat			√	Ap	√	2/3
Andrew Butler	Ap	√				1/2
Doug Calvert	√	√	√	√		4/4
Bernard Chalk			√	√	√	3/3
Dawn Clements	√	Ap	Ap	√	Ap	2/5
Beth Dale			√	√	√	3/3
Keith Dawson	√	√	√	√		4/4
Keith Dobbie			√	√	Ap	2/3
Alistair Falconer			Ap	√	√	2/3

Helen Fields	√	√	√	√	√	5/5
Stephen Hinchliffe	√	Ap				1/2
Ian Mackay Holland	√	√	Ap	Ap		2/4
Sharon Hurst	√	√	√	√	√	5/5
Margaret Jackson	√	Ap				1/2
Paul Johnson		√	√	√	√	4/5
Mick Lee			√	√	√	3/3
Sally Light	√	√	√	√	√	5/5
Maya Liversidge	√	√	√	√	√	5/5
Sheila Miller	√	√				2/2
Vanessa Muna	Ap	Ap	Ap	Ap	Ap	0/5
Helen Noble	√	Ap				1/2
Chris Pearson	√	√	√	√	Ap	4/5
Michael Reakes	√	√	√	Ap	√	4/5
Gerry Richardson	√	√	√	√	√	5/5
Sue Smith			√	√	√	3/3
Byron Stevenson-Wightwick			√	Ap		1/2
Catherine Thompson	Ap	√	√	√	√	4/5
Angela Walker	Ap	√	Ap	Ap		1/3
Josie Walker	Ap	√	Ap	Ap		1/3
David Wright			√	Ap	√	2/3

* This was an extraordinary Council of Governor meeting to ratify the appointment of the new Chair.

The Chief Executive, Deputy Chief Executive and Non-executive Directors and Trust staff regularly attend meetings of the Council of Governors and its subgroups to present appropriate reports and provide information on the Trust's performance. The table below shows the attendance of the Board at the formal Council of Governors meetings.

Attendees	09.06.21	14.09.21	08.12.21	15.03.22	Total meetings attended
Simon Morritt	✓	Ap	✓	✓	3/4
Andrew Bertram	Ap	Ap	✓	✓	2/4
Jim Taylor	Ap	Ap	Ap	Ap	0/4
Heather McNair	Ap	Ap	Ap	Ap	0/4
Wendy Scott	Ap	Ap	Ap	Ap	0/4
Polly McMeekin	Ap	Ap	Ap	Ap	0/4
Dylan Roberts	Ap	Ap	Ap	Ap	0/4

Lucy Brown	Ap	Ap	✓	Ap	1/4
Jenny McAleese	Ap	Ap	✓	✓	2/4
Lynne Mellor	Ap	Ap	✓	✓	2/4
Lorraine Boyd	✓	✓	✓	Ap	3/4
Jim Dillon	Ap	✓	✓	✓	3/4
Steven Holmberg	✓	Ap	✓	Ap	2/4
Matt Morgan	Ap	Ap	Ap	✓	1/4

During 2021/22 the Council of Governors and its subgroups and Committees received updates and considered reports on a number of issues including:

- Updates on the Coronavirus Pandemic and operational pressures
- York Teaching Hospital Facilities Management LLP updates
- Governors' Report on Quality Report
- Humber Coast and Vale Integrated Care System updates
- East Coast Review
- Annual financial and operational plan
- Trust Constitution
- Non-executive Director recruitment
- Chair recruitment
- Non-executive Director appraisals
- Performance information
- System finance
- Governor elections
- Group Audit Committee Annual Report
- Scarborough Acute Services Review
- Board development plan
- Transport/parking issues
- Governors' priority for 2022-23
- Council of Governors Annual Reviews
- Digital strategy
- Freedom to Speak Up annual report
- Lead Governor succession process

Attendance at Meetings

In addition to the Council of Governors meetings, the Governors also met on a number of other occasions during the year to receive informal updates, training and information.

Unfortunately, due to the COVID-19 pandemic, most of these meetings were virtual. These covered a number of subjects, including the following:

- Draft Strategy
- Operational Recovery
- People Recovery
- Progress on East Coast including capital projects
- Ockenden Progress
- Digital Progress

Governors have also been involved in or attended the following meetings/events:

- Virtual Annual General Meeting/Annual Members' Meeting 2021
- Governors' virtual informal meetings
- Public Board of Directors virtual meetings
- Public Council of Governors virtual meetings

Training for Governors

To ensure the Governors are equipped with the skills they need to undertake their role, the Trust continues to ensure that Governors receive the information and understanding they require to perform the role. Induction was provided to new Governors and the agendas from the Council meetings and Board to Council of Governors are structured to provide the necessary information and understanding. Further sessions arranged include:

- Virtual Governor Focus Conference
- Virtual NED Recruitment Training
- Virtual Governor Workshops
- Virtual Accountability Session

Governor Expenses

Governors are not remunerated but are entitled to claim expenses for costs incurred whilst undertaking duties for the Trust as a Governor (i.e. travel expenses to attend the Council of Governors meetings). The total amount of expenses claimed during the year from 1 April 2021 to 31 March 2022 by Governors was £195.45.

Related Party Transactions

Under International Accounting Standard 24 “Related Party Transactions”, the Trust is required to disclose in the annual accounts any material transactions between the NHS Foundation Trust and members of the Council of Governors or parties related to them.

There were no such transactions for the period 1 April 2021 to 31 March 2022.

Appointment of the Lead Governor

The process for the appointment of Lead Governor requires Governors to put their name forward and provide a statement. These names and statements are put forward to the full Council of Governors which holds an election. The Council of Governors followed this process and appointed Sally Light as Lead Governor from 1 October 2021, replacing Margaret Jackson who had served the permitted full nine years as a Governor ending 30 September 2021.

Membership of the Committees and Groups

The Council of Governors has delegated authority to a number of Committees and Groups to address specific responsibilities of the Council of Governors. During the year the Council of Governors welcomed some new members following the elections. This has meant that during the early part of 2022 the Governors have reviewed the Groups and Committees and replacements have been confirmed.

The Council of Governors was supported by the following Sub Groups and Committees:

Nomination/Remuneration Committee

Susan Symington – Chair of the Trust (Chair), until November 2021;
Alan Downey – Chair of the Trust (Chair), from February 2022;
Jill Hall – Interim Foundation Trust Secretary (from February 2021 – August 2021)
Mike Taylor – Assoc. Director of Corporate Governance (from September 2021);
Margaret Jackson – Lead Governor (Vice-Chair), until 30 September 2021;
Sally Light – Lead Governor (Vice-Chair), from 1 October 2021;
Helen Fields – Public Governor, York;
Jeanette Anness – Public Governor, Ryedale and East Yorkshire (until 30 September 2021);
Catherine Thompson – Public Governor, Hambleton;
Stephen Hinchliffe – Public Governor, Whitby (until 30 September 2021);
Mick Lee - Staff Governor, York (from 1 October 2021);
Gerry Richardson – Stakeholder Governor, York University;
Gerry Robins – Staff Governor, York (from January 2021 – June 2021);

During the year, issues discussed included:

- NED succession planning;
- NED recruitment;
- Annual appraisal of all seven Non-executive Directors, including the Chair.
- Trust Chair's recruitment process;
- Board Sub-Committee Chairs and Vice Chairs;
- Lead Governor recruitment including the job description and process; and,
- Deputy Lead Governor process.

The terms of reference and work programme of the Committee were reviewed.

The Committee continues to reflect on the process for appointment of new Non-executive Directors and will take any learning forward to help shape the future Non-executive Director appointment processes.

Items discussed at the Nominations/ Remuneration Committee were highlighted to the private session of the full Council of Governors and the Chair offered time for discussion. In the Council's subsequent meeting in public, the Chair briefly summarised the recommendations put forward by the Committee and their approval (or not) by the full Council of Governors.

Alan Downey
Chair of the Committee

Out of Hospital Care Group

The Out of Hospital Care Group is a quarterly meeting of Governors and others who represent the localities served by the Trust. Members include Public and Staff Governors, a Non-executive Director, and senior managers from the Trust. The Group is chaired by the Head of Community Services. The Group has a wide remit, looking at any services provided out of hospital by the Trust and reporting back to the Council of Governors. The Group serves three key purposes:

- To provide a forum for Governors (on behalf of the members and local communities) to raise any issues regarding community services;

- To provide a reference group for development in community services to gain insight from a public perspective; and,
- To keep Governors updated on the developments in community services.

The Governors are involved in exploring options for improving the links between public Governors and the communities they represent.

Steve Reed
Chair of the Group

Constitution Review Group

The Constitution Review Group has met during the year and discussed a number of topics, including:

- Constitution amendments;
- Committee tenure for Governors;
- Council of Governors Effectiveness Framework document;
- Revision of the Terms of Reference and the work programme; and,
- Public Governor out of area appointment.

The most significant discussions were around the recruitment of an out of area NED in order to increase diversity on the Trust Board, and the Trust's change of name.

Sally Light
Chair of the Group

Membership Development Group

The Membership Development Group has met during the year and discussed a number of topics, including:

- The Membership Development Strategy;
- Membership events including seminars, the Annual Members Meeting/AGM;
- Increase/decline of membership numbers;
- Encouraging younger members;
- Development of the action plan; and,
- Use of social media/press releases/articles to promote membership.

This year the meetings have been opened to all governors in order to explore all opportunities and ideas to engage with members of the public. The Group is focused on how to maintain membership of the Trust and how to recruit members across the Trust's constituencies using various initiatives including:

- Increasing the number of locations in which the membership poster can be placed around the hospital sites and in the wider community;
- Using various methods of communication, including the membership newsletter, email and social media to encourage membership; and,
- Using mobile membership banners which rotate around the Trust's sites.

Sally Light
Chair of the Group

Code of Conduct

All Governors have read and signed the Trust's Code of Conduct, which includes a commitment to actively support the NHS Foundation Trust's vision and values.

Register of Governor Interests

The Trust holds a register listing any interests declared by members of the Council of Governors. Governors must disclose details of company Directorships or other positions held, particularly if they involve companies or organisations likely to do business, or possibly seeking to do business with the Foundation Trust.

The register forms part of the papers at every public Council of Governors meeting and can be accessed by visiting: https://www.yorkhospitals.nhs.uk/about-us/council-of-governors/papers-and-minutes/. The register is also available in the publications section on the Trust website. The public can also make a request in writing to:

Address: Associate Director of Corporate Governance
York & Scarborough Teaching Hospitals NHS Foundation Trust
Wigginton Road
YORK
YO31 8HE

Telephone: 01904 725076

Email: governors@york.nhs.uk

Foundation Trust Membership

Membership Strategy

The Trust continues to focus on recruitment and retaining membership using a variety of methods. Members of the public can sign up for Trust membership via the following link: https://www.yorkhospitals.nhs.uk/get-involved/ or complete a paper application found in the main reception area at any of the Trust's hospitals.

The Trust continues its aim to build a representative membership base to support public accountability and local engagement. It is recognised that a well-informed, motivated and engaged membership helps organisations to be more responsive, with an improved understanding of the needs of its patients and local communities. Therefore, it is vital to create a membership that matches the demographic mix of our catchment area and to create a vibrant membership programme to support successful long-term engagement with members.

The vision is based around three key areas:

- **Meaningful Membership** – developing a better relationship with existing members who can become more actively engaged with the Trust if they so wish;
- **Representative Membership** – to ensure our membership reflects, where possible, our socio-demographic geography and the communities which we serve; and
- **Innovative Membership** – that looks to new ways of recruiting members and reaches out to local communities, younger Members and pockets of very low membership coverage.

In order to maintain our membership level and recruit new public members, the Trust has taken forward a number of initiatives during 2021/22, including:

- Membership information displayed in main reception of each hospital;

- Continued use of the Trust's social media platforms to engage and inform members and the wider public of developments and events at the Trust;

- Dedicated Governor & Membership Manager who acts as link between the members and the Trust;

- Updating the membership section on the Trust's website to include the benefits of being a member, easier access to signing up, and contact information; and,

- Membership posters being displayed in GP surgeries, libraries and other public areas.

The strategy seeks to support the Council of Governors with specific goals to increase membership and maintain support for the Trust.

Retention of Members

The Trust recognises the importance and value of a representative membership and has continued to focus on opportunities to engage with and retain existing members. Over the past year various events have been arranged and we continue to keep members up to date through a dedicated electronic membership newsletter. Initiatives include:

- Inviting all members to the virtual Public Council of Governors meetings throughout the year. The half hour allocated prior to the meetings to give the public/members the opportunity to talk to their Governors has been postponed due to the pandemic situation.
- Inviting all members to the virtual Annual Members' Meeting which took place in October 2021; and,
- Arranging virtual events on matters of interest, including a number on mental health wellbeing, community paediatrics, diet and nutrition, organ donation, sustainability and transport.

Over the next 12 months we will continue to look at new ways to promote the benefits of membership in order to maintain and increase our membership. The Membership Strategy is due to be revised in 2022.

The Trust's Current Catchment Area

The map shows the five community areas the Trust serves and each one forms a public constituency for our membership.

Constituencies

The Trust has defined its public constituency boundaries to fit as far as possible with clearly defined local authority boundaries and "natural" communities. Each of the five constituencies contains at least one hospital facility which is either run by or has services provided by the Trust. These are places that the local population clearly identify with and care much about; it is the Trust's experience this is a key issue for membership.

Constituency	Wards
York	All council wards and the wards of Ouseburn and Marston Moor of Harrogate Borough Council. Hospital facilities include York General Hospital, St Helen's Rehabilitation Hospital, White Cross Court Rehabilitation Hospital.
Selby	All council wards and the parishes of Bubwith, Ellerton, Foggathorpe and Wressle. Hospital facilities include the Selby War Memorial Community Hospital.
Hambleton	All council wards and the areas of Northallerton, Bromfield, Northallerton Central, Romanby, Sowerby, Thirsk, Throntons, Topcliffe, Whitestone Cliff, Bishop Monkton, Boroughbridge, Carlo, Hookstone, Knaresborough East, Knaresborough King James, Knaresborough Scriven park, Newby, Pannal, Ribston, Ripon Minster, Ripon Mooreside, Ripon Spa, Spofforth with Lower Wharfdale, Starbeck, Wetherby. Hospital facilities include St Monica's Community Hospital.

Ryedale and East Yorkshire	All 20 Ryedale wards and the East Riding wards of Pocklington Provincial, Wolds Weighton and the parish of Holme upon Spalding Moor. Hospital facilities include Malton, Norton and District Community Hospital.
East Coast of Yorkshire	Whitby council wards. Hospital facilities include Whitby Community Hospital. Scarborough council wards. Hospital facilities include Scarborough and District General Hospital. All 3 wards of Bridlington Town Council and 2 wards of East Riding Council, Driffield and Rural and East Wolds and Coastal. Hospital facilities include Bridlington and District General Hospital.

Out of Area Public Members

The Trust will continue to offer membership to the public who live outside of these constituencies. Previously named “affiliate” members, they are now referred to as “out of area” members.

Public Membership Profile

Membership of the Trust as at 31 March 2022 was as follows:

Constituency	Members
East Coast of Yorkshire	1090
Hambleton	610
Ryedale and East Yorkshire	1,229
Selby	1,387
York	4,637
Out of Trust Area	663
Total	**9,616**

Age	Public
0-16	0
17-21	11
22+	9,188
Not Stated	417

Gender	Public
Unspecified	117
Male	3,742
Female	5,757

Ethnicity	Public
White - English, Welsh, Scottish, Northern Irish, British	3,941
White - Irish	19
White - Gypsy or Irish Traveller	0
White - Other	62
Mixed - White and Black Caribbean	5
Mixed - White and Black African	3
Mixed - White and Asian	9
Mixed - Other Mixed	5
Asian or Asian British - Indian	15
Asian or Asian British - Pakistani	6
Asian or Asian British - Bangladeshi	2
Asian or Asian British - Chinese	4
Asian or Asian British - Other Asian	13
Black or Black British - African	6
Black or Black British - Caribbean	3
Black or Black British - Other Black	0
Other Ethnic Group - Arab	1
Other Ethnic Group - Any Other Ethnic Group	4
Not stated	5,518

Staff Membership

The staff constituency comprises:

- Permanent, directly employed members of staff; and,
- Temporary members of staff who have been employed in any capacity on a series of short-term contracts for 12 months or more.

