NHS
The Leeds Teaching Hospitals
NHS Trust

ANNUAL REPORT AND ACCOUNTS

2021-2022

Contents

Overview

This section introduces the work of Leeds Teaching Hospitals NHS Trust. It sets out the Trust's core vision and values and highlights some of our strategic developments and achievements of the 2021/22 financial year.

Chair and Chief Executive's statement

As we write this Annual Report, in April 2022, it has now been more than two years since the first case of COVID-19 was recorded in the United Kingdom.

We've become used to working through a pandemic, but it is no less challenging. In the past year, surges in cases caused by the Delta and Omicron variants of COVID-19 have placed enormous demands on our services and staff and our capacity to offer timely care to every patient.

Our staff have been amazing. Resilient and resourceful in the face of unprecedented pressure, they continue to find new and innovative ways to work around the challenges this year has brought, to offer expert and compassionate patient care and to embody the spirit of the Leeds Way, the values that underpin everything we do at the Trust.

A lot has been asked of our patients too. Like elsewhere in the NHS, our need to respond to unplanned COVID-19 care and urgent care has left a backlog of patients waiting for elective treatment.

For everyone at the Trust – a place where we are passionate about delivering the very best for our patients – this weighs heavily on us. Over the past year, we have worked tirelessly with colleagues, the independent sector and partners in Leeds and West Yorkshire to use all available measures to ease the pressure on our hospitals and increase our capacity for planned care.

It is this teamwork, pulling together as a hospital trust and a community that offers so much hope for the future. We are entering a new phase of stabilisation, reset and recovery – learning from our response to COVID-19, protecting the health and wellbeing of our staff but recognising that in adversity we have also transformed our partnerships, systems and practices and we must continue to build on this.

The initiatives we are putting in place now will serve as models of excellence, benefitting patients for years to come. So too will our success in research, innovation and new hospital development – work that has flourished despite the trials of COVID-19.

We hope you enjoy reading more about our work in this year's Annual Report.

Collaboration and integrated care

As a Trust, we have a long and fruitful history of partnership working to improve health and social care for the people of Leeds and the wider region.

Collaboration produces fantastic results, as the COVID-19 vaccination programme shows. Bringing together the Trust as lead agency with partners in the primary, community, acute and independent sectors across Leeds it saw more than 1.6 million people vaccinated by the end of March 2022. The closure of the Elland Road and Thackray vaccination hubs this year was an opportunity to reflect on the success of joint working in pursuit of a shared goal.

Strategically, we are key partner in the West Yorkshire Health and Care Partnership, and contribute to its newly established Integrated Care Board. This aims to improve people's health and wellbeing by tackling inequalities in health and social care across the region, improving the quality of services and ensuring resources are used efficiently.

We are also part of the West Yorkshire Association of Acute Trusts, hospitals across West Yorkshire and Harrogate that are working closely together to ensure patients in the region have access to quality care. It is as a member of the West Yorkshire and Harrogate Pathology Network, formed through WYAAT, that we are transforming pathology testing and capacity, with state of the art systems and facilities that will benefit all partner hospitals.

At the Trust, our priority is ensuring patients receive timely care in the place that is right for them. This year, strong partnerships within our clinical services have been crucial in our elective recovery work following COVID-19. It has not been easy; our ability to make significant inroads into the elective care backlog was hampered by the Delta and Omicron variants that emerged in 2021, but we continue to seek solutions like our Elective Care Hubs, that protect elective care pathways, reduce waiting times for treatment and create more capacity for care.

A major focus of collaboration – both internally and with external partners - has been on improving our systems for discharging patients from hospital and moving them to a setting more suitable for their continued recovery or care.

The Trust is part of a national 'Discharge Taskforce' and internally, our teams have worked hard to introduce new processes to reduce discharge delays, including measures to discharge more patients by 4pm and developing a new Electronic Discharge Advice Note (launched in FY 2022/23). We have also rolled out a number of initiatives with health and social care partners across Leeds to improve patient flow and the city-wide system for integrated care after discharge.

Our collaboration with partners is making a difference to our capacity for patient care within the Trust and will see us performing far more elective work and reducing waiting lists during 2022. More than this, it is making quality health and social care accessible to more people in Leeds and embedding best practice as standard for the future.

You can read about partnership working in more detail on page 11.

Patient safety and high quality care

The Trust has always been proud to deliver excellent patient care. This year, however, our ability to do this within nationally agreed timescales has been severely compromised by COVID-19 and patients are waiting a long time for treatment.

We understand patients' frustrations in this difficult year. We feel them too. We have worked hard within our hospitals and with partners in health and social care across the city and region to balance the demands of emergency and planned care and reduce our waiting lists. This has included:

- expanding our theatre capacity, and our MRI and CT scanning;
- providing day case surgery for suitable patients, and weekend surgery in some specialties;
- working with the independent sector on a national contract that enables more operations and diagnostic work to be undertaken in the independent sector;
- developing Elective Care Hubs, at Wharfedale and Chapel Allerton hospitals, to offer 'protected' planned care for patients throughout the year;
- continuing to work with partners and providers on improving discharge for patients who no longer need to be cared for in hospital.

During the past two years, alternative ways of accessing care have become vital for patient safety. This year for example we offered an increasing number of video appointments. We are embedding technology in our working practices, particularly in Outpatients as it offers patients more choice and flexibility. We have launched a new appointments hub, allowing patients to book and amend their own appointments and begun transformative work in Outpatients to enable eligible patients to manage their follow-up care.

We also want to ensure our hospitals are the highest quality, welcoming patient environments. This year, we spent more than £100 million on capital investment, a record expenditure. Work on preparing for our new-build adults' hospital, and bespoke Leeds Children's Hospital continued this year, both of which will be designed around our patients' needs.

None of the above could be achieved without engaging with our patients to help us make meaningful change across our services. A fantastic example is our award-winning Partner Programme, which involves patients in Quality Improvement work across the Trust. This year we've explored how to expand it so patients and the public can become Patient Safety Partners, following a strategy published by NHS England/Improvement. Working together with patients on safety will make a tangible difference to how we plan and deliver care.

Patients and carers continue to share their experiences of Trust care in a variety of ways, including national surveys, and we were delighted by the results of a new survey this year. In the first under 16s National Cancer Patient Survey, run by NHS England/Improvement, 95% of parents or carers rated the overall experience of their child's care at the Trust as 8 or more out of 10. Results like this underline the dedication of our staff to provide the best patient care, even in the most challenging times.

Best place to work

More than 20,000 staff work at the Trust. We're a community, where everyone plays a vital part in our large and complex organisation.

We have fantastic staff. They have faced huge challenges with resilience, determination and compassion, balancing the pressures of providing emergency and elective patient care. Their health and wellbeing is a major focus of our reset and stabilisation work, and we have been learning from experiences during the pandemic to introduce measures and resources to support colleagues and empower them to deliver the best patient care.

Our Leeds Way values – that we are patient-centred, fair, accountable, collaborative and empowered – are at the heart of who are we and what we do at the Trust. Devised in 2014 in collaboration with our staff, we will be revisiting them next year so they continue to reflect how we approach the challenges that lie ahead.

Listening to and learning from our staff has been crucial. We were pleased that this year's Staff Survey attracted the largest response since we started conducting a full census survey. Our Staff Friends and Family Test, Pulse and Wayfinder questions also enable us to gather vital feedback on the environment and working life at the Trust, and to make meaningful change as a result – like our new team-led, collaborative Flexible Working Procedure.

We strive to be an inclusive, welcoming and kind organisation and have taken part in initiatives to tackle big issues and make sustainable changes to the culture of the Trust. The Trust is part of #WYHRootOutRacism, a regional campaign bringing together the NHS, councils, Healthwatch and the voluntary, community social enterprise sector to highlight and confront structural and institutional racism. We were proud to launch an anthology of our staff's experience of racism in the NHS, Amplifying Voices, Mending Divides. This is a hugely important step towards understanding how we can all overcome racist behaviours.

Another indication of true diversity and inclusivity is representation at all levels of the Trust. We were particularly excited to welcome a second group of aspiring leaders to our Reciprocal Mentoring Programme this year. This brings together Trust Senior Leaders to mentor and train Black and Minority Ethnic staff who seek to become leaders within the organisation.

Research, innovation and education

The Trust is at the vanguard of research and innovation, both in the UK and around the world. Working with the University of Leeds, Leeds Beckett University and other key partners in science, healthcare and medical technology we are pioneering treatment and care, advancing preventative medicine and tackling some of the health inequalities facing communities today.

In 2021/22, we recruited more than 22,000 participants to 365 research studies. Of these, 19,694 were recruited into National Institute for Health Research (NIHR) studies, placing us among the top five recruiters into research nationally, according to NIHR metrics.

We've had some notable research successes this year, and you can read about them on page 42. With our partner the University of Leeds, we were delighted to be awarded £8.7 million from the NIHR to fund our purpose-built Clinical Research Facility (CRF) at St James's University Hospital for a further five years. The facility, which opened in 2020, supports the delivery of early phase clinical research and has played a major role in the response to COVID-19. This major award will transform experimental medicine research in Leeds and unite the NIHR Leeds CRFs across the city under one umbrella.

We also launched the Leeds Cancer Research Centre. An ambitious collaboration between the Trust and the University of Leeds it brings together experts from a range of disciplines to tackle some of the greatest challenges facing cancer research today and will put the Trust at the forefront of cancer research.

Our work in innovation has really taken off this year and is cementing the Trust's position as a cornerstone of the Leeds Innovation Village. This is a strategic partnership between the Trust, the Leeds Universities, Leeds City Council and the private sector to create a world-class hub for healthcare, industry partnerships, innovation and research.

One of the highlights of the year was the launch of our new, award-winning Innovation Pop-Up, based at Leeds General Infirmary. This is already attracting considerable interest from science, technology and engineering industries and will play a major role in developing new products and services to benefit patients in the UK and globally.

You can read more about our innovation work on page 11.

As one of the largest teaching hospitals in the UK, the Trust runs one of the most comprehensive medical education programmes in the NHS. We have more than 1,000 doctors in training and will have delivered more than 2,000 medical student placements in this academic year.

We welcome international nursing colleagues to the Trust, and those returning to practice. This year, we became the only NHS hospital trust in the country to become a test centre for nurses and midwives across the country to demonstrate their knowledge and professional skills against the Nursing and Midwifery Council standards of proficiency. This will make a major contribution to bringing more nurses and midwives into the NHS.

Financial sustainability

Delivering the best possible healthcare for our patient relies on having stable, sustainable finances. For the fifth year in a row, and despite difficult circumstances we were delighted to achieve a surplus of £5.9 million in the last year. This is the result of a commitment across the Trust to reduce waste and work in the most efficient ways for our patients.

One of the ways we have achieved such success is via our partnership with the Virginia Mason Institute (VMI) to apply the Leeds Improvement Method (LIM) across our hospitals. This is a strategy of continuous improvement, focused on quality and safety in patient care by removing wasteful, inefficient systems and processes. We're moving into a new era with the LIM and you can read about it on page 9.

Our ambition is to become the most efficient teaching hospital Trust in England. Over the past year, our work within the Trust and with our partners has continued to bring us closer to our goal - improving our working practices and systems to secure the best care for patients.

The past year has given us much to reflect on. There is no doubt it has tested us, but it has also brought huge opportunities for improvement, to transform our services and patient care as we move into the next phase of our strategy to be the best hospital Trust for specialist and integrated care.

We are grateful to all our staff and would also like to thank our partner charity, Leeds Hospitals Charity, which has given £4.5 million in grants this year, helping to fund the highest quality treatment and care for our patients, including projects at Leeds Children's Hospital. We are grateful for their continued support and you can read about their work on page 95.

We have continued to push boundaries and innovate, earning praise and interest from the highest reaches of Government and the healthcare system. You can read more about this in Notable Visits on page 20.

To our staff, and our patients: thank you.

Dame **Linda Pollard** *DBE Hon.LLD*
Trust Chair

Sir Julian Hartley
Chief Executive

Congratulations to Julian, who was awarded a Knighthood in the Queen's Birthday Honours 2022.

About us

Leeds Teaching Hospitals is one the largest and busiest acute hospital trusts in Europe. The Trust provides healthcare and specialist services for people from the city of Leeds, the Yorkshire and the Humber region and beyond. We play an important role in the training and education of medical, nursing and dental students, and are a centre for world-class research, innovation and pioneering new treatments.

The Trust has a budget of £1.4 billion and employs more than 20,000 staff. Last year, we treated more than 1.7 million patients, including 195,432 inpatient admissions, 1,124,649 outpatient attendances and 234,096 attendances in our Emergency departments.

Our care and clinical expertise is delivered from seven hospitals on five sites, and they are all joined by our vision to be the best for specialist and integrated care.

Our hospital sites

- Leeds General Infirmary (LGI)
- St James's University Hospital (including Leeds Cancer Centre)
- Seacroft Hospital
- Wharfedale Hospital
- Chapel Allerton Hospital
- Leeds Children's Hospital
- Leeds Dental Institute

Our services

We are committed to providing our patients with the very best care across all of our services.

