Berkshire Healthcare
NHS Foundation Trust

ANNUAL REPORT AND ACCOUNTS

2021/22

Berkshire Healthcare NHS Foundation Trust
Annual Report and Accounts 2021/22

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

Annual Report & Accounts 2021/22

CHAIR AND CHIEF EXECUTIVE'S REPORT 2021-22

COVID-19

This year has again been dominated by COVID-19. But throughout, these additional pressures from increased Infection Prevention and Control measures, such as enhanced Personal Protective Equipment (PPE), the consequences of social distancing reducing bed numbers, increased staff sickness from COVID-19 coupled with the increased demand, particularly in mental health, the commitment of our staff to patient safety and care has again been magnificent and we were delighted to be able to recognise this commitment in our Staff Awards this year. We are both so proud of the response of everyone.

Despite these demands, the Trust has continued to move forward. So, we have moved our learning disabilities service into a new purpose-built ward in Prospect Park Hospital. We have made significant progress with physical health checks for patients with severe mental health conditions. In addition, we have introduced a new and much more informative patient feedback process to enhance our understanding of how patients really see us and to help us improve our patient centred care. Our use of Quality Improvement techniques has also expanded and is showing how much the approach can improve care.

Patient safety is always of paramount importance. Our staff have continued to develop their use of digital services to manage patients remotely, with an assumption of using digital means where clinically appropriate. Where face-to-face contact is required, enhanced infection control practices are being used by staff to maintain safety, including the appropriate use of Personal Protective Equipment (PPE).

Governance

Our Trust Board has continued to monitor all areas of patient safety through scrutiny of a variety of patient safety metrics. Robust governance, patient safety, incident and mortality reporting systems are maintained throughout the Trust, with these processes used to highlight areas for improvement in a timely manner allowing for learning. Our Trust Board has continued to meet virtually with questions from the public invited and answered at the start of the meetings. All our public board meetings are recorded and made available to the public on our website. This is also true for our Governor meetings. Our Governors have, as expected, provided appropriate and welcome challenge and support. The use of multiple online groups during governor meetings, allowing governors to interact with individual Non-Executive Directors has proved very successful. Membership of the Trust remains strong, but despite our efforts reaching a more diverse membership remains a challenge.

Despite the challenges of COVID-19, the Trust Board has continued to move forward with development of its strategic initiatives. We recently agreed our environmental strategy to ensure we play our full part in mitigating climate change, also we are progressing our plans to address health inequalities. The Trust has continued to work to create a greater diversity in the membership of the board. Our philosophy is always to choose the best candidate, by ensuring our selection process reaches a wider range of potential candidates. This year we have appointed a new non-executive director who is chairing the Audit Committee and a new executive director who will be taking over the Chief Operating Officer role in May 2022. These not only bring valuable experience and skills to the Trust Board, but also increase our diversity. From May 2022, the Trust Board will have four members from a minority ethnic background compared to two a year ago, and five women, a substantial improvement.

People

The Trust's recently updated People Strategy which includes enhanced staff wellbeing, recruitment and retention and equality, diversity and inclusion programmes is focused on making the Trust "Outstanding for Everyone" and is showing results already. We know there are some staff from minority backgrounds that do not feel as advantaged as the majority. We continue to work hard to listen to their views and address their concerns, including by taking concrete action on racial abuse from patients. Our work on supporting our LGBTQ+ staff has this year been recognised nationally by the Trust being in the Stonewall top 100 employers, something of which we are proud.

The latest NHS staff survey confirms the progress we are making where the views of our staff about us being a good place to work ranked the Trust as the third highest in the NHS, another exceptional achievement. However, we want to ensure that no one feels excluded or unable to raise their concerns, whether about the care of patients or our management practices, so we have given firm commitment to the Speak-up process and again whilst we know there is more to do, the views of staff of the Trust has placed us 13 highest rating in the NHS, too. Workforce, nevertheless, remains our top concern. Berkshire is an expensive area for staff and despite the positive views of staff, we face significant workforce challenges. We are progressing all avenues for retaining, developing and recruiting new staff. However, these initiatives will not fill the void in the short term. Whilst we do not have concerns about maintaining safe staffing levels, the shortages do put increased pressure on key staff and long term solutions must be found.

System working

The Trust is part of two Integrated Care Systems: Buckinghamshire, Oxfordshire, and Berkshire West, and Frimley. These systems are still in development with chairs recently appointed and we look forward to their full establishment. As a Trust, we are committed to system working and for us it is not a new idea, as we work already with a wide range of partners, including local authorities, other NHS trusts and primary care. The exigencies of COVID-19 have accelerated partnership working and we have ambitious plans to build on this experience.

The NHS remains under considerable pressure, and we are not immune. Our staff have responded with the commitment to patients and the professionalism we have come to expect despite these pressures, and they deserve everyone's full support and thanks. We are proud of being rated Outstanding by the Care Quality Commission and the performance this year is confirmation of that assessment.

Martin Earwicker	Julian Emms
Trust Chair	Chief Executive
4th October 2022	4th October 2022

PERFORMANCE REPORT

Overview

The purpose of this section is to provide an understanding of the Trust, as well as setting out our performance in 2021-22.

Brief History and Summary Information

Berkshire Healthcare NHS Trust was established in 2001. The Trust successfully gained NHS Foundation Trust status in May 2007. The Trust was issued with its provider licence in April 2013. In line with the Trust's provider licence, the principal purpose of the Trust is the provision of goods and services for the purposes of the health service in England.

The Trust is the main provider of mental health and community health services to a population of 900,000 people across Berkshire. We operate from over 100 sites across the county, including 323 inpatient beds across 16 wards over 8 locations. The majority of our healthcare and therapy services are provided to people within their own homes.

The Trust employs approximately 4,800 permanent staff which includes medics, registered nurses, therapists, psychologists, and both clinical and non-clinical support staff.

We work with our health and social care partners as across two Integrated Care Systems; Buckinghamshire, Oxfordshire and Berkshire West Integrated Care System and Frimley Health and Care Integrated Care System.

The Trust is commissioned to provide services and works closely with its two main Clinical Commissioning Groups (CCGs); Berkshire West CCG, covering Reading, West Berkshire and Wokingham and Frimley CCG, covering Bracknell, Slough, Windsor and Maidenhead. In addition, there are a smaller number of services that are commissioned by NHS England and NHS Specialist Commissioning. In addition to our NHS partners, the Trust works with our six local unitary authorities, West Berkshire, Reading, Wokingham, Windsor and Maidenhead, Slough and Bracknell Forest, delivering services to children and young people in schools and children's centres, providing a range of specialist services and home visits.

We are structured to reflect the localities in which our services are delivered, with Community Health and Community Mental Health services in both the East and West of the county. In addition to these services, we operate a Mental Health Inpatient service at Prospect Park Hospital in Reading, and our Children and Young People Service which spans our geography. All these services are supported by our central corporate teams.

The Trust continues to be at the forefront of digital innovation. Back In 2017 we achieved "Global Digital Exemplar – Mental Health" development status. At the beginning of the year, we became the first Community and Mental Health NHS trust in England to achieve NHSX Global Digital Exemplar accreditation for fulfilling our commitments as part of the Global Digital Exemplar (GDE) programme.

We recognise that we cannot stand still and in December 2021 we approved our Digital Strategy for the next 5 years, ensuring that we are developing and deploying new and innovative technology to empower our staff and patients, to continue providing outstanding care and to further accelerate our digital maturity.

As a Trust, we work closely with our communities. In recognition of their service, our volunteers were awarded the Queen's Award for Voluntary Service, which recognises the outstanding achievements of volunteer groups and puts a spotlight on the time, skills and energy that our volunteers have and continue to devote to the benefit of others.

In November 2019, the Trust underwent a comprehensive Inspection by the Care Quality Commission which resulted in the Trust being awarded an overall "Outstanding" rating, including outstanding in the well-led domain for the second year running.

Ratings	
Overall trust quality rating	Outstanding ☆
Are services safe?	Good ●
Are services effective?	Good ●
Are services caring?	Good ●
Are services responsive?	Outstanding ☆
Are services well-led?	Outstanding ☆

We remain immensely proud of this achievement, and it is testament to the hard work and dedication of all our staff that we have achieved this result.

Our Trust Vision and Values

We are committed to our vision:

"To be recognised as the leading community and mental health service provider, by our patients, staff and partners"

We have three core values which guide us in the way we behave and what we prioritise.

In March 2021 we published our 3 Year Corporate Strategy, building upon existing commitments set out in the NHS Long Term Plan published in June 2019 and the Integrated Care Systems' five-year plan submissions in November 2019.

We have set ourselves three strategic objectives against which we will measure our success, with performance and progress being reported to the Trust Board annually.

These are:

Performance Overview

The past year has remained dominated by the COVID-19 pandemic; not only in responding to further waves of the virus but beginning to address the challenges of dealing with the post pandemic impact on our staff and patients. The continuing commitment, dedication, and sheer hard work of all our staff, both clinical and non-clinical, has been remarkable.

It is testament to them that we have continued to improve the quality of care we provide, as well as improve as an organisation, despite all the challenges we have faced.

Moving into 2022-23, all of our services are back operating, although still with heightened PPE and infection control restrictions in place. These restrictions, as well as temporary service closures during the pandemic have given rise to an increased number of patients waiting for our services, as well as more acutely unwell patients requiring our services. Dealing with the care back log created by COVID-19 is one of our key areas of focus for the year ahead, as we look to increase the number of patients we see and reduce the number of people waiting for treatment.

As anticipated, the impact of the pandemic on the nation's mental health has been profound. Our Mental Health services, being both our community teams and inpatient unit, have seen an increasing

demand for their services, which continues to be a significant challenge and one which we will need to continue to address in the years to come.

We recognise and encourage patient and carer feedback about our services. In November 2021, we launched our new patient experience tracking tool, iWantGreatCare which is tailored to ensure we obtain meaningful and invaluable feedback. This will allow us to evaluate and to drive improvements in our services.

Staff well-being remains at the heart of our organisation. We recognise that the past couple of years have been extremely challenging for our teams in dealing with the demands of the pandemic. We have continued to support our staff, with access to staff support hubs as well as support from organisations such as Operation Wingman, which provided a mobile lounge for staff at several our sites. Given everything our staff have faced, it makes us even prouder that for the second year in a row we are the top ranked Trust in the sector for staff recommending us as a place to work.

At the start of the pandemic, we asked as many of our staff to work from home as were able. Almost two years on we now recognise that this is a shift which will remain in place for many, and which brings with it a number of benefits. We are now able to recruit staff from further afield and many of our staff are telling us that they appreciate the flexibility working from home provides. This would not have been possible without our continued investment in our IT infrastructure.

Our IT investment does not just benefit our workforce, it has also allowed us to continue to support our patients through on-line appointments. At the height of the pandemic, we were seeing close to 8,000 patients per month over electronic platforms, and while this number has reduced over the past year as face to face services resume, we have still recorded over 70,000 online appointments over the past year.

We have continued to support the national vaccination effort, and our team have now administered 36,000 doses of vaccine administered to our staff and staff from our health and social care partners since the beginning of the pandemic. This year, with the expansion of the vaccine programme to cover school age children, our School Nursing Teams delivered a further 35,000 vaccines increasing protection across our community.

Despite all of the challenges over the past year, we have continued our commitment to providing high quality services that meet the requirements of our Care Quality Commission (CQC) registration and in compliance with the conditions of our provider licence.

The NHS financial regime under which the Trust has operated in 2021/22 has been implemented to balance financial risk whilst providing support for on-going costs related to our pandemic response. As a result, in addition to our commissioner funding, the Trust has received a £9.3m allocation of funding to cover the marginal cost increases arising from our pandemic response. We also continue to benefit from £0.4m of centrally funded PPE supplies.

The Trust ended 2021/22 with a surplus of £1.7m. After accounting for the impact of donations, non-operating fixed asset impairments and disposal proceeds of £1.1m, we have reported a surplus of

£0.6m. The Trust saw a net cash inflow of £14.8m and closed with a cash reserve of £53.9m. During the year, we continued to invest in our estate and IT infrastructure and spent a total of £7.2m, including £0.7m of centrally funded schemes.

The Trust Board is responsible for preparing this Annual Report and the Annual Accounts and the Trust Board consider the Annual Report and Accounts, taken as a whole, to be 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.

The Trust's accounts have been prepared under a direction issued by NHS Improvement under the National Health Service Act 2006. Accounting policies for pensions and other retirement benefits (as set out in the notes to the accounts) and details of senior employees' remuneration can be found in the remuneration report.

The external auditor for Berkshire Healthcare NHS Foundation Trust, as appointed by the Council of Governors, is Ernst & Young LLP. The Trust's internal auditors are RSM Risk Assurance Services LLP as appointed by the Trust Board.

Principal Risks and Uncertainties

A key role for the Trust Board and the Executive Team is to manage and mitigate risks to the delivery of our strategic objectives and we therefore operate a robust risk management process that ensures that all key risks are identified, and that mitigation action is taken to address these. Our Board Assurance Framework and Corporate Risk Register are regularly reviewed by both the Trust Board and relevant Board Sub-Committee and Executive Groups.

Our key risks relate to the safety of and quality of care we provide to our patients, as well as to the Trust's financial sustainability. We spend considerable time ensuring that financial pressures do not compromise safety and quality. Our key risks include:

- Inability to recruit and retain sufficient staff which could impact our ability to meet our commitment to providing safe, compassionate, high-quality care and a good patient experience for our service users. Despite the relentless pressure on our teams, our retention has improved over the past year. However, the high cost of living in Berkshire, along the availability of specialist staff continues to restrict our ability to recruit into some services.

This is a key area of focus and is addressed in our People Strategy 2021-24, which includes initiatives to grow and develop our existing workforce as well as opportunities for international recruitment and reviewing our well-being and reward offers to staff.

- Inability to meet the rising demand for our services due to high referral rates. This risk has elevated due to the pandemic, with rates increasing further, particularly in Mental Health Inpatients, Community Nursing, Child and Adolescent Mental Health Services and Common Point of Entry.

Throughout 2021-22, we have continued to invest new funding into these services to build additional capacity where we are able to address growing demand. We have continued to utilise technology to ensure we reach patients when face to face treatment has not been available, a development that many service and patients have embraced and which we will continue to maximise.

- The risk of our network and infrastructure being the subject of malware attack which could compromise systems leading to unavailability of clinical systems, loss of data, ransom demands for data and mass disruption. We continue to audit our processes and to invest in our IT Team and infrastructure to defend against this on-going cyber risk.

- The on-going risk which COVID-19 presents to the organisation is multifaceted. There is a risk that the Trust may be unable to maintain the standards of safe and high-quality care for patients we aspire to due to the impact of managing services during future waves, but also the legacy of growing waiting lists and demand for our services. Further, the pandemic has had a profound impact on healthcare professionals and future waves are likely to affect staff both in terms of availability being depleted due to sickness but also fatigue and burnout.

We have taken a number of steps to mitigate the on-going risks. After each wave we have taken the time to review the impact and lessons learnt, meaning we have been better equipped and prepared at each subsequent stage of our response. We have actively encouraged all staff to get vaccinated in order to protect themselves, colleagues, and patients. We continue to adhere to national Infection, Prevention and Control guidance across all our sites, and encourage staff to work from home when they are able.

Along with our Quality Improvement Programme, we have further strategic initiatives in place to address and mitigate these risks.

Going Concern

After giving due consideration to the principal risks and uncertainties contained in the Board Assurance Framework, Corporate Risk Register, and making additional enquiries wherever deemed appropriate, the Trust Board has a reasonable expectation that the Berkshire Healthcare NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future.

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

Performance Analysis – Monitoring Performance

The Trust Board oversees delivery against our key performance measures and achievement of strategic objectives. This ensures that the financial and governance requirements of our provider

licence are met, and that the quality and safety of care we provide meets the requirements of the Care Quality Commission.

The Trust takes an integrated approach to performance, measuring itself against targets and benchmarks in clinical care, quality, and finance. Within each are a wide variety of measures, but all are monitored and reported using established and robust systems.

Our Performance Assurance Framework is built on the principles of our Trust Quality Improvement programme. We review our "True North" organisation goals on an annual basis to ensure they at the highest level, the organisation is focused on the same key goals. Our 'True North' goals for 2021-22 were:

Our organisational goals provide the structure for our annual "Plan on a Page" and are supported by specific measures which enable us to focus our efforts and track our progress effectively. We use our Trust "Plan on a Page" as a template to inform both team plans and individual objectives for all our staff. For 2021-22, our "Plan on a Page" set out the following specific measures against each of our goals:

- We will protect our patients and our people from getting COVID-19 by using appropriate infection control measures:

- We will minimise risk of harm to patients resulting from waiting times
- We will continue to reduce falls, pressure ulcers, self-harm in in-patient services and suicide across all of our services
- We will recognise and respond promptly to physical health deterioration on our in-patient wards
- We will improve the physical health of people with serious mental illnesses
- We will strengthen our safety culture to empower our people and patients to raise safety concerns without fear, and to facilitate learning from incidents

True North goal 2: **Supporting our staff**

✓ **To strengthen our highly skilled and engaged workforce and provide a safe working environment**

- We will improve the mental and physical health and wellbeing of our people, reducing
- Musculoskeletal disorders and other sickness absences
- We will have a zero tolerance to bullying and harassment, and racism, taking action wherever
- we see or hear poor experience for our people
- We will support the growth and development of our people through high quality appraisal,
- supervision and training
- We will actively support our people to work flexibly, including remote working where
- appropriate, as part of our new offer
- We will act on feedback from the staff survey in order to further improve satisfaction and
- address any identified inequalities
- We will provide opportunities for our people to show initiative and make improvements for their colleagues and patients through great team working, Quality Improvement and Bright Ideas

True North goal 3: **Good patient experience**

✓ **To provide good outcomes from treatment and care**

- We will reduce the number of patients waiting for our services
- We will use patient and carer feedback to drive improvements in our services
- We will manage patient flow effectively and ensure that patients stay within our services for no longer than is clinically appropriate
- We will engage and communicate with patients and the public to make sure that they understand how to access the right help at the right time

True North goal 4: **Money matters**

✓ **To deliver services that are efficient and financially sustainable**

- We will work as a team to manage spend within the financial plan for each service
- We will work as a team to identify opportunities for efficiencies
- We will transform our clinical and non-clinical services using a digital first / patient safe approach, to improve patient experience, streamline our estate, reduce our carbon footprint and support work-life balance for our people

Our Performance Assurance Framework reflects the key drivers of performance set against our 'True North' goals, as well as regulatory compliance. This provides a robust structure to track all performance elements and resolve instances when performance is outside of accepted thresholds.

The tables below illustrate our performance against our key Driver Metrics over the course the year. These are monitored and reported monthly to the Trust Board, following detailed review and scrutiny at the Finance, Investment and Performance Board sub-committee and the Quality and Performance Executive Committee.

Metric	Target	Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sep 21	Oct 21	Nov 21	Dec 21	Jan 22	Feb 22	Mar 22
Harm Free Care													
Falls incidents in Community & Older Adult Mental Health Inpatient Wards	26 per month increased from 20 in Feb 22	37	17	23	27	33	36	33	21	27	37	34	33
Self-Harm Incidents on Mental Health Inpatient Wards (excluding LD)	42 per month	76	42	128	124	56	51	132	130	82	165	81	95
Pressure ulcers acquired at BHFT due to lapse in care - Grade 3 & 4 (Cumulative YTD)	<18 per year	0	0	0	0	0	1	0	0	0	0	0	0
Number of suicides (per month)	Equal to or less than 3 per month	2	0	3	0	2	2	0	4	1	1	2	2
Physical Health Checks 7 Parameters for people with severe mental illness (SMI)	50% by 30th September 2021, then 60%		19%	31%	43%	52%	68%	67%	71%	74%	78%	81%	80%
Gram Negative Bacteraemia	1 per ward per year	0	0	0	0	0	0	0	0	0	0	0	0
Patient Experience													
Patient FFT Recommend Rate: %	95% compliance	90%	92%	79%	89%	85%	89%	92%	90%	92%	92%	79%	
Patient FTT response rate: %	15% compliance	5%	5%	6%	6%	6%	6%	5%	7%	1%	0%	4%	
Mental Health Clustering within target: %	80% compliance	73.9%	73.5%	71.5%	77.2%	80.4%	78.7%	79.4%	79.5%	78.7%	77.2%	77%	78%

Performance Scorecard - True North Drivers (Mar 2022)

Metric	Target	Apr 21	May 21	Jun 21	Jul 21	Aug 21	Sep 21	Oct 21	Nov 21	Dec 21	Jan 22	Feb 22	Mar 22
Supporting our Staff													
Physical Assaults on Staff	44 per month	54	42	50	66	75	80	85	60	33	51	67	60
Staff Engagement Score (Annual Staff Survey) [Suspended centrally in April due t..	Score of 10	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.40
WRES and WDES outcome improvement	TBC												
Fire Evacuation training for inpatient staff	95% compliance						87.9%	89.9%	92%	92.5%	91.9%	91.1%	93.2%
Money Matters													
CIP target (£k): (Cumulative YTD)													
Financial surplus £k (excl. STF): (Cumulative YTD to plan) [Suspended centrally due to COVID]													
Mental Health: Acute Occupancy rate (exc. Home Leave HL)	85% Occupancy	97.4%	97.5%	96.0%	96.0%	90.6%	93.1%	91.2%	92.2%	87.2%	91.1%	86%	93.3%
Control total target (£k): (Cumulative YTD)	TBC												
Mental Health: Acute Average Length of Stay (bed days)	30 days	47	50	50	49	50	52	53	58	58	37	45	49
Staff turnover (excluding fixed term posts)	<16% per month	12.5%	12.5%	13.1%	13.8%	14.2%	14.6%	15.4%	15.4%	15.3%	15.3%	15.3%	15.9%
Staff turnover (including fixed-term posts)	<16% per month	14.7%	14.6%	15.3%	15.8%	15.1%	15.6%	16.4%	16.5%	16.3%	16.3%	16.4%	16.8%
Inappropriate Out of Area Placements	90 Cumulative Total Q4	160	587	856	168	418	636	195	266	405	92	191	434

In addition to our 'Driver' Metrics, we report on a number of 'Tracker' metrics and follow a strict set of business rules which manage the reporting and escalation when performance is off target. Performance against both our 'Driver' and 'Tracker' metrics are available for the public to view as part of our published Trust Board papers and can be accessed via the Trust's website.

We also use benchmark information to inform our assessment of the efficiency and effectiveness of our services in comparison to other providers. We undertake regular data quality audits and Information is also triangulated with data from other sources, such as Trust Board and Governor Quality visits, complaints and patient feedback to provide additional assurance on performance quality.

Financial Performance

The Trust's financial position is detailed in the Annual Statutory Accounts, which are part of this Annual Report. The Audit Committee on behalf of the Trust Board approved the full Audited Accounts on 5th October 2022 and the Auditor's opinion on the Financial Statements was unqualified.

The Trust delivered its financial plan for 2021-22 and ended the financial year reporting a surplus of £1.7m. After accounting for the impact of donations, non-operating fixed asset impairments and disposal proceeds of £1.1m, we have reported a surplus of £0.6m

A summary of our financial performance can be seen in the table below. Full details of our financial statements can be found in the Annual Accounts later in this report.

	Actual £m	Plan £m	Variance £m
Operating Income	308.9	298.6	10.3
COVID Funding	9.3	9.3	0.0
Total Income	**318.2**	**307.9**	**10.3**
Staff Costs	228.6	221.0	(7.6)
Other Non Pay	69.1	67.0	(2.1)
PFI Lease	6.4	6.4	0.0
Other Net Interest	4.0	3.9	(0.1)
Depreciation	8.7	8.2	(0.5)
PDC Dividend	0.9	1.4	0.5
Total Expenditure	**317.7**	**307.9**	**(9.8)**
Operating Surplus	**0.6**	**0.0**	**0.6**
Donated Income	0.4	0.0	0.4
Disposals	1.4	0.0	1.4
Impairment	(0.7)	0.0	(0.7)
Reported Surplus	**1.7**	**0.0**	**1.7**

We now work more closely than ever with system partners. Our Trust's individual financial performance is now aggregated together with our partner across the Buckinghamshire, Oxfordshire and Berkshire West Integrated Care System and collectively we are responsible for delivery of the system's financial target. This ensures we continue to build a shared responsibility for effective use of our collective resources as we all aimed to achieve financial balance across systems. The Buckinghamshire, Oxfordshire and Berkshire West Integrated Care System reported a £10.6m surplus for 2021-22.

The Trust's revenues are predominantly generated from other NHS organisations, and we have generated income £10.3m in excess of planned levels this year, excluding donations. This included a £9.0m funding adjustment for Employers Pension contributions, excluding this, income was £1.3m higher than planned.

Pay costs were £7.6m higher than planned, but again, after excluding the impact Employers Pension cost increase, the Trust finished the year £1.4m below plan for Pay, with the Trust finding recruitment a challenge during the early part of the year.

Non Pay costs were £1.9m higher than anticipated, with Mental Health placement costs rising during the year as pressure increased on our Mental Health inpatient services.

Our level of capital expenditure must now be agreed with our system partners within an overall system allocations. Despite the challenges of the last year, we have continued to invest in technology, improving cyber security, enhancing, and developing on-line services to patients and continuing to allow our workforce to work remotely. Our overall investment in technology was £4.1m this year. In addition to technology, we have continued to ensure our facilities are safe and of good quality. This year we have invested £3.1m in our estate, including £0.8m completing our development of Phoenix House which provides community mental health services for children.

The Trust finished the year with a closing cash balance of £53.9m, which represents a net cash increase of £14.8m.

The Trust has no overseas operations.

Important Events Since Year End

There are no material events to report since 31 March 2022.

Better Payment Practice Code

The Trust aims to pay suppliers and providers of goods and services promptly and has a target of paying 95% of all invoices within 30 days of receipt. The Trust did not make any payments in respect of interest under the Late Payment of Commercial Debts (Interest) Act 1998 during 2021/22.

During the year the Trust responded to national procurement guidance to reduce the time to pay suppliers in order to support our suppliers during the pandemic.

The actual performance for the Trust for financial year 2021-22 was as follows:

Non-NHS Payables

	No of Invoices (count)	% of activity	Value of Invoices (£'000s)	% of value
Paid within 30 days	24,212	94%	88,561	93%
Paid over 30 days	1,489	6%	6,178	7%
Total	**25,701**	**100%**	**94,739**	**100%**

NHS Payables

	No of Invoices (count)	% of activity	Value of Invoices (£'000s)	% of value
Paid within 30 days	895	93%	11,688	88%
Paid over 30 days	65	7%	1,526	12%
Total	**960**	**100%**	**13,214**	**100%**

Environmental Matters

The Trust recognises that it has a responsibility to maximise its contribution to a sustainable National Health Service, combating climate change and cut its own carbon footprint in line with NHS England's net zero target by 2045.

The past year has, again, focused on dealing with and managing the impacts and demands presented by COVID-19. This has had a huge impact upon every aspect of the Trust's service delivery and operational activities. This of course includes sustainability and climate change agendas.

The advent of the Greener NHS Programme and the NHS England net zero target by 2045 provides future direction and opportunities for the Trust to embrace and shape actions that will allow it to become a net zero carbon emitting organisation.

In accordance with National guidance and the requirements set out in the NHS standard contract, the Trust has a fully adopted Green Plan (2022-25) entitled Net Zero and Green. This strategic document sets the foundations to progressively remove carbon emissions from all its operational activities and strategic decision making.

It focuses on the areas that, firstly, the Trust has control over, secondly, are clearly defined sources of greenhouse gas emissions and thirdly, will create a position for successful long-term change.

The Green Plan will also ensure that the Trust is taking direct action to enable it to be a leading organisation in becoming a provider of real sustainable healthcare and will achieve its overarching Sustainable Development Policy, which is to;

"Provide healthcare that is sustainable, efficient, flexible and resilient; taking every reasonable opportunity to enrich the health and wellbeing of the communities we serve."

This Green Plan sets out a number of strategic goals which support and ensure that the overarching Sustainable Development policy is achieved, which are;

- Cut carbon to be net zero
- Stop polluting the environment
- Improve health and wellbeing
- Improve financial efficiency
- Enhance reputation

Year on Year Progress

One of the key achievements is the preparation and full adoption of the Trust Green Plan (2022-25) – Net Zero and Green. This strategic action replaced the Trust's existing Sustainable Development Management Plan. The Green plan 2022-25 sets the Trust down the road to achieve net zero by 2045. It also ensures that the relevant clauses set out in the NHS Standard Contract (2021-22) are taken into account and adhered to.

The Trust has seen a sustained reduction in business mileage, which was first achieved in 2020-21 and despite the progressive return to normal working this has been maintained for 2021-22. The continued reduction in business miles is a result of a significant number of staff continuing to work from home and being able to utilise and embrace technology to allow new ways of working. This has subsequently had a positive impact on the associated carbon emissions from business travel.

The decision by the Trust to purchase electricity generated from renewable sources. This has had a huge impact upon the associated carbon emissions. When compared to 2020-21 total carbon figures the Trust has seen a 12% reduction.

A continued increase in the realisation and use of technology to deliver health services. This has a huge potential in changing, going forward, the Trust's estate requirements and the need to keep and maintain poor building stock.

The successful completion of a project to install a Tiny Forest at West Berkshire Community Hospital (near Newbury in Berkshire). This was funded in total via a grant provided by the Department for Environment, Food & Rural Affairs (DEFRA) Green Recovery Challenge Fund and completed in partnership with Earthwatch Europe with support from Mini Electric and Bellrock Property and Facility Management.

The installation of 6 electric vehicle charge points providing charging facilities for 12 electric vehicles across 4 sites. This is real progress in providing a Trust wide Electrical Vehicle charging network to support and encourage the uptake or electric vehicle.

The purchase of two electric vans for estates and facilities department to carry out property maintenance and the delivery of PPE across the Trust property portfolio.

Summary of Performance – Non-Financial and Financial

The information presented in the table below represents the apportioned data for the sites that the Trust occupies. As well as providing the information on waste and utilities, the Trust is also able to provide data on direct business transport miles as well as the associated carbon emissions (tonnes of CO_2e) for all the specific areas reported on.

		2020/21		2021/22			2020/21	2021/22
Area		**Non-financial data (applicable metric)**	**Tonnes CO_2e***	**Non-financial data (applicable metric)**	**Tonnes CO_2e***		**Financial data (£)**	**Financial data (£)**
Waste Minimisation & Management	General (t)	258	5.51	311	6.64	Total cost of waste disposal	£215,126	£248,867
	Recycling (t)	107	2.29	153	3.27			
	Clinical (t)	107	2.28	128	2.73			
	Total	472	10.08	592	12.64			
Finite Resources	Water (M^3)	45,093	15	37,771	12.99	Water	£100,546	£122,921
	Electricity (GJ)	15,923	1,130	20,444	245.97	Electricity	£808,185	£989,488
	Gas (GJ)	33,733	1,723	41,205	2,104	Gas	£295,427	£320,181
Business Transport	Vehicle miles	1,927,611	560	2,166,814	630	Cost	£985,292	£1,139,237
Total CO2e			3,438		3,018			

*Please note, all conversion factors used to calculate the tonnes CO_2e were extracted from the UK Government Conversion Factors for greenhouse gas (GHG) reporting (2019, version 1.2)

Waste Data

It is not possible to provide specific cost by waste stream because the Trust does not receive this information from the two Private Finance Initiative (PFI) hospital sites, which are responsible for approximately half of the Trust's annual total waste generation.

As the Trust readjusted to normalising services in a post COVID-19 world, it has seen an increase in all waste streams over the last year. This has happened for general and recycling waste, and to a lesser extent clinical. Despite the increase of 120 tonnes of waste the cost increase is not proportionally as

great. This is because there is only a slight increase in clinical waste, which is far more expensive to remove from site and process on a tonne for tonne basis. This change is very much expected as the Trust got back to a new normal way of working and providing its healthcare services.

Finite Resources

Water consumption has reduced in relation to the previous year, which is maybe down to changes in working practises as a result of the pandemic. Despite this there has been a cost increase.

The consumption of gas and electricity has increased in the last 12 months, this can be attributed to the change in service delivery as services return post pandemic.

The electricity supply that is directly managed by the Trust is generated using renewable technology. What this means is that the Trust has decarbonised a large proportion of its electricity usage. This has resulted in a large reduction in associated carbon emissions. This is evidenced by the REGO (Renewable Energy Guarantees of Origin) certification scheme. This is a conscious decision by the Trust and ensures that it is complying with SC18.5 of the NHS Standard Contract which states that;

The Provider must ensure that with effect from the earliest practicable date (having regard to the terms and duration of and any rights to terminate existing supply agreements) all electricity it purchases is from Renewable Sources.

There is scope to improve this further by ensuring all privately leased buildings have similar supply agreements in place, particularly any new buildings it leases.

Business Transport

In 2020-21 the Trust experienced major changes in working practices because of the pandemic resulting in a huge reduction in business miles. The progressive return to a post pandemic world has not resulted in a rise in business milage to pre-pandemic levels.

The 2021-22 business mileage figures have increased by 239,203 which is a 12.4% rise. This has resulted in an increase in 70 tonnes of associated carbon emissions and an added cost of £153,945 when compared to the previous year. But if the data for 2021-22 is compared to the pre-Covid numbers from 2019-20, they are down by 1,468,294 miles which is a 40% reduction. It also means there is similar continued reduction in cost of £681,712 and carbon of 428 tonnes.

Carbon Emissions

CO2e emission levels for the individual reported resources directly reflect the consumption levels. Total CO2e emissions for 2021-22 are 3,018 tonnes, which is a reduction of 420 tonnes when compared to 2020-21 figures. This equates to a 12% reduction in associated carbon emissions.

This reduction in CO2e emissions is a result of the Trust sources the majority of its electricity from certified renewable sources. The carbon data included in this report will be utilised to measure and monitor the Trust's efforts to contribute to the NHS England target of becoming Net zero by 2045.

Governance, Partnerships and Monitoring

The governance structure to support and drive forward the Trust's Green Plan has been established in accordance with Department of Health and Social Care guidance and recognised best practice. We have established collaborative working relationships with key public service providers across Berkshire. This includes the ever-closer working with the two Integrated Care Systems that the Trust are a part of, namely Frimley Health and Care and Buckinghamshire, Oxfordshire and Berkshire West.

The Trust has a nominated Trust Board lead for sustainability and net zero, which is the Chief Operating Officer. It also has a Green Group to guide and shape activities that embrace sustainability and the reduction in carbon emissions.

The Trust has a dedicated Sustainability Manager who champions and coordinates our work on sustainability and climate change. Statutory reporting operates through a number of routes, including the Estate Return Information Collection, the Care Quality Commission and NHS England and Improvement.

Future priorities and targets

The newly adopted Green Plan (2022-25) Net Zero 'n' Green will inform and guide the Trust's activities and has confirmed specific targets set against our overarching goals. The continued evolution of the new normal, post COVID-19, has the potential to make a significant difference in reducing the impact upon the environment from the Trust's operational activities and presents huge opportunities for the organisation to become a leading sustainable community and mental healthcare provider. We Continue to work towards ensuring all electricity consumed by the Trust is from certified renewable sources is a must. For 2021-22 it had 83% of its supply from REGO backed suppliers, meaning that reaching 100% is something that is clearly achievable in the next financial year.

There will be an even greater emphasis on taking direct actions to reduce energy usage as the cost of both gas and electricity have increased at a rapid rate due to a range of geopolitical factors. The fluctuating energy markets and subsequent pass-through costs are likely to remain volatile for the foreseeable future. The continued expansion of the Trust wide electric vehicle charging network to encourage the change from diesel and petrol powered road vehicles to electricity powered road vehicles.

The Greener NHS programme and the net zero carbon emissions target set to shape a new direction for the NHS as a whole in relation to climate change. This will also shape how the Trust has to make major changes in how it delivers healthcare services in a carbon neutral way.

The Trust will further develop and expand the levels of engagement across the organisation and its service delivery partners. This will be achieved by implementing a detailed and innovative communication strategies and campaigns, which will directly inform, support, and promote the Trust's new Green Plan.

Emergency Preparedness, Resilience and Response

In line with its statutory obligations under the Civil Contingencies Act 2004, the Trust has in place arrangements for EPRR (Emergency Preparedness, Resilience and Response). We undertake joint

emergency planning with healthcare partners, local authorities and other emergency services. This work is undertaken through regional forums such as the Local Health Resilience Partnership Framework and the Berkshire Resilience Group. The development and improvement of the Trust's integrated emergency management system is overseen by the EPRR Governance Group. This Group reports to the Executive Non-Clinical Risk Management Committee, chaired by the Chief Financial Officer.

NHS England and Improvement has published NHS Core Standards for Emergency Preparedness, Resilience and Response arrangements. These are the minimum standards which NHS organisations and providers of NHS funded care must meet. Assessment against the Core Standards takes place annually and the Accountable Emergency Officer in each organisation is responsible for making sure these standards are met. The designated Accountable Emergency Officer for the Trust is the Chief Operating Officer.

The assurance process requires provider organisations to undertake a self-assessment and rate their compliance against the core standards relevant to their organisation type. These individual ratings will then inform the overall organisational rating of compliance and preparedness, which provider organisations are required to take to a public Trust Board meeting and also publish in their Annual Report. As a result of the events of 2020, the Core Standards did not receive their tri-annual review and, as a consequence, not all standards reflect current best practice. For this reason, a small number of standards have been removed from the assurance process for 2021-22.

For assurance purposes in 2021-22, Berkshire Healthcare NHS Foundation Trust remains **substantially compliant** with 36 of the 38 core standards applicable to community and mental health Trusts. Work is ongoing to address the two outstanding issues – Lockdown and chemical, biological, radiological, nuclear training.

NHS England and NHS Improvement - EPRR Assurance Compliance Levels

To support a standardised approach to assessing an organisation's overall preparedness rating, NHS England and NHS Improvement have set the following criteria:

Organisational rating	Criteria
Fully compliant	The organisation is fully 100% compliant with 100% of the relevant NHS EPRR Core Standards
Substantial compliance	The organisation is fully compliant against 89-99% of the relevant NHS EPRR Core Standards
Partial compliance	The organisation is fully compliant against 77-88% of the relevant NHS EPRR Core Standards
Non-compliant	The organisation is fully compliant up to 76% of the relevant NHS EPRR Core Standards

Social, Community, Anti-Bribery and Human Rights Issues

The Trust Board conducts its business in an open and transparent way. We are committed to the prevention of bribery as well as combating fraud. To limit our exposure to bribery, we have in place a Standards of Business Conduct Policy, a Freedom to Speak Up: Raising Concerns Policy and our Duty of Candour and Being Open policy.

We hold a register of interest for directors, staff, and governors and ask staff not to accept gifts or hospitality that will compromise them or the Trust. We employ TIAA, our local counter fraud specialists who investigate, as appropriate, any allegations of fraud, bribery or corruption supported by our Counter Fraud policy.

As a public sector body, we are committed to fully meet our obligations under all aspects of Human Rights Act 1998, Mental Health Capacity Act 2005 and the Equality Act 2010 and ensure we have supporting policies in place within the Trust including Mental Capacity Act and Deprivation of Liberty Safeguard policy, Section 132 Detained Patient's Rights policy and Equal Opportunities and Diversity policy. Trust policies are available to all staff and are routinely updated and reviewed.

Equality of Service Delivery

We have a Trust Board approved Equality, Diversity, and Inclusion Strategy which includes targeted interventions for both our workforce as well as patients and communities who use our services.

We are clear on our responsibilities under the public sector equality duty, which include:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

We have identified clear areas of focus for our patients and service users and our staff which are available in our Equality, Diversity and Inclusion Strategy.

For our patients, our focus is the collaborative approach to identifying and resourcing work to reduce health inequalities. This work is supported by ensuring the demographics of the people who use our services are captured more consistently so that we can ensure there are no inequalities in access.
In the past year, we have focused on changes to our systems and developing a communication kit to help front line staff meet people's communication needs. We have reviewed the recording of patient demographics in order to improve health outcomes

For our staff we are focused on addressing differentials in experience – particularly for our Black, Asian and Minority Ethnic (BAME), disabled and LGBT staff who experience disproportionate levels of bullying and harassment from patients, peers, and managers. We are also working to ensure that there is no differential in career progression and recruitment. This includes reviewing our recruitment processes to ensure they support applications from diverse applicants and that equal opportunities are given for career progression and talent management. We are also reviewing our leadership training offer for managers to ensure it supports the development of an inclusive culture in the organisation and will be supported by the 2 modules of the ready for change programme promoting allyship, cultural and emotional intelligence.