For staff, membership runs on an opt-out basis, i.e., all qualifying staff are automatically members unless they seek to opt out. The staff membership is broken down into three constituencies: -

York	All staff whose designated base hospital is York Hospital, White Cross Court Rehabilitation Hospital, St Helen's Rehabilitation Hospital, Archways Hospital and any other staff not included in either of the staff groups described below.
Scarborough and Bridlington	All staff whose designated base hospital is Scarborough General Hospital or Bridlington and District Hospital.

Community	All staff whose designated base hospital is Malton Community Hospital, Whitby Community Hospital, New Selby Community Hospital (also known as the New Selby War Memorial Hospital), St Monica's Hospital, Easingwold and any other staff who are designated as "Community" staff and therefore do not have a designated base hospital as they work mainly with patients in a non-acute setting, including those members of staff who are engaged in support functions in connection with such services.

Further Information on Membership

Contact can be made through the Associate Director of Corporate Governance. The contact details are:

Associate Director of Corporate Governance
York & Scarborough Teaching Hospitals NHS Foundation Trust
Wigginton Road
York
YO31 8HE

or by e-mailing membership@york.nhs.uk

Regulatory Rating

Care Quality Commission

York and Scarborough Teaching Hospitals NHS Foundation Trust is required to register with the Care Quality Commission (CQC) and its current registration status is 'Registered with Conditions'. The CQC took enforcement action against York Teaching Hospital Trust in 2019/2020 and during 2021/22 the following conditions on registration remained in place:

York Hospital

1. The registered provider must with immediate effect implement an effective system to identify, mitigate and manage risks to patients at York Hospital who present to the emergency department with mental health needs. The system must take account of the relevant national clinical guidelines.

Scarborough Hospital

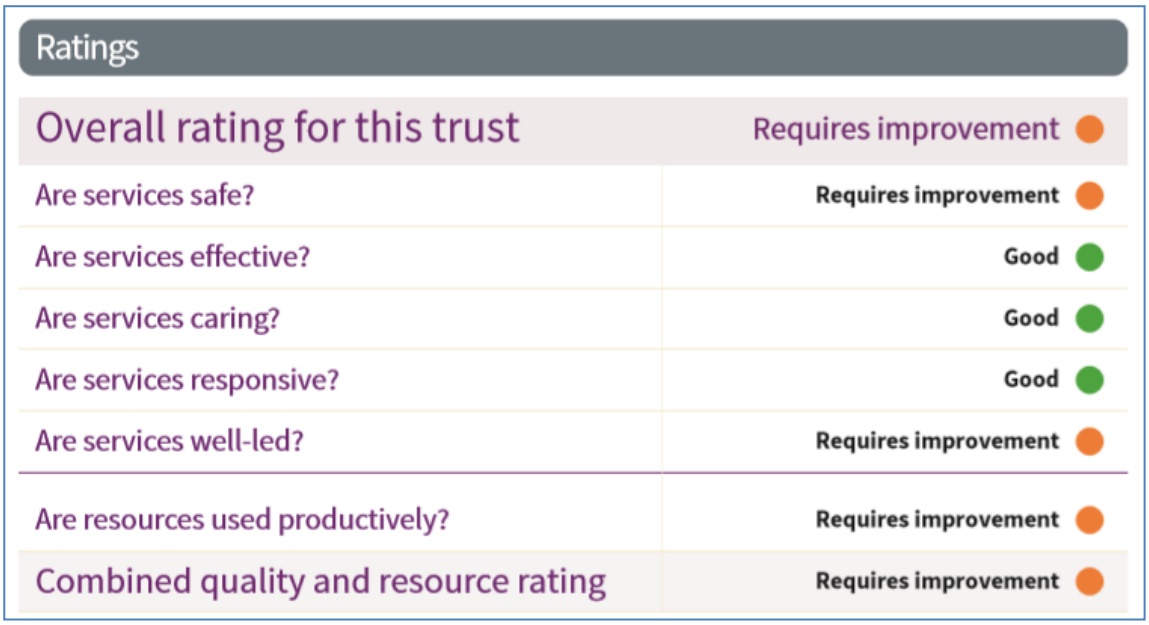
1. The registered provider must with immediate effect implement an effective system to identify, mitigate and manage risks to patients at Scarborough Hospital who present to the emergency department with mental health needs. The system must take account of the relevant national clinical guidelines.

The CQC has not taken enforcement action against York & Scarborough Teaching Hospitals NHS Foundation Trust during the reporting period. York & Scarborough Teaching Hospitals NHS Foundation Trust has not participated in any special review or investigations by the CQC during the reporting period.

York & Scarborough Teaching Hospitals NHS Foundation Trust last received a full inspection in July 2019 with an overall Trust rating of 'Requires Improvement'. Following the last CQC inspections, York & Scarborough Teaching Hospitals NHS Foundation Trust developed a comprehensive action plan. Since the inception of the action plan, significant actions have been taken to improve safety with 97% of all actions having been completed.

As a result, five conditions associated with registration were removed from the Trust's registration status. This demonstrates significant improvements in safe care delivery.

The remaining two conditions associated with registration are reliant upon the embedding of mental health risk assessments within emergency care practice. Mental health training has been delivered to staff in conjunction with external mental health care providers. Monthly audits are undertaken to assess progress with compliance.



Ratings	
Overall rating for this trust	Requires improvement
Are services safe?	Requires improvement
Are services effective?	Good
Are services caring?	Good
Are services responsive?	Good
Are services well-led?	Requires improvement
Are resources used productively?	Requires improvement
Combined quality and resource rating	Requires improvement

NHS Oversight Framework

Single Oversight Framework – NHSE/I's Single Oversight Framework provides the framework for overseeing providers and identifying potential support needs. The Framework looks at five themes:

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

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

Segmentation - In December 2020, following the lifting of all undertakings from the NHSI Licence Investigation in 2018, the Trust moved to Segment 2. This segmentation information is the Trust's position as at 31 March 2022. Current segmentation information for NHS Trusts and Foundation Trusts is published on the NHSE/I website.

Finance and Use of Resources

The finance and use of resources theme is based on the scoring of five measures from '1' to '4', where '1' reflects the strongest performance. These scores are then weighted to give an overall score. The finance and use of resources is only one of the five themes feeding into the Single Oversight Framework.

Due to the COVID-19 Pandemic, the Trust in common with all other NHS organisations was placed in an emergency financial framework throughout 2021/22, and as a consequence the finance and use of resources theme was suspended during this period.

Statement of the Accounting Officer

Statement of the Chief Executive's Responsibilities as the Accounting Officer of York and Scarborough Teaching Hospitals NHS Foundation Trust

The National Health Service 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 York and Scarborough Teaching Hospitals 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 York and Scarborough Teaching Hospitals 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 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.

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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.

Simon Morritt
Chief Executive **June 2022**

Voluntary Disclosures

Equality, Diversity and Inclusion

The Trust is committed to promoting equality, diversity and inclusion in all activities for all patients, visitors and staff.

Under the Equality Act 2010, all public sector employers must abide by the Public Sector Equality Duty (PSED). The PSED has three key aims, which are:

1. Eliminate discrimination, harassment, and victimisation
2. Advance equality of opportunity between people who share a protected characteristic and people who do not
3. Foster good relations between people who share a protected characteristic and those who do not

The Act explains that having due regard for advancing equality involves:

- Removing or minimising disadvantages suffered by people due to their protected characteristics
- Taking steps to meet the needs of people from protected groups where these are different from the needs of other people
- Encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low

The Trust is also required to produce detailed information to demonstrate our regard to the Equality Act 2010 and other NHS standards, such as the Workforce Race Equality Standard (WRES), Workforce Disability Equality Standard (WDES) and the Gender Pay Gap, all of which are published on our website, https://www.yorkhospitals.nhs.uk/about-us/equality-and-diversity/.

On an annual basis the Trust produces an Equality, Diversity and Inclusion Annual Report, which can be found on our website https://www.yorkhospitals.nhs.uk/about-us/equality-and-diversity/. This report has been designed to demonstrate key actions and achievements during the reporting period and our forward plan for Equality, Diversity and Inclusion. Since the publication of the Equality, Diversity and Inclusion Annual Report the Trust has made further investment in this area and commenced the recruitment of a Head of E, D and I.

Reverse Mentoring & Development

A reverse mentoring programme is currently underway to support the Trust's commitment to race equality and inclusion. Sixteen reverse mentoring partnerships between senior managers and Directors and a range of staff from Black, Asian and minority ethnic backgrounds have been created and despite operational pressures, conversations have been held and are on-going. From hearing insights and lived experiences, senior managers and Directors in the organisation will be better informed in making decisions

that benefit all staff and patients. Some key themes for potential action have already been identified from feedback and include improving international nurse experience and leadership development specifically for BAME staff. Feedback and themes will be shared with the Race Equality Network to further develop this learning.

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Annual Governance Statement

Annual Governance Statement 2021/22

Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the NHS 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 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 Trust Accountable Officer Memorandum*.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of York and Scarborough Teaching Hospitals 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 York and Scarborough Teaching Hospitals NHS Foundation Trust for the year ended 31 March 2022 and up to the date of approval of the annual report and accounts.

2021/22 and the previous year have been unprecedented years for the NHS, where the planning and priorities guidance, contracting arrangements, traditional fund flows and requirements for an operational plan were all suspended for the full period. The majority of this year was spent under the mandatory requirements of a level 4 incident as defined by the national EPRR arrangements. At no point during the year did the incident level drop below 3.

This Annual Governance Statement has been prepared on a Group basis and includes York Teaching Hospital Facilities Management Limited Liability Partnership (LLP) which is a subsidiary company. References therefore throughout this Annual Governance Statement to 'Trust' are in relation to the Group.

Capacity to handle risk

As Accounting Officer, I have overall responsibility for ensuring there are effective risk management systems and internal controls in place within the Trust and for meeting all statutory requirements and adhering to guidance issued by NHS Improvement in respect of governance and risk management. I have delegated overall duty to ensure risk management is discharged appropriately, to the Chief Nurse from April-September and thereafter to the Associate Director of Corporate Governance on appointment, who have been responsible for the implementation of the Risk Management Strategy.

The Board of Directors provides leadership on the overall governance agenda, including risk management. It is supported by a number of Committees that scrutinise and review assurance on internal control. These include:

- Audit Committee
- Quality Assurance Committee
- Resources Assurance Committee
- Executive Committee

Independent assurance on the effectiveness of the system of internal control and overall governance arrangements is provided by the Audit Committee. Additional assurance on the effectiveness of the systems for ensuring clinical quality is given by the Quality Assurance Committee. The Board of Directors routinely receives the minutes of these Committees alongside the Board Assurance Framework and Corporate Risk Register.

The Executive Committee reports to the Board of Directors. The Executive Committee, underpinned by the work of the various Sub-Committees, receives and reviews updates from all Care Groups and corporate areas relating to risk management, as well as the Trust's Board Assurance Framework. Each Board Committee and its sub-groups have a collective responsibility to ensure effective risk management and good governance as they discharge their duties, and this is reflected in their respective Terms of Reference. Through their work plans they contribute towards reducing the organisation's exposure to risk. Risks identified by Committees and reporting groups are communicated and recorded on the appropriate Directorate/Care Group risk registers and subject to overview, monitoring and intervention by internal governance arrangements, as well as providing assurance to the Audit Committee, Board of Directors and relevant Board Assurance Committees.

During its response to the Covid pandemic, the Trust maintained its Board and Sub-Committee structure, though the majority of meetings were held virtually, and in some cases abridged, in line with national guidance. Following central instruction the risks associated with the response to and recovery from Covid were the focus for the Trust for the full year.

The Trust has a Risk Management Framework in place to ensure that risks are identified, assessed and properly managed. To support this, during 2021 an Associate Director of Corporate Governance was appointed to be responsible for the development and implementation of the Trust's Risk Management Strategy and framework across the organisation, working with a Risk Manager on delivery.

Ultimate responsibility for the management of the risks facing the organisation sits with the Board of Directors. The Board considers the strategic and high-level Trust-wide operational risks facing the organisation as part of its routine business in order to satisfy itself collectively that risks are being effectively managed.

The Chief Executive has overall responsibility for the management of risk. Other members of the Executive Team exercise lead responsibility for the specific types of risk as follows:

- The Medical Director and Chief Nurse are jointly responsible for clinical governance, risk management and patient safety, and, whilst each have been allocated specific duties and responsibilities, there are clear lines of accountability.
- The Chief Nurse is the executive lead for ensuring a fully integrated and joined up system of risk and control management is in place on behalf of the Board. The Chief Nurse is also responsible for infection prevention and control, and safeguarding children and adults.
- The Chief Operating Officer is responsible for overall risks to operational performance.
- The Finance Director provides the strategic lead for financial risk and the effective coordination of financial controls throughout the Trust.
- The Director of Workforce and Organisational Development is responsible for workforce planning, staffing issues, education and training and organisational development.
- The Chief Digital and Information Officer is responsible for the overall risks associated with information technology and is also the SIRO and has responsibility for information governance.
- The Associate Director of Corporate Governance/Foundation Trust Secretary is responsible for the management of the Board Assurance Framework and ensuring that strategic risks are identified and reported to the Board of Directors.

All Executive Directors, Associate Chief Operating Officers, Care Group Clinical Leads and Managers are responsible for identifying, communicating and managing the risks associated with their portfolios in accordance with the Trust's Risk Management Framework. They are responsible for understanding the approach towards risk management of all key clients, contractors, suppliers and partners and mitigate where necessary, where gaps are found. They are responsible for identifying risks that should be escalated to and from the Corporate Risk Register. The Risk Management Framework is available to all staff electronically via the Trust's intranet. Roles and responsibilities in terms of risk management are incorporated into the Trust's Risk Management Policy.

The Trust recognises the importance of supporting staff. The risk management team acts as a support and mentor to staff who are undertaking risk assessments, incident reporting, incident investigation and managing risk as part of their role. In addition, the Board has set out the minimum requirements for staff training required to control key risks. A training needs analysis informs the Trust's mandatory training requirements and has been kept under review; this sets out the training requirements of all staff and includes the frequency of training in each case.

Incidents, complaints and patient feedback are routinely analysed to identify learning opportunities and improve control. Lessons for learning are disseminated to staff using a variety of methods, including Safety Spotlight monthly magazine and through Care Group governance groups.

The Trust has in place counter fraud arrangements through Audit Yorkshire from the NHS Counter Fraud Authority and has a named Local Counter Fraud Specialist. In order to ensure that counter fraud resources are effective there is a Counter Fraud Plan and Annual Counter Fraud Report which outline the proactive, reactive and strategic counter fraud work undertaken for the Trust in 2021/22.

I have ensured that all significant risks of which I have become aware of are reported through to the Board of Directors at each formal meeting. All new significant risks are escalated to me as Chief Executive and subject to validation by the Executive Team. The residual risk score determines the escalation of risk.

The Risk and Control Framework

The Trust has a Risk Management Strategy (titled Risk Management Framework), which is reviewed and endorsed by the Board of Directors. The Strategy provides a framework for managing risks across the organisation. The Strategy provides a clear, systematic approach to the management of risks to ensure that risk assessment is an integral part of clinical, managerial and financial processes across the organisation.

As part of a regular review of risk management at the Trust, in 2022/23 the Strategy and the risk management process across the Trust will be assessed against best practice and revised following feedback from stakeholders and learning from other NHS organisations. It will be aligned to the Trust's strategic objectives.

