NHS
The Rotherham
NHS Foundation Trust

The Rotherham NHS Foundation Trust

Annual Report and Accounts 2022/23

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The Rotherham NHS Foundation Trust

Annual Report and Accounts 2022/23

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

Contents


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Welcome from the Chairman

In the first instance I would like to say 'thank you' to everyone here at The Rotherham NHS Foundation Trust for all the hard work carried out over the last year. Staff have continued to show tremendous dedication and resilience during 2022-23 as we continued to be challenged by the ongoing implications of COVID-19 but also the return of the flu virus. The Trust has had to transition very quickly from dealing with the pandemic to dealing with an increase in acute activity and demand whilst trying to recover.

We have also seen some changes to our Executive Team and I am delighted to confirm that Dr Richard Jenkins became our substantive Joint Chief Executive with Barnsley Hospital NHS Foundation Trust in September 2022. Sally Kilgarrif was appointed our Chief Operating Officer in May 2022 and, Dr Jo Beahan joined the Trust in December 2022 as our new Medical Director. I would like to thank Mrs Susan Douglas who stepped in as Interim Medical Director until Dr Beahan arrived.

We have also seen some changes among our Non-Executive Director colleagues with Lynn Hagger, Nicola Bancroft and Michael Smith stepping down. I would like to thank them for all their hard work over the years and wish them well for the future. We welcomed new Non-Executive Directors, Martin Temple and Dee Sissons and Zlakha Ahmed as an Associate non-Executive Director.

The Trust has been through some very challenging times, one of which related to the prosecution by the Care Quality Commission (CQC) in relation to historical safeguarding matters going back a number of years. The Trust accepted that systems and processes at the time were not sufficiently robust but lessons have been learnt and practices have changed. The Trust, has for a number of years had conditions on our Registration by the CQC and I am delighted that for the first time in several years, the Trust is now operating without any sanctions.

Our Charity has been very active during the last year. The Charity was rebranded and called the Rotherham Hospital and Community Charity and it continues to receive support from our local community. Charity fundraising increased substantially last year with new events such as the Three Peaks Challenge, Fire and Glass Walks, Skydiving days in addition to breakfast events aimed at attracting new corporate sponsorship from local businesses. Early in the year it was an honour to hear the news that the new Mayor of Rotherham had chosen the Charity as one of his four charities to support during his year of office.

We have continued to collaborate as a key partner in the South Yorkshire Integrated Care System (NHS South Yorkshire), the South Yorkshire and Bassetlaw Acute Federation and in the Rotherham Place. During this last year we have made a step change in our partnership working with Barnsley Hospital NHS Foundation Trust, developing a formal Strategic Partnership to facilitate an increase in shared working.

We are committed to tackling health inequalities and our commitment to close partnership working will support the reduction of disparities between outcomes for our communities.

I would like to thank our Governors who have played such an important role in representing our membership.

We could not have achieved all we have without our hardworking, dedicated colleagues working across the community and hospital services. They have continued to care for our patients and we are very proud of them.

Martin Havenhand
Chairman
27 June 2023


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Performance Report

Overview of Performance: Statement from the Chief Executive

I would like to start my overview report by expressing my deep thanks and gratitude to all our staff who have worked extremely hard over the last year. Colleagues have demonstrated tremendous dedication and resilience as we have continued to be challenged by the impact of COVID-19, in addition to an increased prevalence of influenza.

The Rotherham NHS Foundation Trust's Annual Report and Accounts for 2022-23 set out how the Trust has performed over the year including some of the key achievements and some reflections on the challenges we have faced.

We have made significant progress in reducing long waits for planned care, cancer and diagnostic tests. We achieved the national requirements in planned care and ensured no patient waited more than 78 weeks by year end. However, waiting times in our Urgent and Emergency Care Centre are still too long and we have worked very hard to address this – this work continues into 2023.

Last year saw a 'tale of two halves' from a regulatory perspective. The Trust was prosecuted by the CQC in relation to historical safeguarding cases. The team and I reflected that whilst we felt we have robust safeguarding processes in place now, have received positive feedback following independent external scrutiny, at the time of the incidents in 2019-20, we agreed they were not. The Trust has been operating under a range of CQC sanctions since 2015 and I am delighted to say that through the hard work and dedication of our staff, these have all been removed in recent months. Our progressive investment in Quality Improvement initiatives is critical to ensure we have a culture of continuous improvement in the Trust.

Staff engagement continues to be a very high priority and I am pleased to say that our staff survey results have improved year on year. The overall response rate of 61% was the highest ever response rate for us and the Trust is also scoring higher than average in all the People Promise elements. We now have one of the best staff surveys in Yorkshire. However we are not complacent and will strive to improve further during this next year.

We are a core member of the Acute Federation of hospital Trusts in South Yorkshire and we have continued to positively increase our partnership working with Barnsley Hospital and over the last year we have established a formal Strategic Partnership to enable a number of collaborative work steams to take effect. One clear benefit of this is the development of services in gastroenterology at Rotherham.

We have continued to change and adapt to new ways of working so that we can continue to provide safe and effective care for our patients. Patient safety and high quality of care remain top priorities for the Trust.
As Martin has mentioned, our Charity has gone from strength to strength and has been instrumental in supporting our staff and services. The increased support the Charity received last year led to the completion of a number of Charity funded projects such as the redevelopment of the Children's ward play area with its nautical theme, and the opening of the Snowdrop room. There was significant change to how the Charity works in year with the opening of the new Charity Hub in the main reception area providing much needed visibility. The development of the new Charity Strategy with a number of long term objectives will further increase the excellent work the Charity undertakes in supporting our patients families and staff.

My thanks go out to all our committed and driven colleagues, our Governors and members who all contributed to ensuring we continued to deliver the best care to our patients and their families.

R. Jenkins

Dr Richard Jenkins
Chief Executive
27 June 2023

Overview of Performance: About Us

The purpose of this overview section is to provide a brief summary of information about the organisation, its purpose, key risks and performance.

A brief history and statutory background

The Rotherham NHS Foundation Trust was established on 01 June 2005 pursuant to Section 6 of the Health and Social Care (Community Health and Social Care) Act 2003. We are regulated by NHS England, are a membership based, public benefit corporation and the Care Quality Commission regulates the quality of the services the Trust provides.

Prior to 2005, the Trust was known as Rotherham General Hospital NHS Trust. In 2011, the Trust acquired Rotherham Community Health Services resulting in a combined Trust providing both acute and community services across Rotherham, Doncaster and Barnsley.

Activities of The Rotherham NHS Foundation Trust

The Trust is registered with the Care Quality Commission to carry out the following regulated services:

- Treatment of disease, disorder or injury
- Surgical procedures
- Diagnostic and screening procedures
- Maternity and midwifery services
- Termination of pregnancies
- Family planning services
- Assessment of medical treatment for persons detained under the Mental Health Act 1983

We deliver care across multiple sites with the majority of our acute services provided at the Trust's Moorgate Road site. The Trust also provides services at Breathing Space, Park Rehabilitation Centre, Rotherham Community Health Centre, Rotherham Intermediate Care Centre and New Street Health Centre in Barnsley.

As at 31 March 2023, the Trust had a total of 5,150 dedicated members of staff working across an Acute and Community model of care serving a population of over 270,000 across the South Yorkshire region. The Trust has a Divisional management structure in order to co-ordinate and deliver healthcare services throughout the following structure:

- Medicine
- Surgery
- Urgent and Emergency Care
- Community
- Family Health
- Clinical Support Services

The Trust has additional support services comprising Health Informatics, Estates and Facilities, Strategy, Planning and Performance, Workforce and Finance, all of which are led by an Executive Director.

Rotherham is a town with high levels of deprivation with over 50,000 people living in deprived areas. Deprivation often leads to inequality of health care and a key aspect of our ambition is to improve fair access to healthcare for all. The population is older than the national average, the majority being white British with approximately 20,000 people from minority ethnic groups.

System working

The Trust continues to be a core member of the Acute Federation of hospitals in South Yorkshire.

We have further developed our partnership working with Barnsley Hospital NHS Foundation Trust. In addition, we continue to have a joint Ear Nose and Throat on call rota with Doncaster and Bassetlaw Teaching Hospitals NHS Foundation Trust covering emergency care across the region.

Our Integrated Discharge Team, run in collaboration with Rotherham Metropolitan Borough Council has become further established ensuring that we have been able to support the discharges of our patients in a timely manner.

Our Purpose

We are incredibly proud of the achievements of the Trust, and in particular over the last 12 months. We are determined to continue our improvement journey and 'Our New Journey Together' sets out our Strategic Ambitions until 2027, giving us a clear direction as we all navigate through the changing landscape.

Key Issues, Opportunities and Risks

It is essential we continue to maintain a high standard of quality care. The Board of Directors and senior managers continually review key metrics and risks that have the potential to undermine the achievement of our Strategic Ambitions.

The Board Assurance Framework was redrafted in 2020-21 to align with our new Strategic Ambitions for 2022-2027. The Assurance Committees and Board continued to review the Board Assurance Framework on a monthly and bi-monthly basis respectively and will continue to monitor its' relevance to ensure it reflects the risks within the organisation and remains relevant to the work we do.

The key risks identified in year are described within the Annual Governance Statement at page 95.

The risks relevant for the end of the financial year and going forward as future risks relate to the following:

- Risk we will not embed quality care due to the lack of resource, capacity and capability leading to poor clinical outcomes and patient experience
- Risk that robust service re-configuration across the system will not progress and deliver seamless end to end patient care across the system due to a lack of appetite for developing strong working relationships and mature governance processes leading to poor patient outcomes.
- Risk we do not establish ourselves as leaders in improving the lives of the population we serve because of insufficient influence at PLACE leading to increased health inequalities.
- Risk we will not deliver safe and excellent performance due to insufficient resources (financial and human) leading to an increase in our patient waiting times and potential of patient deterioration and inability to deliver our Operational Plan.
- Risk we will not be able to sustain services in line with national and system requirements because of a potential deficit in 2023-24 leading to further financial instability.

Environmental Sustainability and Net Zero

The Rotherham NHS Foundation Trust Green Plan sets out how we will address the Net Zero challenge for the NHS to reduce the environmental impact arising from carbon emissions with a view to achieving 80% net zero by 2032 and a totally emissions free site by 2040.

Our Green Plan intends to exceed the current NHS commitments towards environmental sustainability by: Achieving at least an 80% reduction in emissions from on-site sources by 2032 Achieving a further 5% reduction in general waste, based on 2020's levels Reduce patient service mileage by 25% based on 2020 by 2023, by delivering care closer to home and in the community settings Ceasing use of all single use plastics Reducing water consumption by 10% by 2025.

The Trust continues to make progress against the agreed commitments as set out in our approved Green Plan.

Performance Analysis

The Rotherham NHS Foundation Trust continued to take part in the field test of the proposed new national urgent care metrics throughout 2022-23, which the Trust reported separately to NHS England. As such, information about the field test is available from NHS England directly. After two years of no patients waiting longer than 12 hours following a decision to admit, the operational pressures in 2022-23 were such that unfortunately the Trust saw 105 patients waiting 12 hours for a bed. Despite these significant pressures throughout the year, the organisation has continued its significant journey of development around effective urgent care pathways and strong discharge planning, implementing a new same day emergency care model and developing an innovative virtual ward model.

However, our focus in 2023-24 will need to move slightly as the national pilot will come to an end in May 2023 and we have been asked to revert to the four-hour urgent and emergency care standard again. This is a standard we have not worked to since early 2019 and successful delivery against the national expectation of achieving 76% by March 2024 will require significant changes to our ways of working and our processes throughout the organisation. We have developed a comprehensive programme of work to ensure delivery against this, which will include improving our urgent care pathways, developing our workforce model, continued attention on effective discharge processes and enhancing our patient experience.

The impact of the COVID-19 pandemic was less acute for most of 2022-23, but the resurgence of influenza during winter, combined with the challenges of COVID-19 (both from a patient and a staff absence perspective), led to the Trust experiencing some of the longest and strongest operational pressures it has ever faced. The Trust continued to work closely with partner organisations to ensure an appropriate Place-based response to managing the increased risks during these times of heightened pressure, implementing full command and control structures as appropriate. The operational, medical and nursing teams coped admirably, continuing to work tirelessly to balance the need for a continued response to COVID-19 with the need to deliver wider healthcare services to the population. A demonstrable example of this was the fact that this was our first winter in many years where we were able to continue running our elective Orthopaedic service throughout the winter months, due to the innovative reconfiguration of our ward areas to enable the clear separation of but flexibility within our ring-fenced elective orthopaedic beds and our non-elective trauma orthopaedic beds.

As in previous years, the Trust worked with Place partners to develop a Winter Plan. This consisted of modelling of the anticipated demand that would be placed upon critical care and the acute and community services and the actions that needed to be taken to meet this demand. All partners across the borough were engaged with the plan and contributed to key actions. This resulted in the use of flexible COVID-19 and non-COVID-19 beds across the acute and community bed bases. The organisation continues to work closely with health and social care partners in Rotherham to reduce avoidable hospital admissions and avoid unnecessarily prolonged hospital stays throughout the year, benchmarking well against other national peers.

Given the pressures on the health service during certain periods throughout 2022-23 the Trust's elective care activity was reduced during these busiest periods in order to support the non-elective capacity required for emergency admissions. This did reduce our elective activity volumes below the national expectation of 104% across the year, but the Trust still sits within the upper quartile for the core elective care metric around Referral to Treatment performance.

Cancer Waiting Times

Timely management of patients referred onto the cancer pathway is an important focus for the Trust. Following the significant reduction in some key cancer activity in 2020/21 based on national guidance and a slow return to normal service in 2021/22, this year our focus was on reducing the backlogs of patients waiting for care and returning to pre-pandemic levels of activity.

Whilst the Trust remained non-compliant with the 62-day constitutional standard of patients being treated following urgent referral from their GP, the organisation delivered beyond the national expectation of the number of patients waiting over 62 days at the end of the year who were referred on a cancer pathway by their GP, with just over 40 such patients at the end of March 2023.

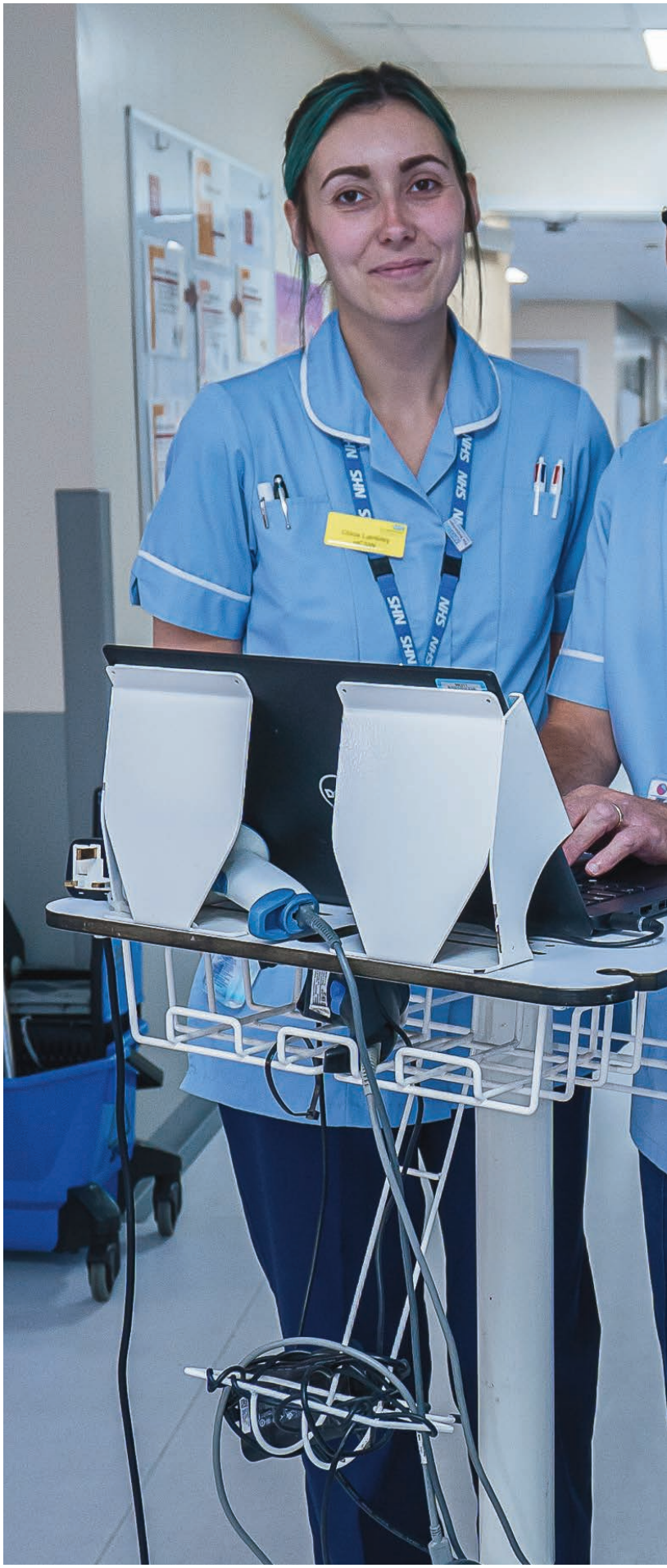
The Trust continued to strive to improve performance against the new national 28-day cancer faster diagnosis standard throughout the year, with the standard of 75% achieved in March 2023. This new standard requires patients to be given a confirmed diagnosis within 28 days of referral, in order to ensure more patients with and without cancer receive this confirmed diagnosis much faster, with a national target of 75% by March 2024.

Diagnostic Waiting Times

The national constitutional standard requires that no more than 1% of patients should wait longer than six weeks, which the Trust delivered consistently before the pandemic. However, national expectations have understandably changed since the arrival of the COVID-19 pandemic given the significant restrictions on capacity and subsequent backlogs that developed, with a new target of 5% to be delivered by March 2025. The Trust continued to benchmark very well against this, and was performing in the top 10 of all acute or combined trusts at the end of the year with under 4% of patients waiting over 6 weeks (thus achieving the March 2025 target already).

Other Performance Indicators

Community services continued to see increased activity across adult and children's services. This reflects the ongoing drive to provide care closer to home and away from the acute hospital setting despite the pressures this increased demand brings, community teams continue to respond positively, and in a number of areas have implemented new ways of working.
Our Community teams were at the forefront of a number of significant and innovative developments in 2022-23 including the development and implementation of a new virtual ward model, the piloting of discharge to assess pathways and the expansion of our care coordination centre to provide direct access to community services for other healthcare providers such as ambulance services. In addition, this was the first year of the Urgent and Community Response Standard, with our teams successfully achieving this 2 hour standard throughout the year.



Looking ahead to 2023-24

The Trust has made significant progress against our objectives in 2022-23, but there are still a number of core dimensions where our performance needs to improve. Following a year of more normal operations resuming within the NHS in 2022-23, the coming year will be one for resetting and re-doubling our efforts to return to pre-pandemic delivery of services and performance across both our non-elective and elective services. We recognise the impact that extended waiting times have on our communities and are determined to continue our journey of improvement in 2023-24. Our key areas of focus for 2023-24 include ensuring we are effectively engaging our medical workforce as we look to deliver our ambitions. The last few years have been immensely challenging for many of our colleagues, both within work environments and outside of them, and there is a greater need than ever before to ensure our medical workforce are helping to drive our organisation forward as we continue to find ways through these difficult periods.

Whilst the Trust is not currently reporting on the national urgent and emergency care four-hour access standard, we know that each day, too many patients are waiting too long in our Urgent and Emergency Care Centre (UECC), and we recommenced internal reporting from April and externally from May 2023. The programme of work we have designed will continue to focus on how we manage flow through the organisation in order to deliver on the national expectation by March 2024, as well as how we ensure the processes and ways of working within our Urgent and Emergency Care Centre are adapted to respond to the re-implementation of this standard.

As well as ensuring appropriate and timely access to care for patients attending the Trust via our UECC, it is critical that our recovery of elective activity continues, especially now the majority of constraints from operating through enhanced infection, prevention and control measures have been removed. All Trusts have been given ambitious activity targets to deliver, with our organisation needing to rapidly see a step-change in our activity levels if we are to achieve these. Notably, our waiting list has continued to grow over the last year, whereas in order to ensure successful delivery of the future national long-wait ambitions in 2023-24 and 2024-25 in particular, we will need to see this trend reverse.

Colleagues

As our people are our greatest asset, it is essential that we continue to support the health and wellbeing of our colleagues who have experienced the most challenging and traumatic working conditions in the history of the NHS over the last three years. We will deliver on the NHS People Promise and work together to improve the experience of those working in the NHS for everyone.

Summary of performance against key healthcare targets

Performance of the Trust during the year has been severely affected by the pandemic and national reporting requirements have changed, as have our local and national expectations.

Emergency Access

The Rotherham NHS Foundation Trust has continued to be a field test site for the proposed Urgent Care Metrics throughout 2022-23, and as such we are unable to report against our performance within the Urgent and Emergency Care Centre (UECC) relating to the 4-hour standard. However, following four years of implementing the proposed new field test standards, the Trust was informed at the start of 2023-24 that the pilot would be ceasing and we would need to revert back to measurement and delivery of the core four-hour performance standard. This will require us to take a different approach to managing patients in the UECC in particular, ensuring that there is faster decision-making or that decisions on appropriate next steps are made in ambulatory units throughout our hospital.

Our operational improvement journey has continued in 2022-23, with a focus on improved ways of working and the introduction of an expanded Same Day Emergency Care Unit in order to better support increased volumes of ambulatory care patients. These pieces of work continue to be supported by the Integrated Discharge Team with staff from the Trust and Rotherham Metropolitan Borough Council (RMBC) coming together to form a single point of access for all complex discharges. Through 2022-23 there has been a continued focus on the importance of improving flow through the organisation to support the Urgent and Emergency Care Centre (UECC). This includes continued attention on identifying planned discharges, increasing total discharges and standardising the number of discharges across all seven days of the week.

The Trust participated in the development of a Winter Plan in partnership with the Place (Rotherham) system. This consisted of modelling of the anticipated demand that would be placed upon the acute and community services and the actions that needed to be taken to meet this demand. All partners across the borough were engaged with the plan and contributed to specific actions. This resulted in additional acute and community capacity being brought on stream from the autumn. At the same time as increasing our direct capacity, The Trust's Community Division also piloted and introduced a number of admission avoidance or discharge-supporting initiatives, including Discharge to Assess and Virtual Ward.

The Trust placed significant focus on the challenges posed by operational pressures, especially throughout winter, and colleagues worked closely with partner organisations in particular to improve the quality and timeliness of the transfer of patients from acute settings once they were medically fit to do so. The recording of a patient's Right to Reside (RtR) status when they are in an acute bed is fully embedded within daily ward rounds and within the relevant areas of the Electronic Patient Record. This is to ensure we can maintain daily oversight of our position regarding patients who are medically fit to be discharged out of the Trust.

18 Week Referral to Treatment Waiting Times

Following a significant reduction in the Trust's waiting list size in 2020-21 due to reduced referral volumes, the organisation has seen waiting list growth across the majority of specialties as referrals have bounced back to pre-Covid levels, but capacity has remained constrained. At the end of 2022-23, the waiting list stood at almost 26,500 patients, compared to approximately 15,000 in February 2020 before the COVID-19 pandemic began to impact on elective metrics. Whilst a proportion of this was due to implementation of national guidance relating to Appointment Slot Issues (ASIs) - with these patients now counted as part of the Trust's total waiting list. All of the growth seen since April 2021 (when the waiting list stood at under 17,000) is due to genuine growth and the inability of our capacity to keep pace with the demand we are seeing.

The Trust's elective care activity was mixed across the year, although the greatest challenges were within our inpatient and day case activity, where some significant workforce issues within our Theatres and Anaesthetic teams in particular left us unable to run our full theatre timetable at several points through the year. Elective capacity was further reduced during the key winter months as the emergency pressures required us to utilise our elective beds for our non-elective patients. During the most intense periods, the Trust was only able to continue with inpatient treatments that were urgent or for patients on cancer pathways.

The combination of these challenges and the need to reduce our elective operating activity in particular, led to an increase in the numbers of patients waiting over 52 weeks from 75 patients to over 300. Our focus moving into 2023-24 will be on ensuring we turn the tide on this trend and reduce the length of time patients are waiting for their elective treatment. Despite these challenges, the Trust achieved the national ask to eliminate all patients waiting over 78 weeks by the end of the year.

From a Referral to Treatment perspective, there was a steady decline in performance throughout the year as all of these factors affected our ability to deliver the capacity we planned, with the Trust moving from 74% of patients waiting under the 18 week Constitutional Standard in March 2022 to just under 68% at the end of 2022-23. However, this performance represents top-quartile performance across all acute and community providers in the country, demonstrating how effectively our teams have managed the challenges they have faced. Performance was particularly affected in specialties that are more reliant on theatre and elective bed capacity, as well as those specialties with a small medical workforce due to the impact of increased sickness.

The Trust has carried out a new demand and capacity planning process in 2022-23 to ensure greater visibility over where our greatest gaps are. Whilst a number of these are difficult to solve without increases to our medical workforce numbers, it supports a clear understanding of where our greatest pressures are and more proactive mitigation of likely future waiting time deterioration.

Cancer waiting times

The timely management of patients referred onto a cancer pathway is an important focus for the Trust. During the first year of the pandemic the Trust had to limit and reduce access to some diagnostics and treatment within cancer pathways due to the national guidance at the time. With NHS services fully re-opened early in 2022-23, the Trust saw referral volumes increase to significantly above pre-Covid levels in some tumour sites. Teams managed these within the capacity available, with the Trust reducing the backlog of patients waiting over 62 days who had had a GP referral for a cancer pathway to below the trajectory set at the start of the year, with only 42 patients waiting this length of time.

As well as a clear focus on ensuring fewer patients were waiting over 62 days on cancer pathways, the Trust also focussed on embedding and improvement of the Faster Diagnosis Standard (FDS) throughout the year. This included recruitment to a small Cancer Improvement Team who focussed on full pathway review across the Colorectal and Prostate cancer pathways in order to identify bottlenecks and implement new processes to remove these. Some of the actions within this work drove relatively rapid

improvements in FDS performance at tumour-site level, with only 28% of Lower GI patients receiving a diagnosis or ruling out of cancer within 28 days in September 2022, but this steadily increasing to 60% by the end of the year. However, there are still huge opportunities to improve this even further for patients, which we know will provide significant emotional wellbeing and potentially clinical benefits to our patients.

The Trust failed to deliver the constitutional 62-day standard throughout the year, due to some of the pressures described above. The Trust plans to increase the focus on our work to deliver improved FDS performance in 2023-24, with a slightly larger team due to be recruited to expand the breadth of focus.

Mortality

Following the significant focus on mortality performance during 2021-22 and the delivery of HSMR within the 'as expected' range in the final month of reporting for the year, this successful achievement has been retained for every month. Similarly, the SHMI has remained within the 'as expected' range, with diagnosis-specific alerts continuing to reduce. However, we are aware that this requires focus and investment to continue, and so the Mortality Analytics Group have continued to identify key actions required around themes and trends and to drive improvements around the '3C's' (quality of care; case mix; and coding). In addition to this, a business case for the way in which we complete the Structured Judgement Reviews has been agreed, which will provide increased levels of medical workforce input and ownership into the mortality review process.
Other Performance Indicators

Community services continued to see increased activity across adult and children's services. District Nursing provided support and care for patients in need again within the restrictions placed on everyone as a result of the pandemic. The team ensured patients in need were seen as soon and as safely as practicable, and in a number of areas have continued to implement new ways of working.

The Trust has continued to increase activity within diagnostic services in a safe and appropriate manner, and has remained in the top quartile nationally for performance against the DM01 standard in Endoscopy throughout the 2021/22 year. However, particular modality capacity constraints have led to some areas being much more challenged than others, particularly in Echocardiography and Endoscopy. Whilst these services recovered through significant investment in additional, external capacity in Q4 of 2022-23, we know these levels of performance will not be sustained without increased workforce volumes or investment in external capacity.

Digital

Digital Improvements

During 2022-23 we replaced our old Digital Dictation solution with a brand new modern fully cloud based product. This allowed us to speed up our whole letter dictation processes from end to end, allowing our clinicians to dictate from any mobile or fixed device and securely approve these letters from any internet connected location. As part of the 5 year End User Device programme for 2022/23 we deployed over 350 new laptops and nearly 100 Desktops ensuring that staff have the tools required to do their jobs effectively and also helps ensure our Windows devices are up to date and secure for cyber security purposes.

Finally we carried out a significant update to our external partner version of Rotherham Health Record (RHR) during the reporting period, revitalising the project across "Rotherham Metropolitan Borough Council", "NHS South Yorkshire", "Care Homes", "RDaSH NHS Foundation Trust", "Rotherham Hospice" and all Rotherham GP Practices. We have gained approximately one thousand users from partners with the Clinical Portal established as a great success across our Rotherham Place partners. The update features performance improvements, a new clean look throughout and Single Sign On (SSO). There continues to be ambitious plans to expand RHR even further and some of our next developments include visibility of Multi-Disciplinary Team Care Plans, RESPECT data and integration to the Yorkshire and Humber Care Record (YHCR).

Infrastructure

A major focus during 2022-23 was the upgrade and replacement of the majority of NHS infrastructure across Rotherham. Rotherham Hospital now has a state of the art wifi and data network, managed and monitored 24x7 by a 3rd party, a new very low power storage area network system, and all GPs across Rotherham are benefiting from upgraded data network links providing reliability and fast access to their clinical system. We also spent most of 2022/23 preparing for the upgrade of the telephone system used across all Healthcare in Rotherham, the first time in approximately 20 years.

Cybersecurity

We continued to have a focus on cybersecurity across the organisation and with our system partners. During the year, we have implemented Multi-factor-authentication with strong passwords for sensitive systems and users, upgraded over 30 systems onto new platforms to reduce their cyber risk, responded within 48 hours to national alerts and used national funding to improve our backup capability and technology.

Clinical coding

During the year our clinical coding team, through a combination of service improvement, and changes to ways of working are now achieving over 95% episodes coded in time for 'flex' reporting. This not only supports our financial forecasting capability, but allows us to provide meaningful reports and information on a timely basis back into the organisation, such as mortality reporting.