The Trust is also committed to developing a Neurodiversity Strategy to improve the outcomes and experience of our patients, service users and staff who are neurodivergent.

All this work and been designed in collaboration with our 3 staff networks, Race Equality, Purple (Disability), and PRIDE and these groups are key in supporting our priorities.

There are set key performance indicators for all the work identified in the Equality, Diversity and Inclusion Strategy and these will be monitored regularly via the Diversity Steering Group, Strategic People Group and reported periodically to the Trust Board. Further progress will also be measured through our Workplace Race Equality Standard (WRES) and Workplace Disability Equality Standard (WDES) reports which are published annually.

Equality, Diversity and Inclusion

The Trust's Equality, Diversity and Inclusion strategy 2020-2023 has been approved by Trust Board and sets out the equality objectives that will support both staff and patients across the organisation. The Diversity Steering Group continues to provide leadership, scrutiny and accountability to ensure all Equality, Diversity and Inclusion has been in line with these objectives.

The National NHS Staff Survey results continue to show that we are not making the progress that we want around Equality, Diversity and Inclusion and we have identified the need for sustained improvement in our strategy. We are committed to driving the changes needed to make Berkshire Healthcare NHS Foundation Trust outstanding for everyone.

There is now a dedicated Inclusion and Organisational Experience Team to the important work of this strategy, led by a Deputy Director. The team is responsible for creating the systems, processes and behaviours that address inequalities and help to create an inclusive culture for both patients and staff. This team will support all work aligned to the strategy priorities and will work with Divisions and Services in the identification of their priorities, ensuring they align with the strategy. We continue to focus on how we can reduce health inequalities and ensure our services are accessible to everyone in the communities in which we serve.

Equality, Diversity and Inclusion Strategy Priorities

Our 2020-2023 strategy identifies five key priorities for our people and six priorities for our patients and communities with a focus on creating a culture of inclusion and belonging and eliminating differentials in experience:

Our People:

- Address and reduce inequalities and differentials in experience, focusing on bullying and harassment, aligned to workforce retention in the people strategy
- Embed inclusive and compassionate leadership approaches
- Develop workforce career progression and talent management
- Strengthen and develop our staff networks including making them more inclusive to facilitate allyships
- Develop and deliver our inclusive "*Ready for Change"* programme which builds on the *"Making it Right"* programme and will focus on the culture change required based on allyship and a greater appreciation of the different cultural norms that can cause misunderstandings and miscommunication. This is known as "cultural intelligence".

Our patients:

- Embed the Accessible Information Standard for disabled patients across all services
- Embed reasons for and recording of patient demographics to improve health outcomes
- Identify actions and resources needed to identify health inequalities through community engagement
- Continue to promote LGBT+ engagement and support through Stonewall and Reading Pride
- Develop strengths-based inclusive recruitment with services
- Co-produce actions and resources needed for Trans patients' pathways

Public Sector Equality Duty

The Public Sector Equality Duty (PSED) requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out their activities.

The Trust's Equality, Diversity and Inclusion strategy supports compliance under the Public Sector Equality objectives, as required by the Equality Act 2010.

1. Reduce bullying and harassment as reported by staff, and in particular, Black, Asian and Minority Ethnic (BAME) and disabled staff, in the annual National NHS Staff Survey. We are working to reduce experiences of bullying and harassment for all our staff and to equalise the experience between BAME/disabled and white/non-disabled staff so that there is no gap or differential in experience. The 2021 National NHS Staff Survey data showed that there is a 10% gap between our BAME and white staff experiencing bullying and harassment from patients and a gap of 9% in relation to bullying and harassment from staff. This gap has been widening in both data sets since the last National NHS Staff Survey.

2. Increase the diversity of our workforce with particular focus in year 2 of the strategy on inclusive recruitment and career progression with some work in progress already.
3. Ensure there is no difference in perceptions of equal opportunity in career progression between white and BAME staff (as measured by our annual National NHS Staff Survey). The National NHS Staff Survey results from 2021 have shown a 4% decrease from the previous year, with the gap widening to nearly 22% between perceptions of BAME staff in comparison to their white colleagues.

4. Significantly improve the wellbeing of all staff and a reduction in the proportion of staff experiencing stress related illness. The National NHS Staff Survey results for 2021 show that 74.5% of staff feel that the organisation takes positive action on health and wellbeing which is 11% above the average for trusts in our comparison group and only 0.8% below the top score and 18% above the national average. Stress related illness remains the top cause of work-related absence and we now have a dedicated post focusing on wellbeing across the Trust and an outstanding offer of mental health support for our staff in response to their needs during the COVID-19 pandemic. There is also a named Non-Executive Director with the responsibility of a wellbeing guardian.

   The wellbeing of our people is at the centre of our organisational culture and we want to make sure our people feel well and supported at work. One of our key responsibilities is our duty of care to protect the health and safety at work of people and this includes understanding if they are at extra risk from COVID-19. We have done much work already to protect our vulnerable staff groups, including shielding those who are extremely clinically vulnerable and making adjustments to the working arrangements of everyone who has been identified as high risk in the workplace.

5. Ensure the roll out and consistent offer of reasonable adjustments for disabled people, in particular, implementation of the NHS Accessible information standard for all disabled patients who use our services. The National NHS Staff Survey results showed there was a 4.3% improvement in staff who have a long term condition or illness saying their manager has made adequate reasonable adjustments to enable them to carry out their work but there is still more work required to ensure all managers are equipped to support their teams.

6. Focusing on training and development of our leaders and managers to make sure that they are equipped to support their teams with inclusive behaviours and that they take the necessary action to create an organisational culture that supports inclusion and belonging for all.

7. We remain committed to continue to make meaningful improvements to the experience of our LGBTQ+ staff and patients. Berkshire Healthcare is aiming for improved scores in our National NHS Staff Survey. We have identified the need to develop a pathway for our Trans patients with processes for recording data on electronic records.

8. Engage with diverse groups in our communities, in particular Black, Asian and Minority Ethnic, Lesbian, Gay, Bisexual and Trans, and Disabled people to inform our understanding of their priorities regarding health inequalities, with a view to identifying resources needed to address these and put in place the required actions to ensure equity of access in both Mental and Community Health Services.

There are named senior Equality, Diversity and Inclusion leads for the six Divisions and they are working with the Inclusion and Organisational Experience team to identify key priorities for the next

year for their staff and patients linking back to their divisional workforce data and key strategy priorities.

The Trust has three established staff networks:

- Race Equality (Black, Asian and Minority ethnic people);
- Purple (Disabled staff); and
- Pride (Lesbian, Gay, Bisexual and Trans)

The Networks continue to support the progress in addressing the associated inequalities with these protected characteristics. Each of the Staff Networks has an Executive Director sponsor who is responsible for supporting the development of each Network.

This year, the Network activity has been limited by the COVID-19 pandemic and support focused on staff wellbeing, the education and rollout of the COVID-19 vaccination programme and promoting shared experiences. However, our networks have supported the development of our People Strategy and Equality, Diversity and Inclusion Strategy. Our networks have also supported and informed our review of disciplinaries and investigations and are working with us to improve career progression for staff with protected characteristics.

Workforce Equality, Diversity and Inclusion

As at March 2022, the Trust employed 4,780 members of staff:

- 83.4% were female and 16.6% were male
- 27.4% of staff were from visible minority ethnic backgrounds, compared with 20% of the Berkshire population (2011 census); 7.9% were from non-British white backgrounds compared to 7% of the Berkshire population.
- 5% were disabled people
- Electronic Staff Record and the National NHS Staff Survey do not record gender identity and therefore we are unable to report the number of Trans staff employed within the Trust.

Equality and Diversity of the workforce is monitored through the people dashboard and data is now available to Divisions via tableau (updated quarterly):

Table 1: Workforce Diversity

	March 2021		**March 2022**	
	%	**Staff**	**%**	**Staff**
Total		***(4,721)***		***(4,780)***
Age				
16 – 25 years	6.7%	318	5.9%	283
26 – 35 years	22.3%	1053	22.4%	1,071
36 – 45 years	25.2%	1,189	25.7%	1,228
46 – 55 years	26.6%	1,256	27.2%	1,298
56 – 65 years	17.3%	817	16.7%	797
66 plus years	1.9%	88	2.2%	103
Ethnicity				
White British	61.4%	2,897	61.5%	2,941

	March 2021		March 2022	
	%	Staff	%	Staff
White Other and Irish	8.7%	410	7.9%	377
Mixed	2.4%	115	2.8%	134
Asian or Asian British	11.8%	599	12.4%	591
Black or Black British	10.0%	470	10.1%	484
Other Ethnic Group	1.6%	74	2.2%	103
Not specified	4.2%	196	3.1%	150
Gender				
Women	82.7%	3,905	83.4%	3,986
Men	17.3%	816	16.6%	794
Not specified	0	0	0	0
Disability				
Disabled staff	5.0%	236	5.3%	255
Religion				
Christian	48.8%	2,306	48.2%	2,302
Atheist	15.0%	709	15.9%	758
Islam	4.2%	196	4.5%	214
Hindu	3.2%	151	3.4%	164
Other	11.5%	541	12.0%	574
Not Stated	17.3%	818	16.1%	768
Sexual Orientation				
LGBT	2.9%	138	3.3%	158
Heterosexual	84.3%	3,982	85.8%	4,099
Not Stated	12.7%	601	10.9%	523

Senior Management and Leadership ethnic diversity

Senior Managers/Leaders As at 31st March 2022	Gender		Ethnicity		
	Male	Female	White	Non-White Minority ethnic	Undisclosed
Non-Executive Board (7)	57.1%	42.9%	57.1%	14.3%	28.6%
Executive Board (6)	83.3%	16.7%	83.3%	16.7%	0.0%
Directors (Locality, Clinical and other)	22.2%	77.8%	55.6%	11.1%	33.3%
Heads of Service	21.9%	78.1%	75.0%	25.0%	0.0%
Senior Managers (8c and above)	30.9%	69.1%	82.7%	12.3%	4.9%
Berkshire Healthcare staff (total headcount)	794	3986	3318	1312	150

The most significant change in the ethnic diversity of senior management and leadership has been a decrease from 21.1% in 2021 to 11.1% in 2022 in the non-white minority ethnic workforce in Director roles. An increase of 12.2% in Director undisclosed category.

There has however been an increase in Agenda for Change band 8C and above postholders in the non-white minority ethnic group that increased from 7.9% in 2021 to 12.3% the past year. The undisclosed category for this group has decreased by nearly 6%.

Equality Impact

The Trust continues to publish equality impact analyses with corresponding policies. The Trust Board papers also include an equality impact paragraph as part of the cover sheet to ensure that equality is taken into account. A new equality impact assessment has been developed that is now part of the business case approval process. Equality questions were included in the quality impact assessment in the recovery of services following wave 1 of the COVID-19 pandemic.

NHS Equality Delivery System (EDS)

We are awaiting the release of the Equality Delivery System (EDS) 3 and remain in contact with NHS England to track progress, however a decision was made to complete the EDS2 to ensure we continue to track progress in the interim. We have completed and published the EDS2 self-assessment, which highlighted areas of significant progress and areas to prioritise aligned to our strategy.

National NHS Staff Survey 2021

The overall engagement score for the 2021 National NHS Staff Survey score is 7.4. This is the highest for all combined Trusts. However, there were no significant changes in the scores compared to the previous year for equality and diversity or safe environment/bullying and harassment. For example, 61.9% (compared with 64.9% in 2019) of our staff feel the organisation acts fairly with regard to career progression/promotion, regardless of ethnic background, gender, religion, sexual orientation, disability or age (compared to 58.6% of the national average).

We recognise that there is a gap of 14% between BAME and white staff and have started some targeted work through our BAME Transformation Programme, sponsored by our BAME staff network, to equalise the experience of all our staff regarding career progression.

The Trust is committed to providing a culture of belonging for every employee within the organisation. The findings from the results of the National NHS Staff Survey have been incorporated in the development of both the overall Trust Strategy and the Trust's People strategy to ensure the golden thread of equality, diversity and inclusion is included in all work across the Trust and remains a significant focus for the organisation in 2021-22.

Stonewall Equality Workplace Index

Berkshire Healthcare retained membership during 2021. A significant amount of trust wide work was undertaken to improve the experiences of both our workforce and patients, and we saw high levels of engagement across all divisions. Working in partnership with Reading Pride, we hosted the first Pride In you, health zone, focused on breaking down health inequalities that exist for the LGBTQ+ communities. Berkshire Healthcare NHS Foundation Trust are proud to have been announced as a Top 100 Diversity champion employer, ranking number 61 and 5th in the health and social care sector. We plan to continue to build upon this amazing work and provide support to other Health and Social care partners looking to build their LGBTQ+ inclusion programmes.

Rainbow Badge phase 2

Following an application process, we were chosen to participate in the NHS England collaboration with LGBT Foundation, Stonewall, the LGBT consortium and GLADD (Association of LGBTQ+ Doctors and Dentists), undergoing an assessment and accreditation model to demonstrate our commitment to reducing barriers to healthcare for LGBTQ+ people. The final submission is in June 2022, when we will be awarded a bronze, silver, or gold award for our journey to ensure all of our services are LGBTQ+ inclusive.

Disability Confident

We applied to participate in the NHS England and NHS improvement pilot in collaboration with Indeed and the Shaw Trust. The pilot aims to support NHS trusts to build their disability confidence and move up a level by the end of March 2022. Berkshire Healthcare NHS Foundation Trust is currently a Level one disability confidence employer and is working towards being a level two employer by April 2022. Ambitious plans are in place to improve the pathways for individuals who have a disability, impairment, or long-term health condition, to access and retain employment within the Trust. We are launching our Supported Internship programme in partnership with Ways into Work Community Interest Company, in September 2022, to provide an employment pathway for young people with a learning disability or have an autistic spectrum condition who remain the most excluded group of people from the workforce.

Race equality

The Workforce Race Equality Standard (WRES) action plan was approved in 2020 and is embedded within the Equality, Diversity and Inclusion strategy.

The work to deliver the change needed to support our BAME staff continues to be a priority within the Trust with a particular focus on reducing bullying and harassment and ensuring equality of opportunity in career progression.

Our new "*Ready for Change*" programme has been launched with very positive feedback. The programme focuses on the leaders and managers in the Trust and includes 2 modules:

Module 1: Towards Allyship

Participants will explore practical steps towards Allyship. They will learn about the lived experiences of BAME, LGBTQ+ and staff with a disability through shared stories to facilitate appreciation of the scale of the challenge faced by certain sections of the workforce. Participants will engage critically with notions of social power and privilege. Privilege can stem from a range of sources such as one's language, religion, gender, sexual orientation, physical and mental ability, race, country of origin, socio-economic status etc. Participants will be challenged to acknowledge and own their privileges. The goal is not to make anyone feel guilty but challenged to use their privilege and take an active role as an ally and support disadvantaged colleagues.

Module 2: Emotional and Cultural Intelligence

As we are a diverse workforce, this module aims to help staff develop skills to engage strategically in diverse groups. Participants will explore how they could interact with others, with more social-

emotional skills and will learn essential social intelligence competencies to enable them to read emotions and adapt culturally to improve interactions with colleagues from diverse backgrounds.

The "*Ready for Change"* Programme will be delivered as development modules together with the full offer of leadership training and development which is currently under review. Berkshire Healthcare aims to have leadership development programmes in place for newly promoted and recruited managers to include specific reference to their communication and response to bullying and harassment.

The National NHS Staff Survey (table below) highlighted that there has been little sustained progression in the experience of our BAME staff compared to white staff and highlights the continued need for focused and targeted work, a key priority in the Equality, Diversity and Inclusion strategy.

The Trust will continue to prioritise equality of opportunity for BAME staff, discrimination from managers, harassment, bullying or abuse from colleagues or patients.

Question		2020	2021
Percentage of staff experiencing harassment, bullying or abuse from patients, relatives or the public in the last 12 months	White	20%	20%
	BAME	31%	29%
Percentage of staff experiencing harassment, bullying or abuse from staff in the last 12 months	White	18%	14%
	BAME	23%	23%
Percentage believing that the trust provides equal opportunities for career progression or promotion	White	70%	67%
	BAME	50%	46%
In the last 12 months have you personally experienced discrimination at work from any of the following? Manager / team leader or other colleagues	White	5%	5%
	BAME	12%	14%

Disability Equality

The Purple Network currently has 270 members. They have continued to support their members during the COVID-19 pandemic through virtual coffee mornings and have contributed to the wellbeing assessments for all staff.

The Workforce Disability Equality Standard (WDES) came into force in April 2019 and incorporates a set of specific measures that will enable NHS organisations to compare the experience of disabled and non-disabled staff. The action plan in 2020 was developed with the Purple Network and is embedded within the Equality, Diversity and Inclusion strategy and associated priorities.

The 2020 WDES data as well as the National NHS Staff Survey results (table overleaf) showed some improvement in the provision of reasonable adjustments for our disabled staff, but we recognise that there is still more work to be done. The Equality, Diversity and Inclusion team have planned targeted work around reasonable adjustments to support the recruitment, selection and retention of our disabled workforce. Unfortunately, due to the COVID-19 pandemic the communication plan was suspended and has been identified as an immediate priority in this strategy. This will support

managers to understand their responsibility around making reasonable adjustments and the Equality, Diversity and Inclusion team have produced a guide for staff and managers to support the reasonable adjustments policy which will be published in April 2021 and will be included in appraisal discussions.

A review of the Trust's performance against the Accessible information standard was undertaken and a set of recommendations have been agreed and prioritised for implementation to ensure consistency across the Trust this year.

The National NHS Staff Survey has shown some encouraging improvements for our disabled staff with a 4% increase in the perception of equal opportunities for career progression. Steady improvement is seen in the scores across all five areas, but we recognise that there is still a gap in the experience of bullying and harassment between our disabled and non-disabled staff that we aim to eliminate through the Equality, Diversity and Inclusion strategy priorities and associated workstreams.

Question		2020	2021
Percentage of staff experiencing harassment, bullying or abuse from patients, relatives or the public in the last 12 months	Non-disabled	20%	20%
	Disabled	30%	30%
Percentage of staff experiencing harassment, bullying or abuse from other colleagues in the last 12 months	Non-disabled	13%	11%
	Disabled	21%	19%
Percentage of staff who believe that their organisation provides equal opportunities for career progression or promotion	Non-disabled	67%	64%
	Disabled	59%	53%
Percentage of staff satisfied with the extent to which their organisation values their work	Non-disabled	67%	61%
	Disabled	55%	51%
Percentage of disabled staff saying their employer has made adequate adjustment(s) to enable them to carry out their work	**Disabled**	77%	81%

Sexual Orientation and Trans Equality

The Pride network membership has grown significantly, and they currently have 154 members and allies. Our aim is to ensure that the voices of the whole LGBTQ+ community are represented.

The 2021 National NHS Staff Survey results are consistent with the previous years: the number of staff preferring not to declare their sexual orientation internally via their NHS Electronic Staff Record (ESR) continues to be lower than on the external National NHS Staff Survey (NSS). We are aware that there is need to continue working towards facilitating a culture that is outstanding for everyone, where all staff feel comfortable and willing to disclose their sexual orientation and gender identity so that everyone can bring their whole self to work.

	ESR	NSS
Staff that identified as heterosexual	85.4%	90.1%
Staff that identified as LGBT+ (On ESR staff could select LGBT+ compared to the NSS where staff selected Lesbian, Gay, Bisexual)	3.3%	3.4%
Other / prefer not to say / not stated	11.3%	5.7%

Reading Pride took place in 2021, after being cancelled in the previous year. The Trust continues to be a key member of the Thames Valley LBGTQ+ Employers Network and is co-chaired by the Equality, Diversity and Inclusion Manager for the Trust. This forum brings together over 30 employers from the public and private sector across Thames Valley.

The Trust has continued to support funding the clinical supervision of four counsellors at the local charity, Support U team. This service has worked with LGBTQ+ patients to access the support they needed within a safe space and seen a significant increase in demand for their services during lockdown.

The Trust has continued to support funding the clinical supervision of four counsellors at the local charity, Support U team. This service has worked with LGBTQ+ patients to access the support they needed within a safe space and seen a significant increase in demand for their services during lockdown. The Trust is leading on a trans patients improvement project. The project aims to improve the experience of our Trans patients through improved systems, processes and training. This project was paused during the COVID-19 pandemic but has now resumed.

Julian Emms
Chief Executive
5th October 2022

OPERATING REVIEW AND SERVICE DEVELOPMENTS

Operational goals and priorities

The operational goals in 2021-22 were to ensure the safe delivery of the Trust's services, support partners to meet changes in provision and demands and respond to regional and national requirements and guidelines for service delivery.

Clinical services responded to the COVID-19 pandemic, meeting the increased demands from this and the impact of it on their service delivery.

A number of priorities and programmes were also progressed during the year:

The priorities for the Trust over the year were:

To provide safe services, prevent harm and harm to others by:

- reducing falls, pressure ulcers, self-harm in inpatient services and suicide.
- strengthening the safety culture in the Trust to empower staff and patients to raise safety concerns without fear and to facilitate learning from incidents.
- protecting our patients and staff from contagious diseases by ensuring our staff have received all relevant immunisations, including the flu vaccine.

To strengthen our highly skilled and engaged workforce and provide a safe working environment by:

- achieving high levels of staff engagement across all our services, increasing the number of staff who feel they have an influence on how the Trust works and makes decisions
- increasing the number of staff recommending our Trust as a place to receive care and treatment.
- improving recruitment, retention, and satisfaction of our staff, improving the health and wellbeing of our staff, and reducing sickness absence.
- reducing violence and aggression towards our staff and zero tolerance to bullying and harassment.

To provide good outcomes from treatment and care by:

- increasing the Friends and Family Test patient and carer reported satisfaction rate and using patient and carer feedback to drive improvements in our services
- managing patient flow effectively, with minimum delays and ensuring that patients stay within our services for no longer than is clinically appropriate

To deliver services that are efficient and financially sustainable by - achieving our financial targets, improving productivity, and reducing the use of agency staff.

In addition, the following key improvement programmes were prioritised:

- Roll out of the Quality Improvement programme
- Reduction in the use of Out of Area Placements
- Investment and development in mental health services

- CAMHs clinical pathways development
- Development of Neurodiversity services
- Development of Green Plan and strategy
- Delivery of Carer strategy year 1 priorities

Service Review and Developments

Improvements in Community Physical Health Services for Adults

The Nutrition and Dietetics Service have introduced a Ketogenic Dietitian role at the Royal Berkshire Hospital to help treat children with epilepsy. This role has helped achieve improvements in the seizure frequency of children following the ketogenic diet. The 'Low Carb East' virtual pilot programme for patients with type 2 diabetes finished its second cohort in 2021. All of the invited patients completed the programme and they all achieved at least a 5% weight loss, with 25% of them achieving a >10% weight loss. The average HBA1c reduction for the group was 16.3mmol/mol, and one patient achieved complete diabetes remission.

Berkshire Community Dental Service (CDS). Many children are referred to the CDS due to a high level of dental decay. Traditionally all decayed baby teeth have been filled or extracted so the child is dentally fit on discharge. However, the national FICTION trial has found that there was little difference in the outcome after 3 years between treating all the decayed baby teeth and only treating those which are symptomatic. This does not apply to decay in permanent teeth which is treated. Therefore, since April 2021, if the child is cooperative for simple treatment, the service has been treating symptomatic baby teeth only. All local dentists were informed of this change in treatment planning and it was well accepted by the children and families as it reduced the number of appointments. Only those children who cannot accept any treatment in the surgery are referred for extractions under general anaesthetic and the waiting list is reducing as a result. On discharge the dentist is advised to re-refer if the child has symptoms and the service will be monitoring the number of re-referrals to assess the success of this approach.

The Diabetes Service has made considerable changes to its delivery over the past year. A new Diabetes Specialist Nurse referral triage clinic is now in place which allows for earlier intervention and improved consultant consultation. Changes have been made to the duration of all outpatient clinic appointment slots, and specialist technology clinics have also been introduced.

Type 1 and Type 2 Structured Group Education sessions are now being delivered virtually. In addition, the service has developed virtual sessions for people with Type 1 diabetes who are commencing Flash Glucose Monitoring, and Insulin Pump Structured Group Education sessions. They have received one winning and two runners-up awards at the national X-PERT award ceremony for their provision of Type 2 structured education, and a poster has been accepted by the Primary Care Diabetes Society highlighting excellent outcomes following adaptation of Type 1 structured education to virtual delivery.

An Integrated Diabetes Specialist Nursing Service has also started in East Berkshire to support Primary Care teams in managing their patients with Diabetes. Audit has demonstrated the effectiveness of this service in improving diabetes outcomes, as well as an improvement in Health Care Professional skills

and confidence. Health Care Professional education has also been adapted and delivered virtually to Primary Care across the Frimley Integrated Care System.

Service improvement methodology is being used by the service to drive improvement in outcomes for people with Type 1 diabetes. From January 2022, the Service has also employed its own dedicated Diabetes Consultant.

The Podiatry Service has continued using data intelligence from the RiO patient record system to help with service recovery post-COVID-19 and the extensive backlog. They are able to view the specific treatment caseloads for patients with enough detail to support decisions about how best to tackle the backlog. The service has also secured diabetes transformational funding to improve the acute multidisciplinary foot team pathway at the Royal Berkshire Hospital.

Hearing and Balance Services have developed innovative ways to overcome the capacity challenges faced by their service. They have been able to adapt their limited capacity to address the referral demands on their service and this has resulting in the continued successful delivery of all of their Key Performance Indicators. The team also upskilled their workforce to help meet demand, e.g. junior clinicians were trained to carry out assessments of older paediatrics. The team also maximised use of innovative technologies, such as remote fitting apps and software for hearing aids that allow clinicians to remotely reprogramme a patient's hearing aids. A concerted effort was made by the team to reduce the 9-12 month backlog for Paediatric Hearing reviews to within 3-months, and this continues to be maintained. The adult backlog was quickly removed within 2-months. As a result the service continue to receive positive patient feedback and engagement. The service is also working with manufacturers to reduce or improve recycling of plastics and so reduce the carbon footprint. They have updated their diagnostic vestibular equipment to ensure safe and effective provision of balance services. In addition, they have maximised opportunities to celebrate and appreciate diversity and inclusion by hosting a team event for South Asian and Black history months.

The Tissue Viability Service are working collaboratively with mental health services to develop training and support on preventing and managing pressure ulcers. Work to address this has included upskilling mental health staff in this area, weekly support visits by the Tissue Viability Nurses (TVNs) to the mental health units to help review wounds, and support in reviewing patients whose wounds are challenging in nature.

The East Berkshire Lower Limb Service have been pro-active in supporting patients to self-manage their wounds from home, to help them manage independently without complications. They have maintained consistently high healing rates for non-complex venous leg ulcers, with 89% of these ulcers healed within 12 weeks in January 2022.

The East Berkshire Musculoskeletal (MSK) Physiotherapy Team now carry out a blended mixture of face-to-face and virtual appointments, working with patients and staff to determine what the correct hybrid model should be. They have also launched self-help webinars to help members of the public manage their condition and continue to expand their First Contact Practitioner clinics in GP surgeries.

The East Berkshire Sexual Health Service has improved their premises at the Garden Clinic. This has included installation of air conditioning units to ensure compliance with the medicines management safety policy, and to provide a safe, comfortable working environment for both patients and staff.

Funding was also received for additional refurbishment and decorating work to help improve infection control and modernise the feel of the service. Refurbishment work is due to be completed by end of March 2022.

Cardiac and Respiratory Specialist Services (CARRS) in the West of Berkshire have implemented a robust triage process for patients in the Heart Function Service. The cardiac rehabilitation team have produced exercise videos that can be used by patients at home. The Respiratory team have reintroduced staff teaching sessions and have recruited a Home Oxygen Service Assessment and Review Administrator. They have also acquired a stock of Aerochambers to save both patients and clinicians time in having to request a prescription from the GP. The Pulmonary Rehabilitation team introduced a walking diary to support patients to walk as an exercise at home during COVID-19 restrictions. An exercise sheet for patients with an Abdominal Aortic Aneurysm (AAA) has been produced, and they have also recruited a Pulmonary Rehabilitation administrator to free up clinical time for clinicians.

The AIRs Respiratory Service in East Berkshire have implemented a new supportive discharge process for patients in Wexham Park hospital with COVID-19. This service includes a holistic assessment with support and onward referral as appropriate. Overall patients have benefitted from this process and potential adverse events were identified early.

The East Berkshire Heart Function Service are opening more clinic days in Slough, Windsor and Maidenhead. They are working alongside the Heart Failure Society to produce a national framework of competencies for Heart Function Nurses. In March 2022, they plan to pilot the delivery of IV diuretics in the community and are also planning a pilot of telehealth in Slough and Bracknell in this month to reduce unplanned Heart Failure admissions.

The Berkshire West Community-Based Neuro-Rehabilitation Team (CBNRT) have developed a risk-based system that allowed their patients to return safely to face-to-face rehabilitation during the COVID-19 pandemic. This system includes a face-to-face decision-making tool which has been shared at the National Community Stroke call.

A project has also been undertaken to help the team improve their conversations with patients with severe communication impairments. Training was delivered which has successfully upskilled clinicians' knowledge of communication strategies and increased their confidence in communicating with and providing rehabilitation to these patients.

Wokingham Intermediate Care Team have undertaken a quality improvement project to reduce routine waiting times for community physiotherapy and falls assessments. A root cause analysis identified that Therapy Assistants in the team could help further support this aim, and that these Therapy Assistants had also expressed an interest in further developing and utilising their skills. The team therefore changed the way they traditionally complete rehabilitation follow up visits and this has allowed them to utilise spare capacity more effectively as well as developing the skills of the Therapy Assistants. Alongside other projects, this change has led to a reduction in waiting lists from 18 to under 6 weeks.

The Berkshire West Hospital Discharge Service have implemented a new discharge facilitation service for patients leaving the Royal Berkshire Hospital. This allows patients to leave the acute hospital as

soon as they became medically optimised for discharge. The service is based in the Royal Berkshire Hospital and operates 7 days a week.

The Berkshire West Urgent Community Response team for care home residents (UCR-CH) is a unique service that provides an alternative to hospital admission. They support 53 care homes (residential, nursing, general and dementia care) equating to approximately 2,500 residents within Berkshire West. These residents are often the frailest in the local population, and many choose to avoid admission to hospital. The team have initiated a two-hour physical health crisis response service for Care Home residents that helps them avoid the need for admission to an acute hospital setting. The service has tripled the number of patients they have supported and have adapted throughout the COVID-19 pandemic in response to the evidence base, leading to higher success rates and reduced COVID-19 related deaths.

The service provided essential clinical support, as well as reassuring families that the care their loved ones were being given was equal to that of hospital with the added luxury of being at home. The team supported residents and their families in those final hours and days, and supported families to say goodbye to their loved ones as safely as possible. The team has received a great deal of positive feedback from residents, families, care homes and local authorities for the excellent service that was delivered. At a national level, it was noted that the availability of this service had a positive impact on both hospital admissions and mortality.

Community Nursing Teams in East Berkshire have worked in an integrated way with other services to improve patient outcomes. This has included reviewing their caseloads with GP services and the wider Multidisciplinary Team, covering in-reach services when they are under-resourced and supporting community wards by providing continence assessments for patients prior to discharge. Electronic authorisation has also been introduced to support best practice in prescribing, and a Diabetic Lead Nurse is in place to support patients on the District Nursing caseload.

Community Nursing Teams in Berkshire West have developed some patient self-management support resources to help them safely and accurately manage some of their own healthcare requirements. These resources cover the administration of insulin and non-insulin injections as well as catheter flushes and simple wound care. Support for patients was maintained by the team through regular telephone contact. In addition, the nursing caseload became more manageable, and teams were able to maintain a higher quality of care delivery to more complex patients.

Reading Community Nursing Team have implemented a number of improvements during the year. There are seven Community Nursing teams across Reading and these teams worked together to share resources and workload to meet the increasing demand on their service. An allocation project was introduced to look at the current situation and develop a standard work to support with the daily allocation. This project resulted in improved workload, less wasted visits, closer working across the service and more time for completion of records.

The team have also implemented a project to better organise and enhance their triage process to ensure that all referrals are actioned in the same way by all. Roles have also been developed to meet the increasingly complex needs of patients. The practice population has been assessed to look at areas of high care need, and roles such as Wound Care Nurse Specialist, Diabetes Nurse Specialist, Clinical Development and Quality Lead and IV Nurse therapist have been introduced as a result. The team

have also invested a lot of time and effort in a recruitment drive and have people actively wanting to join our team.

Improvements in GP Out-of-hours Services and Urgent Care Services

The Urgent Care Team provides GP out-of-hours services via their virtual triage centre, Primary Care Centres and mobile GP services. They have undertaken a project to optimise their out-of-hours primary care capacity and provide agile support for the Berkshire West system at a time when daytime primary care practices had reduced access and 111 referrals are high. In addition, Point of Care (POC) testing would be delivered in patients' places of residence to avoid admission to acute settings. To achieve this, the team maximised their clinical staffing with Advanced Nurse Practitioners (ANP) and pharmacists to support the GP team. They also piloted new software developments in their Adastra clinical patient management system. As a result, the WestCall GP out-of-hours service has increased the number of patients triaged and treated virtually by 13% on 2020 and by 31% on 2019: averaging over 550 extra patients per month since March 2020. This means that the team is triaging and treating 27% more patients per month since the pandemic started. The Adastra software pilot has meant GPs can safely identify and prioritise urgent cases, and the ANPs, paramedic and pharmacy staff can work through the lower acuity cases. In addition, the provision of point of care testing helps patients to remain in their place of residence and avoid entry to acute settings for diagnostics.

WestCall GP Out of Hours Service has embraced IT changes and now utilises electronic prescribing using smart cards. It allows clinicians who are prescribers to send electronic prescriptions directly to the chemist of patients' choosing. This reduces the risk of forgery, tampering, misplaced paper scripts and is more safe, secure and robust than other older prescribing methods. It also increases the ability to audit prescribed drugs, eliminates unnecessary face-to-face interactions and removes unnecessary travel. The Service is also using "BIG WORD" to help triage patients whose first language is not English and require interpretation advice.

Improvements in Services for Children, Young People and Families (CYPF), including Child and Adolescent Mental Health (CAMH) Services

Work carried out across the CYPF Division. The CYPF division continue their proactive response to COVID-19. 2021 started in lockdown with schools and children's centres being shut, and services quickly moved to telephone and then online delivery of appointments. They have built on the advances made with technology and digital solutions to deliver safe and effective care to their patients, and service recovery plans are also being implemented to increase the number of face-to-face appointments. The division also continue supporting the health and wellbeing of their staff, with wellbeing champions identified in teams, wellbeing conversations embedded in management and supervision discussions, and protected lunch times introduced.

Teams have been proactive in embedding Quality Management Improvement System (QMIS) principles. For example, the School Nursing team have used this methodology to reduce the number of patients that do not attend their service, and the Berkshire Eating Disorders Service (BEDS) administrative team have innovated and modernised many of their admin processes during 2021. The division also continues to develop robust working relationships with both Frimley and Berkshire Oxfordshire and Buckinghamshire Integrated Care Systems in order to develop services.

All CYPF services are involved in the provision of services to children with Special Educational Needs and Disability (SEND). National SEND inspections recommenced in 2021 and the CYPF division were involved in the Reading, Slough and Bracknell inspection, the Wokingham re-inspection and the ongoing reviews within the Royal Borough of Windsor and Maidenhead. The reinspection in Wokingham noted progress made against 5 of the 6 actions. The Reading inspection went well, with the report highlighting strengths in several key areas including joint working, enabling quick responses, and Education, Health and Care Plans (EHCPs) being consistent, clear and well informed by professional advice. The Slough inspection resulted in a written statement of action but recognised strengths in the use of the Support Hope & Recovery Online Network (SHaRON) digital platform. The formal outcome of the Bracknell inspection is due later in 2022. A standardised central point of access for referrals for an Educational Healthcare Assessment (EHCA) has also been embedded across the service and is working well.

The Children in Care Team have continued ensuring that Initial Health Assessments (IHAs) for children in care are undertaken within 28 days of the child entering care; that children under 5 have a Review Health Assessment (RHA) 6-monthly; and older children have an RHA annually. This multiagency process requires in-depth knowledge of the process itself and an ability to work with partners across six local authorities. The team has also seen an increase in the number of unaccompanied asylum-seeking children referred to them this year and have adapted the service to meet this need. Virtual assessments now also form part of the service offer for review health assessments. The team are also proud of the service offered to children placed in Berkshire by non-Berkshire local authorities (known as “hosted children”). They ensure that these hosted children receive the same service as children looked after by Berkshire’s six Local Authorities.

The Children and Young People’s Integrated Therapy Service (CYPIT) have embedded an impact-based clinical decision-making model across the service. This ensures that patients receive care that is led by their needs. They have also implemented a new referral prioritisation system that has helped the service to manage their demand. Partnership working has continued with colleagues and key partners in the local authorities to find solutions to address the escalating volume of requests for an Educational Health Assessment. The team in the east of the county have developed online training packages for people in schools to watch at a time of their choosing. In the east of the county a defined Occupational Therapy (OT) action plan is in place to address waiting times.

The Health Visiting (HV) and School Nursing (SN) 0-19 years services continue exceeding national targets in delivering the Healthy Child Programme. The Bracknell HV team have completed all outstanding child development reviews that were suspended during the COVID-19 pandemic and are now able to offer all 2.5yr reviews as face-to-face appointments. The teams have also achieved UNICEF Baby Friendly initiative re-accreditation. Following a competitive tendering process, Berkshire Healthcare have also been awarded the 0-19yr Public Health Nursing contract for the next 3 years with an option to extend for a further 2 years. Reading Public Health team have separately commissioned the school nursing service to deliver a bespoke service to address obesity in children. The Bracknell school nursing team have also secured additional investment to support the development and implementation of school nurse drop-ins and this has received very positive feedback.

The School Aged Immunisation Service have delivered an expanded flu vaccine programme to all children from reception year to year 11, and quickly adapted their service to deliver the COVID-19

vaccination to pupils aged 12-15yrs. More than 84,000 flu vaccine doses and 23,000 COVID-19 vaccine doses were given between September and December 2021. A specialist nurse has also been allocated to each locality, linking directly Local Authorities to promote uptake of all immunisation programmes. They will also promote uptake in hard-to-reach groups such as traveling families, home educated children and children in care. Funding for a Health Bus has been secured to support this.

The Community Children's Nursing (CCN) team have made improvements to ensure that a child's bloods are received in a timely manner prior to the child's attendance at an oncology clinic for Intravenous chemotherapy and review by a doctor. A nurse will now visit the child prior to this clinic appointment so that a decision as to how the child should be treated can be made prior to the clinic appointment. This allows the medication to be provided during the clinic appointment without the need for the family to wait and return to the hospital. The CCNs in the west of the county have introduced a rapid response service that provides support and advice to the police when there has been an unexpected child death. They have also introduced an "8-8" service, extending service hours to prevent children being admitted to hospital. The teams have also contributed to a joint workshop with the Alexander Devine Children's Hospice to increase knowledge and understanding of end-of-life care.

The Special Schools Nursing (SSN) Team in Berkshire West have made several improvements to their service. These include clarifying roles with heads of special schools, leading to the development of standard operating procedures; ensuring appropriate SSN cover across these schools; re-assessing clinical competencies and producing a training plan; and reviewing care plans, consent forms and information sharing.

The Woodlands Children's Respite Service have worked with Infection Control Team and NHS Professionals to ensure that the unit has remained open throughout the most recent COVID-19 wave.

The Community Paediatrician Service are bringing services back to pre-COVID levels within COVID compliance restrictions. Face-to-face clinic appointments are now in place with the option to keep online/telephone consultations where appropriate. They have recruited two consultant community paediatrics posts and continue to meet their required targets. The administration team have benefitted from the system envoy post which allows staff to send correspondence electronically and remotely to parents, carers, external hospitals and other agencies. A joint business case between Berkshire Healthcare and Frimley Health has also been successfully presented to the CCG to support the appropriate medical examinations of children and young people following safeguarding concerns.

The CYPF Dietetic Service is a small and dedicated team that predominantly work with children who have complex health needs and require enteral feeding support. They have reduced the plastic use and costs associated with enteral feeding and have developed consistent and good quality enteral feeding resources across clinical teams. They are also streamlining training for staff in a variety of non-special school settings. A pathway has been developed to help manage constipation in children who are fed enterally. The team are also working with their Speech and Language Therapy and Occupational Therapy colleagues to develop a parental resource to support selective/fussy eaters. Finally, the service is involved with the Berkshire Oxfordshire and Buckinghamshire Integrated Care Service pathway work on Avoidant/restrictive food intake disorder (ARFID).