The Strategy sets out the role of the Board and its Sub-Committees, together with individual responsibilities of the Chief Executive, Executive Directors, other senior managers and all staff managing risk and individuals to ensure that risks which cannot be managed locally are escalated through the organisation. All risks are evaluated against a risk grading matrix to ensure that all risks are considered alike. The control measures, designed to mitigate and minimise identified risks, are recorded within the Corporate Risk Register and Board Assurance Framework.

The Board Assurance Framework sets out:

- The strategic objective (what the organisation aims to deliver).
- Strategic risks (those factors that could prevent the objective being achieved).
- Controls (processes in place to manage the risks).
- Assurance (evidence that appropriate controls are in place and operating effectively); and,
- Risk rating (pre and post mitigation and target rating).

The Board Assurance Framework provides assurance to the Board that the risks are being adequately controlled and informs the preparation of the Annual Governance Statement. The Board Assurance Framework was reviewed regularly at the Board of Directors meetings, the meetings of the Board's Sub-Committees and the Executive Team at the Trust's Risk Committee during 2021/22; it did not identify any significant gaps in control/assurance.

The Board's risk appetite was an area which was identified as requiring strengthening and a workshop and resulting actions have been concluded to address this, documented in the Board Assurance Framework and reported across the Trust's governance structure. This has enabled the Board to manage and understand its risk exposure, to inform risk based decision-making and assurance.

The Trust has a range of key strategic risks, which it has identified and is proactively managing; for example, through action plans and named leads. Progress is monitored by

the relevant Assurance Committee and Audit Committee. The Board considers the Board Assurance Framework (BAF) at most of its Board meetings in public, and the final BAF of 2021/22 identified the Trust's strategic risks as at 31 March 2022 as follows:

- Unable to deliver treatment and care to the required national standards.
- Access to patient diagnostic and treatment is delayed leading to patients suffering unintended or avoidable harm.
- Failure to deliver constitutional/regulatory performance and waiting time targets.
- Inability to manage vacancy rates and develop existing staff.
- Risk of inadequate funding to deliver the Trust and System Strategies.
- Failure to deliver the minimum service standard for IT and keep data safe; and,
- The Trust unable to meet ICS expectations as an acute collaborative partner.

As at 31 March 2022 the Trust has identified a range of operational risks, which are currently being mitigated. The high rated risks on the Corporate Risk Register as at 31 March 2021 relate to the following areas:

- Failure to manage the spread of contagious infection outbreaks.
- Failure to correctly identify and manage deteriorating patients.
- Failure to manage adequate staff levels due to sickness, difficulties in recruiting, national staff shortages and vacancy rates.
- Cyber-attacks.
- Failure of core technology estate.
- Significant business disruption; and,
- Deterioration of reinforced autoclaved aerated concrete (RAAC identification of asbestos on Trust estate impacting provision of services.

Care Quality Commission (CQC) Registration requirements

The Trust is required to register with the CQC and its current registration status is 'Registered with Conditions'. The Trust's last inspection was in July 2019, with an overall Trust rating of Requires Improvement. A comprehensive action plan of the must do and should do actions was identified by the CQC and during 2021/22 the following conditions on registration remained in place:

York Hospital

- The registered provider must with immediate effect implement an effective system to identify, mitigate and manage risks to patients at York Hospital who present to the emergency department with mental health needs. The system must take account of the relevant national clinical guidelines.

Scarborough Hospital

- The registered provider must with immediate effect implement an effective system to identify, mitigate and manage risks to patients at Scarborough Hospital who present to the emergency department with mental health needs. The system must take account of the relevant national clinical guidelines.

The CQC inspected a number of medical wards at the York Hospital site on 30 and 31 March 2022 and served a section 29a warning notice in some regulated activities requiring significant improvement. The subsequent report was published on the CQC website on 9 June 2022. The Trust has responded to this notice with a robust plan of action and has until 31 August to meet these significant improvements.

The CQC has not taken enforcement action against York and Scarborough Teaching Hospitals NHS Foundation Trust during the reporting period.

York and Scarborough Teaching Hospitals NHS Foundation Trust has not participated in any special review or investigations by the CQC during the reporting period.

Learning from Incidents

Over the course of 2021/22, the Trust has worked in collaboration with CCG colleagues to further refine the serious incident processes and prepare for the launch of the Patient Safety Incident Response Framework early in 2022/23.

Datix reported incidents continue to be reviewed daily by both the Care Groups and the patient safety team. Incidents of concern (moderate and above) are reviewed via a Patient Safety incident Review report and presented by clinicians to the weekly Quality and Safety (Q&S) Group which has Executive and senior Care Group representation. Learning is shared across all Care Groups and certain issues require assurance back to the Q&S that actions and learning have been embedded. This group will also declare serious incidents (SIs).

Safety briefings are developed and circulated across the Trust in response to immediate safety concerns that may be identified at Q&S. This enables immediate learning to be disseminated.

Any incidents declared as an SI are reviewed in a weekly forum chaired by the Deputy Medical Directors. This meeting ensures that the terms of reference are agreed for each SI investigation and, as we move into the new framework, will determine the investigation methodology to be used.

The SI Group oversees the approval of SI investigation reports and associated action plans. Following approval, the Care Groups share the reports which are accompanied with at a glance learning summaries. This ensures that learning identified in reports is easily accessible to the front-line staff.

In Quarter 1 2021/22 a thematic analysis of the previous 2 years' SIs was undertaken to identify recurring safety themes. This resulted in the establishment of nine quality improvement (QI) work streams which are overseen by the Oversight and Assurance of Quality Improvement Group:

- Treatment Escalation Plan
- Emergency care
- Deteriorating patient and Sepsis
- GI bleed
- Vascular lines

- Local Safety Standard for Invasive Procedures
- Nutrition
- Multi-disciplinary team working; and,
- Fractured neck of femur

On a quarterly basis a thematic analysis of SI reports is undertaken to enable any new themes to be identified and addressed.

Our Safety spotlight supplement in our monthly Staff Matters newsletter is incredibly popular with a vibrant editorial committee. Learning from incidents and national themes is shared within this supplement.

NHS Provider Licence – Condition 4

Following a Licence Review by NHS England and NHS Improvement (NHSE&I) in February and March 2018, The Trust concluded all its remaining enforcement undertakings, and in December 2020, notification was received that the Trust had complied with all the required undertakings and was no longer considered in breach of its provider licence.

The effectiveness of the governance structure has since been assessed by the Associate Director of Corporate Governance and in working and the Chair appointed in February 2022 has also input to this review. As a result of this the Sub-Committees are to be redefined to ensure continued accurate, complete and timely reporting of Trust performance across its governance structure in 2022/23.

NHS Oversight Framework

The Trust remains at segment 2 in the NHS Oversight Framework based on the level of support required across the themes of leadership capacity and capability, quality of care, financial management and/or operational performance.

Following the lifting of our licence breaches, the Trust was formally moved from segment 3 to segment 2 during 2020/21.

Performance

The Board reviews performance data each month against NHSE&I and CQC standards and outcomes via its Integrated Business Report, focussing on key performance indicators; quality, safety, patient experience and clinical outcomes; people and organisational development; and finance. This has further oversight at the Board's Sub-Committees.

A review of the Trust's Integrated Business Report is underway and will commence reporting across the Trust's revised governance structure during 2022/23. This will further enhance the rigour and scrutiny necessary to assure the Board that recovery plans are on trajectory or mitigating actions are put in place where performance is off-track. The Trust is a key member of the Humber and North Yorkshire Health and Care Partnership (HNYHCP), with a number of Trust Directors and Senior Managers leading on and

participating in work to re-design and configure pathways, and to optimise and expand service capacity where feasible.

Financial Performance

The NHS has operated in what can only be described as a state of emergency for the majority of the last 2 years, dealing with the consequences of the global pandemic. The accompanying emergency financial regime has provided a level of financial stability and we leave the 2021/22 financial year in a position where both the revenue and capital plans have been met. The Group cash position remains strong with a year-end balance of £65.4m.

This position is changing in 2022/23 as COVID-19 support starts to be withdrawn and funding arrangements are now returning to what would be considered a more 'normal' position for the NHS, albeit within a revised operating framework of 'system first'. It is expected that new legislation will be adopted by Parliament from 1 July 2022 when Integrated Care Boards (ICBs) will become legal entities and become responsible for system performance. The very clear national expectation is that all systems deliver a balanced financial plan, alongside delivering all national operational and performance priorities.

The initial planning work has underlined that the funding challenges are, and will be, incredibly challenging for 2022/23, as the Group moves away from an emergency operating position to one of recovery; this position is mirrored throughout HNYHCP and indeed across the wider NHS.

We continue to work constructively with our ICS partners to produce, what will inevitably be, a challenging but balanced, financial plan for 2022/23.

Achievement of economy, efficiency and effectiveness is underpinned by the Trust's Governance Framework and supported by internal and external audit reviews, which are monitored through the Audit Committee. The Trust also has a contract for counter fraud services for the proactive prevention, detection and reactive investigation of fraud.

Cost Improvement Programme (CIP)

There was a phased approach for the re-introduction of the CIP in 2021/22 with a requirement of 0.28% in H1; this was increased to a 1.1% annual savings requirement in H2, equating to a savings target of £8.1m for the Trust. The Trust has an excellent history in delivery of CIP, and for 2021/22 this was no different, with the final position being reported at £8.9m, an over delivery of £0.8m.

The Department of Health & Social Care has clearly indicated that the five financial tests integral to the NHS Long term plan must continue to hold for the NHS plan to be affordable and deliverable. One of these tests was to deliver at least 1.1% cash-releasing productivity. However, the Secretary of State for Health and Social Care has now indicated this savings will diverge from the long term plan and the base requirement has been doubled to 2.2% for 2022/23.

The Trust's base savings requirement is therefore currently set at £15.4m (2.4%) in 2022/23; further savings are planned in COVID expenditure, non-cash releasing productivity and technical savings increasing the overall programme to £30.6m.

Where CIP schemes have been developed by the Care Groups, they undergo a quality impact assessment (QIA), so are self-assessed by the Care Group Teams, including the Care Group Manager, Finance Manager, with senior clinical input using the Trust's risk assessment framework (5 x 5 risk matrix) with a log of risks recorded, analysed and evaluated for potential impact on the safety and quality of patient care.

Stakeholders

Public stakeholders are involved in the management of risks which impact on them through public meetings of the Board, and our attendance at Health Overview and Scrutiny meetings. Governors are involved in discussions about risks which impact on patients and Members through regular meetings including the Council of Governors and Governor Sub-Groups. They are involved in the development of the Trust's strategy and operational plans.

Our engagement with our stakeholders produces an additional layer of scrutiny and challenge from broad representative areas of our population groups and therefore enables the Trust to remain grounded and responsive to the communities we serve.

The Trust is engaged with partner organisations in the local health and care system in discussing quality and risk issues impacting on patients, in particular through work of the Humber and North Yorkshire Integrated Care System (ICS).

Further information regarding patient and public engagement in the Trust is included in the Annual Report.

Workforce Strategies

The Trust's workforce strategy, which was ratified by the Board in 2018, is currently being reviewed post-pandemic. The strategy comprised the fundamental elements of the national 'People Plan' which strives to be an employer of choice in a candidate- driven market. Post pandemic, greater focus will be on how we retain our staff.

Assurance on all aspects relating to the workforce is provided to a Sub-Committee of the Board of Directors. In the context of high vacancy rates nationally, particular focus is given to Trust vacancy rates by staff group / speciality and how this translates into safe staffing rosters in line with Maintaining Workforce Safeguards.

Register of Gifts and Hospitality

The Trust publishes on its website an up-to-date register of interests, including gifts and hospitality, for decision-making staff (as defined by the Trust with reference to guidance) within the past twelve months, as required by the 'Managing Conflicts of Interest in the NHS' guidance. The register for the Board can be found https://www.yorkhospitals.nhs.uk/seecmsfile/?id=5657.

NHS Pension Scheme

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

Equality, Diversity and Human Rights

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with.

Climate Change

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

Covid-19

In March 2020, the Trust entered unprecedented times due to the Covid-19 pandemic and, in line with its emergency planning arrangements, the Trust moved into command and control to manage the operational planning, response and mitigation of the impact. This continued into 2021/22.

Under command and control, decisions are required to be made in a fast-moving environment. It is important that the governance of the Trust supports this, mindful of the need to free up the capacity of the Executive Team in order to get the best possible outcomes for the population.

Financial and operational decisions taken at Gold Command are reported through the Executive Committee to ensure that there is broader oversight and executive challenge where required. They are reported in summary to the relevant Board Committees and to Board via escalation reports and the Executive Committee minutes.

There is a live risk log reviewed and managed by Gold Command at their meetings with risks on the Trust's risk register being updated to include the impact of Covid-19. The overarching risks are reported to the relevant Board Committee.

In line with NHSE&I guidance, issued on 24 December 2021 (Reducing the burden of reporting and releasing capacity to manage the Covid-19 pandemic) in response to Covid-19, the Trust's governance structures, including Board Committees, were temporarily streamlined. The Board and Committee structures recommenced normal activity from February 2022 but continued to meet virtually during 2021 and into 2022.

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

During the year the Board of Directors has received regular reports informing of the economy, efficiency and effectiveness of the use of resources. The reports provide detail on the financial and clinical performance of the Trust during the previous period and highlight any areas where there are concerns. The Trust uses a number of ways to review assurance mechanisms, including the Board Committee Structure, internal audit and other reviews, including those by NHSE&/I, CQC and the well-led framework.

The Trust operates within a governance framework of Standing Orders, Standing Financial Instructions and other processes. The framework includes explicit arrangements for:

- Setting and monitoring financial budgets
- Delegation of authority
- Performance management; and
- Achieving value for money in procurement

The governance framework is subject to scrutiny by the Trust's Audit Committee and internal and external audit. Financial governance arrangements are supported by internal and external audit to ensure economic, efficient and effective use of resources.

Information Governance

The Trust had in post during 2021/22 a Board-level, Chief Digital Information Officer as well as a Data Protection Officer and Head of Information Governance. These roles have responsibility for providing professional leadership on information management, related legislation and professional standards for the Trust and partners.

Staff have continued to engage in information governance and security training as part of the mandatory training programme across the Trust. The policies and procedures that support this training will be reviewed in the upcoming year.

The Data Protection and Security Toolkit 2020/21 was submitted in September 2021. This was delayed nationally due to the response to Covid-19. The assessment resulted in the Trust not having met the required standards. An improvement plan has been agreed and the interim Toolkit was submitted in March 2022. The full submission is in progress and due in June 2022. The Information Governance Executive Group continues to monitor this and reports to the Chief Executive.

The Trust manages information security incidents in a transparent manner using the Information Commissioner and Data Security and Protection Toolkits, recommending criteria to determine whether they should be reported or not. All the incidents below were felt to meet this threshold with no further action required from the Information Commissioner's Office:

- A data breach of ward data mislaid out of a hospital site by a student nurse.
- A data breach of patient's appointments names sent accidentally to a patient and the recipient suggesting they would contact patients.
- A data breach of patient information inappropriately accessed by a member of staff.

- A confidentiality breach of a child's data sent to an incorrect mother.
- A confidentiality breach of a patient's data transferred by a member of staff leaving the Trust's employment; and,
- A confidentiality breach of a patient details as a staff member shared with fellow staff members.

Data Quality and Governance

The Trust has arrangements in place to ensure it processes data that is accurate, reliable, timely, complete and sufficient. The responsibility for quality is split between the Chief Nurse and Medical Director, both of whom sit on the Quality Assurance Committee. The Quality Assurance Committee reports directly into the Board and the Chair of the Quality Committee also is a member of the Audit Committee.

The Trust has a number of underpinning strategies in place, including the Patient Safety Strategy and Quality Improvement Strategy which is currently incorporated into the Quality Strategy. These are supported by the Risk Management Framework and policies relating to health & safety, incident reporting, complaints, claims and safeguarding.