Our services include:

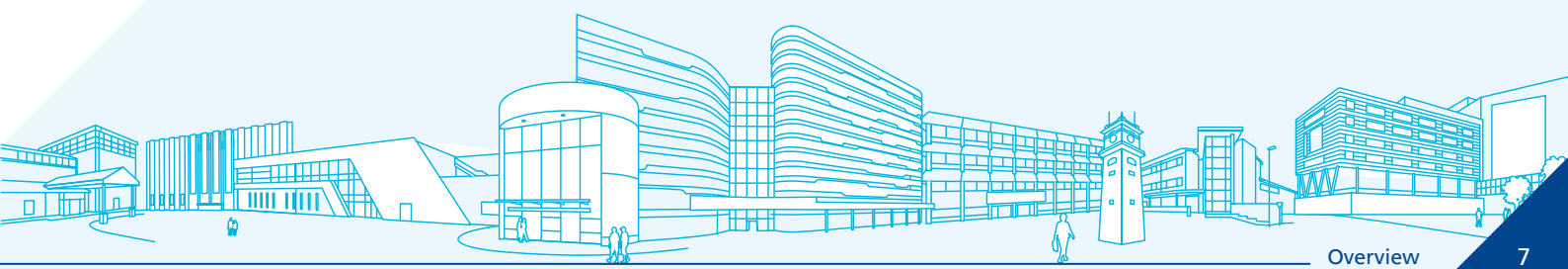
- High quality and effective hospital services for our community in Leeds, such as two Emergency Departments, outpatients, inpatients, maternity and older people services;
- Highly specialised services for the population of Leeds, Yorkshire and the Humber, nationally and beyond.

This means that people in Leeds have access to some of the very best care in the country and benefit from a seamless provision of all services.

We operate a clinically-led structure, which means that doctors, nurses and other healthcare professionals make the decisions on how we run our services. Our Clinical Service Units (CSUs) deliver our services and are led by a triumvirate team, including a Clinical Director, a Head of Nursing or Profession and a General Manager.

Each CSU has its own clinical focus and is responsible for delivering the highest standards of quality, safety and financial performance for its service. Providing high-quality care and running effective services is very much a team effort.

It means we can attract specialists at the top of their disciplines and enables us to offer our patients the very latest in drug trials, therapies and treatments. Evidence suggests that for many complex conditions patients will have a better outcome if they are seen by a specialist in a place with the best equipment and expert staff available.



Our vision and values - The Leeds Way

Leeds Teaching Hospitals is committed to delivering the highest quality and safest treatment and care to every patient, every time.

Our vision is to be the best for specialist and integrated care.

Our staff helped to define the values and behaviours that we should work to so that we can achieve this vision. This has become known as The Leeds Way, and forms the foundation of our culture, our ethos and how we work every day.

Since its launch in 2014, The Leeds Way has become embedded in everything we do at the Trust. We have received positive feedback from the Care Quality Commission about how it filters through every part of our organisation, and it has seen us improve year on year on staff engagement in the staff survey.

The Leeds Improvement Method

The Leeds Improvement Method (LIM) remains the foundation of our improvement work here at Leeds Teaching Hospitals NHS Trust. The philosophy of LIM is that everyone working in our hospitals feels empowered to make improvements in their daily work, bringing the benefits of a safe, high quality experience to every patient and every member of staff.

The work to put the LIM into practice is overseen by the Kaizen Promotion Office (KPO), which provides the structure and methods to train, monitor and develop others to use LIM concepts to identify and remove waste in their systems and processes, to deliver high quality, efficient services which secure the best value for our patients.

In the face of challenges associated with the pandemic, the LIM has remained instrumental for the Trust, supporting a collaborative and creative approach to ensure the best service delivery. While our philosophy remains undiminished, we have adapted the application of our LIM concepts to better suit the pace of change needed around our organisational priorities.

Patient flow remains one such priority and alongside city partners the LIM has provided the framework for designing, testing and putting into practice a Transfer of Care Hub to ensure patients are able to leave our hospitals without delays to a destination that meets any on-going health and care needs.

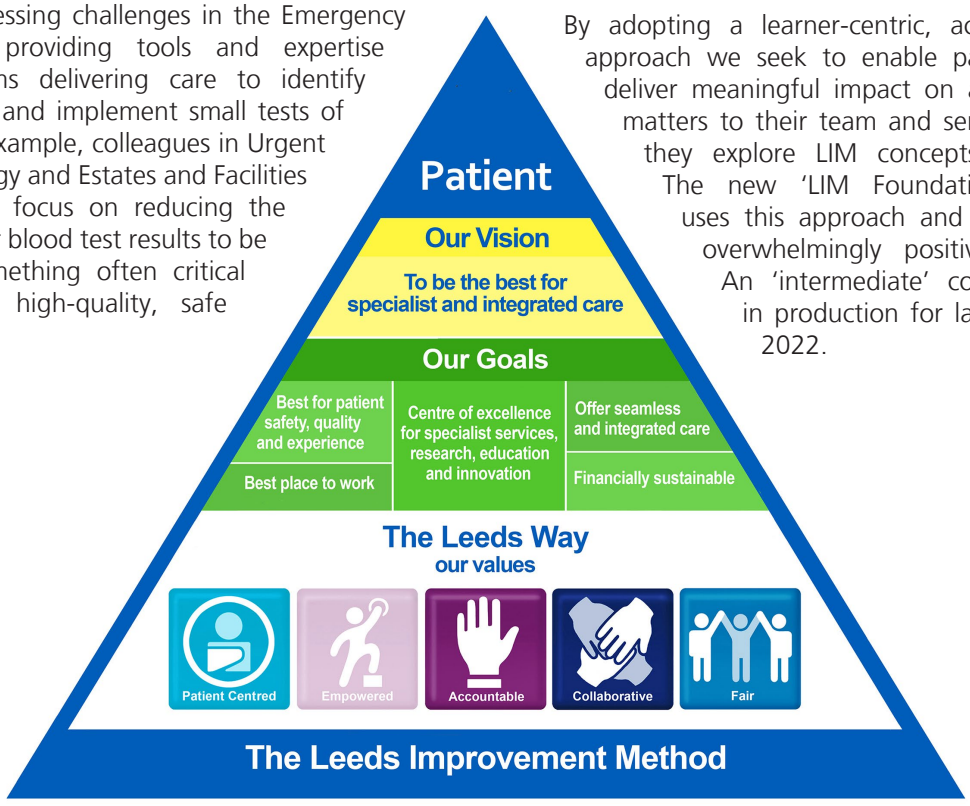
The Method has also formed the basis for internal projects addressing challenges in the Emergency department, providing tools and expertise for the teams delivering care to identify opportunities and implement small tests of change. For example, colleagues in Urgent Care, Pathology and Estates and Facilities connected to focus on reducing the time taken for blood test results to be available, something often critical to providing high-quality, safe patient care.

Our CSUs continue to build their confidence with the LIM, often working independently to deliver meaningful and sustainable improvement. Excellent examples of the LIM in action are shared by colleagues from across the organisation via our Friday Report Out learning forum, as well as by CSU leaders in our weekly Executive-led LIM accountability meeting.

This local success has prompted us to think differently about how we might maximise the spread and impact of LIM. Consequently, this year we will re-structure our KPO team, creating new roles within each CSU for dedicated LIM practitioners who will support local improvement activities. Each practitioner will be connected to the central KPO faculty to access training and guidance, as well as to ensure improvement projects are interconnected and aligned with Trust priorities. These changes should enhance the pace at which all CSUs can develop LIM capability and capacity.

Our formal partnership with NSE England/ Improvement and the Virginia Mason Institute ended in March 2021, which was an opportunity to complete a thorough review of the LIM education and training programme. Integrating feedback from a wide range of stakeholders as well as the latest academic knowledge from adult education, the training now has a new format and approach that is more sensitive to our organisational context and Leeds Way Values.

By adopting a learner-centric, action-research approach we seek to enable participants to deliver meaningful impact on an issue that matters to their team and service users as they explore LIM concepts and tools. The new 'LIM Foundations' session uses this approach and has received overwhelmingly positive feedback. An 'intermediate' course is now in production for launch later in 2022.



In parallel with this new curriculum design and implementation we have continued to support participants to complete their Lean for Leaders training. It has been fantastic to witness how they have applied LIM concepts to their areas of work and the cumulative impact of this, despite the operational challenges of the past 12 months.

Reflecting on the year provides a welcome opportunity to appreciate the breadth and depth of the improvement delivered by colleagues across the Trust using the Method. As we look ahead, we believe our new operational strategy and educational approach will enhance even further our collective ability to use LIM to understand, deliver and improve the services we offer.

Building The Leeds Way

It's been a busy year for Building the Leeds Way, the Trust's exciting plans for revitalising healthcare for patients in Leeds, Yorkshire and beyond.

We're building two distinct Hospitals of the Future - one for adults and a new home for Leeds Children's Hospital as well as a new maternity centre - in one building at Leeds General Infirmary.

Working closely with the Government's New Hospitals Programme (NHP) construction of our new hospitals is expected to begin in 2024 with completion planned between 2026 and 2028 as part of the Department's New Hospitals Programme commitment to deliver 40 new hospitals by 2030.

We were one of the first six hospital trusts to be allocated a share of £2.7 billion funding as part of the Government's Health Infrastructure Plan (HIP) - a five-year programme of investment in health infrastructure, including capital to build new hospitals, modernise primary care estate and invest in new diagnostics and technology.

Our Building the Leeds Way programme has Hospitals of the Future at its core, but it also includes the creation of a new state of the art pathology laboratory at St James's University Hospital to serve hospitals in Leeds, West Yorkshire and Harrogate with cutting edge equipment and specialist technology designed for fast, accurate, routine and specialist testing.

Hospitals of the Future will also be the catalyst for a new Innovation Arc in Leeds City Centre, releasing the potential of five hectares of surplus estate to develop a world class hub for research, innovation and technology in life sciences (see Innovation section on page 11).

This past year has seen significant progress on the LGI site with the demolition of buildings and the appointment of architects, engineers and other specialists to design the hospitals. There was also a site visit from the Prime Minister and Secretary of State for Health and Social Care - as well as a virtual visit by the Countess of Wessex, patron of Leeds Children's Hospital.

Some of that progress is now visible at the LGI site where demolition has been completed and shows the large area which will host the new hospitals.

Some services on the demolition site have had to be relocated, like the Hearing and Balance Centre which has transferred into new facilities at Seacroft Hospital.

In May HRH the Countess of Wessex, who is patron of Leeds Children's Hospital, spoke to children and parents via a virtual visit to hear their ideas on what they would like to see in the new hospital. The Countess also heard about the planned fundraising appeal by Leeds Hospitals Charity which aims to fund the latest medical equipment and support life-saving research for patients in the new Children's Hospital.

In September, following an international competition, the Trust appointed architects Perkins&Will to design the new hospitals, and they have already begun "road testing" their latest concepts through engagement sessions with patients, clinicians and wide range of stakeholders. A full programme of engagement is set to continue throughout 2022 and beyond.

Perkins&Will's initial designs have a link back to the inauguration of the original Leeds General Infirmary by Prince Albert in 1869 - a key aspect which included nature in the healing process by ensuring patients got plenty of light and air.

Daylight, views and greenery have all been incorporated into the latest concept designs with their ability to help relieve stress and support recovery – a nod to the original building design.

The architects have also planned a rooftop plaza with gardens including local plants and trees that are inspired by the local landscape for patients and staff to enjoy.

The plans aim to make the new hospitals among the most sustainable in the UK by being energy-efficient, net-zero carbon and using sustainable construction methods and materials.

The new hospital development was given a boost in October when the Prime Minister and Secretary of State for Health and Social Care visited the site to

hear about the proposals, view the concepts, and meet clinical staff and patients. They went away impressed by the progress and the vision for the new hospitals.

Engagement on the new designs began in early 2022 with patients contributing their comments and views which were captured by illustrators through a series of visuals. These important sessions will continue throughout 2022 with insights from patients and patient groups being fed into the final design discussions.

In February 2022 the new pathology laboratory at St James's University Hospital was given the final go-ahead with the approval of the Full Business Case from the Department of Health and Social Care. Construction partners BAM then moved onto the site to begin building the new facility which will be ready in the summer of 2023 and operational by the Autumn of that year.

Innovation Village and Pop Up

Building the new hospitals will go beyond the delivery of excellent patient care and will also unlock five hectares of surplus estate to make a lasting and sustainable impact on the economy of Leeds and the region by creating around 3,000 jobs and delivering up to £11.2 bn in net present value as part of a new Innovation Village for Leeds.

An Innovation Pop Up at Leeds General Infirmary was launched in April 2021, led by Professor David Brettle, Chief Scientific Officer at the Trust and Liz Mear, Managing Director of the Leeds Academic Health Partnership. The Pop-Up is the first phase in establishing the Innovation Village and will foster collaboration on health innovation between entrepreneurs and innovators at the Trust, and the development of ideas that could benefit patients. It offers access to clinical teams, tailored business support and resources and open-plan workspace.