The CYPF Neurodiversity-Autism Assessment Team and Attention Deficit Hyperactivity Disorder (ADHD) Team. Significant new investment has been received to expand this service and an ongoing recruitment campaign is in place which has to date recruited 27 Whole Time Equivalent people (around 57% of the target workforce). New investment has also been used to establish new posts including Family Support Worker and Children's Wellbeing Practitioners (CWP). CWPs provide brief evidence-based interventions for children and young people with anxiety, low mood and emotional regulation difficulties. As part of the SHaRON online platform, a digital support platform for parents/carers of children with ADHD who are waiting for assessment has also been launched. The service has also embedded its digital offer allowing fully digital assessments to be offered alongside face-to-face appointments when needed. An East Berkshire Neurodiversity Network has also been established to connect everyone with an interest in this area, including professionals across health, education and social care and those with lived experience. The service has also piloted a transition group with the Adult ADHD team that is designed to support young people who are transitioning from CYPF to adult ADHD services. An innovative research project, called the Growth at Home Project, has also been undertaken by the ADHD team. This trains parents/carers of children prescribed ADHD medication to undertake routine physical monitoring of their child's weight and blood pressure at home.

Child and Adolescent Mental Health Services (CAMHS)

Phoenix Unit (previously Willow House) commenced its new service on 1st May 2021. The Unit provides an intensive day programme and home treatment service for young people aged 12-18 years of age with moderate to severe and complex mental health disorders whose needs cannot be adequately met within community and outpatient settings ("tier 4 CAMHS"). The service has been designed collaboratively with young people and meets the needs of the local population of young people who would otherwise have been admitted to an adolescent inpatient unit. It welcomes up to 16 young people at any one time, with the average length of stay of around 12 weeks. During this time young people access a multidisciplinary assessment and formulation of their difficulties leading to an individualised care plan comprised of evidence-based interventions. The service works collaboratively with other professionals and has recently developed joint working with colleagues in the local acute hospitals. This work has helped facilitate a smoother and quicker discharge from the acute hospital, thus improving patients' and carers' experiences of care received.

Getting Help/Mental Health Support Teams (MHST) have produced a series of 60 webinars on a variety of topics including supporting young people with eating disorders, ADHD, and managing anxiety. The webinars are targeted at education and other professionals and have been attended by over 1000 people. Four resilience and wellbeing workshops have also been delivered to education settings across East Berkshire. MHSTs have also co-produced an animated video for children and young people that describes their work and how to access their service.

The Anxiety and Depression Pathway (A&D) have carried out team training in the areas of overcoming sensory sensitivities, identifying autism in girls, using imagery in trauma work, autism and suicide prevention and managing endings. They also continued to develop their SHaRON online network for parent support and information dissemination. An initiative called 'Find Out Fridays' has also been implemented to provide information on topics such as self-harm, return to school anxiety, Obsessive Compulsive Disorder (OCD), and parent self-care. Parent workshops about OCD and overcoming

return to school anxiety were also completed, with recordings accessible anytime via SHaRON. Therapy, review and discharge checklists have also been developed to help therapy remain goal-focussed

Mental Health and Children in Care. In East Berkshire there has been continued work with the children in care specialist practitioner. Data and cases have been identified across the localities to inform the scope for development of a mental health Children in Care service. A draft service specification has been produced with the aim of increasing the service for this group of young people.

The CAMHS Health and Justice Team delivers health input to the six Berkshire Youth Offending Teams (YOTs). One of its long-term goals is to establish collaborative clinical formulation and trauma informed interventions within the six YOTs for young people who are identified as having complex needs. Each YOT has received training from the team and, where this is fully embedded, the team are finding that caseworkers are becoming more confident and competent at engaging and working directly with young people due to the support and supervision they are receiving from health staff. Multi-agency work is also more effective and streamlined because it is based on a shared formulation.

The Common Point of Entry (CPE) team have implemented several actions to improve efficiency and manage the increase in demand. A clinical skill mix review has been undertaken and the capacity of the admin team has been increased to allow clinicians to focus on clinical tasks. The team have also developed and implemented the "CAMHS Trusted Assessment" to support consistent clinical decision making and reduce waste. A new process and dedicated team have also been created to manage referrals for neurodiversity.

The Berkshire Eating Disorder Service (BEDS) is now one all age service providing seamless treatment across all ages. They offer tailored interventions based on individual need that are appropriate to developmental, rather than chronological, age. In May 2021, the service set up a 12 month "First Episode Rapid Early Intervention in Eating Disorders" (FREED) pilot pathway for 16–25-year-olds. This has resulted in significantly earlier interventions for referrals in this group that meet the inclusion criteria. Additional investment in the service has also seen the creation of business support and new senior clinical roles to help manage the increasing demands on the service. The administrative team have innovated and modernised many of the admin processes. BEDS have also collaborated with 'Beat', an Eating Disorders Charity, to commission training for primary care and acute hospitals staff as well as parent support groups. In collaboration with Oxfordshire and Buckinghamshire, BEDS has also embarked on a 3-year project to develop a "Pathway for Eating Disorders and Autism developed from Clinical Experience" (PEACE) pathway. This is in recognition of the frequent overlap between these two diagnoses and the often-poorer outcomes for people with both. BEDS imagined and subsequently developed the first ever SHaRON (Support Hope and Recovery Online Network) 13 years ago. During this year they have upgraded begun expansion of this digital platform to give access to more resources to more people. BEDS has also continued to provide support in the promotion and marketing of SHaRON beyond the trust.

A Clinical Consultation Group and Forum has been developed to address any unmet need of patients with disordered eating and Avoidant/ Restrictive Food Intake Disorder (ARFID). This Group will help advise and make recommendations to aid clinical decision making for these patients. They will also review cases where the proposed care plan requires additional resource and clinical support from

other trust services or requires funding to deliver a care package over and above that within usual service provision.

Improvements in Services for Adults with Learning Disabilities (LD) Move to the new Campion Ward. As a result of significant investment by the trust, Jasmine Ward (located opposite the library at Prospect Park Hospital) has been redeveloped, and in May 2021 became the new specialist inpatient learning disability service. This new ward has a modified layout and improved environment for patients and staff alike. It has nine bedrooms which can be allocated flexibly to accommodate different numbers of males and females to separate areas whilst maintaining privacy. Patients can also lock and unlock their bedroom using a fob or wristband if they wish. There are two baths with specialist seats, a number of toilets/wet-rooms, and a patient laundry area to help people maintain their independence and daily living skills. There is also an outdoor area that is immediately accessible from the ward, with a garden area nearby. A sensory room has been included with an interactive projector system that allows patients to relax, listen to music and play games to promote movement and participation. A dedicated de-escalation area is also included- something the team did not have in their previous location. The new area also contains a much larger clinic room, a multidisciplinary team room with Teams technology and a new rest area. The environment is also light which helps people to move around the ward.

Improving health outcomes for people. The Learning Disability Service has been participating in the Trust's "Reducing Health Inequalities Steering Group" to help improve knowledge of and support for patients with Learning Disabilities. This work has included developing the Connected Care and RiO patient record systems to improve the identification and flagging of important information about people with learning disabilities (to make reasonable adjustment more effective) Awareness training for staff has also been introduced via the Trust's Nexus e-learning platform.

Participation in national staff development programmes. Three members of staff from the learning disability service, (a nurse, an occupational therapist, and a speech and language therapist) where independently selected by Health Education England to participate in an inaugural training programme linked to the Advanced Clinical Practice Credential, provided by Edgehill University. The three students are seeking to advance their practice in caring for patients with learning disabilities and/or autism and will be identifying an area for service improvement as part of this. They are currently planning their improvement projects. A member of staff from the inpatient service has also joined the inaugural Professional Nurse Advocate programme. This programme seeks to develop their skills to facilitate restorative supervision for their colleagues and teams, in nursing and beyond.

Improvements in Mental Health Services for Adults, Including Talking Therapies (TT) and Older Peoples Mental Health Team (OPMH)

Talking Therapies

Online Appointment Bookings allow clients to book an appointment into a clinician's diary. This saves administration time and improves the patient journey. The administrative team are also able to use this booking link to book other assessments and are able to fill multiple appointments more efficiently.

A Direct to Digital Pathway is now available through the service's existing digital offering, SilverCloud. It is important that patients gain access to treatment as quickly as possible to improve the likelihood

of engagement, and they can now click on a link at the referral stage to gain immediate access to treatment and support via SilverCloud.

The HealthMakers service delivers peer support and self-management to patients using a volunteer model. The nature of the service and the type of support delivered has not been easily transferred to online delivery, but the staff and volunteers in the team have developed a programme of virtual pop-in cafes and regular online group self- management courses to be delivered in the East of Berkshire. The service is also working with SilverCloud to offer the content of the self -management groups as an online intervention supplemented with peer support.

Talking Therapies Perinatal Pathways have been developed for many years and offer priority assessment and treatment appointments to our perinatal clients (men and women). A named perinatal lead collaborates with perinatal champions across the service to develop and improve the service for clients. Clinical links have also been established with key perinatal services and collaborative working has supported the smooth transition of care across services. A SilverCloud programme on perinatal wellbeing for new parents/ carers has also been implemented and is very well received. Operational procedures have also been updated to extend the perinatal priority period to the child's 2nd birthday.

Clinically Led workforce and Activity Redesign (CLEAR). This year Talking Therapies have been the Berkshire Healthcare host site for CLEAR. Funded by Health Education England, this programme is designed to help understand rising demands, and uses a unique methodology to recognise how the redesign of services and workforce can improve care. Two clinicians and one clinical sponsor have been trained to deliver this methodology in Improving Access in Psychological Therapies (IAPT). Two projects are also being undertaken, including one focusing on of the Enhanced Trauma Pathway in IAPT.

Psychological interventions for people living with Long COVID. The Talking Therapies service has a key role in providing psychological interventions that focus on depression and anxiety to people living with Long COVID. They have worked quickly and effectively to develop care pathways and interventions in this area**.** They have also worked with Oxford and Buckinghamshire IAPT services to developed Guided Self-Help workbooks specifically for Long COVID and have suggested adaptations to high intensity interventions to support therapists. Teaching on Long COVID has also been provided to therapists and regular group supervision sessions are given. The Talking Therapies team in West Berkshire has strong working relationships with the Berkshire Long COVID Integrated Service (BLIS) at the Royal Berkshire Hospital NHS Foundation Trust and have developed pathways for individuals referred from BLIS to Talking Therapies. Between February and November 2021, 139 individuals were referred, with a recovery rate of 56% (above IAPT national targets for recovery). In East Berkshire, the Talking Therapies team is working with Frimley Integrated Care Service, offering joint assessments and co-facilitated groups. Four group courses have been completed to December 2021, with a total of 42 individuals completing treatment. The service has also developed a group course, 'Living with Long COVID', focusing on distress, anxiety and depression.

Community-Based Mental Health Services for Adults

The Gateway to mental health treatment has continued the integration of access to primary and specialist mental healthcare services. Recent developments have streamlined access for clients to an

initial mental health assessment. This new process has successfully reduced wait times and ensures that only clients with the greatest need for specialist treatment are assessed by the specialist Common Point of Entry Team. Others are able to quickly access primary care and wellbeing interventions. To ensure that escalating risk and complex needs continue to be identified and met, the Gateway also host a Teams-based Integrated Referrals Meeting. This is a frequently arranged and well-attended online referrals and pathway meeting. The meeting consistently helps to identify and facilitate the best treatment pathways for clients and avoids duplication and delays. It is an excellent example of multi-disciplinary team working for the benefit of client access and experience.

Op COURAGE: Veterans Mental Health and Wellbeing Service. In April 2020, the Veterans Transition, Intervention and Liaison Service and Complex Treatment Service were rebranded nationally to fall under the umbrella branding of Op COURAGE. The service works collegiately with the Fire Service in Berkshire, Buckinghamshire and Oxfordshire to help support veterans and have also co-developed a monthly 'Walk-In' in Buckinghamshire for veterans and their families. Veteran peer support workers have been recruited into the service and their contribution to client engagement, recovery and service development has been invaluable. These peer support workers have spent many years in the military and have been pivotal in helping to shape the service to meet the needs of veterans. They work with clients to help with engagement and social support alongside the clinicians, as well as supporting the service by tailoring what they offer to be more veteran-aware.

The Complex Treatment Service has developed several new interventions to support the veterans' recovery. "True Strength" is a compassion-focused therapy informed group approach that addresses issues with anger. The service is also working collaboratively with the London Op COURAGE service to deliver this jointly to clients across both services, and they plan to work with other Op COURAGE services in the coming year to support the wider veteran community.

The service has also introduced the "Be Your Best Ally" group in collaboration with Combat Stress. This is a veteran-specific compassionate resilience group that is based on the work by Dr Deborah Lee for the Berkshire Traumatic Stress Service. The aim is for veterans to develop more compassion towards themselves, and participants have found the group extremely helpful as part of their journey to recovery. In particular the strength of peer support and shared experiences has been fundamental to the success of the group.

A new Group called 'Moving Forward' has also been developed with the aim of helping veterans address transitional difficulties between military and civilian life. It draws upon the lived experience of the veterans working within the team, as well as that of clinicians. It helps veterans to define, comprehend and make sense of the difficulties they have been experiencing, and to use value-based therapeutic exercises that encourage renewed self-discovery with greater flexibility and proactivity in making the most of their civilian life.

Berkshire Traumatic Stress Service has set up a thriving service user group which is helping to shape the service. Service users' views give a unique insight based on lived experience of Post-Traumatic Stress Disorder (PTSD), Complex PTSD and of using the trauma service. Their involvement has helped the service to utilise the ideas, skills, experience, expertise and opinions of the people who use the service. Some of the areas covered to date include reviewing and co-producing letters and other service materials and developing therapy and group materials.

The Birth Trauma Service has developed a new group to support clients to understand perinatal PTSD/birth trauma, help them to start using techniques to manage symptoms and prepare for memory processing, and to introduce compassion as an antidote to their symptoms and wellbeing to help reclaim their lives after trauma. Group members report that they are finding it helpful to meet other women going through similar situations. Early analysis of group outcome measures suggests some improvement in PTSD symptoms for this group.

Thames Valley Liaison and Diversion Services have implemented a Lived Experience and Peer Support element to their service. They have worked with NHS England and the Revolving Door organisation to recruit volunteers and peer support workers with lived experience of the criminal justice system and vulnerabilities. This will expand across the wider service into the Buckinghamshire, Oxford and Hampshire areas next year. They are working with Aspire, a third sector provider, who have been commissioned to support the recruitment of staff with lived experience across Buckinghamshire and Oxford. A Service User Engagement Pathway has also been developed that enables service users, once discharged, to engage in service user feedback, forums, focus groups and co-production opportunities.

The service has also been funded by Thames Valley Police to run a small project screening the health needs of a small cohort of offenders before referral into mainstream services. Whilst this was a small project, it identified that individuals who are arrested for a violent offence have a complex array of unmet mental health needs, and there was a higher-than-average level of neurodiversity in the group. The project further identified that 72% of participants had scores suggesting clinically significant Post Traumatic Stress Disorder and Anxiety, whilst 36% indicated severe depression.

NHS England have chosen the service as a pilot site to fund and mobilise a Reconnect Service. This service works with individuals released from prison in the Thames Valley to assess and identify health vulnerabilities and social issues in order to support them with health and social care needs. This Service has been operational since August 2021 and is due to complete mobilisation into the remaining prisons in March 2022. The early success of the pilot has led to the trust being asked to establish a further pilot site in Hampshire starting from April 2022.

Recognising that female offenders have specific needs that are not currently well served within criminal justice, the service has also worked with partners across Criminal Justice to develop a female pathway within and out of the criminal justice system.

Mental Health services for the Homeless – a service improvement project is being undertaken in Windsor and Maidenhead to identify barriers and facilitators to integrating mental health provision for the homeless, and to make recommendations to improve mental health care for this group.

The Berkshire Specialist Perinatal Service continue to expand their care pathways to meet mental health needs of women during and post pregnancy. They have so far embedded pathways on tokophobia and birth Trauma to support women who fear childbirth and those experiencing PTSD due to traumatic birth experiences. The service aim to launch new care pathways for evidence-based psychological therapies focussed on early pregnancy loss and/or unsuccessful IVF/assisted conception for the East Berkshire community. They also offer assessment and sign-posting services for carers and partners to help alleviate the mental health suffering of people who care for mothers with mental health problems.

The Psychological Medicine Service provide services at Wexham Park Hospital and the Royal Berkshire Hospital. At Wexham Park, the service continues to have an excellent relationship with the hospital team and performance targets are being consistently met. The team continue offering teaching to their acute colleagues which has been well received. Work has started on accreditation by the Royal College to Psychiatrists, which will take place in the new year.

At the Royal Berkshire Hospital service, a practice development nurse has been appointed and is providing a regular space group and reflective practice for the team. They also provide teaching for their acute colleagues as well as delivering restorative supervision sessions.

The Berkshire Early Intervention in Psychosis Service (EIP) now offer a county wide multidisciplinary team meeting via Teams which has resulted in increased consistency of care, team cohesion and the sense of the wider team approach. The team offer clients their preferred method of consultation. They continue to see clients face-to-face, but also offer virtual appointments once clients have returned to work to promote the least disruption to their normal routine. The psychology team also offer additional online support in the form of acceptance and commitment therapy which has received positive feedback. The children and young people's component of the team have also completed an online parent's group.

The Adult Autism Spectrum Disorder (ASD), Adult Attention Deficit Hyperactivity Disorder (ADHD) and Neuropsychology Team are making improvements to their RiO patient record system. An ASD pathway is complete, is being tested and the team are hopeful the ADHD team will follow soon. This improvement will allow the team to have a much better understanding of their waitlists. There has also been a focus on recruitment and skill mix this year, and the ASD team are piloting a new scheme whereby two Clinical Psychologists from Newbury Community Mental Health Team (CMHT) are on a 6-month placement with the ASD team to learn how to assess and diagnose. The ADHD team have also recruited non-medical prescribers to support the service. The Neuropsychology team have recruited a new assistant psychologist and 3 new administrators.

The Family Safeguarding Model (FSM) is an intervention that focuses on supporting the needs of children and adults in order that children can safely remain within their families. The mental health team have been responsive to the changing restrictions resulting from the pandemic and their clients have expressed a need for an intervention about managing the psychological impact of pandemic restrictions, relaxing and managing the anxieties of increased integration. The service has adapted their clinical offering to accommodate this and be responsive to the changing needs. FSM mental health consultation sessions have been embedded in the Duty and Assessment teams at Children's Social Care sites where FSM is operational. This has allowed for a smoother transition of cases that are escalated to the FSM. Monthly bitesize training sessions have also been embedded, and this part of the service has extended its offering to foster carers, as well as staff. During the year, the FSM team have demonstrated a sustained reduction in crisis contacts amongst their client group. Patient experience data has also shown a reduction in mental health symptoms and an increase in reported family functioning for their group. In January 2022 the service began offering reflective wellbeing sessions to 'therapeutic carers' (as per the Mockingbird model approach to supporting foster carers and preventing placement breakdown).

The Intensive Management of Personality -disorder and Clinical Therapies Team (IMPACTT) have implemented new initiatives in the Mental Health Pathway for people with Emotionally Unstable Personality Disorder.

The Psychologically Informed Consultation and Training (PICT) team is a collection of senior psychologists and psychotherapists with specialist knowledge of working with personality disorders. The journey to recovery for this group can be very difficult if they do not feel that staff know how to best help them, they are 'bounced' between different services, or they feel judged for their difficulties. The PICT work has focused on developing and delivering training packages for professionals working across secondary care and primary care sectors, helping to dispel some of the stigma of this diagnosis, and working with staff to improve their confidence and skills in working with these difficulties. PICT staff are also offering supervision for the Structured Clinical Management programme which forms part of the Emotionally Unstable Personality Disorder (EUPD) pathway. In addition, two of the senior psychologists in the team are now trained in delivering the NHS approved Knowledge and Understanding Framework (KUF), a 3-day programme to address stigma and improve staff confidence in supporting this client group. The PICT team have also appointed an Advanced Lived Experience KUF Development lead who is bringing and using their experience of living with an EUPD diagnosis to co-facilitate training programmes and support the wider Trust strategy.

The Service User Network (SUN) is a new initiative that provides community-based, open access peer support groups across multiple geographic locations across Berkshire. It helps those with personality disorder difficulties who may find it difficult to engage with other therapy services or are waiting to access these. Participants have given positive feedback about their experiences accessing this service.

The Assertive Intervention Stabilisation Team (ASSIST) service, which was initially developed in Slough, has been adapted and extended across Berkshire to provide support to people diagnosed with EUPD who may be experiencing such increased levels of distress that they may be considered for inpatient admission. Inpatient admissions for people with these difficulties hold a risk of becoming lengthy and unhelpful and is often counterproductive to recovery. ASSIST has worked with the Crisis Resolution and Home Treatment Team (CRHTT) and Prospect Park Hospital to support the prevention of admission, or enable safe speedy discharge if admission was unavoidable, by offering a programme lasting up to 12 weeks for up to 14 patients at any one time. The focus of this intervention is to help recover stability by supporting people with their wider needs e.g. housing, financial difficulties etc, as well as therapeutic support and the development of coping skills to manage their risk behaviours.

Dialectical Behaviour Therapy (DBT) and Mentalization Based Treatment (MBT) teams have worked hard during the initial COVID-19 lockdown to enable their intensive therapy offer of weekly groups and individual sessions to move onto remote delivery. This has continued throughout the year, and although some of the patients found this transition difficult, as did the staff, patient attendance has in fact improved. As a result, the IMPACTT team have recognised the benefit of an ongoing remote therapy offer alongside in-person working.

The Crisis Resolution and Home Treatment Team (CRHTT) in Berkshire West. Professional Nurse Advocate Training has been completed by the manager and nurse consultant, with other key team members due to complete this during the next year. The service also has six non-medical prescribers and five staff members on the Advance Clinical Practitioner Pathway. These clinicians can draw upon, and role-model the four pillars of advance practice that include research, leadership, education, and

clinical interventions. Team members have contributed to the development of interactive learning events that address serious incidents and complaints. Transformational work has also been undertaken to allow for tighter integration of the service with NHS111. The service has also worked with "Together" and "Berkshire West Breathing Space" to provide a welcoming and safe space for anybody aged 18yrs and over who is experiencing mental distress or a mental health crisis, as an alternative to using A&E or other urgent care services.

The Crisis Resolution and Home Treatment Team (CRHTT) in East Berkshire has received accreditation from the Royal College of Psychiatrists and is now one of twenty-eight accredited teams in the country. Several service improvements have underpinned this achievement including an increase in the frequency and quality of clinical supervision; tighter integration of the service with NHS111; an increased focus on staff wellbeing and development of medication workshops which provide an opportunity for learning and team supervision from a clinical pharmacist.

Berkshire West Locality Community Mental Health Services. Reading locality are involved in a pilot study relating to the provision of the mental health transformation work. The Pilot has been recruited to and the project is due to start on 1st of April 2022. The Trust are also looking to roll out Mental Health Integrated Care Services (MHICs) in the west of the county. The purpose of MHICS is to offer a service to patients in primary care with significant mental health difficulties, who previously would have fallen in the gap between primary and secondary care. Flow into the MHICS service will mainly be from primary care, with a limited referral rate from secondary care. The Wokingham service will start roll-out towards the end of this year, with Newbury starting in the following year. This project is following on from the MHICs East project which has been up and running for the past 2 years.

Wokingham Community Mental Health Team (CMHT) have recently been re- Accredited by the Royal College of Psychiatrists. This resulted in positive feedback relating to support for student placements, staff wellbeing, the referral process, the team's Structured Clinical Management Programme, the Induction process and collaboration with patients.

Bracknell Community Mental Health Team (CMHT) have introduced a dedicated physical health pathway for patients referred to the CMHT with Severe Mental Illness (SMI). Quality Improvement methodology has also been reintroduced to the team, and this has resulted in several improvements including staff feeling better supported and more confident about managing abusive or threatening calls to the service.

Slough Community Mental Health Team (CMHT) have introduced protected learning for serious incident reviews. They have also appointed a Transitions Lead to support patients discharged from hospital, and to help alleviate any concerns around this.

Older Peoples Mental Health Services (OPMH)

Improving OPMH staff skills in understanding behaviours that challenge in dementia. Over the past year, OPMH have set up a multidisciplinary, Trust-wide steering group to improve the support offered to people with Behaviours that Challenge (BtC) in dementia. As a result of these meetings, a half-day training package was developed to refresh staff skills about therapeutic interventions in dementia care (including formulation models and principles from Positive Behaviour Support) and this workshop has now been delivered to each of the six Community Older Adult Mental Health Services across the Trust.

Each community team has BtC champions to attend monthly supervision groups, peer network meetings and CPD opportunities about psychosocial interventions in dementia care. There are now 31 BtC champions across the community services and they plan to deliver two specialist CPD workshops with these clinicians in 2022 (with this learning being cascaded within their local teams). Alongside these positive developments, they are piloting a bespoke specialist assessment form for people referred with BtC, making closer links with existing care home in-reach services and preparing a business case to develop mental health intensive support teams in both East and West Berkshire.

Psychology Interventions in Nursing and Community Services (PINC) have been established in East Berkshire for a number of years, and this service has now been rolled out to West Berkshire Community Services. Two members of staff have been employed to offer integrated care to housebound patients with long term conditions in Reading, Wokingham and Newbury. The offer available is for up to 12 sessions of Cognitive Behavioural Therapy (CBT) aimed at helping patients to manage the psychological consequences (e.g. depression/anxiety) of living with long term conditions such as Heart Failure and Chronic Obstructive Pulmonary Disease (COPD). Results in east Berkshire have demonstrated a reduction in symptoms, improved quality of life and a reduced use of NHS resources.

Reducing digital exclusion of older people. The pandemic and the move to online and remote ways of working has the potential to exclude some populations, such as older people who do not have access to information technology (IT). To address this, a successful application to the Trust Bright Ideas programme has resulted in two sim enabled iPads being available to loan to older people to participate in online therapy in Windsor and Maidenhead (WAM). Further work is being undertaken to scale this work up and make it available to more older people.

A Post-Diagnosis for Dementia role has been funded in the Windsor and Maidenhead (WAM) memory clinic. This may also act as a template for the development of similar posts in other localities across Berkshire.

Wokingham OPMH Team have made some changes to their memory services over the last year. They have streamlined the assessment process to reduce the number of assessment visits required by the patient from two to one. This has reduced the patient wait for feedback and diagnosis as the team gather any collateral information by telephone, and a scan is also offered at that point. A feedback appointment is then offered when the scan results are available and this appointment includes cognitive testing and a diagnosis where appropriate. This new process has received positive feedback from both patients and carers. The team have also changed the way they provide information to patients and carers following their diagnosis, as giving too much information at the diagnostic appointment can be overwhelming and hard to retain. To address this, a post diagnostic support practitioner offers an appointment 4-6 weeks after diagnosis to offer support and advice. The team have received much positive feedback on this improvement and patients and carers seem to really appreciate the time to go over their questions.

Improvements in Medicines Management

COVID-19 Vaccination Service. The Trust rose to the challenge of supporting the national COVID-19 vaccination drive in December 2020 and set up a hospital vaccination Hub at Wokingham Hospital. The Pharmacy Team has supported this priority work throughout 2021-22 and actively contributed to

process design, vaccines management, staff training and system governance. They have continued to help create safe and effective working solutions as the vaccination drive has gone beyond the Trust in 2022 and into the county's schools.

Enhanced Discharge. A national directive was issued to all Trusts early in the COVID-19 pandemic to facilitate the safe early discharge of patients from acute trusts into community hospitals and then into community settings (known as Enhanced Discharge). The pharmacy team worked with the trust's community hospitals to develop extended working to cover weekend discharges. This relied upon Pharmacy staff working flexibly and beyond their regular contracted hours to deliver medication and advice as-and-when required, and this is now leading to further development of the pharmacy service under the umbrella of the Ageing Well project.

Mental Health Integrated Community Services (MHICS). The MHICS project has rolled out across the Frimley Integrated Care System (ICS) to break down barriers between service providers from all sectors and to support the delivery of holistic care to mental health patients in their own localities. Specialist mental health pharmacists from Berkshire Healthcare are providing advice to patients within their own GP-led Primary Care Networks (PCNs).

Patient Experience

Since quarter four 2012-13 compliments have been routinely reported directly by services through the web based Datix system. This is a way of sharing good practice and praise through our localities and across the organisation. The system continues to be developed, following feedback from our staff to capture a variety of compliments, including people verbally saying "thank you", as well as gestures such as flowers and cards, and with implementation of a batch upload option for multiple compliments. 3,794 compliments were reported during 2021-22: a decrease from 4,177 during 2020-21 and 5,666 in 2019-20.

Our online web system to log concerns that they have dealt with at a local level; referred to as local resolution continues to be supported by the Patient Experience Team, with information provided to our Clinical Directors via a real time dashboard. This is an additional tool for measuring quality, before the escalation to a more formal complaint and is driven by our front-line services resolving concerns effectively, with support and training available from the Complaints Office and wider Learning and Development department.

The number of formal complaints received about the Trust has increased to 231 in 2021-22 from 213 in 2020-21 compared to 231 in 2019-20, 230 in 2018-19, 209 in 2016-17 and 2017-18, 218 in 2015-16 and 244 in 2014-15. The Trust actively promotes feedback as part of 'Learning from Experience', which within the complaints office includes activity such as enquiries, services resolving concerns informally, working with other Trusts on joint complaints, and responding to the office of Members of Parliament who raise concerns on behalf of their constituents.

Our patient experience team have continued to support people investigating complaints to maintain contact with complainants and we have consistently achieved response rates of over our 85% target, as shown in the table overleaf:

Q1 Cumulative	Q2 Cumulative	Q3 Cumulative	Q4 Cumulative
100%	100%	100%	100%

Our complaint handling and response writing training which is available to staff continues to be delivered online over MS Teams and continues to take place on a regular basis (with a waiting list) across the different localities, in addition to bespoke, tailored training for specific teams which has taken place to staff groups and teams.

The new patient experience tool which the Trust have been working in partnership with 'i Want Great Care' (iWGC) to develop was launched during December and is being introduced across the whole organisation.

The aim of the tool is to measure patient experience in a standardised way across all teams and services within the organisation, and for this data to be available to teams and services in real time, supporting understanding of patient experience and improvement activity. The experience data collated can be viewed not only at organisational and service level but also by differing demographics meaning that we can see if there is inequality of experience by protected characteristics.

The tool uses a 5-star scoring system as an overview as well as free text to capture the patients overall experience alongside their experience around facilities, staff, information, feeling listened to, ease, involvement, and safety. Free text invites the patient to comment on both their experience and suggested improvements. The tool includes the friends and Family test questions to enable continued reporting of this.

There has been significant engagement with services in the build of this new measurement and reporting tool, with plans to further develop the surveys with more service/care group specific questions as part of the third phase of the project.

Our complaints process works alongside our Serious Incidents processes and Mortality Review Group having a direct link to ensure that any complaint involving a patient death is reviewed. Weekly and monthly meetings with the Patient Safety Team now take place to ensure that we are working effectively.

The Patient Experience Team continue to provide the 'Message to a loved one' service that was set up as a response to the pandemic in April 2021, enabling friends and family to forward messages, which are then sent on to patients on the ward. There has been positive feedback about this facility, which has been embedded and will continue moving forward.

Stakeholder relations

Berkshire Healthcare is a key partner in two Integrated Care Systems. East Berkshire is a partner in Frimley Health and Care. West Berkshire is part of the wider Buckinghamshire, Oxfordshire and Berkshire West (BOB) Integrated Care System with a dedicated locally focused Berkshire West Partnership. The purpose of these partnerships is to:

- Improve the health and wellbeing of the population served by the organisations within the Integrated Care System or local Partnership. This includes the experience of the people who use our services, as well as improving the outcomes of care and treatment; and
- Improve the use of our collective resources as a whole system.

These arrangements include work on some key priorities that we are contributing to, and which reflect the NHS Long Term Plan that was published in 2019:

- Working with Primary Care Networks to deliver integrated Health and Social Care Teams, known as Multidisciplinary Teams (MDTs), delivering care and treatment in a more joined up way both in community settings and in Care Homes
- We lead on behalf of the Buckinghamshire, Oxfordshire and Berkshire West Integrated Care System, the Ageing Well programme of work that aims to transform the out of hospital health and social care services to provide care and support to people in their older years, including prevention and:
- Delivering a Community Health Urgent Crisis Response service that provides a rapid (within 2 hours) response to a patient in crisis and a 2-week reablement response for patients that need care to prevent them moving into crisis
- Working with Primary Care Networks and other partners, including the voluntary and community sector to deliver community based mental health services providing a stronger focus on prevention and maintaining well health
- Improving services for people in crisis; and enabling more children and young people to access mental health services
- Reducing the number of people who receive acute mental health inpatient care out of our area
- Continuing the development of our electronic Shared Care record, known as Connected Care – which will also include a "patient portal" so that people can view and contribute to aspects of their own record; and
- Continuing joint planning about our use of our buildings, a shared approach to workforce planning and development of our support workforce.

We work closely with our six Unitary Authority partners and have links with community and voluntary sector organisations at neighbourhood level. This includes building on the work we have started to reach out to groups of people who may not readily access services, but who have specific health needs. We participate in and have constructive relationships with the six Health and Wellbeing Boards, Local Integration Groups and Unitary Authority Health Scrutiny arrangements.

We had regular meetings with representatives from all six Health Watch Groups in Berkshire - which is coordinated by our Patient Experience Team. This will continue when safe to do so. In 2020, we commenced a programme of work that will enable us to measure more effectively how patients experience our services – this is part of our Quality Improvement Programme and will complement the "Friends and Family" test which asks whether patients would recommend our services to their friends and family.

ACCOUNTABILITY REPORT

Directors' Report

The Trust Board comprises five Executive Directors and six Non-Executive Directors, plus the Chair and Chief Executive of the Trust. The Chair and the Non-Executive Directors are appointed for three-year terms of office by the Council of Governors. To ensure a strong shortlist of candidates for Non-Executive Director appointments, the Trust engages the support of External Recruitment Consultants. At the end of the first three-year term of office, the Council of Governors can re-appoint the Chair and the Non-Executive Directors for a further three-year term of office. The Council of Governors can also remove the Chair and Non-Executive Directors.

Up until December 2016, formal meetings of the Trust Board were held every month (except August). Following the Trust Board's evaluation of its effectiveness in October 2016, it was agreed that the Trust Board needed more time to discuss strategic issues and therefore from January 2017, the formal public Trust Board meets seven times a year and holds four private discursive meetings. An additional meeting is scheduled in August if required. At the formal public Trust Board meetings, no business can be conducted unless at least one third of Directors are present, including at least one Executive Director and one Non-Executive Director. Due to the COVID-19 social distancing requirements, from May 2020 our public Trust Board meetings have been recorded and the recording of the full meeting has been published on the Trust's website along with the Trust Board agenda and papers. Members of the Public are also invited to submit questions to the Trust Board in advance of the meetings. The questions are answered by the relevant Executive Director at the meeting and the full responses are included as part of the meeting minutes.

The Trust Board is responsible for:

- the exercise of the powers and the performance of the NHS Foundation Trust
- setting strategy, following discussion with the Council of Governors
- ensuring the provision of safe, high quality services
- ensuring the highest level of corporate governance
- ensuring that the Trust operates an effective process for the management and mitigation of risk.

The Non-Executive Directors are 'held to account' for the performance of the Trust Board by the Council of Governors. The Trust Board meets formally with the Council twice a year and Governors normally meet Non-Executive Directors on a further two occasions each year. Executive Directors routinely attend Council of Governor meetings and the Chief Executive presents to Council a quarterly performance report covering key aspects of the Trust's performance, both financial and service related.

The Council of Governors was mindful that the NHS was moving into a period of significant legislative change when the Integrated Care Systems were put on a legal footing. As the Trust was split between two different Integrated Care Systems, the need for a strong chair and stable board was even more important during the next couple of years. The Council of Governors therefore agreed to extend the

term of office of the Trust Chair for a further three years upon the expiry of his current term of office subject to subject to the outcome of satisfactory annual appraisals.

The Council of Governors also agreed to extend the term of office of Mehmuda Mian, Non-Executive Director by a further year.

Directors in post during 2021-22 are shown in the following table:

Name	Position	From	To
Martin Earwicker	Chair (Non-Executive Director)	01.12.16	30.11.22
Naomi Coxwell	Non-Executive Director	13.12.17	12.12.23
David Buckle	Non-Executive Director	01.06.15	31.05.22
Mark Day	Non-Executive Director	01.09.16	31.08.22
Chris Fisher	Non-Executive Director	01.10.14	30.09.21
Aileen Feeney	Non-Executive Director	01.11.19	31.10.22
Rajiv Gatha	Non-Executive Director	01.10.21	30.10.24
Mehmuda Mian	Non-Executive Director	01.06.15	31.05.22
Julian Emms	Chief Executive	01.03.05	N/A
Debbie Fulton	Director of Nursing and Therapies	01.12.18	N/A
Paul Gray	Acting Chief Financial Officer Chief Financial Officer	07.06.21 01.11.21	31.10.21 N/A
Alex Gild	Deputy Chief Executive and Chief Financial Officer Deputy Chief Executive	01.04.11 07.06.21	06.06.21 N/A
Minoo Irani	Medical Director	19.07.16	N/A
Kathryn MacDermott	Acting Executive Director Strategy	14.12.19	06.06.21
David Townsend	Chief Operating Officer	01.01.13	N/A

Board assessment and review

The Trust Board commissioned an independent consultancy firm, Ernst and Young Global Ltd (EY) to conduct an external Governance review during 2015-16. Ernst and Young had no other connection with the Trust. The Trust Board was satisfied that this review and other audit activity demonstrated that it had an effective system of internal controls. Ernst and Young made a number of recommendations to further enhance the Trust's governance arrangements. The Trust developed an action plan to address each of the recommendations and the September 2016 Trust Board meeting agreed that the actions had been implemented and approved the closure of the action plan.

In January 2018, the Trust conducted an internal self-assessment against NHS Improvement's Well-Led Development Framework. The Trust identified a number of areas for further development, including developing a three-year strategy document, presenting the quarterly Quality Concerns paper to the Trust Board as well as to the Quality Assurance Committee and developing visual performance management as part of the Trust's Quality Improvement Programme work. An action plan was developed to address the gaps identified and was approved at the February 2018 Trust Board meeting. The completed action plan was signed off by the Trust Board at its February 2019 meeting.

At its meeting in February 2019, the Trust Board discussed the timing of its next external Well-Led Review and agreed that it would not add value if the external Well-Led review replicated the Care Quality Commission's Well-Led inspection which had rated the Trust as "Outstanding" in the Well-Led domain. The Trust Board requested that the Executive Team undertake a self-assessment exercise against NHS Improvement's Well-Led Framework with a view to identifying any areas which required further improvement.

The Executive Team identified the following areas:

- The Trust's strategy needed to align with the NHS Long Term Plan. The Trust also needed to consider how the new GP Contract and developments in system working would impact the Trust.
- The NHS Five-Year Forward View for Mental Health set out the national priorities in relation to Mental Health but there was no national policy in relation to Community Services. The Trust needed to develop a Community Services strategy which was aligned to the NHS Long Term Plan.
- The Trust's new performance management reporting system aligned to the Quality Improvement's True North objectives (introduced in May 2019) would further improve the Trust's processes for manging risks, issues and performance.

- The Trust needed to give further consideration the involvement of service users and support for carers. The Trust has since developed a Carers Strategy.

At its meeting in April 2019, the Trust Board agreed to delay commissioning an external Well-Led Review until the work to address the gaps identified above had been completed.

The Trust Board undertook its annual review of effectiveness in the summer of 2021. Overall the results were very positive. The Trust Board acknowledged that holding virtual meetings via Microsoft Teams because of the COVID-19 social distancing requirements had changed the dynamics of holding face to face meetings, but it was universally acknowledged that the Trust Board had adapted well and that meetings continued to be run effectively.

At the Trust Board's Strategy Planning Away Day in October 2021, it was agreed that the Trust Board would conduct a self-assessment exercise against the Well-Led Framework. The Trust Board meeting in November 2021 reviewed the self-assessment and sources of evidence and assurance and confirmed that there were no significant gaps. The Trust Board agreed that commissioning an external well-led review at this time would not add value to the Trust's work.