Over the course of 2021/22 the governance processes have continued to be strengthened to improve Ward to Board governance. Any areas of concern are escalated to the Board via the Committee Structure, which includes the Audit Committee. Thematic analysis of serious incident themes has been undertaken and a number of quality improvement projects have been developed to address themes.

The Trust actively encourages staff to develop their skills and knowledge by providing numerous courses and opportunities. Specific courses are also developed following concerns raised or discussions with staff, such as a new leadership/supervisory development course. The Trust has been working with partner Higher Education Institutions, specifically focusing on Coventry University at Scarborough, to develop opportunities for local people to undertake undergraduate training in health care related courses. Closer working links have also been developed with the Hull York Medical School in order to ensure more places for doctors in training.

Data quality, monitoring, validation and system controls are embedded within the organisation, and reporting processes to assure the quality and accuracy of elective waiting time data are in place. The Trust also has a Data Quality Working Group which currently reports into the Audit Committee to review data quality and provide assurance. The level of assurance has been enhanced during the year through continued development and refining of the collection and use of data, together with the strengthening of the assurance received by the Quality Assurance Committee.

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 Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the performance information available to me. My review is also informed by comments made by the

external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board and its Assurance Committees. A plan to address weaknesses and ensure continuous improvement of the systems is in place.

The Board Assurance Framework itself provides me with evidence that the effectiveness of controls that manage the risks to the organisation achieving its strategic objectives have been reviewed.

The Trust Board seeks assurance from the Trust's internal auditors, by way of reports that are published in response to reviews initiated following the agreement of an annual audit plan.

These reports are undertaken in accordance with the requirements of the Public Sector Internal Audit Standards and provide specific levels of assurance and include suggested actions to improve controls where this is considered necessary.

Apart from the Audit Committee, other Sub-Committees include, Quality Assurance Committee, Resources Assurance Committee and the Charitable Funds Committee, details of which are set out in the Accountability Report section of this Annual Report. The Audit Committee provides the Trust Board with a means of independent and objective review of:

- Internal control
- Financial systems
- The financial information used by the Trust
- Controls assurance systems
- Risk management systems
- Compliance with law, guidance and codes of conduct

The Audit Committee reviews the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the organisation's activities (both clinical and non-clinical), that supports the achievement of the organisation's objectives.

Internal Audit

The overall opinion for the period 1 April 2021 to 31 March 2022 provides Significant Assurance that that there is a good system of internal control designed to meet the organisation's objectives, and that controls are generally being applied consistently.

The 2021/22 Internal Audit Plan has been delivered, subject to approved changes. This position has been reported within the progress reports across the financial year and any changes to the audit programme have been reviewed and approved by the Audit Committee.

During the year, myself and/or the Finance Director & Deputy Chief Executive and Audit Sponsor have met with the Internal Audit Manager to discuss 'Limited' and 'Low' Assurance reports. Outcomes of the meetings are documented and reported to the Audit

Committee, which takes assurance that action plans have been agreed and are being progressed to address areas of weakness identified.

Areas to focus on next year are the further refining of the Board Assurance Framework in its change of format, supporting processes and the reporting of assurances. Likewise, the review and update of Datix risk registers will be a key priority for the new Head of Risk when they take up their role.

It has been confirmed, from the programme of internal audit work completed this year, that the Trust has taken action to address all the control weakness included in the Head of Internal Audit Opinion from 2021/22.

External Audit

External audit provides independent assurance on the accounts, annual report, and Annual Governance Statement. These documents and internal and external audits of specific areas of internal control provide the Board of directors with the information it requires to gain assurance that the Trust is meeting its objectives to protect patients, staff, the public and other stakeholders against risks of any kind: which allows the Board to support me in signing this Annual Governance Statement.

The Trust's External Auditor provided a clean unqualified audit opinion save for a limitation of scope matter regarding the inability of audit to attend stock valuations as at the 31 March 2021 due to Covid-19 restrictions at that time. This limitation is a nationally occurring issue as Trusts and Auditors have worked to Covid-19 secure practices.

Conclusion

The system of internal control has been in place at the Trust for the year ended 31 March 2022 and up to the date of approval of the annual report and accounts.

2021/22 was for the majority under the mandatory requirements of a level 4 incident as defined by the national EPRR arrangements. The Trust over this period did maintain its Board and Sub-Committee structure throughout the year and focussed its discussions on the response to and recovery from the pandemic as directed by NHS England and Improvement.

In summary I am assured that the NHS Foundation Trust has an overall sound system of internal controls in place, which are designed to manage the key organisational objectives and minimise the NHS Foundation Trust's exposure to risk.

The Board of Directors is committed to continuous improvement and enhancement of the system of internal control. I am assured that: - The Board, executive directors and senior management have identified and are managing the risks facing the Trust, with the escalation of risk events, an effective process for keeping risks scores up to date and flagging any risk and control concerns; - There is an appropriate Risk Management Framework in the Trust; - The internal auditors and other independent assurance providers to the trust, including external audit, have identified no major concerns from their risk focused programme of independent assurance.

My review therefore confirms no significant internal control issues have been identified for the year ending 31 March 2022.

Signed:

Simon Morritt
Chief Executive

Date: June 2022

Independent auditor's report to the Council of Governors of York and Scarborough Teaching Hospitals NHS Foundation Trust

Report on the audit of the financial statements

Qualified opinion on the financial statements

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

In our opinion, except for the possible effects of the matter described in the 'Basis for qualified opinion' section of our report, the financial statements:

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

Basis for qualified opinion

We were unable to obtain sufficient appropriate audit evidence about the existence and condition of the inventory balances held by the Trust and Group at 31 March 2021 of £8.868m and £9.456m respectively because we were unable to attend the year-end physical inventory counts due to COVID-19-related travel restrictions. Consequently, we were unable to determine whether any adjustment to these amounts at 31 March 2021 was necessary, or whether there was any consequential effect on operating expenses in relation to inventory expenditure for the year ended 31 March 2022.

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in these regards.

Responsibilities of the Accounting Officer for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

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

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

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

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

Matter on which we are required to report by exception

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

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

In September 2021 we identified a significant weakness in relation to Governance. In our view this significant weakness remains for the year ended 31 March 2022:

Significant weakness in arrangements – issued in a previous year	Recommendation
Care Quality Commission (CQC) inspection of the emergency department In January 2020, the CQC carried out an unannounced focused inspection of the Trust's emergency department. In their report, published in March 2020, the CQC rated the service as 'inadequate' and set out a number of areas for improvement that the Trust must address to comply with the conditions of registration. In June 2021, the CQC removed five of the seven conditions of registration originally imposed. However, two conditions of registration (in relation to risks to patients who present to the emergency departments at York and Scarborough Hospitals with mental health needs) were not removed and remain in place. In our view, the continuation of the conditions of registration imposed by the CQC represent a significant weakness in arrangements in relation to: • Governance - how the Trust ensures that it makes informed decisions and properly manages its risks.	The Trust should implement and embed the action plans it has developed to address the patient care issues identified by the Care Quality Commission in order to deliver sustainable improvements for patients. In particular, it should ensure that robust monitoring and reporting processes are maintained, and that challenge, scrutiny and escalation arrangements drive the required improvements for patients and maintain the progress made to-date in implementing the actions to address the remaining issues raised by the CQC.

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

Responsibilities of the Accounting Officer

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

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

We are required under Schedule 10(1) of the National Health Service Act 2006 to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources, and to report where we have not been able to satisfy ourselves that it has done so. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our work in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in December 2021.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Code of Audit Practice

In our opinion:

- the parts of the Remuneration and Staff Report subject to audit have been properly prepared in accordance with the requirements of the NHS Foundation Trust Annual Reporting Manual 2021/22; and
- the other information published together with the audited financial statements in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception under the Code of Audit Practice

We are required to report to you if:

- in our opinion the Annual Governance Statement does not comply with the NHS Foundation Trust Annual Reporting Manual 2021/22; or
- the Annual Governance Statement is misleading or is not consistent with our knowledge of the Trust and Group and other information of which we are aware from our audit of the financial statements; or
- we refer a matter to the regulator under Schedule 10(6) of the National Health Service Act 2006; or
- we issue a report in the public interest under Schedule 10(3) of the National Health Service Act 2006.

We have nothing to report in respect of these matters.

Use of the audit report

This report is made solely to the Council of Governors of York and Scarborough Teaching Hospitals NHS Foundation Trust as a body in accordance with Schedule 10(4) of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust as a body for our audit work, for this report, or for the opinions we have formed.

Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate until we have completed the work necessary to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness is its use of resources.

Mark Dalton, Key Audit Partner
For and on behalf of Mazars LLP

5th Floor
3 Wellington Place
Leeds
LS1 4AP

21 June 2022

Audit Completion Certificate issued to the Council of Governors of York and Scarborough Teaching Hospitals NHS Foundation Trust for the year ended 31 March 2022

In our auditor's report dated 21 June 2022 we explained that the audit could not be formally concluded until we had completed the work necessary to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness is its use of resources.

This work has now been completed.

No matters have come to our attention since 21 June 2022 that would have a material impact on the financial statements on which we gave our qualified opinion.

The Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

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

In our auditor's report dated 21 June 2022 we reported that we had identified a significant weakness in the Trust's arrangements for the year ended 31 March 2022. On the basis of our work, having regard to the guidance issued by the Comptroller and Auditor General in December 2021, we have identified the following additional significant weakness in the Trust's arrangements for the year ended 31 March 2022.

Significant weakness in arrangements	Recommendation
Care Quality Commission (CQC) inspection of York Hospital In March 2022, the CQC completed an unannounced focused inspection, due to safety concerns about standards of patient care. This resulted in a section 29a warning notice being issued because the Trust's patient risk assessment procedures and levels of care regarding nutrition and hydration, pressure area care and falls were deemed as being inadequate. The CQC have suspended this hospital's rating for medical care as a result of concerns about this service.	The Trust should ensure it embeds and sustains the action plan that it has put in place to address the patient care issues identified by the Care Quality Commission. In particular, it should ensure that existing monitoring and reporting processes are maintained, and that challenge, scrutiny and escalation arrangements drive the required improvements for patients and sustain the progress made to-date in implementing the actions to address the issues raised by the CQC and ensure these arrangements act to mitigate future recurrences of the weakness.

Certificate

We certify that we have completed the audit of York and Scarborough Teaching Hospitals NHS Foundation Trust in accordance with the requirements of chapter 5 of part 2 of the National Health Service Act 2006 and the Code of Audit Practice.

Mark Dalton Key Audit Partner
For and on behalf of Mazars LLP

5th Floor
Wellington Place
Leeds
LS1 4AP

6 September 2022

Annual Accounts

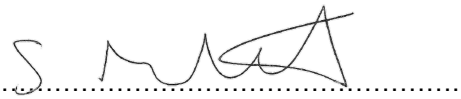
York and Scarborough Teaching Hospitals NHS Foundation Trust (formerly York Teaching Hospital NHS Foundation Trust)

Annual accounts for the year ended 31 March 2022

Foreword to the accounts

York and Scarborough Teaching Hospitals NHS Foundation Trust (formerly York Teaching Hospital NHS Foundation Trust)

These accounts, for the year ended 31 March 2022, have been prepared by York and Scarborough Teaching Hospitals NHS Foundation Trust (formerly York Teaching Hospital NHS Foundation Trust) in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.

Signed 

Name **Simon Morritt**
Job title **Chief Executive**
Date **17 June 2022**

Consolidated Statement of Comprehensive Income

		Group	
		2021/22	2020/21
	Note	£000	£000
Operating income from patient care activities	3	585,278	536,526
Other operating income	4	76,487	79,847
Operating expenses	6, 8	(654,592)	(611,476)
Operating surplus/(deficit) from continuing operations		**7,173**	**4,897**
Finance income	11	55	16
Finance expenses	12	(461)	(517)
PDC dividends payable		(7,107)	(5,372)
Net finance costs		**(7,513)**	**(5,873)**
Other gains / (losses)	13	(27)	(10)
Gains / (losses) arising from transfers by absorption	36	1,066	-
Surplus / (deficit) for the year		**699**	**(986)**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	7	(723)	(11,203)
Revaluations	20	8,952	14,318
Other reserve movements		(50)	(12)
Total comprehensive income / (expense) for the period		**8,878**	**2,117**
Surplus/ (deficit) for the period attributable to:			
York and Scarborough Teaching Hospitals NHS Foundation Trust (formerly York Teaching Hospital NHS Foundation Trust)		699	(986)
TOTAL		**699**	**(986)**
Total comprehensive income/ (expense) for the period attributable to:			
York and Scarborough Teaching Hospitals NHS Foundation Trust (formerly York Teaching Hospital NHS Foundation Trust)		8,878	2,117
TOTAL		**8,878**	**2,117**

Statements of Financial Position

	Note	Group 31 March 2022 £000	Group 31 March 2021 £000	Trust 31 March 2022 £000	Trust 31 March 2021 £000
Non-current assets					
Intangible assets	15	10,091	10,290	10,091	10,290
Property, plant and equipment	17	278,159	244,868	255,600	231,320
Receivables	23	2,881	4,221	2,881	4,220
Receivables relating to subsidiary	21	-	-	50,747	38,283
Total non-current assets		**291,131**	**259,379**	**319,319**	**284,113**
Current assets					
Inventories	22	11,511	9,456	10,669	8,868
Receivables	23	18,196	20,219	15,975	17,470
Receivables relating to subsidiary	21	-	-	2,537	1,887
Cash and cash equivalents	24	65,366	47,296	63,848	45,850
Total current assets		**95,073**	**76,971**	**93,029**	**74,075**
Current liabilities					
Trade and other payables	25	(80,188)	(60,070)	(65,419)	(46,678)
Trade and other payables relating to subsidiary	25.1	-	-	(11,926)	(16,942)
Borrowings	27	(3,444)	(3,382)	(3,379)	(3,316)
Borrowings relating to subsidiary	27	-	-	(2,358)	(2,488)
Provisions	29	(1,216)	(250)	(1,066)	(250)
Other liabilities	26	(1,257)	(1,107)	(1,242)	(1,092)
Total current liabilities		**(86,105)**	**(64,809)**	**(85,390)**	**(70,766)**
Total assets less current liabilities		**300,099**	**271,541**	**326,958**	**287,422**
Non-current liabilities					
Trade and other payables	25	(72)	(66)	(54)	(54)
Borrowings	27	(21,374)	(24,666)	(21,124)	(24,349)
Borrowings relating to subsidiary	27	-	-	(29,025)	(22,762)
Provisions	29	(1,606)	(2,152)	(1,607)	(2,152)
Total non-current liabilities		**(23,052)**	**(26,884)**	**(51,810)**	**(49,317)**
Total assets employed		**277,047**	**244,657**	**275,148**	**238,105**
Financed by					
Public dividend capital		166,349	142,837	166,349	142,837
Revaluation reserve		73,398	65,169	73,398	65,169
Income and expenditure reserve		37,300	36,651	35,402	30,099
Total taxpayers' equity		**277,047**	**244,657**	**275,149**	**238,105**

Notes numbered 1 to 38 form part of these accounts.