Health Inequalities

The Trust established a Health Inequalities Task and Finish Group (Chaired by Jo Bibby, Non-Executive Director) to identify and prioritise key actions in order to reduce health inequalities. A number of key themes were identified as areas of focus for the Trust as follows: Access; Improving fair and equitable access to our services and specifically to reflect the impact of COVID-19; Person-centred care; Providing care that is adapted to the circumstances that people are living in and enables them to follow through on the care plans we offer; Service users; Recognising that health inequalities exist within our service users, consider how the Trust can promote better health and wellbeing among the service users, including the benefits to the families and wider community; Partnership and collaboration; Ensuring the Trust is actively contributing to and cooperating with the inequalities reduction work of our partners; and Staff; Working with our colleagues to encourage more role modelling of positive health behaviours, and supporting our staff to access the support they need to do this.

The Group utilised data sets in an effective way to better understand our patients and how they access our services in order to identify any inequalities that exist around access. A summary of the key learning points and actions taken was presented to our Board meeting in July 2022 with regular updates on progress planned for future meetings.

Going Concern Disclosure

After making enquiries, the Directors have a reasonable expectation that the services provided by The Rotherham NHS Foundation Trust will continue to be provided by the public sector for the foreseeable future. For this reason, the Directors have adopted the going concern basis in preparing the accounts, following the definition of going concern in the public sector adopted by HM Treasury's Financial Reporting Manual.

Conclusion

In summary 2022-23 remained an exceptionally busy time for the Trust and I would like to reiterate how proud I am of all our colleagues who worked tremendously hard through difficult circumstances to ensure our patients received high quality care.

Performance Report sign by the Chief Executive in the capacity as Accounting Officer.

R. Jenkins

Dr Richard Jenkins
Chief Executive
27 June 2023

Accountability Report
Director's Report

The Board of Directors: Roles and Responsibilities

The Trust Board operates as a Unitary Board with collective accountability for all aspects of the Trust's performance ranging from clinical, quality, to sustainability and financial performance.

The Board is led by Mr Martin Havenhand, Chair and the Executive Team is led by Dr Richard Jenkins, Chief Executive. The Board sets the strategic direction having regard to priorities set by the NHS in addition to monitoring the performance against the Trust's objectives and Operational Plan.

The Board of Directors considers that it has the necessary range of skills, knowledge and experience to address the current challenges facing the organisation.

The Board also ensures that the Trust delivers safe and effective clinical care in addition to ensuring the Trust maintains high standards within both clinical and corporate governance. The Board of Directors is jointly and severally responsible for scrutinising and challenging the performance of the Trust to ensure that the Trust delivers on our Strategy and continues to improve to deliver high quality care to all our patients and staff.

The Board of Directors are collectively responsible for exercising the powers of the Trust but has the ability and authority to delegate some of these powers to Board Committees and senior management. The Board has a number of Assurance Committees supporting the Board in seeking assurance on all matters relating to quality, finance, performance, people and risk. The aforementioned Assurance Committees are Audit and Risk Committee, Finance and Performance, People, and the Quality Committee. The Nominations and Remuneration Committee is also a statutory committees.

The day to day management of the organisation is delegated form the Board of Directors through the Chief Executive to the Executive Directors. To ensure that the organisation is managed effectively, efficiently and to the highest standards in accordance with its values, clear objectives are set and progress towards their achievement is monitored on a monthly and quarterly basis.

In addition, the Board has an agreed Scheme of Delegation, Standing Financial Instructions which articulate where Board approval is required in relation to any decision and where decisions can be made by the Executive Team.

Composition of the Board

The Board of Directors comprises eight Non-Executive Directors (including a Non-Executive Chair) and seven Executive Directors. The following illustrates the experience and expertise that each of the Directors bring to the Trust. Non-Executive Directors are appointed by the Council of Governors and collectively they bring a broad range of business, clinical, financial and commercial experience and expertise to the Trust.

All Non-Executive Directors are considered to be independent in character and they are free from material business relationships that may interfere with their judgement.
The performance of the Board as a whole is reviewed on an annual basis through a self-assessment facilitated via an on-line survey through our Internal Auditors.

During the reporting period the Board has engaged with and completed a programme of facilitated Board development.

Non-Executive Directors		
Name and Position	**Background**	**Total Number of Board Meetings attended**
Martin Havenhand **Chair**	Martin is a very experience Chair and Non-Executive Director. He has a wealth of experience from both the public and private sectors and is knowledgeable and experienced in regulated industries. Martin brings extensive experience and knowledge of the South Yorkshire community which is invaluable as the Trust continues to develop and enhance local health care services. Martin is Chair of the Board of Directors, Council of Governors, Board Nominations and Remuneration Committee and Governor Nomination and Remuneration Committee. <u>Terms of office</u> 01.01.2014 to 31.01.2017	15/16
	01.02.2017 to 31.01.2020 01.02.2020 to 31.02.2023 The Council of Governors approved a final one year term from March 2023 to February 2024.	
Heather Craven **Non-Executive Director &** **Senior Independent Director**	Heather joined the Trust as a Non-Executive Director in February 2017. Heather is a Chartered Accountant and has spent the majority of her career working in the private sector as Finance Director for FTSE and AIM listed companies across a wide spectrum of industries both in the UK and overseas. Since 2006, Heather has helped a number of organisations via interim and consultancy roles to identify operational, commercial and financial issues and weaknesses delivering solutions to resolve. Heather is the Senior Independent Director, a member and Vice Chair of the Finance and Performance Committee, member of the Audit and Risk Committee, Vice Chair of the Nominations and Remuneration Committee, Chair of the Charitable Funds Committee. Heather also Chairs the Organ Donation Committee. <u>Terms of office</u> 17.02.2017 to 16.02.2020 17.02.2020 to 28.02.2023 01.03.2023-29.02.2024 The Council of Governors approved a further one year term from 01 February 2023 to 31 January 2024.	13/16

Rumit Shah **Non-Executive Director**	Rumit joined the Trust as a Non-Executive Director in January 2020 for a two year term of office. The Council of Governors approved a further three year term of office from January 2022. Rumit is currently a full-time practicing General Practitioner in Hatfield, Doncaster.	13/16
	Rumit is a graduate of the University of Sheffield and his commitment to the NHS spans over 38 years during which time he has been engaged in various capacities including the Local Medical committees (LMC), Primary Care Groups, Primary Care Trusts in addition to being a Clinical Director of East Doncaster Primary Care Network. Rumit is the Chair of the Doncaster LMC. Rumit has been a GP Appraiser, sat on the National Clinical Assessment Service (NCAS) assessing General Practice, a GP member on the Area Prescribing Committee and the Scheduled Drug Monitoring Sub- Committee of Doncaster. Rumit is a keen advocate for excellent quality of care delivered in a timely manner and from August 2020 he has been the Chair of the Quality Committee. Rumit is Chair of the Quality Committee, and a member of the Audit and Risk Committee and Nominations and Remuneration Committee. <u>Terms of office</u> 01.01.2020 to 31.12.2021 01.01.2022 to 31.12.2024	

Joanna Bibby **Non-Executive Director**	Jo Bibby joined the Trust as a Non-Executive Director on 01 June 2021 for a three year term of office until 31 May 2024. Jo has worked in health and healthcare throughout her career, at both national and local level. During ten years at the Department of Health, she was responsible for a range of policy areas including research and development and finance and performance. Jo has led development of approaches to improve the safety and quality of health care, many of which are now applied routinely across the NHS. Jo works at the Health Foundation, an	10/16
	independent charity and 'think tank' where she is responsible for a nationally recognised strategy to improve health and reduce health inequalities. Jo Chairs the People Committee, Vice Chair of the Quality Committee and a member of the Nomination and Remuneration Committee. <u>Term of Office</u> 01 June 2021 to 31 May 2024	
Kamran Malik **Non-Executive Director &** **Vice Chair**	Kamran Malik joined the Trust as an Associate NED in April 2021 and was subsequently appointed as a substantive NED from 11 September 2021 until 10 September 2024. Kamran is a finance professional focusing on business transformation through a coaching approach to people and culture change. He qualified as a Chartered Accountant with KPMG, worked overseas with TNT in senior finance roles, was a Finance Director for a start-up before joining the Royal Mail. During his 20 years at the Royal Mail, he further expanded his business acumen by undertaking various senior leadership roles and professional qualifications including Risk Management, Regulatory Compliance, Procurement, Business and Personal Coaching and as a Director of Cost Transformation. Kamran is the Vice Chair, Chair of the Audit and Risk Committee, a member of the Finance and Performance Committee and a member of the Nomination and Remuneration Committee. <u>Terms of Office</u> Associate NED: April 2021 to September 2021 NED 11 September 2021 to 10 September 2024	13/16

Martin Temple **Non-Executive Director**	Martin Temple is an experienced chair and non-executive director with a background in large-scale manufacturing, business services, public sector, regulatory organisations, academia and the health sector. Through his chairmanship of the Health and Safety Executive and having served for nine years on the Board of Sheffield Teaching Hospitals NHS Foundation Trust he has direct experience of the health sector. He has also acted as an Independent Chair for a number of reviews for several governments covering design and the built environment, government business support and health and safety. Martin is the Chair of the Finance and Performance Committee and a member of the People Committee and Nominations and Remuneration Committee.	4/8
	the Osteopathic Foundation. Dee is a member of the Quality Committee, Charitable Funds Committee and Nomination and Remuneration Committee. <u>Term of Office</u> 01.10.2022-30.09.2025	
Zlakha Ahmed **Associate Non-Executive Director**	Zlakha Ahmed has nearly 40 years' experience of working, leading, managing and overseeing the development work within Black and minority communities. She set up the Apna Haq organisation which supports BME women and girls in Rotherham who have been subjected to domestic and sexual violence. Zlakha was involved in drafting the NICE domestic violence guidance published in 2013. She was awarded an MBE for services to women's rights and community cohesion in 2014. <u>Term of office</u> 01.10.2022 – 30.09.2023	5/8
Lynn Hagger **Non-Executive Director**	Lynn Hagger joined the Trust in October 2013 and left in September 2022	5/8
Michael Smith **Non-Executive Director**	Mike Smith joined the Trust in April 2019 and left in September 2022.	7/8
Miss Nicola Bancroft **Non-Executive Director**	Nicola joined the Trust as a Non-Executive Director on 1 October 2016 and decided to stand down in January 2023. Since August 2020, Nicola chaired the Finance and Performance Committee and was a member of the Audit and Risk Committee, Vice Chair of the Remuneration Committee and member of the Charitable Funds Committee.	12/12

Zlakha Ahmed **Associate Non-Executive Director**	Zlakha Ahmed has nearly 40 years' experience of working, leading, managing and overseeing the development work within Black and minority communities. She set up the Apna Haq organisation which supports BME women and girls in Rotherham who have been subjected to domestic and sexual violence. Zlakha was involved in drafting the NICE domestic violence guidance published in 2013. She was awarded an MBE for services to women's rights and community cohesion in 2014. <u>Term of office</u> 01.10.2022 – 30.09.2023	5/8
Lynn Hagger **Non-Executive Director**	Lynn Hagger joined the Trust in October 2013 and left in September 2022	5/8
Michael Smith **Non-Executive Director**	Mike Smith joined the Trust in April 2019 and left in September 2022.	7/8
Miss Nicola Bancroft **Non-Executive Director**	Nicola joined the Trust as a Non-Executive Director on 1 October 2016 and decided to stand down in January 2023. Since August 2020, Nicola chaired the Finance and Performance Committee and was a member of the Audit and Risk Committee, Vice Chair of the Remuneration Committee and member of the Charitable Funds Committee.	12/12

Executive Directors		
Name and Position	**Background**	**Total Number of Board Meetings attended**
Dr Richard Jenkins, Chief Executive	Richard joined the Trust on 10 February 2020 as Interim Chief Executive on a joint basis with Barnsley Hospital NHS Foundation Trust where he serves as the Chief Executive. He has previously been the Medical Director for two NHS provider organisations. He has practised medicine for over 28 years since graduating from the University of Sheffield in 1991 with an intercalated degree in virology in addition to his medical degree. Richard was a trainee doctor in South Yorkshire before he became a Consultant in 2002, specialising in diabetes and endocrinology. Richard became the substantive Joint Chief Executive between the Trust and Barnsley Hospitals NHS Foundation Trust in September 2022.	15/16
Michael Wright, Deputy Chief Executive	Michael joined the Trust initially as Interim Deputy Chief Executive in February 2020 becoming substantive from November 2020. Michael has extensive experience across both the NHS and Department for Work and Pensions. He has been a Turnaround Director at Liverpool University Hospitals NHS Foundation Trust and the Director of Finance at Barnsley Hospital NHS Foundation Trust.	15/16
Steve Hackett, Director of Finance	Steve joined the Trust as Director of Finance in July 2021. He has worked in the NHS since 1990 having previously worked for local acute Trusts, NHS England and Primary Care Trusts in the area. Steve qualified as a Certified	16/16
	Accountant in 1997 and has worked as a Director of Finance in the NHS since 2001, with recent roles at Chesterfield Royal Hospital NHS Foundation Trust and Rotherham Doncaster and South Humber NHS Foundation Trust (RDaSH).	

Steven Ned, Joint Director of Workforce	Steven joined the Trust in April 2019 as the Joint Director of Workforce with Barnsley Hospital NHS Foundation Trust. He has previously worked at Sheffield Children's Hospital as the Director of Human Resources and Deputy Chief Executive. Steven has over 30 years' experience within the NHS and over 10 years working in senior roles within South Yorkshire.	15/16
Helen Dobson, Chief Nurse	Helen was appointed as Interim Chief Nurse in October 2021 and subsequently appointed to the substantive Chief Nurse role in December 2021. Helen previously worked at Sheffield Children's NHS Foundation Trust specialising in Paediatric Critical Care and has a significant educational background, including being a Lecturer/Practitioner at the University of Sheffield and leading national educational groups. Helen joined The Rotherham NHS Foundation Trust in November 2015 as Head of Nursing for our Surgical Division and was appointed Deputy Chief Nurse in February 2017.	16/16
Sally Kilgariff, Chief Operating Officer	Sally became the Chief Operating Officer in May 2022 after being the Deputy Chief Operating Officer and Director of Operations since November 2018. Sally has extensive experience within the NHS and started her career with a placement in Rotherham Hospital whilst at University. She began working for the Trust in 2001. Sally has held various managerial roles including Deputy Chief Operating Officer at Doncaster and Bassetlaw Hospital NHS Foundation Trust. She has completed a BSc (Hons) in Business and Technology and an MSc in	15/16
	Health Service Management and Leadership. She completed the first cohort of the Aspiring Chief Operating Officer Programme run by NHSE in 2019.	
Jo Beahan **Medical Director**	Jo joined the Trust in December 2022 as Medical Director having previously been Deputy Medical Director at Barnsley Hospital NHS Foundation Trust. Jo graduated from the University of Sheffield in 1995 and has worked in a number of acute trusts in South Yorkshire. She has worked as an Emergency Medicine Consultant since 2008. She is a CQC Specialist Advisor for the CQC Urgent and Emergency Care.	4/5
George Briggs **Chief Operating Officer**	George worked for the NHS for over 40 years before retiring in June 2022.	3/3
Callum Gardner **Medical Director**	Callum joined the Trust in September 2018 as Interim Medical Director before being appointed to the substantive post in November 2019. Callum left the Trust on 11 September 2022.	7/8
Susan Douglas	Susan is a Consultant Ear, Nose and Throat Surgeon. She was the Interim Medical Director from 12 September 2022 to 11 December 2022.	3/3

Directors' Register of Interests

All Board members are required to declare any company directorships and any other significant interests which may conflict with their management responsibilities. Any such declarations are reviewed and published on the Trust website and has been completed for the relevant reporting period. Registers are available from the Director of Corporate Affairs (Company Secretary) at the address below:

Ms Angela Wendzicha
Director of Corporate Affairs (Company Secretary)
Trust Headquarters
Level D
The Rotherham NHS Foundation Trust
Moorgate Road
Rotherham
S60 2UD

Better Payment Practice Code

The Better Payment Practice Code requires the Trust to pay all undisputed invoices by the due date or within 30 days of receipt of goods, or a valid invoice, whichever is later. As can be seen in the table below, during 2022-23 the Trust paid 93.52% by number and 92.36% by value of all of its total bills within the 30 day target.

	Number	Value £000's
NON NHS		
Total Bills Paid in Year	49201	121092
Total Bills Paid Within Target	46209	113535
Percentage of Bills Paid in Target	93.92%	93.76%
NHS		
Total Bills Paid in Year	2081	14148
Total Bills Paid Within Target	1752	11366
Percentage of Bills Paid in Target	84.19%	80.34%
Total		
Total Bills Paid in Year	51282	135240
Total Bills Paid Within Target	47961	124901
Percentage of Bills Paid in Target	93.52%	92.36%

Performance has slightly increased compared to the figures reported for the end of the 2021-22 financial year (89.94% by number and 83.67% by value).

The total amount of liability to pay interest which accrued by virtue of the Trust failing to pay invoices within the 30 day period and the total amount of interest actually paid in discharge of such liability by the Trust during 2022-23 was nil.

Information on fees and charging

The Trust has nothing to disclose in relation to any individual service having full costs exceeding £1million.

Income disclosures as required by Section 43(2A) of the NHS Act 2006 Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) requires that the Trust's income form the provision of goods and services for the purposes of the health service in England must be greater than its income from the provision of goods and services for any other purposes. The Rotherham NHS Foundation Trust meets this requirement.

As required by Section 43(3A) of the NHS Act 2006, an NHS Foundation Trust must provide information on the impact that other income it has received has had on its provision of goods and services for the purposes of the health service in England. The Rotherham NHS Foundation Trust has not received any income which was not for the purposes of the health service in England during 2022-23.

Statutory Committees of the Board

Audit and Risk Committee (Statutory Committee)

The Trust Audit and Risk Committee is a Statutory Committee formally constituted as a Committee of the Board and comprises three Non-Executive Directors. The Audit and Risk Committee is chaired by Kamran Malik and membership comprises two additional Non-Executive Directors, Rumit Shah and Heather Craven. Standing attendees to the Audit and Risk Committee include the Director of Finance, Chief Nurse and Director of Corporate Affairs. Representatives from both Internal and External Audit are also in attendance.

The Audit and Risk Committee has a key role in ensuring the adequacy and effectiveness of systems, governance, risk management and internal control (both financial and non-financial), all of which support the Trust's priorities. In carrying out its function, the Audit and Risk Committee predominantly utilises the work of Internal and External Audit. During the last financial year, Trust did not use External Audit or Internal Audit for any non-audit related services.

The Committee is responsible for providing the Board with advice and recommendations on all matters which include the effectiveness of the framework of controls in the Trust, the adequacy of the arrangements for managing risk and the adequacy of the performance of our auditors.

During the last financial year, the Audit and Risk Committee met six times and met its key responsibilities by considering the following matters;

- Approved the Internal Audit Plan for 2022-23
- Approved the Anti-Fraud Annual Work Plan for 2022-23
- Reviewed the Board Assurance Framework and Trust wide Risk Register
- Monitored responses by management to the recommendations made by Internal Audit through associated reviews
- Received assurance in relation to the improvement plan to strengthen the Trust's processes for managing litigation and inquests in addition to actions as a result of litigation
- Maintained oversight of the Trust's schedule of outstanding debt and the schedule of losses and compensations
- Maintained oversight of the Tender Waivers Reviewed the work of External Audit Reviewed the work and findings from Anti-Fraud
- Reviewed the 2022-23 Financial Statements seeking assurance they are appropriately compiled on a going concern basis
- Reviewed the Trust's Standing Financial Instructions and Standing Orders in addition to Scheme of Delegation and Matters Reserved for the Board
- Received assurance in relation to cyber security
- Received the Register of Interests Reviewed the Annual Report and Accounts (2022-23)
- Received the Annual Review of Standards of Business Conduct
- Received the Annual Report from the Freedom to Speak Up Guardian
- Reviewed the position in relation to Risk Management and the Trust's Risk Register.

The Audit and Risk Committee met on a total of five times with the following attendance by the Committee members:
Kamran Malik attended a total of 4 out of 5 meetings
Nicola Bancroft attended a total of 2 out of 2 meetings
Mike Smith attended a total of 3 out of 3 meetings
Rumit Shah attended a total of 3 out of 3 meetings
Dee Sissons attended a total of 2 out of 2 meetings

Nominations and Remuneration Committee (Statutory)

The Trust has a Nominations and Remuneration Committee with responsibility for the appointment and remuneration of Executive Directors. Historically the Trust has held separate Nominations and Remuneration Committees. During the reporting period the Board agreed to amalgamate the two to form one Nomination and Remuneration Committee chaired by the Chair of the Trust.

Responsibility for the appointment of Non-Executive Directors lies with the Council of Governor's Nominations Committee. Both are chaired by the Trust Chair.

The Nominations Committee met on one occasion before the Joint Nominations and Remuneration Committee was constituted by the Board of Directors. The Nominations and Remuneration Committee met on a total of six occasions with the following attendance by the Committee members:
Martin Havenhand: Six out of six meetings
Heather Craven: Six out of six meetings
Nicola Bancroft: Three out of four meetings
Jo Bibby: Three out of four meetings
Kamran Malik: Two out of six meetings
Rumit Shah: Four out of six meetings
Mike Smith: Two out of two meetings
Dee Sissons: Two out of two meetings
Martin Temple: Two out of two meetings

Annual Statement on Remuneration

In accordance with the requirements of the HM Treasury Financial Reporting Manual and NHS England, the remuneration report is divided into the following:

- Annual Statement on Remuneration
- Director's Remuneration Policy sets out the Trust's senior manager's remuneration policy and
- The Annual Remuneration Report

I am pleased to present the Remuneration Report of the financial year 2022-23 on behalf of The Rotherham NHS Foundation Trust Nominations and Remuneration Committee. As delegated by the Board of Directors, the Remuneration Committee has primary regard to the remuneration and terms of service of Executive Directors. The remuneration of Non-Executive Directors is dealt with by the Remuneration Committee established by the Council of Governors.

Major decisions taken on senior managers' remuneration 2022-23

The definition of 'senior manager' as contained in the FReM has been applied and refers to Executive and Non-Executive Directors only, that is those who influence the decisions of the Trust as a whole.

During 2022-23 the Nominations and Remuneration Committee continued to utilise annual benchmarked data, including that provided by NHS Providers as the pay and reward framework upon which to base Executive salary awards.

For the period 2022-23 the Nominations and Remuneration Committee took into account the Executive Remuneration Framework whilst being mindful to ensure that levels of remuneration were sufficient to attract, retain and motivate directors with the skills and experience required by the Trust. The Trust was mindful not to pay more than necessary for this. In line with national guidance the Executive Directors were awarded a 3% non-consolidated award on salaries in place as at 01 April 2022.

Martin Havenhand
Chair of the Trust's Nominations and Remuneration Committee
27 June 2023

Senior Managers Remuneration Policy

The Remuneration Policy for Executive Directors was updated during 2019-20 and remained in place for the period 2022-23. The aims of the pay and reward framework remaining in place are to

- facilitate recruitment and retention of high quality senior staff; ensure the remuneration reflects the extent of the role and responsibilities of individual posts and their contribution to the Trust;
- ensure remuneration is justifiable and provides good value for money and
- provides a transparent framework for determining senior level remuneration

Future Policy Table – Senior Managers

During the reporting period 2022-23, Executive Director remuneration was set at an appropriate level to recognise the significant responsibilities of Executive Directors in similar sized Foundation Trusts. The future policy table below illustrates the commitment to ensuring pay is considered in line with value for money and the national context.

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Component of Pay	Links to short and long-term strategic goals	How the Trust operates this in practice	Maximum potential value of the component	Performance measures
Base salary	Proud to be colleagues in an inclusive , diverse and welcoming organisation that is simply a great place to work	The Nomination & Remuneration Committee reviews the following in setting the remuneration: • Roles, responsibilities and accountabilities • Skills, experience and performance • Pay awards across the Trust • Local and national market conditions • Advice from NHS England if applicable • Benchmarking	There is no prescribed limit but senior managers are not treated more favourably than other staff.	The Chief Executive and Executive Directors participate in annual performance reviews undertaken by the Chair and Chief Executive respectively. Individual agreed objectives are agreed and any performance issues are managed
				through the Trust's Policies relating to performance.
Pension related benefit		The Trust operates the standard NHS Pension scheme which is open to all eligible.	The Pension scheme is open to Directors who are subject to the Scheme rules	Not applicable
Bonus	The Trust does not have any bonus arrangements in place.			
On-call Payments	Senior managers receive on-call payments in line with their responsibilities whilst on call			
Benefits	The Trust operates a number of salary sacrifice schemes including a lease car scheme, child care vouchers which are open to all members of staff.			
Travel Expenses	Appropriate travel expenses are remunerated for business mileage.			

Directors with a Total Remuneration Greater than £150,000

In circumstances where our very senior managers are paid more than £150,000, the Nomination and Remuneration Committee would take steps to assure itself that the pay was commensurate with market conditions, the responsibilities and duties of the role in addition to ensuring it is regularly reviewed to ensure the Trust is receiving value-for-money. This is achieved by the Committee carrying out a regular benchmarking review.

Service Contract Obligations

All senior managers are subject to substantive employment contracts which do not have a length of appointment stipulated. The Executive Directors and Chief Executive have permanent employment contracts with appropriate notice periods in line with current employment law practice.

The following table illustrates the service contracts in place during the reporting period for Executive Directors.

Name	Date of Contract	Term	Notice Period
Dr Richard Jenkins	February 2020 Interim September 2022 - substantive	Open ended	6 months
Michael Wright	February 2020 Interim November 2020 – substantive	Open ended	6 months
Steve Hackett	July 2021	Open ended	6 months
Steve Ned	April 2019	Open ended	6 months
Helen Dobson	October 2021 – Interim December 2021	Open ended	6 months
Sally Kilgariff	May 2022	Open ended	6 months
Jo Beahan	December 2022	Open ended	6 months
Callum Gardner	November 2019	Open ended	6 months

Policy on Payment for Loss of Office

In the event of early termination, there is no entitlement to any additional remuneration. During the reporting period 2022-23 no senior manager received payment for loss of office.

Diversity and Inclusion

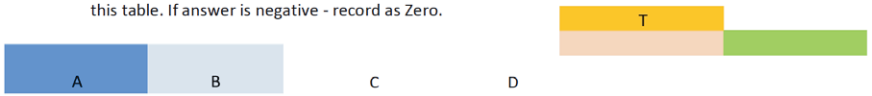
The Board is committed to ensuring that there is an appropriate balance of skills, knowledge and experience. All appointments to the Board are subject to rigorous and transparent processes with careful consideration being given to age, race, disability, sexual orientation, marital or civil partnership status, religion or non-belief.

Statement of Consideration of Employment Conditions Elsewhere in the Trust

In determining the pay and conditions of employment for Executive Directors, the Nominations and Remuneration Committee take account of national pay awards for medical and non-medical staff groups that are subject to Agenda for Change or national Medical and Dental Terms and Conditions in addition to reviewing national benchmarked data to determine appropriate remuneration for Executive Directors.

Directors' Remuneration Report and Pension Entitlements – subject to audit

Exclude payments to former senior managers in this table. If answer is negative - record as Zero.



A) Salaries and Allowances

The following information is required by Paragraph 4 - 16 inclusive of Part 3 of Schedule 8 to the Regulations, or where required by the NHS FT Code of Governance. These disclosures outline the remuneration figures for Senior Managers made up of a single remuneration figure for each senior manager who served during the year in tabular form as shown below. This Single Total Figure table reports salary and benefits related to the period in office. Pension Benefits are affected by pension inflation in year and salary increases in year. See Table B Pensions, for further details.

Single Total Figure Table	Period 01/04/22 to 31/03/23						Period 01/04/21 to 31/03/22					
	Salary And Fees (bands of £5000)	Taxable Benefits (rounded to the nearest £00)	Annual Performance-Related Bonuses (bands of £5000)	Long-Term Performance-Related Bonuses (bands of £5000)	Pension–Related Benefits (bands of £2500)	Total (bands of £5000)	Salary And Fees (bands of £5000)	Taxable Benefits (rounded to the nearest £00)	Annual Performance-Related Bonuses (bands of £5000)	Long-Term Performance-Related Bonuses (bands of £5000)	Pension–Related Benefits (bands of £2500)	Total (bands of £5000)
Mr M Havenhand, Chairman	50 - 55	0	0	0	0	50 - 55	50 - 55	0	0	0	0	50 - 55
Mrs N Bancroft, Non Executive Director (1 April 2022 to 31 January 2023)	10 - 15	0	0	0	0	10 - 15	15 - 20	0	0	0	0	15 - 20
Mrs L Hagger, Non-Executive Director & Vice Chair (1 April 2022 to 30 September 2022)	5 - 10	0	0	0	0	5 - 10	15 - 20	0	0	0	0	15 - 20
Mrs H Craven, Non-Executive Director	15 - 20	0	0	0	0	15 - 20	15 - 20	0	0	0	0	15 - 20
Mr M Smith, Non-Executive Director (1 April 2022 to 30 September 2022)	5 - 10	0	0	0	0	5 - 10	15 - 20	0	0	0	0	15 - 20
Dr R Shah, Non-Executive Director	15 - 20	0	0	0	0	15 - 20	15 - 20	0	0	0	0	15 - 20
Mr K Malik, Non-Executive Director	10 - 15	0	0	0	0	10 - 15	10 - 15	0	0	0	0	10 - 15
Dr J Bibby	10 - 15	0	0	0	0	10 - 15	10 - 15	0	0	0	0	10 - 15
Mrs D Sissons (1 October 2022 to 31 March 2023)	5 - 10	0	0	0	0	5 - 10						
Mr M Temple (1 October 2022 to 31 March 2023)	5 - 10	0	0	0	0	5 - 10						
Mrs Z Ahmed (1 October 2022 to 31 April 2023)	0 - 5	0	0	0	0	0 - 5						
Dr R Jenkins, Chief Executive	125 - 130	7	0	0	80 - 82.5	205 - 210	115 - 120	3	0	0	60 - 62.5	175 - 180
Mr M Wright, Deputy Chief Executive	145 - 150	11	0	0	35 - 37.5	185 - 190	145 - 150	5	0	0	22.5 - 25	170 - 175
Mr S Hackett, Director of Finance	145 - 150	10	0	0	0	145 - 150	105 - 110	3	0	0	0	105 - 110
Mr S Ned, Joint Director of Workforce	70 - 75	0	0	0	0	70 - 75	65 - 70	0	0	0	30 - 32.5	100 - 105
Dr C Gardner, Medical Director (1 April to 11 September 2022)	80 - 85	0	0	0	52.5 - 55	135 - 140	185 - 190	0	0	0	45 - 47.5	230 - 235
Mrs S Douglas, interim Medical Director (12 September to 11 December 2022)	40 - 45	0	0	0	132.5 - 135	175 - 180						
Dr J Beahan, Medical Director (started in post 12 December 2022)	50 - 55	4			32.5 - 35	85 - 90						
Mrs H Dobson, Chief Nurse	125 - 130	0	0	0	0	125 - 130	55 - 60	0	0	0	575 - 577.5	630 - 635
Mr G Briggs, Chief Operating Officer (1 April to 12 June 2022)	25 - 30	0	0	0	0	25 - 30	130 - 135	0	0	0	12.5 - 15	140 - 145
Mrs S Kilgariff (started in post 21 May 2022)	110 - 115	13	0	0	77.5 - 80	185 - 190						

Dr R Jenkins is the joint Chief Executive at both Barnsley NHS Foundation Trust and Rotherham NHS Foundation Trust. Dr R Jenkins works at the Trust on a 0.5 Full Time Equivalent basis. Based on his full remuneration across both Trusts, his salary and fees would fall within the band of 330K and 335K.