Trust Board and Sub Committee Annual Review of Effectiveness

The Trust Board and Board Sub-Committees conduct annual reviews of effectiveness via a self-assessment survey. The results of the surveys are reported to the respective Board and Sub-Committees. In addition, the Audit Committee receives the self-assessments of the other Sub-Committees as part of its corporate governance assurance work.

Members of the Trust Board – Annual Appraisals

The Chief Executive is responsible for conducting the annual appraisals for each of the Executive Directors. The Chair undertakes the Chief Executive's annual appraisal. The Senior Independent Director undertakes the Chair's annual appraisal which is overseen by the Council of Governors' Appointments and Remuneration Committee. The Trust Chair undertakes the annual appraisals of the Non-Executive Directors and provides a summary of the outcome of each appraisal to the Council of Governors' Appointments and Remuneration Committee.

Register of interests

The Trust maintains a Register of Interests for all members of the Trust Board providing details of any Company Directorships and any other relevant significant business interests held that may conflict with any management responsibilities. This Register is published on the Trust's website at: https://www.berkshirehealthcare.nhs.uk/about-us/key-documents/reports-policies-and-procedures/ or may be obtained upon request to the Trust's Company Secretary.

Focus on quality

The Trust's latest comprehensive inspection by the Care Quality Commission took place in November and December 2019. The Trust received an overall rating of "Outstanding".

The Care Quality Commission's ratings in respect of the five quality domains in set out below:

CQC Domains	Rating	
Are Services Safe?	Good	
Are Services Effective?	Good	
Are Services Caring?	Good	
Are Services Responsive?	Outstanding	
Are Services Well-Led?	Outstanding	
Overall Rating	**Outstanding**	

The Care Quality Commission re-inspected the WestCall GP Out of Hours Service in September 2019 and rated the service overall as "Good". The service was also rated "Good" across all the Care Quality Commission domains (Well-Led, Safe, Caring, Responsive and Effective). The Care Quality Commission had last inspected the service in July 2018 and had given a "Requires Improvement" rating.

In April 2017, the Trust launched its Quality Improvement Programme with the aim of enabling the organisation to apply a consistent approach to continuous improvement by developing the ability of each and every staff member to become problem solvers and make improvements to the way we deliver care for our patients.

Quality of service and patient experience remain top priorities for the Trust Board with quality being set at the top of the Trust Board's agenda each month. Non-Executive Directors continued to make Board visits to services, but these were conducted virtually due to the COVID-19 social distancing requirements. In-person visits to services have now re-commenced. The Trust's programme of 15 Step Visits was paused at the start of the COVID-19 pandemic but has now resumed.

One of the principles of Quality Improvement is to increase Executive Directors' value adding activity, with value being defined by the customer. The ultimate customer in Healthcare is the patient/service user, but for some services could be another team or partner organisation. One of the things we have introduced to support our goal of increasing Executive Director value is through Gemba visits/walks. Gemba is a Japanese word defined as "the actual place" and in Quality Improvement terminology this is "where value is added". Gemba is the place where real value is created or delivered for the customer – so this is normally where care givers are directly helping patients/service users, as that is what they value.

The purpose of a Gemba visit is to take time to observe and interact with people at the Gemba, to learn and understand what is really happening.

There are a number of benefits from this:

- People going to Gemba can see and understand how things are really done to help them with their own "value adding" work.
- Leaders can support front line staff by seeing and hearing about the improvement work and identify things which can be escalated and supported.
- People can see how our Quality Management Improvement System is operating at the Gemba to help with their Quality Improvement training, learning and the development of Quality Improvement in our Trust.
- It provides an opportunity to practise Quality Improvement skills and Quality Improvement leadership behaviours

The Trust Board agenda includes a patient story at the start of the meeting.

The Quality and Performance Executive Group, chaired by the Chief Executive meets monthly to review quality related issues, such as serious incidents, quality concerns and the minutes of the locality and service monthly Patient, Safety and Quality meetings. The meeting also reviews performance and waiting times. The Quality Assurance Committee (Trust Board Sub-Committee), which meets quarterly, continues to provide an opportunity for Non-Executive and Executive Directors to debate and scrutinise the Trust's quality strategy, processes and performance in greater depth and to provide a forward-looking perspective on the quality agenda.

NHS Foundation Trust Code of Governance compliance

Berkshire Healthcare NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a "comply or explain" basis, including membership of Trust Board Committees,

their terms of reference and Trust Board performance assessments. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the United Kingdom Corporate Governance Code updated in 2016.

As a Trust we are committed to high standards of corporate governance. For the year ended 31 March 2022, the Board considers that it was, throughout the year, fully compliant with the provisions of the NHS Foundation Trust Code of Governance.

Code Reference	Annual Report Section	Page(s)
A.1.1	Governance Framework and Council of Governors Council of Governors and Trust board Dispute Resolution Process	P59, P96 and P98
And 98A.1.2	Attendance at Board meetings and Committee	P63
A.5.3	Council of Governors – Membership of the Council	P96
Additional Requirement – Governor Attendance	Council of Governors – Membership of the Council	P96
B.1.1	Trust Board Members – Independence of Non-Executive Directors	P70
B.1.4	Trust Board Members and Trust Board Composition	P65
Additional Requirement - NED Appointment and Removal	Directors' Report	P54
B.2.10	Appointments and Remuneration Committee	P64
Additional Requirement – External Recruitment Consultants	Directors Report	P53
B.3.1	Trust Board Members - Chair's Biography	P65
B.5.6	Working Relationship – Council and Trust Board	P98
Additional Requirement – Exercise of Duty to Require Director(s) to attend Council	The Council of Governors did not exercise this duty in 2021-22	N/A
B.6.1/B6.2	Trust Board and Sub-Committee Annual Review of Effectiveness and Trust Board Member's Appraisals	P55 and P56
C1.1	Statement of Accounting Officer's Responsibilities	See Annual Accounts
C.2.1	Annual Governance Statement	As above
C.2.2	Performance Overview and Audit Committee	P6 and P61
C.3.5	Not applicable	
C.3.9	Audit Committee	P61
D.1.3	Not applicable	
E.1.4	Contacting the Board/Contacting the Governors	P103
E.1.5	Council and Board Working Relationships	P98
E.1.6	Membership	P100
Additional Requirement – membership breakdown	Membership	P200
Additional Requirement – Directors Interests	Register of Directors/Governors Interests	P60 and P99

NHS System Oversight Framework

NHS England and NHS Improvement's NHS System Oversight Framework provides the framework for overseeing systems including providers and identifying potential support needs. The framework looks at five national themes:

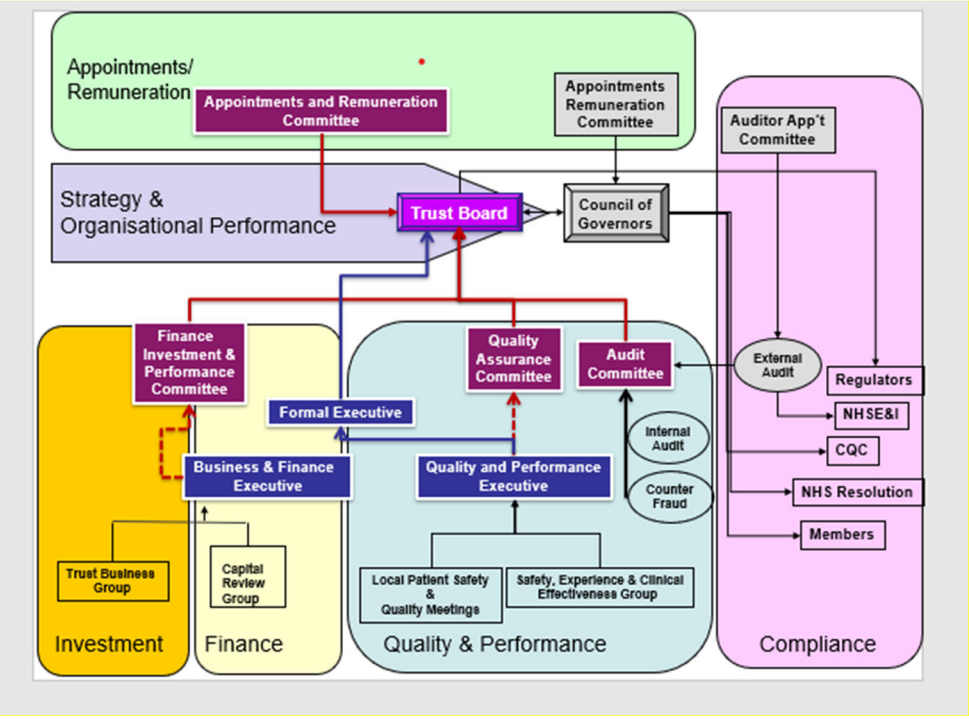
1. quality of care, access and outcomes
2. preventing ill health and reducing inequalities
3. finance and use of resources
4. people
5. leadership and capability

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

Throughout the year, we have operated in compliance with our NHS Provider Licence and continue to be in segment 1 within NHS Improvement's Single Oversight Framework. Current segmentation information for NHS trusts and foundation trusts is published on the NHS Improvement website.

Governance framework

The Trust operates a comprehensive structure and reporting arrangements which facilitate robust governance throughout the organisation involving the Council of Governors, the Trust Board and various committees. The diagram below provides a view of the high-level governance and reporting arrangements that were in place during 2021-2 to provide appropriate governance and assurance.



The Trust Board, led by the Trust Chair, sets the strategic direction of the Trust and is responsible for the organisation's decision-making and performance to ensure the delivery of high quality, safe and efficient services.

The effectiveness of the Trust's governance arrangements is regularly assessed, including through internal and external audit. The Trust Board places great emphasis on the achievement of high-quality services and uses several different sources of information to monitor and triangulate performance and to provide robust assurance. The Trust Board receives a detailed True North Performance Scorecard report at each meeting which presents information across the whole spectrum of the Trust's activity with reference to quality measures. This report is scrutinised further on behalf of the Trust Board by the Finance, Investment and Performance Committee.

Streams of assurance on quality include internal and external audit activity, patient and staff satisfaction surveys, quarterly patient experience reports to the Trust Board and virtual and physical or virtual visits to clinical services conducted by members of the Trust Board.

Reports are also received on subjects such as compliments and complaints, learning from deaths, serious incidents requiring investigations (including details of any lessons learned), infection prevention and control and compliance with Care Quality Commission regulations. These and other information sources are used to provide assurance to the Trust Board in relation to its duty to provide regular declarations on quality to NHS England and Improvement.

Clinical Directors are responsible for maintaining a focus on local quality issues and for ensuring that best practice is identified and shared across the organisation. This is supported by the corporate governance arrangements in place and by the patient safety function which undertakes activity to monitor the Trust's compliance with the Care Quality Commission's regulations.

The Trust operates fully in compliance with the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014 Regulation 5: Fit & Proper Persons and all Directors are required to meet these requirements and to declare such annually. In addition, in the case of all new Directors, appropriate checks are made in accordance with the fit and proper person regulations before an appointment can be confirmed. In addition, members of the Trust Board are required to abide by the Board's Code of Conduct which reflects the high standards of probity and responsibility which is required of all Board members.

In line with constitutional requirements, the Trust maintains a register of interests for Directors which is available on the Trust's website or from the Company Secretary. The Company Secretary attends the Trust Board and its Sub-Committee meetings and produces detailed minutes of the discussions. Any individual concerns about a proposed course of action would be recorded in the minutes in line with requirements of the NHS Foundation Trust Code of Governance.

Trust Board Committees

During 2021-22 the Trust Board had five standing committees that helped it discharge its duties.

Audit Committee

The Audit Committee, comprising only Non–Executive Directors is responsible for making sure the Trust governs itself well by concluding on the adequacy of the Trust's systems of internal control and its assurance framework. The main role and responsibilities are set out in the terms of reference approved by the full Trust Board, which are consistent with national guidance.

These responsibilities include:

- monitoring the integrity of the financial statements of the Trust and any formal announcements relating to the Trust's financial performance and reviewing significant financial reporting judgements contained in them
- reviewing the Trust's internal financial controls and the internal control and risk-management systems
- monitoring and reviewing the effectiveness of the Trust's internal audit function
- reviewing and monitoring the external auditor's independence and objectivity, and the effectiveness of the audit process, taking into consideration relevant requirements
- monitoring progress and output from the Trust's clinical audit activity; and
- Reviewing the annual clinical audit plan.

The Audit Committee has met these responsibilities by:

- Overseeing internal audit, counter fraud, and external audit services by:
    - reviewing the audit and counter fraud strategies and annual plans
    - receiving progress reports
    - considering the major audit findings and management's responses
    - holding discussions with internal and external audit
    - ensuring co-ordination between external and internal auditors
    - reviewing the external audit management letter; and
    - reviewing clinical audit summary reports.
- Reviewing and monitoring compliance with the Trust's Standing Orders and standing financial instructions
- Monitoring and advising the Trust Board on the Trust's Board Assurance Framework and Corporate Risk Register
- Reviewing schedules of losses and special payments
- Reviewing the annual accounts of the Trust before submission to the Trust Board and Charitable Funds Trustees, focusing particularly on:
    - changes in and compliance with accounting policies and practices
    - major judgmental areas
    - significant adjustments resulting from the audit
- Receiving and reviewing minutes from the Finance, Investment and Performance Committee and the Quality Assurance Committee
- Ensuring that both internal and external auditors have full, unrestricted access to all the

Trust's records, personnel, and the Audit Committee members.

The Audit Committee reviewed financial and operating performance and compliance against national and regulatory standards. The Committee's review was supported by reporting from the Chair of the Finance, Investment and Performance Committee.

In depth reviews of strategic and operational risks have further supported the Committee's understanding and review of the key issues facing the Trust.

During 2021-22, there were no significant issues considered by the Committee in relation to the Trust's financial statements. The continuing effectiveness of both the internal and external auditors is monitored by the Committee, as is the Committee's own effectiveness through self-assessment against best practice standards.

The Audit Committee also considers the key risks identified by the External Auditor and uses its resources and the internal audit programme to provide assurance around the following key areas: management override, property valuations and completeness of accruals.

Auditor's Independence

The Trust requires its Auditors to demonstrate the policies and procedures they use to ensure they remain independent while carrying out their duty.

During the year the only work appointed by the Trust has been the audit, and the independent examination of the charity (which is non-audit but clearly audit related assurance services).

Finance, Investment and Performance Committee

The Finance, Investment and Performance Committee, comprising both Non-Executive and Executive Directors is responsible for reviewing financial and operational performance and for reviewing and providing expert comment on all significant financial investment and disinvestment decisions. They also scrutinise reporting on safe staffing and business development activity.

Quality Assurance Committee

This Committee provides a forum for detailed scrutiny and consideration of the Trust's quality agenda. Comprising both Non-Executive and Executive Director membership, the Committee obtains assurance on behalf of the Board on the quality of clinical services. This includes reviewing the quarterly reports on the Learning from Deaths and receiving the Guardians of Safe Working Hours of Doctors and Dentists in Training reports.

Appointments and Remuneration Committee

The Appointments and Remuneration Committee is comprised of all Non-Executive Directors and is chaired by Mark Day, Non-Executive Director. The Committee is responsible for ensuring that there is

a robust process in place for appointing Executive Directors and Very Senior Managers and for determining Executive Director and Very Senior Managers remuneration.

The Chief Executive attends meetings but is not present for discussions relating to his own remuneration or terms and conditions. The Committee is supported by the Director of People and the Company Secretary.

More information about Non-Executive and Executive Director remuneration can be found in the Remuneration Report later in this report.

The Appointments and Remuneration Committee should not be confused with the Council of Governors Appointments and Remuneration Committee, which considers the appointment and conditions of Non-Executive Directors.

Attendance at Board meetings and Committees 2021-22

Board Meetings

Name	Position	Meetings attended/possible*
Martin Earwicker	Chair	11/11
David Buckle	Non-Executive Director	11/11
Naomi Coxwell	Non-Executive Director, *Senior Independent Director*	11/11
Mark Day	Non-Executive Director	11/11
Chris Fisher	Non-Executive Director, *Vice-Chair until 30.09.21*	05/05
Aileen Feeney	Non-Executive Director	11/11
Rajiv Gatha	Non-Executive Director from 01.10.21	06/06
Mehmuda Mian	Non-Executive Director, *Vice Chair from 01.10.21*	08/11
Julian Emms	Chief Executive	11/11
Debbie Fulton	Director of Nursing and Therapies	10/11
Alex Gild	Deputy Chief Executive and Chief Financial Officer (until 06.06.21) Deputy Chief Executive (from 07.06.21)	11/11
Paul Gray	Acting Chief Financial Officer (from 07.06.21 to 31.10.21) Chief Financial Officer (from 01.11.21)	09/09
Minoo Irani	Medical Director	11/11
Kathryn MacDermott	Acting Executive Director of Strategy *until 06.06.21*	02/02
David Townsend	Chief Operating Officer	11/11

**Includes attendance at both the Public Trust Board meetings and four private discursive meetings.*

Audit Committee Meetings

Name	Position	Meetings attended/possible
Chris Fisher (Chair)	Non-Executive Director (until 30.09.21)	3/5
Rajiv Gatha (Chair)	Non-Executive Director (from 01.10.21)	2/2
Naomi Coxwell	Non-Executive Director	4/5
Mehmuda Mian	Non-Executive Director	5/5
Mark Day	Non-Executive Director *(deputised for Naomi Coxwell)*	1/1

Finance, Investment and Performance Committee Meetings

Name	Position	Meetings attended/possible
Naomi Coxwell (Chair)	Non-Executive Director	5/5
Mark Day	Non-Executive Director	4/5
David Buckle	Non-Executive Director	5/5
Aileen Feeney	Non-Executive Director (deputising for Mark Day, Non-Executive)	1/1
Julian Emms	Chief Executive	3/5
Alex Gild	Deputy Chief Executive and Chief Financial Officer (until 06.06.21) Deputy Chief Executive (from 07.07.21)	1/1
Paul Gray	Acting Chief Financial Officer (from 07.06.21 to 31.10.21 Chief Financial Officer (from 01 November 2021)	4/5
David Townsend	Chief Operating Officer	5/5
Debbie Fulton	Director of Nursing and Therapies	5/5

Appointments and Remuneration Committee Meetings

Name	Position	Meetings attended/possible
Mark Day (Chair)	Non-Executive Director	1/1
Martin Earwicker	Trust Chair	1/1
David Buckle	Non-Executive Director	1/1
Naomi Coxwell	Non-Executive Director	1/1
Aileen Feeney	Non-Executive Director	1/1
Chris Fisher	Non-Executive Director (until 30/09.21)	0/0
Rajiv Gatha	Non-Executive Director (from 01.10.21)	1/1
Mehmuda Mian	Non-Executive Director	0/1
Julian Emms	Chief Executive	1/1

Quality Assurance Committee

Name	Position	Meetings attended/possible
David Buckle	Non-Executive Director	4/4
Mehmuda Mian	Non-Executive Director	3/4
Aileen Feeney	Non-Executive Director	4/4
Julian Emms	Chief Executive	1/4
Minoo Irani	Medical Director	4/4
Debbie Fulton	Director of Nursing and Therapies	4/4
David Townsend	Chief Operating Officer	4/4

All Board Committees are supported by the Company Secretary and such other senior personnel as required.

Trust Board Members

Martin Earwicker – Chair

Martin Earwicker became Chair of Berkshire Healthcare NHS Foundation Trust in December 2016, prior to this he was Vice Chair of Dorset County Hospital NHS Foundation Trust. He retired from being Vice Chancellor of London South Bank University in 2013. Before this he was Director and Chief Executive of the Science Museum Group. However, his main career was in scientific research working for the Ministry of Defence interspersed with senior appointments in Whitehall; for the last five years of which he was Chief Executive of the Ministry of Defence's Research Laboratories, the Defence Science and Technology Laboratory.

In addition to his interest in health, he is a keen supporter of Further Education colleges, and has been chair for more than six years each of two Further Education colleges: Tower Hamlets College in the east end of London serving a particularly disadvantaged community, and Farnborough College of Technology, which he still chairs. He is also a Trustee of his local Citizens Advice Bureau.

He read Physics at Surrey University graduating in 1970. He was appointed a Fellow of the Royal Academy of Engineering in 2000 and has been a vice president of the Academy and was awarded an Honorary Doctorate of Surrey University in 2009. He is an Emeritus Professor of London South Bank University.

Naomi Coxwell – Non-Executive Director, Chair of the Finance, Investment and Performance Committee and Senior Independent Director

Naomi Coxwell joined Berkshire Healthcare as a Non-Executive Director on 13 December 2017. She lives in Farnham, Surrey and is also a Non-Executive Director for Arco - a safety specialist company, James Walker Group Ltd - a global manufacturing and engineering firm, and Citizens Advice Hart - providing free, impartial and confidential advice for the benefit of the Hart community.

Naomi is a former Vice President of BP and worked in the oil and gas industry for over 30 years. She is a graduate of Exeter University where she received a bachelor's degree in Geology in 1984, and has studied at The Warton School, University of Pennsylvania, where she received BP's Chief Financial

Officer Excellence certificate in 2012. In August 2021 Naomi completed a course in Business Sustainability Management run by the University of Cambridge.

Naomi started her career in 1984 with Petrofina and was one of the first women to work as a Geologist on offshore rigs in the United Kingdom. She joined BP in 2000 and spent the following 16 years working overseas in increasingly senior positions. She has led diverse, multicultural teams in the development of strategy, management of risk, and in driving continuous improvement across six continents.

Naomi believes that that the physical and psychological health of individuals is the single biggest contributor to societal strength and productivity and sees Berkshire Healthcare as being a major contributor to that cause.

Dr David Buckle – Non-Executive Director

David worked as a GP in Woodley, Berkshire for 30 years. In 1995 he was awarded Fellowship of the Royal College of General Practitioners. He later became senior partner and was a GP trainer for many years. In 2000 he joined the local Primary Care Trust (PCT) Board and later became the clinical chair for Berkshire PCT. That decision started a long career of clinical leadership and then medical management.

Having been a Medical Director for an NHS Primary Care Trust and then a Commissioning Support Unit, David was appointed Medical Director to Herts Valleys Clinical Commissioning Group in spring 2015.

David was appointed a Non-Executive Director for Berkshire Healthcare Foundation NHS Trust in 2015. Having enjoyed this role, it encouraged David to expand his Non-Executive roles and in September 2018 he became an Associate Non-Executive Director for East and North NHS Hertfordshire Hospital Trust. In November 2019 David accepted a third non-executive role for Salisbury Hospital NHS Trust .

David has been a member of the Society for the Assistance of Medical Families for nearly 30 years and in 2019 he was voted president of the charity. He has also been appointed vice chair for the Stroke Association which is a large national charity.

David believes that his clinical knowledge, his understanding of primary care and the wider NHS will help strengthen BHFT for the benefit of patients.

Mark Day – Non-Executive Director and Chair of the Appointments and Remuneration Committee

Mark Day joined Berkshire Healthcare as a Non-Executive Director on 1 September 2016. Mark until recently was the Chairman of Haven West Berkshire Homeless Charity. Haven operates a Soup Kitchen in Newbury for the homeless and vulnerable in West Berkshire.

Mark started his career with Crookes Healthcare (subsequently Boots Pharmaceuticals) and then moved to the Automobile Association where he embarked on his Human Resources career path. A number of different Human Resources related roles were undertaken until the organisation was acquired by the Centrica Group. Feeling that the time was right for a move into a different industry sector mark joined the Board of the Hospital Saving Association as Director of Human Resources.

Shortly after joining the Hospital Saving Association (subsequently becoming Simplyhealth) Mark assumed Director responsibility for the customer service operation and focussed on improving the personal service provided by the organisation. In addition to achieving consistent years of being in the

Sunday Times 100 Best Companies to Work For, many industry awards were achieved for the exceptional service provided to both corporate clients and individual customers.

Mark firmly believes that people can be the only true differentiator in organisations and is keen to see Berkshire Healthcare continue to provide support across our communities based on this principle.

Chris Fisher – Non-Executive Director, Chair of the Audit Committee (until 30 September 20210

Chris Fisher took up the role as Non-Executive Director on 1 October 2014. He lives with his family in Maidenhead and most of his career has been spent in the area. He trained as an accountant locally and qualified in 1983 whilst working for the Avis Europe group of companies where he held a number of senior positions in financial, commercial and operational roles over a period of almost 22 years.

He completed an MBA at Henley in 2001 and joined the NHS the same year as Finance and Performance Director for a local Primary Care Trust. He went on to lead on commercial matters for the regional Strategic Health Authority in Newbury before taking planned partial early retirement in 2009. Most recently, he led the project on behalf of Heatherwood and Wexham Park Hospital NHS Foundation Trust for its acquisition by Frimley Park Hospital and previously he was project director for Berkshire Healthcare's acquisition of the east and west Berkshire community health services provider organisations.

Other interests include golf and walking his dogs. Chris has also recently become a grandfather.

Aileen Feeney, Non-Executive Director

Aileen Feeney joined Berkshire Healthcare NHS Foundation Trust as a Non-Executive Director in November 2019. Her career spanned both the commercial and charity sectors, most recently as Chief Executive for a UK-wide patient support charity.

Aileen spent most of her career in the Energy industry, in senior leadership roles that focussed on strategic business and technology transformation both in the UK and overseas.

Aileen holds several voluntary positions including being Lay Member for NHS Blood & Transplant, Trustee of a mental health support charity, a Member of Wokingham School's Circle Trust and a business mentor for the Prince's Trust.

Aileen has lived with her family in Berkshire for over 25 years. She has an Honours Degree in Biomedical Electronics, is a Chartered Engineer and an Associate of the London College of Music.

Rajiv Gatha, Non-Executive Director and Chair of the Audit Committee (from 1 October 2021)

Rajiv Gatha joined Berkshire Healthcare as a Non-Executive Director on 1 October 2021. He lives in Finchampstead with his wife and two sons, having spent most of his life in the local area.

He is a graduate of the London School of Economics where he received a bachelor's degree in 1992, following which he qualified as a Chartered Accountant within the audit practice at Deloitte. He is now a Fellow of the Institute of Chartered Accountants in England and Wales.

After his six years at Deloitte, Rajiv has spent the rest of his career working for multinational IT companies in a variety of Finance roles. He has been working at Cisco since 2008, where amongst other roles, he has been on the Cisco UK Pension Plan Governance Committee and a Trustee of their UK Healthcare Trust. Currently he is Vice President of Finance, supporting the Cisco Customer Experience organisation and manages a large team across the Americas, Europe, Middle East, Africa and Asia.

Mehmuda Mian – Non-Executive Director (Vice-Chair from 1 October 2021)

Mehmuda Mian practised as a solicitor specialising in commercial and professional indemnity litigation. Her commitment to rigorous, high standards in public life led her to take on a regulatory function at the Law Society, investigating complaints against solicitors, and also chairing independent review panels for the NHS. She left to take up an appointment at the Police Complaints Authority. Mehmuda was subsequently appointed as one of the first Commissioners to the Independent Police Complaints Commission and is a former BBC Trustee, Non-Executive Director of the Independent Safeguarding Authority, and of the Disclosure and Barring Service.

Mehmuda is currently a lay member of the Committee on Standards of the House of Commons

Julian Emms – Chief Executive

Julian was appointed Chief Executive in July 2012, following a nine-month period during which he was the acting Chief Executive. Julian started his career in the Probation Service as a Support Worker and went on to undertake a variety of roles in the service over a 10-year period before joining the NHS in 1997.

An NHS Executive Director since 2004 Julian has wide ranging experience in organisational leadership and service improvement. Julian was part of the Trust's successful NHS foundation trust application in 2007 and was the project director who oversaw the integration of community health services into the Trust in 2011.

Julian's senior management roles prior to becoming a director were all joint posts with social care and focused on providing better integrated care for local people.

Julian is also the chair of the NHS Benchmarking mental Health Reference Group, a position he has held since January 2016.

Debbie Fulton - Director Nursing and Therapies

Debbie qualified as a nurse in 1989. She has enjoyed a varied career having held a variety of nursing as well as clinical and operational management positions across Berkshire since 1998 and prior to that as a nurse and ward manager at Frimley Park Hospital.

Debbie has worked within Berkshire Healthcare in since the merger with East and West Community organisations in 2011 and undertook clinical and locality Director roles as well as the roles of Deputy Director Nursing prior to taking up her current position in December 2018

Alex Gild – Deputy Chief Executive and Chief Financial Officer (until 06 June 2021) and Deputy Chief Executive (from 07 June 2021)

Alex joined the Trust in September 2006. A business graduate and a qualified accountant he started his NHS finance career as a trainee finance assistant in 1996 with spells working in the acute trusts in Oxford, before latterly joining South Central Strategic Health Authority.

Alex was Deputy Director of Finance at Berkshire Healthcare NHS Foundation Trust and was appointed Executive Director of Finance in April 2011 (his title changed to Chief Financial Officer in March 2017) and was appointed Deputy Chief Executive in April 2019.

In June 2021, Alex's portfolio changed and he ceased being the Chief Financial Officer. Alex stepped into a broader Deputy Chief Executive portfolio, responsible for strategy, partnerships, human resources, diversity and inclusion, transformation, quality improvement, IM&T and communications.

Alex is a member of the Board of Trustees of the Healthcare Financial Management Association and was President of the Association in 2018. In September 2020 Alex joined the national customer board for NHS Procurement and Supply (NHS Supply Chain) and was appointed Chair of the southern region board.

Dr Minoo Irani – Medical Director

Minoo has been working in Berkshire as Consultant Community Paediatrician since 2001 and has held positions as Lead Paediatrician, Clinical Director, Lead Clinical Director and Acting Medical Director in the Trust before being appointed as Medical Director in July 2016. Minoo has a master's in health management from Imperial College, London and professional qualifications from the United Kingdom, India and the United States.

Kathryn MacDermott - Acting Executive Director of Strategy (until 06 June 2021)

Kathryn started in the NHS over thirty years ago with Wandsworth Community Health Trust as Head of Research for an Admission Avoidance and Early Discharge programme of work.

She has worked in community health and primary care, commissioning and transformation. Kathryn joined Berkshire Healthcare in April 2019 as Director of Strategic Planning. She was appointed as Acting Executive Director of Strategy in December 2019.

Paul Gray – Acting Chief Financial Officer *(from 07 June 2021) and Chief Financial Officer (1 November 2021)*

Paul joined the Trust in 2018 as Director of Finance and was appointed as Chief Financial Officer in November 2021. Paul started his NHS career in 1999 on the National Graduate Financial Management Training scheme. He was previously Associate Director of Finance at Hampshire Hospitals, and prior to that has held a number of senior roles at both acute and specialist providers.

David Townsend – Chief Operating Officer

David started working for the NHS in 2004 having worked in senior roles for leading private sector, customer focused businesses. These included BP, MacDonalds, Initial and major international food producer Geest Plc. In addition to his commercial responsibilities, he led a number of transformational projects and spent 10 years in senior leadership positions.

His first role with the NHS was to set up a new collaborative organisation for the South-Central region to which he was appointed Managing Director. In 2010, David was appointed Director of Operations for Berkshire Healthcare and Chief Operating Officer in 2013.

Independence of Non-Executive Directors

None of the Directors have any declared political activities and all are considered independent.

Directors Expenses

Directors are entitled to claim expenses in accordance with their terms and conditions of appointment. Expenses primarily relate to travel and car parking charges and for 2021-22, 6 Directors (out of 13) claimed expenses with an aggregate value of £1,521.49.

Remuneration report

Chair and Non-Executive Director Remuneration

The remuneration and expenses of the Chair and Non-Executive Directors are determined by the Council of Governors on the recommendation of the Council of Governors' Appointments and Remuneration Committee. The Committee takes account of relevant market data, including the NHS Providers' Chairs and Non-Executive Directors Annual Remuneration Survey. The Council of Governors' Appointments and Remuneration Committee comprises of four Governors and is chaired by the Trust Chair. When the Committee is reviewing issues pertaining to the Chair, the Lead Governor chairs the meeting, and the Trust Chair is not present.

The remuneration of Non-Executive Directors is comprised solely of their annual fee.

The Council of Governors' Appointment and Remuneration met in July 2019 and compared the current level of Non-Executive Director remuneration with other local NHS foundation trusts and with the benchmarking data provided by NHS Providers. The Committee agreed to remove the special responsibility allowances for the Vice Chair, the Senior Independent Director, and the Chair of the Audit Committee and to increase Non-Executive Director remuneration to £15,000 per annum.

The Council of Governors will have regard to NHS Improvement's paper "Structure to Align Remuneration for Chairs and Non-Executive Directors of NHS trusts and NHS Foundation trusts" published in November 2019 when appointing new Non-Executive Directors.

The Committee also reviewed the Chair's remuneration but was satisfied that the level of his remuneration was in line with other local NHS foundation Trusts and with the national benchmark salary data provided by NHS Providers.

Senior Managers Remuneration

Remuneration of the Trust's 'senior managers' (the Chief Executive, Executive Directors and Very Senior Managers (VSMs) is determined by the Trust Board's Appointments and Remuneration Committee. The Trust Board's Appointments and Remuneration Committee comprises all the Non-Executive Directors and is chaired by Mark Day, Non-Executive Director. The Chief Executive attends the meetings except when the Committee is discussing his terms and conditions and remuneration. The meeting is supported by the Director of People and the Company Secretary.

The Committee does not routinely apply inflationary uplifts or increases and only applies uplifts of any kind where this is thought justified by the context. The primary aim of the Committee is to ensure that Executive and Very Senior Manager remuneration is set at an appropriate level to ensure good value for money, whilst enabling the Trust to attract and retain high quality Directors. Executive Directors and Very Senior Manager remuneration does not currently include a specific performance related element.

Senior Managers Remuneration Policy

The Committee reviewed the Trust's remuneration policy for Executive Directors and Very Senior Managers in April 2019. In developing a new remuneration policy, the Committee was mindful of NHS Improvement's guidance on Very Senior Managers Pay and the remuneration section of the United Kingdom Corporate Governance Code 2018 which identified the following as best practice:

- **Clarity** – the remuneration arrangements should be transparent
- **Simplicity** – remuneration structures should avoid complexity and should be easy to understand
- **Risk** – remuneration arrangements should ensure reputational and other risks from excessive rewards and behavioural risks that can arise from target-based incentive plans
- **Predictability** – the range of possible values and rewards to individual directors should be identified and explained at the time of approving the policy

The Committee also identified the following key considerations for the new remuneration policy:

- **Trust's Values and Behaviours** - to reflect the values of the organisation and ensure the setting of salaries and the annual awards are fair, consistent and recognise not only the contribution of the individual but also the overall performance of the Trust.
- **Trust's Equalities and Diversity Strategy** - The Committee should ensure any changes to senior salaries consider any gender or unconscious bias that may occur. Pay decisions must always consider experience, competence, skills, responsibility, accountability and performance.

- **Hays Directors Pay and Reward Review December 2018** - Following the independent review, it was agreed that the role of the Chief Operating Officer and the Director of Nursing and Therapies are comparable in terms of accountabilities and responsibilities and this should be reflected when setting the remuneration for the Director of Nursing and Therapies.

New Executives

The Chair and the Chief Executive would determine the salaries for new starters. This would take account of:

- NHS Improvement and other external salary benchmarking data
- Market conditions, for example, reviewing the number of quality candidates applying and the salary expectations
- Review of experience at Very Senior Manager or equivalent level
- Consideration of the gender pay gap and any unconscious bias

Annual Pay Review of Executives

The Committee agreed that the annual pay review for Executive Directors and Very Senior Managers would take account of:

- The Trust's performance against targets set at the start of the annual performance cycle; the outcome of the Care Quality Commission's Well Led assessment; financial stability; and an assessment against national agreed contracts and performance benchmark data for comparable organisations
- NHS Improvement and NHS Provider's national salary benchmark data
- Local recruitment markets (for example, local NHS Trusts' ability to recruit and staff turnover etc)
- The annual award for all Agenda for Change staff
- A review performance of the individual:
    - If performance is not satisfactory, the individual will not be considered for either a consolidated or non-consolidated pay award
    - Base pay position against the NHS Improvement benchmark will take place, if performance is 'good' then consideration of a consolidated or a non-consolidated award would take place
    - If the individual is in the upper quartile of the pay range of NHS Improvement's benchmarks, consideration would be given to awarding a non-consolidated pay increase in line with the Agenda for Change award
    - If the individual's salary is below the upper quartile pay range, the Committee will consider awarding consolidated pay awards until the individual reaches the upper quartile (subject to satisfactory performance).
- In addition, for individuals to be eligible for a pay award:
    - They must have had a satisfactory appraisal in the last 12 months
    - Their performance and/or capability is not being formally managed
    - They do not have a live formal disciplinary sanction on their record

    - They must be up to date with all their statutory and mandatory training
    - If they are a line manager, the appraisals for all their team are completed
    - If there is something beyond their control which has stopped them from achieving any of the above, then this will be taken into consideration
- Review of exceptional performance:
    - If the performance of the individual has been exceptional, the Committee will determine whether an additional non-consolidated payment should be awarded
    - If the individual earns above the Prime Minister's salary, the Chair will refer the case to NHS Improvement for review and comment prior to submission to the Department of Health and Social Care for the Secretary of State's opinion.
- Gender pay gap and unconscious bias consideration –the Committee will assure itself that no pay discrimination occurs when determining base pay or performance awards. The Committee will use evidence and test the reliability of that evidence when making decisions. Pay decisions will be based on evidence, experience, competence, skills, responsibility, accountability, and performance.
- The Committee recognises that salary uplifts are not automatic and are dependent on the performance of the Trust and on the performance of the individual being satisfactory.
- The Committee retains the right not to award any salary uplifts.

Where any senior manager is paid above the Prime Minister's salary (£157,372 per annum in 2021-22), the Appointments and Remuneration Committee will have satisfied itself that the actual level of remuneration paid is reflective of the individual post holder's level of responsibility and performance and that the remuneration has been considered against appropriate benchmark information, local recruitment market conditions and the need to provide a reward package that ensure the recruitment and retention of high calibre senior executives.

Executive and Very senior manager contracts provide for a period of notice of six months on the part of the Trust as agreed by the Appointments and Remuneration Committee. A senior manager may suffer loss of office in a number of situations and in such cases the six-month notice period normally applies, however, the Trust can, at its discretion, choose to make payment in lieu of all or part of the notice period. Where loss of office is due to circumstances where summary dismissal applies, such as gross misconduct or serious performance failure for example, no notice period would apply. If loss of office was due to redundancy then the notice period would apply, as would any redundancy provisions applying generally in the NHS at the point in time; the principle being that very senior managers would be treated neither no less nor no more favourably than other Trust staff.

Annual Statement on Remuneration

In December 2018, the Trust commissioned Hays Executive to undertake a review of Executive pay and rewards to provide an independent external view of the current relevant market pay and reward data, taking into consideration of the health sector and direct peer organisations. The review concluded that the remuneration of Executives and Very Senior Managers was broadly in line with other comparable organisations.

The Hays review identified a small gender pay gap in relation to the Director of Nursing role which was traditionally a female role and therefore there was a risk that any national benchmarking data perpetuated the gender pay gap.

The Committee addressed the gender pay gap as part of the Director of Nursing and Therapies recruitment process which concluded in June 2019.

Gender pay reporting occurs each March . Further information about the Trust's gender pay gap can be obtained from the Cabinet Office website at:
Berkshire Healthcare Nhs Foundation Trust gender pay gap data for 2021-22 reporting year - GOV.UK - GOV.UK (gender-pay-gap.service.gov.uk)

The Committee considers the pay and conditions of other employees, for example, the agenda for change pay settlement and the current pay settlement for senior civil servants when considering remuneration policy but does not actively consult with employees.

During 2021-22, the Trust did not operate a performance related element to very senior managers' remuneration.

The Appointment and Remuneration Committee met on 9 November 2021 to review Executive and Very Senior Managers' remuneration.
After considering NHS Improvement's guidance on very senior managers' pay, the Appointments and Remuneration Committee agreed the following salary uplifts in line with the Trust's remuneration policy:

- Chief Executive: 3% non-consolidated pay uplift on 2020-21 total salary
- Deputy Chief Executive: 3% non-consolidated pay uplift on 2020-21 total salary
- Chief Operating Officer: 3% non-consolidated pay uplift on 2020-21 total salary
- Medical Director: 3% partly consolidated pay uplift on 2020-21 total salary*
- Director of Nursing and Therapies: 3% non-consolidated pay uplift on 2020-21 total salary

*The Medical Director received a 3% partly consolidated pay award because his remuneration was below NHS Improvement's benchmark upper quartile benchmark when compared with similar trusts. The Medical Director's remuneration includes a clinical excellence award of £27,000 per annum.