In the past 12 months we have engaged with more than 160 businesses, 100 clinical staff and have initiated 10 projects with a further 40 in the pipeline.

The Mayor of West Yorkshire, Tracy Brabin has praised the Innovation Pop-Up for promoting collaborative working between sectors that will help to position Leeds City Region as the engine for health innovation. It has also received an Excellence in Healthcare, Science and Innovation Award and praise from the Chief Scientific Officer for England, Professor Dame Susan Hill in fostering new technologies.

Partnership working

Across Leeds and West Yorkshire, achieving the highest quality, timely care for patients in the place that is best for them relies on collaborating as part of a system-wide health and social care network.

The Trust is part of the West Yorkshire Health and Care Partnership (WYH&CP), named as the Health Service Journal's Integrated Care System (ICS) of the Year 2021. The ICS brings together the NHS, councils, hospices, Healthwatch and the voluntary community social enterprise sector to plan and deliver a strategy to address the health, social care and public health needs of more than two million people across the region.

In 2022, this partnership will be formalised on a statutory basis, with a newly-established Integrated Care Board (ICB) The ICB will be able to commission primary health services - replacing Clinical Commissioning Groups - and create local 'place' based committees to plan care where appropriate. As a key partner in the WYH&CP, the Trust will contribute to the ICB and to its Leeds city committee, the Leeds Place Based Partnership.

We will be working with partners to realise the Healthy Leeds Plan, a five-year plan to create models of care that will reduce health inequalities in Leeds, drive health improvements, and meet future demand for services within our future estate.

The West Yorkshire Association of Acute Trusts (WYAAT) is a key regional alliance within the WYH&CP. The Trust is one of six acute hospital trusts across the region that are part of WYAAT, collaborating at regional level to plan and deliver high quality, cost-effective patient care. In the past year, our response to and recovery from the COVID-19 pandemic has seen us sharing expertise and resources to maximise the efficiency of our planned care processes and increase capacity where possible.

Tackling the backlog of elective care was a key focus last year, within the Trust, with our WYAAT partners and with the health and social care sector across Leeds. As a result of the pandemic, thousands of patients are waiting for planned care, and our work to address both immediate need and find long-term solutions has called for innovation and new approaches.

At the Trust, one of the highlights was our Super Saturday event in March 2022. One of two run by the National Paediatric Accelerator Programme, this brought together Leeds Children's Hospital and other leading specialist children's hospitals around the country to run clinics and additional theatres to help reduce waiting times for treatments.

We also worked with health and social care partners across Leeds on initiatives like a Multi-Agency Discharge Event, and the Transfer of Care Hub, both of which are testing new ways to co-ordinate our collaboration and improve the city-wide system for integrated care after discharge.

Making sustainable improvements to our systems for managing capacity and flow requires long-term thinking and our work will continue over the next 12 months and beyond, both at the Trust and with city and regional partners.

Regionally, collaboration is driving forward exciting developments. In the last year, the West Yorkshire and Harrogate Pathology Network, part of WYAAT, saw construction begin on a brand-new, purpose-built pathology laboratory at St James's University Hospital. This will offer fast, accurate testing services for WYAAT hospitals and specialist testing to meet the growing need for more specialist services in the region.

One of the region's priorities is improving care and outcomes for patients with cancer. Together with the University of Leeds, the Trust launched the Leeds Cancer Research Centre in February 2022, with the aim of transforming cancer detection, diagnosis and treatment. The Trust Chief Executive, Sir Julian Hartley is one of two Chairs of the West Yorkshire and Harrogate Cancer Alliance. This is a partnership between hospital trusts, health and social care organisations which aims to transform the diagnosis, treatment and care of cancer patients in their local area.

During the past year, the alliance has had a number of significant achievements. These include accelerating the development of PinPoint blood testing, a new, AI-based test that can help to identify a patient's cancer risk; beginning a review of the breast cancer diagnostic pathway; developing an improved service model for non-surgical oncology and championing the role of service-user involvement in improving local cancer services.

Our expertise is recognised at national level, and we have a voice in health and social care strategy, and its planning and delivery. Trust Chair Dame Linda Pollard is working with General Sir Gordon Messenger to lead a significant piece of work to review management and leadership in the NHS and social care sectors: the Review of Health and Social Care Leadership in England. It aims to strengthen management and leadership across all levels, benefitting staff and patients alike.

In 2021, Sir Julian Hartley was appointed by the Secretary of State for Health as a non-executive director with the Department of Health and Social Care. The board is the collective strategic and operational leadership of the department, supporting and advising ministers and the department on strategic issues and overseeing risks and performance in the department.

Finally, but no less importantly, the Trust actively seeks to build meaningful partnerships with our patients. During the pandemic, we worked alongside partner organisations to listen to the views of people using health and social care services. This work, part of a programme called 'How Does It Feel to Be Me' and with the Leeds People's Voices Group, added to the involvement of patients in our quality, safety and new hospital design work and will ensure our care is truly patient-centred.

The year in review

Despite the challenges, it's been another year of fantastic achievements for the Trust and our staff, who work tirelessly to ensure patients receive the best possible care. From clinical firsts and ground-breaking research, to brand-new facilities and advances in care, the highlights below are just a snapshot of our successes this year.

We've also welcomed a number of high-profile visitors to the Trust to find out more about our work. These are covered in more detail in Notable Visits, on page 20.

You can find out more at www.leedsth.nhs.uk or by following us on Facebook and Twitter.

April 2021

The Trust gave out a special medal to all staff in recognition of their hard work and commitment to patient care during the COVID-19 pandemic, one of the most difficult years in the Trust's history. The medal was just one of the ways to thank our staff for rising to the demands of highly pressurised environment across our hospitals. We are truly grateful for their dedication and support.

Green-fingered staff had the opportunity to learn useful gardening tips from the experts at the Royal Horticultural Society Harlow Carr Gardens during National Gardening Week. The partnership between the Trust and the RHS aimed to help staff relax and re-energise by getting in touch with their gardening roots and included a chance to win a day out at Harlow Carr.

May 2021

The Trust launched **Shape Up 4 Surgery**, a new campaign to support patients who are waiting for surgery to get in the best possible shape, both physically and mentally.

The campaign highlights how staying active and healthy can reduce the time spent in hospital after surgery and has a positive impact on recovery time. More details can be found at www.shapeup4surgery.co.uk.

The Hearing and Balance Centre at the LGI moved to a new, £2.1 million unit at Seacroft Hospital. Now known as the Hearing and Balance Service, it offers hearing assessments and high-quality hearing aids to children and adults in the Leeds area, in an environment designed around patients' needs.

June 2021

It was glitz and glamour at the Empress Ballroom for **Strictly NHS** (now Dance Floor Heroes), which saw Adam Wilson from the Trust's Safeguarding team crowned champion with his professional partner Amy. Twelve NHS colleagues from across the country were paired with professionals and underwent weeks of training before taking to the dance floor in front of a live audience and panel of judges. The night was a celebration of the NHS during the COVID-19 pandemic and raised more than £10,000 for its NHS charity partner, Blue Skies.

In a first for the Trust and the Health and Care system, we welcomed six **new Healthcare Cleaning Operative apprentices** on a brand-new apprenticeship standard run in partnership with Leeds City College. The apprenticeship is part of the 'Achieve Your Potential' career pathway.

We have 856 apprentices in 41 different programmes across the Trust, gaining skills and experience for rewarding careers. We're very proud to have won the Best Apprenticeship Scheme at the Chartered Institute for Personnel Development People Management Awards 2021.

July 2021

The Trust's COVID-19 PCR testing laboratory reached an impressive milestone in July, completing an amazing 502,061 tests. The achievement demonstrated our testing capacity and how Leeds Microbiology has been leading the way in rapid, high through-put testing throughout the COVID-19 pandemic.

We hosted our annual, and much-anticipated, **Time to Shine awards**. One of the highlights of the year, this was a fantastic opportunity to celebrate the hard work and achievements of teams and staff members across the Trust. The awards were virtual this year but no less exciting, with a magician, live bands and a DJ.

August 2021

The Trust is proud to be a part of a major movement to tackle racism, which was launched this month. **Root Out Racism** was created by more than 100 ethnic minority colleagues in the West Yorkshire and Harrogate Health and Care Partnership (WY&H HCP) and is a collaboration between the WY&H HCP and the West Yorkshire Violence Reduction Unit.

Supported by nearly 500 organisations and allies across the region, the movement aims to challenge racism across all aspects of society, including structural and institutional racism as well as addressing health and social inequalities across the area.

September 2021

In a first for the UK, two patients underwent a pioneering, new treatment for liver cancer as part of a trial led by the Trust in partnership with Newcastle Hospitals NHS Foundation Trust.

The Trust is the first location in the UK to enrol patients to the US-based **HistoSonics' #HOPE4LIVER study**, a revolutionary approach to treating liver cancer that uses histotripsy, a form of therapeutic, focused ultrasound to target liver tumours without the need for invasive incisions or needles. Delivered to a patient at the Trust in just under seven minutes, it is hoped the technology will become more widely available for eligible patients across the UK following a successful trial.

Leeds' ambitions to become a world-leader in medical innovation came a step closer with the launch of **The Centre for HealthTech Innovation**. A collaboration between the Trust and the University of Leeds, it draws on the expertise of scientists and clinical academics, and partners from the Leeds City Region to speed the development and adoption of new health technologies to address some of society's biggest health issues.

A £5 million fundraising appeal launched by Leeds Hospitals Charity to build a **brand-new centre for people with Motor Neurone Disease** (MND) raised an incredible £12,000 in its first few hours, thanks to the support of Leeds Rhinos player Rob Burrow.

Rob, who was diagnosed with MND last year, is cared for at the Trust's current MND service at Seacroft Hospital. Along with his family, he is spearheading the appeal for The Rob Burrow Centre for Motor Neurone Disease, bringing together the Trust's services for people with MND in a bespoke environment where patients will have access to range of holistic support tailored to their needs.

October 2021

Trust staff shared their personal insights on racism in the NHS in an important new anthology, **'Amplifying Voices, Mending Divides'**. Contributions explore themes of inequality, discrimination and racism through several media, including personal stories, creative non-fiction and poetry. The book is intended as an important step in hearing people's voices, building trust and enabling everyone at the Trust to thrive.

The Trust took an important step towards becoming one of the greenest NHS Trusts in the UK by becoming the first to become **Carbon Literate**. The Trust's Sustainability Team worked with the Carbon Literacy Project on a new training initiative focused on healthcare and the NHS, teaching staff about the impact of climate change in healthcare and how to meet targets to tackle it. Our Estates and Facilities senior team were the first in the Trust to be trained, and the first in the UK to become officially Carbon Literate.

November 2021

Trust patient Mr Stephen Peech became a Guinness World Record holder for the **Longest Working Pacemaker** (present day), having had his pacemaker for 37 years and 281 days at the time of the award. The pacemaker was fitted by Dr Gordon Williams and physiologist Wanda Harvey, who retired in 2021.

The Trust's **breast imaging service** became the first in the UK to introduce artificial intelligence (AI) technology to evaluate the technical quality of mammograms. The team worked with software company Densitas to ensure the software meets the high image quality standards required by the NHS Breast Screening Programme.

The technology gives mammographers instant feedback on the quality of an image taken, so issues can be flagged at a patient's appointment. This will have huge benefits for patients, reducing recall rates and enabling images to be interpreted with more accuracy.

Prestigious awards for our teams this month proved again that the Trust is committed to sustainable healthcare. An emergency and general surgery team at the Trust were crowned winners of the **Green Surgery Challenge 2021** for their project to use a gasless procedure for laparoscopic appendectomy, forecasted to save 110.3 tonnes of CO2e and £88,695 a year.

The Sustainable Theatres Group also competed against 20 other healthcare providers worldwide to win the Silver Award in the Healthcare category for **Environmental Best Practice at the Green Apple Environment Awards** for our work to reduce the carbon footprint of anaesthetic agents, helping to lower the Trust's overall carbon emissions by 3.9%.

December 2021

Leeds Children's Hospital became the first children's hospital in the world to be given the status of '**centre of excellence in supportive care**' by the Multinational Association of Supportive Care in Cancer (MASCC).

The MASCC programme aims to promote and recognise oncology centres around the world that demonstrate best practices in supportive cancer care, for example managing infections, nutrition, physiotherapy, emotional and social support.

A new **Radiology Clinical Skills Facility** opened at Seacroft Hospital, thanks to our

Radiology and Planning teams, who worked with the University of Leeds and Agfa Radiology Solutions to set it up. The new facility allows students to learn in an active radiology department, putting Leeds firmly on the map as a place to study radiology and work once qualified.