Mr S Ned is employed part time by both Rotherham FT, and Barnsley FT. Mr S Ned works for Rotherham FT on a 0.5 Full Time Equivalent (that is, 2.5 days per week). Based on his full remuneration across both Trust, his salary and fees would fall within the band of Taxable benefits shown in the above table relate to lease car schemes.

Directors and Governors Expenses

Per section 156 (1) of the Health and Social Care Act 2012, which amended paragraph 26 of Schedule 7 to the NHS Act 2006, the following information is required.

	Number in Office		Number receiving expenses	
	2022/23	2021/22	**2022/23**	2021/22
Governors	**22**	23	**1**	0
Directors (including the Chair and non-executives)	**21**	17	**2**	1

Expenses shown in hundreds £00s	**2022/23 £00**	2020/21 £00
Aggregate sum of expenses paid to Governors	**1**	0
Aggregate sum of expenses paid to Directors	**5**	47
Total	**6**	47

A) Pension Benefits – Subject to audit

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

This table outlines the real increase during the reporting year of pension benefit, related lump sum and cash equivalent transfer values (CETV) at pension age and the value of accrued pension, lump sum and CETV at the end of the year, specifically related to the period in office.

Name and title	Real increase during the reporting year in pension at pension age (bands of £2,500) £000	Real increase during the reporting year in pension lump sum at pension age (bands of £2,500) £000	Total accrued pension at 31 March 2023* (bands of £5,000) £000	Lump sum at pension age related to accrued pension at 31 March 2023 (bands of £5,000) £000	Cash Equivalent Transfer Value at 31 March 2022 £000	Cash Equivalent Transfer Value at 31 March 2023 £000	Real increase in Cash Equivalent Transfer Value (for period in post) £000	Employer's contribution to stakeholder pension £000
Dr R Jenkins, Chief Executive	5.0 - 7.5	0.0 - 2.5	90.0 - 95.0	170.0 - 175.0	1,661	1,836	91	NA
Mr M Wright, Deputy Chief Executive	2.5 - 5.0	0.0 - 2.5	35.0 - 40.0	0.0 - 5.0	456	518	28	NA
Mr S Hackett, Director of Finance	0.0 - 2.5	0.0 - 2.5	50.0 55.0	120.0 125.0	852	999	16	
Mr S Ned, Joint Director of Workforce	0.0 - 2.5	0.0 - 2.5	65.0 - 70.0	145.0 - 150.0	1,325	1,377	0	NA
Dr C Gardner, Medical Director (1 April to 11 September 2022)	0.0 - 2.5	0.0 - 2.5	25.0 - 30.0	0.0 - 5.0	264	317	8	NA
Mrs S Douglas, interim Medical Director (12 September to 11 December 2022)	0.0 - 2.5	0.0 - 2.5	45.0 50.0	30.0 - 35.0	511	634	20	NA
Dr J Beahan, Medical Director (started in post 12 December 2022)	0.0 - 2.5	0.0 - 2.5	45.0 - 50.0	85.0 - 90.0	765	830	5	NA
Mrs H Dobson, Interim Chief Nurse	0.0 - 2.5	0.0 - 2.5	55.0 - 60.0	140.0 - 145.0	1,211	1,145	0	NA
Mr G Briggs, Chief Operating Officer (1 April to 12 June 2022)	0.0 - 2.5	0.0 - 2.5	0.0 - 5.0	0.0 - 5.0	1,288	0	0	NA
Mrs S Kilgariff (started in post 21 May 2022)	2.5 - 5.0	5.0 - 7.5	35.0 - 40.0	60.0 - 65.0	470	559	50	NA

* The majority of employees are covered by the provisions of the NHS Pensions Scheme. The Scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practitioners and other bodies under the direction of the Secretary for State, in England and Wales. As a consequence it is not possible for the NHS Trust to identify its share of the underlying scheme assets and liabilities. Further details can be found in the Annual Accounts at note 1.2.

Cash Equivalent Transfer Values (CETV)

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. It is the amount available to transfer to an alternative plan in exchange for giving up rights under the scheme. The benefits valued are the member's accumulated benefits and any contingent spouse's pension payable from the scheme. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries. The accrued benefits derived from the member's purchase of added years of service and any 'transferred-in' service must be included in these pension disclosures.
The real increase in CETV reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement) and uses common market valuation factors for the start and end of the period.
Cash equivalent transfer value (CETV) figures are calculated using the guidance on discount rates for calculating unfunded public service contribution rates that was extant on 31 March 2023. HM Treasury published updated guidance on 27 April 2023; this guidance will be used in the calculation of 2023/24 CETV figures.

Off-payroll arrangements

As part of the Review of Tax arrangements of Public Sector Appointees published by the Chief Secretary to the Treasury on 23rd May 2012, NHS Foundations Trusts are required to present data in respect of off-payroll arrangements.

Table 1: Highly paid off-payroll workers engagement as at 31 March 2023 earning £245 per day or greater

Number of existing engagements as of 31 March 2023	**0**
Of which;	
Number that have existed for less than one year at time of reporting	0
Number that have existed between one and two years at time of reporting	0
Number that have existed between two and three years at time of reporting	0
Number that have existed 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 2023 earning £245 per day or greater.

Number of off-payroll workers engaged during the year ended 31 March 2023	**0**
Of which;	
Not subject to off-payroll legislation*	0
Subject to off-payroll legislation and determined as in-scope of IR35*	0
Subject to off-payroll legislation and determined as out-of-scope of IR35*	0
Number engaged directly (via PSC contracted to trust) and are on the trust's payroll	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 the review	0

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

Table 3: For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2022 and 31 March 2023.

Number 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 should include both off-payroll and on-payroll engagements*	**10**

* There are 7 Board member posts. In year there have been three persons in the post of Medical Director (one on an interim basis) and two Chief Operating Officers

Staff costs Subject to audit

	2022/23			2021/22		
	Permanent £000	Other* £000	Total £000	Permanent £000	Other* £000	Total £000
Salaries and wages**	177,101	7,163	**184,264**	160,112	6,484	**166,596**
Social security costs	18,256	-	**18,256**	16,915		**16,915**
Apprenticeship levy	851	-	**851**	829		**829**
Employer's contributions to NHS pensions***	29,078	-	**29,078**	27,918		**27,918**
Pension cost - other	112	-	**112**	97		**97**
Termination benefits	-	-				
Temporary Staff - External Bank	-	12,293	**12,293**		9,756	**9,756**
Temporary staff - agency/contract**	-	5,284	**5,284**		6,274	**6,274**
Total gross staff costs	**225,398**	**24,740**	**250,138**	**205,871**	**22,514**	**228,385**
Of which:						
Costs capitalised as part of Assets	*-*	*-*	*-*	*83*	*369*	***452***
Research and Development staffing costs	***469***	*-*	***469***	*386*	*8*	***394***
Redundancy Costs	*-*	*-*	*-*	*53*	*-*	***53***
	224,929	***24,740***	***249,669***	***205,349***	***22,137***	***227,486***

** 'Other' staff includes secondments in, and trainee medial staff employed by the local lead unit, but training within The Rotherham NHS FT on rotation.*

*** The Salaries, Social Security, Apprenticeship levy, Employers contributions and other Pension costs associated with staff employed via a Secondary Contracted Payroll are included in those lines, and not classed as Agency staff as these staff have zero hours permanent contracts direct with the Trust.*

**** Employers pension contributions increased by 6.3% in both 2022/23 and 2021/22.*

Staff Exit Packages –Subject to audit

The table below summarises the total number of exit packages agreed during the year. Included within these are compulsory redundancies and other schemes including MARS (Mutually Agreed Resignation Scheme) applications. The note shows packages agreed in year, irrespective of the actual date of accrual or payment.

This table excludes Payment in Lieu of Notice (PILON) payments made as part of standard contractual terms, and not part of a wider exit package.

Exit costs in this note are the full costs of departures agreed in the year. Where The Rotherham NHS FT has agreed early retirements, the additional costs are met by The Rotherham NHS FT and not by the NHS Pensions Scheme. Ill-health retirement costs are met by the NHS Pensions Scheme and are not included in the table.

Exit package cost band	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
<£10,000	0	1	0	0	0	1
£10,000 - £25,000	0	1	0	0	0	1
£25,001 - £50,000	0	1	0	0	0	1
£50,001 - £55,000	0	0	0	0	0	0
£55,001 - £60,000	0	0	0	1	0	1
Total number of exit packages by type	0	3	0	1	0	4
Total resource cost £000s	0	53	0	60	0	113

Analysis of non-compulsory departure payments

During the 2022/23 financial year there were no other departures agreed (one in 2021/22, at a cost to the Trust of £60k). This note reflects packages agreed in year, irrespective of the actual date of accrual or payment.

The table below discloses non-compulsory departures and values of associated payments by individual type. The note shows packages agreed in year, irrespective of the actual date of accrual or payment. As a single exit package can be made up of several components, each of which will be counted separately in this note, the total number below will not necessarily match the total numbers in the Exit Packages note above which will be the number of individuals.

	Number of agreements		Total value of agreements £000s	
	2022/23	2020/21	**2022/23**	2020/21
Voluntary redundancies including early retirement contractual costs	**0**	**0**	**0**	**0**
Mutually agreed resignations (MARS) contractual	**0**	**0**	**0**	**0**
Early retirements in the efficiency of the service contractual costs	**0**	**0**	**0**	**0**
Contractual payments in lieu of notice*	**0**	**0**	**0**	**0**
Exit payments following employment tribunals or court orders	**0**	**1**	**0**	**60**
Non-contractual payments requiring HMT approval**	**0**	**0**	**0**	**0**
Total	**0**	**1**	**0**	**60**
of which: non-contractual payments requiring HMT approval made to individuals where the payment value was more than 12 months' of their annual salary	***0***	***0***	***0***	***0***

** Any non-contractual payments in lieu of notice are disclosed under "non-contractual payments requiring HMT approval" above.*

*** Includes any non-contractual severance payment made following judicial mediation and amounts relating to non- contractual payments in lieu of notice.*

The Remuneration Report includes exit payments payable to individuals named in that Report where applicable. Those exit payments would also be included in this table above.

This note excludes PILON payments made as part of standard contractual terms, and not part of a wider exit package.

Average number of people employed (whole time equivalent basis)- subject to audit

	2022/23			2021/22		
	Permanent No.	**Other* No.**	**Total No.**	Permanent No.	Other* No.	Total No.
Medical and dental	467	82	**549**	473	74	**547**
Administration and estates	1,084	14	**1,098**	1,091	10	**1,101**
Healthcare assistants and other support staff	934	-	**934**	939	4	**943**
Nursing, midwifery and health visiting staff	1,255	23	**1,278**	1,216	33	**1,249**
Scientific, therapeutic and technical staff	480	10	**490**	460	14	**474**
Healthcare Science Staff	106	2	**108**	109	2	**111**
	4,326	**131**	**4,457**	4,288	137	4,425
Of which:						
Number of employees engaged on Capital projects	**0**	**0**	**0**	**2**	**4**	**6**

*'Other' staff includes secondments in, and trainee medial staff employed by the local lead unit, but training within The Rotherham NHS FT on rotation.

Fair Pay – Median Pay

The Hutton disclosure – Subject to Audit

The Trust is required to disclose the relationship between the total remuneration of the highest paid director in the organisation against the 25th percentile, median and 75th percentile of remuneration of the organisation's workforce. Total remuneration of the employee at the 25th percentile, median and 75th percentile is further broken down to disclose the salary component.

The banded remuneration of the highest paid director in the organisation in the financial year 2022-23 was £177,500 (2021/22, £182,500). This is a change between years of -2.74%, owing to a change in personnel, with the previous highest paid director having left the Trust.

Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind, but not severance payments. It also includes the Agenda for Change 2022 to 2023 non-consolidated pay award where applicable. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

For employees of the Trust as a whole, the range of remuneration in 2022-23 was from £10,324 to mid-point band £252,500 (202-/22 £9,406 to mid-point band £247,500). The percentage change in average employee remuneration (based on total for all employees excluding the highest paid director on an annualised basis divided by full time equivalent number of employees) between years is +9.58%. This is based on the average salary in 2022/23 being £38,239 (2021/22 £34,887).

Seven employees received remuneration in excess of the highest paid director in 2022-23.

Of the seven individuals who received remuneration in excess of the highest paid director in 2022-23, one is our Chief Executive who works under a shared arrangement for both the Trust and for Barnsley Hospital NHS Foundation Trust. The definition of the highest paid director under the Fair Play disclosure is defined as the salary paid by the Trust alone. Therefore this person is not classed as the highest paid director because the cost to the Trust is lower than this person's total remuneration.

The other six individuals who received remuneration in excess of the highest paid director in 2022-23 are doctors with specialist skills which are in high demand due to limited availability.

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

	2022/23	2021/22
Mid-point of £5k band of highest paid director's total remuneration (£000)	177.5	182.5
The percentage change from the previous financial year in respect of the highest paid director	-2.74%	
Average annualised salary and allowances over all employees (excluding the highest paid director) (£000)	38.2	34.9
The percentage change from the previous financial year in respect of the average annualised salary and allowances	+9.58%	

2022/23	25th Percentile	Median	75th Percentile
Salary component of pay	24.9	34.9	42.8
Total pay and benefits excluding pension benefits	24.9	34.9	42.8
Pay and benefits excluding pension: pay ratio for highest paid director	7.13:1	5.09:1	4.15:1

Comparative figures, 2021/22	25th Percentile	Median	75th Percentile
Salary component of pay	21.8	31.5	39.0
Total pay and benefits excluding pension benefits	21.8	31.5	39.0
Pay and benefits excluding pension: pay ratio for highest paid director	8.37:1	5.79:1	4.68:1

Remuneration Report signed by the Chief Executive

R. Jenkins

Dr Richard Jenkins
Chief Executive
27 June 2023

Staff Report – Analysis of Staff Costs – subject to audit

Staff Costs	2022/23			2021/22		
	Permanent	Other*	Total	Permanent	Other*	Total
	£000	£000	£000	£000	£000	£000
Salaries & wages	177,101	7,163	184,264	160,112	6,484	166,596
Social security costs	18,256	-	18,256	16,915	-	16,915
Apprenticeship levy	851	-	851	829	-	829
Employer's contributions to NHS pensions	29,078	-	29,078	27,918	-	27,918
Pension cost – other	112	-	112	97	-	97
Termination benefits	-	-	-	-	-	-
Temporary Staff - External Bank	-	12,293	12,293	-	9,756	9,756
Temporary staff - agency/contract	-	5,284	5,284	-	6,274	6,274
TOTAL GROSS STAFF COSTS	**225,398**	**24,740**	**250,138**	**205,871**	**22,514**	**228,385**
Of which:						
Costs capitalised as part of assets	-	-	-	83	369	452
Research and Development staffing costs	469	-	469	386	8	394

*'Other' staff includes secondments in, and trainee medical staff employed by the local lead unit, but training within The Rotherham NHS FT on rotation.


NHS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Analysis of Staff – Gender

As at end March 2023 the breakdown of Trust employed staff by Gender was as follows:

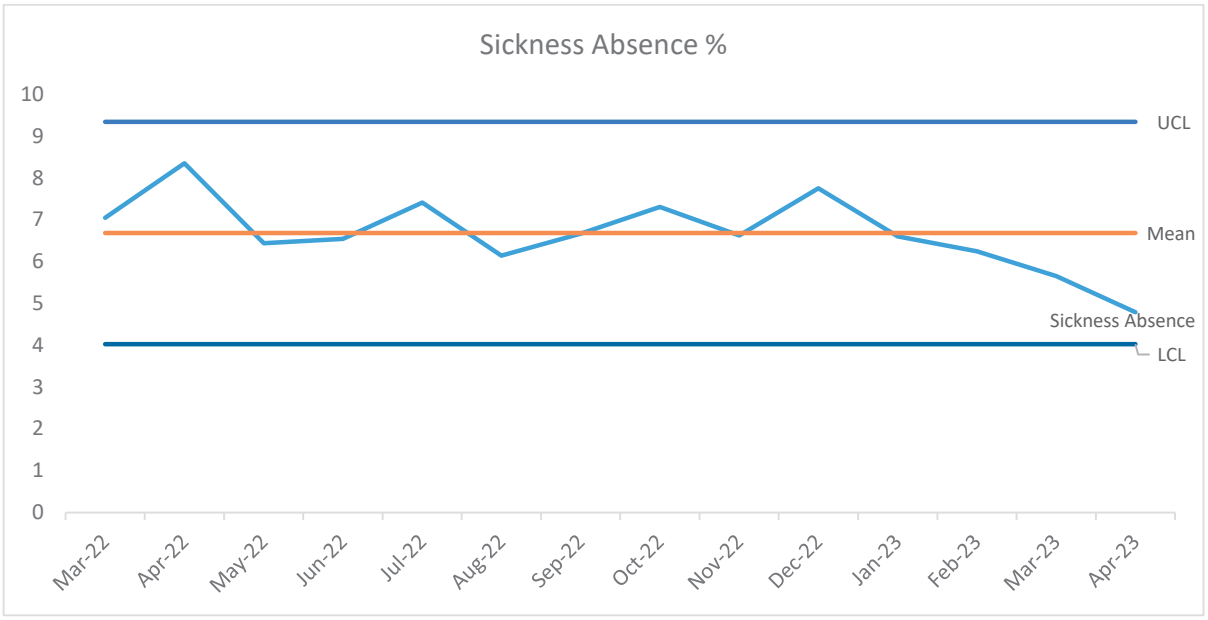
	Male	Female	Total
Executive Directors	4	3	7
Non-Executive Directors	4	4	8
Employees	945	4190	5135
Total	**953**	**4197**	**5150**

Sickness Absence Data

The data below is extracted from the Electronic Staff Record (ESR) and uses the following parameters Employee Categories - Fixed Term & Permanent

Monthly Sickness Absence

Month	Target	2022/2023				2021/2022						2020/2021				
		Long Term	Short Term	Monthly inc Covid	Rolling 12mth inc Covid	Long Term	Short Term	Monthly inc Covid	Rolling 12mth inc Covid	Monthly	Rolling	Long Term	Short Term	Monthly	Rolling	RTW Disc
April	4.50%	4.85%	3.50%	8.35%	6.95%	3.06%	1.57%	4.63%	5.09%	4.12%	3.89%	3.18%	0.96%	4.13%	4.80%	76.78%
May	4.50%	4.37%	2.07%	6.44%	7.00%	4.10%	1.57%	5.68%	5.05%	5.23%	4.04%	2.83%	0.78%	3.61%	4.69%	75.70%
June	4.50%	3.91%	2.62%	6.54%	7.02%	4.49%	1.58%	6.07%	5.13%	5.67%	4.21%	2.59%	0.82%	3.41%	4.59%	75.71%
July	4.50%	4.36%	3.05%	7.41%	7.09%	4.38%	1.96%	6.34%	5.31%	5.64%	4.40%	2.36%	0.92%	3.28%	4.50%	77.95%
August	4.50%	4.17%	1.96%	6.14%	7.04%	4.67%	2.01%	6.68%	5.54%	5.82%	4.61%	2.44%	1.07%	3.51%	4.42%	76.26%
September	4.50%	4.16%	2.53%	6.67%	7.01%	4.91%	2.04%	6.95%	5.74%	5.99%	4.76%	3.01%	1.01%	4.02%	4.35%	75.44%
October	4.50%	4.54%	2.77%	7.31%	6.97%	4.47%	2.36%	6.84%	5.86%	5.88%	4.90%	3.19%	1.19%	4.38%	4.28%	75.15%
November	4.50%	4.13%	2.50%	6.62%	6.94%	4.31%	2.52%	6.83%	5.91%	5.97%	5.04%	3.10%	1.36%	4.46%	4.23%	73.35%
December	4.50%	4.64%	3.11%	7.75%	6.97%	4.57%	2.84%	7.40%	6.05%	5.81%	5.18%	3.16%	1.09%	4.25%	4.12%	69.85%
January	4.50%	4.26%	2.35%	6.60%	6.75%	4.40%	4.73%	9.13%	6.37%	5.09%	5.26%	2.72%	1.15%	3.86%	3.98%	67.25%
February	4.50%	4.05%	2.20%	6.25%	6.78%	3.93%	2.70%	6.63%	6.46%	4.73%	5.28%	3.02%	1.32%	4.34%	3.93%	64.64%
March	4.50%	3.52%	2.12%	5.65%	6.65%	3.89%	3.16%	7.05%	6.66%	4.91%	5.36%	2.68%	1.14%	3.82%	3.86%	62.76%



Data relating to the sickness absence for the Trust is published by NHS Digital and can be accessed here: https://digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates

Staff policies and actions applied during the financial year

The Trust has a suite of policies, procedures, and initiatives in relation to the workforce in order to support and develop colleagues in their roles. Some of the key policies and actions are detailed below.

The Trust is an accredited Disability Confident (level 2) Employer, and as such the organisation's policy in respect of disabled applicants who indicate that they wish to be considered for a post under the 'Disability Confident Scheme' is that they will be shortlisted and invited for interview where they meet the essential requirements for the post.

Managers at the Trust, with the help of the Occupational Health service provider and Human Resources, regularly make workplace modifications for staff that are reasonable and ensure that disabled colleagues can access employment with the Trust, continue in employment with the Trust and seek development and promotion within the Trust. Work is undertaken on a proactive basis, where applicable, with outside agencies including Access to Work. The Trust works with a local specialist college to support young people aged 16-25 who have an Education, Health and Care Plan to develop their employability and life skills via Supported Internships. The Trust has a staff "All About Me" passport to facilitate person-centred approached to the management of staff, including reasonable adjustments. During the financial year, the Trust has piloted a Workplace Disability Advisor role to support disabled colleagues, students, and applicants.

The Learning and Development department acts as a contact point for all colleagues booking onto training provided by the Trust and supports colleagues who require reasonable adjustments or special arrangements to access training. In this way the organisation ensures that reasonable adjustments are made to support colleagues who disclose a disability which may mean they require extra support with their learning and development.

Alongside the Workforce Race Equality Standard (WRES) and Workforce Disability Equality Standard (WDES), the Trust has piloted the EDS 2022 during the financial year to assist in discussions with local partners including local populations and review and improve services and the experience of employment for people with characteristics protected by the Equality Act 2010.

Modern slavery is addressed under the umbrella of safeguarding at the Trust, all safeguarding training has been updated to include modem slavery and it is included in the Adult Safeguarding policy. All staff are required to undertake safeguarding training to ensure they understand how to raise a concern.

Throughout the financial year, the Trust's Equality, Diversity and Inclusion Steering Group has met regularly to review and drive progress against the Trust's equality, diversity and inclusion (EDI) action plans and has provided regular updates to the Board and relevant committees.

The Trust publishes a number of reports and action plans regarding equality and diversity, including the composition of its workforce, its ambitions to advance equality and diversity and its progress with its plans. These are all published on the Trust website: https://beta.therotherhamft.nhs.uk/about-us/EDI

In addition to the information regarding Gender Pay Gap published on the Trust website, information is available on the Gov UK website: https://gender-pay-gap.service.gov.uk/

All colleagues have access to local workforce development programmes and training courses; colleagues discuss their training needs with their line manager during their annual appraisal, at one-to-one meetings or at other times, as arranged locally.

The Trust continued to strive for continuous improvement and to prioritise engagement with colleagues, setting high standards, learning from colleague experience, and strengthening partnership working. During the financial year, the Trust worked with staff side colleagues to develop a revised Partnership Working Policy.

There are many mechanisms through which information is communicated to employees. These include weekly all user e-mails and bulletins, monthly team brief led by the Chief Executive, departmental meetings, monthly senior leader meeting, ad hoc briefings, Twitter and Facebook accounts, personal letters, and electronic pay slip messages and attachments. There is also a direct communication facility available to enable colleagues to ask questions of the Chief Executive (anonymously if desired).

There is a colleague intranet (The Hub) which provides information regarding the latest changes and developments as well as routine information. Not all clinical and support colleagues use electronic communication methods and consequently, managers are asked to make all colleagues aware of information communicated by electronic means.

The weekly all user e-mails, the intranet and monthly Team Briefs are all used as a means of conveying official information, as appropriate, which is of benefit to colleagues in a social, personal, and developmental way. Examples include reporting on the achievements of colleagues, recognising the learning that is undertaken by colleagues across all clinical and non-clinical services,

which link to the above support for colleagues particularly in relation to the extensive range of health and wellbeing support as well as offering discounts.

Colleagues are actively engaged with, and their feedback obtained on matters being communicated. This occurs through the 'Team Brief' process, Colleague Forums and through the regular meetings of the Joint Partnership Forum and Local Negotiating Committee where Trade Unions and professional association representatives meet with senior managers to discuss issues affecting staff and local conditions of service.

A subgroup of the Joint Partnership Forum, the Joint Policy Group, agrees and updates Human Resources (HR) policies in line with current employment law and ensures they have broad agreement within the organisation. The Local Negotiating Committee is the forum for medical and dental staff.

All Trust policies are available on the intranet for colleagues, including the extensive range of HR policies, many of which are about services available directly in support of colleagues. Examples include: Special Leave, Flexible Working, Managing Attendance, Reservist, Health and Wellbeing policies, Freedom to Speak Up (Raising Concerns),
Shared Parental Leave, Adoption Leave and Dying at Work charter and the development of a Menopause Policy.

The Trust recognises the continuing challenges that the pandemic placed on all of our colleagues over the last few years; therefore, a key priority for the organisation during 2022-23 was to ensure that all our colleagues felt supported and had every opportunity to access any health and wellbeing support or service they may require now or in the future. The Trust in response to staff survey feedback and in its ambition to make TRFT a great place to work and to deliver excellent patient care has invested heavily to refurbish wards and clinical areas. It has also delivered a maintenance programme to upgrade and improve many staff rooms, kitchen facilities and changing areas.

Despite the challenges placed on the organisation by the pandemic and subsequent recovery, the Trust recognised that valuing and celebrating the achievements of the workforce is essential to enable the future growth and development of the organisation and the individuals who are part of it. This was visibly demonstrated when specific events were arranged for colleagues during July 2022 as part of 'Proud Week' during which a recognition of learning event and a celebration of colleagues with long service were arranged. The week culminated in an evening awards ceremony for colleagues, held at Magna on 15 July 2022 which recognised both individuals and teams who had been

nominated for their excellence in delivering or supporting others in providing fantastic care to our patients.

Health & Safety and Occupational Health

During 2022/23 a ninth consecutive gold award was received by the Trust for preventing accidents on its hospital and community sites from the Royal Society for the Prevention of Accidents (RoSPA), as part of their RoSPA Occupational Health and Safety Awards. Only organisations able to maintain continued high standards in health and safety achieve the Gold award.

Accident data and RIDDOR reportable incidents are reported to the board via the Health & Safety Committee's Annual Report. A total of 18 incidents were reported to the Health and Safety Executive in 2022 which was 8 higher than in 2021, there were no significant incidents or trends in the year. The increase can be attributed to a change in the reporter and their interpretation of what must be reported under RIDDOR to the HSE.

During 2022-23 the Trust continued to contract occupational health through Sheffield Teaching Hospital the contract started on 01 March 2022. Staff are now referred online through the Cohort system which now allows managers to refer staff at any time of the day and appointments are booked directly with the individual staff member. The occupational health service continued to deliver high quality interventions to employees, supporting a healthier, fitter workforce and supporting the Trust's objective to reduce sickness absence.

Supporting the health and wellbeing of all colleagues at the Trust is a key driver. The Head of Health & Safety and HR business partners meet regularly with the Head of OH at Sheffield Teaching Hospitals to ensure the organisation receives the service and support it needs. A key area where we work jointly is to ensure that appropriate and timely health surveillance is delivered when requested for small groups of our staff.

The Health & Safety team work closely with the Health & Wellbeing team to promote their activities especially the growth of the Menopause café and awareness weeks. There is a Wellness Matters programme that provide complimentary therapy treatment as well as fitness session and a wide range of talking groups/workshops. These involve anything from a knitting and crochet group to soap making and sessions on how to make cheap and healthy meals. During the year the network of wellbeing champions has grown to include and emphasise the impact that the menopause can have on colleagues, then signposting colleagues to the various options available to support staff wellbeing.