Name Simon Morritt
Position Chief Executive Officer
Date 17 June 2022

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

Group	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2021 - brought forward	**142,837**	**65,169**	**36,651**	**244,657**
Surplus/(deficit) for the year	-	-	699	**699**
Impairments	-	(723)	-	**(723)**
Revaluations	-	8,952	-	**8,952**
Public dividend capital received	23,512	-	-	**23,512**
Subsidiary Profit Distribution	-	-	(50)	**(50)**
Taxpayers' and others' equity at 31 March 2022	**166,349**	**73,398**	**37,300**	**277,047**

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

Group	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2020 - brought forward	**95,408**	**62,954**	**36,749**	**195,111**
Surplus/(deficit) for the year	-	-	(986)	**(986)**
Impairments	-	(11,203)	-	**(11,203)**
Revaluations	-	14,318	-	**14,318**
Revaluations and impairments - charitable fund assets	-	-	-	**-**
Transfer to retained earnings on disposal of assets	-	(900)	900	**-**
Public dividend capital received	47,606	-	-	**47,606**
Public dividend capital repaid	(177)	-	-	**(177)**
Subsidiary Profit Distribution	-	-	(12)	**(12)**
Taxpayers' and others' equity at 31 March 2021	**142,837**	**65,169**	**36,651**	**244,657**

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

Trust	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers equity at 1 April 2021 - brought forward	**142,837**	**65,169**	**30,099**	**238,105**
Surplus/(deficit) for the year	-	-	2,917	**2,917**
Impairments	-	(723)	-	**(723)**
Revaluations	-	8,952	-	**8,952**
Public dividend capital received	23,512	-	-	**23,512**
Subsidiary Profit Distribution	-	-	2,386	**2,386**
Taxpayers' equity at 31 March 2022	**166,349**	**73,398**	**35,402**	**275,149**

Trust Statement of Changes in Taxpayers' Equity for the year ended 31 March 2021

Trust	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' equity at 1 April 2020 - brought forward	**95,408**	**62,954**	**34,995**	**193,357**
Surplus/(deficit) for the year	-	-	(5,796)	**(5,796)**
Impairments	-	(11,203)	-	**(11,203)**
Revaluations	-	14,318	-	**14,318**
Transfer to retained earnings on disposal of assets	-	(900)	900	**-**
Public dividend capital received	47,606	-	-	**47,606**
Public dividend capital repaid	(177)	-	-	**(177)**
Taxpayers' equity at 31 March 2021	**142,837**	**65,169**	**30,099**	**238,105**

Information on reserves

Public dividend capital
Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. Additional PDC may also be issued to trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the trust, is payable to the Department of Health as the public dividend capital dividend.

Revaluation reserve
Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

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

Statements of Cash Flows

	Note	Group 2021/22 £000	Group 2020/21 £000	Trust 2021/22 £000	Trust 2020/21 £000
Cash flows from operating activities					
Operating surplus / (deficit)		7,173	4,897	8,449	(186)
Non-cash income and expense:					
Depreciation and amortisation	6	12,390	11,371	12,390	11,371
Net impairments	7	272	5,146	272	5,131
Income recognised in respect of capital donations	4	(1,082)	(850)	(1,082)	(850)
(Increase) / decrease in receivables relating to subsidiary		-	-	63	5,806
(Increase) / decrease in receivables and other assets		3,798	9,611	3,269	11,336
(Increase) / decrease in inventories		(2,055)	1,001	(1,801)	991
Increase / (decrease) in payables and other liabilities		12,021	15,044	18,996	11,573
Increase / (decrease) in payables relating to subsidiary		-	-	(5,016)	7,923
Increase / (decrease) in provisions		427	597	270	597
Net cash flows from / (used in) operating activities		**32,944**	**46,817**	**35,810**	**53,692**
Cash flows from investing activities					
Interest received		55	16	51	18
Interest received from subsidiary		-	-	1,748	1,247
Purchase of intangible assets		(408)	(256)	(408)	(256)
Purchase of PPE and investment property		(27,213)	(19,238)	(26,561)	(18,786)
Sales of PPE and investment property		-	35	-	35
Receipt of cash donations to purchase assets		575	334	575	334
Net cash flows from / (used in) investing activities		**(26,991)**	**(19,109)**	**(24,595)**	**(17,408)**
Cash flows from financing activities					
Public dividend capital received		23,512	47,606	23,512	47,606
Public dividend capital repaid		-	(177)	-	(177)
Movement on loans from DHSC		(3,150)	(33,712)	(3,150)	(33,712)
Movement on loans to and from subsidiary		-	-	(7,044)	(6,129)
Capital element of finance lease rental payments		(63)	(56)	-	-
Interest on loans		(467)	(625)	(467)	(625)
Interest on loans to subsidiary		-	-	(814)	(990)
Other interest		(1)	(3)	7	-
Interest paid on finance lease liabilities		(17)	(12)	-	-
PDC dividend (paid) / refunded		(7,647)	(4,806)	(7,647)	(4,806)
Cash flows from (used in) other financing activities		(50)	(12)	2,386	(4)
Net cash flows from / (used in) financing activities		**12,117**	**8,203**	**6,783**	**1,163**
Increase / (decrease) in cash and cash equivalents		**18,070**	**35,911**	**17,998**	**37,447**
Cash and cash equivalents at 1 April - brought forward		**47,296**	**11,385**	**45,850**	**8,403**
Cash and cash equivalents at 31 March	24	**65,366**	**47,296**	**63,848**	**45,850**

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 2021/22 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts

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

The Trust, along with Northumbria Healthcare Facilities Management Ltd, incorporated a subsidiary York Teaching Hospital Facilities Management (YTHFM LLP) registered number OC421341 in March 2018 as a limited liability partnership. YTHFM LLP became operational on the 1 October 2018. The primary purpose of the subsidiary is the provision of a fully managed healthcare facility for the Trust's existing infrastructure, including the design, project management and operation of the Trust's capital programme. The income, expenses, assets, liabilities, equity and reserves for the subsidiary are consolidated in full into the appropriate financial statement lines. Appropriate adjustments are made on consolidation where the subsidiary's accounting policies are not aligned with the Trust's or where the subsidiary's accounting date is not coterminous. The amounts consolidated for the year ending 31 March 2022 are drawn from the 2021/22 financial statements of YTHFM LLP which operates under the same financial accounting year as the Trust. Northumbria Healthcare Facilities Management Ltd minority interest is not material to the Groups financial statements.

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 enable 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.

Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for health care services. In 2021/22 and 2020/21, the majority of the Trust's income from NHS commissioners was in the form of block contract arrangements. The Trust receives block funding from its commissioners, where funding envelopes are set at a Integrated Care System/Sustainability and Transformation Partnership level. For the first half of the 2020/21 comparative year these blocks were set for individual NHS providers directly, but the revenue recognition principles are the same. The related performance obligation is the delivery of healthcare and related services during the period, with the Trust's entitlement to consideration not varying based on the levels of activity performed.

The Trust also receives additional income outside of the block payments to reimburse specific costs incurred and, in 2020/21, other income top-ups to support the delivery of services. Reimbursement and top-up income is accounted for as variable consideration.

In 2021/22, the Elective Recovery Fund enabled systems to earn income linked to the achievement of elective activity targets including funding any increased use of independent sector capacity. Income earned by the system is distributed between individual entities by local agreement. Income earned from the fund is accounted for as variable consideration.

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 the grants are used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. Where the grant 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.

Alternative pension scheme
York Teaching Hospital NHS Foundation Trust offers an alternative pension scheme to all employees who are either not eligible; or choose not, to be members of the NHS Pension Scheme at the Trust. This includes employees who are members of the NHS Pension Scheme through another role outside of the Trust and those that are not eligible to join the NHS Pension Scheme.

The alternative pension scheme is a defined contribution scheme operated by the National Employment Savings Trust (NEST). Employee and employer contribution rates are a combined minimum of 5% (with a minimum 2% being contributed by the Trust) and for the year 2021-22 the combined contribution rate was 8% (with a minimum 3% being contributed by the Trust, as per the previous year).

York Teaching Hospital Facilities Management LLP

A number of the YTHFM employees remain within the NHS Pension Scheme, however YTHFM also operates a NEST Pension Scheme for those employees not eligible to join the NHS Pension Scheme. Employee and Employer contributions mirror that of the NHS Pension Scheme as closely as possible, in that employer contributions are capped at 14%, the maximum amount that can be paid into the NEST scheme.

The NEST Pension scheme is a government run scheme with over 720,000 different employers contributing for 7.2m employees, therefore it is not being designed to run in a way that would enable the Group to identify its share of the underlying assets and liabilities.

Note 1.7 Expenditure on other goods and services

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

Note 1.8 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

• it is held for use in delivering services or for administrative purposes
• it is probable that future economic benefits will flow to, or service potential be provided to, the 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. This basis has been applied to the Land & Buildings as the construction of all Trust assets are completed by the Trusts' subsidiary company under the terms of the MSA(Master service agreement) and the costs have recoverable VAT for the Trust.

A formal revaluation was carried out as at 31 March 2022 to reflect the changes in building values throughout the year. Where the Trust capitalised new land & building assets, a site valuation was carried out.
Valuations are carried out by professionally qualified valuers, external to the Trust, in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual. (www.rics.org)

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.

The Trust's 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.

Assets that have a value of less than £5,000 or have a sufficiently short life of less than one year are expensed through revenue.

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.

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.

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	20	60
Dwellings	5	60
Plant & machinery	5	15
Transport equipment	3	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 1.9 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	5	10
Software licences	5	10

Note 1.10 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using both the first in, first out (FIFO) method and the weighted average cost method.

In 2020/21 and 2021/22, 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 1.11 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 1.12 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.

Impairment of financial assets

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

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

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

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

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 1.13 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.

The Trust as a lessor

Finance leases

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

Operating leases

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

Note 1.14 Provisions

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

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

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

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

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

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed at note 29.3 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 1.15 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 of the audit of the annual accounts.

Note 1.16 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 non current assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

Note 1.17 Corporation tax

The Trust Board has reviewed the commercial activites of the Trust and consideration has been given to the implications of corporation tax. At this stage the Trust Board is satisfied that there are no corporation tax liabilities resulting from non-core activities. The Trust will continue to review commercial services in light of any potential changes in the scope of corporation tax.

York and Scarborough Teaching Hospital NHS Foundation Trust is a Health Service Body within the meaning of s519A ICTA 1998 and accordingly is exempt from taxation in respect of income and capital gains within categories covered by this. There is the power from the Treasury to disapply the exemption in relation to the 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.

Tax to be paid on profits arising from the Trust's subsidiary LLP are a Member's tax liability. Trust income from the LLP has been considered as part of the Trust Board's review of commercial services.

Note 1.18 Climate change levy

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

Note 1.19 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.

Where the Trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

• monetary items are translated at the spot exchange rate on 31 March
• non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction and
• non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

Note 1.20 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 1.21 Losses and special payments

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

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 1.22 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 1.23 Transfers of functions to other NHS bodies

For functions that have been transferred to the Trust from another NHS body, the transaction is accounted for as a transfer by absorption. The assets transferred are recognised in the accounts using the book value as at the date of transfer. The assets are not adjusted to fair value prior to recognition. The net gain corresponding to the net assets transferred is recognised within income, 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.

Note 1.24 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2021/22.

Note 1.25 Standards, amendments and interpretations in issue but not yet effective or adopted

IFRS 16 Leases

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

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

On transition to IFRS 16 on 1 April 2022, the trust will apply the standard retrospectively without restatement and with the cumulative effect of initially applying the standard recognised in the income and expenditure reserve at that date. For existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000, a lease liability will be recognised equal to the value of remaining lease payments discounted on transition at the trust's incremental borrowing rate. The trust's incremental borrowing rate will be defined by HM Treasury. For 2022, this rate is 0.95%. The related right of use asset will be measured equal to the lease liability adjusted for any prepaid or accrued lease payments. No adjustments will be made on 1 April 2022 for existing finance leases.

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

The majority of the Group's lease portfolio sits in the Trusts' subsidiary which implemented IFRS16 in 2019/20 . A dedicated software package is used to generate the Trusts Right of Use asset register and associated depreciation and interest costs. The software package has been used to generate the figures included in the accounts note below.

The Trust has estimated the impact of applying IFRS 16 in 2022/23 on the opening statement of financial position and the in-year impact on the statement of comprehensive income and capital additions as follows:

	£000
Estimated impact on 1 April 2022 statement of financial position	
Additional right of use assets recognised for existing operating leases	21,883
Additional lease obligations recognised for existing operating leases	(21,577)
Net impact on net assets on 1 April 2022	**306**
Estimated in-year impact in 2022/23	
Additional depreciation on right of use assets	(5,337)
Additional finance costs on lease liabilities	(709)
Lease rentals no longer charged to operating expenditure	5,925
Other impact on income / expenditure	-
Estimated impact on surplus / deficit in 2022/23	**(121)**
Estimated increase in capital additions for new leases commencing in 2022/23	**19,509**

The Trusts' (incl YTHFM LLP) lease portfolio that transitions to IFRS16 is made up of :	
Equipment Leases	110
Vehicle Leases	27
Land/buildings	17
Total Lease contracts	**154**

New leases for 2022/23 have been assessed based on :

Property - Lease end dates, discussions with the Property Asset manager regarding new leases in negotiation and any renewals of existing leases.

Medical Equipment / other leases - Discussions with users regarding replacement plans. Any new lease requirements as a result of new capital projects and the expected lease terms associated with specific equipment.

Other standards, amendments and interpretations

IFRS 17 Insurance Contracts - Application required for accounting periods beginning on or after 1 January 2023, but not yet adopted by the FReM: early adoption is not therefore permitted.
The impact of the standard is still being assessed.

Note 1.26 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:

In the course of preparing the annual accounts, the Directors have to make use of estimated figures in certain cases, and routinely exercise judgement in assessing the amounts to be included. The Directors have formed the judgement that the Trust has recognised the appropriate level of income due under the terms of the signed contract, and anticipate recovery of outstanding debts.

Segmental Reporting

The Trust has one material segment, being the provision of healthcare. Service divisions within the Group all have similar economic characteristics; all of the healthcare activity is undertaken in relation to NHS patients.

Lease and lease back

The substance of a lease involves the transfer of the risks and rewards of ownership. It is the judgment of the Trust that where it acts as both lessor and lessee for underlying assets to which it holds legal title, that, in substance, there has been no transfer of risks and rewards. In such situations the Trust will offset assets and liabilities, as well as income and costs, arising from the contract agreements where the Trust is satisfied that it has a legally enforceable right of offset and intends to settles the assets and liabilities simultaneously.

This judgement has been applied to the lease and lease back agreements entered into by the Trust and its subsidiary entity, YTHFM LLP, in regards to the sites; York Hospital, Scarborough Hospital, Bridlington Hospital and various other Trust infrastructure. The Trust has leased the infrastructure to YTHFM LLP for a period of 25 years commencing on the 1 October 2018, with the permitted use as a hospital or any ancillary use (including educational purposes) as required by the Tenant for the proper performance of its obligations and exercise of its rights under the Master Services Agreement or such other use required for income generation with the prior consent of the Landlord. Such consent should not to be unreasonably withheld or delayed. The Leases also contain a provision that prohibits or restricts any disposition.

YTHFM LLP provides infrastructure back to the Trust via its fully managed facilities contract. The linked transactions do not involve a transfer of the risks and rewards of ownership and hence, in the judgement of the Trust, there is, in substance, no lease.

The Trust invoiced the YTHFM LLP for lease charges of £18.723m during the course of the year, the LLP charged the Trust a similar amount as part of its fully managed facilities billing.

Valuation of Land & Buildings - Note 1.8 and Note 18.

The Trust has conducted a review of land and buildings, using independent qualified valuers (District Valuers - Valuation Office Agency)by a senior surveyor RICS registered valuer as of 31 March 2022 and 31 March 2021.

The valuation have been undertaken in accordance with International Financial Reporting Standards (IFRS) as interpreted and applied by the HMT Treasury FReM compliant Department of Health Group Manual for Accounts (DoH GAM) on a Modern equivalent asset basis. Inherant within valuations are significant judgements relating to Modern Equivalent Asset valuations.

Provision for impairment of Receivables - Note 23.2 & 23.3

Judgement is used where there is sufficient evidence to impair an individual receivable taking into account the age profile and class of receivable. Every effort is made to collect the debt, even when it has been impaired and is only written off as a final course of action after all possible recovery efforts have been exhausted. The amount of debt written off maybe different to that which has been judged as impaired.