The other staff on very senior manager contracts received the following salary uplifts:

- Chief Information Officer: 3% consolidated salary uplift
- Director of People: 3% consolidated salary uplift and a 3.4% non-consolidated award**.

**The Appointments and Remuneration Committee identified that the Director of People's current remuneration was below the national benchmark for similar roles in other trusts.

The only non-cash element of the most senior managers' remuneration packages is pension related benefits accrued under the NHS Pension Scheme. Contributions are made by both the employer and employee in accordance with the rules of the Scheme.

All of the senior managers are employed on contracts of service and are substantive employees of the Trust. Their contracts are open ended employment contracts which can be terminated by the Trust by six months' notice. Other Trust staff are covered by the terms and conditions of the national NHS 'Agenda for Change' provisions.

All other Trust staff are covered by national NHS Agenda for Change and Medical and Dental pay and conditions.

The Trust Board sets the organisation's corporate objectives annually and these are used as the basis for developing personal objectives for the Chief Executive and Executive Directors. Performance is closely monitored through the year and in the context of annual appraisal.

Mark Day, Chair, Appointments and Remuneration Committee

Details of remuneration for Directors and senior managers are set out in the tables below:

Salaries and Allowances (*the following information is subject to audit)*

				2021/22						2020/21					
Name	Title	From	To	Salary and fees (in bands of £5,000) *	Taxable benefits (total to the nearest £100)	Annual performance related bonuses (in bands of £5,000)	Long-term performance related bonuses (in bands of £5,000)	Pension related benefits (in bands of £2,500)**	Total (in bands of £5,000)	Salary and fees (in bands of £5,000) *	Taxable benefits (total to the nearest £100)	Annual performance related bonuses (in bands of £5,000)	Long-term performance related bonuses (in bands of £5,000)	Pension related benefits (in bands of £2,500)**	Total (in bands of £5,000)
				£000s	£00s	£000s	£000s	£000s	£000s	£000s	£00s	£000s	£000s	£000s	£000s
Executive Directors															
Julian Emms	Chief Executive	01/04/2021	31/03/2022	210 - 215	0	0	0	150.0 - 152.5	365 - 370	205 - 210	0	0	0	125.0 - 127.5	330 - 335
Deborah Fulton	Director of Nursing & Therapies	01/04/2021	31/03/2022	150 - 155	0	0	0	75.0 - 77.5	225 - 230	145 - 150	0	0	0	110.0 - 112.5	255 - 260
Alex Gild	Deputy Chief Executive	01/04/2021	31/03/2022	160 - 165	0	0	0	72.5 - 75.0	235 - 240	155 - 160	0	0	0	57.5 - 60.0	215 - 220
Paul Gray	Chief Financial Officer	07/06/2021	31/03/2022	105 - 110	0	0	0	45.0 - 47.5	155 - 160	-	-	-	-	-	-
Dr Minocher Irani	Medical Director	01/04/2021	31/03/2022	190 - 195	0	0	0	132.5 - 135.0	325 - 330	185 - 190	0	0	0	107.5 - 110.0	295 - 300
Kathryn MacDermott	Acting Director of Strategy	01/04/2021	06/06/2021	25 - 30	0	0	0	75 - 77.5	100 - 105	115 - 120	0	0	0	67.5 - 70.0	180 - 185
David Townsend	Chief Operating Officer	01/04/2021	31/03/2022	150 - 155	0	0	0	15.0 - 17.5	170 - 175	145 - 150	0	0	0	7.5 - 10.0	155 - 160
Non Executive Directors															
David Buckle	Non Executive Director	01/04/2017	31/03/2022	10 - 15	0	0	0	0	15 - 15	10 - 15	0	0	0	0	15 - 15
Naomi Coxwell	Non Executive Director	13/12/2017	31/03/2022	10 - 15	0	0	0	0	15 - 15	10 - 15	0	0	0	0	15 - 15
Mark Day	Non Executive Director	01/04/2017	31/03/2022	15 - 20	0	0	0	0	15 - 15	15 - 20	0	0	0	0	15 - 15
Martin Earwicker	Chair	01/04/2017	31/03/2022	45 - 50	0	0	0	0	45 - 50	45 - 50	0	0	0	0	45 - 50
Aileen Feeney	Non Executive Director	01/11/2019	31/03/2022	10 - 15	0	0	0	0	15 - 15	10 - 15	0	0	0	0	15 - 15
Christopher Fisher	Non Executive Director	01/04/2017	30/09/2021	5 - 10	0	0	0	0	5 - 10	10 - 15	0	0	0	0	15 - 15
Rajiv Gatha	Non Executive Director	01/10/2021	31/03/2022	5 - 10	0	0	0	0	5 - 10	-	-	-	-	-	-
Nighat Mian	Non Executive Director	01/06/2015	31/03/2022	10 - 15	0	0	0	0	15 - 15	10 - 15	0	0	0	0	15 - 15

Notes

- **On 7 June 2021, Paul Gray was appointed as Chief Financial Officer, replacing Alex Gild who was appointed to Deputy Chief Executive on the same day*
- *** On 6 June 2021, Kathryn MacDermott resigned as Acting Director of Strategy from the Trust Board. Kathryn MacDermott remained employed by the Trust after 6 June 2021.*
- *No members of the Trust Board received an annual for long-term performance bonus in 2021-22 (2020-2021 £nil)*
- *Pension Related Benefits are calculated in accordance with the Finance Act 2004. This is commonly referred to as the "HMRC method". The amount included is based on* the increase in the director's accrued pension in the year. This will generally take into account an additional year of service together with any increases in pensionable pay. This amount is then multiplied by 20 to calculate the amount to be included in the Remuneration Report.

Pension Benefits (the following information is subject to Audit)

				(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Name	**Title**	**From**	**To**	Real increase in pension at pensionable age (bands of £2,500) £,000s	Real increase / (decrease) in pension lump sum at aged 60 (bands of £2,500) £,000s	Total accrued pension at pensionable age at 31 March 2022 (bands of £5,000) £,000s	Lump sum at pensionable age related to accrued pension at 31 March 2022 (bands of £5,000) £,000s	Cash Equivalent Transfer Value at 1 April 2021 £,000s	Real increase / (decrease) in Cash Equivalent Transfer Value £,000s	Cash Equivalent Transfer Value at 31 March 2022 £,000s	Employer's contribution to stakeholder pension £,000s
Executive Directors											
Julian Emms	Chief Executive	01/04/2021	31/03/2022	5.0 - 7.5	2.5 - 5.0	75 - 80	165 - 170	1,413	97	1,545	0
Deborah Fulton	Director of Nursing & Therapies	01/04/2021	31/03/2022	2.5 - 5.0	(2.5) - 0.0	45 - 50	45 - 50	683	33	736	0
Alex Gild	Deputy Chief Executive	01/04/2021	31/03/2022	2.5 - 5.0	(2.5) - 0.0	50 - 55	105 - 110	844	30	900	0
Paul Gray	Chief Financial Officer	07/06/2021	31/03/2022	0.0 - 2.5	0.0 - 2.5	30 - 35	60 - 65	494	30	533	0
Dr Minocher Irani	Medical Director	01/04/2021	31/03/2022	2.5 - 5.0	0.0 - 2.5	75 - 80	155 - 160	1,461	86	1,582	0
Kathryn MacDermott	Acting Director of Strategy	01/04/2021	06/06/2021	0.0 - 2.5	(2.5) - 0.0	30 - 35	95 - 100	782	44	834	0
David Townsend	Chief Operating Officer	01/04/2021	31/03/2022	0.0 - 2.5	2.5 - 5.0	30 - 35	90 - 95	0	0	0	0

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

Cash Equivalent Transfer Values

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

Following the government's announcement that all public sector pension schemes will be required to provide the same indexation on the Guaranteed Minimum Pension (GMP) as on the remainder of the pension, the NHSPS has revised its method to calculate the CETV values. The real increase in CETV will therefore be impacted as it will include any increase in CETV due to the change in GMP methodology.

Real Increase in CETV

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement) and uses common market valuation factors for the start and end of the period. Where a member has a CETV of £0 the member has reached Normal Retirement Age.

McCloud Judgement

The 'McCloud judgment' was a Supreme Court case in which the Court ruled that the additional final salary protections that were given to certain older members of public service pension schemes were age discriminatory. The judgement applies to all public service pension schemes, including the Local Government Pension Scheme ('LGPS'), and the inequalities identified must be remedied.

The NHS Pensions Agency are still assessing the impact of the McCloud judgement in relation to changes to benefits in 2015. The benefits and related CETVs disclosed do not allow for any potential future adjustments that may arise from this judgement.

Fair Pay Disclosures (*the following information is subject to audit*)

NHS foundation trusts are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce The banded remuneration of the highest-paid director in the organisation in the financial year 2021-22 was £210K-£215K (£2020-21, £205K - £210K). This is a change between years of 3.01%.

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 £0-5K to £305K - £310K (2020-21, £0-5K to £275K - £280K).

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 6.81%. 2 employees received remuneration in excess of the highest-paid director in 2021-22. (2020-21, 2) The remuneration of the employee at the 25th percentile, median and 75th percentile is set out below. The pay ratio shows the relationship between the total pay and benefits of the highest paid director (excluding pension benefits) and each point in the remuneration range for the organisation's workforce.

2021/2022	25th Percentile	Median	75th Percentile
Salary Component of Pay	£210K - £215K	£210K - £215K	£210K - £215K
Total pay and benefits excluding pension benefits	£26,006	£35,293	£46,964
Pay and benefits excluding pension: pay ratio for highest paid director	8.19: 1	6.02: 1	4.54: 1

2020/21	Median
Salary Component of Pay	£205 - £210K
Total pay and benefits excluding pension benefits	£33,232
Pay and benefits excluding pension: pay ratio for highest paid director	6.23: 1

The change in the Median ratio from 6.23:1 to 6.02:1 is arising from the following factors:

- The composition of the general workforce has changed, with an increase in temporary staffing (Bank and Agency) to £26.4m in 2021/22 (2020/21: £24.2m). Bank and agency costs as a percentage of total pay was 11.5% in 2021/22 compared to 11.1% in 2020/21. Bank and agency workers are paid at the top of the Agenda for Change pay bands resulting in an increase in median pay when compared to substantively employed member of staff who may be on different increments on the pay scale or banding.

- During 2021/22, a headcount of approximately 100 staff in the support service of Estates and Facilities were transferred to NHS Property Services under TUPE arrangements. Most of these

staff transferred were in lower Agenda for Change pay bands that would have reduced the overall median pay in prior year.

- The overall national pay award for NHS staff in 2021/22 was 3%. The uplift in annual salary for the highest paid Executive Director from 2020/21 to 2021/22 was 2.4% which included no pay award against basic salary, but an increase in taxable non-consolidated pay. The national pay award for staff resulted in an increase against median pay and decreased the ratio between staff and the highest paid Executive Director.

- Some staff will have been entitled to receive an increment for progression through the Agenda for Change pay band which would increase their basic salary beyond the 3% national pay award.

The Trust believes the median pay ratio for the relevant financial year is consistent with the pay, reward and progression policies for the entity's employees taken as a whole.

Julian Emms
Chief Executive
4th October 2022

Staff Report

This has been a difficult year for our staff who are tired after two years of the pandemic and now learning to live with COVID-19. Despite this, we are delighted that Berkshire Healthcare still has the highest staff engagement score for any combined community and mental health trust at 7.4 and was named as the top ranked community and mental health trust for staff recommending us as a place to work. This score reflects the hard work and dedication of our supervisors and managers who care for their staff every day. Whilst this is a score to be proud of, we do recognise that too many of our staff still have a poor experience at work. This is not acceptable, and we continue to actively understand where that is happening and to proactively address issues that come to our attention

In addition, this year, we are proud to have been named as a Stonewall Top 100 employer and to have become a Disability Confident Leader.

Progress Against our People Strategy

Our 2021-24 People Strategy was created having listened to our people through the National Staff Survey and other forums to understand what matters to them. By listening to what they had to say, our 2021/22 Supporting our Staff Priorities were developed, with the following areas of focus:

1. We will improve the mental and physical health and wellbeing of our people, reducing Musculoskeletal disorders and other sickness absences
2. We will have a zero tolerance to bullying and harassment, and racism, taking action wherever we see or hear poor experience for our people
3. We will support the growth and development of our people through high quality appraisal, supervision, and training
4. We will actively support our people to work flexibly, including remote working where appropriate, as part of our new offer
5. We will act on feedback from the staff survey in order to further improve satisfaction and address any identified inequalities
6. We will provide opportunities for our people to show initiative and make improvements for their colleagues and patients through great team working, Quality Improvement and Bright Ideas

The priorities detailed above were translated into our People Strategy 2021-24. This strategy has the aim of making the Trust Outstanding for Everyone. The key priorities of this strategy are detailed below

People Strategy Key Priorities

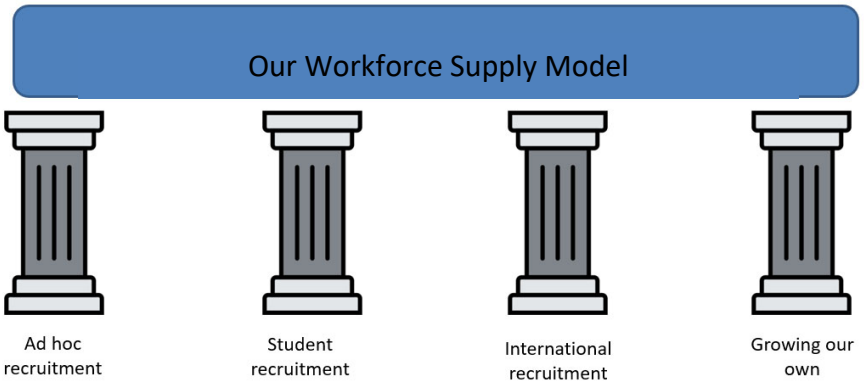
Growing and Retaining for the future

Recruitment and Attraction

We want Berkshire Healthcare to be a place where people want to work and stay, and it is a Trust priority to reduce staff turnover and improve our staff retention rate. One of the key measures is to reduce our voluntary staff turnover. Turnover is currently running at 15.25% in January 2022 and in line with many of our neighbouring NHS trusts, post COVID-19, we are experiencing a general upward trend in voluntary staff turnover. Due to an increase in central funding, more NHS roles are being advertised, which has led to a higher percentage of staff moving roles to those closer to home or offering promotion. Additionally, we are operating in an environment of specific workforce shortages in key clinical areas within the Thames Valley. Over the last year, we have seen a number of leavers moving to non-NHS roles due to the general increase in vacancies being advertised across the economy.

Information about the Trust's staff turnover figures is set out on the performance table on page 12. Student numbers are declining in physical health nursing and whilst we have seen an increase in registrations for Mental Health nursing degrees, nationally, the student numbers still do not match the number of leavers from these roles.

Despite the challenges in recruiting to staff groups such as nursing and midwifery the Trust has increased its clinical and, to a lesser extent, non-clinical staff in post from 4,522 in March 2019 to 4,898 in February 2022. This is an increase of 376 staff or 8% of our workforce.



To continue to ensure that we have a sustainable workforce to meet the future needs of our patients and service users, we have developed a workforce supply strategy based on four pillars of workforce growth: continuing ad hoc or local recruitment; increasing student placement numbers; international recruitment and growing our own staff through apprenticeships. In addition, we continue to look at ways to free up clinical time to care via business process transformation and rebalancing the burden of admin on our clinical staff.

International Nurses Recruitment

To develop our international recruitment pipeline, we have welcomed four international nurses to the Trust in 2021/22 with another twenty nurses expected to join Berkshire Healthcare in the new financial year.

Training and Clinical Education
The Trust ensures that all its staff have the appropriate skills, training, and support for their roles through our recruitment and training programmes and we have launched a new online learning platform to support this.

To ensure the continued safety of our patients and service users. we have undertaken a complete review of our clinical education programme, to ensure there is sufficient training and clinical education provision to meet the needs of our workforce now and in the future, and to make sure these programmes are equally and easily accessible to all staff. As part of this review, we undertook a full Mental Health and Physical Health training gap analysis and identified where more or new training focus was required.

We have also developed and executed a strategy to increase our recruitment pipeline through clinical student placements, staff conversion programmes, apprenticeships, meeting our target to take 50 extra clinical placement or international candidates in the trust.

Looking after our People

Improving the mental and physical health and wellbeing of our people
The past two years have been incredibly challenging for everyone, and we recognise this. We have continued to invest in dedicated resources to support the physical and mental health and wellbeing of our staff. We are proud to note that, overall, our score for whether the organisation takes positive action on health and wellbeing was 74.5%. This score is 11% above the NHS average and amongst the best in the NHS. This is a positive indication that we have continuing to maintain and grow an excellent level of wellbeing support to our staff. We will continue to develop this area, focusing this year on increasing financial wellbeing support, improving access to rest areas and growing a wellbeing champions network.

We have also invested in supporting our staff whose experience of the menopause may be impacting on their life, both in and out of the workplace. On World Menopause Day, we launched a trial of the peppy health app which provides instant messaging support from expert practitioners, one to one video appointments and access to vetted resources and events.

Work Pressures
Work pressure is a clear theme that continues to emerge as one of our lowest scoring questions for the Trust. This is a challenging theme to address whilst the NHS continues to face regional and national staffing shortages creating consequent workforce pressures on people. This year, COVID-19 has continued to increase our workforce pressures including increased gaps as staff needed to shield or self-isolate as well as the greater acuity of some of our patients.

Divisional and operational teams continue to look at local working hours and pressures as a priority area. There is also an ongoing project looking at reducing staff working unpaid hours and an increased focus on both the recruitment and retention of staff in key areas leading to sustained reductions in staff turnover and vacancy gaps.

We are also looking at where we can eliminate waste through ineffective processes and use automation to reduce some of the administrative burden on our staff, starting with recruitment processes.

Rewards
Rewarding and recognising people for their contributions is important as it helps people feel valued and improves morale and wellbeing. As a way of saying thank you and in order for teams to reconnect and recharge, some funding was provided to every team to spend on doing something enjoyable

together throughout August to October 2021. Some teams had afternoon tea together, some shared a game of crazy golf and others ordered pizza for delivery. The opportunity to take time together, often after extended periods of working remotely and in isolation, was highly valued by staff.

Additionally, a £25 voucher was sent to all staff in December 2021 to recognise their hard work over the year. There was a lot of positive feedback with many staff reaching out to the Executives or on social media to express their gratitude.

We have also been focussing on our staff rewards strategy. Following feedback from staff we have launched a policy allowing both buying and selling of some annual leave. We also were made aware that staff would prefer a fixed pay date every month and this too has been introduced from April 2022.

Just and Learning Culture

A key part of the trust strategy is the action for us to continue to strengthen our safety culture, so that staff and patients feel able and empowered to be able to raise any concerns without fear, and we can be confident that we maximise the learning from incidents.

Since the introduction of our revised disciplinary and early resolution (grievance) policies in May 2021, we have been working with our managers to embed the principles of a just and learning culture, through coaching and advising on the use of these new policies on a case-by-case basis.

Through funding from Frimley Health and Care Integrated Care System, four staff bank independent investigators have now been appointed, who can be called upon to conduct investigations across the whole of the Integrated Care System. To date, the dedicated investigators have worked for over 600 hours – this is time that service managers, mainly from clinical services, would otherwise have needed to have been released to undertake this work. This represents a significant benefit to the clinical services and reduces the additional pressure on the managers to investigate and write up reports.

We are already seeing a reduction in the number of full investigations under our disciplinary and early resolution policies, with a significant number of concerns being closed after the initial fact find stage. Resolution times are also below target of average of 53 days for grievance and early resolution cases. Additionally, there has been a reduction in the number of suspensions.

However, we still have more work to do to reduce the number of disciplinary cases that involve BAME staff from 65% to 30% by March 2022 - The number of full investigations involving BAME staff remains disproportionately high, and we are seeking support from the Equality, Diversity and Inclusion lead at Frimley Health and Care Integrated Care System to help us to better understand the reasons for this.

Most of the full investigations in the first six months of 2021-22 were involving people at Prospect Park Hospital where the BAME workforce numbers are higher than the Trust average, and this will be considered as part of the work.

Belonging to the Trust

Staff Survey 2021

For the last several years, staff engagement has been a strategic organisational development objective for Berkshire Healthcare. We recognise the importance of high levels of staff engagement as a direct contributor to, not only patient care, the patient experience and high-quality outcomes, but also to the ability to recruit and retain our workforce.

Berkshire Healthcare still has the highest staff engagement score for any combined community and mental health trust at 7.4 and was named as the top ranked community and mental health trust for staff recommending us as a place to work.

High levels of engagement depend on staff feeling motivated, that they advocate for the organisation

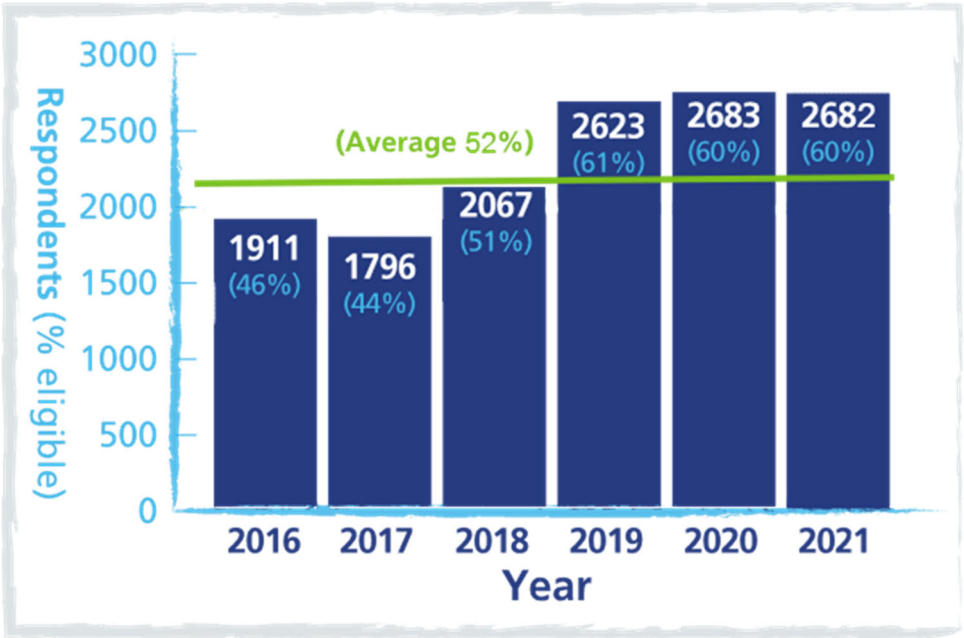
and they feel involved and able to contribute at work. As expected with an overall decrease nationally, our scores have dipped compared to 2020 although all scores remain above average and 4 of 9 scores remain over our 2019 results. Advocacy remains our strongest element of staff engagement and we remain the top scoring trust within our peer group for recommending the organisation as a place to work for the second year in a row.

NHS national staff survey			Berkshire Healthcare		
EEI	Qs	Statement	2019	2020	2021
Motivation	2a	Often/always look forward to going to work	65.8	66	61.4
	2b	Often/always enthusiastic about my job	78.6	78.3	74
	2c	Time often/always passes quickly when I am working	82	82.8	79.6
Advocacy	18a	Care of patients/service users is organisations top priority	83.9	87.7	86.4
	18c	Would recommend organisation as a place to work	70.4	77.8	73.5
	18d	If friends or relatives needed treatment would be happy with the standard of care provided by organisation	74.4	80.1	77
Involvement	4a	Opportunities to show initiative in my role	76.7	78.6	77.1
	4b	Able to make suggestions to improve the work of my team/dept	81.6	81.9	80
	4d	Able to make improvements happen in my area of work	65.7	66.5	65
Response rate	%		61	60	60

Participation Rates

The number of staff participating in the Staff Survey has remained steady for the past three years. The percentage response rate has dropped slightly to 59.6% due to having higher staff numbers overall but remains well above the average percentage response rate of 52%.

The diversity of our respondents broadly reflects the diversity of our workforce. However, we do note that a greater percentage of our staff report as being LGBTQ+ and disabled in the Staff Survey than on our workforce systems. We need to continue to encourage our LGBTQ+ and disabled staff to feel safe to disclose this information.



Themes

The table below gives a high-level overview of the results where questions grouped in themes reflecting the People Promise, Staff Engagement and Morale. This is a new format this year (except from Staff Engagement and Morale) and so we cannot compare to previous year performance. However, our scores continue to be above average for Mental Health/Learning Disability and Community combined Trusts in all themes and top scoring in both 'We are always learning' and 'Staff engagement'.

	We are compassionate and inclusive	We are recognised and rewarded	We each have a voice that counts	We are safe and healthy	We are always learning	We work flexibly	We are a team	Staff Engagement	Morale
Best	7.9	6.8	7.4	6.6	6.1	7.1	7.4	7.4	6.5
Your org	7.7	6.5	7.3	6.4	6.1	6.9	7.3	7.4	6.2
Average	7.5	6.3	7.0	6.2	5.6	6.7	7.1	7.0	6.0
Worst	7.1	5.9	6.4	5.8	4.8	6.1	6.6	6.5	5.5
Responses	2,607	2,653	2,581	2,602	2,537	2,639	2,609	2,654	2,654

As we cannot compare the element/trend performance and the 2020 results saw a positive surge nationally that was not expected to be maintained, it is useful to look at where we are against our pre pandemic performance. When we look at the questions that were asked both in 2019 and 2021, it is encouraging to see that we are maintaining our position; 11 questions positively increased by more than 3%, 62 remained within 3% (+/-) and only 7 decreased more than 3%.

Our scores for staff involvement were also some of the highest in the NHS. These scores show that people feel empowered to show initiative and make improvements in their area of work. This reflects the success of our Quality Improvement Programme launched in 2017. This well-established programme provides groups of staff and services with the training and tools to take ownership for developing and implementing the improvements to their patient care, service delivery and areas of working.

The two areas of focus that came from the Staff Survey were work pressures and equality, diversity and inclusion; these have been covered under their independent sections.

Talent and Leadership

We are pleased to have scored well under the leadership theme of the staff survey. 7.5 for the 'compassionate manager' theme versus a top score in our comparison group of 7.7 and 7.4 for line management versus a top score of 7.5.

Equality, Diversity and Inclusion

At Berkshire Healthcare, we are proud of the wide diversity of our staff and want everyone to feel valued and that they belong. We aspire to be an outstanding organisation for everyone: our people, our patients, their families, and their carers. For the people who work here that means we want Berkshire Healthcare to be a great place to work where everyone feels they belong, can bring their true self to work and can thrive and grow.

We are proud to have been recognised in Stonewall's Top 100 best employers for LGBTQ+ people in 2022, achieving a ranking of 61st place. We are also recognised as a Disability Confident Becoming a Disability Confident Leader and taking part in the Disability Confident Award, undertaking a pilot with the Shaw Trust and Indeed.

This year, the Equality, Diversity and Inclusion team have set up a trust-wide budget to support staff requiring reasonable adjustments and have increased the staff survey score for support for reasonable adjustments from 77% to 81.3%

Despite this work, over the last four to five years, the staff survey indicators show we are making little or no change, especially for our BAME staff. In order to be outstanding for everyone, we need to address the unacceptable differentials in experience and identified inequalities that some staff report.

Equality, Diversity and Inclusion remains an area of focus to tackle the issues that some of our staff face. We are continuing to address the differentials in experience as aligned with our Equality, Diversity and Inclusion Strategy, as well as support the development of allies of this culture change. This is a three year strategy and we know that it may take time to make these changes translate into results but are committed to seeing these results.

Some of the actions to support this include reviewing staff survey results and work with networks and services to agree priorities; review the recruitment processes and introduce inclusive recruitment training; design and deliver an inclusive talent strategy; refresh our leadership offers and focus on declaration rates

New Ways of Working

Remote Working and Digital Transformation

The Trust has embarked on a programme to streamline and speed up our recruitment processes for candidates, our Trust, and the recruitment team. Whilst the focus is on improving processes, removing duplication and unnecessary work, and introducing automation, at the same time it is important that we ensure our processes are accessible and inclusive to all candidates. We are therefore working closely with Equality, Diversity and Inclusion colleagues to make sure any changes will support this ambition.

We have started this work by delivering a large process mapping exercise involving members of the recruitment administration team and IT. This business improvement project work continues and is part of a wider long term project. We have already seen the benefit of some automation that will improve the process for the recruitment team and our candidates. We are also working through some challenges with our national Electronic Staff Record (ESR) system that create hurdles for some candidates with disabilities.

Analysis of Staff Costs

Analysis of staff costs between permanently employed and other staff. Permanently employed staff are those with a permanent (UK) employment contract with the Trust. Other staff includes those who do not have a permanent (UK) employment contract and includes bank, agency staff and other temporarily employed staff.

	Permanent £000	Other £000	2021/22 Total £000	2020/21 Total £000
Salaries and wages	156,917	-	**156,917**	**148,962**
Social security costs	16,055	-	**16,055**	**14,249**
Apprenticeship levy	775	-	**775**	**731**
Employer's contributions to NHS pensions	29,559	-	**29,559**	**27,875**
Pension cost - other (NEST)	67	-	**67**	**58**
Other employment benefits	(927)	-	**(927)**	**1,912**
Termination benefits	16	-	**16**	**-**
External Bank Staff	-	20,407	**20,407**	**19,984**
Agency/contract staff	-	6,006	**6,006**	**4,207**
Total staff costs	**202,462**	**26,413**	**228,875**	**217,978**
Included within:				
Costs capitalised as part of assets	373	-	**373**	**623**

Staff numbers (the following information is subject to audit)

Average number of employees (whole time equivalent basis)

Average number of employees (WTE basis)

	Permanent Number	Other Number	2021/22 Total Number	2020/21 Total Number
Medical and dental	186	15	**201**	**201**
Ambulance staff	3	-	**3**	**3**
Administration and estates	603	55	**658**	**672**
Healthcare assistants and other support staff	1,254	215	**1,469**	**1,474**
Nursing, midwifery and health visiting staff	1,065	135	**1,200**	**1,150**
Nursing, midwifery and health visiting learners	20	-	**20**	**20**
Scientific, therapeutic and technical staff	837	38	**875**	**816**
Healthcare science staff	11	2	**13**	**11**
Total average numbers	**3,979**	**460**	**4,439**	**4,347**
Of which:				
Number of employees (WTE) engaged on capital projects	7	-	**7**	**14**

Payments and Trade Union Time

Total number of employees who were relevant Trade Union officials during 2021/22

Number of employees who were relevant Trade Union officials during 2021-22	Full-time equivalent employee number
21	18.25

Table 2 - Percentage of time spent on facility time

Percentage of time relevant Trade Union officials employed by the Trust during 2021/22 spent on working on facility time:

Percentage of time	Number of employees
0%	0
1-50%	21
51-99%	0
100%	0

Table 3 - Percentage of pay bill spent on facility time

The percentage of the total pay bill spent on paying employees who were relevant Trade Union officials for facility time during 2021-22:

First Column in Table 2 above	Figures
Total cost of facility time	£22,794
Total pay bill	£228,502,000 (per annum)
The percentage of the total pay bill spent on facility time.	<0.01%

The Trust does not allow Trade Union representatives to attend meetings during work time which are defined by ACAS as: “time for which there is no specific right to be paid including meeting full-time officers, attending regional or branch meetings”.

The following information is subject to audit

Reporting of Compensation Schemes - Exit Packages 2021/22

	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
	Number	Number	Number
Exit package cost band (including any special payment element)			
<£10,000	-	6	**6**
£10,001 - £25,000	-	-	**-**
£25,001 - 50,000	-	-	**-**
£50,001 - £100,000	-	-	**-**
£100,001 - £150,000	-	-	**-**
£150,001 - £200,000	-	-	**-**
>£200,000	-	-	**-**
Total number of exit packages by type	**-**	**6**	**6**
Total resource cost (£)	0	26,000	**26,000**

Reporting of Compensation Schemes - Exit Packages 2020/21

	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
	Number	Number	Number
Exit package cost band (including any special payment element)			
<£10,000	-	4	**4**
£10,001 - £25,000	-	-	**-**
£25,001 - 50,000	2	1	**3**
£50,001 - £100,000	-	2	**2**
£100,001 - £150,000	-	-	**-**
£150,001 - £200,000	-	-	**-**
Total number of exit packages by type	**2**	**7**	**9**
Total resource cost (£)	61,000	168,000	**229,000**

Exit packages: other (non-compulsory) departure payments

	2021/22		2020/21	
	Payments agreed Number	Total value of agreements £000	Payments agreed Number	Total value of agreements £000
Voluntary redundancies including early retirement contractual costs	1	10	-	-
Mutually agreed resignations (MARS) contractual costs	-	-	-	-
Early retirements in the efficiency of the service contractual costs	-	-	-	-
Contractual payments in lieu of notice	5	16	5	56
Exit payments following Employment Tribunals or court orders	-	-	-	-
Non-contractual payments requiring HMT approval	-	-	2	112
Total	**6**	**26**	**7**	**168**

Off Payroll Arrangements Disclosure

The NHS Foundation Trust reports arrangements whereby individuals are paid through their own companies (and so are responsible for their own tax and national insurance arrangements, not being classed as Trust employees). The costs of these off-payroll engagements are recorded in the expenditure of the Trust, within consultancy costs. The Trust made zero "off payroll" payments from 1 April 2020 to 31 March 2021. The Trust's disclosure is below:

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

Number of existing engagements as of 31 March 2022	**0**
Of which...	
Number that have existed for less than one year at time of reporting.	0
Number that have existed for between one and two years at time of reporting.	0
Number that have existed for between two and three years at time of reporting.	0
Number that have existed for between three and four years at time of reporting.	0
Number that have existed for four or more years at time of reporting.	0

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

Number of off-payroll workers engaged during the year ended 31 March 2022	**0**
Of which:	
Not subject to off-payroll legislation *	0
Subject to off-payroll legislation and determined as in-scope of IR35 *	0

Number of off-payroll workers engaged during the year ended 31 March 2022	**0**
Subject to off-payroll legislation and determined as out-of-scope of IR35 *	0
Number of engagements reassessed for compliance or assurance purposes during the year	0
Of which: number of engagements that saw a change to IR35 status following review	0

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

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

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

Sickness Absence Figures

The Trust's Sickness Absence Figures are published on the NHS Digital website at:
NHS Sickness Absence Rates - NHS Digital

Modern Day Slavery Statement

This statement is made pursuant to Section 54 of the Modern Slavery Act 2015 and sets out the steps that Berkshire Healthcare NHS Foundation Trust has taken, and is continuing to take, to make sure that modern slavery or human trafficking is not taking place within our business or supply chain during the year ending 31 March 2022.

Modern slavery encompasses slavery, servitude, human trafficking and forced labour. Berkshire Healthcare has a zero-tolerance approach to any form of modern slavery. We are committed to acting ethically and with integrity and transparency in all business dealings and to putting effective systems and controls in place to safeguard against any form of modern slavery taking place within the Trust or our supply chain.

Our Policies on Slavery and Human Trafficking

Berkshire Healthcare is aware of our responsibilities towards patients, service users, employees and the local community and expects all suppliers to the Trust to adhere to the same ethical principles. We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our internal policies replicate our commitment to acting ethically and with integrity in all our business relationships.

Standard NHS Contracts and the Trust's contract specifications contain a provision around Good Industry Practice to ensure each supplier's commitment to anti-slavery and human trafficking in their supply chains; and that they conduct their businesses in a manner that is consistent with Berkshire Healthcare's anti-slavery policy. In addition, an increasing number of suppliers are implementing the Labour Standards Assurance System (LSAS) as a condition of contract for tenders within high risk sectors and product categories and indeed this has been referenced in the Government's Modern Slavery Strategy. Many aspects of the LSAS align to the seven reporting areas that the Government has outlined and should appear within any slavery and human trafficking statement.

We operate a number of internal policies which ensure that we are conducting business in an ethical and transparent manner. These include:

- **Recruitment** - We operate a robust recruitment policy, including conducting eligibility to work in the United Kingdom checks for all directly employed staff. Agencies on approved frameworks are audited to provide assurance that pre-employment clearance has been obtained for agency staff, to safeguard against human trafficking or individuals being forced to work against their will
- **Equal Opportunities** - We have a range of controls to protect staff from poor treatment and/or exploitation, which complies with all respective laws and regulations. These include provision of fair pay rates, fair terms and conditions of employment, and fair access to training and development opportunities
- **Safeguarding** - We adhere to the principles inherent within both our safeguarding children and adults' policies. These are compliant with the Berkshire multiagency agreements and provide clear guidance so that our employees are clear on how to raise safeguarding concerns about how colleagues or people receiving our services are being treated, or about practices within our business or supply chain.
- **Whistleblowing** - We operate a whistleblowing/raising concerns policy so that everyone in our employment knows that they can raise concerns about how colleagues or people receiving our services are being treated, or about practices within our business or supply chain, without fear of reprisals, and the various ways in which they can raise their concerns.
- **Standards of business conduct** - This code explains the manner in which we behave as an organisation and how we expect our employees and suppliers to act.

Our approach to procurement and our supply chain includes:

- Ensuring that our suppliers are carefully selected through our robust supplier selection criteria/processes
- Requiring that the main contractor provides details of its sub-contractor(s) to enable the Trust to check their credentials
- Randomly request that the main contractor provide details of its supply chain
- Ensuring invitation to tender documents contain a clause on human rights issues
- Ensuring invitation to tender documents also contains clauses giving the Trust the right to terminate a contract for failure to comply with labour laws
- Using the standard Supplier Selection Questionnaire that has been introduced (which includes a section on Modern Day Slavery)

- Trust staff must contact and work with the Procurement department when looking to work with new suppliers so appropriate checks can be undertaken.
- Supplier adherence to our values. We are zero tolerant to slavery and human trafficking and thereby expect all our direct and indirect suppliers/contractors to follow suit.
- Where it is verified that a subcontractor has breached the child labour laws or human trafficking, then this subcontractor will be excluded in accordance with Regulation 57 of the Public Contracts Regulations 2015. The Trust will require that the main contractor substitute a new subcontractor.

Training

Advice and training about modern slavery and human trafficking is available to staff through our mandatory safeguarding children and adults training programmes, our safeguarding policies and procedures, and our safeguarding leads. It is also discussed at our corporate induction training which is mandatory for all our new starters. We are looking at ways to continuously increase awareness within our organisation, and to ensure a high level of understanding of the risks involved with modern slavery and human trafficking in our supply chains and in our business.

Our Performance Indicators

We will know the effectiveness of the steps that we are taking to ensure that slavery and/or human trafficking is not taking place within our business or supply chain if there are no reports received from our staff, the public, or law enforcement agencies to indicate that modern slavery practices have been identified.

Counter fraud activity

The Trust operates a robust arrangement for minimising the risk of fraud and meets the requirements of the Secretary of State that each health body nominate an officer to act as its Local Counter Fraud Specialist. As well as handling suspected cases of fraud, the service provides awareness and education support to help embed an 'anti-fraud' culture throughout the organisation. There is a clear policy on counter fraud together with other provisions to support staff in raising concerns about possible fraudulent activity.

Health and Safety

The Trust's arrangements for the health and safety of staff, patients, visitors and others are set out in a clear organisational policy that emphasises the organisation's commitment to providing a safe place to work and a healthy environment for all. A comprehensive suite of policies and procedures are in place to ensure that risks to the health and safety of all are minimised and these policies and procedures are reviewed regularly to ensure the effectiveness of the Trust's health and safety management system. The Trust produces an annual Health and Safety report, which reviews the Trust's performance on a range of categories, comparing results to the previous year and national figures. Key points of note include:

- The Trust received no Enforcement Notices in 2021.

- There were eight incidents reported under the RIDDOR regulations in the year 2021, showing a decrease of one incident compared to 2020. Manual Handling, Assaults and Slips, Trips & Falls remain the main incident types reported under RIDDOR.

- During 2021 the Trust reported 861 physical assaults against staff. This is an increase of 283 (49%) compared to 2020. The Trust also reported 938 Non-Physical Assaults against staff, an increase of 512 (120.2%) over the previous year.

- Seven fires were reported during 2021. All seven were arson, with one being in the community at a patient's home, and six at Prospect Park Hospital. This is an increase of 133% on the previous year's arson figure.