Analysis of Staff: Ethnicity of Staff

As at end March 2022 the breakdown of Trust employed staff by ethnicity was as follows:

Ethnicity Group	Total	% Headcount
Blank	12	0.23%
BME	763	14.82%
Not Stated	69	1.34%
White	4306	83.61%
Grand Total	**5150**	**100.00%**

Ethnic Origin	Headcount	% of Workforce
A White - British	4186	81.28%
B White - Irish	16	0.31%
C White - Any other White background	73	1.42%
C3 White Unspecified	1	0.02%
CA White English	10	0.19%
CB White Scottish	3	0.06%
CC White Welsh	1	0.02%
CP White Polish	1	0.02%
CQ White ex-USSR	1	0.02%
CU White Croatian	3	0.06%
CX White Mixed	1	0.02%
CY White Other European	10	0.19%
D Mixed - White & Black Caribbean	18	0.35%
E Mixed - White & Black African	11	0.21%
F Mixed - White & Asian	23	0.45%
G Mixed - Any other mixed background	22	0.43%
GC Mixed - Black & White	1	0.02%
H Asian or Asian British - Indian	269	5.22%
J Asian or Asian British - Pakistani	153	2.97%
K Asian or Asian British - Bangladeshi	13	0.25%
L Asian or Asian British - Any other Asian background	55	1.07%
LF Asian Tamil	1	0.02%
LH Asian British	1	0.02%
LK Asian Unspecified	1	0.02%
M Black or Black British - Caribbean	13	0.25%
N Black or Black British - African	106	2.06%
P Black or Black British - Any other Black background	7	0.14%
PC Black Nigerian	1	0.02%
PD Black British	1	0.02%
R Chinese	14	0.27%
S Any Other Ethnic Group	51	0.99%
SC Filipino	1	0.02%

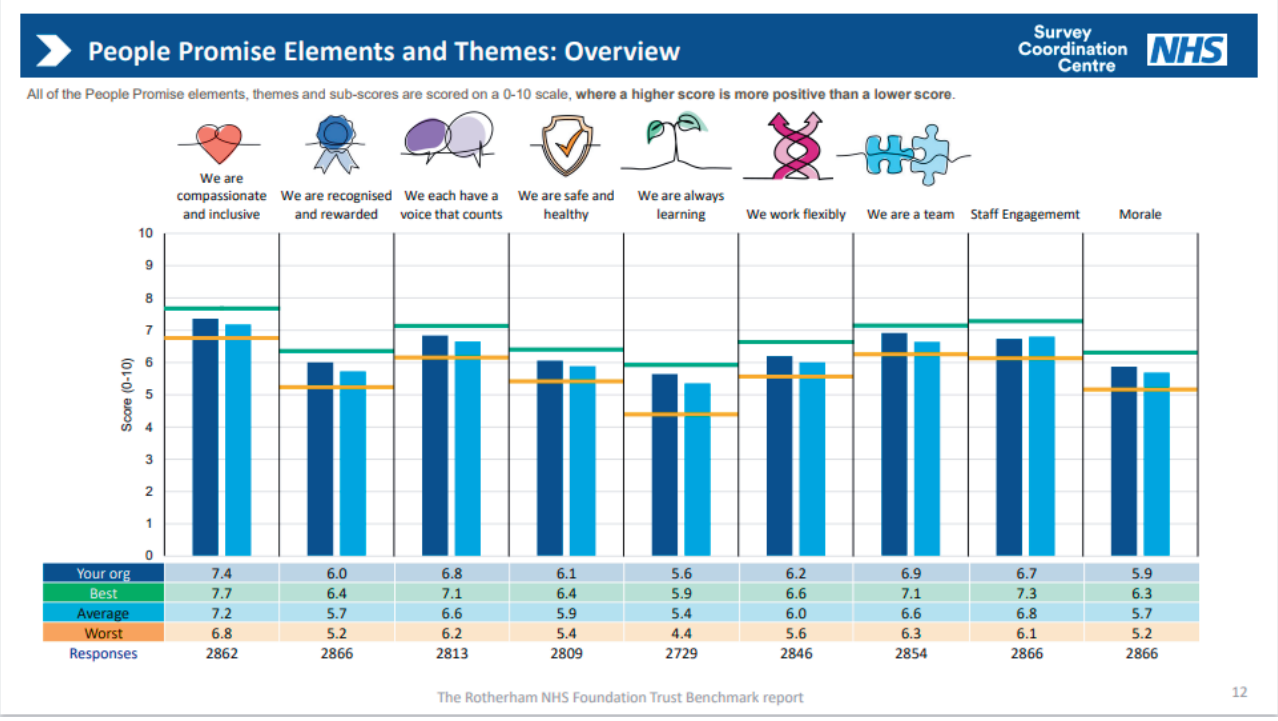
SE Other Specified	1	0.02%
Unspecified	12	0.23%
Z Not Stated	69	1.34%

Information on staff turnover

Information relating to staff turnover can be found as part of the NHS workforce statistics provided by NHS Digital by following this web link: https://digital.nhs.uk/data-and-information/publications/statistical/nhs-workforce-statistics

2022 National Staff Survey Results

The NHS staff survey is conducted annually. The table below provides a high-level overview on the National Staff Survey results; seven domains linked to the NHS People Promises, which were introduced last year in addition to questions related to staff engagement and morale.



Staff engagement scores are derived from questions looking at three areas; motivation, involvement and advocacy. Morale scores are collated from questions relating to the following areas:

- Thinking about leaving
- Work pressure and
- Stressors

We have seen improvements in all seven of the people promises and in the morale category. We have seen a lower performance in the staff engagement category in particular the advocacy domain.

We have seen a consistent improvement in staff engaging with the National Staff Survey. Our ambition to increase our survey response rate to enable a broader and more representative workforce view has seen achieve our highest response rate of 61%.

The table below shows the incremental increase in response rates from 38% in 2018 to 61% 2022.

NHS Response Rate

The table below highlights the Trust performance in relation to wider NHS organisations.

	2018	2019	2020	2021	2022
Best	71.6%	76.0%	79.8%	79.4%	60.9%
TRFT	38.5%	48.0%	52.2%	59.7%	61.0%
Median	43.6%	46.9%	45.4%	51.1%	44.5%
Worst	24.6%	27.2%	28.1%	36.5%	26.2%

Top 5 scores vs Organisation Average	Org	Picker Avg
q21a. Received appraisal in the past 12 months	92%	80%
q30b. Disability: organisation made reasonable adjustment(s) to enable me to carry out work	81%	72%
q18d. Feedback given on changes made following errors/near misses/incidents	67%	59%
q9i. Immediate manager helps me with problems I face	71%	65%
q9b. Immediate manager gives clear feedback on my work	69%	63%

Most improved scores	Org 2022	Org 2021
q11d. In last 3 months, have not come to work when not feeling well enough to perform duties	46%	34%
q30b. Disability: organisation made reasonable adjustment(s) to enable me to carry out work	81%	72%
q9i. Immediate manager helps me with problems I face	71%	66%
q20. Feel organisation respects individual differences	71%	66%
q9f. Immediate manager works with me to understand problems	73%	68%

Areas of Improvement and Future Priorities

Bottom 5 scores vs Organisation Average	Org	Picker Avg
q23d. If friend/relative needed treatment would be happy with standard of care provided by organisation	50%	61%
q23a. Care of patients/service users is organisation's top priority	69%	73%
q22b. There are opportunities for me to develop my career in this organisation	50%	54%
q23c. Would recommend organisation as place to work	54%	57%
q2a. Often/always look forward to going to work	51%	53%

Most declined scores	Org 2022	Org 2021
q4c. Satisfied with level of pay	27%	35%
q23d. If friend/relative needed treatment would be happy with standard of care provided by organisation	50%	52%
q14a. Not experienced harassment, bullying or abuse from patients/service users, their relatives or members of the public	76%	76%
q13a. Not experienced physical violence from patients/service users, their relatives or other members of the public	84%	85%
q23c. Would recommend organisation as place to work	54%	54%

- The Trust will place particular focus on the continued wellbeing support of its workforce and create a metrics dashboard to monitor improvement.
- Build on the improvements made in relation to compassionate leadership to ensure that this embeds across the organisation.
- Prioritise getting underneath the National Staff Survey Advocacy questions about working at the trust, receiving care and organisational care priorities.

Monitoring arrangements - future priorities and how they will be measured

The Board of Directors will agree key milestones and delivery targets for the Trust; however, workforce related performance and people objectives will be monitored through the governance structures in place including the Operational Workforce Group, People Committee, the Executive Team and ultimately the Board of Directors.

Locally each Division will develop improvement plans using key information from the national staff survey results, CQC feedback, People Pulse survey and other key Trust metrics. These will be managed through a monthly divisional performance meeting and dashboards, providing assurance to the Executive Team and Board of Directors.

The wider workforce and engagement activities will be monitored through the Operational Workforce Group chaired by the Director of Workforce. The actions of this group and any associated work plans will provide the appropriate levels of assurance to the People Committee.


NHS
The Rotherham
NHS Foundation Trust
LGBTQ+
STAFF NETWORK
Inclusive of all
and allies
NHS
Disability
STAFF NETWORK
Supporting, repres
and making a diff

National Quarterly Pulse Survey (NQPS)

Our ambition to improve the response to NQPS saw a significant increase in response rates during 2022-23 however this was not sustained as we started to see a decline in response rate during Quarter 4. This in part was due to survey fatigue and challenges around reporting. We have been taking steps to improve the reporting and transparency of information and will continue to prioritise gathering feedback as part of our overall response to all our staff survey data.

Trade Union Facility Time disclosures

Engaging, communicating, and consulting with our employees in partnership with our trade unions and professional bodies has always been core to our service delivery, and we have recently reinforced our commitment to this by launching our refreshed Partnership Working Policy. We are committed to developing engagement with all employees and maximising the benefits of staff involvement by ensuring that we have robust mechanisms in place with our union colleagues. We recognise that employee involvement and partnership working must take place throughout the organisation, regardless of professional, service, or functional boundaries.

The trust is committed to maximising staff involvement by:

- Developing and implementing effective communication processes within the Trust
- Developing a culture of staff involvement and participation where mechanisms are in place for all staff to be able to contribute to the decision-making processes that affect their working lives and the delivery of health care, whilst feeling confident that their contribution makes a difference and is valued; and
- Effective change management delivered through partnership working.

It is recognised that good employment relations are an important factor in achieving our objectives and delivering high quality patient care.

Cooperation and communication are important features of the relationship between us, our unions, and our employees. In partnership with our union colleagues, we recognise our common interests and are committed to maintaining and improving employment relations and engagement in the Trust and dealing with, and resolving, any issues at an early stage, as speedily as possible and in line with jointly agreed policies and procedures.

Our Partnership Working Policy is the system for agreeing access to paid time and development for our union colleagues. We reviewed and updated this agreement during 2022-23 to ensure that the Trust enables our union

colleagues to give the best possible support to their members and to the organisation. Throughout the year we engage through many formal and informal, planned, and ad hoc fora in the pursuit of achieving our common interests for our employees, and ultimately our patients.

Table 1: Relevant union officials

What was the total number of your employees who were relevant union officials during the relevant period?

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
14	Between 1501 and 5000

Table 2: Percentage of time spent on facility time

How many of your employees who were relevant union officials employed during the relevant period spent.

a) 0%, b) 1%-50%, c) 51%-99% or d) 100% of their working hours on facility time?

Percentage of time	Number of employees
0%	0
1-50%	13
51%-99%	0
100%	1

Table 3: Percentage of pay bill spent on facility time Figures requested in the table below to determine the percentage of your total pay bill spent on paying employees who were relevant union officials for facility time during the relevant period.

	Figures
Provide the total cost of facility time	£28,409.36
Provide the total pay bill	£225,398,000
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.013

Table 4: Paid trade union activities

Below is the percentage of total paid facility time hours, the number of hours spent by employees who were relevant union officials during the relevant period on paid trade union activities?

Time spent on paid trade union activities as a percentage of total paid facility time hours	2.016

Off-payroll engagements

The decision to appoint Board members or senior officials with significant financial responsibility through an off-payroll arrangement is made at a very senior level and for exceptional operational reasons. During 2022-23 zero off-payroll engagements were entered into.

Table 1. Highly paid off-payroll worker engagements as at 31 March 2023, 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 between one and two years at time of reporting	0

Table 2. All highly-paid off-payroll workers engaged at any point during the year ended 31 March 2023 earning £245 per day or greater	
Number of off-payroll workers engaged during the year ended 31 March 2022	0
Of which:	
Not subject of off-payroll legislation*	0
Subject to off payroll legislation and determined as in-scope of IR35	0
Subject to off payroll legislation and determined as out-of-scope of IR35	0
Number of engagements reassessed for consistency/assurance purposes during the year	0
Of which:	
Number of engagements that saw a change to IR35 status following review	0
Number that have existed between two and three years at time of reporting	0
Number that have existed 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 3. For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2021 and 31 March

2023	
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 should include both off- payroll and on-payroll engagements.	0

Staff Exit Packages

The table below summarises the total number of exit packages agreed during the year. Included within these are compulsory redundancies and other schemes including MARS (Mutually Agreed Resignation Scheme) applications. The note shows packages agreed in year, irrespective of the actual date of accrual or payment. This table excludes Payment in Lieu of Notice (PILON) payments made as part of standard contractual terms, and not part of a wider exit package.

Exit costs in this note are the full costs of departures agreed in the year. Where The Rotherham NHS FT has agreed early retirements, the additional costs are met by The Rotherham NHS FT and not by the NHS Pensions Scheme. Ill-health retirement costs are met by the NHS Pensions Scheme and are not included in the table.

	Number of compulsory redundancies		Number of other non- compulsory departures agreed		Total number of exit packages by cost band	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
Total number of exit packages by type	0	3	0	1	0	4
Total resource cost £000s	0	53	0	60	0	113

Analysis of non-compulsory departure payments

In 2022-23 there were no compulsory departures.

Countering Fraud, Bribery and Corruption

Effective from 01 April 2021 the NHS Counter Fraud Authority (NHSCFA) implemented the Government Functional Standard 013: Counter Fraud ('the Functional Standard') within the NHS. During the year, the NHSCFA have developed their requirements in relation to the Functional Standard. All NHS funded services are required to comply with

the Functional Standard. Progress against the requirements of the Functional Standard is overseen by the Trust's Director of Finance and Audit and Risk Committee.

The Trust is required to self- assess against the requirements of the Functional Standards annually by completing and submitting the Trust's Counter Fraud Functional Standard return (CFFSR). This requires prior sign off by the Trust's Director of Finance and the Audit Committee Chair. The Trust demonstrated an overall 'Green' rating following the self-assessment.

The Trust's Chief Executive and Director of Finance are jointly responsible for ensuring adherence to the NHS Counter Fraud Authority (NHSCFA) Anti-Crime Strategy for countering fraud, bribery and corruption. The NHSCFA is responsible for ensuring the quality of measures to counter fraud, bribery and corruption within NHS Foundation Trusts.

The Trust has in place a nominated Counter Fraud Specialist (CFS) in place provided by 360 Assurance. The CFS is responsible for carrying out a range of activities in compliance with the Functional Standard overseen by the Director of Finance and Audit Committee. The CFS undertakes fraud, bribery and corruption risk assessments throughout the year which are used to inform the annual programme of activities.

The Trust has a Fraud, Bribery and Corruption Policy which outlines the Trust's zero tolerance approach to fraud, bribery and corruption and sends a clear message that all available sanctions will be pursued in respect of those caught committing offences against the Trust. Clear reporting procedures are included within the policy and the policy is signposted to staff within all training delivered by CFS.

Where fraud is identified or reported it is formally investigated in accordance with the Trust's Fraud, Bribery and Corruption Policy. During 2022-23, eight referrals were made to the CFS, demonstrating good awareness and understanding of the Fraud, Bribery and Corruption Policy.

Council of Governors

The Council of Governors is responsible for making decisions regarding the appointment or removal of the Chair, the Non-Executive Directors and the Trust's auditors; the terms and conditions of office of the Non-Executive Directors in addition to approving the appointment of the Chief Executive. The Council of Governors is also consulted by the Board of Directors and its views taken into consideration when formulating the Trust's forward plans.

The Trust has a Council of Governors with a statutory duty to hold our Non-Executive Directors individually and collectively to account for the performance of the Board of Directors.

The Council also considers the Trust's annual accounts and the external auditor's report on them. It also represents the interests of members and

partnership organisations in the governance of the Trust, regularly feeding back information about the Trust to the constituencies it represents.

Other statutory duties of the Council of Governors include providing their views to the Board of Directors on the Trust's strategy, to respond to the Board of Directors when consulted and to undertake functions as requested by the Board of Directors, and to hold the Non-Executive Directors individually and collectively to account for the performance of the Board of Directors.

Should any disagreements between the Board of Directors and the Council of Governors arise the manner in which these will be resolved is described in Annex 6 of the Trust's Constitution which is available on the Trust's internet site.

The Council of Governors comprises of 16 elected Public Governors, 5 elected Staff Governors and 7 appointed Partner Governors.

All Governors, both elected and appointed, hold office for a term of three years. They are eligible for re-election or re-appointment at the end of that period and serve a maximum of three terms (nine years in total). The Trust's Constitution outlines that a Governor may, in exceptional circumstances, serve longer than nine years. However, this will be subject to annual re-election.

All elections for public and staff governor positions are conducted under the auspices of Civica, in accordance with the requirements of the Trust's Constitution.

The Council of Governors are scheduled to meet four times during any given year. In the financial year 2022-23 an additional meeting was held in September 2022 to support the appointment of Dr Richard Jenkins as Joint Chief Executive with the Barnsley Hospital NHS Foundation Trust.

2022-23 saw the resumption of face to face Council of Governors meetings open to observation by the public. The agenda and meeting papers continue to be made available prior to the meeting on the Trust's website. The sub-committee / group meetings of the Governor Nomination Committee and Member Engagement Group continued to be held virtually.

Elections to the Council of Governors were held in quarter one of 2022-23. As a number of vacancies remained after closure of the elections, upon the recommendation of its Member Engagement Group a decision was taken by the Council of Governors to hold mid-term elections in quarter two / three.

Detailed below are members of the Council of Governors during 2022-23, the constituency each represent, their term of office and meeting attendance record:

Constituency	Name	Term of Office	Meeting attendance
Wentworth North	Vacancy	01.04.2022 to 31.03.2023	-
	Matthew Ukpe	01.01.2023 to 31.05.2025	1 of 1
Wentworth South	Robert McPherson	Re-elected 01.06.2020 to 31.05.2023	1 of 5
	Neil Redfern	01.11.2020 to 31.05.2023	3 of 5
Wentworth Valley	Andrew Ball	01.11.2020 to 31.05.2023	5 of 5
	Vacancy	01.04.2022 to 31.03.2023	-
Rotherham South	Marilyn Gambles	Re-elected 01.06.2022 to 31.05.2025	5 of 5
	A A Zaidi	Re-elected 01.06.2022 to 31.05.2025	3 of 5
Rotherham North	Anthony Stephan Lowe	01.11.2020 to 31.05.2023	4 of 5
	John Dougan Co-opted Governor	01.06.2022 Stood down 06.12 2022	3 of 3
Rother Valley South	Gavin Rimmer (Lead Governor)	Re-elected 01.06.2020 to 31.05.2023	4 of 5
	Ian Cocks	01.06.2021 to 31.05.2024 Resigned 17.05.2022	0 of 1
Rother Valley West	Neil Adshead	01.06.2022 to 31.05.2025 Resigned 15.08.2022	0 of 1
	Vacancy x1	01.04.2022 to 31.03.2023	-
Rest of England (Covering those who live outside the borough)	Frank Kler	01.11.2020 to 31.05.2023 Resigned 06.04.2022	0 of 0
	Geoffrey Berry	01.11.2020 to 31.05.2023	4 of 5
Staff Governors (elected x5):	James Cooper	01.11.2020 to 31.05.2023	0 of 1
	Clare Denning	01.11.2020 to 31.05.2023	3 of 5
	Precious Keta	01.06.2023 to 31.05.2025	3 of 4
	Dr Julian McDonough	Re-elected 01.06.2022 to 31.05.2025	3 of 5
	Emily Wraw	01.01.2023 to 31.05.2025	1 of 1
	Matthew White	01.01.2023 to 31.05.2025	1 of 1
Partner Governor Organisations (nominated/appointed):			
Sheffield Hallam University	Dr Joanne Lidster	Re-nominated 17.05.2022 to 16.05.2025	4 of 5
Sheffield University	Vacancy	01.04.2022 to 31.03.2023	-
Rotherham Partnership	Vacancy	01.04.2022 to 31.03.2023	-
Voluntary Action Rotherham	Jean Flanagan	01.09.2020 to 31.08.2023 Stood down 18.11.2022 Vacancy for remainder of financial year	3 of 4
Rotherham Metropolitan Borough Council	Cllr Eve Rose Keenan	21.06.2021 to 20.06.2024 Stood down 08.06.2022	0 of 1
	Cllr Joanna Baker-Rogers	17.08.2022 to 18.08.2025	2 of 3
Barnsley and Rotherham Chamber of Commerce	Tricia Smith	20.01.2020 to 19.01.2023	3 of 4
	Mark Smith	08.02.2023 to 07.02.2026	1 of 1
Rotherham Ethnic Minority Alliance	Vacancy	01.04.2022 to 31.03.2023	-

At the 15 February 2023 Council of Governors meeting, the Council supported the proposal subsequently approved at the 03 March 2023 Board of Directors meeting to amalgamate the seven Public Constituencies into one Rotherham-wide constituency in addition to the Rest of England constituency. This change in approach was to address the number of Public Governor vacancies and in preparation for the 2023 Governor elections.

Members of the Board of Directors (Executive and Non-Executive Directors) have routinely attended the scheduled Council of Governors meetings to ensure that they develop an understanding of the view of Governors and Members. Their attendance during 2022-23 was as follows:

Current Director/Non-Executive Director	**Number of meetings attended**
Voting Board members	
Mr M Havenhand, Chairman	4
Miss N Bancroft, Non-Executive Director	3
Dr J Beahan, Medical Director	1
Dr J Bibby, Non-Executive Director	4
Mr G Briggs, Chief Operating Officer	1
Mrs H Craven, Non-Executive Director	3
Mrs H Dobson, Interim Chief Nurse	2
Mrs S Douglas, Interim Medical Director	1
Dr C Gardner, Executive Medical Director	2
Mr S Hackett, Director of Finance	3
Ms L Hagger, Non-Executive Director	1
Mrs S Kilgariff, Chief Operating Officer	1
Dr R Jenkins, Interim Chief Executive	2
Mr K Malik, Non-Executive Director	4
Mr S Ned, Director of Workforce	0
Dr R Shah, Non-Executive Director	4
Mrs D Sissons, Non-Executive Director	1
Mr M Smith, Non-Executive Director	2
Mr M Temple, Non-Executive Director	0

Current Director/Non-Executive Director	Number of meetings attended
Mr M Wright, Deputy Chief Executive	4
Non-Voting Board Members	
Mrs Z Ahmed, Associate Non-Executive Director	1
Mr I Hinitt, Director of Estates and Facilities	0
Mr J Rawlinson, Director of Health Informatics	0
Mrs J Roberts, Director of Operations	1
Mrs L Tuckett, Director of Strategy Planning and Performance	0
Ms A Wendzicha, Director of Corporate Affairs	4

All governors are required to comply with the Trust's Code of Conduct and Constitution and declare any interests that may result in a conflict of interest in their role as governors. At each meeting of the Council of Governors a standing agenda item also requires all governors to make known any interest in relation to the agenda and any changes to their declared interests. Each Governor is required annually to renew their declarations with regard to the Code of Conduct and Register of Interest.

The register of governor's interests is available to view on the Trust's website (www.therotherhamft.nhs.uk) or by requesting a copy from the Company Secretary.

Ms Angela Wendzicha, Director of Corporate Affairs
General Management Department
Level D
The Rotherham NHS Foundation Trust
Moorgate Road
Rotherham
S60 2UD

Members who wish to communicate with the Governors can do so by sending an email to rgh-tr.public.governors@nhs.net . Alternatively they may write to the Governor at the following address:

Name of Governor
C/O Ms Angela Wendzicha, Director of Corporate Affairs
General Management Department
Level D
The Rotherham NHS Foundation Trust
Moorgate Road
Rotherham
S60 2UD

The Foundation Trust Membership

"The Rotherham NHS Foundation Trust Public Governors have an important role in representing the public voice and diversity of the local community and influencing the continual improvement of health services for the people of Rotherham".

The Trust has two membership constituencies: a 'public constituency' and a 'staff constituency.

In order to become a Public Member, the individual must:

- Be at least 16 years of age; and
- Live within one of the trust's constituency areas (consisting of seven local electoral wards and a 'Rest of England' constituency); and
- Not be a member of the staff constituency; and
- Have made an application for membership to the Trust.

In order to be a Staff Member, the individual must:

- Be at least 16 years of age; and
- Be employed by the Trust with a permanent contract or have worked at the Trust for at least 12 months; and
- Have opted in to be a Member of the Trust

At the end of 2022/23 there were 13,964 Members of The Rotherham NHS Foundation Trust (TRFT) as detailed below:

Public	
Rother Valley South	894
Rother Valley West	1,133
Rotherham North	1,311
Rotherham South	1,760
Wentworth North	1,037
Wentworth South	1,445
Wentworth Valley	1,456
Rest of England	1,396

Total Public Members	*10,432*
Staff Members	*3,532*
Total Membership	**13,964**

The Trust values the continued support and engagement of its Membership and recognises the importance of a diverse membership that is representative of all the communities it serves. Detailed below is a breakdown of a number of metrics pertaining to our membership.

	Public	Staff	Total
Age NHSI	**10,432**	**3,532**	**13,964**
0-16	0	0	0
17-21	0	7	7
22+	9,283	3,519	12,802
Not stated	1,149	6	1,155
Age	**9,283**	**3,519**	**12,802**
22-29	94	193	287
30-39	1,258	823	2,081
40-49	1,258	863	2,121
50-59	1,774	1,066	2,840
60-74	2,646	555	3,201
75+	2,253	19	2,272
Gender	**10,432**	**3,532**	**13,964**
Unspecified	3	3	6
Male	4,059	533	4,592
Female	6,370	2,996	9,366
Transgender	0	0	0
Ethnicity	**10,432**	**3,532**	**13,964**

White - English, Welsh, Scottish, Northern Irish, British	3,598	2,362	5,960
White - Irish	14	8	22
White - Gypsy or Irish Traveller	0	0	0
White - Other	13	25	38
Mixed - White and Black Caribbean	2	5	7
Mixed - White and Black African	1	3	4
Mixed - White and Asian	1	10	11
Mixed - Other Mixed	10	4	14
Asian or Asian British - Indian	31	50	81
Asian or Asian British - Pakistani	163	24	187
Asian or Asian British - Bangladeshi	3	2	5
Asian or Asian British - Chinese	5	6	11
Asian or Asian British - Other Asian	22	16	38
Black or Black British - African	24	18	42
Black or Black British - Caribbean	5	6	11
Black or Black British - Other Black	13	2	15
Other Ethnic Group - Arab	0	0	0
Other Ethnic Group - Any Other Ethnic Group	63	25	88
Not stated	6,464	966	7,430

As a Foundation Trust, the Trust works closely with its membership and strives to involve and engage members in the Trust's strategic direction through sustained, two-way communication plans and engagement events. For the first time since the COVID-19 pandemic the face to face Governors' Surgeries took place throughout the year at a number of different Trust locations.

As in previous years, the Trust ensured members and the general public remained informed on relevant matters through media activities and general briefings. The Governors were given material which they were encouraged to circulate amongst their personal and business contacts or social networks and within their constituencies.

The Governors have continued to be instrumental in promoting the Public Panel across their networks and constituencies.

During 2022-23 the Council of Governors monitored progress made in relation to the **Member Engagement Strategy 2022 – 2025 approved in 2021/22**

The strategy has two specific objectives, supported by a number of milestones. The objectives are:

- Objective 1 : To build and maintain our membership numbers by actively recruiting and retaining our members

- Objective 2 : To effectively engage and communicate with members

On behalf of Council of Governors, the Governor Members Engagement Group have been supporting and monitoring the implementation of the milestones.

The Group continued to meet regularly during the year to draw up plans and strategies working in collaboration with Trust officers to increase member engagement. Following an analysis of the current membership received in October 2022, the Governors identified the populations and constituencies which could benefit from bespoke face to face engagement events aimed at increasing the membership from underrepresented groups. Face to face membership engagement activities were undertaken by the Governors in October and November 2022 aimed at recruiting Members and Governors from these underrepresented populations in order to ensure a diverse and representative membership.

The Annual Members Meeting (AMM) 2022 was another opportunity the Governors used to meet members and the public, share achievements made within the year and outline future plans. The Annual Members Meeting held in September 2022 was once again a virtual event since the attendance for the AMMs in both 2020 and 2021 had been greater for virtual events than those held face to face. The theme of the AMM was '*from COVID-19 to Collaboration'* and included a session relating to the new Integrated Care Board led by the Deputy Chief Executive of the South Yorkshire Integrated Care System and Executive Place Director (Rotherham)

Looking ahead into 2023/24 the Council of Governors, through the work of the Member Engagement Group, is overseeing the Governor Elections which commenced in March 2023.

In February 2023 the Council of Governors took the decision to change the

Public Governors' constituencies merging the seven Rotherham constituencies into one, 'Rotherham-wide'; constituency. The aim of this change was to reduce the number of vacant Public Governor seats on the Council of Governors which had stood at seven during 2022/23.

Consequently the Governor elections due to complete in May 2023 were for 11 'Rotherham-wide' Public Governor seats, two 'Rest of England' Public Governor seats and one Staff Governor seat.

Members have and continue to be able to contact their Governor by sending an e-mail to: rgh-tr.public.governors@nhs.net indicating the name of the Public Governor they wish to contact in the subject line of the e-mail.

In a similar manner staff members are able to contact their Governor by sending an e-mail to: rgh-tr.staffgovernors@nhs.net also including the name of the governor in the subject line of the e-mail.

Public Members are able to contact the Trust's Directors through a variety of mechanisms: via the public virtual Board of Directors meeting or the public virtual Council of Governors meetings; via their Governor; via the Trust's your.experience@nhs.net e-mail or the Trust's switchboard.

Governor Nominations Committee / Non-Executive Director Appointments 2022-23

The Governor Nomination Committee (The Committee) has responsibility for giving assurance that the independence, skill, diversity and experience of each of the Non-Executive Directors, which includes the Chair, reflects the needs of the Trust through the composition of the Board of Directors to achieve the Trust's objectives and safeguard the quality of care provided.

The Committee is chaired by the Trust Chair and comprised of no more than nine Governors (Public, Staff and Partner), including the Lead Governor.

The Committee met on four occasions during 2022-23.

The Chair and Non-Executive Directors' annual appraisal and objective setting process was undertaken early in quarter one of 2022-23.

In May 2022, the Committee considered the outcome of the appraisal reviews for each Non-Executive Director, including the Chair.

The performance appraisal and objective setting for the Chair was jointly undertaken by the Senior Independent Director and the Lead Governor. The process for the other Non-Executive Directors was led by the Trust Chair in conjunction with the Lead Governor.

Both appraisal processes were informed by a collective view on individual Non-Executive Director performance provided by fellow Non-Executive Directors, the Executive Directors and the Council of Governors. The process for the Chair followed the guidance from NHS England and also sought the views from key external stakeholders.