Provisions - Note 29.1

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

Note 1.27 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:

Actuarial Assumptions for costs relating to the NHS pension scheme
The Trust reports employer contributions to staff pensions as operating expenditure. The employer contribution is based on an annual actuarial estimate of the required contribution to the scheme's liabilities. It is an expense that is subject to change. Please refer to note 9.

Note 2 Operating Segments

All income and activities are for the provision of health and health related services in the UK. The Trust reports revenues on a Trust wide basis in its internal reports and therefore deems there to be a single segment, healthcare.

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)	2021/22 £000	2020/21 £000
Acute services		
Block contract / system envelope income	465,477	438,449
High cost drugs income from commissioners (excluding pass-through costs)	54,911	46,513
Other NHS clinical income	13,086	1,652
Community services		
Block contract / system envelope income	22,310	20,739
Income from other sources (e.g. local authorities)	4,599	4,472
All services		
Private patient income	319	217
Elective recovery fund	7,450	-
Additional pension contribution central funding*	15,742	14,694
Other clinical income	1,384	9,790
Total income from activities	**585,278**	**536,526**

*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:	2021/22 £000	2020/21 £000
NHS England	92,748	91,538
Clinical commissioning groups	486,228	438,797
Other NHS providers	3	-
Local authorities	4,599	4,472
Non-NHS: private patients	319	217
Non-NHS: overseas patients (chargeable to patient)	155	154
Injury cost recovery scheme	605	987
Non NHS: other	621	361
Total income from activities	**585,278**	**536,526**
Of which:		
Related to continuing operations	585,278	536,526

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

	2021/22	2020/21
	£000	£000
Income recognised this year	155	154
Cash payments received in-year	139	70
Amounts added to provision for impairment of receivables	-	181
Amounts written off in-year	35	21

Note 4 Other operating income (Group)

	2021/22			2020/21		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	2,441	-	**2,441**	2,341	-	**2,341**
Education and training	23,230	1,016	**24,246**	21,167	821	**21,988**
Non-patient care services to other bodies	32,646	-	**32,646**	16,145	-	**16,145**
Reimbursement and top up funding	7,141	-	**7,141**	22,898	-	**22,898**
Income in respect of employee benefits accounted on a gross basis	2,174	-	**2,174**	1,913	-	**1,913**
Receipt of capital grants and donations	-	1,082	**1,082**	-	850	**850**
Charitable and other contributions to expenditure	-	2,411	**2,411**	-	10,482	**10,482**
Rental revenue from operating leases	-	412	**412**	-	469	**469**
Other income	3,926	8	**3,934**	2,761	-	**2,761**
Total other operating income	**71,558**	**4,929**	**76,487**	**67,225**	**12,622**	**79,847**
Of which:						
Related to continuing operations			76,487			79,847
Related to discontinued operations			-			-

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

	2021/22	2020/21
	£000	£000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	1,043	1,925
Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods	-	1,849

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:

	2021/22	2020/21
	£000	£000
Income from services designated as commissioner requested services	584,000	535,000
Income from services not designated as commissioner requested services	78,000	81,000
Total	**662,000**	**616,000**

Note 6 Operating expenses (Group)

	2021/22	2020/21
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	903	1,076
Purchase of healthcare from non-NHS and non-DHSC bodies	3,528	2,919
Staff and executive directors costs	434,296	411,669
Remuneration of non-executive directors	170	174
Supplies and services - clinical (excluding drugs costs)	62,261	53,675
Supplies and services - general	7,354	7,142
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	66,335	55,382
Inventories written down	-	517
Consultancy costs	306	130
Establishment	4,921	4,062
Premises	17,810	19,716
Transport (including patient travel)	2,722	1,878
Depreciation on property, plant and equipment	10,874	10,173
Amortisation on intangible assets	1,516	1,198
Net impairments	272	5,146
Movement in credit loss allowance: contract receivables / contract assets	134	976
Increase/(decrease) in other provisions	14	346
Change in provisions discount rate(s)	(19)	244
Fees payable to the external auditor		
audit services- statutory audit (Incl VAT)	90	90
audit services- statutory audit (Excl VAT)	13	13
Internal audit costs	330	314
Clinical negligence	18,594	16,407
Legal fees	152	514
Insurance	721	741
Research and development	2,901	2,276
Education and training	4,667	5,812
Rentals under operating leases	6,966	4,862
Car parking & security	1,050	1,139
Losses, ex gratia & special payments	134	93
Other	5,577	2,792
Total	**654,592**	**611,476**
Of which:		
Related to continuing operations	654,592	611,476
Related to discontinued operations	-	-

Note 6.1 Limitation on auditor's liability (Group)

There is no limitation on auditor's liability for external audit work carried out for the financial years 2021/22 or 2020/21.

Note 7 Impairment of assets (Group)

	2021/22	2020/21
	£000	£000
Net impairments charged to operating surplus / (deficit) resulting from:		
Abandonment of assets in course of construction	-	1,624
Unforeseen obsolescence	-	219
Changes in market price	272	3,303
Total net impairments charged to operating surplus / (deficit)	**272**	**5,146**
Impairments charged to the revaluation reserve	723	11,203
Total net impairments	**995**	**16,349**

Note 8 Employee benefits (Group)

	2021/22 Total £000	2020/21 Total £000
Salaries and wages	333,340	319,351
Social security costs	33,894	31,222
Apprenticeship levy	1,660	1,543
Employer's contributions to NHS pensions	54,418	50,629
Pension cost - other	218	288
Other post employment benefits	62	-
Temporary staff (including agency)	17,592	15,611
Total gross staff costs	**441,184**	**418,644**
Recoveries in respect of seconded staff	-	-
Total staff costs	**441,184**	**418,644**
Of which		
Costs capitalised as part of assets	1,291	1,061
Costs shown in operating expenditure analysed as:		
Employee expenses - staff & executive directors	434,296	411,669
Within Research & development costs	2,691	2,096
Within Education and training costs	2,514	3,504
Within Internal Audit costs	330	314
Within Other losses and special payments	62	-
	439,893	**417,583**

Note 8.1 Retirements due to ill-health (Group)

During 2021/22 there were 11 early retirements from the trust agreed on the grounds of ill-health (6 in the year ended 31 March 2021). The estimated additional pension liabilities of these ill-health retirements is £704k (£272k in 2020/21).

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 for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

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

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2022, is based on valuation data as 31 March 2021, updated to 31 March 2022 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay.

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

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

c) Alternative pension scheme

York and Scarborough Teaching Hospitals NHS Foundation Trust offers an alternative pension scheme to all employees who are either not eligible or choose not to be members of the NHS Pension Scheme at the Trust. This includes employees who are members of the NHS Pension Scheme through another role outside of the Trust and those that are not eligible to join the NHS Pension Scheme.

The alternative pension scheme is a defined contribution scheme operated by the National Employment Savings Trust (NEST). Employee and employer contribution rates are a combined minimum of 8% (with a minimum 3% being contributed by the Trust).

YTHFM LLP

A number of the YTHFM LLP employees remain within the NHS Pension Scheme, however YTHFM LLP also operates a NEST pension scheme for those employees not eligible to join the NHS Pension Scheme. Employee and Employer contributions mirror that of the NHS Pension Scheme as closely as possible, in that employer contributions are capped at 14%, the maximum amount that can be paid into the NEST scheme.

Please see Note 8 Employee Benefits - Pension costs - other for the in year cost to the Group.

Note 10 Operating leases (Group)

Note 10.1 York and Scarborough Teaching Hospitals NHS Foundation Trust (formerly York Teaching Hospital NHS Foundation Trust) as a lessor

This note discloses income generated in operating lease agreements where York and Scarborough Teaching Hospitals NHS Foundation Trust (formerly York Teaching Hospital NHS Foundation Trust) is the lessor.

	2021/22 £000	2020/21 £000
Operating lease revenue		
Minimum lease receipts	412	469
Total	**412**	**469**

	31 March 2022 £000	31 March 2021 £000
Future minimum lease receipts due:		
- not later than one year;	412	466
- later than one year and not later than five years;	1,903	1,712
- later than five years.	124	209
Total	**2,439**	**2,387**

Note 10.2 York and Scarborough Teaching Hospitals NHS Foundation Trust (formerly York Teaching Hospital NHS Foundation Trust) as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where York and Scarborough Teaching Hospitals NHS Foundation Trust (formerly York Teaching Hospital NHS Foundation Trust) is the lessee.

	2021/22 £000	2020/21 £000
Operating lease expense		
Minimum lease payments	6,966	4,862
Total	**6,966**	**4,862**

	31 March 2022 £000	31 March 2021 £000
Future minimum lease payments due:		
- not later than one year;	5,933	5,379
- later than one year and not later than five years;	14,203	12,338
- later than five years.	7,433	3,859
Total	**27,569**	**21,576**
Future minimum sublease payments to be received	-	-

Note 11 Finance income (Group)

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

	2021/22	2020/21
	£000	£000
Interest on bank accounts	55	16
Total finance income	**55**	**16**

Note 12.1 Finance expenditure (Group)

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

	2021/22	2020/21
	£000	£000
Interest expense:		
Loans from the Department of Health and Social Care	455	498
Finance leases	12	14
Interest on late payment of commercial debt	1	3
Total interest expense	**468**	**515**
Unwinding of discount on provisions	(7)	(3)
Other finance costs	-	5
Total finance costs	**461**	**517**

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

	2021/22	2020/21
	£000	£000
Amounts included within interest payable arising from claims made under this legislation	1	3

Note 13 Other gains / (losses) (Group)

	2021/22	2020/21
	£000	£000
Gains on disposal of assets	-	2
Losses on disposal of assets	(27)	(12)
Total gains / (losses) on disposal of assets	**(27)**	**(10)**

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) and total comprehensive income/(expense) for the period is as per the table below:-

	2021/22	2020/21
	£000	£000
Total Trust Comprehensive Income	656,976	611,433
Total Trust Comprehensive Expense	(648,527)	(611,619)
Operating surplus/(deficit) from continuing operations	**8,449**	**(186)**
Net Finance Costs	(6,571)	(5,600)
Other gains/losses	(27)	(10)
Gains/(losses arising from transfers by absorption	1,066	-
Surplus / (deficit) for the year from continuing operations	**2,917**	**(5,796)**

Note 15 Intangible assets - 2021/22

Group	Software licences	Internally generated information technology	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2021 - brought forward	**14,178**	**792**	**14,970**
Transfers by absorption	109	-	**109**
Additions	408	-	**408**
Reclassifications	862	-	**862**
Valuation / gross cost at 31 March 2022	**15,557**	**792**	**16,349**
Amortisation at 1 April 2021 - brought forward	**4,463**	**217**	**4,680**
Transfers by absorption	62	-	**62**
Provided during the year	1,437	79	**1,516**
Amortisation at 31 March 2022	**5,962**	**296**	**6,258**
Net book value at 31 March 2022	**9,595**	**496**	**10,091**
Net book value at 1 April 2021	**9,715**	**575**	**10,290**

Note 15.1 Intangible assets - 2020/21

Group	Software licences	Internally generated information technology	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2020 - as previously stated	**11,561**	**792**	**12,353**
Additions	256	-	**256**
Reclassifications	3,602	-	**3,602**
Disposals / derecognition	(1,241)	-	**(1,241)**
Valuation / gross cost at 31 March 2021	**14,178**	**792**	**14,970**
Amortisation at 1 April 2020 - as previously stated	**4,585**	**138**	**4,723**
Provided during the year	1,119	79	**1,198**
Disposals / derecognition	(1,241)	-	**(1,241)**
Amortisation at 31 March 2021	**4,463**	**217**	**4,680**
Net book value at 31 March 2021	**9,715**	**575**	**10,290**
Net book value at 1 April 2020	**6,976**	**654**	**7,630**

Note 16.1 Intangible assets - 2021/22

Trust	Software licences	Internally generated information technology	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2021 - brought forward	**14,178**	**792**	**14,970**
Transfers by absorption	109	-	**109**
Additions	508	-	**508**
Reclassifications	762	-	**762**
Valuation / gross cost at 31 March 2022	**15,557**	**792**	**16,349**
Amortisation at 1 April 2021 - brought forward	**4,463**	**217**	**4,680**
Transfers by absorption	62	-	**62**
Provided during the year	1,437	79	**1,516**
Amortisation at 31 March 2022	**5,962**	**296**	**6,258**
Net book value at 31 March 2022	**9,595**	**496**	**10,091**
Net book value at 1 April 2021	**9,715**	**575**	**10,290**

Note 16.2 Intangible assets - 2020/21

Trust	Software licences	Internally generated information technology	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2020 - as previously stated	**11,561**	**792**	**12,353**
Additions	256	-	**256**
Reclassifications	3,602	-	**3,602**
Disposals / derecognition	(1,241)	-	**(1,241)**
Valuation / gross cost at 31 March 2021	**14,178**	**792**	**14,970**
Amortisation at 1 April 2020 - as previously stated	**4,585**	**138**	**4,723**
Provided during the year	1,119	79	**1,198**
Disposals / derecognition	(1,241)	-	**(1,241)**
Amortisation at 31 March 2021	**4,463**	**217**	**4,680**
Net book value at 31 March 2021	**9,715**	**575**	**10,290**
Net book value at 1 April 2020	**6,976**	**654**	**7,630**

Note 17.1 Property, plant and equipment - 2021/22

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2021 - brought forward	**13,516**	**195,962**	**1,537**	**15,447**	**32,110**	**827**	**20,850**	**35**	**280,284**
Transfers by absorption	-	-	-	-	1,994	-	258	-	**2,252**
Additions	-	837	-	32,109	707	-	2,425	-	**36,078**
Impairments	-	(4,144)	(10)	-	-	-	-	-	**(4,154)**
Reversals of impairments	35	1,394	-	-	-	-	-	-	**1,429**
Revaluations	179	3,457	117	-	-	-	-	-	**3,753**
Reclassifications	-	9,054	27	(20,564)	7,619	-	3,002	-	**(862)**
Disposals / derecognition	-	-	-	-	(1,275)	-	-	(26)	**(1,301)**
Valuation/gross cost at 31 March 2022	**13,730**	**206,560**	**1,671**	**26,992**	**41,155**	**827**	**26,535**	**9**	**317,479**
Accumulated depreciation at 1 April 2021 - brought forward	**-**	**2,431**	**-**	**-**	**20,608**	**403**	**11,939**	**35**	**35,416**
Transfers by absorption	-	-	-	-	1,041	-	192	-	**1,233**
Provided during the year	-	6,910	77	-	2,175	103	1,609	-	**10,874**
Impairments	-	(335)	-	-	-	-	-	-	**(335)**
Reversals of impairments	-	(1,388)	(7)	-	-	-	-	-	**(1,395)**
Revaluations	-	(5,129)	(70)	-	-	-	-	-	**(5,199)**
Disposals / derecognition	-	-	-	-	(1,248)	-	-	(26)	**(1,274)**
Accumulated depreciation at 31 March 2022	**-**	**2,489**	**-**	**-**	**22,576**	**506**	**13,740**	**9**	**39,320**
Net book value at 31 March 2022	**13,730**	**204,071**	**1,671**	**26,992**	**18,579**	**321**	**12,795**	**-**	**278,159**
Net book value at 1 April 2021	**13,516**	**193,531**	**1,537**	**15,447**	**11,502**	**424**	**8,911**	**-**	**244,868**