- Compliancy in statutory training: Fire Awareness – The number of staff trained throughout 2021 has averaged 89.15% over the year. This falls short of the Trust's target of 95% compliance.

- Compliancy in statutory training: Health & Safety - The number of staff trained throughout 2021 has averaged 94.53%. This is above the Trust's target of 90% compliance.

Julian Emms
Chief Executive
4th October 2022

COUNCIL OF GOVERNORS

The Trust's Council of Governors plays a crucial role in the governance of the Trust providing a forum through which the Trust Board is accountable to the local community. The Council discharge a number of key responsibilities including:

- Representing the interests of the Trust's members and stakeholder organisations in the governance of the Trust
- Appointing or removing the Chair and other Non-Executive Directors
- Approving the appointment (by the Non-Executive Directors) of the Chief Executive
- Deciding the remuneration, allowances and other terms and conditions of office of the Non-Executive Directors
- Holding the Non-Executive Directors to account for the performance of the Board
- Considering the annual accounts, plus any report of the external auditor on them, and the annual report
- Appointing the External Auditors
- Developing and approving the Trust's membership strategy
- Providing views to the Trust Board on the Trust's forward planning
- Undertaking functions requested from time to time by the Trust Board
- Attending events in order to engage with members and the public
- Attendance at the Annual Members Meeting.

Membership of Council

During 2021-22 there were 32 positions on the Council of Governors:

- 23 elected from the public and staff constituencies
- 9 appointed from local authorities, universities and voluntary organisations

The elected governors were drawn from the following constituencies:

- Public constituency – total of 19
- Staff constituency – total of 4

The following table shows the attendance record of Governors at Council meetings during the year. Due to COVID-19 social distancing requirements, the meetings were held virtually.

Name	Constituency	Meetings attended/possible
Raymond Buckland	Public – West Berkshire	4/4
Ros Crowder	Public – West Berkshire	3/4
Verity Murricane	Public – West Berkshire	3/4
Madeline Diver	Public – Bracknell	4/4
Rosemary Stent	Public – Bracknell	4/4
Brian Wilson	Public – Bracknell	4/4

Name	Constituency	Meetings attended/possible
John Barrett	Public – Windsor, Ascot & Maidenhead	3/4
Tom O'Kane	Public – Windsor, Ascot & Maidenhead	1/4
Gillian Mohamed	Public – Windsor, Ascot & Maidenhead	0/4
Natasha Afful	Public – Slough	2/4
Ruffat Ali-Noor	Public - Slough	0/4
Nigel Oliver	Public – Slough	0/4
Andrew Horne	Public – Wokingham	3/3
Joan Rosalind Moles	Public – Wokingham	3/4
John Jarvis	Public - Wokingham	3/4
Jon Wellum	Public - Reading	4/4
Paul Myerscough	Public – Reading	3/4
Tom Lake	Public – Reading	4/4
Amran Hussain	Rest of England	2/4
Julia Prince	Staff – Clinical	2/4
Guy Dakin	Staff – Non-Clinical	3/3
June Carmichael	Staff - Non-Clinical	3/4
Natasha Berthollier	Staff – Clinical	2/4
Isabel Mattick	LA – Bracknell	3/4
Deborah Edwards	LA - Reading	4/4
Graham Bridgman	LA – West Berkshire	3/4
Natasa Pantelic	LA – Slough	0/3
Julian Shape	LA – Windsor and Maidenhead	0/4
Jenny Cheng	LA – Wokingham	3/4
Arlene Astell	Reading University	1/4
Suzanna Rose	British Red Cross	4/4
Richard Noakes	Young People with Dementia	1/1
Charlie Draper	Young People with Dementia	0/1

LA = Local Authority

During 2021-22 there were four formal meetings of the Council which were conducted virtually. Publicity was given through the Trust's website. From September 2020, the recording of the full Council meetings has been published on the Trust's website along with the agenda and meeting papers.

In September 2021, the Trust held a virtual Annual Members Meeting where the Trust's Annual Report and Accounts were presented.

The annual election of Lead and deputy Lead Governor also took place in September 2021 with Governors appointing Paul Myerscough as Lead Governor and appointing Jon Wellum as Deputy Lead Governor. The Council has also put in place a structure of committees and steering groups to help fulfil its duties and each Committee reports back to the full Council at each Council meeting. The Committees/Groups are:

- Membership and Engagement Group
- Living Life to the Full Group

- Appointments and Remuneration Committee
- Quality Assurance Group

Working Relations between the Council and the Trust Board

Strong working relationships continue between the Council and Trust Board with regular engagement, involving Executive and Non-Executive Director attendance at virtual Council meetings, joint meetings between Council and the Board, including two meetings a year specifically with Non-Executive Directors. The Joint Trust Board and Council of Governors meeting held in November each year focusses on the Trust's forward plan and provides an opportunity for governors to input into the forward plan and to feedback any views from their local communities.

The Chief Executive attends all meetings of the full Council and other Executive Directors attend as and when required. The meetings held with Non-Executive Directors have been useful in supporting Governors to discharge their duty to hold the Non-Executive Directors to account for the performance of the Board and for seeking assurance on service quality and financial sustainability. For new Governors joining the Trust during the year induction training was provided involving the Trust Chair and Company Secretary.

Governors have an opportunity to submit written questions in advance of the informal Joint meetings with the Trust Board and Council of Governors. The Chief Executive and other Executive Directors provide written answers to the questions at the meetings. The Chair holds regularly informal virtual "Coffee Morning" sessions which are open to all governors. This provides an opportunity for governors to raise issues with the Chair and to discuss relevant issues in between the formal meetings.

Council of Governors and Trust Board Dispute Process

In the event of any dispute between the Council of Governors and the Trust Board, the Chair on the advice of the Company Secretary, and such other advice as the Chair may see fit to obtain, shall seek to resolve the dispute. if the Chair is unable to resolve the dispute he or she shall appoint a special committee comprising equal numbers of Directors and Governors to consider the circumstances and to make recommendations to the Council of Governors and the Trust Board with a view to resolving the dispute. If the recommendations (if any) of the special committee are unsuccessful in resolving the dispute, the Chair may refer the dispute back to the Trust Board who shall make the final decision.

The Trust's Constitution sets out the process for the Council of Governors to remove the Trust's Chair and Non-Executive Directors in the event that all other means of engaging with the Trust Board have been exhausted.

Farewell and welcome

In 2021-22 a number of Governors left, and we welcomed others. Whilst it is always disappointing to lose enthusiastic and experienced Governors, Council benefits immensely from the injection of different perspectives and ideas that new Governors bring.

Our thanks go to our departing Governors: Ray Fox, Public Governor, Amrik Banse, Public Governor and Andrew Horne, Public Governor.

We warmly welcomed: Ros Crowder, Public Governor, Raymond Buckland, Public Governor, Madeline Diver, Public Governor, Rosemary Stent, Public Governor, Brian Wilson, Public Governor, Natasha Afful, John Jarvis, Public Governor, Amran Hussain and Public Governor. We also welcomed back Ruffat Ali-Noor, Public Governor and Natasa Pantelic, Local Authority Governor.

Governor Expenses

The role of Governor is unpaid; however, they are entitled to claim reimbursement of expenses, such as travel and subsistence costs. During 2021-22 no governor claimed expenses due to meetings being conducted online via Microsoft Teams.

Elections

Public and Staff Governors are elected by the membership of the relevant constituency and they serve for a period of three years. They can be re-elected and can serve for a maximum of nine consecutive years.

The following table provides information on the results of Governor Elections held during the year:

Date of Election	Constituency	Election turnout %
June 2021	Bracknell	10.0%
June 2021	Reading	6.4%
June 2021	Rest of England	11.6%
June 2021	Staff – Non-Clinical	27.3%
June 2021	Slough	Uncontested
June 2021	Wokingham	Uncontested

All elections were completed and supervised by Civica Election Services and were conducted in accordance with the Trust's Constitution.

Partnership Governors are appointed by the relevant organisation.

Register of interests

A register of interests is maintained for Governors. It is available by contacting the Trust's Company Secretary.

MEMBERSHIP

Berkshire Healthcare became an NHS Foundation Trust in 2007. This status allows us to make a range of decisions independently from direct government control. NHS Foundation Trusts are accountable to their staff, patients and local communities through their members and governors. All NHS Foundation Trusts have a duty to engage with their local communities and encourage local people to become members of their organisations. As an NHS Foundation Trust, we are required to maintain a membership which is representative of the communities we serve. Our members and Governors help us shape our plans for the future and make sure that the services we provide reflect what is needed locally.

Anyone over the age of 12 can become a member of our Trust, although we do not actively look to recruit anyone under the age of 16. The Marketing and Communications Team is currently responsible for recruiting and engaging with our membership. Between April 2021 to March 2022, our total membership numbers have generally remained the same, increasing by 6 from 12,430 to 12,436.

During this period, our focus has been on maintaining membership numbers rather than growing them, as we're comfortably over our goal target number of 10,000 members. However, we have worked with a range of our services to encourage them to promote membership to their patient groups, particularly our Talking Therapies team. Our staff automatically become members when they join but can opt out if they choose to do so.

Engagement with our members

Over the last year, engagement with our members has included an invitation to attend our second virtual Annual General Meeting, becoming a Governor, information about voting for governors, and quarterly digital newsletters covering key health topics and information, including COVID-19 updates, such as visiting information, changes to services and vaccination signposting. Reading Pride, a key member recruitment event was cancelled in 2020 due to the pandemic but was resumed in 2021. Our Marketing and Communications colleagues were in attendance, and signed up new members, as well as signposting visitors to health checks, a variety of relevant services available to them and career opportunities. Our current membership numbers in each local authority are shown below.

Current public membership by local authority area on 1 April 2022

Locality	Public	% of membership	Base	% of locality
Bracknell	916	11.92	123,416	13.39
Reading	1,949	25.35	165,151	17.91
Slough	731	9.51	150,992	16.38
West Berkshire	738	9.60	159,855	17.34
Windsor and Maidenhead	643	8.37	151,957	16.48
Wokingham	995	12.94	170,560	18.50
Rest of England	1,423	18.51	0	0.00
Out of Trust Area	292	3.80	0	0.00
Total	**7,687**	**100.00**	**921,931**	**100.00**

Most of our members live in Berkshire, however a few live further away and have an interest in our organisation. They may be:

- carers who look after, or are responsible for, someone who uses our services
- members of staff
- someone who has moved away from the county and wishes to maintain links with us

These members are part of our 'Rest of England' constituency. The 'Out of Trust Area' category refers to members whose postcode isn't recognised. Our database provider, CIVICA Group, use the Royal Mail Postcode Address File for UK addresses.

The table below shows the size of our current membership and the movement in numbers of members compared to 2020-2021.

Membership size and movements on 1 April 2022

Public constituency	**2020/2021**	**2021/2022**	**Percentage change**
At year start (1 April)	7,717	7,703	-0.18%
New members	40	100	+150%
Members leaving	84	84	0%
At year end (31 March)	7,673	7,687	+0.18%
Staff constituency	**2020/2021**	**2021/2022**	**Percentage change**
At year start (1 April)	5,311	4,809	-9%
New members	716	884*	+23%
Members leaving	1,270	1,920*	+51%
At year end (31 March)	4,757	4,749	-0.16%

*We perform a quarterly staff data cleanse, which falls between March and April. This is why the staff members leavers and new members constituency figures increased sharply in comparison to the year before, as shown in the table above. We also conduct monthly data refreshes for our staff to ensure our data is up to date.

The above table shows that there we had more public members signing up this year in comparison to the year 2020-2021, but our total figures have remained consistent at over 12,000 members.

Public membership analysis

The following table shows our public membership by age, ethnicity, socio-economic background and gender. Membership population figures have been provided by CIVICA Group, our database provider, and are taken from the 2011 census.

The index column displays how on target we are with representing the communities we serve. A score under 100 means there is an under representation and a score above 100 indicates an over representation. However, not all members have provided full details to allow for accurate classification.

Analysis of our public membership on 1 April 2022

Red indicates under representation in the particular membership category
Green indicates over representation in the particular membership category

Age	**No. of public members**	**Population**	**Index**
0-16	5	209,494	0
17-21	100	50,718	24
22+	6,196	661,883	112
Not stated*	1,386	0	0
Gender	**No. of public members**	**Population**	**Index**
Unspecified*	764	0	0
Male	2,521	460,275	66
Female	4,396	461,819	114
Other	6	0	0
Prefer not to say	0	0	0
Ethnicity	**No. of public members**	**Population**	**Index**
Asian	647	111,616	65
Black	249	29,968	93
Mixed	145	22,158	73
Other	1,235	8,250	1,678
White	5,407	689,878	88
ONS/Monitor Classifications	**No. of public members**	**Population**	**Index**
AB	2,143	115,259	89
C1	2,208	113,232	93
C2	1,403	67,293	99
DE	1,559	70,510	105
Wellbeing Acorn Group	**No. of public members**	**Population**	**Index**
Health Challenges	627	62,309	121
At Risk	1,343	152,247	106
4Caution	2,269	249,972	109
Healthy	2,886	447,402	77
Not Private Households	0	10,164	0
Not available	562	0	0
Total membership	**7,687**	922,095	

Our plans for 2022-2023

Although COVID-19 restrictions have been lifted for the general public, it very much still remains present in healthcare settings. We are therefore still focussing on managing and prioritising this, so some of our membership activity remains temporarily paused, including the development of an updated membership strategy. We will review our membership strategic goals and activity and will launch a new strategy by the end of 2022.

For the year 2022 and 2023, we will continue to use our social media channels and e-newsletter to maintain levels of engagement, and we will continue to communicate key information to all our members. We will also continue to liaise with services to promote the benefits of membership and attend Reading Pride again this year to encourage more members to sign up.

We will also be focusing on improving the quality of our public and staff member data, which will include updating key classifications such as age and ethnicity, to help make sure we maintain a good representation of our communities.

Contacting our Governors or Directors

Details of our Governors, as well as our Executive Directors and Non-Executive Board members, can be found in the 'About us' section of our website: www.berkshirehealthcare.nhs.uk

PUBLIC DISCLOSURES

Accounts note

NHS Improvement has directed that the financial statements of NHS Foundation Trusts shall meet the accounting requirements of the NHS Foundation Trust Financial Reporting Manual which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the 2021-22 NHS Foundation Trust Annual Reporting Manual issued by NHS Improvement. The accounting policies contained in that manual follow International Financial Reporting Standards (IFRS) and HM Treasury's Financial Reporting Manual to the extent that they are meaningful and appropriate to NHS foundation trusts. The accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

Cost allocation

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

Berkshire Healthcare NHS Foundation Trust

Annual accounts for the year ended 31 March 2022

Foreword to the accounts

Berkshire Healthcare NHS Foundation Trust

These accounts, for the year ended 31 March 2022, have been prepared by Berkshire Healthcare NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006

Signed .....

Name **Julian Emms**
Job title **Chief Executive**
Date **5th October 2022**

Statement of accounting officer's responsibilities

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

NHS Improvement, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require Berkshire 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 Berkshire NHS Foundation Trust and of its income and expenditure, other items of comprehensive income and cash flows for the financial year.

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

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

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

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

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

Julian Emms, Chief Executive Officer
Date: 5th October 2022

Annual Governance Statement

Scope of responsibility

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

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 Berkshire Healthcare 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 Berkshire Healthcare NHS Foundation Trust for the year ended 31 March 2022 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The existing comprehensive Risk Management Strategy has been reviewed and approved by the Executive and the Board. It has been disseminated through the Trust. The Chief Financial Officer and Director of Nursing and Therapies provide overall leadership for integrated governance at Board level. The Medical Director is the Caldecott Guardian. The Deputy Chief Executive is the Senior Information Risk Owner.

The Chief Executive chairs the Executive Business and Finance Committee which has oversight of the Board Assurance Framework (BAF) and Corporate Risk Register (CRR) and the Executive Quality and Performance. Both these committees include the Chief Financial Officer who is Chair of the Non-Clinical Risk Management Committee, and the Director of Nursing and Therapies who is Chair of the Safety, Experience & Clinical Effectiveness Group together with the rest of the Executive Directors and senior management representatives. The Committee meets monthly and reviews the BAF and entire CRR as standing items every two months.

The Executive routinely oversees the effectiveness of all other Committees within the governance structure through the receipt of minutes and reports via each of the two Formal Executive Committees (Business & Finance, Quality and Performance).

The Trust operates in a complex environment with many services dispersed around the county. Each service has its own Risk Register regularly reviewed through line management arrangements. The Trust's Operational Leadership Team (chaired by Chief Operating Officer) has responsibility for ensuring that all locality Risk Registers are up to date and show a true reflection of the risks that may face that service. Directors leading corporate services have the responsibility for ensuring similar Risk Registers are in place for support services. Escalation of appropriate local service level risks to the CRR is undertaken if necessary following review by the relevant Executive Director.

Risk Management training is part of the corporate induction for all new staff. In addition, all existing staff are required to undertake all mandatory training in the year, to comply with the CQC's Essential Standards of Care; this training includes Fire, Lifting and Handling and Health and Safety. Clinical staff undertake additional clinical mandatory training, which includes an update on clinical risk management.

All Policies and Procedures are published on the Trust intranet and are available to all staff. Relevant Policies include as example, Serious Untoward Incidents, Health and Safety, Infection Control, Information Governance and Freedom to Speak Up: Raising Concerns (Whistle Blowing) policy.

The Trust Audit Committee as the senior Board Sub Committee responsible for corporate governance assurance continues to review risk reporting and risk management and has done so during 2021/22. The Audit Committee continues to seek best practice guidance with which to inform it.

The risk and control framework

The Trust's Risk Strategy seeks to minimise risk to the Trust's stakeholders through a comprehensive system of internal controls, risk management and assurance processes, whilst maximising the potential for flexibility, innovation, and best practice in the delivery of its strategic objectives. It seeks to deliver high quality, safe services for service users and secure the health, safety, and welfare at work of all employees and others on the Trust premises.

The Trust uses a standardised risk assessment tool that enables risks to be graded and scored. The tool requires the individual reporting the risk to determine the risk level at the time of detection and to forecast the risk level that will be achieved following implementation of a risk mitigation plan. The risks to delivery of corporate objectives on the BAF and relevant risks on CRR have been reviewed in detail by the Board, Audit Committee and Finance, Performance, and Investment board sub-committee during the year

The Trust recognises that it is not possible or always desirable to eliminate all risks and that systems should not stifle innovation. When all reasonable control mechanisms have been put in place some residual risk will inevitably remain in many Trust processes and this level of risk must be accepted. Risk acceptance within the Trust is systematic, explicit, and transparent. Where residual risk remains, the risk will remain on the BAF, CRR or local risk register. This ensures that it is reviewed through the control systems rather than having been removed from the register and therefore out of sight.

The Safety, Experience & Clinical Effectiveness Group chaired by the Executive Director of Nursing & Therapies provides group provides the oversight of trust-wide strategic quality and safety related meetings such as Safeguarding Adults/Children, Drug and Therapeutic committees. The Group reports to the Quality and Performance Executive Committee chaired by the CEO and is the lead Executive committee for assuring the quality and safety of services through to the Board Quality Assurance Committee and the Audit Committee, with the Audit Committee providing overall governance assurance and scrutiny.

Routine assurance of compliance with CQC registration requirements and fundamental standards of care is undertaken by the Divisional Patient Safety and Quality Groups. Clinical services review their compliance with CQC standards as part of ongoing monitoring reported into Patient Safety and Quality Groups and through supportive internal inspections coordinated by the Trust Patient Safety Team. Where recommendations for improvement arise from the internal inspections, service level action plans are developed and followed up to ensure continuous improvement. Quality Improvement methodology is used to support ongoing improvements at both Trust and local level.

The Trust was subject to core services and well led inspections by the CQC in November and December 2019, which in March 2020 resulted in an "Outstanding" overall rating for the organisation and its services. The Trust achieved "Good" ratings across inspection domains for Safety, Effectiveness and Caring. The Trust was rated 'Outstanding' in the Responsive and Well Led[1] [1]domains, confirming the leadership and governance arrangements within the Trust are of a high quality and robust. This was the second year running the Trust has been rated "Outstanding" in the well led domain.

Performance information related to quality and patient safety metrics are reviewed and cross referenced with other intelligence available to the governance team prior to inclusion in Trust performance and quality reporting. The metrics are regularly reviewed with the governance and performance team.

[1] NHS England and NHS Improvement's Well-led Framework is published at https://www.england.nhs.uk/well-led-framework/

Governance of data quality in relation to quality metrics is overseen by the Audit Committee through review of the Trust's Information Assurance Framework.

The Trust completes the Data Security and Protection Toolkit each year and, in this year, has achieved a "standards exceeded" green rating, supported by over 95% of staff completing annual information governance training.

Ultimate responsibility for Information Security rests with the Chief Executive of the Trust. This responsibility is delegated to the Deputy Chief Executive as SIRO. Responsibility is further delegated to all staff developing, introducing, managing, and using information and information technology systems through the medium of the Information Governance policy.

The Trust IT Compliance & Audit Manager is responsible for the co-ordination of all aspects of computer security and for ensuring that the Trust Information Governance Policy and practice is consistent with those defined and published by the NHS.

Service managers are responsible for the protection of all information and information technology assets within their department.

Line Managers are responsible for ensuring that their permanent and temporary staff and contractors are aware of the following:

- The information security policies applicable in their work areas.
- Their personal responsibilities for information security.
- How to access advice on information security matters.

All staff must comply with Information Governance security procedures including the maintenance of data confidentiality and data integrity. Failure to do so may result in disciplinary action. The Information Security Policy is maintained, reviewed, and updated by the Trust. This review takes place annually.

Contracts with external contractors that allow access to the Trust's information systems must always be in operation before access is allowed. These contracts will ensure that the staff or sub-contractors of the external organisation will comply with all appropriate security and confidentiality policies.

The Trust is ever conscious of cyber security risk and is performing strongly against NHS Improvement's cyber security standards and retained cyber essentials plus re-accreditation in 2021/22. The Trust also welcomed the ICO during 2020/21 to review cyber security and information governance arrangements, receiving a high assurance audit rating from the ICO team in both domains. The Executive Committee, Audit Committee and Board receive regular updates on risks and mitigations in this area.

The BAF contains the following key current and future business and operating risks:

Key Risk	How they are managed / mitigated
Due to national workforce shortage and increasing scarce supply, pressure driven by new funding to meet demand and service development, there is a risk of failure to recruit, retain and develop the right people in the right roles at the right time and at the right cost which could impact on our ability to meet our commitment to providing safe, compassionate, high-quality care and a good patient experience for our service users	• Development of People and Equality, Diversity and Inclusion Strategies approved by Board in November 2020 focusing on key themes: o Growing & Retaining our People: Attraction & Retention o Training & Clinical Education o Wellbeing & Rewards o Just Culture o Talent & Leadership – o Remote working & digital transformation • Strategic People Group and Diversity Steering Group provides oversight of this work monthly
Failure to achieve system defined target efficiency and cost base benchmarks lead to	• The Trust has delivered better than plan in 2021/22.

an impact on funding flows to the Trust, and underlying cost base exceeding funding. Risk is described in the context of system funding allocations (CCG, spec comm budgets etc) being allocated and controlled at ICS level, flowing to providers on a risk share and/or relative efficiency basis.	• Trust planning and delivering expenditure and resources within system funding allocations • Trust Business Group/Business & Finance Exec and Finance, Investment and Performance Committee and Board oversight
There is a risk that with advent of Integrated Care Boards, placing our two Integrated Care Systems on a statutory footing from July 2022 (subject to passing of the Bill), the Trust's position of influence in our systems is eroded, system partners may seek to position for opportunities around us, and our capacity to transform mental health and community services for our Berkshire Population will be constrained.	• Strong Trust representation on both the East and West Integrated Care Systems with Executive and senior leadership leading/engaged in key system transformation and provider collaborative programmes • Trust representation on partnership fora is well managed, including chair or SRO roles to system transformation and governance meetings • Trust is lead for BOB ICS on Ageing Well programme, developing community services to meet new national response targets of 2-hour crisis and 2-day rehab. • Trust CEO chairs Frimley ICS people programme board and Berkshire West ICP executive, where system priorities alongside covid response are being determined.
There is a risk of a rise in demand for community and mental health services and a lack of available capacity will have a significant adverse impact on some services. Services have been impacted by the pandemic which has led to an increase in the number of services with demand challenges and the need for response to unmet and increased activity. The services with the greatest risk are Mental Health Inpatient, Community Nursing, Neurodiversity (ASD & ADHD) and Common Point of Entry currently.	• Project work on PICU demand and 60day+ length of stay is being progressed by PPH team using QI methodology. • 21/22 investment agreed with commissioners to improve wait times for CAMHS ASD/ADHD services as required by CQC • Investment in additional contracted beds • Workforce Strategy has been developed and presented to board Focussed support for recruitment & retention continues for services that have workforce gaps • Improving CAMHs Pathways project to develop pathways with clear inclusion criteria, clinical offer, structures to support to reduce demand, reduce wait times, improve productivity and outcomes • QI Strategic Initiative underway to review demand and capacity of clinical services.
Trust network and infrastructure at risk of malware attack which could compromise systems leading to unavailability of clinical systems, loss of data, ransom demands for data and mass disruption.	• Latest Anti-malware software is installed on all computers and servers and networks protected by firewalls • Range of tools deployed, incoming email scanning, website filtering, critical security patch deployment • Information security policy in place which details acceptable use of IT. • Incident response is in place in IT to mitigate and contain attacks • Alerts are received from NHS Digital regarding high priority vulnerabilities requiring attention.

COVID 19 and planning for potential future infection surge 1. There is a risk that the Trust may be unable to maintain the standards of safe and high-quality care for patients we aspire to as an organisation because of the challenges of responding to potential further waves of COVID-19 alongside other viruses such as Norovirus and Flu over the winter period. 2. There is a risk that there may be insufficient staff to provide safe care due to staff acquiring Covid 19 infection and other viruses more common over the winter months like Norovirus and Flu 3. There is a risk that staff who could potentially transmit infection to patients and other staff in the trust where they are asymptomatic. 4. There is a risk that lessons from previous Covid infection surges will not be fully learned, and essential improvements may not be implemented as population infection rates reduce 5. There is a risk that patients have an adverse outcome resulting from unmet healthcare needs and waiting times as a result of Covid 19 19 and other viruses more common in the winter causing surge pressure on services. There is a risk that the Trust may be unable to maintain the standards of safe and high-quality care for patients we aspire to as an organisation because of the challenges of managing services during future waves of the COVID-19 pandemic where staff in medium and low priority services may have to be redeployed to support critical and high priority services. Routine face to face appointments have been replaced with remote consultations were appropriate. Urgent face to face and crisis appointments have continued throughout where needed. There is a risk that workforce pressures and constraints may impact on decision making about appropriateness of undertaking virtual/ telephone contact versus face-to-face contact. The impact of COVID-19 on services and staff and their ability to remain resilient and at work needs to be a continued focus.	• Non-patient facing staff have been able to work at home • Virtual all staff Teams live meetings ensure that staff are informed and have a means to ask questions • Sufficient central supply of Personal Protective Equipment • Online and telephone consultations have enabled service users to access services • Lateral-flow self-testing commenced week beginning 23 November 2020 • Sit Rep and System reporting to Public Health England in place • Co-ordinated system level Surge and Summer/Winter Reliance Plan • Staff vaccination uptake monitored and process and communication in place to ensure that all staff are offered vaccination when able, the COVID-19 booster and also their annual flu vaccination • Establishment of a data base of displaced staff who are be re-deployed in other roles across the Trust • The Head of Psychological Therapies has led work to establish a tiered wellbeing offer including psychological support for staff • Establishment of demand and capacity modelling tool (service activity)

The above BAF risks can also be deemed to be "principal" risks to maintaining the NHS Foundation Trust licence condition 4 (FT governance). Further risk control and mitigation assurance is described throughout this Annual Governance Statement in terms of the governance structures and processes (Board and Executive and local level) that the Trust operates to minimise risk against this operating licence condition.

Risk management is embedded in the organisation through, for example, a locality represented Health & Safety Committee reporting into the Executive Non-Clinical Risk Committee, chaired by the Chief Financial Officer. Local risk registers are directly managed at service level with local risks and mitigation overseen by and reported up through the Operational and Senior Leadership Teams for escalation through to an Executive Director and the BAF / Corporate Risk Register. Local risk registers are used as a key business planning tool supporting service delivery.

Incident reporting enables the Trust to understand and manage risks associated with patients and staff. Incidents, investigation outcomes and trends are reviewed and discussed at service level and reported to the Quality and Performance Executive Committee with Board level scrutiny undertaken by the Finance, Investment and Performance, Audit and Quality Assurance Committees. Reporting trends are monitored to ensure all services in the Trust are reporting and if concerns are raised staff are reminded of their responsibility to report. As learning outcomes are shared across the organisation staff can see the value of reporting and the resulting change.

As a Trust the Board of Directors is accountable to the Council of Governors. The Trust's Council comprises a mix of appointed and publicly elected Governors. The Board provides the Council with information on key strategic risks and performance at each Council meeting. In addition, the Trust reports all Serious Incidents to our commissioners as part of the contractual arrangements and works with Local Authority Health Overview and Scrutiny Committees and Health and Wellbeing Boards to address issues raised by the public and/or local councillors.

The Trust has mechanisms in place to assure the Trust Board that workforce issues are a focus and priority.

Each month key workforce data including turnover, vacancies, sickness, appraisals, and training are reported to the Executive Quality and Performance committee and the reports from this meeting are reviewed at the Finance, Investment & Performance sub-committee of the Board. The Board also receives a six-monthly report on formal HR processes including disciplinary and grievance activity.

Alongside workforce metrics, committees also review the monthly ward Safe Staffing report, which includes a declaration from the Director of Nursing and Therapies. An incident reporting system is used to report risks from reduced ward staffing and processes are in place to support escalation and actions to mitigate risk. Any changes to staffing and skill-mix in any services are supported by a QIA

The Finance, Investment and Performance board sub-committee receive updates on progress against the Trust's People Strategy and further to this a biannual report is submitted to the Trust Board covering key elements of the People Strategy, and progress on actions. The Deputy Chief Executive and Director of People attend the Board to present the report and take any questions, feedback, and respond to concerns. The People Strategy covers all aspects of the workforce, and the report explains what we are doing today to resolve current issues, and what the plans are for managing longer term issues and those priority areas identified in the NHS Long term Plan and the workforce risk on the Board Assurance Framework.

Every six months a detailed safe staffing report is presented to the Quality and Performance Executive Committee and the Board, this report details use of evidence-based tools (where they exist), professional judgement, outcomes alongside other staff and workforce data to provide a triangulated view of safe staffing on the wards.

The Board Assurance Framework captures the risks associated with the workforce and currently identifies the recruitment and retention of the workforce as a key priority. This risk is discussed at the monthly Strategic People Group, attended by Divisional Directors and some Service Leads. The risks are discussed, and mitigations are agreed and reported back through Executive Committee to the Trust Board.
The Trust has a dedicated Workforce Planning and Temporary Staffing Lead whose role is to ensure that we have safe levels of staffing; that we respond to planned and unplanned workforce challenges and can deploy fixed and temporary staffing effectively and to work with services to continue to monitor and review roles and skills mix to ensure the most effective use of available resources. The Trust has a new balanced workforce model which aims to reduce our workforce gaps and the associated risk this

presents to the organisation. Safe Staffing reports are routinely presented to the Trusts Quality Executive and the Finance, Investment and Performance Board Subcommittees as well as the Board. As part of this model, the trust has invested an additional £1.5m into growing our own clinical workforce through apprenticeships for hard to fill roles. We are also trialling the use of "temp to perm" staff so that we have a consistent supply of trained bank staff ready to step into permanent roles when they become available.

We are working with the BOB and Frimley ICSs to conduct a series of workforce deep dives with key services to ensure that our staffing processes are safe, sustainable and effective in the short and long-term. As part of these reviews, we will look at skill-mix and the use of new roles to complement existing staffing. The Trust is also acting as the BOB ICS lead for the Reservist Workforce Project and trialling new ways to respond to planned and unplanned workforce demands. This includes working with NHSP, our temporary staffing provider, to develop a bank of reserve workers who will commit to a minimum of 30 hours work per year.

If a concern arises then a Non-Executive may lead a discussion with Executive Directors and other key individuals. After one such discussion, the Director of People reports quarterly to the Finance, Investment and Performance Board on retention actions, impact, and metrics. The Board has appointed a Non-Executive Wellbeing Guardian to provide scrutiny and assurance to the work of the Trust in support of our staff and the requirements of the NHS People plan.

The Trust is fully compliant with the registration requirements of the Care Quality Commission.

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

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.

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with.

The Trust has 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.

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

The Board of Directors receives a report on key driver and tracker metrics at its formal public meetings. These metrics cover service activity, quality, patient safety, workforce and cost as well as the patient experience.

The Finance, Investment & Performance sub-committee of the Board scrutinises this financial and performance information in detail on a regular basis, providing further assurance to the Board of Directors.

The Business and Finance Executive committee review and scrutinises monthly performance and signals where further work needs to be undertaken to understand the data and/or improve performance. The Operational Leadership Team's divisional performance review meetings chaired by the Chief Operating Officer, review service performance routinely and drill down to individual service lines.

The above system ensures that the Trust performs within the agreed parameters of economy, efficiency and effectiveness and should those parameters be breached, is able to quickly identify issues and put in place plans to improve performance.

Through the audit programme internal and external audit provide further external assurance to the Board on economy, efficiency, and effectiveness of use of resources.

Information governance

The Trust had two incidents in the 2021/22 period were reportable to the ICO based on the impact of the incidents.

The first incident involved a core group facilitated by a Health Visitor in which a child's father was supposed to be invited to part 1 only due to the mother and child being in a refuge. At the beginning of the meeting the Health Visitor introduced herself and the locality in which she works. Following this the father then travelled to the locality and found the refuge in which the mother and child were placed. They were then moved to a new refuge in another area of the country.

The service created a working party to look at best practice when working with families in refuges. It is important staff introduce themselves to families when meeting them for the first time but some scenarios mean that providing specific information on the locality covered by their role may not be safe or appropriate. The service also looked at how much information can be seen about a member of staff and the role they provide/organisation they work for through meeting families on Teams.

The second incident involved a referral made to the Trust by a voluntary sector organisation. This referral contained an incorrect address for the client being referred. On receipt of the referral Trust staff uploaded the information to the clinical records system and created a record for the client, including the incorrect address provided by the referrer. Subsequent letter communications to the client were sent to the incorrect address, this included an assessment report containing mental health and medication information. The client received a phone call from an unknown person stating they had received the report to their address and opened it, despite it not being addressed to them by name (it was addressed to the name of the client). They proceeded to discuss the content of the report with the client.

This incident is still under investigation and an action plan will be agreed as part of the investigation process.

The Trust also proactively reported three information governance breaches and one information security issue which were not formally reportable, but the Trust made the decision to notify the ICO for transparency. No action was taken by the ICO on these and they were not investigated outside of the local Trust incident investigation and review processes.

The Trust continues to support services reporting breaches of all severity levels, the Information Governance Team review and grade all breaches and for those which are not notifiable to the ICO the local teams manage review, actions and learning from these with the IG Team monitoring any reoccurring breach types as teams and individuals making repeat breaches to take appropriate supportive action as required.

Data quality and governance

The Trust takes a number of steps to assure the board that there are appropriate controls in place to ensure the accuracy of its data:

- The Deputy Chief Executive & Chief Financial Officer is responsible for data quality processes and assurance.
- The Board and Executive level integrated performance report is underpinned by data recording and monitoring systems.

- The governance of data quality is overseen by the Audit Committee and Business and Finance executive committee, which reviews improvement progress in the Trust's Information Assurance Framework.

- The Information Assurance Framework identifies the critical local and national performance indicators across safety, quality, and finance that governance committees of the Trust require data quality assurance of.

- The framework oversees a quarterly process of data source assurance and in-depth data quality audits undertaken by our internal data quality team, with feedback and improvement action followed up to improve completeness and accuracy of data.

- Internal team reviews are supplemented by internal and external audit reviews of data quality.

- The Trust is very high scoring on the national data quality maturity index for Trust collected and returned data via national minimum datasets.

- Staff using Trust information systems to record data are trained and supervised in the use of systems and accurate and timely recording, supported by policies and operating procedures.

The Board and senior management team gains further assurance on service quality via visits to divisions to review delivery of the quality agenda and reviewing feedback from patient and staff surveys, safety, and outcome reports to Trust board.

Waiting times are an organisational priority that are included in the annual plan and are under scrutiny. The Trust has an assurance process in place which focuses on the national and mandated targets and standards. These feature on the Trust performance report and are part of an audit schedule. This comprises of one of two levels of assurance validated calculation based on the data and record level audit to assess compliance. The Quality and Performance Executive Group has visibility and oversight of a monthly waiting times report which highlights of longer waits and links to the quality concerns register. There are a number of services that do not have either local (commissioner or internally allocated) targets and work is underway with these services to improve reporting and data quality issues.

Review of effectiveness

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

Assurance is informed by established processes to ensure the effectiveness of the systems of internal control supported by:

- Regular review of strategic-level risks and the BAF by the Executive, Audit Committee, Finance and Investment board sub-committee and the Board of Directors, strengthen by positive assurance rating provided by Internal Audit on arrangements for risk management and our BAF.

- Audit Committee, chaired by a Non-Executive Director, meeting regularly and delivering its agreed Audit plan, and maintaining a senior oversight of the activity of Board sub committees within the Trust's governance structure.

- Quality Assurance Committee, chaired by a non-executive director, meeting regularly, and ensuring monitoring and ongoing compliance with its fundamental standards for quality and safety and clinical outcomes and effectiveness

- The Executive Business and Finance Committee and Executive oversight of the Governance structure;

- Executive responsibility for the delivery of effectiveness, efficiency, and economy;

- Detailed processes undertaken by the Executive to verify compliance with CQC registration and NHS Foundation Trust Licence Conditions.

- Review of feedback from Staff and Patient Surveys

- Reviews of serious incidents requiring investigation and whistleblowing investigations and the outcome of the investigations;

- Assessment of key findings of external enquires

I am further assured by the external assessment of our organisation, reflected in the attainment of 'Outstanding' overall core services rating from the November 2019 CQC inspection, and 'Outstanding' for Well Led and our NHSI: Single Oversight Framework Segmentation of '1'.

The Trust's internal auditors, RSM have provided the following positive head of internal audit opinion for the 12 months ended 31st March 2022:

"The organisation has an adequate and effective framework for risk management, governance, and internal control. However, our work has identified further enhancements to the framework of risk management, governance and internal control to ensure that it remains adequate and effective"

In providing this positive opinion RSM did not highlight any issues that needed to be reported in this governance statement.

The Trust and RSM have undertaken a range of reviews of financial, clinical, and operational issues during the year including board assurance framework & corporate risk register and mandatory Information governance audits.

Audit recommendations are reviewed by the Audit Committee and are implemented according to an agreed timescale. Regular reviews are undertaken by the internal auditors to ensure any actions have been delivered as agreed.

Conclusion

No significant internal control issues have been identified by the Trust in 2021/22 and the Trust's Annual Governance Statement is a balanced reflection of the management position throughout the year.

Signed.....

Chief Executive
Date: 5th October 2022

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL OF GOVERNORS OF BERKSHIRE HEALTHCARE NHS FOUNDATION TRUST

Opinion

We have audited the financial statements of Berkshire Healthcare NHS Foundation Trust for the year ended 31 March 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Taxpayers' Equity, the Statement of Cash Flows and the related notes 1 to 26, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted International Financial Reporting Standards as interpreted and adapted by the 2021/22 HM Treasury's Financial Reporting Manual (the 2021/22 FReM) to the extent that they are meaningful and appropriate to NHS foundation trusts.

In our opinion, the financial statements:

- give a true and fair view of the financial position of Berkshire Healthcare NHS Foundation Trust as at 31 March 2022 and of its 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 to 2022; and
- have been properly prepared in accordance with the National Health Service Act 2006 (as amended by the Health and Social Care Act 2012).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Foundation Trust 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 the Comptroller and Auditor General's AGN01 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 Foundation Trust's ability to continue as a going concern for a period of 12 months to 31 October 2023 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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Foundation Trust's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Accounting Officer is responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 course of 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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Code of Audit Practice

In our opinion:

- the information given in the performance report and accountability report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the parts of the Remuneration and Staff report identified as subject to audit have been properly prepared in accordance with the NHS Foundation Trust Annual Reporting Manual 2021/22.