Utilising these appraisals as part of their discussions when considering any terms of office for the Non-Executive Directors, including the Chair, the Committee recommended that the term of office for Miss Nicola Bancroft, Non-Executive Director, be extended for a further three year term from October 2022. In addition, it was recommended that the term of office for Mrs Heather Craven, Non-Executive Director, be extended for a further one year term from March 2023 to February 2024.

The Committee, in noting that the Chair's term of office was due to conclude on 31 January 2023, and given that he would have served nine years in office, discussed the proposal from the Lead Governor that a further one year extension be offered to Mr Martin Havenhand. The rationale being that the Trust required stability during the uncertainties and changes resulting from Health and Care Act 2022, and the appointment of a substantive Chief Executive had yet to be resolved. The Committee recommended that Mr Havenhand be offered a further one year term from 01 February 2023 to 31 January 2024.

All extensions to the terms of office were subsequently approved by the Council of Governors.

At the end of September 2022 the Trust said farewell to Ms Lynn Hagger, Non-Executive Director and Mr Michael Smith, Non-Executive Director. In the knowledge that the term of office for Ms Hagger and Mr Smith would not be extended, the Committee undertook an open recruitment campaign, via an external recruitment agency, to appoint two new Non-Executive Directors. Interviews were held on 26 September 2022, with the Committee recommending the appointment of Mrs Deirdre (Dee) Sissons and Mr Martin Temple, each with a three year term of office commencing from 01 October 0223.

In addition, the Committee recommended the appointment of Mrs Zlakha Ahmed as Associate Non-Executive Director for a 12 month term period commencing 01 October 2023.

These appointments were subsequently approved by the Council of Governors

In January 2023, Miss Bancroft announced that she would be standing down as Non-Executive Director. As such the Committee, at its January 2023 meeting, agreed a further recruitment campaign be commenced. This remained ongoing at the end of the 2022-23 financial year.

At the February 2023 meeting Mr Havenhand, Trust Chair, announced that he had been appointed as Chair of Yorkshire Ambulance Service with effect from 01 April 2023. As such the Committee began its discussions regarding the recruitment process for a new Chair. At the end of the 2022-23 financial year the discussions remained ongoing.

Other matters considered by the Committee during 2022/23 were the annual review of its Terms of Reference and the Board's skills, knowledge and diversity.

Looking ahead to 2023-24, the Committee will focus on recruitment which had already commenced and succession planning in relation to the Non-Executive Directors.

The Committee make recommendations as appropriate to the Council of Governors following each of its meetings, with the minutes also routinely provided to all Council of Governor members.

NHS Foundation Trust Code of Governance

The purpose of the Code of Governance is to assist NHS Foundation Trust Boards in improving their governance practices by bringing together the best practice of public and private sector corporate governance. Whilst the Code is issued as best practice advice, some disclosures are required on a 'comply' or 'explain' basis.

The Rotherham NHS Foundation Trust has applied the principles of the NHS Foundation Code of Governance on a comply or explain basis. The NHS Foundation Code of Governance is based (2014) is based on the principles of the UK Corporate Governance Code issued in 2012.

The Trust is compliant with all the required provisions as set out below

Part of schedule A (see above)	**Relating to**	***Code of Governance* reference**	**Summary of requirement**
2: Disclose	Board and Council of Governors	A.1.1	The schedule of matters reserved for the board of directors should include a clear statement detailing the roles and responsibilities of the council of governors. This statement should also describe how any disagreements between the council of governors and the board of directors will be resolved. The annual report should include this schedule of matters or a summary statement of how the board of directors and the council of governors operate, including a summary of the types of decisions to be taken by each of the boards and which are delegated to the executive management of the board of directors. The detail can be found at Annex 3 of the current Trust Constitution. The Schedule of Matters reserved to the Board was last reviewed in January and February 2022.
2: Disclose	Board, Nomination Committee(s), Audit Committee, Remuneration Committee	A.1.2	The annual report should identify the chairperson, the deputy chairperson (where there is one), the chief executive, the senior independent director (see A.4.1) and the chairperson and members of the nominations, audit and remuneration[21] committees. It should also set out the number of meetings of the board and those committees and individual attendance by directors. Part of this requirement is also contained within paragraph 2.26 as part of the directors' report. Details contained within the Directors' Report from page[ ]

2: Disclose	Council of Governors	A.5.3	The annual report should identify the members of the council of governors, including a description of the constituency or organisation that they represent, whether they were elected or appointed, and the duration of their appointments. The annual report should also identify the nominated lead governor. Detail can be found at page [ ]
Additional requirement of FT ARM	Council of Governors	n/a	The annual report should include a statement about the number of meetings of the council of governors and individual attendance by governors and directors. Detail can be found at page [ ]

Part of schedule A (see above)	**Relating to**	***Code of Governance* reference**	**Summary of requirement**
2: Disclose	Board	B.1.1	The board of directors should identify in the annual report each non-executive director it considers to be independent, with reasons where necessary. Detail can be found at page [ ]
2: Disclose	Board	B.1.4	The board of directors should include in its annual report a description of each director's skills, expertise and experience. Alongside this, in the annual report, the board should make a clear statement about its own balance, completeness and appropriateness to the requirements of the NHS foundation trust. The skills and expertise of each Director of the Board is detailed within the Directors Report from page [ ]
Additional requirement of FT ARM	Board	n/a	The annual report should include a brief description of the length of appointments of the non-executive directors, and how they may be terminated. Length of appointments are detailed from page [ ]
2: Disclose	Nominations Committee(s)	B.2.10	A separate section of the annual report should describe the work of the nominations committee(s), including the process it has used in relation to board appointments. Detail can be found at page [ ]
Additional requirement of FT ARM	Nominations Committee(s)	n/a	The disclosure in the annual report on the work of the nominations committee should include an explanation if neither an external search consultancy nor open advertising has been used in the appointment of a chair or non-executive director. Included within the Directors Report at page [ ]
2: Disclose	Chair/Council of Governors	B.3.1	A chairperson's other significant commitments should be disclosed to the council of governors before appointment and included in the annual report. Changes to such commitments should be reported to the council of governors as they arise, and included in the next annual report. Detail provide at page [ ]
2: Disclose	Council of Governors	B.5.6	Governors should canvass the opinion of the trust's members and the public, and for appointed governors the body they represent, on the NHS foundation trust's forward plan, including

			its objectives, priorities and strategy, and their views should be communicated to the board of directors. The annual report should contain a statement as to how this requirement has been undertaken and satisfied. Governors have been consulted on the Operational Plan at the Council of Governors meeting held via virtual means on [ ] 2022

Part of schedule A (see above)	**Relating to**	***Code of Governance* reference**	**Summary of requirement**
Additional requirement of FT ARM	Council of Governors	n/a	If, during the financial year, the Governors have exercised their power* under paragraph 10C** of schedule 7 of the NHS Act 2006, then information on this must be included in the annual report. This is required by paragraph 26(2)(aa) of schedule 7 to the NHS Act 2006, as amended by section 151 (8) of the Health and Social Care Act 2012. * Power to require one or more of the directors to attend a governors' meeting for the purpose of obtaining information about the foundation trust's performance of its functions or the directors' performance of their duties (and deciding whether to propose a vote on the foundation trust's or directors' performance). ** As inserted by section 151 (6) of the Health and Social Care Act 2012) Non-Executive Directors and Executive Directors routinely attend the Council of Governors to provide updates on the Trust's performance. Details of attendance can be found at page [ ] As a result of the above routine practice, the Council of Governors have not exercised their power under Paragraph 10C of Schedule 7 of the NHS Act 2006 during the reporting period.
2: Disclose	Board	B.6.1	The board of directors should state in the annual report how performance evaluation of the board, its committees, and its directors, including the chairperson, has been conducted. This can be found at page [ ]
2: Disclose	Board	B.6.2	Where there has been external evaluation of the board and/or governance of the trust, the external facilitator should be identified in the annual report and a statement made as to whether they have any other connection to the trust. The last external review of governance took place

			in 2018/2019. The Trust plans to arrange the next cycle for 2023-24.
2: Disclose	Board	C.1.1	The directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS foundation trust's performance, business model and strategy. Directors should also explain their approach to quality governance in the Annual Governance Statement (within the annual report). The Director's explanation of responsibilities can be found at page [ ]
2: Disclose	Board	C.2.1	The annual report should contain a statement that the board has conducted a review of the effectiveness of its system of internal controls. The Annual Governance Statement at page [ ] details the review of the effectiveness of the internal controls.
2: Disclose	Audit Committee/control environment	C.2.2	A trust should disclose in the annual report: (a) if it has an internal audit function, how the function is structured and what role it performs; Details can be found at page [ ]

Part of schedule A (see above)	**Relating to**	***Code of Governance* reference**	**Summary of requirement**
2: Disclose	Audit Committee/ Council of Governors	C.3.5	If the council of governors does not accept the audit committee's recommendation on the appointment, reappointment or removal of an external auditor, the board of directors should include in the annual report a statement from the audit committee explaining the recommendation and should set out reasons why the council of governors has taken a different position. **Not applicable for this reporting period.**
2: Disclose	Audit Committee	C.3.9	A separate section of the annual report should describe the work of the audit committee in discharging its responsibilities. The report should include: • the significant issues that the committee considered in relation to financial statements, operations and compliance, and how these

			issues were addressed; • an explanation of how it has assessed the effectiveness of the external audit process and the approach taken to the appointment or re-appointment of the external auditor, the value of external audit services and information on the length of tenure of the current audit firm and when a tender was last conducted; and • if the external auditor provides non-audit services, the value of the non-audit services provided and an explanation of how auditor objectivity and independence are safeguarded. Detail can be found in the Director's Report at page [ ]
2: Disclose	Board/Remuneration Committee	D.1.3	Where an NHS foundation trust releases an executive director, for example to serve as a non-executive director elsewhere, the remuneration disclosures of the annual report should include a statement of whether or not the director will retain such earnings. **Not applicable for this reporting period as no Executive Directors were released to serve as a Non-Executive Director.**
2: Disclose	Board	E.1.5	The board of directors should state in the annual report the steps they have taken to ensure that the members of the board, and in particular the non-executive directors, develop an understanding of the views of governors and members about the NHS foundation trust, for example through attendance at meetings of the council of governors, direct face-to-face contact, surveys of members' opinions and consultations. Details can be found at page [ ]
2: Disclose	Board/Membership	E.1.6	The board of directors should monitor how representative the NHS foundation trust's membership is and the level and effectiveness of member engagement and report on this in the annual report. Details can be found at page [ ] within the Director's Report
2: Disclose	Membership	E.1.4	Contact procedures for members who wish to communicate with governors and/or directors should be made clearly available to members on the NHS foundation trust's website and in the annual report. Details can be found at page [ ].

Part of schedule A (see above)	Relating to	*Code of Governance* reference	Summary of requirement
Additional requirement of FT ARM	Membership	n/a	The annual report should include: • a brief description of the eligibility requirements for joining different membership constituencies, including the boundaries for public membership; • information on the number of members and the number of members in each constituency; and • a summary of the membership strategy, an assessment of the membership and a description of any steps taken during the year to ensure a representative membership [see also E.1.6 above], including progress towards any recruitment targets for members. Detail can be found at page [ ]
Additional requirement of FT ARM (based on FReM requirement)	Board/Council of Governors	n/a	The annual report should disclose details of company directorships or other material interests in companies held by governors and/or directors where those companies or related parties are likely to do business, or are possibly seeking to do business, with the NHS foundation trust. As each NHS foundation trust must have registers of governors' and directors' interests which are available to the public, an alternative disclosure is for the annual report to simply state how members of the public can gain access to the registers instead of listing all the interests in the annual report. Details of the registers and how the public can access them can be found at page [ ]
6: Comply or explain	Board	A.1.4	The board should ensure that adequate systems and processes are maintained to measure and monitor the NHS foundation trust's effectiveness, efficiency and economy as well as the quality of its healthcare delivery **Comply:** Details can be found in the Performance section at page [ ]
6: Comply or explain	Board	A.1.5	The board should ensure that relevant metrics, measures, milestones and accountabilities are developed and agreed so as to understand and assess progress and delivery of performance **Comply:** Detail can be found in the Performance section at page [ ]
6: Comply or explain	Board	A.1.6	The board should report on its approach to clinical governance. **Comply:** Detail can be found in the Annual

			Governance Statement at page [ ]
6: Comply or explain	Board	A.1.7	The chief executive as the accounting officer should follow the procedure set out by NHS England for advising the board and the council and for recording and submitting objections to decisions. **Comply:** Detail is set out in the Trust Constitution and has not been invoked during the reporting period.
6: Comply or explain	Board	A.1.8	The board should establish the constitution and standards of conduct for the NHS foundation trust and its staff in accordance with NHS values and accepted standards of behaviour in public life **Comply:** The Trust has in place an approved Standards of Business Conduct Policy in addition to a written Code of Conduct that all Board members are expected to sign up to.
6: Comply or explain	Board	A.1.9	The board should operate a code of conduct that builds on the values of the NHS foundation trust and reflect high standards of probity and responsibility. **Comply:** See response to A.1.8 above
6: Comply or explain	Board	A.1.10	The NHS foundation trust should arrange appropriate insurance to cover the risk of legal action against its directors. **Comply:** The Trust has in place appropriate insurance.
Part of schedule A (see above)	**Relating to**	***Code of Governance* reference**	**Summary of requirement**
6: Comply or explain	Chair	A.3.1	The chairperson should, on appointment by the council, meet the independence criteria set out in B.1.1. A chief executive should not go on to be the chairperson of the same NHS foundation trust. **Comply**
6: Comply or explain	Board	A.4.1	In consultation with the council, the board should appoint one of the independent non-executive directors to be the senior independent director. **Comply**
6: Comply or explain	Board	A.4.2	The chairperson should hold meetings with the non-executive directors without the executives present. **Comply**

6: Comply or explain	Board	A.4.3	Where directors have concerns that cannot be resolved about the running of the NHS foundation trust or a proposed action, they should ensure that their concerns are recorded in the board minutes. **Comply:** Appropriate procedures are in place
6: Comply or explain	Council of Governors	A.5.1	The council of governors should meet sufficiently regularly to discharge its duties. **Comply**
6: Comply or explain	Council of Governors	A.5.2	The council of governors should not be so large as to be unwieldy. **Comply**
6: Comply or explain	Council of Governors	A.5.4	The roles and responsibilities of the council of governors should be set out in a written document. **Comply**
6: Comply or explain	Council of Governors	A.5.5	The chairperson is responsible for leadership of both the board and the council but the governors also have a responsibility to make the arrangements work and should take the lead in inviting the chief executive to their meetings and inviting attendance by other executives and non-executives, as appropriate. **Comply**
6: Comply or explain	Council of Governors	A.5.6	The council should establish a policy for engagement with the board of directors for those circumstances when they have concerns. **Comply:** Process in place but not invoked during the reporting period
6: Comply or explain	Council of Governors	A.5.7	The council should ensure its interaction and relationship with the board of directors is appropriate and effective. **Comply**
6: Comply or explain	Council of Governors	A.5.8	The council should only exercise its power to remove the chairperson or any non-executive directors after exhausting all means of engagement with the board. **Comply:** Process in place but not invoked during the reporting period
6: Comply or explain	Council of Governors	A.5.9	The council should receive and consider other appropriate information required to enable it to discharge its duties. **Comply**
6: Comply or explain	Board	B.1.2	At least half the board, excluding the chairperson, should comprise non-executive directors determined by the board to be independent. **Comply**
6: Comply or explain	Board/Council of Governors	B.1.3	No individual should hold, at the same time, positions of director and governor of any NHS foundation trust.

			Comply
6: Comply or explain	Nomination Committee(s)	B.2.1	The nominations committee or committees, with external advice as appropriate, are responsible for the identification and nomination of executive and non-executive directors. **Comply**

Part of schedule A (see above)	**Relating to**	***Code of Governance* reference**	**Summary of requirement**
6: Comply or explain	Board/Council of Governors	B.2.2	Directors on the board of directors and governors on the council should meet the “fit and proper” persons test described in the provider licence. **Comply**
6: Comply or explain	Nomination Committee(s)	B.2.3	The nominations committee(s) should regularly review the structure, size and composition of the board and make recommendations for changes where appropriate. **Comply**
6: Comply or explain	Nomination Committee(s)	B.2.4	The chairperson or an independent non-executive director should chair the nominations committee(s). **Comply**
6: Comply or explain	Nomination Committee(s)/ Council of Governors	B.2.5	The governors should agree with the nominations committee a clear process for the nomination of a new chairperson and non- executive directors. **Comply**
6: Comply or explain	Nomination Committee(s)	B.2.6	Where an NHS foundation trust has two nominations committees, the nominations committee responsible for the appointment of non-executive directors should consist of a majority of governors. **Comply**
6: Comply or explain	Council of Governors	B.2.7	When considering the appointment of non-executive directors, the council should take into account the views of the board and the nominations committee on the qualifications, skills and experience required for each position. **Comply**
6: Comply or explain	Council of Governors	B.2.8	The annual report should describe the process followed by the council in relation to appointments of the chairperson and non- executive directors. **Comply**
6: Comply or explain	Nomination Committee(s)	B.2.9	An independent external adviser should not be a member of or have a vote on the nominations committee(s). **Comply**

6: Comply or explain	Board	B.3.3	The board should not agree to a full-time executive director taking on more than one non-executive directorship of an NHS foundation trust or another organisation of comparable size and complexity. **Comply:** Process in place. Not applicable during the reporting period
6: Comply or explain	Board/Council of Governors	B.5.1	The board and the council governors should be provided with high-quality information appropriate to their respective functions and relevant to the decisions they have to make. **Comply**
6: Comply or explain	Board	B.5.2	The board, and in particular non-executive directors, may reasonably wish to challenge assurances received from the executive management. They need not seek to appoint a relevant adviser for each and every subject area that comes before the board, although they should, wherever possible, ensure that they have sufficient information and understanding to enable challenge and to take decisions on an informed basis. **Comply**
6: Comply or explain	Board	B.5.3	The board should ensure that directors, especially non-executive directors, have access to the independent professional advice, at the NHS foundation trust's expense, where they judge it necessary to discharge their responsibilities as directors. **Comply**

Part of schedule A (see above)	Relating to	*Code of Governance* reference	Summary of requirement
6: Comply or explain	Board/Committees	B.5.4	Committees should be provided with sufficient resources to undertake their duties. **Comply**
6: Comply or explain	Chair	B.6.3	The senior independent director should lead the performance evaluation of the chairperson. **Comply**
6: Comply or explain	Chair	B.6.4	The chairperson, with assistance of the board secretary, if applicable, should use the performance evaluations as the basis for determining individual and collective professional development programmes for non-executive directors relevant to their duties as board members. **Comply**
6: Comply or explain	Chair/Council of Governors	B.6.5	Led by the chairperson, the council should periodically assess their collective performance and they should regularly communicate to members and the public details on how they have discharged their responsibilities. **Comply**
6: Comply or explain	Council of Governors	B.6.6	There should be a clear policy and a fair process, agreed and adopted by the council, for the removal from the council of any governor who consistently and unjustifiably fails to attend the meetings of the council or has an actual or potential conflict of interest which prevents the proper exercise of their duties. **Comply**
6: Comply or explain	Board/Remuneration Committee	B.8.1	The remuneration committee should not agree to an executive member of the board leaving the employment of an NHS foundation trust, except in accordance with the terms of their contract of employment, including but not limited to service of their full notice period and/or material reductions in their time commitment to the role, without the board first having completed and approved a full risk assessment. **Comply**
6: Comply or explain	Board	C.1.2	The directors should report that the NHS foundation trust is a going concern with supporting assumptions or qualifications as necessary. **Comply:** Detail at page [ ] of the Director's Report
6: Comply or explain	Board	C.1.3	At least annually and in a timely manner, the board should set out clearly its financial, quality and operating objectives for the NHS foundation trust and disclose sufficient information, both quantitative and qualitative, of the NHS foundation trust's business and operation, including clinical outcome data, to allow members and governors to evaluate its performance. **Comply**

Part of schedule A (see above)	Relating to	*Code of Governance* reference	Summary of requirement
6: Comply or explain	Board	C.1.4	a) The board of directors must notify NHS England and the council of governors without delay and should consider whether it is in the public's interest to bring to the public attention, any major new developments in the NHS foundation trust's sphere of activity which are not public knowledge, which it is able to disclose and which may lead by virtue of their effect on its assets and liabilities, or financial position or on the general course of its business, to a substantial change to the financial wellbeing, healthcare delivery performance or reputation and standing of the NHS foundation trust. b) The board of directors must notify NHS E and the council of governors without delay and should consider whether it is in the public interest to bring to public attention all relevant information which is not public knowledge concerning a material change in: • the NHS foundation trust's financial condition; • the performance of its business; and/or • the NHS foundation trust's expectations as to its performance which, if made public, would be likely to lead to a substantial change to the financial wellbeing, healthcare delivery performance or reputation and standing of the NHS foundation trust. **Comply**
6: Comply or explain	Board/Audit Committee	C.3.1	The board should establish an audit committee composed of at least three members who are all independent non-executive directors. **Comply**
6: Comply or explain	Council of Governors/Audit Committee	C.3.3	The council should take the lead in agreeing with the audit committee the criteria for appointing, re-appointing and removing external auditors. **Comply**
6: Comply or explain	Council of Governors/Audit Committee	C.3.6	The NHS foundation trust should appoint an external auditor for a period of time which allows the auditor to develop a strong understanding of the finances, operations and forward plans of the NHS foundation trust. **Comply**
6: Comply or explain	Council of Governors	C.3.7	When the council ends an external auditor's appointment in disputed circumstances, the chairperson should write to NHS England informing it of the reasons behind the decision. **Not applicable during the reporting period**

6: Comply or explain	Audit Committee	C.3.8	The audit committee should review arrangements that allow staff of the NHS foundation trust and other individuals where relevant, to raise, in confidence, concerns about possible improprieties in matters of financial reporting and control, clinical quality, patient safety or other matters. **Comply**
6: Comply or explain	Remuneration Committee	D.1.1	Any performance-related elements of the remuneration of executive directors should be designed to align their interests with those of patients, service users and taxpayers and to give these directors keen incentives to perform at the highest levels. **Comply**

Part of schedule A (see above)	**Relating to**	***Code of Governance* reference**	**Summary of requirement**
6: Comply or explain	Remuneration Committee	D.1.2	Levels of remuneration for the chairperson and other non-executive directors should reflect the time commitment and responsibilities of their roles. **Comply**
6: Comply or explain	Remuneration Committee	D.1.4	The remuneration committee should carefully consider what compensation commitments (including pension contributions and all other elements) their directors' terms of appointments would give rise to in the event of early termination. **Comply**
6: Comply or explain	Remuneration Committee	D.2.2	The remuneration committee should have delegated responsibility for setting remuneration for all executive directors, including pension rights and any compensation payments. **Comply**
6: Comply or explain	Council of Governors/ Remuneration Committee	D.2.3	The council should consult external professional advisers to market-test the remuneration levels of the chairperson and other non-executives at least once every three years and when they intend to make a material change to the remuneration of a non-executive. **Comply**
6: Comply or explain	Board	E.1.2	The board should clarify in writing how the public interests of patients and the local community will be represented, including its approach for addressing the overlap and interface between governors and any local consultative forums. **Comply**
6: Comply or explain	Board	E.1.3	The chairperson should ensure that the views of governors and members are communicated to the board as a whole. **Comply**

6: Comply or explain	Board	E.2.1	The board should be clear as to the specific third party bodies in relation to which the NHS foundation trust has a duty to co- operate. **Comply**
6: Comply or explain	Board	E.2.2	The board should ensure that effective mechanisms are in place to co-operate with relevant third party bodies and that collaborative and productive relationships are maintained with relevant stakeholders at appropriate levels of seniority in each. **Comply**

NHS England's System Oversight Framework

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

- quality of care, access and outcomes
- preventing ill health and reducing inequalities
- finance and use of resources
- people
- 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 in breach or suspected breach of its licence.

The Rotherham NHS Foundation Trust continues to be classified by NHS England as being in segment 3 as at 31 March 2023. Current segmentation information for NHS Trusts and Foundation Trusts is published on the NHS England website:

https://www.england.nhs.uk/publication/nhs-system-oversight-framework-segmentation/.

Statement of the Chief Executive's Responsibilities as the Accountable Officer of the Trust

The Chief Executive of NHS England has designated that the Chief Executive should be the Accountable Officer of the Trust. The relevant responsibilities of Accountable Officers are set out in the *NHS Trust Accountable Officer Memorandum.* These include ensuring that:

- There are effective management systems in place to safeguard public funds and assets and assist in the implementation of corporate governance
- Value for money is achieved from the resources available to the Trust
- The expenditure and income of the Trust has been applied to the purposes intended by Parliament and conform to the authorities which govern them
- Effective and sound financial management systems are in place and
- Annual statutory accounts are prepared in a format directed by the Secretary of State to give a true and fair view of the state of affairs as at the end of the financial year and the income and expenditure, other items of comprehensive income and cash flows for the year.

As far as I am aware, there is no relevant audit information of which the Trust's auditors are unaware, and I have taken all 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 my letter of appointment as an Accountable Officer.

Signed……R. Jelu……Chief Executive

Date: 27 June 2023

Annual Governance Statement

Scope of Responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the 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 Trust is administered prudently and economically and that resources are applied efficiently and effectively. I also acknowledge my responsibilities as set out in the NHS Trust Accountable Officer Memorandum.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of The Rotherham NHS Foundation Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised and to manage them effectively and economically. The system of internal control has been in place in The Rotherham NHS Foundation Trust for the year ended 31 March 2023 and up to the date of approval of the annual report and accounts.

Capacity to Handle Risk

The Trust Board of Directors ("the Board") has overall responsibility for providing leadership of the overall governance agenda, including the management of risk within the Trust. The Board is supported by a number of Assurance Committees, namely Quality Committee, Finance and Performance Committee, People Committee and Audit Committee. The aforementioned Committees scrutinise and review assurances on internal control including reviewing the Board Assurance Framework and the high level risks contained within the Trust-Wide Risk Register. The roles and responsibilities of the Assurance Committees are described in detail at page xx of the Annual Report.

As Chief Executive and designated Accounting Officer, I have responsibility for the oversight of risk management across all clinical, financial and organisational activities. Senior leadership is delegated through the Executive Directors and operationally through Divisions, Departments and Committee structures. Responsibility for the operational leadership relating to risk management rests with the Director of Corporate Affairs with all staff having a role in ensuring risks are assessed and reviewed on a regular basis.

Risk Management within the Trust is supported by the Risk Management Policy providing clarity in the accountability arrangements for the management of risk within the Trust.

Equipping Staff to Manage Risk

Managers at all levels of the organisation have responsibility to manage risk relevant to their areas in addition to promoting a culture whereby proactive reporting enables the early identification of real or perceived risks to patient care, staff and the environment.

Each Division and Department maintains risks on the Risk Register overseen by the relevant Divisional Governance meeting. Over the last financial year, the Risk Management Committee has not only reviewed risks scored 15 or above, but has further developed to commence reviewing risks scored 12 and above. This ensures that those risks scored just below the threshold for escalation are being managed appropriately with suitable and sufficient controls and mitigations in addition to action plans to close any gaps in controls. The introduction of this additional process ensures the Risk Management Committee has oversight of risks that have to potential to escalate and therefore can provide any intervention at an early stage.

Risks scoring 15 and above are reviewed at the Risk Management Committee, escalated to the Executive Team Meeting, Assurance Committees, Audit Committee and ultimately Trust Board via the Committee Chair report.

The Trust has continued to recognise the importance of supporting staff through appropriate training and development. Risk Management training is mandatory for all staff and our compliance as at the 31 March 2023 was 90%. The level and frequency is identified through our training needs analysis which ensures that our staff remain fully equipped to carry out their roles and responsibilities with regards to risk management. In addition to the mandatory training sessions, the Deputy Director of Corporate Affairs has carried out a number of bespoke training sessions for individual departments and senior managers providing further insight and skills in how to identify and assess risks.

The Trust learns from good practice through a range of mechanisms including peer reviews, some of which have been conducted as part of our increasing partnership working with Barnsley Hospital NHS Foundation Trust. In addition the Trust learns through after action reviews following incidents, continuing professional development and the application of evidence-based practice.

The Risk and Control Framework

The Trust's Risk Management Policy provides the framework for managing risks across the organisation and sets out the specific responsibilities of each Board member, Board Assurance Committee, Divisional Management Team, Governance Leads, Risk owners in addition to the roles and responsibilities of partner organisations in relation to the management of risks. The Risk Management Policy defines the overall governance structure underpinning the framework at Board and Divisional level in addition to detailing the Trust's approach to identification, assessment, management, monitoring and escalation of risk.

The risk management process begins with a systematic identification of risks that are evaluated, graded and either managed at a local level or escalated to the Executive Team meeting and Board via the Board Assurance Committees. To facilitate consistency throughout the assessment of risks, risks are identified using a standardised approach. Identified risks are analysed using the risk management grading matrix of consequence and likelihood (5x5 matrix), producing a risk score that enables consistent prioritisation within the risk register. Further scrutiny, check and challenge subsequently takes place at the Risk Management Committee.

The Trust has an established Board structure that enables the organisation to discharge overall responsibilities for risk management as follows:

- Audit Committee: Reviews, on behalf of the Board the establishment and maintenance of an effective system of internal control and risk management across the whole of the Trust's activities (both clinical and non-clinical) that supports the achievement of the Trust's ambitions and also ensures effective internal and external audit functions.
- Quality Committee: Provides assurance to the Trust Board and Audit Committee that there are adequate controls in place to monitor the care given to patients using the services provided by the Trust, and ensure that their experience of our services and outcomes are as expected.
- Finance and Performance Committee: Responsible for scrutinising aspects of financial and operational performance as requested by the Board in addition to scrutinising business cases, proposed investment decisions and regular review of contracts with key partners.
- People Committee: Responsible for providing leadership and oversight for the Trust on workforce issues that support delivery of the Board's approved People ambitions and for monitoring the operational performance of the Trust in people management, recruitment and retention and employee health and wellbeing.

The Board of Directors review, on an annual basis the principles and appetite around the level of risk which the Trust is prepared to accept or not in pursuit of agreed ambitions. These were reviewed and discussed at the Board's Strategic session in October 2022 with further discussion taking place at the Audit and Risk Committee on 28 October 2022 resulting in approval at the Board meeting held in public in November 2022. The principles focused on quality, partnerships, workforce, finance and value for money, innovation, commercial opportunities, compliance and regulatory in addition to business continuity including Information Governance and Cyber Security.