January 2022

Congratulations to Dr Kerrie Davies, Healthcare Associated Infections Research Group, Microbiology who was awarded the Chief Scientific Officer's UK **Healthcare Scientist of the Year 2021**, for her contribution to the national COVID-19 testing programme and to infectious disease research.

We joined with NHS England and partners across the local health and care system to hold a **Multi-Agency Discharge Event** across our adult inpatient wards, to escalate discharge delays and work together to get patients home. This was a vitally important piece of work to ease the pressure on our hospitals and improve patients' experience.

February 2022

World Cancer Day on 4 February marked the launch of an ambitious venture to put Leeds at the cutting edge of cancer research and treatment. **The Leeds Cancer Research Centre** is a partnership between the Trust and the University of Leeds which brings together experts from a range of disciplines, clinical practice and innovative health interventions to tackle some of the greatest challenges facing cancer research today.

The Centre aims to transform the prevention, diagnosis and treatment of cancer; tackle cancer-related health inequalities and improve patient outcomes in Leeds, Yorkshire and across the world.

The **Elland Road COVID-19 Vaccination Centre** marked one year since opening in February. In that time, the team has given more than 450,000 vaccinations to people in Leeds and the area, more than a quarter of the total vaccinations delivered across Leeds.

The Trust was delighted to be awarded £8.7 million by the National Institute for Health and Care Research (NIHR) to fund its **Clinical Research Facility**, the NIHR Leeds CRF, for five years. This will support transformative work in experimental medicine research, driving forward innovation and supporting the translation of exciting discoveries into new treatments for patients.

Go-ahead for a **state of the art pathology laboratory** to serve Leeds, West Yorkshire and Harrogate was given by the Department of Health and Social Care. The new laboratory, part of the West Yorkshire and Harrogate Pathology Network and formed through the collaboration of the West Yorkshire Association of Acute Trusts (WYAAT) will provide cutting-edge testing services, including specialist testing, for hospitals across the region.

Congratulations to Dame Linda Pollard, Chair of the Trust, who was awarded the honour of Dame Commander of the Order of the British Empire for her services to healthcare, and in recognition of her unbroken contribution to the community. Dame Linda, who has also been named as the Woman of the Year 2021 by the Yorkshire Society, received her medal of honour in person from HRH The Prince of Wales.

March 2022

On 5 March, a hugely successful **Super Saturday** event at Leeds Children's Hospital was part of a national drive to run additional clinics and complete surgery to reduce waiting times for young patients. Part of the Paediatric Accelerator Programme, it was designed to boost the boost the recovery of children's healthcare following the COVID-19 pandemic. We also showcased innovations in care like Virtual Reality Distraction Therapy, which aims to provide distraction and reduce anxiety during medical procedures.

The Trust's pioneering **Innovation Pop-Up**, based in the historic Sir Gilbert Scott building at Leeds General Infirmary won the research and innovation category in England's Chief Scientific Officer's Excellence in Healthcare Science Awards. The Pop-Up promotes joint working between clinicians and entrepreneurs to transform advances in science, technology and engineering into products and services that can solve healthcare challenges in the UK and around the world. Since launching in September 2021, it has worked with 150 companies and identified 30 collaborations and 10 funding opportunities, earning praise from the Chief Scientific Officer for fostering 'impressive new technologies.'

Notable visits

During the year, the Trust had a series of high-profile visits, including from prominent national leaders and a Royal Patron. These visits are a valuable opportunity for the Trust to showcase our work and reflect the Trust's importance and influence within the NHS, not just regionally but also on a national level.

All visits to the Trust hospital sites adhered to strict infection prevention protocols.

May 2021

HRH The Countess of Wessex met the Trust Chair, Dame Linda Pollard, young patients and staff in a virtual visit to hear about the exciting plans to build a bespoke, new Leeds Children's Hospital on the site of the Old Nurses' Home at Leeds General Infirmary (LGI).

Her Royal Highness, who is Patron of Leeds Children's Hospital spoke to children and parents to hear their ideas on what they would like to see in the new hospital design.

The new Leeds Children's Hospital, and the new adults' hospital that will also be built on the site are known as the Hospitals of the Future programme.

June 2021

The **Chair of NHS England, Lord Prior and the National Director of Clinical Improvement for the NHS, Professor Tim Briggs CBE** visited the Trust to learn about the fantastic work we are doing to re-establish our services following the COVID-19 pandemic.

It was also an opportunity to virtually update Lord Prior on the Trust's Innovation Pop-Up, which aims to advance a culture of innovation at the Trust and will contribute to the development of an Innovation District in Leeds.

September 2021

The Trust welcomed **Natalie Forrest** to the Building the Leeds Way offices. Natalie is the Senior Responsible Officer for the New Hospital Programme at the Department of Health and Social Care and is leading the Government's plans to build 40 new hospitals by 2030. At the meeting, the team shared an overview of the Hospitals of the Future programme, our Future Pathology programme, the development of the Leeds General Infirmary and brand-new Innovation Pop-Up.

October 2021

Prime Minister Boris Johnson, and Health Secretary Sajid Javid were welcomed to Leeds General Infirmary by Dame Linda Pollard and Julian Hartley to meet staff and learn about our Hospitals of the Future development of two new hospitals at LGI. After touring the demolition site, they saw the exciting concept designs for the new hospitals. The Building the Leeds Way team described the progress the project has made and the benefits the new hospitals will bring.

The Prime Minister and Health Secretary also visited the Radiology team in MRI, where they heard from staff members, and a patient, about recent investment and upgrades and the difference this has made to patient care.

In October, we also welcomed **members of the NHS England and Improvement Board** to Leeds General Infirmary. They were briefed on a number of topics, including delivering hospital care during COVID-19, elective recovery and emergency care, the future of specialised commissioning, working in partnership in Leeds to advance health and social care, the Leeds Improvement Method, digital technology and our vision to accelerate and grow health innovation.

In the same month, Trust Chair Dame Linda Pollard hosted a day of Teams visits with **General Sir Gordon Messenger**, who is working with Dame Linda to lead the Government's review of Health and Social Care Leadership. The Trust was the first part of the NHS that General Messenger visited.

The day was an opportunity to demonstrate the Trust's breadth of leadership and discuss topics including the Leeds Way values, the Leeds Improvement Method, clinical leadership development, financial efficiency, nursing, people management, clinical and Board leadership and partnerships in Leeds and West Yorkshire.

March 2022

Local MPs **Stuart Andrew, Pudsey, Fabian Hamilton, Leeds North East, and Hilary Benn, Leeds Central** visited to hear more about our plans for the new hospitals at Leeds General Infirmary and how we are delivering such an important scheme. Dame Linda Pollard, Julian Hartley, architects Perkins&Will and our team showcased our plans along with detail of what progress we've already made during the past year.

COVID-19 response - reset and stabilisation

The COVID-19 pandemic continued to have a profound effect on the Trust's operations during the past year, presenting us with enormous challenges around how we provided patient care, including for elective patients who were waiting for treatment.

In the second year of the pandemic, we were well-used to managing spikes in activity around the Delta and Omicron variants of the virus. We were requested by NHS England and Improvement to create additional space where new Nightingale beds could be used if necessary, but this hub was not then needed.

Our services remained in high demand and we worked as teams within the Trust and with local health and social care partners to respond to immediate pressures and identify long-term, sustainable ways of managing demand.

As we begin to learn to live with COVID-19 as an endemic illness we will continue to prepare our COVID response in a way that is proportionate to the ongoing risk of further waves. But we must remain equally mindful of the other challenges we face in terms of increasing levels of activity to support recovery, patient safety and quality improvements and the need to support the wellbeing of our staff and their ability to provide patient care.

Moving into the next year, we will continue to focus our efforts on this in the same way that our teams have responded so brilliantly to the ongoing challenges each wave of COVID-19 has brought. To achieve this, we have established a number of groups to focus on the priorities below.

Maximising capacity to deliver more timely care for elective patients which will include site specific groups based at St James' University Hospital and the Leeds General Infirmary looking at how we use inpatient bed capacity, critical care and theatres using the Leeds Improvement Methodology to ensure patient flow through the organisation is as effective as possible.

Maximise Outpatient capacity including the introduction of new Infection Control guidance to help improve utilisation whilst keeping patients safe, use of technology to increase the use of video and telephone consultations and developing in partnership with our patients the use of Patient Initiated Follow Up (PIFU) to better support patients with long term conditions.

Maximise Diagnostic Capacity including the introduction of new Infection Control guidance to help improve utilisation whilst keeping patients safe, ensuring that we are using our scanning capacity as effectively as possible, working to provide more diagnostics in the community and ensuring we at the cutting edge of technology to improve the diagnostic capabilities for patients.

Patient pathways and placement model which will help to ensure we are caring for our patients in the most caring and responsible way, reducing the number of times patients are asked to move wards and making plans for managing future winter and COVID-19 pressures.

As we go through 2022/23 the work of these groups will go on to support the longer-term service transformation work detailed in the Trust's Operational Transformation Strategy, published in Summer 2022

Vaccination programme

The COVID-19 vaccination programme began in December 2020 with the Vaccination Centre at Thackray Medical Museum becoming one of the first in the world to administer the Pfizer vaccine.

Helping protect people from COVID-19 by delivering the vaccination programme has been a priority for the Leeds healthcare system throughout 2021/22.

The Vaccination Centre at Thackray Medical Museum was followed by the development of a large centre based at the Elland Road Pavilion, which opened in February 2021 and was able to significantly scale up the number of vaccines that could be delivered.

The large-scale delivery of vaccination continued through the summer as the service vaccinated the population in priority order in line with JCVI guidance. A purpose-built temporary structure was built close to the Elland Road Pavilion to enable the service to continue once the lease on the initial site ended. This site was able to support the delivery of the booster programme.

By the end of March 2022, more than 1.6 million vaccinations had been delivered at large centres such as the one at Elland Road, hospital sites, GP practices, community pharmacies and hundreds of pop-up clinics in local communities. Staff from the Trust have played a key role in achieving this result, working alongside colleagues in Leeds Community Healthcare, the Leeds and York Partnership Foundation Trust, NHS Leeds Clinical Commissioning Group, primary care, community pharmacies, Leeds City Council and community organisations to deliver the largest vaccination programme in NHS history.

Although the vaccination programme is now evolving to focus on changing priorities, and large centres like Elland Road have closed, the vaccination progamme board remains committed to making sure that no one is left behind and so will continue to provide clinics across the city, making it as easy as possible for everyone to have their vaccinations.

SECTION ONE

OPERATING AND FINANCIAL REVIEW

Section 1 - Operating and financial review

1.1 Performance

The purpose of this section is to describe how well the Trust delivers services to its patients against a number of key national measures. These measures are:

a. Referral to Treatment Times (RTT) - how long our patients wait to begin treatment after being referred to our services

b. Emergency Care Standards - how long our patients wait for treatment

c. Last minute cancelled operations - how many patients are cancelled on the planned date for treatment and how long do they wait for an alternative date to be arranged.

d. Diagnostic Tests - how long do our patients wait for tests

e. Cancer - how long do patients with cancer wait for a diagnosis and treatment

Within each section the key measures of performance are shown. These are measures that we report on nationally, which enables comparison with other NHS Trusts. These measures are reported to our Finance and Performance Committee and Trust Board. Our ability to deliver on these measures can be impacted by a numerous factors, such as workforce or estate issues. These are recorded in the Trust's risk register along with controls and mitigating actions to manage the risk and reviewed at the Risk Management Committee.

The varying rates of COVID-19 admissions and our need to respond to ongoing pressures created by the pandemic meant that 2021/2022 continued to be extremely challenging for our teams to deliver acute and planned care services at pre-pandemic levels.

Through the year varying levels of patients admitted for hospital care with COVID-19 has meant that inpatient bed capacity has had to be redesignated from specialties to create COVID-19 wards. To protect our patients and staff social distancing has been maintained throughout the year, reducing the number of patients we have been able to see through our outpatient and diagnostic departments.

At times the number of patients and staff unwell with COVID-19 has significantly impacted our services, but services were reinstated when the numbers of infections reduced. However, these fluctuations made planning the full reinstatement of services difficult and at times resulted in patients having procedures cancelled when capacity became constrained.

During the second half of the year the Trust worked hard to increase elective activity despite the pressures created by the Omicron variant and the numbers of patients waiting the longest for treatment has begun to fall.

The Trust has also reinstated its approach of entering into Delivery Contracts with services to ensure that there is a clear understanding of the levels of service we hope to deliver for our patients during the course of the coming year and to improve overall performance against constitutional standards. Oversight and assurance continues via reporting to Finance and Performance Committee and to the Trust Board.

Referral to Treatment Times (RTT)

The Trust did not meet the national requirements to treat a minimum of 92% of patients within 18-weeks of referral for those patients on the incomplete standard pathway. By the end of the year 2021/2022 delivery was at 66.8%.

Referral rates into our specialties had recovered after an initial reduction between April and July 2019 and the numbers of patients referred to our services has continued to increase from August 2019 to present. However, we were unable to reinstate outpatient and surgical capacity at the same rate because of social distancing requirements, the reallocation of some clinical capacity to deliver our COVID-19 response and at times significant rates of staff sickness.