Note 17.2 Property, plant and equipment - 2020/21

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2020 - as previously stated	**13,465**	**192,606**	**1,515**	**12,077**	**41,207**	**715**	**27,788**	**35**	**289,408**
Additions	-	281	-	22,955	665	-	817	-	**24,718**
Impairments	(29)	(21,768)	-	(1,624)	-	-	-	-	**(23,421)**
Reversals of impairments	-	2,831	-	-	-	-	-	-	**2,831**
Revaluations	80	11,691	22	-	-	-	-	-	**11,793**
Reclassifications	-	10,321	-	(17,961)	1,968	127	1,943	-	**(3,602)**
Disposals / derecognition	-	-	-	-	(11,730)	(15)	(9,698)	-	**(21,443)**
Valuation/gross cost at 31 March 2021	**13,516**	**195,962**	**1,537**	**15,447**	**32,110**	**827**	**20,850**	**35**	**280,284**
Accumulated depreciation at 1 April 2020 - as previously stated	**-**	**2,196**	**-**	**-**	**30,579**	**330**	**20,269**	**33**	**53,407**
Provided during the year	-	6,925	76	-	1,715	88	1,367	2	**10,173**
Impairments	-	(408)	-	-	-	-	-	-	**(408)**
Reversals of impairments	-	(3,833)	-	-	-	-	-	-	**(3,833)**
Revaluations	-	(2,449)	(76)	-	-	-	-	-	**(2,525)**
Disposals / derecognition	-	-	-	-	(11,686)	(15)	(9,697)	-	**(21,398)**
Accumulated depreciation at 31 March 2021	**-**	**2,431**	**-**	**-**	**20,608**	**403**	**11,939**	**35**	**35,416**
Net book value at 31 March 2021	**13,516**	**193,531**	**1,537**	**15,447**	**11,502**	**424**	**8,911**	**-**	**244,868**
Net book value at 1 April 2020	**13,465**	**190,410**	**1,515**	**12,077**	**10,628**	**385**	**7,519**	**2**	**236,001**

Note 17.3 Property, plant and equipment financing - 2021/22

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2022								
Owned - purchased	13,730	199,934	1,671	26,992	16,381	117	12,795	**271,620**
Finance leased	-	-	-	-	319	-	-	**319**
Owned - donated/granted	-	4,137	-	-	1,879	204	-	**6,220**
NBV total at 31 March 2022	**13,730**	**204,071**	**1,671**	**26,992**	**18,579**	**321**	**12,795**	**278,159**

Note 17.4 Property, plant and equipment financing - 2020/21

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2021								
Owned - purchased	13,516	189,787	1,537	15,447	9,557	139	8,911	**238,894**
Finance leased	-	-	-	-	386	-	-	**386**
Owned - donated/granted	-	3,744	-	-	1,559	285	-	**5,588**
NBV total at 31 March 2021	**13,516**	**193,531**	**1,537**	**15,447**	**11,502**	**424**	**8,911**	**244,868**

Note 18.1 Property, plant and equipment - 2021/22

Trust	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation/gross cost at 1 April 2021 - brought forward	**13,516**	**195,969**	**1,537**	**1,899**	**32,104**	**827**	**20,849**	**35**	**266,736**
Transfers by absorption	-	-	-	-	1,994	-	258	-	**2,252**
Additions	-	9,150	27	7,033	8,332	-	2,425	-	**26,967**
Impairments	-	(4,144)	(10)	-	-	-	-	-	**(4,154)**
Reversals of impairments	35	1,394	-	-	-	-	-	-	**1,429**
Revaluations	179	3,457	117	-	-	-	-	-	**3,753**
Reclassifications	-	734	-	(4,498)	-	-	3,002	-	**(762)**
Disposals / derecognition	-	-	-	-	(1,275)	-	-	(26)	**(1,301)**
Valuation/gross cost at 31 March 2022	**13,730**	**206,560**	**1,671**	**4,434**	**41,155**	**827**	**26,534**	**9**	**294,920**
Accumulated depreciation at 1 April 2021 - brought forward	**-**	**2,438**	**-**	**-**	**20,602**	**403**	**11,938**	**35**	**35,416**
Transfers by absorption	-	-	-	-	1,041	-	192	-	**1,233**
Provided during the year	-	6,904	77	-	2,181	103	1,609	-	**10,874**
Impairments	-	(335)	-	-	-	-	-	-	**(335)**
Reversals of impairments	-	(1,388)	(7)	-	-	-	-	-	**(1,395)**
Revaluations	-	(5,129)	(70)	-	-	-	-	-	**(5,199)**
Disposals / derecognition	-	-	-	-	(1,248)	-	-	(26)	**(1,274)**
Accumulated depreciation at 31 March 2022	**-**	**2,490**	**-**	**-**	**22,576**	**506**	**13,739**	**9**	**39,320**
Net book value at 31 March 2022	**13,730**	**204,070**	**1,671**	**4,434**	**18,579**	**321**	**12,795**	**-**	**255,600**
Net book value at 1 April 2021	**13,516**	**193,531**	**1,537**	**1,899**	**11,502**	**424**	**8,911**	**-**	**231,320**

Note 18.2 Property, plant and equipment - 2020/21

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2020 - as previously stated	**13,465**	**192,606**	**1,515**	**4,445**	**41,208**	**715**	**27,788**	**35**	**281,777**
Additions	-	9,701	-	5,525	2,606	127	827	-	**18,786**
Impairments	(29)	(21,768)	-	(1,609)	-	-	-	-	**(23,406)**
Reversals of impairments	-	2,831	-	-	-	-	-	-	**2,831**
Revaluations	80	11,691	22	-	-	-	-	-	**11,793**
Reclassifications	-	908	-	(6,462)	20	-	1,932	-	**(3,602)**
Disposals / derecognition	-	-	-	-	(11,730)	(15)	(9,698)	-	**(21,443)**
Valuation/gross cost at 31 March 2021	**13,516**	**195,969**	**1,537**	**1,899**	**32,104**	**827**	**20,849**	**35**	**266,736**
Accumulated depreciation at 1 April 2020 - as previously stated	**-**	**2,196**	**-**	**-**	**30,579**	**330**	**20,269**	**33**	**53,407**
Provided during the year	-	6,933	75	-	1,709	88	1,366	2	**10,173**
Impairments	-	(408)	-	-	-	-	-	-	**(408)**
Reversals of impairments	-	(3,833)	-	-	-	-	-	-	**(3,833)**
Revaluations	-	(2,450)	(75)	-	-	-	-	-	**(2,525)**
Disposals / derecognition	-	-	-	-	(11,686)	(15)	(9,697)	-	**(21,398)**
Accumulated depreciation at 31 March 2021	**-**	**2,438**	**-**	**-**	**20,602**	**403**	**11,938**	**35**	**35,416**
Net book value at 31 March 2021	**13,516**	**193,531**	**1,537**	**1,899**	**11,502**	**424**	**8,911**	**-**	**231,320**
Net book value at 1 April 2020	**13,465**	**190,410**	**1,515**	**4,445**	**10,629**	**385**	**7,519**	**2**	**228,370**

Note 18.3 Property, plant and equipment financing - 2021/22

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2022								
Owned - purchased	13,730	199,933	1,671	4,434	16,381	117	12,795	**249,061**
Finance leased	-	-	-	-	319	-	-	**319**
Owned - donated / granted	-	4,137	-	-	1,879	204	-	**6,220**
NBV total at 31 March 2022	**13,730**	**204,070**	**1,671**	**4,434**	**18,579**	**321**	**12,795**	**255,600**

Note 18.4 Property, plant and equipment financing - 2020/21

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2021								
Owned - purchased	13,516	189,787	1,537	1,899	9,557	139	8,911	**225,346**
Finance leased	-	-	-	-	386	-	-	**386**
Owned - donated / granted	-	3,744	-	-	1,559	285	-	**5,588**
NBV total at 31 March 2021	**13,516**	**193,531**	**1,537**	**1,899**	**11,502**	**424**	**8,911**	**231,320**

Note 19 Donations of property, plant and equipment

The Trust received £1.082m of donated assets in 2021/22. This consisted of cash donations to purchase medical equipment and fund minor capital schemes and included £507k of donated equipment from Department of Health and Social Care as part of the Coronavirus Pandemic response.
In 2020/21 the Trust received £610k of donated assets.

Note 20 Revaluations of property, plant and equipment

In 2021/22 the Trust's Estate was revalued by a RICS registered surveyor via the District Valuers Office as of 31 March 2022. The valuation was in line with the Trust's accounting policy note 1.8

Note 21.1 Investment in Subsidiaries

The Trust, along with Northumbria Healthcare Facilities Management Ltd, incorporated a subsidiary; York Teaching Hospital Facilities Management (YTHFM LLP) registered number OC421341 in March 2018 as a limited liability partnership. YTHFM LLP became operational on 1 October 2018. The two members own the partnership 95:5 in favour of the Trust. The primary purpose of the subsidiary is the provision of a fully managed healthcare facility for the Trust's existing infrastructure, including the design, project management and operation of the Trust's capital programme. Construction costs are accounted for as current assets - stock in the subsidiary's accounts and as non current assets - Assets under construction in the group accounts. This reflects that the assets constructed are retained within the Group. The income, expenses, assets, liabilities, equity and reserves for the subsidiary are consolidated in full into the appropriate financial statement lines. Appropriate adjustments are made on consolidation where the subsidiary's accounting policies are not aligned with the Trust's or where the subsidiary's accounting date is not coterminous. The amounts consolidated for the year ending 31 March 2022 are drawn from the 12 months financial statements of YTHFM LLP.

Note 22 Inventories

	Group		Trust	
	31 March 2022 £000	31 March 2021 £000	31 March 2022 £000	31 March 2021 £000
Drugs	4,122	1,962	4,122	1,962
Consumables	7,254	7,422	6,547	6,906
Energy	135	72	-	-
Total inventories	**11,511**	**9,456**	**10,669**	**8,868**
of which:				
Held at fair value less costs to sell	-	-		

Inventories recognised in expenses for the year were £74,424k (2020/21: £63,699k). Write-down of inventories recognised as expenses for the year were £0k (2020/21: £517k).

In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2021/22 the Trust received £1,723k of items purchased by DHSC (2020/21: £10,192k).

These inventories were recognised as additions to inventory at deemed cost with the corresponding benefit recognised in income. The utilisation of these items is included in the expenses disclosed above.

Note 23.1 Receivables

	Group		Trust	
	31 March 2022 £000	31 March 2021 £000	31 March 2022 £000	31 March 2021 £000
Current				
Contract receivables	13,035	14,011	12,303	12,923
Allowance for impaired contract receivables / assets	(1,546)	(1,517)	(1,515)	(1,437)
Prepayments (non-PFI)	2,633	3,816	1,227	1,079
PDC dividend receivable	435	-	435	-
VAT receivable	2,325	2,310	2,349	3,420
Other receivables	1,314	1,599	1,176	1,485
Receivables relating to the subsidiary	-	-	2,537	1,887
Total current receivables	**18,196**	**20,219**	**18,512**	**19,357**
Non-current				
Contract receivables	658	959	657	959
Allowance for other impaired receivables	(156)	(215)	(156)	(215)
VAT receivable	1,377	2,029	1,378	2,028
Other receivables	1,002	1,448	1,002	1,448
Receivables relating to loan to subsidiary	-	-	50,747	38,283
Total non-current receivables	**2,881**	**4,221**	**53,628**	**42,503**
Of which receivable from NHS and DHSC group bodies:				
Current	5,738	8,500	5,738	3,750
Non-current	1,002	1,448	1,002	1,448

Note 23.2 Allowances for credit losses - 2021/22

	Group	Trust
	Contract receivables and contract assets £000	Contract receivables and contract assets £000
Allowances as at 1 Apr 2021 - brought forward	**1,732**	**1,652**
New allowances arising	364	281
Reversals of allowances	(230)	(108)
Utilisation of allowances (write offs)	(164)	(154)
Allowances as at 31 Mar 2022	**1,702**	**1,671**

Note 23.3 Allowances for credit losses - 2020/21

	Group	Trust
	Contract receivables and contract assets £000	Contract receivables and contract assets £000
Allowances as at 1 Apr 2020 - as previously stated	**899**	**899**
New allowances arising	1,027	947
Reversals of allowances	(51)	(51)
Utilisation of allowances (write offs)	(143)	(143)
Allowances as at 31 Mar 2021	**1,732**	**1,652**

Note 24 Cash and cash equivalents movements

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

	Group		Trust	
	2021/22	2020/21	2021/22	2020/21
	£000	£000	£000	£000
At 1 April	**47,296**	**11,385**	**45,850**	**8,403**
Net change in year	18,070	35,911	17,998	37,447
At 31 March	**65,366**	**47,296**	**63,848**	**45,850**
Broken down into:				
Cash at commercial banks and in hand	296	148	274	129
Cash with the Government Banking Service	65,070	47,148	63,574	45,721
Total cash and cash equivalents as in SoFP	**65,366**	**47,296**	**63,848**	**45,850**
Total cash and cash equivalents as in SoCF	**65,366**	**47,296**	**63,848**	**45,850**

Note 24.1 Third party assets held by the Trust

York and Scarborough Teaching Hospitals NHS Foundation Trust (formerly York Teaching Hospital NHS Foundation Trust) held cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	Group and Trust	
	31 March 2022	31 March 2021
	£000	£000
Bank balances	5	1
Total third party assets	**5**	**1**

Note 25.1 Trade and other payables

	Group		Trust	
	2022	2021	2022	2021
	£000	£000	£000	£000
Current				
Trade payables	7,183	5,165	5,897	4,269
Capital payables	18,172	9,814	5,345	2,280
Accruals	33,873	26,300	34,288	22,324
Receipts in advance and payments on account	762	12	759	13
Social security costs	9,356	7,828	8,969	7,483
Other taxes payable	146	130	137	122
PDC dividend payable	-	105	-	105
Other payables	10,696	10,716	10,024	10,082
Amounts owing to subsidiary	-	-	11,926	16,942
Total current trade and other payables	**80,188**	**60,070**	**77,345**	**63,620**
Non-current				
Trade payables	72	66	54	54
Total non-current trade and other payables	**72**	**66**	**54**	**54**
Of which payables from NHS and DHSC group bodies:				
Current	5,180	3,848	5180	3827
Non-current	-	-	-	-

Note 26 Other liabilities

	Group		Trust	
	31 March 2022 £000	31 March 2021 £000	31 March 2022 £000	31 March 2021 £000
Current				
Deferred income: contract liabilities	1,257	1,107	1,242	1,092
Total other current liabilities	**1,257**	**1,107**	**1,242**	**1,092**

Note 27 Borrowings

	Group		Trust	
	31 March 2022 £000	31 March 2021 £000	31 March 2022 £000	31 March 2021 £000
Current				
Loans from DHSC	3,379	3,316	3,379	3,316
Loans from subsidiary	-	-	2,358	2,488
Obligations under finance leases	65	66	-	-
Total current borrowings	**3,444**	**3,382**	**5,737**	**5,804**
Non-current				
Loans from DHSC	21,124	24,349	21,124	24,349
Loans from subsidiary	-	-	29,025	22,762
Obligations under finance leases	250	317	-	-
Total non-current borrowings	**21,374**	**24,666**	**50,149**	**47,111**

Note 27.1 Reconciliation of liabilities arising from financing activities (Group)

Group - 2021/22	Loans from DHSC £000	Finance leases £000	Total £000
Carrying value at 1 April 2021	**27,665**	**383**	**28,048**
Financing cash flows - payments and receipts of principal	(3,150)	(63)	**(3,213)**
Financing cash flows - payments of interest	(467)	(17)	**(484)**
Non-cash movements:			
Application of effective interest rate	455	12	**467**
Carrying value at 31 March 2022	**24,503**	**315**	**24,818**

Group - 2020/21	Loans from DHSC £000	Finance leases £000	Total £000
Carrying value at 1 April 2020	**61,504**	**346**	**61,850**
Cash movements:			
Financing cash flows - payments and receipts of principal	(33,712)	(56)	**(33,768)**
Financing cash flows - payments of interest	(625)	(12)	**(637)**
Non-cash movements:			
Additions	-	91	**91**
Application of effective interest rate	498	14	**512**
Carrying value at 31 March 2021	**27,665**	**383**	**28,048**

Note 27.2 Reconciliation of liabilities arising from financing activities

Trust - 2021/22	Loans from DHSC	Other Loans	Total
	£000	£000	£000
Carrying value at 1 April 2021	**27,665**	**25,250**	**52,915**
Cash movements:			
Financing cash flows - payments and receipts of principal	(3,150)	(2,640)	**(5,790)**
Financing cash flows - payments of interest	(467)	-	**(467)**
Non-cash movements:			
Additions	-	8,773	**8,773**
Change in effective interest rate	455	-	**455**
Carrying value at 31 March 2022	**24,503**	**31,383**	**55,886**

Trust - 2020/21	Loans from DHSC	Other Loans	Total
	£000	£000	£000
Carrying value at 1 April 2020	**61,504**	**18,890**	**80,394**
Cash movements:			
Financing cash flows - payments and receipts of principal	(33,712)	6,360	**(27,352)**
Financing cash flows - payments of interest	(625)	-	**(625)**
Non-cash movements:			
Application of effective interest rate	498	-	**498**
Carrying value at 31 March 2021	**27,665**	**25,250**	**52,915**

Note 28 Finance leases

Note York and Scarborough Teaching Hospitals NHS Foundation Trust (formerly York Teaching Hospital NHS Foundation Trust) as a lessor

Future lease receipts due under finance lease agreements where the Trust is the lessor:

The Trust has no financial leases where it is the lessor.