As a result of the implementation of the new Five Year Strategy, the Board reviewed and realigned the Board Assurance Framework (BAF). The BAF has been scrutinised at the relevant Board Assurance Committees on a monthly basis with continued oversight by the Trust Board on a bi-monthly basis. As at 31 March 2023, the Trust identified, through the BAF the following significant risks to the achievement of its Strategic Ambitions as follows:

- The risk that we will not embed quality care within the 5 year plan because of lack of resource and capability leading to poor outcomes and patient experience.
- The risk we will not establish ourselves as leaders in improving the lives of the population we serve because of insufficient influence at PLACE leading to ill health and increased health inequalities.
- The risk that robust service configuration across the system will not progress and deliver seamless end to end patient care across the system because of lack of appetite for developing strong working relationships and mature governance processes leading to poor patient outcomes.
- The risk we do not develop and maintain a positive culture because of insufficient resources and the lack of compassionate leadership leading to an inability to recruit, retain and motivate staff.
- The risk we do not deliver safe and excellent performance due to insufficient resource (financial and human) leading to an increase in our patient waiting times and potential for patient deterioration and inability to deliver our Operational Plan.

- The risk we will not be able to deliver our services because we have not delivered on our Financial Plans for 2022-23 in line with national and system requirements leading to financial instability and the need to seek additional support to deliver out services.
- The risk that we will not be able to sustain services in line with national and system requirements because of a potential deficit in 2023-24 leading to further financial instability was added to the BAF as a forward looking risk in Quarter 2.

The Head of Internal Audit Opinion for 2022-23 provides an opinion of 'Significant Assurance' in that the BAF has developed positively throughout the year and is used to drive effective discussion of strategic risk at Board and Committees.

As we further strengthen our partnership and wider system working, it is essential that we continually develop our controls and governance arrangements to reflect this.

Quality Governance

The Quality Committee is one of the Board Assurance Committees and maintains responsibility for the oversight of quality governance, including risks to the quality of clinical care. The Quality Committee is chaired by a Non-Executive Director and includes within its membership two additional Non-Executive Directors, Medical Director and the Chief Nurse. The Committee annual work plan enables oversight in relation to clinical quality, safety and patient experience.

The Quality Committee oversees progress against our agreed Quality Priorities including a focus on improvements relating to clinical quality to ensure the Trust learns, disseminates and takes appropriate action in respect of reported incidents. The Trust has maintained a positive incident reporting culture evidenced by the increasing number of low/no harm incidents reported through the formal incident reporting route. For those incidents classed as 'serious' there is an established mechanism for review and investigation with the involvement from the Medical Director and or Chief Nurse at the sign off stage.

Work has been ongoing throughout the last financial year to strengthen dissemination of learning from incidents. Planning has commenced in year for the implementation of the Patient Safety Incident Response Framework, a system-based approach to learning from patient safety incidents.

In line with the Foundation Trust Annual Reporting Manual for 2022-23, the Trust has not prepared a Quality Report to be included as part of this Annual Report. However, the Trust has prepared a separate Quality Report which is available on the Trust website.

Compliance with Developing Workforce Safeguards

The Board receives assurance that the processes relating to safe, sustainable and effective staffing are in place within the Trust and compliant with the 'Developing Workforce Safeguards'. Staff establishments are reviewed annually during the budget setting cycle and the Quality Committee and Board receive a Safer Staffing Report every six months. Our people remain intrinsic to what we do and our Board approved People Plan contains key objectives to support and enable Divisions and Corporate Services to develop robust workforce planning strategies.

Information Governance

Information governance provides the framework for handling information in a secure and confidential manner. Taking into consideration the collection, storage and sharing of information, it provides assurance that personal and sensitive data is being managed legally, securely, efficiently and effectively to deliver the best possible care and service.

As an NHS organisation we have in place a Caldicott Guardian who is responsible for the protecting the confidentiality of people's healthcare and information in addition to ensuring we have systems in place to support the proper use of information. The Caldicott Guardian role transferred in year from the Medical Director to the Deputy Medical Director. In addition, the Trust has a dedicated Senior Information Risk Owner (SIRO) who is a Board member with responsibility for assuring the Board with regard to the progress against the Trust's information governance work programme.

The key roles of the SIRO and the Caldicott Guardian, in association with the Information Governance Committee is to ensure we comply with the Data Security and Protection Toolkit in addition to overseeing any improvements in relation to managing risk to information, organisational compliance with legislative and regulatory requirements including compliance with the Data Protection Act 2018 and the Freedom of Information Act 2000.

The Caldicott Guardian and the SIRO review and monitor any serious incidents relating to information governance, data loss, confidentiality and data security. During the reporting period 2021-22, the Trust reported a total of five incidents to the Information Commissioner, two required no follow up by the Information Commissioner, one investigation was completed with no action taken, two of which remain under investigation.

The Trust reports against the Data Security and Protection Toolkit on an annual basis. The Trust's Internal Audit Report overall score for 2021-22 as 'Substantial Assurance' and 'Standards Met'.

Data Quality

An integral part of the Trust's performance management system is the assessment of data quality and by improving data quality we will further improve our patient care. The Trust produces a monthly Integrated Performance Report comprising operational, quality, workforce and financial data.

The Trust has robust procedures in place to ensure the quality and accuracy of data which is subjected to periodic audit by our Internal Audit function.

Provider Licence

In accordance with the NHS Provider Licence, Condition 4(8)(b), the Trust is required to assure itself of the validity of its Corporate Governance Statement. The Board reviews the Corporate Governance Statement on an annual basis. The annual self-certification for 2022-23 was considered and approved at the Board meeting on 27 June 2023 and subsequently made available on the Trust website on 30 June 2023.

Compliance with the Care Quality Commission Registration

The Trust is registered with the Care Quality Commission without conditions attached to the Registration due to the removal of the following during the last financial year:

- The Trust was served with a Section 31 Condition on the Trust's Registration relating to mitigating the risk within the paediatric area of the Urgent and Emergency Care Centre with a focus on medical and nursing staffing levels. This was removed in May 2022 following the submission of robust evidence and a subsequent follow up visit by the Care Quality Commission.
- Conditions notified under the Health and Social Care Act 2008 in August 2022 were removed in March 2023

As a result of the above, the Trust is registered free from Conditions on its Registration for the first time since 2015.

The Care Quality Commission prosecuted the Trust for breaches of the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014 in relation to historical safeguarding incidents that occurred during 2019-2020. On 26 October 2022, the Trust pleaded guilty to one offence contrary to Regulation 12 of the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014. The Trust expressed deep regret for the circumstances which gave rise to the offences stressing that since the date the matters came to light, we have worked hard to ensure the risk of such events being repeated are mitigated. The Trust received a fine of £200,000 with additional cost of £33,068 and a victim surcharge of £170.

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

Review of Economy, Efficiency and Effectiveness of the Use of Resources

The Trust continues to have in place processes to ensure that resources are use economically, efficiently and effectively.

Through the annual planning cycle, detailed plans are submitted reflecting the operational and service requirements including the achievement of a financial control total. Monthly performance meetings take place with each Division with any issues of escalation reported through the Finance and Performance Committee.

Our performance against our objectives has been monitored and actions identified through a number of ways as follows:

- The Board of Directors approved the operational plan
- Monthly reporting and attendance cycle for Divisions at the Assurance Committees on key performance indicators relating to quality, activity and recovery.
- Monthly finance reports to the Finance and Performance Committee and Board in addition to weekly reporting to the Executive Team Meeting on key factors that may affect the Trust's financial position.
- The Trust has a robust process for the assessment and approval of business cases to ensure value for money with scrutiny of each business case and business case brief at the Executive Team Meeting and where applicable at the Finance and Performance Committee and Trust Board. In addition, the Trust has a process of reviewing the benefits realisation of previously approved business cases.

Other Compliance Matters

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's Standards of Business

Conduct Policy 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 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 Rotherham NHS Foundation Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on information provided in this annual report and other performance information available to me. My review is also informed by comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system of internal control by the Board, the Audit and Risk Committee, Finance and Performance Committee, Quality Committee and Risk Management Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

During the reporting period, the Board of Directors has continued to meet every month, alternating between a full Board meeting and strategic Board sessions. The Board has received reports on operational performance via the Integrated Performance Report. The aforementioned report incorporates performance monitoring in respect of key national priorities, regulatory and statutory indicators, quality, patient safety and our people.

The Audit and Risk Committee has supported the Board and provided an independent and objective review of the financial control within the Trust via the Chair's log to the Board. In addition, the Finance and Performance Committee and Quality Committee have provided the Board with assurance throughout the year on our clinical and financial governance and where any remedial action has been required, provided clarity on those actions to the Board via the Chair's report.

The Trust works closely with our External Auditors (Mazars) and Internal Auditors (360 Assurance) who in turn provide an independent and objective opinion to the Audit and Risk Committee. As stated above, my review has been informed by the reviews undertaken by the Internal Audit function, the results of which have been shared

throughout the year with the Audit and Risk Committee in accordance with the approved audit plan.

During the last financial year, the Audit and Risk Committee received a total of 13 reports relating to mandated, risk based and advisory reviews, the outcomes of which are detailed below:

Six 'Significant Assurance' relating to eRostering, Treasury and Cash Management, Accounts Payable, Business Continuity, Data Quality, Strategic Level Governance

Two split 'Significant/Limited Assurance relating to OLAF Tracker and Methods of Learning, Learning from Deaths – follow up of actions.

Two 'Limited Assurance' relating to End of Life Services and Consultant Job Planning

Three 'Advisory' reports relating to Staff Retention – leavers' feedback process, Theatre Utilisation and Clinical Effectiveness.

The review of how we assess our compliance against the Data Security and Protection Toolkit resulted in an assurance level of 'Substantial/High (NHSD methodology).

In addition to the above, my review has been informed by the Head of Internal Audit Opinion which has contributed to this Annual Governance Statement. The Head of Internal Audit is required to provide an overall annual opinion statement based upon and limited to the work undertaken and on the overall adequacy and effectiveness of the Trust's control and assurance processes.

The Trust received a statement from the Head of Internal Audit based upon the work undertaken during 2022-23 and the overall opinion is as follows:

"I am providing an opinion of **Significant Assurance,** that there is a generally sound framework of governance, risk management and control designed to meet the organisation's objectives, and controls are generally being applied consistently.

In providing my opinion three main areas are considered:

- Board Assurance Framework (BAF) – Significant assurance
  The BAF has developed positively throughout the year and is used to drive effective discussion of strategic risk at Board and Committees.

- Individual assignments – Significant assurance
  We have assigned a significant opinion on this element. We noted improvements where a limited opinion was previously assigned (Strategic level governance; eRostering). We raised that a lack of "learning from" was a key risk area in our 2021/22 opinion and. Although we have identified some improvements in the relevant audits completed this year (Learning from Deaths; and a review of the organisational learning action tracker), there remained areas for development in both cases. The Trust acknowledges that further work is needed around "learning from" and we will continue to evaluate this in 2023/24.

- Follow up of actions – Significant assurance
  A first to follow up rate of 80% and an overall implementation rate of 91% was attained in year.

Conclusion

The Board remains committed to continuous improvement to ensure that robust systems continue to be in place to identify and mange risks. In summary, I am assured through the work carried out during the last financial year and through the opinion of our Internal Auditors we have a sound system of internal control designed to meet the Trust's ambitions and that controls are generally being applied consistently. I am pleased to report that at the time of this report, the Trust had no significant internal control issues identified.

Dr Richard Jenkins
Chief Executive
27 June 2023

Independent auditor's report to the Council of Governors of The Rotherham NHS Foundation Trust

Report on the audit of the financial statements

Opinion on the financial statements

We have audited the financial statements of The Rotherham NHS Foundation Trust ('the Trust') for the year ended 31 March 2023 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Taxpayers' Equity, the Statement of Cash Flows, and notes to the financial statements, including the summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual 2022/23 as contained in the Department of Health and Social Care Group Accounting Manual 2022/23, and the Accounts Direction issued under the National Health Service Act 2006.

In our opinion, the financial statements:

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

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 section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, and taking into account the requirements of the Department of Health and Social Care Group Accounting Manual, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this report.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

- communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- considering the risk of acts by the Trust which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- making enquiries of management and the Audit and Risk Committee on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- discussing amongst the engagement team the risks of fraud; and
- addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management and the Audit and Risk Committee. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

We are also required to conclude on whether the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. We performed our work in accordance with Practice Note 10: Audit of financial statements and regularity of public sector bodies in the United Kingdom, and Supplementary Guidance Note 01, issued by the Comptroller and Auditor General in April 2021.

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

Report on the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources

Matter on which we are required to report by exception

We are required to report to you if, in our opinion, we are not satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2023.

We have not completed our work on the Trust's arrangements. On the basis of our work to date, having regard to the guidance issued by the Comptroller and Auditor General in January 2023, we have not identified any significant weaknesses in arrangements for the year ended 31 March 2023.

We will report the outcome of our work on the Trust's arrangements in our commentary on those arrangements within the Auditor's Annual Report. Our audit completion certificate will set out any matters which we are required to report by exception.

Responsibilities of the Accounting Officer

The Chief Executive as Accounting Officer is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in the Trust's use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate until we have completed the work necessary to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness is its use of resources.

Daniel Watson, Key Audit Partner
For and on behalf of Mazars LLP

One St Peter's Square
Manchester
M2 3DE

29 June 2023

Audit Completion Certificate issued to the Council of Governors of Rotherham NHS Foundation Trust for the year ended 31 March 2023

In our auditor's report dated 29 June 2023 we explained that the audit could not be formally concluded until we had completed the work necessary to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness is its use of resources.

This work has now been completed.

No matters have come to our attention since 29 June 2023 that would have a material impact on the financial statements on which we gave our unqualified opinion.

The Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required to report to you if, in our opinion, we are not satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2023.

On the basis of our work, having regard to the guidance issued by the Comptroller and Auditor General in January 2023, we have nothing to report in this respect.

Certificate

We certify that we have completed the audit of Rotherham NHS Foundation Trust in accordance with the requirements of chapter 5 of part 2 of the National Health Service Act 2006 and the Code of Audit Practice.

Daniel Watson

Key Audit Partner
For and on behalf of Mazars LLP

One St Peter's Square
Manchester

M2 3DE

11 August 2023

The Rotherham NHS Foundation Trust

Annual Accounts for the Year Ended 31 March 2023

Foreword to the Accounts

The Rotherham NHS Foundation Trust

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

Signed: 

Name: Dr R Jenkins
Job title: Chief Executive

Date: 27 June 2023

Statement of Financial Position (SOFP)

	Note	31 March 2023 £000	31 March 2022 £000
Non-current assets			
Intangible assets	14	7,616	8,274
Property, plant and equipment	15	159,914	163,548
Right of use assets	18	22,464	
Receivables	24	479	373
Total non-current assets		**190,473**	**172,195**
Current assets			
Inventories	23	3,995	3,502
Receivables	24	18,368	8,754
Cash and cash equivalents	28	24,356	33,303
Total current assets		**46,719**	**45,559**
Current liabilities			
Trade and other payables	29	(47,125)	(38,649)
Borrowings	31	(4,573)	(2,119)
Provisions	33	(242)	(3,406)
Other liabilities	30	(2,375)	(1,711)
Total current liabilities		**(54,315)**	**(45,885)**
Total assets less current liabilities		**182,877**	**171,869**
Non-current liabilities			
Borrowings	31	(34,042)	(23,567)
Provisions	33	(1,198)	(1,332)
Total non-current liabilities		**(35,240)**	**(24,899)**
Total assets employed		**147,637**	**146,970**
Financed by			
Public dividend capital		168,059	166,750
Revaluation reserve		60,774	55,911
Income and expenditure reserve		(81,196)	(75,691)
Total taxpayers' equity		**147,637**	**146,970**

Name: R. Jenkins
Dr R Jenkins
Position: Chief Executive
Date: 27 June 2023

Statement of Comprehensive Income (SOCI)

	Note	2022/23 £000	2021/22 £000
Operating income from patient care activities	3	330,323	314,262
Other operating income	4	30,112	26,169
Operating expenses	7, 9	(364,701)	(335,810)
Operating surplus/(deficit) from continuing operations		**(4,266)**	**4,621**
Finance income	10	625	18
Finance expenses	11	(922)	(608)
PDC dividends payable		(3,805)	(3,537)
Net finance costs		**(4,102)**	**(4,127)**
Other gains / (losses)	12	(12)	(33)
Surplus / (deficit) for the year		**(8,380)**	**461**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	8	2,333	-
Revaluations	18	4,720	6,662
Other reserve movements		-	3,420
Total comprehensive income / (expense) for the period		**(1,327)**	**10,543**
Adjusted financial performance (control total basis):			
Surplus / (deficit) for the period		(8,380)	461
Remove net impairments not scoring to the Departmental expenditure limit		8,932	-
Remove I&E impact of capital grants and donations		(2,097)	398
Remove net impact of inventories received from DHSC group bodies for COVID response		-	583
Remove loss recognised on return of donated COVID assets to DHSC		-	35
Adjusted financial performance surplus / (deficit)		**(1,545)**	**1,477**

Statement of Changes in Taxpayers Equity for the Year Ended 31 March 2023

	Public Dividend Capital £000	Revaluation Reserve £000	Income and Expenditure Reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2022 - brought forward	**166,750**	**55,911**	**(75,691)**	**146,970**
Implementation of IFRS 16 on 1 April 2022	-	-	685	**685**
Surplus/(deficit) for the year	-	-	(8,380)	**(8,380)**
Other transfers between reserves	-	(2,190)	2,190	**-**
Impairments	-	2,333	-	**2,333**
Revaluations	-	4,720	-	**4,720**
Public dividend capital received	1,309	-	-	**1,309**
Taxpayers' and others' equity at 31 March 2023	**168,059**	**60,774**	**(81,196)**	**147,637**

Statement of Changes in Taxpayers Equity for the Year Ended 31 March 2022

	Public Dividend Capital	Revaluation Reserve	Income and Expenditure Reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2021 - brought forward	**161,872**	**47,681**	**(78,004)**	**131,549**
Surplus/(deficit) for the year	-	-	461	**461**
Other transfers between reserves	-	(1,852)	1,852	**-**
Revaluations	-	6,662	-	**6,662**
Public dividend capital received	4,878	-	-	**4,878**
Other reserve movements	-	3,420	-	**3,420**
Taxpayers' and others' equity at 31 March 2022	**166,750**	**55,911**	**(75,691)**	**146,970**

Information on Reserves

Public Dividend Capital

Public Dividend Capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. Additional PDC may also be issued to Trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the Trust, is payable to the Department of Health 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.

Formal valuations are conducted every 5 years, with desktop valuations in the interim as required. The Trust's assets were revalued at the 31 March 2023.

Income and Expenditure Reserve

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

Statement of Cash Flows (SOCF)

	Note	2022/23 £000	2021/22 £000
Cash flows from operating activities			
Operating surplus / (deficit)		(4,266)	4,621
Non-cash income and expense:			
Depreciation and amortisation	7	12,520	9,556
Net impairments	8	8,932	-
Income recognised in respect of capital donations	4	(2,636)	(51)
(Increase) / decrease in receivables and other assets		(9,601)	(563)
(Increase) / decrease in inventories		(493)	414
Increase / (decrease) in payables and other liabilities		8,536	1,942
Increase / (decrease) in provisions		(3,311)	3,596
Net cash flows from / (used in) operating activities		**9,681**	**19,515**
Cash flows from investing activities			
Interest received		625	18
Purchase of intangible assets		(125)	(1,293)
Purchase of PPE and investment property		(13,452)	(14,964)
Sales of PPE and investment property		1	7
Lease termination fees paid (lessee)		(1)	
Receipt of cash donations to purchase assets		2,302	-
Net cash flows from / (used in) investing activities		**(10,650)**	**(16,232)**
Cash flows from financing activities			
Public dividend capital received		1,309	4,878
Movement on loans from DHSC		(1,250)	(1,250)
Capital element of finance lease rental payments		(2,933)	(538)
Capital element of PFI, LIFT and other service concession payments		(248)	(80)
Interest on loans		(308)	(339)
Interest paid on finance lease liabilities		(334)	(202)
Interest paid on PFI, LIFT and other service concession obligations		(273)	(87)
PDC dividend (paid) / refunded		(3,941)	(3,272)
Net cash flows from / (used in) financing activities		**(7,978)**	**(890)**
Increase / (decrease) in cash and cash equivalents		**(8,947)**	**2,393**
Cash and cash equivalents at 1 April - brought forward		**33,303**	**30,910**
Cash and cash equivalents at 31 March	28	**24,356**	**33,303**

Notes to the Accounts

Note 1 Accounting Policies and Other Information

Note 1.1 Basis of Preparation

The Rotherham NHS Foundation Trust ('the Trust') is a public benefit corporation authorised, in England, in accordance with the National Health Service Act 2006. The Trust provides healthcare mainly to the region. The address of the Trust is Moorgate Road, Rotherham, S60 2UD.

NHS England has directed that the financial statements of NHS Foundation Trusts shall meet the accounting requirements of the Department of Health and Social Care (DHSC) Group Accounting Manual (GAM), which shall be agreed with HM Treasury.

Consequently, the following financial statements have been prepared in accordance with the GAM 2022/2023 issued by the DHSC. The accounting policies contained in the GAM follow International Financial Reporting Standards (IFRS) 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.

1.1.1 Accounting Convention

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

Note 1.2 Going Concern

The Rotherham NHS Foundation Trust's annual report and accounts have been prepared on a going concern basis. Non-trading entities in the public sector are assumed to be going concerns where the continued provision of a service in the future is anticipated, as evidenced by inclusion of financial provision for that service in published documents.

The Trust is not aware of any material uncertainties in respect of events or conditions that would bring into question the going concern ability of the entity.

Note 1.3 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of The Rotherham NHS Foundation Trust's accounting policies, management is required to make various judgements, estimates and assumptions. These are regularly reviewed.

1.3.1 Critical Judgements in Applying Accounting Policies

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

Valuation of Buildings
The Department of Health and Social Care (DHSC) guidance specifies that the Trust's land and buildings should be valued on the basis of depreciated replacement cost, applying the Modern Equivalent Asset (MEA) concept. The MEA is defined as 'the cost of a modern replacement asset that has the same productive capacity as the property being valued'. Therefore the MEA is not a valuation of the existing land and buildings that the Trust holds but a theoretical calculation for accounting purposes of what the Trust could need to spend in order to replace the current assets. In determining the MEA the Trust supported by its appointed Valuer (Clark Weightman) has made judgements around alternative sites and required footprint for an MEA build. In determining the MEA, the Trust has to make assumptions that are practically achievable and would meet the service needs of users, but the Trust is not required to have any plans to make such changes.

The Trust is satisfied that the assumptions underpinning the MEA valuation are practically achievable, would not change the services provided by the Trust and would not impact on service delivery or the level and volume of service provided. The Trust has no plans to implement any of the theoretical assumptions that underpin the MEA valuation.

Recognition of Leased Asset
Under leasing arrangements involving use of assets, management make judgements in determining when substantially all the significant risks and rewards of ownership of that asset(s) are transferred to the Trust, and as such should be brought onto the Statement of Financial Position.

At 31 March 2023, the Trust had a number of leases which covered buildings used to provide health care services, medical and non-medical equipment and vehicles. Note 18 provides further details.

The Trust leases a number of buildings from NHS Property Services (NHSPS). Whilst the Trust has occupied the majority of these for a substantial number of years,

contractual documentation is limited to a one year rolling service level agreement in each case. In assessing the lease term to apply in relation to IFRS 16, the Trust has reviewed future planned service delivery and has taken a ten year outlook for the purposes of calculating borrowings and Right of Use Asset valuation. Based upon this evaluation, the Right of Use Assets held under IFRS 16 with NHSPS (where there are on-going annual rolling leases) are valued at £1,653K with associated borrowings of the same amount.

1.3.2 Sources of Estimation Uncertainty

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

Income Estimates
In measuring income for the year, management have taken account of all available information. Income estimates that have been made have been based on actual information related to the financial year.

Injury compensation scheme income is also included to the extent that it is estimated that it will be received in future years. It is recorded in the current year as this is the year in which it was earned. However as cash is not received until future periods, when the claims have been settled, an estimation must be made as to the collectability.

Expense Accruals
In estimating expenses for goods and services received, but that have not yet been charged for, management have made a realistic assessment based on costs actually incurred in the year to date, with a view to ensuring that no material items have been omitted.

Valuation of Property, Plant and Equipment
The Trust has used valuations carried out at 31 March 2023 and 31 March 2022 by its expert independent professional valuer (Clark Weightman) to determine the value of property. These property valuations and useful lives are based on the Royal Institute of Chartered Surveyors valuation standards insofar as these are consistent with the requirements of HM Treasury and the Department of Health and Social Care.

A full revaluation of the Trust's property and land assets was undertaken at 31 March 2023. The Trust has considered items such as indices movements, deterioration of assets and its further estates plans to support its revaluation. The revaluation has resulted in impairment for 2022/23.

In between formal valuations carried out by the Trust's Valuer, consideration will be given to movement in market prices as applicable to the public sector by applying indices to land and building assets as deemed appropriate.

Future revaluations of the Trust's property may result in further material changes to the carrying values of non-current assets.

Depreciation of equipment is based on asset lives, which have been estimated upon recognition of the assets. Adjustments to estimated lives may be made, where their estimate of useful life is significantly different to the original. The estimate of asset lives may differ to the actual period the Trust utilises the asset but any difference would not be material.

The carrying value of assets held by the Trust at 31 March 2023 totalled £159,914k; further details can be found in Note 15.

Estimation of payments for the PFI and service concession assets, including finance costs

The assets and liabilities relating to the Carbon Energy Fund (CEF) scheme have been brought onto the Statement of Financial Position based on estimations from the Department of Health and Social Care's financial model as required by the Department of Health and Social Care guidance. The models also provide estimates for interest payable.

Further detail regarding the Carbon Energy Fund (CEF) can be found in Note 37. The carrying value of the CEF at 31 March 2023 was £6,866k, and is included within the £159,914k of property, plant and equipment. Please also see Note 15.3.

Recoverability of Receivables

In accordance with the stated policy on impairment of financial assets, management have assessed the impairment of receivables and made appropriate adjustments to the existing allowance account for expected credit losses.

The Trust is required to judge when there is sufficient evidence to impair individual receivables taking into account the age profile and class of receivable. The Trust adopts a prudent approach when setting the expected credit loss based on a forward look of credit risk. Every effort is made to collect the debt, even when it has been impaired, and it is only written off as a final course of action after all possible recovery efforts have been made. The actual level of debt eventually written off may be different to that which has been judged as impaired.

Allowances for credit losses, as shown in Note 24.2, amounted to £616k. Of the £616k, £558k related to contract receivables and other contract assets and £58k for all other receivables.

Provisions
In accordance with the stated policy on provisions, management have used best estimates of the expenditure required to settle the obligations concerned, applying HM Treasury's discount rate as stated, as appropriate. Wherever possible, the Trust will seek guidance from third parties when establishing individual provisions, such as NHS Resolution for legal claims.

Provisions, by their nature, are a matter of judgement, with the best estimate made based on the information available at the time. Once realised provisions can differ from the original estimate. Management have taken into account all available information for disputes and possible outcomes when determining the level of provision to make.

Note 33.1 sets out the Provisions held by the Trust at 31 March 2023, which totalled £1,440K.

Note 1.4 Operating Segments

Income and expenditure are analysed in the Operating Segments note and are reported in line with management information used within The Rotherham NHS Foundation Trust.

Note 1.5 Income (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).

Under IFRS 15 a number of practical expedients offered in the Standard have been employed. These are as follows:

- the Trust is not required to disclose information regarding performance obligations that form part of a contract that has an original expected duration of one year or less
- the Trust is to similarly not disclose information where revenue is recognised in line with the practical expedient offered in the Standard where the right to consideration corresponds directly with value of the performance completed to date
- the Financial Reporting Manual (FReM) has mandated the exercise of the practical expedient offered in the Standard that requires the Trust to reflect the aggregate effect of all contracts modified before the date of initial application

The main source of income for the Trust is contracts with Commissioners for health care services. The Trust receives block funding from its Commissioners, where funding envelopes are set at an Integrated Care System level.

The majority of the Trust's income is earned from NHS Commissioners in the form of fixed payments to fund an agreed level of activity.

In 2022/23 fixed payments are set at a level assuming the achievement of elective activity targets. These are termed 'aligned payment and incentive' contracts. These payments are accompanied by a variable-element to adjust income for actual activity delivered on elective services and advice and guidance services. Where actual elective activity delivered differs from the agreed level set in the fixed payments, the variable element either increases or reduces the income earned by the Trust at a rate of 75% of the tariff price.

Elective recovery funding provides additional funding for the delivery of elective services. In 2022/23 elective recovery funding was included within the aligned payment and incentive contracts. In 2021/22 income earned by the system based on achievement of elective recovery targets was distributed between individual entities by local agreement and income earned from the fund was accounted for as variable consideration.

The Trust also receives income from commissioners under Commissioning for Quality Innovation (CQUIN) and Best Practice Tariff (BPT) schemes. Delivery under these schemes is part of how care is provided to patients. As such CQUIN and BPT payments are not considered distinct performance obligations in their own right; instead they form part of the transaction price for performance obligations under the overall contract with the commissioner. In 2022/23 payment under these schemes is included in fixed payments from commissioners based on assumed achievement of criteria. Adjustments for actual performance are made through the variable element of the contract payments.

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 it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less a provision for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

Payment terms are standard reflecting cross government principles.

The value of the benefit received when the Trust accesses funds from the Government's apprenticeship service are recognised as income in accordance with IAS 20, Accounting for Government Grants. Where these funds are paid directly to an accredited training provider, non-cash income and a corresponding non-cash training expense are recognised, both equal to the cost of the training funded.

Note 1.6 Expenditure on Employee Benefits

1.6.1 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, including non-consolidated performance pay earned but not yet paid. The cost of leave 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.

1.6.2 Retirement Benefit 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:

a) Accounting Valuation
A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2023, is based on

valuation data as at 31 March 2022, updated to 31 March 2023 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

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

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay.

The actuarial valuation as at 31 March 2020 is currently underway and will set the new employer contribution rate due to be implemented from April 2024.