The risk to patients was managed by the prioritisation of those patients most at risk of deterioration if their care was delayed. The Trust also undertakes reviews of patients experiencing longer waits to determine whether patients have come to harm as a result. The most urgent procedures were determined in line with guidance developed by the Federation of Specialty Surgical Associations which categorised procedures as requiring treatment within specified time bands. The shortfall in capacity meant that across the country those less-urgent experienced growing waits for care. This has resulted in some patients waiting more than two years for treatment. The number of patients experiencing such long waits peaked in January 2022 but increasing activity from January has resulted in the numbers of patients waiting over 104 weeks, 78 weeks and 52 weeks for care falling. The Trust expects to have no patients having to wait over 104 weeks by June 2022.

A consequence of limited capacity and increasing referral rates has been our Total Waiting List size increasing throughout the year. At the beginning of April 2021 there were 60,282 patients waiting for an outpatient review or to begin treatment. This number had grown to 82,761 by the end of March 2022, a level of growth that is in line with acute providers across the country.

Emergency Care Standard (ECS)

The Emergency Care Standard national target of 95% of patients to be seen treated, admitted or discharged within four hours of presenting in our Emergency Departments (EDs) was not achieved. The Trust delivered an aggregate position of 71.7% in 2021/22.

The Trust's operational response to the pandemic required the EDs to reconfigure their footprint and processes in line with NHSE/I national guidance. These changes required patients to be cohorted within the EDs into Red and Amber areas to adapt to COVID-19 attendances. National incident level 4 remained in place for much of 2021/22, having been stood down to level 3 for a period over the summer. There were surges in COVID-19 between July 2021 to October 2021 and then December 2021 to February 2022, requiring the EDs and patient placement pathways to constantly adapt to the changing need of our patients, which reduced the efficiency of the EDs.

Attendance levels to the EDs was 33.3% higher compared to 2020/21 and 5.8% higher compared to 2019/20 (pre-COVID-19), the majority of this growth has occurred at the LGI from patients self-presenting to the ED. This is coupled with high bed occupancy due to the impact of COVID-19 and the wider impact on people living through the pandemic. This has resulted in an increase in the time it takes to place patients from the EDs to a ward for their care needs. To support mitigation of this we have increased the number of patients accessing Same Day Emergency Care (SDEC) with a "care at home" approach whenever clinically safe to do so.

Despite increase in attendances throughout 2021/2022 the Trust ambulance handover has remained one of the best in the country with the LGI placed 1st out of all hospital sites for the average time to handover patients arriving by ambulance and SJUH placing 14th out of all hospital sites nationally.

Last minute cancelled operations

The Trust did not meet the national requirement for all last-minute cancelled operations to be rebooked within 28 days. There has been an improvement across all four quarters of 2021/2022 in comparison to 2020/2021 for this standard. This improvement is as a result of reduced levels of activity being undertaken across the year in response to COVID-19, which has resulted in fewer last minute cancelled operations and fewer breaches of the 28-day standard.

Diagnostics

The Trust did not achieve the national requirements to undertake 99% of diagnostic tests within six weeks throughout the year, with an aggregate level overall performance of 74% for the year although the position had recovered from the deteriorating position in 2020/21.

While increased activity had been seen across a number of the modalities within the month of March 2022 delivering the highest number of diagnostic testing of any month in 2021/22 and the highest volume of testing in more than two years, services overall have been unable to increase back to normal baseline levels of activity. This was due to COVID-19 IPC measures of social distancing, patient PCR/LFT requirements and isolation resulting in an increase in the DNA rate and staff sickness absences. Furthermore, several services and their performance have been affected by increased level of unplanned diagnostic activity which had required a shift from outpatient testing.

Cancer

The national requirement to treat a minimum of 85% of patients referred on a two-week wait pathway with suspected cancer (i.e. requiring treatment within 62 days of referral from a GP or Dentist) has not been achieved since March 2016.

The sustained reduction in surgical capacity in response to the COVID-19 pandemic created both operational challenges and reduction in critical care spaces through the re-purposing of theatre space and staff provision. As services contracted, patients with cancer and clinically urgent conditions were prioritised for treatment.

However, due to the waves of COVID-19 that occurred at times between April 2021 to March 2022 there was a significant reduction in capacity and the number of patients waiting over 62 days continued to increase to a position of 623, before reducing to 482 at the end of March 2022. As the backlog of overdue patients was treated performance dipped to 37.7%. It is anticipated that ongoing work to clear the backlog of cases over 62 days will continue to impact overall 62-day performance.

The Trust did not achieve the national requirements to see a minimum of 93% of patients within 14 days for urgent GP referrals for suspected cancer delivering an aggregate position of 67.8%. Activity levels for two-week wait were impacted by social distancing measures, robust IPC cleaning regimes which has impacted outpatient activity and radiology capacity and ongoing increased downtime required following Aerosol Generating Procedures (which has significantly affected performance in Endoscopy). As a result of these measures capacity remained significantly reduced, whilst the trend in referrals continued to show a month-on-month increase. Referral rates reduced slightly during the national lockdown but, this was rapidly reversed with demand remaining high and March 2022 seeing continued high levels of two-week wait referrals.

The Trust did not meet at aggregate level the 31-day first treatment, achieving 89.8% against a target of 96%. For subsequent surgery the Trust delivered 73.9% against a target of 94%. This is as a result of the reduction in surgical activity to manage in the ongoing COVID-19 response and the subsequent delays to the pathways, along with a significant impact on radiotherapy capacity.

The Trust delivered against both 31-day subsequent drugs, achieving 99.4% against the 98% standard and 31-day radiotherapy treatments achieving 82.4%, a drop from 2020/21 of 98.3% against a standard of 94%.

1.2 Improving quality

Our aim is to provide outstanding care, ensuring we treat every patient as an individual, deliver the best outcomes, the best experience, and one which is free from avoidable harm. This ambition informs our values, underpins our goals and is reflected in our culture of continuous improvement.

Once again, we had much to be proud of in our achievements during the last 12 months. We have continued to make improvements in quality and safety whilst facing significant operational challenges, not least in our continued response to the COVID-19 pandemic. We are extremely proud of our staff and the compassion and courage they have shown in such an unprecedented and challenging time, not only caring for our patients but taking the time to care for each other and keeping our communities safe.

Our quality improvement programme has been key to overcoming patient safety challenges throughout 2021/2022 and in managing the impact of the coronavirus pandemic. The Leeds Improvement Method (LIM) has continued to provide a framework for implementation of the COVID-19 vaccination and surgical and diagnostic recovery programmes.

Although there has been a key focus in the treatment of patients with COVID-19, we have continued to deliver care and treatment to all our patients, embracing changes to clinical practice, virtual consultations and changing our clinical environment to ensure social distancing and safety. Additional achievements throughout the year have included the continuation of timely discharge for our patients, with the number of patients being discharged before 4pm increasing. Infection prevention and control has been a challenge over the last 12 months, however we have seen some key achievements within in this area by embracing the learning culture within the Trust.

We have continued to work with our external stakeholders and regulators to ensure that we provide outstanding care to all our patients. We will continue to embed the Leeds Way Values and the Leeds Improvement Method, creating a positive culture where staff feel engaged in the work that they do.

We have worked with our clinicians, managers and local partners at NHS Leeds Clinical Commissioning Group and Healthwatch Leeds to continue to build on our improvements and identify our priorities for 2022/23.

Further information on key improvement in our quality of care and patient safety, the Trust's performance against national targets, goals agreed with commissioners and our plans for 2022/23 will be summarised in our Quality Account, published in June 2022.

1.3 Finance review

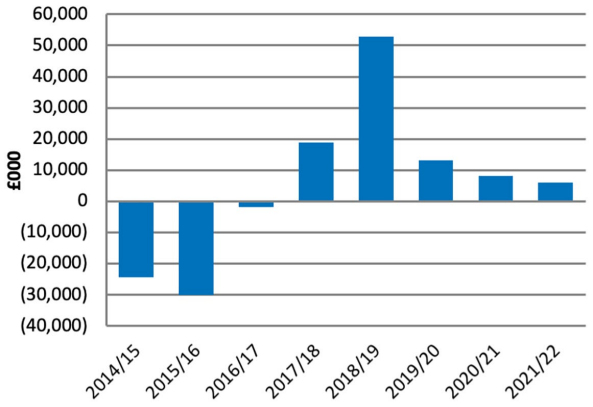
The financial year ending on 31 March 2022 has been another challenging year for the Trust due to the on-going impact of COVID-19. The year has seen changes in the NHS Financial Regime in response to the pandemic as well as the start of moves to reset and recover services. Despite this, the year has seen record results from a finance perspective. The Trust's Finance Directorate; encompassing Finance, Procurement and Planning have been integral to the Trust's response to the COVID-19 pandemic. This included ensuring that at all times the Trust had the personal protective equipment in the areas that needed it, reconfiguring wards and other hospital areas and continuing its contribution to the effective delivery of the West Yorkshire Vaccination programme, which the Trust hosted. Also, the Finance Directorate has seen nine of its innovations approved nationally by the One NHS Finance Innovation Programme (of a national total of 34). The Innovation Programme is a mechanism to transparently collect, validate, and share NHS finance innovations.

Overall 2021/22 was another year of financial success and achievement for the Trust.

Highlights of 2021/22 from a financial point of view are:

- a revenue surplus, after technical adjustments, of £5.9m. The fifth consecutive year of surplus (see table 1 below);
- a record level of capital investment of £104.8m (see table on page 31);
- delivery of a Waste Reduction Programme of £43.4m, significantly overachieving against national expectations and in comparison to 2020/21;
- Building the Leeds Way, our new hospitals programme, continued at pace with significant demolition and enabling work
- significant cash balance of £97.1m;
- record achievement against the Better Payments Practice Code for paying suppliers promptly of 97%, the highest level achieved (see graph on page 30);
- procurement maintained level 2 accreditation during the year and are a pilot site for level 3; and
- Finance maintained accreditation at Level 3 of the Future Focused Finance staff development programme - the highest level that can be awarded.

Adjusted retained surplus/(deficit)



Income and Expenditure Summary

One of the Trust's strategic goals is financial sustainability, with the aim of becoming the most efficient teaching hospital in England. Achieving a sustainable revenue surplus is a clear measure of success against this goal in addition to meeting the statutory duty to achieve breakeven.

A sustainable surplus is important because the cash generated can be invested in subsequent years as capital expenditure to maintain and improve our estate, purchase medical equipment or develop our digital infrastructure to provide modern healthcare to our patients in safe surroundings.

The Trust has delivered an adjusted financial performance surplus of £5.9m, which includes a gain on the disposal of some equipment of £0.6m, and excludes technical adjustments of £1.8m.

During the year, the financial regime introduced in 2020/21 continued. Due to the pandemic the national tariff payments system and associated processes remained suspended with fixed funding arrangements at a System level (West Yorkshire ICS) including support for COVID-19 expenditure. In addition to the fixed funding arrangement, systems had access to additional funding through the Elective Recovery Framework (ERF) and Targeted Investment Fund (TIF). The Trust received £27.2m ERF & TIF funding for 2021/22.

The table on page 29 illustrates the income received over the year from different sectors.

Income received from different sectors

	2016/17 Actual £000	2017/18 Actual £000	2018/19 Actual £000	2019/20 Actual £000	2020/21 Actual £000	2021/22 Actual £000
NHS England	476,132	498,293	515,025	589,857	619,924	702,831
Clinical Commissioning Groups	486,784	522,806	543,232	588,855	652,340	778,854
Non-NHS: Private Patients	5,593	5,857	4,907	5,535	3,706	3,845
Other income from patient care activities	7,039	7,266	20,448	8,739	6,234	7,375
Other operating income	197,379	204,045	252,235	221,754	314,591	233,492
Total operating income	**1,172,927**	**1,238,267**	**1,335,847**	**1,414,740**	**1,596,795**	**1,726,397**

Included in the above is income from NHS England of £18.8m and the UK Health Security Agency of £4.2m relating to the reimbursement of costs incurred by the Trust in responding to the COVID-19 pandemic including for the vaccination programme, for virus testing and for the Nightingale Surge Hub, which the Trust hosted.

Included in "Other Operating" income above is £24.1m in respect of donations from a number of charities and organisations who generously support our services by funding equipment purchases, research activity, specialist staffing or environmental enhancements. The Trust is grateful to all the charities from which it receives support.

The Leeds Hospitals Charity (formerly Leeds Cares) is the official charity partner of the Trust. It has continued to raise funds on our behalf and worked closely with our staff to raise the profile of our services.