Note York and Scarborough Teaching Hospitals NHS Foundation Trust (formerly York Teaching Hospital NHS Foundation Trust) as a lessee

Obligations under finance leases where the Trust is the lessee.

	Group	
	31 March 2022	31 March 2021
	£000	£000
Gross lease liabilities	**342**	**417**
of which liabilities are due:		
- not later than one year;	75	75
- later than one year and not later than five years;	267	298
- later than five years.	-	44
Finance charges allocated to future periods	(27)	(34)
Net lease liabilities	**315**	**383**
of which payable:		
- not later than one year;	65	66
- later than one year and not later than five years;	250	274
- later than five years.	-	43
Total of future minimum sublease payments to be received at the reporting date	(25)	(31)

Note 29.1 Provisions for liabilities and charges analysis (Group)

Group	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Other	Total
	£000	£000	£000	£000	£000
At 1 April 2021	**572**	**223**	**112**	**1,495**	**2,402**
Change in the discount rate	(24)	5	-	-	**(19)**
Arising during the year	69	1	150	862	**1,082**
Utilised during the year	(67)	(18)	-	-	**(85)**
Reversed unused	(65)	-	-	(486)	**(551)**
Unwinding of discount	(5)	(2)	-	-	**(7)**
At 31 March 2022	**480**	**209**	**262**	**1,871**	**2,822**
Expected timing of cash flows:					
- not later than one year;	66	19	262	869	**1,216**
- later than one year and not later than five years;	274	77	-	18	**369**
- later than five years.	140	113	-	984	**1,237**
Total	**480**	**209**	**262**	**1,871**	**2,822**

Clinicians who are members of the NHS Pension Scheme and who as a result of work undertaken in 2019/20 tax year, potentially face a tax charge in respect of the growth of their NHS pension benefits above their pension savings annual allowance threshold. NHS England and the Government have committed to fund the payments to clinicians as and when they arise.

In 2021/22 tax year NHS England has available information on the uptake of the scheme. They are derived from combining information on applications to join the 2019/20 scheme under the policy, together with information in the scheme pays election form where present, and with averages assumed where these forms are absent or clearly an estimate (values less than £100). Future liabilities based on individual member data and scheme rules are then discounted to give totals for each Trust. The Total included in 2021/22 accounts is £1.009m and is included in the 'Other' column in the above table.

In 2020/21 at the time of publication of the financial statements the extent of this charge was unknown. NHSE issued guidance advising that the Trust should make a provision of £3,924 per consultant based on NHS Digital's NHS Workforce Statistics - November 2019 - consultant headcount data. For the Trust this equated to 381 consultants, giving a total provision is £1.274m. The provision is a pre-calculated national average discounted value per nomination. An equal provision was recognised by NHS England in its accounts.

Legal claims relate to outstanding claims that are being handled by NHS Resolution where they have advised that it is likely that the Trust will have to pay the excess relevant for the claim.

Note 29.2 Provisions for liabilities and charges analysis (Trust)

Trust	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Other	Total
	£000	£000	£000	£000	£000
At 1 April 2021	**572**	**223**	**112**	**1,495**	**2,402**
Change in the discount rate	(24)	5	-	-	**(19)**
Arising during the year	69	1	-	862	**932**
Utilised during the year	(67)	(18)	-	-	**(85)**
Reversed unused	(65)	-	-	(486)	**(551)**
Unwinding of discount	(5)	(2)	-	-	**(7)**
At 31 March 2022	**480**	**209**	**112**	**1,871**	**2,672**
Expected timing of cash flows:					
- not later than one year;	66	19	112	869	**1,066**
- later than one year and not later than five years;	274	77	-	18	**369**
- later than five years.	140	113	-	984	**1,237**
Total	**480**	**209**	**112**	**1,871**	**2,672**

Please see above for the details of the Trusts provisions.

Note 29.3 Clinical negligence liabilities

At 31 March 2022, £384,473k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of York and Scarborough Teaching Hospitals NHS Foundation Trust (formerly York Teaching Hospital NHS Foundation Trust) (31 March 2021: £258,742k).

Note 30 Contingent assets and liabilities

On the 31 March 2022 The Group held no contingent assets or liabilities. There were no contingent assets or liabilities in the prior year to 31st March 2021.

Note 31 Contractual capital commitments

	Group		Trust	
	31 March 2022 £000	31 March 2021 £000	31 March 2022 £000	31 March 2021 £000
Property, plant and equipment	49,171	14,603	49,171	14,603
Total	**49,171**	**14,603**	**49,171**	**14,603**

Note 32 Financial instruments

Note 32.1 Financial risk management

IFRS 7 regarding Financial Instruments, 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. Due to the continuing service provider relationship that the NHS Foundation Trust has with local Clinical Commissioning Groups (CCG) and the way those CCGs 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 IAS 32, 39 and IFRS 7 mainly apply.

Liquidity Risk

The risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities
The Foundation Trust's net operating costs are incurred under 3 year rolling contracts with local Clinical Commissioning Groups, which are financed from resources voted annually by Parliament. The Foundation Trust receives such contract income in one of two ways;
1) Aligned Incentive, where the income is based on fixed income basis with variable incentives, or
2) Payment by Result (PBR), which is intended to match the income received in year by reference to the National Tariff procedure cost. The Foundation Trust receives cash each month based on an annually agreed level of contract activity, and there are monthly corrections made to adjust for the actual income due, to minimise the effects on cash flow.

No liquidity risks applies to the Trust.

Interest Rate Risk

The Trust's financial assets and financial liabilities carry nil or fixed rates of interest. Therefore, the Trust is not exposed to significant interest-rate risk.
Credit Risk
The risk that one party will cause a financial loss for the other party by failing to discharge an obligation.
The Trust receives the majority of its income from Clinical Commissioning Groups and Statutory bodies and so the credit risk is negligible. The Trusts' treasury management policy minimises the risk of loss of cash invested by limiting its investments to:-
- the government banking service and the National Loans Fund
- Banks registered directly regulated by the PRA (Prudential Regulation Authority)
Foreign Currency Risk
The Trust carries out a minimal amount of foreign currency trading therefore the foreign currency risk is negligible

Market Risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices.
Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.
With the exception of cash balances, the Trust's financial assets and financial liabilities carry nil or fixed rates of interest. The Trust monitors the risk but does not consider it appropriate to purchase protection against it.
The Trust is not materially exposed to any price risks through contractual arrangements.

Note 32.2 Carrying values of financial assets (Group)

Carrying values of financial assets as at 31 March 2022	Held at amortised cost	Total book value
	£000	£000
Trade and other receivables excluding non financial assets	14,307	14,307
Cash and cash equivalents	65,366	65,366
Total at 31 March 2022	**79,673**	**79,673**

Carrying values of financial assets as at 31 March 2021	Held at amortised cost	Total book value
	£000	£000
Trade and other receivables excluding non financial assets	16,284	16,284
Cash and cash equivalents	47,296	47,296
Total at 31 March 2021	**63,580**	**63,580**

Note 32.3 Carrying values of financial assets (Trust)

Carrying values of financial assets as at 31 March 2022	Held at amortised cost	Total book value
	£000	£000
Trade and other receivables excluding non financial assets	13,467	13,467
Receivables relating to subsidiary	53,284	53,284
Cash and cash equivalents	63,848	63,848
Total at 31 March 2022	**130,599**	**130,599**

Carrying values of financial assets as at 31 March 2021	Held at amortised cost	Total book value
	£000	£000
Trade and other receivables excluding non financial assets	15,164	15,164
Receivables relating to subsidiary	40,171	40,171
Cash and cash equivalents	45,850	45,850
Total at 31 March 2021	**101,185**	**101,185**

Note 32.4 Carrying values of financial liabilities (Group)

Carrying values of financial liabilities as at 31 March 2022	Held at amortised cost	Total book value
	£000	£000
Loans from the Department of Health and Social Care	24,503	**24,503**
Obligations under finance leases	315	**315**
Trade and other payables excluding non financial liabilities	69,996	**69,996**
Total at 31 March 2022	**94,814**	**94,814**

Carrying values of financial liabilities as at 31 March 2021	Held at amortised cost	Total book value
	£000	£000
Loans from the Department of Health and Social Care	27,665	**27,665**
Obligations under finance leases	383	**383**
Trade and other payables excluding non financial liabilities	52,061	**52,061**
Total at 31 March 2021	**80,109**	**80,109**

Note 32.5 Carrying values of financial liabilities (Trust)

Carrying values of financial liabilities as at 31 March 2022	Held at amortised cost	Total book value
	£000	£000
Loans from the Department of Health and Social Care	24,503	**24,503**
Trade and other payables excluding non financial liabilities	55,608	**55,608**
Trade and other payables relating to the subsidiary	43,309	**43,309**
Total at 31 March 2022	**123,420**	**123,420**

Carrying values of financial liabilities as at 31 March 2021	Held at amortised cost	Total book value
	£000	£000
Loans from the Department of Health and Social Care	27,665	**27,665**
Trade and other payables excluding non financial liabilities	44,635	**44,635**
Trade and other payables relating to the subsidiary	36,570	**36,570**
Total at 31 March 2021	**108,870**	**108,870**

Note 32.6 Fair values of financial assets and liabilities

The Trust has carried all financial assets and financial liabilities at amortised cost for the year 2021/22. Due to the nature of the assets and liabilities management consider that the carrying value is a reasonable approximation of the fair value.

Note 32.7 Maturity of financial liabilities

The following maturity profile of financial liabilities is based on the contractual undiscounted cash flows. This differs to the amounts recognised in the statement of financial position which are discounted to present value.

	Group		Trust	
	31 March 2022 £000	31 March 2021 £000	31 March 2022 £000	31 March 2021 £000
In one year or less	73,637	55,758	74,923	61,084
In more than one year but not more than five years	8,606	12,276	25,667	19,396
In more than five years	15,295	15,333	52,547	43,034
Total	**97,538**	**83,367**	**153,137**	**123,514**

Note 33 Losses and special payments

	2021/22		2020/21	
Group and Trust	**Total number of cases**	**Total value of cases**	**Total number of cases**	**Total value of cases**
	Number	**£000**	**Number**	**£000**
Losses				
Cash losses	17	-	20	-
Bad debts and claims abandoned	47	50	97	78
Total losses	**64**	**50**	**117**	**78**
Special payments				
Ex-gratia payments	89	84	118	153
Overtime corrective payments (re-stated)	-	-	1	1,012
Total special payments	**89**	**84**	**119**	**1,165**
Total losses and special payments	**153**	**134**	**236**	**1,243**
Compensation payments received		-		-

Ex Gratia Payments 2020/21

Overtime corrective payments

Guidance issued for 2020/21 year end asked employers to accrue the cost of the nationally agreed corrective payments and associated income based on the nationally generated estimates to settle these payments.

These payments are considered as one special payment for which HMT approval was sought nationally by NHS England on local employers' behalf. As the losses and special payments note is prepared on an accruals basis (excluding provisions), these amounts should have been disclosed in 2020/21 accounts.

Note 34 Gifts

The Trust has made no donations of gifts to any party during the year 2021/22 or for the year 2020/21.

Note 35 Related parties

York and Scarborough Teaching Hospitals NHS Foundation Trust is a corporate body established by order of the Secretary of State for Health.
During the year none of the Board Members, members of the Council of Governors or members of the key management staff or parties related to them has undertaken any material transactions with York and Scarborough Teaching Hospitals NHS Foundation Trust.

The Department of Health is regarded as a related party. During the year York and Scarborough Teaching Hospitals NHS Foundation Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department.

In addition, the Trust has had a number of material transactions with other English government departments and other central and local government bodies. Most of these transactions have been in the course of the latter's business as government agencies.

During the year, the Trust had a number of transactions with the subsidiary, YTHFM LLP. The Trust received income totalling £2.2m(2020-21 £2.0m) and incurred expenditure totalling £70.7m (2020-21 £69.2m) At the year-end there was a receivable balance in the Trust of £53.2m (2020-21 £42m) due from YTHFM LLP and a creditor balance of £43.3m (2020-21 £44m) due to YTHFM LLP.
All of these transactions and balances have been eliminated from the consolidated group position.

The Trust has also received total contributions of £1m (£0.4m towards revenue expenditure and £0.6m towards capital expenditure) (2020-21 £1.6m) from the York & Scarborough Hospitals Charity, the Corporate Trustee for which is York and Scarborough Teaching Hospitals NHS Foundation Trust. At the year-end there was a receivable balance in the Trust of £0.5m (2020-21 £0.2m) due from the York and Scarborough Hospitals Charity. The charities accounts are not consolidiated into the Group on the basis of immateriality.

Entities where significant transactions have occurred during the year are listed below. Transactions are considered significant, if income or expenditure for the year exceeds £2.0m or the receivable or payable balance exceeds £0.5m.

Department of Health and Social Care
City of York Council
Harrogate & District NHS Foundation Trust
Health Education England
HM Revenue & Customs
Hull University Teaching Hospitals NHS Trust
Leeds Teaching Hospitals NHS Trust
NHS Blood and Transport
NHS East Riding of Yorkshire CCG
NHS England
NHS Hull CCG
NHS Leeds CCG
NHS North Yorkshire CCG
NHS Pension Scheme
NHS Property Services
NHS Resolution
NHS Vale of York CCG
North Yorkshire County Council
Tees, Esk & Wear Valleys NHS Foundation Trust
UK Health Security Agency

Note 36 Transfers by absorption

On 1 November 2021, the pathology services operated by the York and Scarborough Teaching Hospitals Foundation Trust and the Hull Teaching Hospitals NHS Trust formed a new network Pathology service - Scarborough Hull York Pathology Service (also known as SHYPS).

The new arrangement is provided by York and Scarborough Teaching Hospitals Foundation Trust and as a result approx 300 staff TUPE transferred to the Trust from Hull Teaching Hospitals NHS Trust. The following table presents the impact to the Trusts' Statement of financial position and Statement of comprehensive income for the year ending 31 March 22.

The transfer of assets was accounted for under absorption accounting and therefore gave rise to a £1.066m gain on transfer which is presented on the face of the Trusts' SOCI.

Balance Sheet Impact - 1 November 2021 to 31 March 2022	**£000**
PPE	1,019
Intangibles	47
Total - Non current Assets	**1,066**
Current Assets - Stock sold to the Trust on 1st November 2021	**1,200**

Income and expenditure by Category -1 November 2021 to 31 March 2022	**£000**
Income	
Direct Access	4,100
Unitary Payment	5,500
Direct Credit	500
Total	**10,100**
Expenditure	
Pay	4,900
Non Pay	5,200
Depreciation	80
PDC	30
Total	**10,210**

Note 37 Prior period adjustments

There are no prior period adjustments

Note 38 Events after the reporting date

There are no events after the reporting date.