NEST Pension Scheme
The Trust is a member of the National Employment Savings Trust (NEST) pension scheme which operates as a defined contribution plan. The Trust pays contributions into a fund but has no legal or constructive obligation to make further payments if the fund does not have sufficient assets to pay all of the employees' entitlements to post-employment benefits. The Trust's obligation is therefore limited to the amount it agrees to contribute to the fund and effectively place actuarial and investment risk on the employee. The amount recognised in the period is the contribution payable in exchange for service rendered by employees during the period.

Note 1.7 Expenditure on Other Goods and Services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services.

Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

Note 1.8 Property, Plant and Equipment

1.8.1 Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow to, or service potential be provided to, the Trust
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably, and either:
    - the item has a cost of at least £5,000 (the Trust's de-minimus level), or collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control.
    - items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost

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

1.8.2 Measurement

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

All assets are measured subsequently at valuation. Assets that are held for their service potential and are in use, are measured subsequently 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 and where there are no restrictions preventing access to the market at the reporting date, are valued at fair value under IFRS 13.

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

- Land and non-specialised buildings - market value for existing use
- Specialised buildings - depreciated replacement cost, 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 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 of the service being provided.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowing costs. Assets are revalued and depreciation commences when they 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 economic lives or low values or both, as this is not considered to be materially different from current value in existing use.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset, and thereafter to expenditure. Gains and losses recognised in the revaluation reserve are reported as other comprehensive income in the Statement of Comprehensive Income.

1.8.3 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.

1.8.4 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.

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 and residual interests in off-Statement of Financial Position Public Finance Initiative (PFI) contract assets are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

Finance-leased assets (including land) are depreciated over the shorter of the useful economic life or the lease term, unless there is an expectation that the asset will be acquired at the end of the lease term in which case the assets are depreciated in the same manner as owned assets above.

1.8.5 Revaluation Gains and Losses

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

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of ‘other comprehensive income’.

1.8.6 Impairments

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

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

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

1.8.7 De-recognition

Assets intended for disposal are 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, that is:
  - management are committed to a plan to sell the asset
  - an active 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’
  - 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 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met.

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

1.8.8 Donated, Government Grant and Other 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.

1.8.9 Useful Economic Lives of Property, Plant and Equipment

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

Plant, Property and Equipment	Minimum life (Years)	Maximum life (Years)
Land	-	-
Buildings (excluding dwellings)	3	90
Plant and machinery	5	15
Transport equipment	7	9
Information technology	5	20
Furniture and fittings	10	10

Note 1.9 Investment Properties

Investment properties are measured at fair value. Changes in fair value are recognised as gains or losses in income/expenditure.

Only those assets which are held solely to generate a commercial return are considered to be investment properties. Where an asset is held, in part, for supporting service delivery objectives, then it is considered to be an item of property, plant and equipment. Properties occupied by employees, whether or not they pay rent at market rates, are not classified as investment properties.

The Rotherham Foundation Trust does not hold any investment properties.

Note 1.10 Intangible Assets

1.10.1 Recognition

Intangible assets are non-monetary assets without physical substance which are capable of sale 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, where the cost of the asset can be measured reliably and where the cost is at least £5,000 (the Trust's de-minimus value for capital purchases).

Internally Generated Intangible Assets
Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised; it is recognised as an operating expense in the period in which it is incurred.

Internally-generated assets are only recognised if, and only if, 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, for example, 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
- the Trust can measure reliably the expenses attributable to the asset during development

Software
Software which is integral to the operation of hardware, for example 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, for example application software, is capitalised as an intangible asset.

1.10.2 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.

1.10.3 Subsequent Expenditure

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.

Intangible assets held for sale are measured at the lower of their carrying amount or “fair value less costs to sell”.

1.10.4 Amortisation

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

1.10.5 Useful Economic Life of Intangible Assets

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

Intangible assets	Minimum life (Years)	Maximum life (Years)
Purchased software	2	20

Note 1.11 Revenue Government and Other Grants

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

Note 1.12 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the first in, first out (FIFO) method.

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

Note 1.13 Cash and Cash Equivalents

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

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

Note 1.14 Financial Assets and Financial Liabilities

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

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

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

1.14.1 Financial Assets At Amortised Cost

Financial assets and financial liabilities at amortised cost are those held within a business model 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 cash equivalents, contract and other trade receivables, trade and other payables and obligations under lease arrangements and loans receivables and payables.

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

1.14.2 Financial Assets At Fair Value Through Other Comprehensive Income

Financial assets measured at fair value through other comprehensive income are those held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and where the cash flows are solely payments of principal and interest.

At present the Trust does not hold any financial assets or financial liabilities held for trading.

1.14.3 Financial Assets and Financial Liabilities At Fair Value Through Profit and Loss

Financial assets measured at fair value through profit or loss are those that are not otherwise measured at amortised cost or fair value through other comprehensive income. This includes derivatives and financial assets acquired principally for the purpose of selling in the short term.

Derivatives that are liabilities are subsequently measured at fair value through profit or loss. Embedded derivatives that are not part of a hybrid contract containing a host

that is an asset within the scope of IFRS 9 are separately accounted for as derivatives only if their economic characteristics and risks are not closely related to those of their host contracts, a separate instrument with the same terms would meet the definition of a derivative, and the hybrid contract is not itself measured at fair value through profit or loss.

The Trust has reviewed all of its main contracts and concluded that any derivatives the contracts may have are 'closely related' and therefore do not warrant separate disclosure or accounting.

1.14.4 Impairment of Financial Assets

For all financial assets measured at amortised cost or at fair value through other comprehensive income (except equity instruments designated at fair value through other comprehensive income), lease receivables and contract assets, the Trust recognises a loss allowance representing expected credit losses on the financial instrument.

The Trust adopts the simplified approach to impairment, in accordance with IFRS 9, and measures the loss allowance for trade receivables, contract assets and lease receivables at an amount equal to lifetime expected credit losses. 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 2), and otherwise at an amount equal to 12-month expected credit losses (stage 1).

HM Treasury has ruled that central government bodies may not recognise stage 1 or stage 2 impairments against other government departments, their executive agencies, the Bank of England, Exchequer Funds, and Exchequer Funds' assets where repayment is ensured by primary legislation. The Trust therefore does not recognise loss allowances for stage 1 or stage 2 impairments against these bodies.

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

1.14.5 Financial Liabilities At Fair Value Through Profit and Loss

Note 1.15 Leases

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration. An adaptation of the relevant accounting standard by HM Treasury for the public sector means that for NHS bodies, this includes lease-like arrangements with other public sector entities that do

not take the legal form of a contract. It also includes peppercorn leases where consideration paid is nil or nominal (significantly below market value) but in all other respects meet the definition of a lease. The Trust does not apply lease accounting to new contracts for the use of intangible assets.

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

1.15.1 The Trust As Lessee

At the commencement date of the lease, being when the asset is made available for use, the Trust recognises a right of use asset and a lease liability.

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

The lease liability is initially measured at the present value of future lease payments discounted at the interest rate implicit in the lease. Lease payments include fixed lease payments, variable lease payments dependent on an index or rate and amounts payable under residual value guarantees. It also includes amounts payable for purchase options and termination penalties where these options are reasonably certain to be exercised.

Where an implicit rate cannot be readily determined, the Trust's incremental borrowing rate is applied. This rate is determined by HM Treasury annually for each calendar year. A nominal rate of 0.95% is applied to new leases commencing in 2022 and 3.51% to new leases commencing in 2023.

The Trust does not apply the above recognition requirements to the following leases:

- with a term of 12 months or less
- where the value of the underlying asset is below £5,000, excluding any irrecoverable VAT

Lease payments associated with these leases are expensed on a straight-line basis over the lease term. Irrecoverable VAT on lease payments is expensed as it falls due.

Subsequent Measurement
As required by a HM Treasury interpretation of the accounting standard for the public sector, the Trust employs a revaluation model for subsequent measurement of right of use assets, unless the cost model is considered to be an appropriate proxy for

current value in existing use or fair value, in line with the accounting policy for owned assets. Where consideration exchanged is identified as significantly below market value, the cost model is not considered to be an appropriate proxy for the value of the right of use asset.

The Trust subsequently measures the lease liability by increasing the carrying amount for interest arising which is also charged to expenditure as a finance cost and reducing the carrying amount for lease payments made. The liability is also remeasured for changes in assessments impacting the lease term, lease modifications or to reflect actual changes in lease payments. Such remeasurements are also reflected in the cost of the right of use asset. Where there is a change in the lease term or option to purchase the underlying asset, an updated discount rate is applied to the remaining lease payments.

1.15.2 The Trust As A Lessor

A lessor shall classify each of its leases as an operating or finance lease.

A lease is classified as finance lease when the lease substantially transfers all of the risks and rewards incidental to ownership of an underlying asset. Where substantially all of the risks and rewards are not transferred, a lease is classified as an operating 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.

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

Note 1.16 Private Finance Initiative (PFI) Transactions

PFI transactions that 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. In accordance with, HM Treasury’s FReM the underlying assets are recognised as property, plant and equipment, together with an equivalent finance lease liability.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

1. payment for the fair value of services received - the cost of the services received in the year is recorded under the relevant expenditure headings within 'operating expenses'.

2. repayment of the finance lease liability, including finance costs - The Public Finance Initiative (PFI) assets are recognised as Plant, Property and Equipment when they come into use.

A PFI liability equal to the capital value of the contract is recognised at the same time as the PFI assets are recognised. This does not include service elements and interest charges within the PFI contract which are expensed in accordance with IFRIC 12 as adapted and interpreted by the FReM, and as detailed below.

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.

The element of the annual unitary payment increase due to cumulative indexation is treated as contingent rent and is expensed as a finance cost as incurred.

3. payment for the replacement of components of the asset during the contract 'lifecycle replacement' - Components of the asset replaced by the operator during the contract (lifecycle replacement) 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 cost.

The element of the annual unitary payment allocated to lifecycle replacement is predetermined 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 accrual 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 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 PFI scheme: Assets contributed for use in the scheme continue to be recognised as items of Plant, Property and Equipment in the Trust's Statement of Financial Position.

Other assets contributed by the Trust to the operator: Other assets contributed (for example, cash payments, surplus property) by the Trust to the operator before the asset is brought into use, where these are intended to defray the operators capital costs, are recognised initially as prepayments during the construction phase of the contract. 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.

Note 1.17 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount, for which it is probable that there will be a future outflow of cash or other resources, and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation at the end of the reporting period. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the discount rates published and mandated by HM Treasury. This applies to early retirements and injury benefits provisions.

Clinical Negligence Costs

NHS Resolution (NHSR) operates a risk pooling scheme under which the Trust pays an annual contribution to NHSR, which, in return, settles all clinical negligence claims. Although the NHSR is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by the NHSR on behalf of the Trust is disclosed in the notes to the Accounts but is not recognised within the Trust's Accounts.

Non-Clinical Risk Pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to NHSR 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.

Early Retirement Provisions

Early retirement provisions are discounted using the HM Treasury's pension discount rate of 1.70% (negative 1.30% in 2021/2022) in real terms. All general provisions are subject to four separate discount rates according to the expected timing of cash flows from the Statement of Financial Position date:

A nominal short-term rate of 3.27% (0.47% in 2021/2022) for inflation adjusted expected cash flows up to and including 5 years from the Statement of Financial Position date.

A nominal medium-term rate of 3.20% (0.7% in 2021/2022) for inflation adjusted expected cash flows over 5 years up to and including 10 years from the Statement of Financial Position date.

A nominal long-term rate of 3.51% (0.95% in 2021/2022) for inflation adjusted expected cash flows over 10 years and up to and including 40 years from the Statement of Financial Position date.

A nominal very long-term date of 3.00% (0.66% in 2021/2022) for inflation adjusted expected cash flows exceeding 40 years from the Statement of Financial Position date.

Note 1.18 Contingent Assets and Contingent Liabilities

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 Trust's control) are not recognised as assets, but are disclosed in the notes to the accounts where an inflow of economic benefits is probable.

Contingent liabilities are not recognised but are disclosed in the notes.

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 Trust's control
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability

Note 1.19 Public Dividend Capital (PDC) and PDC Dividend

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. It represents the DHSC investment in the Trust. HM Treasury has determined that, being issued under statutory authority rather than under contract, PDC is not a financial instrument within the meaning of IAS 32.

At any time the Secretary of State can issue new PDC to, and require repayments of PDC from, the Trust. PDC is recorded at the value received.

An annual charge, reflecting the cost of capital utilised by the Trust, is payable to DHSC as PDC dividend. The charge is calculated at the real rate set by the Secretary of State with the consent of 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, except for:

- donated assets (including lottery funded assets)
- average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility
- assets under construction for nationally directed schemes
- any PDC dividend balance receivable or payable
- approved expenditure on COVID-19 capital assets

In accordance with the requirements laid down by the DHSC (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 thus calculated is not revised should any adjustment to net assets occur as a result of the audit of the annual accounts. PDC dividend calculation is based upon the Trust's group accounts (that is, including subsidiaries), but excluding consolidated charitable funds.

Note 1.20 Value Added Tax (VAT)

Most of the activities of the Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable.

Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

Note 1.21 Corporation Tax

The Finance Act 2004 amended section 519A of the Income and Corporation Tax Act 1998 to provide power to HM Treasury to make certain non-core activities of NHS Foundation Trusts potentially subject to corporation tax.

However, the Trust has evaluated that it is has no Corporation Tax Liability, as all activities are either ancillary to healthcare or below the de minimis level of profit at which tax becomes payable.

Note 1.22 Foreign Exchange

The functional and presentational currencies of the Trust are sterling.

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

Where the Trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

- monetary items (other than financial instruments measured at “fair value through income and expenditure”) are translated at the spot exchange rate on 31 March
- non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction
- non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

Note 1.23 Third Party Assets

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

Note 1.24 Losses and Special Payments

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

Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had 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.

Note 1.25 Gifts

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

Note 1.26 Transfers of Functions To / From Other NHS Bodies / Local Government Bodies

As public sector bodies are deemed to operate under common control, business reconfigurations with the DHSC group are outside the scope of IFRS 3 Business Combinations. Where functions transfer between two public sector bodies, the GAM requires the application of absorption accounting. Absorption accounting requires that entities account for their transactions in the period in which they took place.

For functions that have been transferred to the Trust from another NHS or local government body, the assets and liabilities transferred are recognised in the accounts as at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition. The net gain/loss corresponding to the net assets/liabilities is recognised within income/expenses, but not within operating activities.

For property plant and equipment assets and intangible assets, the cost and accumulated depreciation / amortisation balances from the transferring entity's accounts are preserved on recognition in the Trust's accounts. Where the transferring body recognised revaluation reserve balances attributable to the assets, the Trust makes a transfer from its income and expenditure reserve to its revaluation reserve to maintain transparency within public sector accounts.

For functions that the Trust has transferred to another NHS / local government body, the assets and liabilities transferred are de-recognised from the accounts as at the date of transfer. The net loss / gain corresponding to the net assets / liabilities transferred is recognised within expenses / income, but not within operating activities. Any revaluation reserve balances attributable to assets de-recognised are transferred to the income and expenditure reserve. Adjustments to align the acquired function to the Trust's accounting policies are applied after initial recognition and are adjusted directly in taxpayers' equity.

Note 1.27 Early Adoption of Standards, Amendments and Interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2022/2023.

Note 1.28 Standards, Amendments and Interpretations in Issue But Not Yet Effective Or Adopted

The DHSC GAM does not require the following IFRS Standards and Interpretations to be applied in 2022/2023:

IFRS 16 Leases - application of liability measurement principles to PFI and other service concession arrangements.

From 1 April 2023, the measurement principles of IFRS 16 will also be applied to the Trust's service concession where future payments are linked to a price index representing the rate of inflation. The service concession liability will be remeasured when a change in the index causes a change in future repayments and that change has taken effect in the cash flow. Such remeasurements will be recognised as a financing cost. Under existing accounting practices, amounts relating to changes in the price index are expensed as incurred.

Initial application of these principles will be on 1 April 2023 using a modified retrospective approach with the cumulative impact taken to reserves. This is expected to result in an increased PFI liability on the statement of financial position. The effect of this has not yet been quantified.

IFRS 17 Insurance Contracts – The Standard is effective for accounting periods beginning on or after 1 January 2023. IFRS 17 is yet to be adopted by the FReM, therefore early adoption is not permitted.

Note 2 Operating Segments

All of the Trust's activities are in the provision of healthcare, which is an aggregate of all the individual specialty components included therein, and the large majority of the healthcare services provided occur at the one geographical main site. Trust revenue derives within the UK. The majority of expenses incurred are payroll expenditure on staff involved in the production or support of healthcare activities generally across the Trust together with the related supplies and overheads needed to establish this production. The business activities which generate revenue and incur expenses are therefore of one broad combined nature and therefore on this basis one segment of 'Healthcare' is deemed appropriate.

The operating results of the Trust are reviewed monthly by the Trust's chief operating decision maker which is the overall Foundation Trust Board of Directors, including senior professional non-executive directors. The Board of Directors reviews the financial position of the Trust as a whole in its decision making process, rather than individual components included in the totals, in terms of allocating resources. This process again implies a single operating segment under IFRS 8.

The finance report considered monthly by the Board of Directors contains summary figures for the whole Trust together with directorate expense budgets with their cost improvement positions. Likewise only total balance sheet positions and cash flow forecasts are considered for the whole Trust. The Board of Directors as chief operating decision maker therefore only considers one segment of healthcare in its decision-making process.

The single segment of 'Healthcare' has therefore been identified consistent with the core principle of IFRS 8 which is to enable users of the financial statements to evaluate the nature and financial effects of business activities and economic environments.

	Healthcare		**Total**	
	2022/23	2021/22	**2022/23**	2021/22
	£000	£000	**£000**	£000
Income	**360,435**	340,431	**360,435**	340,431
Retained Earnings / (Accumulated Deficit)	**(8,380)**	461	**(8,380)**	461
Segment net assets	**147,637**	146,970	**147,637**	146,970

Note 3 Operating Income From Patient Care Activities

All income from patient care activities relates to contract income recognised in line with the Trust's accounting policies.

Note 3.1 Income From Patient Care Activities (by Nature)

Note 3.1 Income from patient care activities (by nature)	2022/23 £000	2021/22 £000
Acute services		
Income from commissioners under API contracts*	260,045	290,463
High cost drugs income from commissioners (excluding pass-through costs)	5,146	1,252
Other NHS clinical income	57	91
Other clinical income from mandatory services	-	97
Community services		
Income from commissioners under API contracts*	30,373	-
Income from other sources (e.g. local authorities)	9,455	8,654
All services		
Elective recovery fund	6,563	4,546
Agenda for Change pay offer central funding	8,166	
Additional pension contribution central funding**	8,867	8,481
Other clinical income	1,651	678
Total income from activities	**330,323**	**314,262**

Note:
*Aligned payment and incentive contracts are the main form of contracting between NHS providers and their commissioners. More information can be found in the 2022/23 National Tariff payments system documents.
https://www.england.nhs.uk/publication/past-national-tariffs-documents-and-policies/

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

During 2022/23, the Trust was able to separate out a value for income shown under Community Services, under the heading “Income from Commissioners Under API Contracts” which has reduced the amount shown against the same heading under Acute Services. For 2021/22, this isn’t possible as the information was not available and as such all income from Commissioners is included within Acute Services under the heading “Income from Commissioners Under API Contracts.”

Note 3.2 Income From Patient Care Activities (By Source)

Note 3.2 Income from patient care activities (by source)	2022/23 £000	2021/22 £000
Income from patient care activities received from:		
NHS England	34,847	30,497
Clinical commissioning groups	68,176	273,896
Integrated care boards	213,202	
Other NHS providers	57	91
NHS other	4,243	-
Local authorities	9,125	9,061
Non-NHS: overseas patients (chargeable to patient)	13	52
Injury cost recovery scheme	605	602
Non NHS: other	55	63
Total income from activities	**330,323**	**314,262**
Of which:		
Related to continuing operations	330,323	314,262
Related to discontinued operations	-	-

Note 3.3 Overseas Visitors (Relating to Patients Charged Directly By the Provider)

	2022/23 £000	2021/22 £000
Income recognised this year	13	52
Cash payments received in-year	8	34
Amounts added to provision for impairment of receivables	5	3
Amounts written off in-year	164	-

Note 4 Other Operating Income

Other operating income	2022/23			2021/22		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	480	-	**480**	439	-	**439**
Education and training	12,241	639	**12,880**	11,532	748	**12,280**
Non-patient care services to other bodies	6,564	-	**6,564**	6,231	-	**6,231**
Reimbursement and top up funding	201	-	**201**	654	-	**654**
Income in respect of employee benefits accounted on a gross basis	3,093	-	**3,093**	2,499	-	**2,499**
Receipt of capital grants and donations and peppercorn leases	-	2,636	**2,636**	-	51	**51**
Charitable and other contributions to expenditure	-	463	**463**	-	1,111	**1,111**
Revenue from operating leases	-	477	**477**	-	462	**462**
Other income	3,318	-	**3,318**	2,388	54	**2,442**
Total other operating income	**25,897**	**4,215**	**30,112**	**23,743**	**2,426**	**26,169**
Of which:						
Related to continuing operations			30,112			26,169
Related to discontinued operations			-			-

Note 5.1 Additional Information on Contract Revenue (IFRS 15) Recognised in the Period

	2022/23 £000	2021/22 £000
Revenue recognised in the reporting period that was included within contract liabilities at the previous period end	1,711	815
Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods	-	-

Note 5.2 Transaction Price Allocated to Remaining Performance Obligations

As at the year end the Trust has no performance obligations that are either partially or fully unsatisfied that it has not accounted for in revenue recognition in year. Therefore, there are no contracts that commenced prior to the period end, with performance obligations outstanding and income not yet recognised.

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 5.3 Income from Activities Arising from Commissioner Requested Services

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

	2022/23 £000	2021/22 £000
Income from services designated as Commissioner requested services	328,672	313,584
Income from services not designated as Commissioner requested services	31,763	26,847
Total	**360,435**	**340,431**

Note 5.4 Profits and Losses On Disposal of Property, Plant and Equipment

The Trust has not disposed of any land or buildings assets in year used in the provision of commissioner requested services.

Note 5.5 Fees and Charges

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

In 2022/23 The Rotherham NHS Foundation Trust had no fees or charges where the scheme individually resulted in income from that service exceeding £1million. This was also the case during the 2021/2022 financial year.

Note 6 Operating Leases (Rotherham Foundation Trust as Lessor)

This note discloses income generated in operating lease agreements where Rotherham Foundation Trust is the lessor.

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

Note 6.1 Operating Lease Income

The leases held by the Trust relate to various retail facilities provided at the General Hospital site, land used by other healthcare providers and parking and creche facilities.

	2022/23 £000	2021/22 £000
Lease receipts recognised as income in year:		
Minimum lease receipts	477	462
Total in-year operating lease income	**477**	**462**

Note 6.2 Future Lease Receipts

	31 March 2023 £000
Future minimum lease receipts due at 31 March 2023:	
Not later than one year	463
Later than one year and not later than two years	424
Later than two years and not later than three years	373
Later than three years and not later than four years	349
Later than four years and not later than five years	226
Later than five years	5,310
Total	**7,145**

	31 March 2022 £000
Future minimum lease receipts due at 31 March 2022:	
Not later than one year	470
Later than one year and not later than five years	1,593
Later than five years	5,571
Total	**7,634**

Note 7.1 Operating Expenses

The following table shows the operating expenses incurred by the Trust during both the 2022/23 and 2021/22 financial years:

	2022/23	2021/22
	£000	£000
Purchase of healthcare from non-NHS and non-DHSC bodies	1,618	3,644
Staff and executive directors costs	249,669	227,486
Remuneration of non-executive directors	176	173
Supplies and services - clinical (excluding drugs costs)	27,512	28,574
Supplies and services - general	4,946	4,877
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	20,856	19,055
Inventories written down	39	27
Consultancy costs	50	24
Establishment	3,038	2,614
Premises	15,589	16,097
Transport (including patient travel)	3,387	3,156
Depreciation on property, plant and equipment	11,685	8,247
Amortisation on intangible assets	835	1,309
Net impairments	8,932	-
Movement in credit loss allowance: contract receivables / contract assets	148	(115)
Movement in credit loss allowance: all other receivables and investments	25	3
Increase/(decrease) in other provisions	(274)	(187)
Change in provisions discount rate(s)	(171)	23
Fees payable to the external auditor		
audit services- statutory audit*	108	108
Internal audit costs	91	104
Clinical negligence	9,654	9,352
Legal fees	378	506
Insurance	222	233
Research and development	476	419
Education and training	2,076	1,909
Expenditure on short term leases (current year only)	20	
Expenditure on low value leases (current year only)	2	
Operating lease expenditure (comparative only)		2,182
Redundancy	-	53
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT)	597	203
Losses, ex gratia & special payments	685	294
Other services, eg external payroll	1,338	4,307
Other	994	1,133
Total	**364,701**	**335,810**
Of which:		
Related to continuing operations	364,701	335,810

Note:
*Audit fees are inclusive of VAT.

Note 7.2 Other Auditor Remuneration

No other External Auditor remuneration was paid during the 2022/23 financial year for work over and above the statutory audit fee, nor was there in 2021/22.

Note 7.3 Limitation on Auditor's Liability

Mazars LLP are appointed by the Trust as their External Auditors; their limitation of liability is unlimited.

Note 8 Impairment of Assets

	2022/23 £000	2021/22 £000
Net impairments charged to operating surplus / deficit resulting from:		
Changes in market price	8,932	-
Total net impairments charged to operating surplus / deficit	**8,932**	**-**
Impairments charged to the revaluation reserve	(2,333)	-
Total net impairments	**6,599**	**-**

In 2022/23, the Trust's assets were subject to a full revaluation which resulted in impairment costs.

Note 9 Employee Benefits

	2022/23 Total £000	2021/22 Total £000
Salaries and wages	184,264	166,596
Social security costs	18,256	16,915
Apprenticeship levy	851	829
Employer's contributions to NHS pensions	29,078	27,918
Pension cost - other	112	97
Temporary staff (including agency)	17,577	16,030
Total staff costs	**250,138**	**228,385**
Of which		
Costs capitalised as part of assets	-	452
Research and Development staffing costs	469	394
Redundancy costs	-	53
	249,669	**227,486**

Note 9.1 Retirements Due to Ill-Health

During 2022/23, there were seven early retirements from the Trust agreed on the grounds of ill-health (none in the year ended 31 March 2022). The estimated additional pension liabilities of these ill-health retirements is £266k (£0k in 2021/22).

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

Note 10 Finance Income

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

	2022/23 £000	2021/22 £000
Interest on bank accounts	625	18
Total finance income	**625**	**18**

Note 11.1 Finance Expenditure

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

	2022/23 £000	2021/22 £000
Interest expense:		
Interest on loans from the Department of Health and Social Care	302	333
Interest on lease obligations	334	202
Main finance costs on PFI and LIFT schemes obligations	273	87
Total interest expense	**909**	**622**
Unwinding of discount on provisions	13	(14)
Total finance costs	**922**	**608**

Note 11.2 The Late Payment of Commercial Debts (Interest) Act 1998 / Public Contract Regulations 2015

The Late Payment of Commercial debts (Interest) Act 1998 / Public Contract Regulations requires the Trust to disclose its:

- total liability accruing in year under this legislation as a result of late payments
- amounts included within interest payable arising from claims made under this legislation
- compensation paid to cover debt recovery costs under this legislation.

During the 2022/23 and 2021/22 financial years, the Trust did not incur any costs.

Note 12 Other Gains / (Losses)

	2022/23 £000	2021/22 £000
Gains on disposal of assets	-	3
Losses on disposal of assets	(12)	(36)
Total other gains / (losses)	**(12)**	**(33)**

Note 13 Discontinued Operations

No services provided by Rotherham Foundation Trust were discontinued in either the 2022/23 or 2021/22 financial years.