Summarised breakdown of expenditure during 2021/22

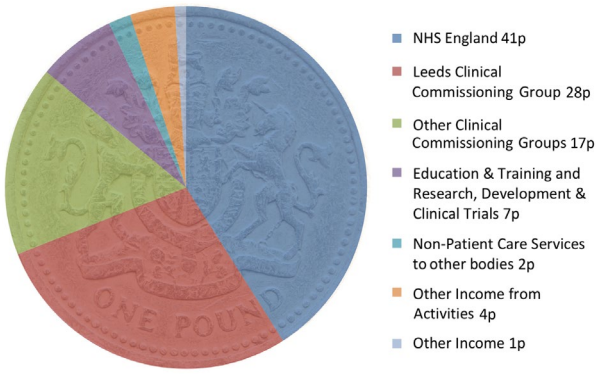
	2016/17 Actual £000	2017/18 Actual £000	2018/19 Actual £000	2019/20 Actual £000	2020/21 Actual £000	2021/22 Actual £000
Employment related costs	679,552	702,958	745,032	830,372	924,569	985,758
Drug costs	173,284	178,445	188,170	200,947	237,243	266,116
Clinical supplies and services	152,001	155,889	153,668	156,404	164,594*	180,745
Premises	38,975	42,348	54,594	68,597	78,021	74,831
Other operating expenses	156,450	172,962	117,297	113,883	363,776	189,850
Total operating expenses	**1,200,262**	**1,252,602**	**1,258,761**	**1,370,203**	**1,603,609**	**1,697,300**

* includes £11m for the notional cost of donated supplies for COVID-19 from DHSC

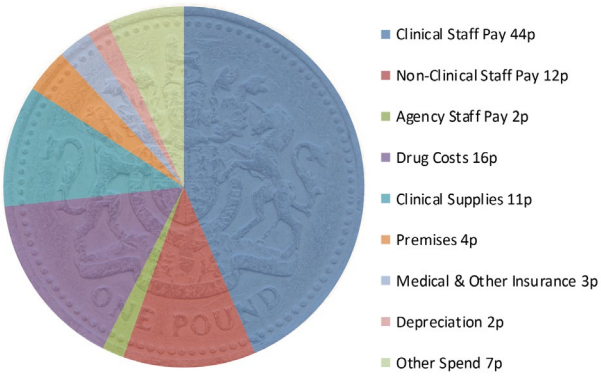
- The expenditure position includes £56.6m of costs incurred during the year which are directly attributable to COVID-19. Of that amount £13m was spent on the vaccination programme, £4.9m for virus testing and £4.9m for the Nightingale surge hub, which were offset by income from NHS England and the UK Health Security Agency.
- Employment costs have increased during the year. There has been an increase of 865 WTE (£40m) in the number of permanent staff employed by the Trust, including 490 nurses and healthcare support workers and 103 additional doctors. The cost of national pay awards incurred in the year was £24m.
- To achieve its surplus the Trust delivered a waste reduction programme of £43.4m, of which £31.5m came from programmes across our Clinical Services Units. These programmes were and continue to be, built on the principles of our Leeds Improvement Method. The Leeds Improvement Method seeks to identify and remove wasteful practices, procedures or delays which impede great patient experience. Financial savings being a by-product of introducing improvements in the way we communicate with and treat patients in our care. Each year, increasing numbers of our staff are receiving training in the Leeds Improvement Method.

The two charts below give some further information on where our income comes from and how we use it to deliver our full range of services to patients.

Where each £1 comes from



How each £1 is spent

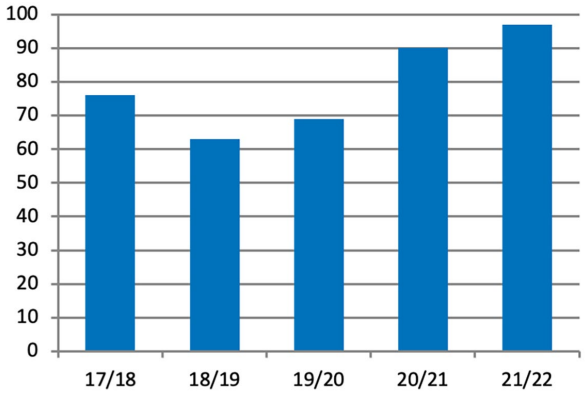


Better Payments Practice Code

The change in the NHS finance regime and the move to block contract payments, alongside better invoicing and debt collection processes has helped to improve our liquidity position. One of the innovations mentioned earlier has been the move to twice weekly supplier payment runs. The result has been an improvement in our Better Payments Practice Code compliance percentage with 97% of valid supplier invoices now being paid within 30 days or their due date (if later). The table below shows the improvement over the past few years. In challenging economic times it is particularly important to support our suppliers and local businesses by ensuring prompt payments are made to them so it is particularly pleasing to see the improvement.

It is also pleasing to note that no late payment of commercial debt charges have been incurred during the year. If interest had been levied under the terms of the Public Contract Regulations on the small number of invoices that were not paid within terms, the maximum liability would have been £193k (20/21- £475k) - money which if incurred would no longer be available for patient care.

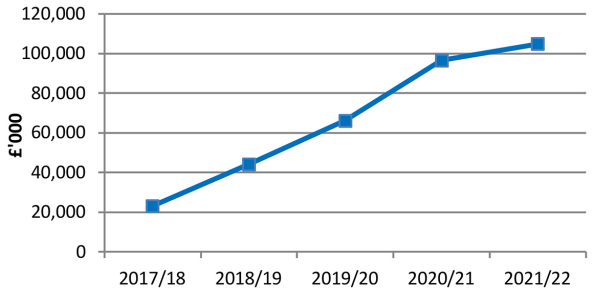
Better Payments Practice Code Performance %



Capital Investment

In 2021/22, capital investment, underpinned by our surpluses in previous years, increased to £104.8m. This level of expenditure on our estate, medical equipment and IT is a record for the Trust. The table below and graph opposite shows how, with an improving revenue position we have been able to build our level of capital expenditure in the last five years.

Capital spend



	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Building and Engineering	10,633	28,440	29,061	39,587	27,135
Medical and Surgical Equipment	7,286	8,963	22,978	16,434	23,607
Information Technology	5,210	6,746	14,110	20,048	40,059
Building the Leeds Way				14,092	14,002
COVID				6,396	
Total	**23,129**	**44,149**	**66,149**	**96,557**	**104,803**

Capital expenditure during the year included the following higher value schemes:

	£000
Building the Leeds Way	14,092
National Pathology Imaging Co-operative	13,755
Public Sector Decarbonisation Scheme	12,595
Pathology Laboratory Information Management System	8,061
Da Vinci Robots	3,548
Frontline Digitisation - Informatics Infrastructure	3,506
End User Compute Refresh Programme	3,039
Electronic Healthcare Record	2,557
Critical Infrastructure B&E Design & Construction Programme	1,879
Theatre Camera Stacks	1,841

Looking to the Future

It is clear that NHS finance continues to be shaped and influenced by the COVID-19 pandemic for a number of years. The national planning guidance issued in late December 2021 set the challenge for the NHS to tackle service recovery based on COVID-19 being at the lowest levels seen since the start of the pandemic. This is in the context of a virtual "flat cash" funding position where the NHS has essentially the same funding as it did in 2021/22, with the significant investment that had been provided to manage COVID-19 being largely repurposed to elective recovery and other priorities.

The financial position in 2022/23 will be impacted by the continued prevalence of COVID-19 and higher inflation due to worldwide events such as the conflict in Ukraine. As a result of the above it is clear that there is going to be huge financial pressure in the system in 2022/23. The Trust is working to deliver its plan of a balanced financial position.

Capital investment for 2022/23 is planned at £107m. While some risk to delivery of the full programme arising from the COVID-19 uncertainty must be acknowledged, there is every reason to be confident of another high level of expenditure on our infrastructure.

A new pathology laboratory servicing the Trust and hospitals in West Yorkshire and Harrogate is progressing with building work on the project underway.

The Health and Care Act 2022 has now received royal assent. Under the Act Integrated Care Boards will replace Clinical Commissioning Groups with effect from 1st July 2022 bringing a much greater focus on health system working and collaboration across local health economies for the benefit of patients. Within West Yorkshire there has already been much work on collaboration through the WYAAT group of provider Trusts and within Leeds itself. This will continue to be a major area of focus in 2022/23 and beyond.

The outlook for finance as described above is uncertain. However, the Trust's history of financial delivery, its history of identifying Waste Reduction, and strong partnership working put it in the best possible place to meet these challenges.

1.4 The NHS Constitution

NHS organisations like Leeds Teaching Hospitals NHS Trust are required by law to comply with the NHS Constitution, a document that establishes the principles and values of the NHS in England.

The Constitution sets out rights to which patients, the public and staff are entitled and pledges that the NHS is committed to achieve. It also describes the responsibilities that patients, staff and the public owe to one another to ensure the NHS operates fairly and effectively.

The Trust takes all reasonable steps to ensure the requirements of the NHS Constitution are met. Where patients are referred by their GP for consultant-led treatment the Trust aims to deliver this within 18 weeks or, where they have been referred to a cancer specialist, within two weeks.

In areas where we continue to face challenges due to system-wide issues we cannot resolve alone, we continue to work with our partners and commissioners to put plans in place to manage them.

We are committed to providing high-quality, safe care to all our patients and we will continue to work across the Trust so that we can meet the guidelines set out in the NHS Constitution.

1.5 Future direction

Leeds Teaching Hospitals NHS Trust has a vision to be the best for specialist and integrated care, serving patients in Leeds, West Yorkshire and further afield.

Health and social care is currently facing huge challenges. Demand on health services is increasing, there are significant backlogs in elective care, areas of workforce shortages and the need for investment in our physical and digital estate.

The COVID-19 pandemic has affected every part of the Trust. In the years ahead, we will continue to learn how to live with the virus and recover from its devastating impact. We have entered the 'reset and renewal' phase of our operations, supporting the wellbeing of our staff whilst looking to reset and transform our services.

The Trust published its Five-Year Strategy in 2020 (refreshed to include the impact of COVID-19 in 2021), setting out its priorities and approach over the next five years to meetings its organisational goals: to be the best for patient safety, quality and experience; to be the best place to work; to be a centre of excellence for research, innovation, education and specialist services; to be the best for seamless, integrated care and to be financially sustainable.

Over the past year, the Trust has also worked on an Operational Transformation Strategy, published in 2022, which sits alongside the Five-Year Strategy and other organisational strategies such as Quality, Workforce, Estate, Digital and Clinical Services to support the Trust's five-year plan.

Our plans for operational transformation build on work done to adapt our services in response to the COVID-19 pandemic, and our learning from this. We initiated a number of innovative approaches to healthcare which are now becoming embedded as examples of excellent practice that will help to shape how we plan and deliver patient care moving forward. We will work on five transformation programmes in the following areas: Outpatients, Diagnostics, Planned Care, Cancer and Unplanned Care.

The Leeds Improvement Method (LIM) will continue to be an integral part of our strategy to improve quality, safety and experience for patients and staff. Developed with the US-based Virginia Mason Institute, the LIM uses improvement tools, training and leadership strategies to ensure staff have the skills and training to make continuous improvements to the way they deliver healthcare, refining processes, reducing waste and promoting the best quality and value for patients.

The Trust wants to provide person-centred care; that is, healthcare that takes account of people's different backgrounds and needs, and which enables those at greatest risk of poor health to benefit the most. As part of the West Yorkshire and Harrogate Integrated Care System the Trust will be working to ensure we follow NHS England's Comprehensive Model of Personalised Care and with health and care partners in Leeds we have agreed five principles for how person-centred care can be put into practice. These are to focus on health inequalities, respect people's values, preferences and needs, ensure our workforce is empowered to have 'better conversations' with patients, communicate effectively and make sure systems work together.

Listening to patients, carers and the public is at the heart of shaping our services and we will continue to seek their views and experiences. They are involved in improving quality and safety, helping us to plan and deliver services and in developing the design of the new adult's hospital and Leeds Children's Hospital to be built on the Leeds General Infirmary site as part of our Building the Leeds Way programme.

To provide outstanding patient care, we must ensure we have enough highly trained, motivated staff. Effective workforce planning to invest in and develop our workforce – including through international nurse recruitment and introducing new roles - is vital. So too is the improvement of systems and the introduction of new ways of working,

including digital, to support our staff. Education, training and development, including realising the potential of students and apprentices will also play a significant role.

The Trust is committed to being an inclusive, diverse organisation and will continue to build on excellent initiatives introduced in the past year to listen to colleagues and ensure representation and equity at all levels. This includes supporting the ongoing development of staff networks, creating opportunities for reciprocal mentoring and providing leadership development programmes.

The COVID-19 pandemic placed enormous pressure on our staff and as we move into reset and recovery, ongoing initiatives to support their physical and mental wellbeing will be as needed, and central to our workforce development as ever.

The Trust has an ambitious strategy for research and innovation and aims to ensure patients can benefit from the significant advances in clinical science and technology by improving access to world-leading research studies. We will continue to work with partners to deliver leading-edge research.

We will also continue our very productive academic, city and industry partnerships to promote the development and adoption of innovation in healthcare. Our successful Innovation Pop-Up at Leeds General Infirmary (LGI) is just one aspect of an exciting programme of innovation at the Trust that will support the development of an Innovation Village for Leeds, creating jobs and business opportunities to stimulate economic growth in Leeds and the wider region.