Matters on which we are required to report by exception

The Code of Audit Practice requires us to report to you if:

- We issue a report in the public interest under schedule 10(3) of the National Health Service Act 2006;
- We refer the matter to the regulator under schedule 10(6) of the National Health Service Act 2006 because we have reason to believe that the Foundation Trust, or a director or officer of the Foundation Trust, is about to make, or has made, a decision involving unlawful expenditure, or is about to take, or has taken, unlawful action likely to cause a loss or deficiency;
- We are not satisfied that the Foundation Trust has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources;
- We have been unable to satisfy ourselves that the Annual Governance Statement, and other information published with the financial statements meets the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual 2021/22 and is not misleading or inconsistent with other information forthcoming from the audit; or
- We have been unable to satisfy ourselves that proper practices have been observed in the compilation of the financial statements.

We have nothing to report in respect of these matters.

Responsibilities of the Accounting Officer

As explained more fully in the 'Statement of accounting officer's responsibilities' set out on page 105, the Chief Executive is the Accounting Officer of Berkshire Healthcare NHS Foundation Trust. The Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Accounting Officer is responsible for assessing the Foundation Trust's ability to continue as a going concern, disclosing, as

applicable, matters related to going concern and using the going concern basis of accounting unless the Council of Governors intend to cease operations, or have no realistic alternative but to do so.

As explained in the statement of the 'Statement of accounting officer's responsibilities', as the Accounting Officer of the Berkshire Healthcare NHS Foundation Trust, the Accounting Officer is responsible for the arrangements to secure economy, efficiency and effectiveness in the use of the Foundation Trust's resources.

Auditor's responsibility 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 irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Foundation Trust and determined that the most significant are the National Health Service Act 2006 (as amended by the Health and Social Care Act 2012), as well as relevant employment laws of the United Kingdom. In addition, the Foundation Trust has to comply with laws and regulations in the areas of anti-bribery and corruption, data protection and health & safety.

- We understood how Berkshire Healthcare NHS Foundation Trust is complying with those frameworks by understanding the incentive, opportunities and motives for non-compliance, including inquiring of Chief Financial Officer, internal audit manager, Chair of the Audit Committee and obtaining and reviewing documentation relating to the procedures in place to identify, evaluate and comply with laws and regulations, and whether they are aware of instances of non-compliance. We corroborated this through our review of the Foundation Trust's board minutes, through enquiry of employees to verify Foundation Trust policies, and through the inspection of other information. Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures had a focus on compliance with the accounting framework through obtaining sufficient audit evidence in line with the level of risk identified and with relevant legislation.

- We assessed the susceptibility of the Foundation Trust's financial statements to material misstatement, including how fraud might occur by understanding the potential incentives and pressures for management to manipulate the financial statements, and performed procedures to understand the areas in which this would most likely arise. Based on our risk assessment procedures, we identified manipulation of reported financial performance (through improper recognition of revenue) and management override of controls to be our fraud risks.

- To address our fraud risk around the manipulation of reported financial performance through improper recognition of revenue, we reviewed the Foundation Trust's manual year end income and expenditure accruals, challenging assumptions and corroborating the income and expenditure to appropriate evidence.

- To address our fraud risk of management override of controls, we implemented a journal entry testing strategy, assessed accounting estimates for evidence of management bias and evaluated the business rationale for significant unusual transactions. This included testing specific journal entries identified by applying risk criteria to the entire population of journals. For each journal selected, we tested specific transactions back to source documentation to confirm that the journals were authorised and accounted for appropriately.

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

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our review in accordance with the Code of Audit Practice 2020, having regard to the guidance on the specified reporting criteria issued by the Comptroller and Auditor General in December 2021, as to whether the Foundation Trust had proper arrangements for financial sustainability, governance and improving economy, efficiency and effectiveness. The Comptroller and Auditor General determined these criteria as that necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Foundation Trust put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2022.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the Foundation Trust had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

We are required under schedule 10(1)(d) of the National Health Service Act 2006 to be satisfied that the Foundation Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. Under the Code of Audit Practice, we are required to report to you if the Foundation Trust has not made proper arrangement for securing economy, efficiency and effectiveness in the use of resources.

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

Certificate

We certify that we have completed the audit of the accounts of Berkshire Healthcare NHS Foundation Trust in accordance with the requirements of the National Health Service Act 2006 and the Code of Audit Practice issued by the National Audit Office on behalf of the Comptroller and Auditor General.

Use of our report

This report is made solely to the Council of Governors of Berkshire Healthcare NHS Foundation Trust in accordance with Schedule 10 of the National Health Service Act 2006 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, for our audit work, for this report, or for the opinions we have formed.

Maria Grindley
for and on behalf of Ernst & Young LLP
Reading
5th October 2022

Statement of Comprehensive Income
For the Year ended 31 March 2022

	Note	2021/22 £000	2020/21* as restated £000
Operating income from patient care activities	3	300,536	274,671
Other operating income	4	18,114	26,528
Total operating income from continuing operations		**318,650**	**301,199**
Operating expenses	5.1, 7	(313,493)	(295,720)
Operating surplus from continuing operations		**5,157**	**5,479**
Finance income	9.1	30	6
Finance expenses	9	(4,021)	(3,989)
PDC dividends payable		(911)	(883)
Net finance costs		**(4,902)**	**(4,866)**
Gains of disposal of non-current assets	10	1,425	-
Surplus for the year		**1,680**	**613**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	6	(3,488)	(2,613)
Revaluations		9,029	3,354
Other reserve movements		2	(1)
Total other comprehensive income		**5,543**	**740**
Total comprehensive income for the period		**7,222**	**1,353**

* The comparative for 2020/21 has been restated as a result of a prior year adjustment. Note 26 provides information on the background to the adjustments and the changes made.

Statement of Financial Position as at 31 March 2022

	Note	31 March 2022 £000	31 March 2021* as restated £000
Non-current assets			
Intangible assets	11.1	4,180	5,372
Property, plant and equipment	12.1	112,718	108,906
Trade and other receivables	14	214	-
Total non-current assets		**117,112**	**114,278**
Current assets			
Inventories	13	173	160
Trade and other receivables	14.1	8,880	9,385
Cash and cash equivalents	15.1	53,865	39,097
Total current assets		**62,918**	**48,642**
Current liabilities			
Trade and other payables	16.1	(35,277)	(29,659)
Other liabilities	17.1	(10,752)	(6,215)
Borrowings	18	(1,679)	(1,569)
Provisions	19.1	(1,766)	(455)
Total current liabilities		**(49,474)**	**(37,898)**
Total assets less current liabilities		**130,556**	**125,022**
Non-current liabilities			
Borrowings	18	(23,786)	(25,465)
Provisions	19.1	(1,821)	(2,549)
Total non-current liabilities		**(25,607)**	**(28,014)**
Total assets employed		**104,949**	**97,008**
Financed by			
Public dividend capital		20,740	20,021
Revaluation reserve		51,979	47,015
Income and expenditure reserve		32,230	29,972
Total taxpayers' equity		**104,949**	**97,008**

* The comparative for 2020/21 has been restated as a result of a prior year adjustment. Note 26 provides information on the background to the adjustments and the changes made.

The notes on pages 125 to 172 form part of these accounts.

Name Julian Emms
Position Chief Executive
Date 5th October 2022

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

	Note	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2021 - brought forward		**20,021**	**31,962**	**29,998**	**81,981**
Prior period adjustment*		-	15,053	(26)	15,027
Taxpayers' and others' equity at 1 April 2021 - brought forward as restated *		**20,021**	**47,015**	**29,972**	**97,008**
Comprehensive Income					
Surplus for the year				1,680	**1,680**
- Impairments	6	-	(3,488)	-	**(3,488)**
- Revaluations		-	9,029	-	**9,029**
Total Comprehensive Income		**-**	**5,541**	**1,680**	**7,222**
Transfer to retained earnings on disposal of assets		-	(578)	578	**0**
Public dividend capital received		719	-	-	**719**
Other reserve movements		-	-	1	**1**
Taxpayers' and others' equity at 31 March 2022		**20,740**	**51,979**	**32,230**	**104,949**

Statement of Changes in Equity for the year ended 31 March 2021 as restated *

	Note	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2020 - brought forward		**19,228**	**33,393**	**29,066**	**81,687**
Prior period adjustment *		-	12,878	296	**13,174**
Taxpayers' and others' equity at 1 April 2020 - brought forward as restated		**19,228**	**46,271**	**29,362**	**94,861**
Comprehensive Income					
Surplus for the year				613	**613**
- Impairments as restated	6	-	(2,614)	-	**(2,614)**
- Revaluations as restated		-	3,354	-	**3,354**
Total Comprehensive Income		**-**	**740**	**613**	**1,353**
Public dividend capital received		793	-	-	**793**
Other reserve movements		-	4	(4)	**-**
Taxpayers' and others' equity at 31 March 2021 as restated		**20,021**	**47,015**	**29,972**	**97,008**

* Restatement relates to prior period adjustments relating to Property, Plant and Equipment valuation. Not 26 in the financial statements provides information to prior year adjustments.

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 trust. Additional PDC may also be issued to NHS foundation trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the NHS foundation trust, is payable to the Department of Health and Social Care as the public dividend capital dividend.

Revaluation reserve
Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

Income and expenditure reserve
The balance of this reserve is the accumulated surpluses and deficits of the NHS foundation trust.

Statement of Cash Flows
For the Year ended 31 March 2022

	Note	2021/22 £000	2020/21* As restated £000
Cash flows from operating activities			
Operating surplus		5,157	5,480
Non-cash income and expense:			
Depreciation and amortisation	5.1	8,691	8,279
Net impairments	6	668	1,455
Income recognised in respect of capital donations	4	(14)	(5)
Decrease in receivables and other assets		167	2,173
(Increase)/decrease in inventories		(13)	11
Increase in trade and other payables		6,483	4,419
Increase in other liabilities		4,537	3,723
Increase in provisions		462	697
Other movements in operating cash flows		-	-
Net cash used in operating activities		**26,138**	**26,232**
Cash flows used in investing activities			
Interest received		30	6
Purchase of intangible assets		(1,050)	(890)
Purchase of property, plant, equipment and investment property		(7,002)	(6,971)
Sales of property, plant, equipment and investment property		2,175	-
Receipt of cash donations to purchase capital assets		14	5
Net cash used in investing activities		**(5,833)**	**(7,850)**
Cash flows from financing activities			
Public dividend capital received		719	793
Capital element of PFI, LIFT and other service concession payments		(1,569)	(1,467)
Interest paid on PFI, LIFT and other service concession obligations		(3,900)	(3,989)
PDC dividend paid		(787)	(1,028)
Net cash used in financing activities		**(5,537)**	**(5,691)**
Increase in cash and cash equivalents		**14,768**	**12,691**
Cash and cash equivalents at 1 April		**39,097**	**26,406**
Cash and cash equivalents at 31 March	15.1	**53,865**	**39,097**

* The comparative for 2020/21 has been restated as a result of a prior year adjustment. Note 26 provides information on the background to the adjustments and the changes made.

NOTES TO THE ACCOUNTS

Note 1 Accounting policies and other information

1.1 Basis of preparation

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the 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.

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

Accounting standards that have been issued but have not yet been adopted.

The Department of Health Government Accounting Manual (GAM) does not require the following Standards and Interpretations to be applied in 2021/22. These standards are still subject to HM Treasury FReM adoption, and are therefore not applicable to DH group accounts in 2021/22.

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

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

  On transition to IFRS 16 on 1 April 2022, the trust will apply the standard retrospectively with the cumulative effect of initially applying the standard recognised in the income and expenditure reserve at that date. For existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000, a lease liability will be recognised equal to the value of remaining lease payments discounted on transition at the trust's incremental borrowing rate. The trust's incremental borrowing rate will be a rate defined by HM Treasury. This rate is 0.95%. The related right of use asset will be measured equal to the lease liability adjusted for any prepaid or accrued lease payments. For existing peppercorn leases not classified as finance leases, a right of use asset will be measured at current value in existing use or fair value. The difference between the asset value and the calculated lease liability will be recognised in the income and expenditure reserve on transition. No adjustments will be made on 1 April 2022 for existing finance leases.

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

- **IFRS 17 Insurance Contracts** – Application required for accounting periods beginning on or after 1 January 2023, the standard is not yet adopted by the FReM: early adoption is not therefore permitted.

- **IFRS 14 Regulatory Deferral Accounts**, Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable to DHSC group bodies.

The Foundation Trust will assess the impact of these standards after issue of the Annual Reporting Manual 2021/22 by NHS Improvement.

1.2.1 Early adoption of standards, amendments and interpretations.

No new accounting standards or revisions to existing standards have been early adopted in 2021/22.

1.2.2 Prior Period Adjustments

In accordance with IAS 8 the Foundation Trust will record a prior period adjustment where there have been omissions from, and misstatements in, the Foundation Trust's financial statements for one or more prior periods arising information that:

- Was available when financial statements for those periods were authorised for issue and;
- Could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.

1.3 Critical accounting estimates and judgements

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and the estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical accounting judgements

- Income is derived by block contract from Clinical Commissioning Groups and NHS England and the Unitary Authorities of Berkshire. All these contracts are subject to variations which may result in judgements being made by management on the timing and amount of income to be allocated to the correct financial reporting year. Other income is received for Education & Training and Research & Development, where the level of income recognised is subject to judgement made by management on the terms and conditions of those contracts and the expenditure which may not be evenly distributed through the financial year.

Key Sources of Estimation Uncertainty

The judgements and key sources of estimation uncertainty that have a significant effect on the material amounts recognised in the financial statements in the current or next financial year are

- Assets valuations are provided on annual basis. Valuations are subject to general price changes in the property values across the UK. Asset values might vary from the real market value when assets are disposed. Total asset valuations as at 31st March 2022 was £97.6m (2020/21: £99.3K). The current valuation is net of fixed asset additions, less depreciation, less impairments, less disposals, plus any revaluation surplus.

- Determination of useful lives for property, plant and equipment - estimated useful lives for Trust's assets are based on common, widely used assumptions for each asset type except where specialist information is available from professional bodies. The Trust reviews these lives on a regular basis as part of the process to assess whether assets have been impaired. The range of useful lives ranges from 3 years for IT software, up to 90 years for Land and Buildings.
- Accruals are based on estimates and judgements of historical trends and anticipated outcomes. At the end of each accounting period, management review items that are outstanding and estimate the amount to be accrued in the closing financial statements of the foundation trust. Any variation between the estimate and the actual is recorded under the relevant heading within the accounts in the subsequent financial period. The total value of contract receivable accruals in respect of at the year end 31st March 2022 is £1.5m (2020/21: £0.3m); whilst payable accruals were £17.4m (2020/21: £16m) which includes an accrual for untaken annual leave of £1.4m (2020/21: £2.3m).
- Provisions for pension and legal liabilities are based on the information provided from NHS Pension Agency, NHS Resolution and the Trust's own sources. Pension provision is based on the life expectancy of the individual pensioner as stated in the UK Actuarial Department most recent life tables which change annually. All provisions are estimates of the actual costs of future cash flows and are dependent on future events. Any differences between expectations and the actual future liability will be accounted for in the period when such determination is made. The total value of provisions at the year end 31st March 2022 is £3.6m (2020/21: £3.0m).

1.4 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.

After making enquiries, the directors have a reasonable expectation that the services provided by the Trust will continue to be provided by the public sector for the foreseeable future and until 31st October 2023 i.e. 12 months after the publication of the annual report and accounts for 2021/22. Management's enquiries covered planning, allocations, capital planning, policy on NHS structures and Trust strategy. The following points support the adoption of the going concern basis:

* There are no local or national policy decisions that are likely to affect that continued funding and provision of services by the Trust;
* The Trust's financial position in 2021/22 was a £1.7m surplus (including £1.4m profit on disposal of a property). This was consistent with the financial performance in 2020/21 where the Trust delivered a £0.6 surplus (as restated);
* In 2021/22 the Trust has continued to benefit from the block contract arrangements which were put in place during the pandemic, including specific funding for COVID19 costs. These arrangements have provided certainty on income and improved liquidity and cash flow;
* The Trust Board has approved a plan for 2022/23 and this has been submitted to NHSE&I by the Trust and as part of the submission made by Buckinghamshire, Oxfordshire and Berkshire West ICS, of which the Trust is a member. The plan is for a £2.7m deficit with the deficit resulting in the main part from excess inflation due to the current economic environment. The plan assumes income as agreed with the Trust's main NHS and non-NHS commissioners and is based on planning guidance assumptions. The plan includes a requirement to delivery a £10.1m cost improvement programme which equates to 3% of the Trust's turnover. £7.5m of cost improvement plans have been identified to date. The Trust's 2022/23 plan covers revenue, capital, cash, workforce and activity;
* The Trust has a rolling cash flow forecast based on expectations for funding and this extends to the end of October 2023. This indicates that the Trust would be able to continue to operate with good levels of liquidity for revenue and capital purposes, with no requirement to undertake borrowing and with a cash balance of £42.7m at the end of October 2023.

Based on management enquiries and the points made above, the directors have concluded that the going concern basis should be adopted in preparation of these accounts and in following the definition of going concern in the public sector adopted by HM Treasury's Financial Reporting Manual.

1.5 Revenue from contracts with customers

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

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

The Trust receives the majority of its income from customers on a block contract arrangement which means that payments against the contract are received equally in twelfths across the financial year and which is not directly linked to specific satisfaction of performance obligations.

Revenue from NHS Contracts

The accounting policies for revenue recognition and the application of IFRS 15 are consistently applied. The contracting arrangements in the NHS changed between 2019/20 and 2020/21 and which continues to affect the application of the accounting policy under IFRS 15 in 2021/22. This difference in application is explained below.

2021/22

The main source of income for the Trust is contracts with commissioners for health care services. In 2021/22, the majority of the trust's income from NHS commissioners was in the form of block contract arrangements. During the first half of the year the trust received block funding from its commissioners. For the second half of the year, block contract arrangements were agreed at a Integrated Care System level. The related performance obligation is the delivery of healthcare and related services during the period, with the trust's entitlement to consideration not varying based on the levels of activity performed.

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

Comparative period 2020/21

In the comparative period (2020/21), the trust's contracts with NHS commissioners included those where the trust's entitlement to income varied according to services delivered. A performance obligation relating to delivery of a spell of health care was generally satisfied over time as healthcare was received and consumed simultaneously by the customer as the Trust performed it. The customer in such a contract was the commissioner, but the customer benefited as services were provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligned with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that were substantially the same and had a similar pattern of transfer. At the year end, the Trust accrued income relating to activity delivered in that year, where a patient care spell was incomplete. This accrual was disclosed as a contract receivable as entitlement to payment for work completed was usually only dependent on the passage of time.

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 treatment 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. The Trust does not accrue for un-receipted income and subsequently does not provide for any specific allowance for unsuccessful compensation claims and doubtful debts for measurement of expected credit losses over the lifetime of the asset.

Other Operating Income

The Trust receives income from other sources which is not directly related to the delivery of healthcare services. This includes income to support training and development of staff; managed estates services; property rental; and crèche services. Income is also recognised in respect of donations received for the purchase of capital assets or contributions to expenditure. Other operating income is recognised on an accruals basis when the delivery of the activity has occurred.

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.

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.

Annual Leave Entitlement

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. The permitted carry forward is five days except in exceptional circumstances where an employee is on maternity or long-term sickness absence.

Maternity and Paternity Leave Entitlements

The cost of the entitlement for employees on maternity or paternity at the end of the period is recognised in the financial statements. The carry forward is based on statutory maternity pay entitlement applicable at the end of the period.

Pension costs

NHS Pension Scheme

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:

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.

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.

National Employment Savings Trust ('NEST')

In 2014/15, the Trust implemented auto-enrolment for eligible employees in the National Employment Savings Trust ('NEST'), which is a scheme set up under the Pensions Act 2008. NEST is regulated by The Pensions Regulator the UK regulator of workplace pension schemes.

NEST is a defined contribution, off Statement of Financial Position scheme. The value of employer contributions in 2021/22 was £67K (2020/21: £58K).

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.

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; and

the cost of the item can be measured reliably.

In addition, for Property, Plant and Equipment to be capitalised must:

individually have a cost of at least £5,000; or

form a group of assets which individually have a cost of more than £250, collectively have a cost of at least £5,000, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or

form part of the initial setting-up cost of a new building or refurbishment, irrespective of their individual or collective cost.

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

The review of valuations for non-PFI Land and Buildings is performed by the District Valuer Services, which is a specialist property arm of the Valuation Office Agency.

PFI Land and Buildings, which included a donated asset co-located with the PFI is performed by Carter Jonas, an independent commercial valuation provider. The valuation of the PFIs was performed for 31st March 2022, which included a full physical inspection.

Valuations are reviewed on the 31st March of each calendar year, with a full physical inspection every five years, an interim physical verification at three years and a desktop review in all other years. The last full physical inspection for non PFI Land and Buildings was performed on 31st March 2021.

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:

Current values in existing use are:

- Land and non-specialised buildings – market value for existing use; and
- 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 trust’s Private Finance Initiative (PFI) scheme where the construction is completed by a special purpose vehicle and the costs have recoverable VAT for the trust.

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

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

Revaluation surpluses and impairments due to changes in valuations are reflected in Other Comprehensive Income in the Statement of Comprehensive Income, the Statement of Changes in Taxpayers Equity and Notes 6 Impairments and 12.1 Property, Plant and Equipment.

The value of land for existing use purposes is assessed at existing use value. For non-operational properties including surplus land, the valuations are carried out at open market value.

An item of property, plant and equipment which is surplus with no plan to bring it back into use is valued at fair value under IFRS 13, if it does not meet the requirements of IAS 40 of IFRS 5.

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.

Revaluation and impairment

Land and buildings are fully revalued every five years with an interim revaluation every financial year. All revaluations are performed by a professional qualified valuer who is a member of the Royal Institute of Chartered Surveyors.

Further revaluations may be done at any other time particularly where there have been additions, dilapidation or part disposal of an asset or on the occurrence of an event likely to cause impairment.

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse an impairment previously recognised in operating expenses, in which case they are recognised in operating income.

Decreases in asset values and impairments are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

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 income 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.

Depreciation

Items of Property, Plant and Equipment are depreciated over their remaining useful economic 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.

The standard useful life for Property, Plant and Equipment held by the NHS foundation trust is:

- Buildings (excluding dwellings): 35 years
- Furniture & Fittings: 7 years
- Transport Equipment: 7 years
- Plant & Machinery: 5 years
- Information Technology: 4 years
- Software and Licenses: 3 years

Where there is a valid and reasonable expectation of the Trust that the economic useful life of Property Plant or Equipment is different to the standard, this will be assessed on a case by case basis taking into account the materiality of the initial investment and expected timing for replacement. The useful life will then be adjusted accordingly.

Property, Plant and Equipment which has been reclassified as 'Held for Sale' ceases to be depreciated upon the reclassification. Assets in the course of construction are not depreciated until the asset is brought into use.

De-recognition

Assets intended for disposal is reclassified as 'Held for Sale' once all of the following criteria are met:

- The asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- the sale must be highly probable i.e. management are committed to a plan to sell the asset;
- a programme has begun to find a buyer and complete the sale;
- the asset is being actively marketed at a reasonable price;
- the sale is expected to be completed within 12 months of the date of classification as 'Held for Sale'; and,
- the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

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.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the Statement of Comprehensive Income. On disposal, the balance for the assets on the revaluation reserve is transferred to Income and Expenditure reserve. For donated assets, a transfer is made to or from the relevant reserve to the profit/loss on disposal amount so that no profit or loss is recognised in income and expenses. The remaining surplus or deficit in the donated asset reserve is then transferred to Income and Expenditure reserve.

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

1.9 Donated and grant funded assets

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

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

In 2021/22 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.

1.10 Government grants

Government grants are grants from government bodies other than revenue from NHS bodies for the provision of services. Revenue grants are treated as deferred income initially and credited to income to match the expenditure to which they relate. Capital grants are treated as income and the receipt credited to the Statement of Comprehensive Income, The associated asset is treated in a manner consistent with the depreciation and impairment charges for that asset. Assets purchased from government grants are valued, depreciated and impaired as described above for purchased assets. Gains and losses on revaluations and impairments are taken to the revaluation reserve and, each year, an amount equal to the depreciation charge on the asset charged to the Statement of Comprehensive Income.

A grant for an asset may be received subject to a condition that it is to be returned to the grantor if a specified future event does or does not occur. For example, a grant may need to be returned if the foundation trust ceases to use the asset purchased with that grant for a purpose specified by the grantor. In these cases, a return obligation does not arise until such time as it is expected that the condition will be breached and a liability is not recognised until that time. Such a condition would not therefore require the grant to be treated as deferred.

1.11 Private Finance Initiative (PFI) transactions

PFI transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as 'on-Statement of Financial Position' by the Trust. The underlying assets are recognised as Property, Plant and Equipment at their fair value. An equivalent financial liability is recognised in accordance with IAS 17.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

- Payment for the fair value of services received;
- Payment for the PFI asset, including finance costs; and
- Payment for the replacement of components of the asset during the contract 'lifecycle replacement'.

The fair value of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'.

The PFI assets are recognised as a property, plant and equipment when they come into use. The assets are measured initially at fair value in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the Trust's approach for each relevant class of asset in accordance with the principles of IAS 16.

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the fair value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the Statement of Comprehensive Income.

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the Statement of Comprehensive Income.

Lifecycle replacements

Components of the assets replaced by the operator during the contract are capitalised where they meet the Trust's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term finance lease liability or prepayment is recognised respectively.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised. The deferred income is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

Assets contributed by the Trust to the operator for use in the scheme:

Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the Trust's Statement of Financial Position.

Other assets contributed by the Trust to the operator:

Assets contributed (e.g. cash payments, surplus property) by the trust to the operator before the asset is brought into use, which are intended to defray the operator's capital costs, are recognised initially as prepayments during the construction phase of the contract. Subsequently, when the asset is made available to the Trust, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

1.12 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.

Expenditure on research is not capitalised.

Expenditure on internally generated assets is capitalised only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use;
- the Trust intends to complete the asset and sell or use it;
- the Trust has the ability to sell or use the asset;
- how the intangible asset will generate probable future economic or service delivery benefits e.g. the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the Trust to complete the development and sell or use the asset; and
- the Trust can measure reliably the expenses attributable to the asset during development.

Software

Software which is integral to the operation of hardware e.g. 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 e.g. 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 under IFRS 13, if it does not meet the requirements of IAS 40 of IFRS 5.

Intangible assets held for sale are measured at the lower of their carrying amount or 'fair value less costs to sell'.

For all categories of intangible assets, the Trust considers that depreciated historical cost is an acceptable proxy for current value in existing use, as the useful economic lives used are considered to be a realistic reflection of the lives of assets and the depreciation methods used reflect the consumption of the asset.

Amortisation

Intangible assets are amortised over their expected useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. The expected useful life for software is 3 years.

1.13 Inventories

Inventories are valued at the lower of cost and net realisable value using the weighted average cost formula. This is considered to be a reasonable approximation to fair value due to the high turnover of stocks.

In 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.

1.14 Cash and cash equivalents

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

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

1.15 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 Lease

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 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 Lease

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.

1.16 Provisions

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

	Period	Nominal Rate	Nominal Rate Prior Year
Short-term	Up to 5 Years	0.47%	-0.02%
Medium-term	After 5 years up to 10 years	0.70%	0.18%
Long-term	Exceeding 10 years	0.95%	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	Inflation Rate Prior Year
Year 1	4.0%	1.2%
Year 2	2.6%	1.6%
Into perpetuity	2.0%	2.0%

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the Trust has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

Early retirement provisions and injury benefit provisions both use the HM Treasury's pension discount rate of minus 1.3% (2020/21 minus 0.95%) in real terms.

Clinical negligence costs

The NHS Resolution operates a risk pooling scheme under which the NHS foundation trust pays an annual contribution to the NHS Resolution, which, in return, settles all clinical negligence claims. Although the NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the NHS foundation trust. The total value of clinical negligence provisions carried by the NHS Resolution on behalf of the NHS foundation trust is disclosed at note 19.2.

Non-clinical risk pooling

The NHS foundation 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 the NHS Litigation Authority and in return receives assistance with the costs of claims arising. The annual membership contributions, and any 'excesses' payable in respect of particular claims are charged to operating expenses when the liability arises.

1.17 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in note 20 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 20, unless the probability of a transfer of economic benefits is remote.

Contingent liabilities are defined as:

Possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or

Present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

1.18 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

The Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, with certain additions and deductions as defined by the Department of Health and Social Care.

This policy is available at https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts.

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

1.19 Corporation Tax

The Trust is a Health Service body within the meaning of s519A Income and Corporation Taxes Act (ICTA) 1988 and accordingly is exempt from taxation in respect of income and capital gains within the categories covered by this. There is a power for the Treasury to dis-apply the exemption in relation to specified activities of a Foundation trust (s519A (3) to (8) ICTA 1988). Accordingly, the Trust is potentially within the scope of corporation tax in respect of activities which are not related to the provision of health care. Where trading activities are undertaken that are commercial in nature the profits per activity are below the £50,000 corporation tax threshold as per the HMRC 'Guidance on the Tax Treatment of Non-Core Healthcare Commercial Activities of NHS Foundation Trusts.

1.20 Value Added Tax

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

1.21 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the NHS foundation trust has no beneficial interest in them. However, they are disclosed in note 15.2 in accordance with the requirements of HM Treasury's *FReM*.

1.22 Financial assets and financial liabilities

IFRS 9 Financial Instruments as interpreted and adapted by the GAM has been applied by the Trust from 1 April 2018. The standard is applied retrospectively with the cumulative effect of initial application recognised as an adjustment to reserves on 1 April 2018. IFRS 9 replaces IAS 39 and introduces a revised approach to classification and measurement of financial assets and financial liabilities, a new forward-looking 'expected loss' impairment model and a revised approach to hedge accounting.

1.22a Financial Assets

Recognition

Financial assets are recognised when the Trust becomes party to the contractual provision of the financial instrument or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are de-recognised when the contractual rights have expired or when the asset has been transferred and the Trust has transferred substantially all of the risks and rewards of ownership or has not retained control of the asset.

Financial assets are initially recognised at fair value plus or minus directly attributable transaction costs for financial assets not measured at fair value through profit or loss. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices, where possible, or by valuation techniques.

Financial assets are classified into the following categories: financial assets at amortised cost, financial assets at fair value through other comprehensive income, and financial assets at fair value through profit and loss. The classification is determined by the cash flow and business model characteristics of the financial assets, as set out in IFRS 9, and is determined at the time of initial recognition.

For all financial assets measured at amortised cost or at fair value through other comprehensive income, lease receivables and contract assets, the Trust will recognise a loss allowance, previously classified as impairment or bad debt provisions, representing expected credit losses on the financial instrument.

Financial assets measured at amortised cost are those held whose objective is to hold financial assets in order to collect contractual cash flows and where the cash flows are solely payments of principal and interest. This includes most financial assets at amortised costs and other simple debt instruments. After initial recognition, these financial assets are measured at amortised cost using the effective interest method, less any impairment. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the life of the financial asset to the gross carrying amount of the financial asset.

Financial assets at amortised costs are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. They are included in current assets. The Trust's financial assets at amortised cost comprise current investments, cash and cash equivalents, NHS receivables, accrued income and 'other receivables'.

All other financial assets and financial liabilities are recognised when the trust becomes a party to the contractual provisions of the instrument.

Impairment of financial assets

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

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

For other financial assets, the loss allowance is measured at an amount equal to lifetime expected credit losses if the credit risk on the financial instrument has increased significantly since initial recognition (stage 1), and otherwise at an amount equal to 12-month expected credit losses (stage

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.

De-recognition

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

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

1.22b Financial Liabilities

Financial liabilities are recognised when the Trust becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been extinguished — that is, the obligation has been discharged or cancelled or has expired. Loans from the Department of Health are recognised at historic cost. Otherwise, financial liabilities are initially recognised at fair value plus or minus directly attributable transaction costs for financial liabilities not measured at fair value through profit or loss.

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method, except for loans from the Department of Health, which are carried at historic cost. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the amortised cost of the financial liability.

1.23 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, including losses which would have been made good through insurance cover had NHS trusts not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

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.

1.24 Charitable Funds

Under the provisions of IFRS 10 Consolidated Financial Statements, those Charitable Funds that fall under common control with NHS bodies are consolidated within the entity's financial statements. In accordance with IAS 1 Presentation of Financial Statements, restated prior period accounts are presented where the adoption of the new policy has a material impact. **As the charitable income during the financial year was £28K, compared to the Trust's revenue of £318,650K**, the funds are not considered sufficiently material for consolidated account to be prepared. The position is reviewed annually, to confirm whether or not the charity's funds are material enough for consolidation to be appropriate. Separate accounts for the NHS charity will be produced. An outline of the charity is

The Berkshire Healthcare Charity is registered with the Charity Commission under reference number 1049733. Trustees of the charity are also employees of the NHS foundation trust. Details of the charity can be obtained from www.charitycommission.gov.uk.

Note 2 Operating Segments

IFRS 8 'Operating Segments' requires disclosure of the results of the significant operating segments. A business or operating segment is a group of assets and operations engaged in providing core or non-core services that are subject to risks and returns that are different from those of other business or operating segments. In line with the standard, based on the internally reported activities, the foundation trust identifies that all activity is healthcare related and a large majority of the foundation trust's revenue is received from within UK government departments.

The Trust operates as a single operating segment. The Board of Directors, led by the Chief Executive is the Chief Operating Decision Maker within the Trust. It is only at this level that revenues are fully reported and the overall financial and operational performance of the Trust is assessed. As all decisions affecting the foundation trust's future direction and viability are made based on the overall total presented to the board, the foundation trust is satisfied that the single segment of healthcare is appropriate and consistent with the principles of IFRS 8.

Note 3 Operating income from patient care activities

Note 3.1 Income from patient care activities (by nature)

	2021/22	2020/21
	£000	£000
Mental health services		
Block contract income	145,685	124,762
Other clinical income from mandatory services	949	2,959
Community services		
Community services income from CCGs and NHS England	127,887	120,311
Community services income from other commissioners	15,345	16,877
All services		
Elective Recovery Fund	1,677	-
Additional pension contribution central funding	8,993	8,461
Other clinical income	-	1,301
Total income from activities	**300,536**	**274,671**

Note 3.2 Income from patient care activities (by source)

Income from patient care activities received from:	2021/22	2020/21
	£000	£000
CCGs and NHS England	278,672	255,722
Local Authorities	14,433	13,759
Other NHS foundation trusts	5,570	2,959
NHS Trusts	949	792
NHS Other	-	71
NHS injury scheme (was RTA)	14	12
Non-NHS: other	898	1,356
Total income from activities	**300,536**	**274,671**
Of which:		
Related to continuing operations	300,536	274,671
Related to discontinued operations	-	-

Note 4 Other operating income

	2021/22 £000	2020/21 £000
Other operating income from contracts with customers:		
Research and development	737	751
Education and training	5,922	4,650
Car Parking	113	97
Catering	29	40
IT Recharges	250	181
Reimbursement and top up funding	527	6,424
Creche Services	1,826	1,388
Property Rental	3,162	2,614
Managed Estates Services	3,820	7,328
Other income	1,335	761
Other non-contract operating income		
Contributions to expenditure - consumables (inventory) donated from DHSC group bodies for COVID response	377	2,242
Receipt of capital grants and donations	14	5
Charitable and other contributions to expenditure	2	47
Total other operating income	**18,114**	**26,528**
Of which:		
Related to continuing operations	18,114	26,528
Related to discontinued operations	-	-

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

	2021/22 £000	2020/21 £000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	4,868	2,492
Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods	4,984	1,846

4.2 Transaction price allocated to remaining performance obligations

Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:	2021/22 £000	2020/21 £000
- within one year	10,752	6,215
- after one year, not later than five years	-	-
- after five years	-	-
Total revenue allocated to remaining performance obligations	**10,752**	**6,215**

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

Note 4.3 Income from activities arising from commissioner requested services

Under the terms of its Provider License, 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 license 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 (or grandfathered) as commissioner requested services	289,866	264,909
Income from services not designated as commissioner requested services	27,107	36,290
Total	**316,973**	**301,199**

Note 4.4 Total benefits obtained from the apprenticeship fund	2021/22 £000	2020/21 £000
Cash income received from the apprenticeship levy scheme where the Trust is accredited training provider	169	30
Total benefit obtained from the apprenticeship levy	**169**	**30**

Note 5.1 Operating expenses	2021/22	2020/21 As restated	
	£000	£000	
Services from NHS foundation trusts	2,450	2,225	
Services from NHS trusts	643	612	
Services from CCGs and NHS England	-	24	
Purchase of healthcare from non-NHS bodies	18,887	13,861	
Employee expenses - executive directors	1,215	1,193	
Employee expenses - non-executive directors	146	146	
Employee expenses - staff	227,287	216,162	
Supplies and services - clinical	5,315	4,390	
Supplies and services - clinical: utilisation of consumables donated from DHSC group bodies for COVID response*	377	2,242	
Supplies and services - general	987	1,595	
Establishment	2,979	3,391	
Research and development	207	289	
Transport	2,082	1,710	
Premises	19,063	17,477	
Movement in credit loss allowance: contract receivables/assets	(23)	75	
Increase/(Descrease) in other provisions	(204)	790	
Change in provisions discount rate(s)	7	31	
Drug costs	5,495	5,112	
Rentals under operating leases	3,042	3,662	
Depreciation on property, plant and equipment**	6,459	5,972	as restated
Amortisation on intangible assets	2,232	2,307	
Impairments**	668	1,455	as restated
Audit fees payable to the external auditor:			
- audit services - statutory audit	99	81	
- audit related assurance services	-	-	
Internal Audit Fees	67	75	
Clinical negligence	1,436	1,129	
Legal fees	607	503	
Consultancy costs	862	155	
Training, courses and conferences	1,103	715	
Service Element of PFI Unitary Payments	6,380	6,362	
Redundancy	10	27	
Early retirements	2	9	
Hospitality	8	2	
Other services (external Payroll Services)	49	52	
Losses, ex gratia & special payments	819	134	
Other	2,739	1,752	
Total	**313,493**	**295,720**	as restated
Of which:			
Related to continuing operations	313,493	295,720	as restated
Related to discontinued operations	-	-	

* Clinical supplies and services of £377K (2020/21 £2,242K) relates to centrally procured Personal Protective Equipment.

** The comparative information for following line items has been restated as a result of prior period adjustment relating to property, plant and equipment valuation:

- Depreciation on property, plant and equipment increased by £323K
- Impairments descreased by £3K
- Total operating expenditure increased by £320K

Note 5.2 Other auditor remuneration

The cost of other remuneration paid to the auditor, which included audit related assurance services were £0K (2020/21 £0K). Any fees are disclosed VAT exclusive.

The external auditor is also appointed by the Berkshire Healthcare Charitable Fund, the results of which are not consolidated into these financial statements. Details are included in the Charitable Fund's financial statements which are available on the Charity Commission website. The independent examination fee paid in 2020/21 was £4,000 excluding VAT.

Note 5.3 Limitation on auditor's liability

The limitation on auditor's liability for external audit work is £2.0m (2020/21: £2.0m).

Note 6 Impairment of assets

	2021/22	2020/21 As restated	
	£000	£000	
Net impairments charged to operating surplus / deficit resulting from:			
Over specification of assets	595	865	
Abandonment of assets in course of construction	-	182	
Other**	73	408	as restated
Total net impairments charged to operating surplus / deficit	**668**	**1,455**	
Impairments charged to the revaluation reserve	3,488	2,613	
Total net impairments	**4,156**	**4,068**	

Over specification of assets of £595K includes £459K impairment relating to the capital expenditure scheme in respect of improvements to the leasehold property. These works were valued on the basis of the potential increase in market rental of the property. As the potential market rental increase did not reflect the value of the expenditure, the difference resulted in the impairment. The total value of the work was £459K. There was no increase in market rental resulting in full impairment of £459K. The capital expenditure on the leasehold property is included in "Building excluding dwellings" of Note 12.1 Property, Plant & Equipment. The impairment costs is shown in Note 5.1 Operating expenses – Impairments.

The 'Other' impairment of £291K is in respect of land owned by the Trust where the area had been systematically over stated for several years. The impairment reflects the reduction of the value in use and loss of economic benefit.

** Restatement relates to a decrease in other impairments of £3K as a result of prior period adjustment relating to property, plant and equipment valuation. Note 26 in the financial statements provides information to the prior year adjustments.