Note 14.1 Intangible Assets – 2022/23

	Software licences	Intangible assets under construction	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2022 - brought forward	**20,994**	**-**	**20,994**
Additions	177	-	**177**
Valuation / gross cost at 31 March 2023	**21,171**	**-**	**21,171**
Amortisation at 1 April 2022 - brought forward	**12,720**	**-**	**12,720**
Provided during the year	835	-	**835**
Amortisation at 31 March 2023	**13,555**	**-**	**13,555**
Net book value at 31 March 2023	**7,616**	**-**	**7,616**
Net book value at 1 April 2022	**8,274**	**-**	**8,274**

Note 14.2 Intangible Assets – 2021/22

	Software licences	Intangible assets under construction	Total
	£000	£000	£000
Valuation / gross cost at 1 April 2021	**19,550**	**151**	**19,701**
Additions	1,293	-	**1,293**
Reclassifications	151	(151)	**-**
Valuation / gross cost at 31 March 2022	**20,994**	**-**	**20,994**
Amortisation at 1 April 2021	**11,411**	**-**	**11,411**
Provided during the year	1,309	-	**1,309**
Amortisation at 31 March 2022	**12,720**	**-**	**12,720**
Net book value at 31 March 2022	**8,274**	**-**	**8,274**
Net book value at 1 April 2021	**8,139**	**151**	**8,290**

Note 15.1 Property, Plant and Equipment – 2022/23

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2022 - brought forward	**6,450**	**131,214**	**3,015**	**32,846**	**209**	**12,289**	**393**	**186,416**
IFRS 16 implementation – reclassification of existing finance leased assets to right of use assets	(150)	(5,646)	-	(3,327)	-	-	-	**(9,123)**
Additions	-	8,582	177	4,737	47	812	-	**14,355**
Impairments	-	(11,450)	-	-	-	-	-	**(11,450)**
Revaluations	4,700	-	-	-	-	-	-	**4,700**
Reclassifications	-	(6,253)	(3,015)	9,268	-	-	-	**-**
Disposals / derecognition	-	-	-	(303)	-	-	-	**(303)**
Valuation/gross cost at 31 March 2023	**11,000**	**116,447**	**177**	**43,221**	**256**	**13,101**	**393**	**184,595**

Note 15.1 Property, Plant and Equipment – 2022/23 (Continued)

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Accumulated depreciation at 1 April 2022 - brought forward	**-**	**227**	**-**	**17,554**	**163**	**4,753**	**171**	**22,868**
IFRS 16 implementation – reclassification of existing finance leased assets to right of use assets	-	(102)	-	(1,343)	-	-	-	**(1,445)**
Provided during the year	-	5,132	-	2,102	25	966	39	**8,264**
Reversals of impairments	-	(4,710)	-	-	-	-	-	**(4,710)**
Reclassifications	-	(500)	-	500	-	-	-	**-**
Disposals / derecognition	-	-	-	(296)	-	-	-	**(296)**
Accumulated depreciation at 31 March 2023	**-**	**47**	**-**	**18,517**	**188**	**5,719**	**210**	**24,681**
Net book value at 31 March 2023	**11,000**	**116,400**	**177**	**24,704**	**68**	**7,382**	**183**	**159,914**
Net book value at 1 April 2022	**6,450**	**130,987**	**3,015**	**15,292**	**46**	**7,536**	**222**	**163,548**

Note 15.2 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	**6,450**	**108,223**	**16,708**	**29,899**	**218**	**8,797**	**393**	**170,688**
Additions	-	5,978	3,015	2,914	43	1,832	-	**13,782**
Revaluations	-	2,290	-	-	-	-	-	**2,290**
Reclassifications	-	14,723	(16,708)	325	-	1,660	-	**-**
Disposals / derecognition	-	-	-	(292)	(52)	-	-	**(344)**
Valuation/gross cost at 31 March 2022	**6,450**	**131,214**	**3,015**	**32,846**	**209**	**12,289**	**393**	**186,416**
Accumulated depreciation at 1 April 2021	**-**	**-**	**-**	**15,394**	**212**	**3,559**	**132**	**19,297**
Provided during the year	-	4,599	-	2,412	3	1,194	39	**8,247**
Revaluations	-	(4,372)	-	-	-	-	-	**(4,372)**
Disposals / derecognition	-	-	-	(252)	(52)	-	-	**(304)**
Accumulated depreciation at 31 March 2022	**-**	**227**	**-**	**17,554**	**163**	**4,753**	**171**	**22,868**
Net book value at 31 March 2022	**6,450**	**130,987**	**3,015**	**15,292**	**46**	**7,536**	**222**	**163,548**
Net book value at 1 April 2021	**6,450**	**108,223**	**16,708**	**14,505**	**6**	**5,238**	**261**	**151,391**

Note 15.3 Property, Plant and Equipment Financing – 2022/23

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	11,000	113,348	177	16,603	68	7,382	183	**148,761**
On-SoFP PFI contracts and other service concession arrangements	-	-	-	6,866	-	-	-	**6,866**
Owned - donated/granted	-	3,052	-	1,235	-	-	-	**4,287**
Total net book value at 31 March 2023	**11,000**	**116,400**	**177**	**24,704**	**68**	**7,382**	**183**	**159,914**

Note 15.4 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
Owned - purchased	6,300	117,432	3,015	12,303	46	7,536	222	**146,854**
Finance leased	150	2,345	-	1,984	-	-	-	**4,479**
On-SoFP PFI contracts and other service concession arrangements	-	7,242	-	-	-	-	-	**7,242**
Owned - donated/granted	-	3,968	-	1,005	-	-	-	**4,973**
Total net book value at 31 March 2022	**6,450**	**130,987**	**3,015**	**15,292**	**46**	**7,536**	**222**	**163,548**

Note 15.5 Property, Plant and Equipment Assets Subject to an Operating Lease (Trust as a Lessor) – 2022/23

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Subject to an operating lease	588	2,589	-	-	-	-	-	**3,177**
Not subject to an operating lease	10,412	113,811	177	24,704	68	7,382	183	**156,737**
Total net book value at 31 March 2023	**11,000**	**116,400**	**177**	**24,704**	**68**	**7,382**	**183**	**159,914**

Note 16 Donations of Property, Plant and Equipment

The Trust received the following donated assets during the 2022/23 and 2021/22 financial years:

	2022/23 £000	2021/22 £000
Donated Assets		
14 Anaesthetic Machines (received from Nightingale Hospitals)	334	-
Ventilators (received from DHSC as part of the COVID pandemic response)	-	51
Cash Donations - for the Purchase of Assets		
CFM Monitors*	25	-
Total	**359**	**51**

Note:
* The CFM Monitor was funded from the South Yorkshire and Humber Integrated Care Board (ICB); the Trust received a cash donation of £21k towards the purchase of this specific asset.

The value of all assets shown above, were over the Trust's de-minimus value of £5k, and were therefore capitalised.

Note 17 Revaluations of Property, Plant and Equipment

A full 5 yearly cyclical valuation of the Trust's estate was carried out during 2022/23.

Following a full site inspection and review, the Trust's independent qualified valuer, Clark Weightman, issued their report with a valuation date of 31 March 2023; this included all relevant owned land and buildings, it also includes one peppercorn leased building (see Note 18.2).

The report took account of changes in buildings cost indices, location factors and the effect of capital expenditure during the year. The report was completed in accordance with guidance issued by the Royal Institution of Chartered Surveyors ("RICS") and gave an overall valuation of the Trust's estate (including land and buildings) of £127.279million.

Note 18 Leases (Rotherham Foundation Trust as a Lessee)

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

The Trust has finance leases for items of medical and non-medical equipment, vehicles and property lets used to carry out service provision.

The Trust has applied IFRS 16 to account for lease arrangements from 1 April 2022 without restatement of comparatives. Comparative disclosures in this note are presented on an IAS 17 basis.

Finance leases are recognised on the Trust's Statement of Financial Position as Right Of Use assets (non-current assets).

Note 18.1 Right of Use Assets – 2022/2023

	Property (land and buildings)	Plant & machinery	Transport equipment	Total	Of which: leased from DHSC group bodies
	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2022 - brought forward	**-**	**-**	**-**	**-**	**-**
IFRS 16 implementation - reclassification of existing finance leased assets from PPE or intangible assets	5,796	3,327	-	**9,123**	5,796
IFRS 16 implementation - adjustments for existing operating leases / subleases	16,146	2,271	28	**18,445**	17,213
Remeasurements of the lease liability	(390)	-	-	**(390)**	(390)
Impairments	(371)	-	-	**(371)**	(371)
Revaluations	20	-	-	**20**	20
Disposals / derecognition	-	-	(11)	**(11)**	-
Valuation/gross cost at 31 March 2023	**21,201**	**5,598**	**17**	**26,816**	**22,268**
Accumulated depreciation at 1 April 2022 - brought forward	-	-	-	**-**	-
IFRS 16 implementation - reclassification of existing finance leased assets from PPE or intangible assets	102	1,343	-	**1,445**	102
Provided during the year	2,304	1,107	10	**3,421**	2,611
Reversal of impairments	(512)	-	-	**(512)**	(512)
Disposals / derecognition	-	-	(2)	**(2)**	-
Accumulated depreciation at 31 March 2023	**1,894**	**2,450**	**8**	**4,352**	**2,201**
Net book value at 31 March 2023	**19,307**	**3,148**	**9**	**22,464**	**20,067**
Net book value of right of use assets leased from other NHS providers					3,818
Net book value of right of use assets leased from other DHSC group bodies					16,249

Note 18.2 – Revaluation of Right of Use Assets

During 2022/23, a full revaluation of land and buildings was undertaken, which included the revaluation of one right of use asset (peppercorn).

There was also a IFRS 16 revaluation of a leased building asset.

Overall, this resulted in £20k increase in land value and impairment of £4.885million against buildings used in the delivery of healthcare services.

For further information regarding the revaluation carried out, please see note 17.

Note 18.3 – Reconciliation of the Carrying Value of Lease Liabilities

Lease liabilities are included within borrowings in the Statement of Financial Position. A breakdown of borrowings is disclosed in Note 31.2.

	2022/23 £000
Carrying value at 31 March 2022	**4,321**
IFRS 16 implementation - adjustments for existing operating leases	17,760
Lease liability remeasurements	(390)
Interest charge arising in year	334
Early terminations	(4)
Lease payments (cash outflows)	(3,267)
Carrying value at 31 March 2023	**18,754**

Lease payments for short term leases (less than 12 months) or leases of low value (less than £5k) underlying assets are recognised in operating expenditure.

Note 18.4 – Maturity Analysis of Future Lease Payments at 31 March 2023

	Total	Of which leased from DHSC group bodies:
	31 March 2023	31 March 2023
	£000	£000
Undiscounted future lease payments payable in:		
Not later than one year	3,219	2,345
Later than one year and not later than five years	9,629	8,350
Later than five years	7,428	7,428
Total gross future lease payments	**20,276**	**18,123**
Finance charges allocated to future periods	(1,522)	(1,460)
Net lease liabilities at 31 March 2023	**18,754**	**16,663**
Of which:		
Leased from other NHS providers		3,219
Leased from other DHSC group bodies		13,444

Note 18.5 – Maturity Analysis of Future Lease Payments at 31 March 2022 (IAS 17 basis)

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

	31 March 2022 £000
Undiscounted future lease payments payable in:	
Not later than one year	716
Later than one year and not later than five years	1,809
Later than five years	5,747
Total gross future lease payments	**8,272**
Finance charges allocated to future periods	(3,951)
Net finance lease liabilities at 31 March 2022	**4,321**
Of which payable:	
Not later than one year	542
Later than one year and not later than five years	1,266
Later than five years	2,513

Note 18.6 – Commitments in Respect of Operating Leases at 31 March 2022 (IAS 17 Basis)

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

	2021/22 £000
Operating lease expense	
Minimum lease payments	2,182
Total	**2,182**

	31 March 2022 £000
Future minimum lease payments due:	
Not later than one year	2,098
Later than one year and not later than five years	7,867
Later than five years	5,264
Total	**15,229**

Note 18.7 Initial Application of IFRS 16 on 1 April 2022

IFRS 16 as adapted and interpreted for the public sector by HM Treasury has been applied to leases in these financial statements with an initial application date of 1 April 2022.

The standard has been applied using a modified retrospective approach without the restatement of comparatives. Practical expedients applied by the Trust on initial application are detailed in the leases accounting policy in Note 1.

Lease liabilities created for existing operating leases on 1 April 2022 were discounted using the weighted average incremental borrowing rate determined by HM Treasury as 0.95%.

Note 18.8 Reconciliation of Operating Lease Commitment as at 31 March 2022 to Lease Liabilities Under IFRS 16 as at 1 April 2022

	1 April 2022 £000
Operating lease commitments under IAS 17 at 31 March 2022	**15,229**
Impact of discounting at the incremental borrowing rate	**(875)**
IAS 17 operating lease commitment discounted at incremental borrowing rate	**14,354**
Less:	
Commitments for short term leases	(38)
Commitments for leases of low value assets	(8)
Irrecoverable VAT previously included in IAS 17 commitment	(49)
Other adjustments:	
Differences in the assessment of the lease term	1,243
Public sector leases without full documentation previously excluded from operating lease commitments	1,869
Rent increases/(decreases) reflected in the lease liability, not previously reflected in the IAS 17 commitment	349
Finance lease liabilities under IAS 17 as at 31 March 2022	4,321
Other adjustments	40
Total lease liabilities under IFRS 16 as at 1 April 2022	**22,081**

Note 19 Investment Property

The Rotherham NHS Foundation Trust holds assets which are rented to other organisations and are not held for primary healthcare provision purposes. These are however deemed to support service provision and as such have not been categorised as Investment Property. They are the Lodge, the Creche and staff residencies.

Note 20 Investments in Associates and Joint Ventures

In 2022/23, The Rotherham NHS Foundation Trust has no investments in associates and joint ventures, nor did it have in 2021/22.

Note 21 Other Investments / Financial Assets (Non-Current)

In 2022/23, The Rotherham NHS Foundation Trust has no other investments or financial assets, nor did it have in 2021/22.

Note 22 Disclosure of Interests in Other Entities

The Trust has considered the need to consolidate Charitable Funds (The Rotherham Hospital and Community Charity) within the main Trust accounts and concluded, although the Trust continues to meet the criteria within the accounting standard, the value of the Charitable Funds is not material and will not therefore be consolidated within the Trust's main accounts.

The table below summarises the Charitable Funds Statement of Financial Activities and Balance sheet.

	31 March 2023 £000	31 March 2022 £000
Total incoming resources	238	79
Resources expended	(165)	(46)
(Losses)/Gains on revaluation and disposals	-	-
Net movement in funds	**73**	**33**
Total Assets	537	456
Total Liabilities	(11)	(3)
Total Charitable Funds	**526**	**453**
Total funds made up of:		
Restricted /endowment funds	150	166
Unrestricted funds	376	287

The 2022/23 Charitable Funds accounts have not yet been subject to independent review. The 2021/22 Charitable Funds accounts were subject to independent examination and were finalised in November 2022.

Note 23 Inventories

	31 March 2023 £000	31 March 2022 £000
Drugs	1,070	1,036
Consumables	2,883	2,416
Energy	42	50
Total inventories	**3,995**	**3,502**
Of which:		
Held at fair value less costs to sell	-	-

Inventories recognised in expenses for the year were £30.527million (2021/22: £31.844million). Write-down of inventories recognised as expenses for the year were £39k (2021/22: £27k).

In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2022/23 the Trust received £457k of items purchased by DHSC (2021/22: £859k).

These inventories were recognised as additions to inventory at deemed cost with the corresponding benefit recognised in income. The utilisation of these items is included in the expenses disclosed above.

Note 24.1 Receivables

	31 March 2023 £000	31 March 2022 £000
Current		
Contract receivables	5,300	5,377
Allowance for impaired contract receivables / assets	(558)	(684)
Allowance for other impaired receivables	(58)	(33)
Deposits and advances	-	16
Prepayments (non-PFI)	4,171	3,139
PDC dividend receivable	119	-
VAT receivable	918	699
NHSE Funding for Non-Consolidated Pay Award	8,166	-
Other receivables	310	240
Total current receivables	**18,368**	**8,754**
Non-current		
Other receivables	479	373
Total non-current receivables	**479**	**373**
Of which receivable from NHS and DHSC group bodies:		
Current	11,272	2,835
Non-current	479	373

Note 24.2 Allowances for Credit Losses

	2022/23		2021/22	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
Allowances as at 1 April - brought forward	**684**	**33**	**979**	**37**
New allowances arising	194	33	192	9
Changes in existing allowances	76	-	-	-
Reversals of allowances	(122)	(8)	(159)	(6)
Utilisation of allowances (write offs)	(274)	-	(180)	(7)
Foreign exchange and other changes	-	-	(148)	-
Allowances as at 31 Mar 2023	**558**	**58**	**684**	**33**

Note 24.3 Exposure to Credit Risk

The level of allowance for credit losses (doubtful debts) is based upon analysis of the type of debtors and the age of the debt.

Note 25 – Finances Leases (Rotherham Foundation Trust as Lessor)

The Trust does not hold any finance leases where it is the lessor.

Note 26 Other Assets

The Trust does not hold any other assets; all assets are shown under the appropriate balance sheet headings. This was the case at 31 March 2023, and 31 March 2022.

Note 27.1 Non-Current Assets Held for Sale and Assets in Disposal Groups

At the 31 March 2023, the Trust did not have any assets that were held for sale, nor did it at 31 March 2022.

Note 27.2 Liabilities in Disposal Groups

At the 31 March 2023, the Trust did not have any liabilities in disposal groups, nor did it at 31 March 2022.

Note 28.1 Cash and Cash Equivalents Movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents.

Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	2022/23 £000	2021/22 £000
At 1 April	**33,303**	**30,910**
Net change in year	(8,947)	2,393
At 31 March	**24,356**	**33,303**
Broken down into:		
Cash at commercial banks and in hand	111	305
Cash with the Government Banking Service	24,245	32,998
Total cash and cash equivalents as in SoCF	**24,356**	**33,303**

Note 28.2 Third Party Assets Held by the Trust

At 31 March 2023 the Trust held no cash or cash equivalents which relate to monies held on behalf of patients or other parties, nor did it at 31 March 2022.

Note 29 Trade and Other Payables

	31 March 2023 £000	31 March 2022 £000
Current		
Trade payables	5,989	9,938
Capital payables	5,013	4,392
Accruals	28,942	17,044
Social security costs	2,259	2,327
VAT payables	59	60
Other taxes payable	1,978	2,013
PDC dividend payable	-	17
Pension contributions payable	2,766	2,700
Other payables	119	158
Total current trade and other payables	**47,125**	**38,649**
Of which payables from NHS and DHSC group bodies:		
Current	4,802	3,400
Non-current	-	-

The Trust had no non-current payables at 31 March 2023, nor did it at 31 March 2022.

During both the 2022/23 and 2021/22 financial years, there were no liabilities for early retirement buy out.

Note 30 Other Liabilities

	31 March 2023 £000	31 March 2022 £000
Current		
Deferred income: contract liabilities	2,375	1,711
Total other current liabilities	**2,375**	**1,711**

The Trust had no non-current other liabilities at 31 March 2023, nor did it at 31 March 2022.

Note 31.1 Borrowings

	31 March 2023 £000	31 March 2022 £000
Current		
Loans from DHSC	1,323	1,329
Lease liabilities*	2,989	542
Obligations under PFI, LIFT or other service concession contracts	261	248
Total current borrowings	**4,573**	**2,119**
Non-current		
Loans from DHSC	11,500	12,750
Lease liabilities*	15,765	3,779
Obligations under PFI, LIFT or other service concession contracts	6,777	7,038
Total non-current borrowings	**34,042**	**23,567**

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

Note 31.2 Reconciliation of liabilities arising from financing activities – 2022/23

	Loans from DHSC	Lease Liability	PFI and LIFT schemes	Total
	£000	£000	£000	£000
Carrying value at 1 April 2022	**14,079**	**4,321**	**7,286**	**25,686**
Cash movements:				
Financing cash flows - payments and receipts of principal	(1,250)	(2,933)	(248)	**(4,431)**
Financing cash flows - payments of interest	(308)	(334)	(273)	**(915)**
Non-cash movements:				
Impact of implementing IFRS 16 on 1 April 2022	-	17,760	-	**17,760**
Lease liability remeasurements	-	(390)	-	**(390)**
Application of effective interest rate	302	334	273	**909**
Early terminations	-	(4)	-	**(4)**
Carrying value at 31 March 2023	**12,823**	**18,754**	**7,038**	**38,615**

Note 31.3 Reconciliation of liabilities arising from financing activities – 2021/22

	Loans from DHSC	Lease Liability	PFI and LIFT schemes	Total
	£000	£000	£000	£000
Carrying value at 1 April 2021	**15,335**	**15,064**	**-**	**30,399**
Cash movements:				
Financing cash flows - payments and receipts of principal	(1,250)	(538)	(80)	**(1,868)**
Financing cash flows - payments of interest	(339)	(201)	(87)	**(627)**
Non-cash movements:				
Additions	-	-	581	**581**
Application of effective interest rate	333	201	87	**621**
Other changes	-	(10,205)	6,785	**(3,420)**
Carrying value at 31 March 2022	**14,079**	**4,321**	**7,286**	**25,686**

Note 32 Other Financial Liabilities

At the 31 March 2023, the Trust did not have any other financial liabilities to disclose; all liabilities held by the Trust are shown under the appropriate balance sheet headings. This was also the case at 31 March 2022.

Note 33.1 Provisions for Liabilities and Charges Analysis

	Pensions: early departure costs	Pensions: injury benefits	Legal claims	Other	Total
	£000	£000	£000	£000	£000
At 1 April 2022	**508**	**528**	**100**	**3,602**	**4,738**
Change in the discount rate	(72)	(99)	-	(428)	**(599)**
Arising during the year	27	13	91	516	**647**
Utilised during the year	(40)	(33)	(29)	(317)	**(419)**
Reversed unused	(57)	-	(14)	(2,879)	**(2,950)**
Unwinding of discount	6	7	-	10	**23**
At 31 March 2023	**372**	**416**	**148**	**504**	**1,440**
Expected timing of cash flows:					
not later than one year;	39	40	138	25	**242**
later than one year and not later than five years;	150	127	10	25	**312**
later than five years.	183	249	-	454	**886**
Total	**372**	**416**	**148**	**504**	**1,440**

The Pensions (early departure) provision relates to the ongoing costs of making early payment of pensions. Legal claims relate to liabilities to third parties (administered by NHS Resolution). The main uncertainty in terms of the timing of the cash flows relates to the pensions provision as assumptions need to be made (in accordance with guidance) as to the estimated length of life of the pensioners and the consequent cost to the Trust. These are discounted per the guidance along with Injury Benefits provisions. At present there is no expectation that the Trust will receive any reimbursement in respect of these provisions.

Clinicians who are members of the NHS Pension Scheme and face an annual allowance tax charge for work undertaken in 2019/20 and thereafter can elect to have this charge paid by the NHS Pension Scheme. The employing Trust makes a contractually binding commitment to pay a corresponding compensated amount on retirement, therefore there is a future obligation upon retirement. This payment is nationally funded, therefore any provision recognised here is matched with a non-current receivable from NHS England.

Note 33.2 Clinical Negligence Liabilities

At 31 March 2023, £119.161million was included in provisions of NHS Resolution in respect of clinical negligence liabilities of The Rotherham NHS Foundation Trust (31 March 2022: £137.903million).

Note 34 Contingent Assets and Liabilities

	31 March 2023	31 March 2022
	£000	£000
Value of contingent liabilities		
NHS Resolution legal claims	(49)	(40)
Employment tribunal and other employee related litigation	-	(150)
Net value of contingent liabilities	**(49)**	**(190)**
Net value of contingent assets	**-**	**-**

Note 35 Contractual Capital Commitments

	31 March 2023 £000	31 March 2022 £000
Property, plant and equipment	2,429	196
Total	**2,429**	**196**

The Trust has a number of multi-year schemes, starting in 2022/23 all of which are planned to be completed during 2023/24. The higher value of capital commitments at 31 March 2023 compared to 31 March 2022 is a result of orders being raised during 2022/23 for works to be completed during 2023/24.

Note 36 Other Financial Commitments

At 31 March 2023, there are no other financial commitments classed as other. This was also the case at 31 March 2022.

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

Rotherham Foundation Trust entered into a 20-year Energy Saving Project agreement that supports third party investment in the energy provision infrastructure at the Rotherham General Hospital site. The contract for Energy Saving was procured through the Carbon & Energy Fund (CEF) framework. The service contract to enable energy savings across the Rotherham General Hospital site was signed on 12 December 2019.

The project involved significant investment in the hospitals energy infrastructure which will transfer the operational and financial risk to a third party with the intention of realising energy consumption reduction and a reduction in carbon emissions.
The Contract for the Energy Saving Project commenced 22 November 2021, following an installation period.

Note 37.1 On-SoFP PFI, LIFT or Other Service Concession Arrangement Obligations

	31 March 2023 £000	31 March 2022 £000
Gross PFI, LIFT or other service concession liabilities	**9,334**	**9,834**
Of which liabilities are due		
Not later than one year	500	500
Later than one year and not later than five years	2,000	2,000
Later than five years	6,834	7,334
Finance charges allocated to future periods	(2,296)	(2,548)
Net PFI, LIFT or other service concession arrangement obligation	**7,038**	**7,286**
Of which payments are due:		
Not later than one year	261	248
Later than one year and not later than five years	1,176	1,123
Later than five years	5,601	5,915

Note 37.2 Total on-SoFP PFI, LIFT and Other Service Concession Arrangement Commitments

Total future commitments under these on-SoFP schemes are as follows:

	31 March 2023 £000	31 March 2022 £000
Total future payments committed in respect of the PFI, LIFT or other service concession arrangements	**23,000**	**21,514**
Of which payments are due:		
Not later than one year	1,232	1,094
Later than one year and not later than five years	4,929	4,376
Later than five years	16,839	16,044

Note 37.3 Analysis of Amounts Payable to Service Concession Operator

This note provides an analysis of the unitary payments made to the service concession operator:

	2022/23 £000	2021/22 £000
Unitary payment payable to service concession operator	**1,123**	**370**
Consisting of:		
Interest charge	273	87
Repayment of balance sheet obligation	253	80
Service element and other charges to operating expenditure	597	203

Note 38 Financial Instruments

Note 38.1 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 Trust has with the Integrated Care Board (ICB) and the way those Integrated Care Boards (ICBs) are financed, the 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 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 Trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the Board of Directors. The Trust's treasury activity is subject to review by the Trust's internal auditors.

Currency Risk
The Trust is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

Interest Rate Risk
The Trust has low exposure to interest rate fluctuations as it has borrowings only from the Department of Health at fixed rates of interest.

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

Liquidity Risk
The Trust's operating costs are incurred under annual service agreements with Integrated Care Board (ICB) and Local Authorities, which are financed from resources voted annually by Parliament. The Trust finances its capital expenditure from funds obtained within its prudential borrowing limit. The Trust is not, therefore, exposed to significant liquidity risks.

Foreign Currency Risk
The Trust has negligible foreign currency income or expenditure.

Note 38.2 Carrying Values of Financial Assets

Fair value is considered to equate to carrying value in the note below unless otherwise disclosed.

Carrying Values of Financial Assets as at 31 March 2023

Carrying values of financial assets as at 31 March 2023	Held at amortised cost £000	Held at fair value through I&E £000	Held at fair value through OCI £000	Total book value £000
Trade and other receivables excluding non financial assets	13,639	-	-	**13,639**
Cash and cash equivalents	24,356	-	-	**24,356**
Total at 31 March 2023	**37,995**	**-**	**-**	**37,995**

Carrying Values of Financial Assets as at 31 March 2022

Carrying values of financial assets as at 31 March 2022	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	5,273	-	-	**5,273**
Cash and cash equivalents	33,303	-	-	**33,303**
Total at 31 March 2022	**38,576**	**-**	**-**	**38,576**

Note 38.3 Carrying Values of Financial Liabilities

Carrying Values of Financial Liabilities as at 31 March 2023

Carrying values of financial liabilities as at 31 March 2023	Held at amortised cost	Held at fair value through I&E	Total book value
	£000	£000	£000
Loans from the Department of Health and Social Care	12,823	-	**12,823**
Obligations under leases	18,754	-	**18,754**
Obligations under PFI, LIFT and other service concession contracts	7,038	-	**7,038**
Trade and other payables excluding non financial liabilities	42,829	-	**42,829**
Total at 31 March 2023	**81,444**	**-**	**81,444**

Carrying values of Financial Liabilities as at 31 March 2022

Carrying values of financial liabilities as at 31 March 2022	Held at amortised cost	Held at fair value through I&E	Total book value
	£000	£000	£000
Loans from the Department of Health and Social Care	14,079	-	**14,079**
Obligations under leases	4,321	-	**4,321**
Obligations under PFI, LIFT and other service concession contracts	7,286	-	**7,286**
Trade and other payables excluding non financial liabilities	34,232	-	**34,232**
Total at 31 March 2022	**59,918**	**-**	**59,918**

Note 38.4 Maturity of Financial Liabilities

The following maturity profile of financial liabilities is based on the contractual undiscounted cash flows. This differs to the amounts recognised in the statement of financial position which are discounted to present value.

	31 March 2023	31 March 2022
	£000	£000
In one year or less	48,100	37,000
In more than one year but not more than five years	17,409	9,712
In more than five years	21,223	21,442
Total	**86,732**	**68,154**

Note 39 Losses and Special Payments

	2022/23		2021/22	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
Losses				
Bad debts and claims abandoned	499	628	55	194
Stores losses and damage to property	12	39	12	28
Total losses	**511**	**667**	**67**	**222**
Special payments				
Compensation under court order or legally binding arbitration award	4	29	10	62
Ex-gratia payments	25	28	19	299
Total special payments	**29**	**57**	**29**	**361**
Total losses and special payments	**540**	**724**	**96**	**583**

Note 40 Gifts

During the 2022/23 financial year, the Trust did not receive any gifts, nor did it in 2021/22.

Note 41 Related Parties

The Rotherham NHS Foundation Trust is a corporate body established by order of the Secretary of State for Health.

The Trust is required, under International Accounting Standard 24 'Related Party Disclosures', to disclose any related party transactions. The objective of IAS 24 is to draw attention to the possibility that the reported financial position and results may have been affected by the existence of related parties and by material transactions with them. In the cases reported as related parties in year, all payments shown have been made by the Trust to the organisations concerned and not to the individual officers.

During the year the Trust entered into transactions with organisations with which key employees/directors of the Trust have some form of relationship. Only those bodies outside the Department of Health & Social Care parent body, are detailed below and are not considered material.

	31 March 2023 Income from Related Party	31 March 2022 Income from Related Party	**31 March 2023 Expenditure to Related Party**	31 March 2022 Expenditure to Related Party
	£000	£000	**£000**	£000
Royal College of Physicians	**-**	-	**10**	44
Marks and Spencer	**-**	-	**19**	19
Magna Enterprises Ltd	**-**	-	**12**	2
University of Sheffield	**30**	-	**-**	-
Total related party transactions	**30**	-	**41**	65

During the 2022/23 financial year, the following transactions were recorded as related parties, where a member of the Board was either related a person or persons employed by the organisation, is a Trustee or Director of the Board, or a member of the organisation:

£10k expenditure was incurred with the Royal College of Physicians on a clinical record and service review within the Gastro section.

£19k expenditure with Marks and Spencer was incurred to purchase vouchers for staff as an incentive to fill out the annual staff survey; Each member of staff was given a gift voucher totalling £4.00.

£12k was spent on a deposit with Magna to hold a Trust event.

£30k income was received by the Trust for research and development (£10k) and course fees (£20k).

Paragraph 25 of IAS 24 allows entities which are related parties because they are under the same government control to reduce the volume of the detailed disclosures. The Government Accounting Manual interprets this such that Department of Health and Social Care group bodies must disclose the Department of Health and Social Care as the parent department and provide a note of the main entities within the public sector with which the body has had dealings. During the year, the Trust has had a significant number of material transactions with other entities within the public sector. These entities are listed below:

- Rotherham Metropolitan Borough Council
- Her Majesty's Revenue and Customs (HMRC)
- NHS Pension Scheme

Note 42 Transfers by Absorption

There have been no transfers by absorption during the 2022/23 financial year, nor were there any in 2021/22.

Note 43 Prior Period Adjustments

There have been no prior period adjustments during the 2022/23 financial year, nor were there any in 2021/22.

Note 44 Events After the Reporting Date

At 31 March 2023, the Government had announced a formal pay offer to Agenda for Change unions for staff subject to Agenda for Change pay, terms and conditions. Whilst there was a pay offer on the table at the balance sheet date, it was voted on by unions during March and April, with some voting for and some against. In May however, the Government announced that they would impose the offer regardless of the outcome of the voting process carried out by the Unions.

The Trust accrued for the additional staffing costs within the figures shown on the face of the accounts, along with the central income from NHS England to meet these additional in-year costs (see Note 3.1).