Building the Leeds Way will be a key focus for investment in innovation and specialist services. The two new hospitals will be designed around the needs of our patients and will enable the Trust to pioneer new ways of delivering patient care based on the most advanced treatments, technologies and research. Digital technology will become further embedded our services and care, including as part of our operational transformation programmes, and particularly in Outpatients where it will give patients greater choice and flexibility over where and how they access appointments and monitoring.

The Trust will continue to build on its partnerships to ensure services are seamless between health and social care and to support the delivery of equitable healthcare for people in the city and across the region. We will achieve this as a member of the West Yorkshire Association of Acute Trusts (WYAAT), the West Yorkshire Health and Care Partnership, contributing to its newly established Integrated Care Board and at 'place' level with local partners in Leeds.

Partnership-working has always been a strength in Leeds and the region but during the COVID-19 pandemic it led to initiatives that will make lasting and sustainable changes to how we plan and deliver health and social care as a citywide system. Together, we will continue to identify solutions to health and care challenges across the city and region, seek ways to improve our services and hold shared accountability for their effectiveness.

Sound financial management is at the core of the Trust's strategy for specialist and integrated care. Our Finance the Leeds Way programme seeks to reduce waste, improve our financial processes and deliver high quality, efficient services at the best cost. Our aim is to become the most efficient teaching hospital in England, using resources in the best possible way for patient care.

1.6 Managing risk

The Trust Board continually monitors the risks that could affect the delivery of our services. During the year we have continued to face a multitude of challenges to the delivery of our services as a consequence of the COVID-19 pandemic across the United Kingdom.

The protection of our staff and patients has been a major concern during the pandemic, especially those particularly at risk. This includes adherence to our infection control policies, the provision of adequate Personal Protective Equipment (PPE) in line with the guidance issued by Public Health England in April 2020 and our staff and patients' general safety during this crisis. At the time of writing this report we are working on restarting normal activities, exploring innovative solutions to improve timely access to care for our patients and focusing on staff health and wellbeing in relation to our recovery plans.

The Trust has a well-embedded Risk Management Framework which supports robust and efficient risk management and has an important role in supporting the Trust to:

- protect our patients from harm and poor outcomes;
- support staff to protect their health and well-being and ability to do their job;
- protect the Trust from unplanned financial outcomes;
- have greater resilience to operational risks; and;
- meet stakeholders and Regulators expectations.

During 2021/22 under the Board's sponsorship, we rolled-out our new risk appetite statement document across the organisation. Risk appetite statements set the amount of risk the Trust is prepared to accept or tolerate for each area of risk. The document provides a summary of our refreshed Risk Management Framework as well as details of our enhanced Risk Appetite statements.

A masterclass was undertaken with a group of senior clinical and corporate managers to introduce the new risk appetite statements and to explain how they should be used in the management of risks. To ensure they are used appropriately we have also amended all our corporate committee paper templates to include the recording of the risk appetite to support decision-making and the impacts on organisational risk.

Risks are identified from various sources including pro-active risk assessments, strategic planning, performance data, adverse incident reporting and trends, clinical benchmarking and audit data, complaints, legal claims, patient and public feedback and internal and external assurance from stakeholders and regulators. The Trust's most serious risks are set out in our Corporate Risk Register, which is reviewed each month at the Risk Management Committee, chaired by the Chief Executive, and at the Trust Board. There are currently 24 risks described on the Corporate Risk Register which are regularly reviewed with Executive Directors and designated leads. During the year we have realigned our corporate risk register to the new risk types and categories set out in the risk appetite document along with the agreed risk appetite level applied.

The risks are categorised under the headings of 'safety and quality'; 'financial risk' and 'performance and regulation'. Throughout the year the Trust has focused on the controls and mitigating actions relating to the corporate risk of viral pandemic, the operational response to COVID-19 and the impact on staff health and wellbeing.

The Trust continues to assess the lessons learned to identify improvements that can be mainstreamed, for example during the COVID-19 pandemic we saw real improvements in collaborative working across the health and social care sector and faster decision making. We want to ensure that the changes made to the way we work that led to improvements in patient and staff experience are embedded. Other significant risks that have been reviewed and will continue to be key risk areas for the year ahead include:

- **Recommencing normal activity levels and capacity in the COVID-19 recovery period** due to the requirements to follow guidance relating to social distancing; pre-admission isolation and COVID-19 testing. As with all organisations across the country there will be significant challenges in meeting the NHS Constitution waiting time standards.
- **Staff health, safety and wellbeing.** Staff have worked incredibly hard and under significant pressure during the pandemic, resulting in physical and mental exhaustion. As the Trust now turns its focus on reinstating all its clinical activities to pre-COVID levels, health and wellbeing initiatives will be reviewed and refined to ensure that support mechanisms remain effective and robust.
- **Staffing.** There is a national shortage of registered nurses; medical staff and clinical support workers (CSWs) which has been exacerbated by the COVID-19 pandemic and changes to the Internal Medicine Training. The Trust has undertaken gap analyses; developed workforce plans to mitigate risks identified and expanded international recruitment which will continue into 2022/2023.
- **Building the Leeds Way.** If the Hospitals of the Future Project is not delivered the Trust will have insufficient capacity to meet service demand. A robust programme and project delivery governance and controls framework has been established to support the delivery and implementation of the project. Regular reviews of the programme's resource requirements and skill mix have been implemented to ensure these align with the needs of the delivery programme. Specialist workstreams have been created to drive work on digital and innovation, workforce and clinical planning and these will be kept under constant review.

In the coming year we will expand our work following the publication of the enhanced Risk Appetite statements to include a review of the Datix risk management system and the Clinical Service Units' and Corporate Functions' risk registers.

We will continue to focus on the most significant risks reported by Clinical Service Units and Corporate Functions at the Risk Management Committee: we will continue to review corporate risks in line with the annual programme, ensuring we have focussed discussions about controls and mitigating actions for specific risks. We will review the Trust's Board Assurance Framework which sets out the key strategic risks to achieving the Trust's objectives, focussing on workforce, finance and partnership working, linking this to the refreshed Risk Management Framework.

1.7 Research and Innovation

The Trust has an ambitious strategy for research and innovation, which aims to harness the significant advances in clinical science and technology for the benefit of patients in Leeds by improving access to world-leading research studies. Evidence shows that highly research-active trusts provide a better quality of care to patients, and it is a priority for our Research and Innovation team to support our CSUs to ensure patients can benefit from participating in research.

Research delivery

We have continued to manage and deliver a complex portfolio of research across the Trust recruiting more than 22,000 participants into 365 research projects in the last year. Of these, 19,694 were recruited into National Institute for Health and Care Research (NIHR) portfolio studies placing us amongst the top five recruiters into research nationally according to NIHR metrics.

In line with national priorities these projects have been across all CSUs, as well as supporting ongoing COVID-19 research.

COVID-19

The Trust supported a wide range of research activities to support the response to the COVID-19 pandemic, including a number of experimental therapeutic and vaccine trials.

Most notably, we recruited the largest group of volunteers to the clinical trial for the Novavax COVID-19 vaccine, the largest ever study of its kind to be undertaken in the UK. We were delighted that the Medicines and Healthcare products Regulatory Agency (MHRA) authorised the vaccine for use in the UK and were proud to have played a key role in the research.

We also recruited 170 participants into the COV-BOOST study which assessed the safety and efficacy of vaccine boosters prior to national roll-out. Members of the Trust team involved in the study were named on the Lancet publication associated with the trial data.

Clinical Research Facility

Along with our key partner the University of Leeds, we were delighted that the Leeds Clinical Research Facility was awarded £8.7 million from the National Institute for Health and Care Research to support its work on early-stage clinical trials over the next five years. The investment is a near 12-fold increase on the previous award and will transform experimental medicine research in Leeds.

Pioneering treatment and care

During the year, the Trust continued its collaboration with partners to begin new trials and pioneer new treatments for patients, not only in Leeds but across the world. Below are just some examples of our work.

- A Trust patient became one of the first two in the UK to undergo a groundbreaking treatment for liver cancer as part of the US-based HistoSonic's #HOPE4LIVER study. The trial, a partnership between St James's University Hospital in Leeds and the Freeman Hospital in Newcastle is looking at the effectiveness of histotripsy, a form of therapeutic focused ultrasound in destroying targeted primary and metastatic liver tumours without the need for invasive surgery.
- The Leeds Cancer Research Centre was launched in February 2022. A joint venture between the Trust and the University of Leeds, the centre aims to harness our strengths in structural and chemical biology, clinical research, physical sciences and engineering to accelerate cancer detection, diagnosis and treatment. This is a major achievement that will place Leeds at the global forefront of cancer research and treatment.

Training

The Leeds Teaching Hospitals NHS Trust Research Academy has continued to develop its courses aimed at supporting existing researchers in the Trust and those interested in embarking on a research career.

It has been providing training and education to other NHS organisations across the Yorkshire and Humber region, receiving strong feedback on its approach and work. Our work supporting Healthcare Professionals (those who are not doctors) to develop academic careers has continued to be successful.

Supporting innovation

We made excellent progress on our work to support innovation at the Trust and across Leeds during the year. We launched an innovation support programme across the Trust for staff and opened an "Innovation Pop-up" on the Leeds General Infirmary (LGI) site.

The innovation support programme aims to build an Innovation Community across the Trust, helping staff with innovative ideas to turn them into projects that could benefit patients, providing innovation training to staff and connecting businesses with potential solutions to clinical challenges with Trust staff so they can work together to evaluate their potential, and then on development.

The programme also supports the desire to create an Innovation Village on the LGI campus in the estate released by the new hospital build programme.

In the last 12 months we have engaged with over 160 businesses, 100 clinical staff and have initiated 10 projects with a further 40 in the pipeline. The Innovation Pop-up and team have also won the 2021 'Excellence in Healthcare Science Research and Innovation' award from the NHS's Chief Scientific Officer for the approach and work being carried out.

1.8 Sustainability report

This has been a year of achievement for our pioneering sustainability work at Leeds Teaching Hospitals NHS Trust. We aspire to become one of the greenest hospital Trusts in the UK and over the past year have worked on a range of sustainability initiatives that are bringing us closer to achieving this goal.

These initiatives have not only contributed to significantly reducing our carbon emissions over the year, they have also won recognition and awards from respected NHS and sustainability organisations and have made the Trust a world leader in carbon literacy.

Green Plan

The Trust's Green Plan is our central sustainability strategy which sets out our goals and objectives, with a comprehensive action plan for how they will be met. The plan has three overarching aims:

- reduce our total carbon emissions
- reduce our contribution to air pollution
- reduce our use of plastic and improve recycling

Originally published in 2020, the plan was updated in 2021 to reflect changes in national guidance and targets. It covers our strategic direction and the progress we've made to address sustainability at the Trust.

Carbon Literacy

We are extremely proud that Leeds Teaching Hospitals is the first Hospital Trust in the world to become carbon literate!

In 2021, we rolled out Carbon Literacy training to departments across the Trust, with the Estates and Facilities (E&F) senior team completing their training and becoming the first such team in any NHS hospital trust in the UK to become officially Carbon Literate.

To mark the start of COP26, the Trust gave Carbon Literacy training to the Net Zero Board Leads network across the West Yorkshire and Harrogate Health and Care Partnership. Participants represented NHS organisations in Bradford, Leeds, Airedale, Mid-Yorkshire and South-West Yorkshire, among others. The training aimed to educate leaders on climate change and sustainability, share best practice from the Trust and promote partnership working. We are now accredited to Silver Carbon Literate Organisation status.

Procurement

The Procurement team has been working to minimise the environmental impact of procurement and improve efficiency.

The team has bought a Sterimelt system, a machine which can be used to melt single use plastic into reusable and recyclable blocks. Currently we are recycling the sterilised wrapping used to package theatre equipment at Leeds General Infirmary. This will then be expanded to Wharfedale hospital and then other theatres. We have also used the machine to recycle expired gowns from other hospital trusts in the region that were bought during the COVID-19 pandemic.

We are working with Sterimelt to continue to trial using different types of single use plastic waste in the machine to understand how we can make best use of the technology to reduce our waste. We've also had an 18-tonne electric vehicle delivered to transport recyclable materials, reducing the impact of this initiative even further.

We are consolidating and centralising deliveries to the Trust, reducing them from around 18,000 deliveries to 8,000. This will half the emissions created when goods are transported to the Trust, reducing our contribution to air pollution.

We are also looking to buy five electric vans to replace diesel vans that deliver items from the Trust's Dolly Lane depot to other sites around our hospitals. This will minimise our carbon and air pollution impact on the local area.

Estate

The Trust successfully bid for Public Sector Decarbonisation Scheme (PSDS) funding and has invested more than £13 million on energy efficient projects that were completed in early 2022. These included air source heat pumps, solar panels, thermal glazing and connecting to Leeds Pipes, a low carbon district heating network in Leeds.