Note 7 Employee benefits

	Permanent	Other	2021/22 Total	2020/21 Total
	£000	£000	£000	£000
Salaries and wages	156,917	-	**156,917**	**148,962**
Social security costs	16,055	-	**16,055**	**14,249**
Apprenticeship levy	775	-	**775**	**731**
Employer's contributions to NHS pensions	29,559	-	**29,559**	**27,875**
Pension cost - other (NEST)	67	-	**67**	**58**
Other employment benefits	(927)	-	**(927)**	**1,912**
Termination benefits	16	-	**16**	**-**
External Bank Staff	-	20,407	**20,407**	**19,984**
Agency/contract staff	-	6,006	**6,006**	**4,207**
Total staff costs	**202,462**	**26,413**	**228,875**	**217,978**
Included within:				
Costs capitalised as part of assets	373	-	**373**	**623**

Note 7.1 Average number of employees (WTE basis)

	Permanent	Other	2021/22 Total	2020/21 Total
	Number	Number	Number	Number
Medical and dental	186	15	**201**	**201**
Ambulance staff	3	-	**3**	**3**
Administration and estates	603	55	**658**	**672**
Healthcare assistants and other support staff	1,254	215	**1,469**	**1,474**
Nursing, midwifery and health visiting staff	1,065	135	**1,200**	**1,150**
Nursing, midwifery and health visiting learners	20	-	**20**	**20**
Scientific, therapeutic and technical staff	837	38	**875**	**816**
Healthcare science staff	11	2	**13**	**11**
Total average numbers	**3,979**	**460**	**4,439**	**4,347**
Of which:				
Number of employees (WTE) engaged on capital projects	7	-	**7**	**14**

Note 7.2 Retirements due to ill-health

During 2021/22 there were 0 early retirements from the trust agreed on the grounds of ill-health (5 in the year ended 31 March 2021). The estimated additional pension liabilities of these ill-health retirements is **£0K** (£124K in 2020/21).

The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

Note 7.3 Directors' remuneration

The aggregate amounts payable to directors were:

	2021/22	2020/21
	£000	£000
Salary	1,259	1,201
Taxable benefits	0	0
Performance related bonuses	0	0
Employer's pension contributions	122	148
Total	**1,381**	**1,349**

The amounts shown reflect the cumulative salaries and employer pension contributions to directors, and excludes employer national insurance contributions

Further details of directors' remuneration can be found in the Remuneration Report.

Note 8 Operating leases

Note 8.1 Berkshire Healthcare NHS Foundation Trust as a lessee

	2021/22	2020/21
	£000	£000
Operating lease expense		
Minimum lease payments	3,042	3,662
Total	**3,042**	**3,662**

	31 March 2022	31 March 2021
	£000	£000
Future minimum lease payments due:		
- not later than one year;	2,504	2,729
- later than one year and not later than five years;	8,284	7,686
- later than five years.	4,319	6,822
Total	**15,107**	**17,237**
Future minimum sublease payments to be received	-	-

Operating leases relate to rental of properties, lease cars, private circuit datastream line. Operating leases are charged to operating expenses on a straight-line basis over the term of the lease.

Note 9 Finance income

	2021/22	2020/21
	£000	£000
Interest on bank accounts	30	6
Total	**30**	**6**

Note 9.1 Finance expenditure

	2021/22	2020/21
	£000	£000
Interest expense:		
Main finance costs on PFI	1,881	1,984
Contingent finance costs on PFI	2,020	1,886
Total interest expense	**3,901**	**3,870**
Other finance costs	120	120
Total	**4,021**	**3,989**

Note 10 Other gains or (losses)

	2021/22	2020/21
	£000	£000
Gains on disposal of property, plant and equipment	1,425	-
	1,425	**-**

During 2021/22, the Trust disposed of a surplus property located at Craven Road, Reading. The property was sold to a commercial developer. The property was no longer fit for purpose for Trust accomodation.

Note 11.1 Intangible assets - 2021/22

	Software licences £000	Total £000
Valuation/gross cost at 1 April 2021 - brought forward	**15,420**	**15,420**
Additions	1,050	**1,050**
Impairments	(6)	**(6)**
Reclassifications	(4)	**(4)**
Disposals / derecognition	(5,889)	**(5,889)**
Gross cost at 31 March 2022	**10,571**	**10,571**
Amortisation at 1 April 2021 - brought forward	**10,048**	**10,048**
Provided during the year	2,232	**2,232**
Disposals / derecognition	(5,889)	**(5,889)**
Amortisation at 31 March 2022	**6,391**	**6,391**
Net book value at 31 March 2022	**4,180**	**4,180**
Net book value at 1 April 2021	**5,372**	**5,372**

Note 11.2 Intangible assets - 2020/21

	Software licences £000	Total £000
Valuation/gross cost at 1 April 2020 - as previously stated	**14,537**	**14,537**
Additions	984	**984**
Impairments	(101)	**(101)**
Reclassifications		**-**
Valuation/gross cost at 31 March 2021	**15,420**	**15,420**
Amortisation at 1 April 2020 - as previously stated	**7,740**	**7,740**
Provided during the year	2,307	**2,307**
Amortisation at 31 March 2021	**10,048**	**10,048**
Net book value at 31 March 2021	**5,372**	**5,372**
Net book value at 1 April 2020	**3,808**	**3,808**

Note 11.3 Intangible assets financing 2021/22

	Software licences	Total
	£000	£000
Net book value at 31 March 2022		
Purchased	4,180	**4,180**
Finance leased	-	**-**
Donated	-	**-**
NBV total at 31 March 2022	**4,180**	**4,180**

Note 11.4 Intangible assets financing 2020/21

	Software licences	Total
	£000	£000
Net book value 31 March 2021		
Purchased	5,372	**5,372**
Finance leased	-	**-**
Donated	-	**-**
NBV total at 31 March 2021	**5,372**	**5,372**

Note 12.1 Property, plant and equipment - 2021/22

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2021 - brought forward as restated**	**21,064**	**76,283**	**2,693**	**2,706**	**65**	**28,127**	**3,500**	**134,438**
Additions - purchased	-	2,649	8	171	30	3,105	162	**6,125**
Additions - assets purchased from cash donations / grants	-	-	-	-	-	14	-	**14**
Impairments	(182)	(3,831)	(37)	(2)	-	(88)	(10)	**(4,150)**
Reclassifications	-	2,223	(2,664)	21	-	4	420	**4**
Revaluations*	1,939	4,404	-	-	-	-	-	**6,343**
Disposals / derecognition	(265)	(485)	-	(1,905)	(65)	(18,081)	(1,489)	**(22,290)**
Valuation/gross cost at 31 March 2022	**22,556**	**81,243**	**-**	**991**	**30**	**13,081**	**2,583**	**120,484**
Accumulated depreciation at 1 April 2021 - brought forward	**-**	**-**	**-**	**2,171**	**65**	**21,292**	**2,004**	**25,532**
Provided during the year	-	2,686	-	157	-	3,240	376	**6,459**
Impairments	-	-	-	-	-	-	-	**-**
Revaluations	-	(2,686)	-	-	-	-	-	**(2,686)**
Disposals/ derecognition	-	-	-	(1,905)	(65)	(18,081)	(1,489)	**(21,540)**
Accumulated depreciation at 31 March 2022	**0**	**0**	**0**	**423**	**0**	**6,451**	**891**	**7,765**
Net book value at 31 March 2022	**22,556**	**81,243**	**-**	**568**	**30**	**6,630**	**1,692**	**112,718**
Net book value at 1 April 2021	**21,064**	**76,283**	**2,693**	**535**	**-**	**6,835**	**1,496**	**108,906**

* Revaluations were performed on the 31st March 2022

** The opening balances as at 1 April 2021 of land and buildings excluding dwellings have been restated as a result of a prior year adjustment relating to valuation. Note 26 in the financial statements provides information to the prior year adjustments

Note 12.2 Property, plant and equipment - 2020/21 as restated

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	as restated	as restated						
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2020 - as previously stated	**15,896**	**68,104**	**1,988**	**2,508**	**65**	**25,843**	**2,791**	**117,195**
Prior period adjustments	2,241	10,933	-	-	-	-	-	**13,174**
Valuation/gross cost at 1 April 2020 - restated**	**18,137**	**79,037**	**1,988**	**2,508**	**65**	**25,843**	**2,791**	**130,369**
Additions - purchased	-	1,874	2,626	198	-	2,269	505	**7,472**
Additions - donations of physical assets (non-cash)	-	-	-	-	-	5	-	**5**
Impairments as restated**	(91)	(3,679)	(188)	-	-	(9)	-	**(3,967)**
Reclassifications as restated	-	1,510	(1,733)	-	-	19	204	**-**
Revaluations as restated**	3,018	(2,459)	-	-	-	-	-	**559**
Valuation/gross cost at 31 March 2021	**21,064**	**76,283**	**2,693**	**2,706**	**65**	**28,127**	**3,500**	**134,438**
Accumulated depreciation at 1 April 2020 - as previously stated	**-**	**-**	**-**	**2,018**	**65**	**18,534**	**1,738**	**22,355**
Provided during the year as restated**	-	2,795	-	153	-	2,758	266	**5,972**
Revaluations as restated**	-	(2,795)	-	-	-	-	-	**(2,795)**
Accumulated depreciation at 31 March 2021	**0**	**0**	**0**	**2,171**	**65**	**21,292**	**2,004**	**25,532**
Net book value at 31 March 2021	**21,064**	**76,283**	**2,693**	**535**	**-**	**6,835**	**1,496**	**108,906**
Net book value at 1 April 2020	**18,137**	**79,037**	**1,988**	**490**	**-**	**7,309**	**1,053**	**108,014**

** The opening balances as at 1 April 2020 of land and buildings excluding dwellings and the items below have been restated as a result of a prior year adjustment relating to valuation.

The prior period adjustment resulted in the following changes to the 2020/21 comparitor:

- Impairments (buildings excluding dwellings) increased by (£799K)
- Revaluations (land) increased by £2,907K
- Revaluations (buildings excluding dwellings) increased by (£256K)
- Depreciation - provided during the year (buildings excluding dwellings) increased by (£323K)
- Depreciation - revaluations (buildings excluding dwellings) increased by £323K

Note 26 in the financial statements provides information to the prior year adjustments.

Note 12.3 Property, plant and equipment financing - 2021/22

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2022								
Owned	22,556	7,868	-	566	30	6,612	1,691	**39,322**
On-SoFP PFI contracts and other service concession arrangements	-	70,163	-	-	-	-	-	**70,163**
Donated	-	3,211	-	2	-	18	2	**3,233**
NBV total at 31 March 2022	**22,556**	**81,242**	**-**	**568**	**30**	**6,630**	**1,693**	**112,718**

Note 12.4 Property, plant and equipment financing - 2020/21 as restated

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2021 as restated								
Owned restated	21,064	8,076	2,693	528	-	6,830	1,492	**40,683**
On-SoFP PFI contracts and other service concession arrangements as restated	-	65,099	-	-	-	-	-	**65,099**
Donated as restated	-	3,108	-	6	-	5	5	**3,124**
NBV total at 31 March 2021 as restated	**21,064**	**76,283**	**2,693**	**534**	**-**	**6,835**	**1,497**	**108,906**

*

The prior period adjustment resulted in the following restatement to the net book value of land and buildings excluding dwellings as at 31 March 2021:

- Owned land increased by £5,150K
- On-SoFP PFI contracts and other service concession arrangements buildings exluding dwellings increased by £9,593K
- Donated buildings excluding dwellings increased by £284K

Note 26 in the financial statements provides information to the prior year adjustments.

Note 12.5 Valuation methods for land and buildings - 2021/22

	Land	Buidings excluding dwellings
	£000	£000
DRC - Modern Equivalent asset basis (no alternative site)*	19,953	70,163
Market Value in existing use	2,603	11,079
	22,556	**81,242**

* DRC - Modern Equivalent Asset is used for specialist land and buidings including the two PFIs at Prospect Park Hospital in Reading, West Berkshire Community Hospital in Newbury and Greenham Trust Wing located at West Berkshire Community Hospital

Note 13 Inventories

	31 March 2022	31 March 2021
	£000	£000
Drugs	173	160
Total inventories	**173**	**160**

Drug inventories recognised in expenses for the year were £1,134K (2020/21: £1,355K). Write-down of inventories recognised as expenses for the year were £0K (2020/21: £0K).

As part of the COVID response, the Trust continued to receive personal protective equipment ('PPE') inventories from Department of Health and Social Care. These consumable items were centrally procured by DHSC and donated to Trust. The value of these items have been treated as a donation with the total amount of the items being purchased for the Trust being recognised as a contribution to expenditure within Note 4 Other Operating Income. Due to the low value of consumable stock items being held, the Trust has historically treated all personal protective equipment as being fully consumed in the period in which it is purchased, and as a result of this, the Trust records £nil balance of inventory for PPE as at year end 31st March 2022. The value of stock donated to the Trust is recorded as fully utilised within Note 5.1 Expenditure: Supplies and services - clinical. The value of the PPE received in 2021/22 was £377K (2020/21: £2,242K).

Note 14.1 Trade receivables and other receivables

	31 March 2022 £000	31 March 2021 £000
Current		
Contract receivables - NHS	2,318	3,198
Contract receivables - non NHS	2,042	1,670
Allowance for other impaired receivables	(52)	(75)
Prepayments (non-PFI)	3,362	2,621
PDC dividend receivable	340	464
VAT receivable	852	1,405
Clinician pension tax provision	3	-
Other receivables	15	102
Total current trade and other receivables	**8,880**	**9,385**
Non-current		
Clinician pension tax provision	214	-
Total non-current trade and other receivables	**214**	**-**

Note 14.2 Allowances for Credit Losses - 2021/22

	Contract receivables and contract assets £000	All other receivables £000
Allowances as at 1 Apr 2021 - brought forward	**-**	**75**
Changes in existing allowances		(23)
Allowances as at 31 Mar 2022	**-**	**52**

Note 14.3 Allowances for Credit Losses - 2020/21

	Contract receivables and contract assets £000	All other receivables £000
Allowances as at 1 Apr 20120 - brought forward	**-**	**-**
New allowances arising	-	75
Allowances as at 31 Mar 2021	**-**	**75**

The Trust considers debt over 90 days and not under a payment plan or arrangement to be impaired.

Note 15.1 Cash and cash equivalents movements

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

	2021/22	2020/21
	£000	£000
At 1 April	**39,097**	**26,406**
Net change in year	14,769	12,691
At 31 March	**53,865**	**39,097**
Broken down into:		
Cash at commercial banks and in hand	8	11
Cash with the Government Banking Service	53,857	39,086
Total cash and cash equivalents as in SoFP	**53,865**	**39,097**
Bank overdrafts (GBS and commercial banks)	-	-
Drawdown in committed facility	-	-
Total cash and cash equivalents as in SoCF	**53,865**	**39,097**

Note 15.2 Third party assets held by the NHS foundation trust

Berkshire Healthcare NHS Foundation Trust held cash and cash equivalents which relate to monies held by the foundation trust on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	31 March 2022	31 March 2021
	£000	£000
Bank balances	196	164
Total third party assets	**196**	**164**

Note 16.1 Trade and other payables

	31 March 2022	31 March 2021
	£000	£000
Current		
Trade payables - NHS	225	1,881
Trade payables - Non NHS	10,490	5,530
Capital payables	1,049	1,913
Social security costs	2,353	2,246
VAT payable	1,599	27
Other taxes payable	1,678	1,572
Other payables	500	375
Accruals - NHS	1,675	1,721
Accruals - Non NHS	15,708	14,393
Total current trade and other payables	**35,277**	**29,659**

Note 17.1 Other liabilities

	31 March 2022 £000	31 March 2021 £000
Current		
Deferred income: contract liabilities	10,752	6,215
Total other current liabilities	**10,752**	**6,215**

Note 18 Borrowings

	31 March 2022 £000	31 March 2021 £000
Current		
Obligations under PFI, LIFT or other service concession contracts (excl. lifecycle)	1,679	1,569
Total current borrowings	**1,679**	**1,569**
Non-current		
Obligations under PFI, LIFT or other service concession contracts (excl. lifecycle)	23,786	25,465
Total non-current borrowings	**23,786**	**25,465**

Note 18.1 Reconciliation of liabilities arising from financing activities - 2021/22

	PFI schemes £000	Total £000
Carrying value at 1 April 2021	27,034	27,034
Cash movements:		
Financing cash flows - payments and receipts of principal	(1,569)	(1,569)
Financing cash flows - payments of interest	(1,881)	(1,881)
Non-cash movements:		
Application of effective interest rate	1,881	1,881
Carrying value at 31 March 2022	**25,465**	**25,465**

Note 18.2 Reconciliation of liabilities arising from financing activities - 2020/21

	PFI schemes £000	Total £000
Carrying value at 1 April 2020	28,501	28,501
Cash movements:		
Financing cash flows - payments and receipts of principal	(1,467)	(1,467)
Financing cash flows - payments of interest	(1,984)	(1,984)
Non-cash movements:		
Application of effective interest rate	1,984	1,984
Carrying value at 31 March 2021	**27,034**	**27,034**

Note 19.1 Provisions for liabilities and charges analysis

	Pensions - other staff	Injury Benefits	Other legal claims	Re-structur-ings	Redundancy	Lease Dilapida-tions	Clinicians' pension reimburse-ment	Other	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
At 1 April 2021	**923**	**393**	**767**	**34**	**30**	**777**	**-**	**80**	**3,004**
Change in the discount rate	12	13	-	-	-	(19)	-	0	**7**
Arising during the year	0	-	600	-	-	22	217	42	**881**
Utilised during the year	(95)	(21)	-	-	-	-	-	-	**(116)**
Reversed unused	(182)	(26)	-	(34)	(30)	-	-	(38)	**(310)**
Unwinding of discount	99	24	-	-	-	(3)	-	0	**120**
At 31 March 2022	**758**	**384**	**1,367**	**-**	**-**	**777**	**217**	**84**	**3,587**
Expected timing of cash flows:									
- not later than one year;	95	21	1,367	-	-	196	3	84	**1,766**
- later than one year and not later than five years;	380	82	-	-	-	446	5	-	**913**
- later than five years.	283	281	-	-	-	135	209	(0)	**908**
Total	**758**	**384**	**1,367**	**-**	**-**	**777**	**217**	**84**	**3,586**

Pensions - Other Staff

This relates to former NHS employees whose contract of employment was terminated prior to their normal retirement age, with the effect that the employing authority became responsible for making up any shortfall in pension contributions as a result of that termination up until the death of either the former employee or any remaining survivor. The provision is adjusted annually, taking into Government Actuarial Department changes to life expectancy for England and Wales. Where the pension is no longer payable, then this is reversed unused.

Timing and expectation of the provision and future cashflows is based on historical payments to the NHS Pension Agency for pensions currently paid up to the end of each financial year.

Injury Benefits

This relates to injury benefits arising to individuals as a result of an accident at work, which is paid by the NHS Pensions Agency and then reimbursed by the foundation trust.

Timing and expectation of the provision and future cashflows is based on historical payments to the NHS Pension Agency for pensions currently paid up to the end of each financial year.

Other

This relates to the following items:

Provisions in respect of Liability to Third Party ('LTPS') scheme claims against the Trust handled by NHS Resolution where the foundation trusts maximum exposure is £10,000 per claim;

Dilapidation provisions in respect of leased and rented property;

Other Legal Claims relate to claims made against the Trust but which are not covered by NHS Resolution, and can include employment related cases.

Timing of cash flows for LTPS claims are expected to occur within one year of current year end, but may be subject to on-going litigation by the claimant. Claims not upheld or not proceeded with will result in provisions being reversed.

for dilapidations may be subject to uncertainty due to early termination, extension of lease beyond its current expected termination date, or negotiation with leasehold provider over value of dilapidation works required.

Note 19.2 Clinical negligence liabilities

At 31 March 2022, £22,946K was included in provisions of the NHS Resolution in respect of clinical negligence liabilities of Berkshire Healthcare NHS Foundation Trust (31 March 2021: £12,251K).

Note 20 Contingent assets and liabilities

	31 March 2022 £000	31 March 2021 £000
Value of contingent liabilities		
NHS Resolution legal claims	(25)	(22)
Gross value of contingent liabilities	**(25)**	**(22)**
Amounts recoverable against liabilities	-	-
Net value of contingent liabilities	**(25)**	**(22)**

Note 21 Contractual capital commitments

	31 March 2022 £000	31 March 2021 £000
Property, plant and equipment	-	480
Intangible assets	-	541
Total	**-**	**1,021**

Note 22 On-SoFP PFI, LIFT or other service concession arrangements

The foundation trust operates two PFI schemes:

Prospect Park Hospital, Reading Berkshire

This PFI scheme is to design, build, maintain and operate (through facilities management and related services) a 120 bed mental health inpatient hospital facility. The hospital became operational in March 2003. At the end of the contract the hospital buildings will revert to the Trust's ownership.

The contract has a 32 year term, ending in 2033, and sees the Trust making a minimum unitary base payment that totals £4.02m annually. It is charged monthly and adjusted for RPI and according to any adverse performance against output measures describing all relevant aspects of the contract. Rates and utilities are borne separately by the Trust.

West Berkshire Community Hospital, Newbury, Berkshire

This PFI was originally managed by the former Berkshire West PCT prior to its dissolution on the 31st March 2013, when the PFI contract was transferred to the foundation trust. This facility operates services such as day case surgery and outpatient facilities. There are also a number of inpatient wards At the end of the PFI contract the hospital building will revert to the Trust's ownership.

The contract has a 32 year term, ending in 2033. The Trust makes a minimum unitary base payment that totals £1.46m annual. It is charged monthly adjusted for RPI, and according to any adverse performance against output measures describing all relevant aspects of the contracts. Rates and utilities are borne separately by the Trust.

Both PFI contracts were deemed as off-balance sheet when the Full Business Cases were approved prior to their design and construction. Following adoption of IFRS the Trust considers the contracts under IFRIC 4 Determining Whether an Arrangement Contains a Lease and IFRIC 12 Service Concession Arrangements and recognised the schemes as 'on-Statement of Financial Position'.

The substance of the two contracts is that the trust has a finance lease and annual payments comprise three elements - finance lease rental, service charges and replacements of the asset components (lifecycle replacements). The element of annual finance lease rental is further split into three components: repayment of the finance lease principal, a finance cost and contingent rental representing the inflation increases. An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period. The implicit rate of interest for Prospect Park Hospital is 7.31%, whilst for West Berkshire Community Hospital it is 6.61%.

Total obligations for on-statement of financial position PFI contracts due:

Note 22.1 Imputed finance lease obligations

	31 March 2022 £000	31 March 2021 £000
Gross PFI, LIFT or other service concession liabilities	**68,506**	**75,309**
Of which liabilities are due		
- not later than one year;	5,605	5,437
- later than one year and not later than five years;	22,945	22,557
- later than five years.	39,956	47,315
Finance charges allocated to future periods	(43,041)	(48,275)
Net PFI, LIFT or other service concession arrangement obligation	**25,465**	**27,034**
- not later than one year;	1,679	1,569
- later than one year and not later than five years;	7,394	7,053
- later than five years.	16,392	18,412

Note 22.2 Total On-SoFP PFI, LIFT and other service concession arrangement commitments

Total future payments committed in respect of PFI, LIFT or other service concession arrangements	31 March 2022 £000	31 March 2021 £000
	155,113	**181,540**
of which due:		
- not later than one year;	12,146	11,990
- later than one year and not later than five years;	52,990	51,035
- later than five years.	89,976	118,515
	155,113	**181,540**

Note 22.3 Payments committed in respect of the service element

	31 March 2022 £000	31 March 2021 £000
Charge in respect of the service element of the PFI, LIFT or other service concession arrangement for the period	**83,516**	**89,962**
Commitments in respect of the service element of the PFI, LIFT or other service concession arrangement:		
- not later than one year;	6,540	6,521
- later than one year and not later than five years;	28,531	27,756
- later than five years.	48,445	55,685
Total	**83,516**	**89,962**

Note 22.4 Analysis of amounts payable to service concession operator

	31 March 2022 £000	31 March 2021 £000
Unitary payment payable to service concession operator (total of all schemes)	**11,850**	**11,698**
Consisting of:		
- Interest charge	1,881	1,984
- Repayment of finance lease liability	1,569	1,467
- Service element	6,380	6,362
- Contingent rent	2,020	1,886
Total amount paid to service concession operator	**11,850**	**11,698**

Note 23 Financial instruments

Note 23.1 Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the NHS trust has with clinical commissioning groups and the way those clinical commissioning groups are financed, the NHS foundation trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The NHS foundation trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS trust in undertaking its activities.

The Foundation Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Foundation Trust's Standing Financial Instructions and policies agreed by the Board of Directors. Foundation Trust treasury activity is subject to review by the Trust's internal auditor.

The Foundation Trust's financial instruments, other than those used for treasury risk management purposes, comprise cash and liquid resources and various items such as trade debtors and creditors that arise directly from its operations. The Trust does not undertake speculative treasury transactions.

Liquidity risk

The Foundation Trust's net operating costs are mainly incurred under legally binding contracts with local Clinical Commissioning Groups, NHS England and local authorities, which are financed from resources voted annually by Parliament. Under Payment by Results, the Foundation Trust is paid for activity on the basis of nationally set tariffs. For contracted activity, the Foundation Trust is paid in 12 monthly instalments throughout the year, which significantly reduces the Foundation Trust's liquidity risk. Performance in excess of contracted levels is paid in accordance with the terms of the legally binding contracts. The Foundation Trust finances its capital programme through internally generated resources and external borrowing where appropriate.

Foreign currency risk

The Foundation Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and Sterling based. The Trust has no overseas operations therefore the exposure to currency rate fluctuations is low.

Interest-Rate Risk

None of the Foundation Trust's financial assets or liabilities carries any real exposure to interest-rate risk. The Foundation Trust's owned assets are funded by public dividend capital, which is non-interest bearing and of unlimited term. The PFI assets, are funded by way of a Finance Lease which are at a fixed rate of interest over the full remaining term of the PFI contracts.

Credit Risk

Due to the fact that the majority of the trust's income comes from legally binding contracts with other government departments and other NHS Bodies the trust does not believe that it is exposed to significant credit risk. The maximum exposures as at 31st March 2022 are in receivables from customers, as disclosed in the **Note 14.1 Trade and other receivables.**

Note 23.2 Carrying values of financial assets

	Loans and receivables £000	Total £000
31 March 2022		
Receivables excluding non-financial assets	4,308	**4,308**
Cash and cash equivalents at bank and in hand	53,865	**53,865**
Total at 31 March 2022	**58,173**	**58,173**

	Loans and receivables £000	Total £000
31 March 2021		
Receivables excluding non-financial assets	4,868	**4,868**
Cash and cash equivalents at bank and in hand	39,097	**39,097**
Total at 31 March 2021	**43,965**	**43,965**

Note 23.3 Financial liabilities

	Other financial liabilities £000	Total £000
Liabilities as per SoFP as at 31 March 2022		
Obligations under PFI, LIFT and other service concession contracts	25,465	**25,465**
Trade and other payables excluding non-financial liabilities	28,269	**28,269**
Other financial liabilities		**-**
IAS 37 provisions which are financial liabilities	2,228	**2,228**
Total at 31 March 2022	**55,962**	**55,962**

	Other financial liabilities £000	Total £000
Liabilities as per SoFP as at 31 March 2021		
Obligations under PFI, LIFT and other service concession contracts	27,034	**27,034**
Trade and other payables excluding non-financial liabilities	24,627	**24,627**
IAS 37 provisions which are financial liabilities	2,237	**2,237**
Total at 31 March 2021	**53,898**	**53,898**

Note 23.4 Maturity of financial liabilities

	31 March 2022	31 March 2021
	£000	£000
In one year or less	35,521	30,519
In more than one year but not more than five years	23,388	24,241
In more than five years	40,071	48,180
Total	**98,980**	**102,940**

This table replaces the previous maturity analysis for financial liabilities. Previously this analysis has been performed on book values. However IFRS 7 (para B11D) requires this analysis to be based on undiscounted future contractual cash flow (ie gross liabilities including finance charges). Prior Year has been restated.

Note 23.5 Fair values of financial assets at 31 March 2022

	Book value	Fair value
	£000	£000
Cash and cash equivalents at bank and in hand	53,865	53,865
Total	**53,865**	**53,865**

Note 23.6 Fair values of financial liabilities at 31 March 2022

	Book value	Fair value
	£000	£000
IAS 37 provisions which are financial liabilities	2,228	2,228
Obligations under PFI, LIFT and other service concession contracts	25,465	25,465
Other	28,269	28,269
Total	**55,962**	**55,962**

Note 24 Losses and special payments

	2021/22		2020/21	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
Losses				
Cash losses	1	-	1	-
Fruitless payments	7	1	1	-
Bad debts and claims abandoned	102	68	-	-
Stores losses and damage to property	2	2	2	1
Total losses	**112**	**71**	**4**	**1**
Special payments				
Extra contractual to contractors	2	56	-	-
Losses of Personal Effects	14	4	3	3
Personal Injury with Advice	5	34	8	47
Other negligence and injury	1	5	-	-
Other Employment	2	31	2	10
Overtime corrective payments* - nationally funded	1	181	-	-
Overtime corrective payments* - locally funded	1	5	-	-
Other Ex-gratia Payments	8	26	29	26
Special severance payments	-	-	2	112
Total special payments	**34**	**342**	**44**	**198**
Total losses and special payments	**146**	**413**	**48**	**199**

*** Overtime corrective payments (Flowers judgement)**

Guidance issued by NHS Improvement for 2020/21 year end asked the Trust to account for the cost of the nationally agreed corrective payments and associated income based on nationally generated estimates for overtime corrective payments in respect of the judgementof an Employment Appeal Tribunal in "***Flowers and others v East of England Ambulance Trust***".

These payments are considered special payments for which HM Treasury approval was sought nationally by NHS England on the Trust's behalf.

To aid the preparation of the consolidated provider accounts NHS Improvement have now asked Trusts to separate out the amounts disclosed in this table for (a) the nationally funded corrective payment and (b) any additional amounts agreed and paid locally.

The corrective settlements for current and potential back pay claims are special payments. Ongoing costs (including impact on 2021/22 pay) are not special payments as these reflect determined entitlements under employment contracts. The amounts represented above relate to historic claims before 2021/22.

Note 25 Related parties

Berkshire Healthcare NHS Foundation Trust is a body corporate established by order of the Secretary of State for Health.

During the year none of the Board Members or members of the key management staff or parties related to them has undertaken any material transactions with Berkshire Healthcare NHS Foundation Trust.

The foundation trust considers material transactions as those being where the income or expenditure is over £250,000 per annum.

The Department of Health is regarded as a related party. During the year Berkshire Healthcare NHS Foundation Trust had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department. These entities are listed below:

	Income		Expenditure		Receivables		Payables	
	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21
	£000	£000	£000	£000	£000	£000	£000	£000
NHS Foundation Trusts								
Frimley Health NHS Foundation Trust	674	636	1,657	1,258	96	91	1,150	492
Oxford Health NHS Foundation Trust	1,994	40	263	289	232	87	154	128
Oxford University Hospitals NHS Foundation Trust	533	475	67	0	1	0	1	0
Royal Berkshire NHS Foundation Trust	4,982	4,191	2,461	2,448	258	118	136	137
South Central Ambulance Service NHS Foundation Trust	1,028	464	212	139	58	72	80	58
Central and North West London NHS Foundation Trust	0	0	309	258	0	0	24	0
Northern Care Alliance NHS Foundation Trust*	0	0	0	50	0	0	0	50
NHS Trusts								
Avon and Wiltshire Mental Health Partnership NHS Trust	716	597	607	607	55	0	0	0
Clinical Commissioning Groups								
NHS Berkshire West CCG	150,972	133,591	139	0	72	153	2,005	957
NHS Buckinghamshire CCG	1,960	1,606	0	0	0	3	4	0
NHS Frimley CCG**	97,197	90,586	217	74	654	44	3,695	2,066
NHS Oxfordshire CCG	18	89	0	0	0	2	158	172
NHS England and other associated organisations								
NHS England - Core	9,204	7,760	341	720	515	92	1,063	895
South West Regional Office	1,595	1,559	0	0	0	0	0	0
South East Regional Office	14,462	16,520	0	0	0	0	0	0
Other NHS Bodies								
Health Education England	4,587	3,631	0	0	190	15	1,720	1,288
NHS Resolution (formerly NHS Litigation Authority)	0	26	1,564	1,252	0	0	0	0
NHS Property Services Ltd	3,753	7,270	5,423	6,260	94	2,432	0	1,873
Department of Health and Social Care	268	244	0	0	27	0	0	55
Local and Unitary Authorities								
Bracknell Forest Borough Council	3,683	3,742	12	0	331	59	22	57
Reading Borough Council	2,956	2,881	117	0	260	253	146	6
Slough Borough Council	1,105	1,042	207	48	114	27	58	52
West Berkshire Council	2,486	2,429	68	122	207	212	174	122
Windsor and Maidenhead (Royal Borough of)	368	490	85	2	10	38	69	73
Wokingham Borough Council	3,679	3,362	315	94	413	405	522	260
Other Whole of Government Account Organisations								
HM Revenue & Customs - VAT	0	0	0	0	852	1,405	1,599	22
HM Revenue & Customs - Other taxes and duties and NI contributions	0	0	16,830	14,980	0	0	4,031	3,823
NHS Pension Scheme	0	0	29,587	27,875	0	0	2,963	32
NHS Professionals	0	0	0	0	0	0	1,170	0
Berkshire Health Charitable Fund	15	24	0	0	0	0	0	0
Total	**308,235**	**283,255**	**60,481**	**56,476**	0 **4,439**	**5,508**	**20,944**	**12,618**

* Pennine Acute Hospitals NHS Trust was acquired by Salford Royal NHS Foundation Trust on the 1st October 2021 and then renamed Northern Care Alliance NHS Foundation Trust. The prior year 2020/21 balances for Pennine Acute Hospitals NHS Trust is shown under the name of the new provider Northern Care Alliance NHS Foundation Trust

** NHS Frimley CCG was established from the merger of Berkshire East CCG, Surrey Heath CCG, and NHS North East Hampshire and Farnham CCG on 1st April 2021. The prior year 2020/21 balances for the three CCGs are consolidated under NHS Frimley CCG

Note 26 Prior Period Adjustment

The land and buildings in respect of the Trust's two Private Initiative (PFI) hospitals of Prospect Park Hospital in Reading, and West Berkshire Community Hospital in Newbury, and the donated asset, known as Greenham Trust Wing in Newbury, are valued using depreciated replacement costs on a modern equivalent basis. However, it was identified that the replacement cost for the two PFI facilities and the donated asset did not reflect the modern equivalent, but rather the specification as per the valuation in 2008, subsequently increased by regular indexation. As a result, the valuations provided were not considered accurate and the Trust appointed a second valuation provider to re-review the valuations of these assets for years 2021/22, 2020/21 and 2019/20 as the error spans previous periods. The result of this is the Trust has made a restatement of the previously reported opening balance of Property, Plant and Equipment on the Statement of Financial Position for 2020/21. The restatement of opening balances for 2020/21 has also impacted the depreciation outturn for that financial year, and subsequently reduced the reported outturn for 2020/21. A similar impact is also seen in 2021/22.

The new valuations for the two PFIs and the donated asset resulted in an opening balance increase for 2020/21 of £13m, split between land (£2m and buildings £11m).

	Opening Balance as Reported 1st April 2020 (£'000)	Adjustment to Opening Balance 1st April 2020 (£'000)	Opening Balance as Restated 1st April 2020 (£'000)	Revaluation as Restated 31st March 2021 (£'000)	Closing Balance as Restated 31st March 2021 (£'000)
Land					
Prospect Park Hospital, Reading	10,000	(1,068)	8,932	1,866	10,798
West Berkhsire Community Hospital, Newbury	1,900	2,920	4,820	963	5,783
Greenham Trust Wing, Newbury	0	390	390	78	468
Sub Total Land	**11,900**	**2,242**	**14,142**	**2,907**	**17,049**
Buildings					
Prospect Park Hospital, Reading	35,250	10,054	45,304	(2,306)	42,998
West Berkhsire Community Hospital, Newbury	22,091	583	22,674	(573)	22,101
Greenham Trust Wing, Newbury	2,403	295	2,698	(103)	2,595
Sub Total Buildings	**59,744**	**10,932**	**70,676**	**(2,982)**	**67,694**
Grand Total					
Prospect Park Hospital, Reading	45,250	8,986	54,236	(440)	53,796
West Berkhsire Community Hospital, Newbury	23,991	3,503	27,494	390	27,884
Greenham Trust Wing, Newbury	2,403	685	3,088	(25)	3,063
Grand Total	**71,644**	**13,174**	**84,818**	**(75)**	**84,743**

The amendment to building valuation resulted in an increase in capital charges (£323K) in respect of annual depreciation across all three properties and a reversal of an inpairment (£3K) against Greenham Trust Wing, Newbury. This net increase was £320K which resulted in a reduction against the original reported outturn for 2021/22 from £933K to £613K.

The 2020/21 year-end valuation has been amended as shown below:

	As reported 2020/21 (£'000)	Adjustment 2020/21 (£'000)	As restated 2020/21 (£'000)
Buildings Depreciation*			
Prospect Park Hospital, Reading	833	252	1,085
West Berkhsire Community Hospital, Newbury	584	57	641
Greenham Trust Wing, Newbury	46	14	60
Total Buildings Depreciation	**1,463**	**323**	**1,786**
*** There is no depreciation of Land**			
Building Impairments Charged to SoCI			
Greenham Trust Wing, Newbury	46	(3)	43
Total Building Impairments	**46**	**(3)**	**43**
Grand Total Building Depreciation and Impairments	**1,509**	**320**	**1,829**

Impact of Change to Depreciation and Impairment Charges on Reported Surplus for 2020/21

Surplus 2020/21	**933**	**(320)**	**613**

The above adjustment has been corrected by restatement in each of the affected financial line items for the prior period as show in the in tables below

Statement of Comprehensive Income (extract)	**1st April 2020**	**Increase / (Decrease)**	**1st April 2020 (restated)**	**31st March 2021**	**Increase / (Decrease)**	**31st March 2021 (restated)**
Operating expenses	-	-	-	(295,400)	(320)	(295,720)
Operating surplus from continuing operations	-	-	-	5,799	(320)	5,479
Surplus for Year	-	-	-	933	(320)	613
Impairments	-	-	-	(1,810)	(803)	(2,613)
Revaluations	-	-	-	379	2,975	3,354
Total other comprehensive income/(expense) for the period	-	-	-	(1,432)	2,172	740
Total comprehensive income/(expense) for the period	-	-	-	**(499)**	**1,852**	**1,353**

Statement of Financial Position (extract)	**1st April 2020**	**Increase / (Decrease)**	**1st April 2020 (restated)**	**31st March 2021**	**Increase / (Decrease)**	**31st March 2021 (restated)**
Property, plant and equipment	94,839	13,174	108,013	93,879	15,027	108,906
Total non-current assets	**101,637**	**13,174**	**114,811**	**99,251**	**15,027**	**114,278**
Total assets less current liabilities	**110,661**	**13,174**	**123,835**	**109,995**	**15,027**	**125,022**
Total assets employed	**81,687**	**13,174**	**94,861**	**81,981**	**15,027**	**97,008**
Revaluation reserve	33,393	12,878	46,271	31,962	15,053	47,015
Income and expenditure reserve	29,066	296	29,362	29,998	(26)	29,972
Total taxpayers' equity	**81,687**	**13,174**	**94,861**	**81,981**	**15,027**	**97,008**

Statement of Changes in Taxpayers Equity (extract)	1st April 2020	Increase / (Decrease)	1st April 2020 (restated)	31st March 2021	Increase / (Decrease)	31st March 2021 (restated)
Revaluation Reserve	33,393	12,878	46,271	31,962	15,053	47,015
Income and expenditure reserve	29,066	296	29,362	29,998	(26)	29,972
Surplus for the year	-	-	-	933	(320)	613
Impairments	-	-	-	(1,810)	(803)	(2,613)
Revaluations	-	-	-	379	2,975	3,354
Taxpayers and other's equity	-	-	-	**81,981**	**15,027**	**97,008**

Statement of Cashflow (extract)	1st April 2020	Increase / (Decrease)	1st April 2020 (restated)	31st March 2021	Increase / (Decrease)	31st March 2021 (restated)
Operating surplus from continuing operations	-	-	-	5,799	(320)	5,479
Depreciation and amortisation				7,956	323	8,279
Net Impairments				1,459	(3)	1,455