This investment into our estate will improve our efficiency and reduce our energy demand, helping us to reduce our carbon emissions by around 15% and bringing us closer to achieving our net-zero carbon target.

Hospitals of the Future

This year, our Hospitals of the Future project to build a new state of the art adults' hospital and Leeds Children's Hospital on part of the Leeds General Infirmary site has taken strides towards helping the Trust achieve its net zero carbon ambitions. We were excited that proposals from our architects Perkins&Will and design team members including WSP will meet construction industry standards for sustainability, such as WELL and BREEAM, and deliver long-life sustainable buildings.

Green Ward

The Trust launched the Green Ward competition in October 2021. This is an award-winning leadership and engagement programme run by the Centre for Sustainable Healthcare (CSH) which aims to involve participating teams in running projects to cut carbon, improve patient care and the experience of staff, and save money.

Five teams from the Trust are taking part in the competition, including teams from paediatrics, Organisational Learning, renal and the Patient Environment Action Team. They have attended workshops to develop their ideas and mentors from CSH have worked with them to run the projects on their wards and measure their carbon impact.

These projects will help integrate sustainability into clinical areas and work as pilots to demonstrate how these changes can be replicated across the organisation.

Awards

This has been a fantastic year for awards and recognition.

- The Sustainability team was nominated for the Business Green Leaders Employee Engagement Campaign of the Year award for its pioneering work in helping the Trust become a Carbon Literate organisation.
- In the same awards, the Trust was nominated in the category of Energy Efficiency Project of the Year for its commitment to installing LED lighting. We have invested more than £700,000 in upgrading the lighting across our estate, saving around £60,000 a year, and reducing our carbon footprint by around 100 tonnes a year. The Trust was also nominated in the Net Zero Strategy of the Year for our Green Plan.
- Our Green Plan also received recognition in the Health Service Journal awards and was nominated in the Environmental Sustainability category.
- The Trust's emergency and general surgery team were finalists in the Green Surgery Challenge 2021 for a project that modelled the use of a gasless laparoscopic procedure and made sustainable changes to practice.
- The Sustainable Theatres team were awarded a Silver Award for Environmental Best Practice in the Healthcare category of the international Green Apple Environment Awards. These recognise, reward and promote environmental best practice around the world. Competing against 20 other healthcare providers worldwide, the team won their award for reducing carbon emissions from anaesthetic gases by 52% in a single year, a saving of 4,044 tonnes of CO2e.

1.9 International Partnerships

The Trust's international work has been severely restricted by COVID-19 over the past couple of years. Despite this, we have continued to use our international connections to attract doctors from around the world on Fellowship placements.

Most come to the Trust through individual arrangements, but we have a small number of bespoke programmes which see a regular flow of Fellows from different locations.

In particular, we have an agreement with the College of Physicians and Surgeons Pakistan (CPSP) and host a small number of doctors at any one time on two-year placements. A similar scheme exists with the Medical School of Malta and most recently with the King Hussein Cancer Center (KHCC) in Amaan, Jordan. We are in currently in discussions to establish a further programme with the government of Brunei.

SECTION TWO

ACCOUNTABILITY

Section 2 - Accountability

The commitment and achievements of our people is key to the success of Leeds Teaching Hospitals.

There are 20,908 people working across our hospitals in a variety of different roles, each of them vitally important to the efficient running of our services.

The Trust is governed by a Board comprising both Executive Directors, appointed to specific roles in the organisation, and Non-Executive Directors, who offer external expertise and perspective.

2.1 Members of the Trust Board 2021/2022

During 2021/22, the Board met bi-monthly, adhering to the Infection Prevention and Control measures in place during the COVID-19 pandemic, which have affected the whole NHS. As a result, our Board and Committee meetings have been held via Microsoft Teams, with a live stream function on YouTube for access to the public Board meetings. This link, agendas, minutes and Board reports are available on the Trust's website.

Changes in membership of the Trust Board

Tricia Storey-Hart stepped down as an Associate Non-Executive mid-April 2021, due to personal family circumstances. John Williams, Associate Non-Executive resigned in November 2021 having taken on a new Executive role with more extensive travel across Europe, but would want to return to a Non-Executive role in the NHS in the future.

We recruited two new Associate Non-Executive Directors during the year. Georgina Mitchell started in July and Phil Corrigan in August 2021.

The Board delegates duties to Committees that in turn report directly back to Board. These are either Assurance Committees Chaired by Non-Executive Directors, or Management Committees Chaired by an Executive Director.

The Board established one new Assurance Committee during the year; the Innovation District Committee, initially to be chaired by Dame Linda Pollard.

Appointment of Non-Executive Directors

Non-Executive Directors have been appointed by NHS England and Improvement (NHSE/I) who define the term of office for each appointment. Re-appointments can be made, but Non-Executive Directors will not normally serve more than six years to ensure independence and to comply with the good practiced defined by Code/s of Governance. Any exception would require approval from NHSE/I.

Our Associate Non-Executive Directors are the appointment of Leeds Teaching Hospitals NHS Trust, however the recruitment processes are jointly facilitated by NHSE/I and are carried out as part of the Board's succession plan, which will assist the Trust in the future recruitment of Non-Executive Directors.

Termination of the term of office of the Chair would be carried out by the Chair of NHSE/I.

All Board Directors comply with the 'fit and proper person test' that was introduced from November 2014, with reconfirmation annually at a Public Board meeting in March, with supporting details updated annually or in year for new appointments, and available for inspection by the CQC.

Measuring the performance of the Board members

The Senior Independent Director facilitated the Chair's appraisal with a summary report received at the July 2021 public Board meeting, and a formal submission as required to NHSE/I. The Trust Chair has carried out the appraisal of the Chief Executive which was reported to the Remuneration Committee during Quarter 1 of 2021. The Chair in turn carried out appraisals for the Associate /Non-Executive Directors, as has the Chief Executive for his direct reports. A similar process was carried out for mid-year reviews in the autumn.

The appraisal process is a thorough review of the assessment of the performance and independence of the Non-Executive Directors, reflecting on their contribution to the Trust during the year, along with 360 feedback. The Trust Board requires all Non-Executive Directors to be independent in their judgement. The structure of the Trust Board and its Assurance Committees ensures, along with the integrity of individual Directors, that no one individual or group dominates the decision-making processes.

Should the Chair have any concerns about the performance of Non-Executive Directors, this would be discussed with NHSE/I and their term of office would be terminated. Associate Non-Executives are the appointment of the Trust and action would be taken.

The Board reconfirms the corporate objectives at each March meeting and these are used to underpin the objectives for the Chief Executive and the Executive team.

The various Committees reported their work plans to the Trust Board at the beginning of the financial year, and against these have given an annual report to the Audit Committee at the year-end, which were received at the May Public Board meeting. These reports provide a summary on their progress and an evaluation of their performance during the year.

The Board has continued with its training and development programme during the year.

An external Well-led review was carried out during summer into autumn 2021 with a positive report to the January 2022 public Board meeting.

Remuneration of Board members

The remuneration of directors is determined by the Remuneration Committee who take into account relevant guidance from NHS England and Improvement, the Department of Health and Social care and HM Treasury.

Register of interests

The register of interests for Trust Board members is available on the Trust website at the following link: www.leedsth.nhs.uk/about-us/trust-board/board-register-of-interests

Non-Executive Directors of the Board during 2021/2022

Dame Linda Pollard DBE DL Hon. LLD
Chair

From February 2013

Since Linda joined Leeds Teaching Hospitals NHS Trust as Chair in February 2013 she has led the Trust to a number of significant successes.

As Chair of the Leeds Innovation District Partnership, a partnership between the Trust, the University of Leeds and Leeds City Council, including the Leeds City Region Enterprise Partnership and private sector, Linda has led the ambition to create a world-class hub for research, innovation and entrepreneurialism for the City. An exciting part of this will be the development of two new hospitals for Leeds and the award-winning, new Innovation Hub.

Linda is a member of the Finance and Performance Committee and chairs the Innovation District Committee.

In 2019, Linda was a winner of the Yorkshire and North East England regional Institute of Directors (IOD) awards and went on to receive national recognition by winning the IOD's Dr Neville Bain Memorial Award for Excellence in Director and Board Practice, the first time this was awarded to the public sector. In 2022, she won the Yorkshire Woman of the Year Award in recognition for her contribution to the County.

Linda advocates partnership working, bringing together leaders from across the region and beyond to facilitate closer working between health and social care, building economic investment in Leeds and the wider City region, and the appropriate representation of women on Boards.

Linda is a Trustee of the NHS Provider Board, representing acute trusts, and is the Remuneration Chair. Linda is a Trustee of Leeds Hospitals Charity, the charity partner of Leeds Teaching Hospitals NHS Trust. She is Vice Chair of the Citywide partnership; Health and Wellbeing Board to Board and by rotation chairs the West Yorkshire Association of Acute Trusts (WYAAT). She chairs the Yorkshire and the Humber Chairs network meetings for the North-East and Yorkshire Region, with support from regional and national leaders. She is a member of NHSE/I Chairs Advisory Group and makes a proactive contribution to the development of future Chairs in teaching and mentoring to support the NHSE/I programme.

Linda is working with General Sir Gordon Messenger, former Vice Chief of the Defence Staff to lead a landmark review of leadership in health and social care. The Review of Health and Social Care Leadership in England will seek to improve processes and strengthen the management and leadership of health and social care services across the country. It will report to the Secretary of State for Health and Social Care, Sajid Javid in 2022.

Linda is also an active Deputy Lord Lieutenant for West Yorkshire and was awarded a CBE in 2013 for her work in the business community in Yorkshire and an OBE in 2003 for her work in Bradford. She was also awarded an Honorary doctorate by the University of Leeds.

In October 2020, Linda was awarded the honour of Dame Commander of the Order of the British Empire for her services to healthcare, which span almost 30 years, and in recognition of her unbroken contribution to the community. This honour also recognises her tireless commitment to address the under-representation of women in senior roles across corporate Britain and in public services.

Gillian Taylor
Non-Executive Director and Deputy Trust Chair

From December 2018

A qualified accountant, and business transformation expert, Gillian is applying her professional skills gained as an executive, in a Non-Executive capacity in the health, social housing and environmental engineering sectors. She has operated at Board level in the utility, social housing and social business sectors, including British Gas and Centrica.

Since 2019, Gillian has been a Board member at Beyond Housing, where she is also a member of the Audit and Risk Committee. During 2021, Gillian has been a member of a Task Group for Beyond Housing to re-finance the business with a £250m sustainability bond. The bond will enable investment in existing customers' homes, provide more energy efficient homes, help move to a carbon zero organisation, and support the delivery of an ambitious housing development plan.

She has recently been appointed as a Non-Executive Director at JBA Group; an environmental, engineering and risk management group.

Gillian joined the Trust in 2018, and is joint Deputy Trust Chair, Chair of the Trust's Finance and Performance Committee, and is also a member of the Building Development Committee. She represents the Trust at the Leeds Health and Wellbeing Board and attends the NHS Leeds CCG Finance and Best Value Committee.

Tom Keeney

Non-Executive Director and Deputy Trust Chair

From December 2018

Tom has worked in a number of roles in Human Resources and business transformation throughout his career, helping to build high performing teams in a variety of sectors.

Most recently he held the position of Human Resources Transformation and Effectiveness Director at BT.

Tom has over 20 years' experience operating at a strategic level and for five years was a Member of Leeds City Region LEP Employment and Skills Panel with terms coming to an end during 2019.

In his role as a Non-Executive Director, he is joint Deputy Trust Chair and Chairs the Workforce Committee, is a member of the Finance and Performance Committee along with the Digital and Information Committee. He is the Freedom to Speak Up Guardian, and lead for the Lay Representation on AAC panels for consultant interviews and volunteering.

Professor Laura Stroud

Non-Executive Director

From December 2020

Professor Laura Stroud is Professor of Public Health and Education Innovation, Deputy Dean of the Faculty of Medicine and Health at the University of Leeds and Director of the Leeds Institute of Medical Education. With a wealth of experience in public health and student education, Laura is an invaluable link between the Trust and the School of Medicine at the University, helping us to develop the healthcare professionals of the future.

As a teaching hospital Board member, Laura is the nominated Non-Executive from the University of Leeds. She is Chair of the Quality Assurance Committee and a member of the Audit and Workforce Committees.

During the year she has held lead Non-Executive roles for Emergency Preparedness, Duty of Candour, Safeguarding, Mortality, and CQC until the amendments from the publication by NHS England in December on the Non-Executive Champion roles, but retains her role as Maternity Board Safety Champion.

Robert (Bob) Simpson

Non-Executive Director

From February 2018

Bob is an accomplished senior executive manager and has extensive experience in building development and construction. He was latterly Head of Construction Development with Asda Walmart, reporting to the Asda Management Board and CEO, responsible for the delivery of new space, sustainability and budget management.

He is Lead Non-Executive for Building the Leeds Way, Chair of the Building and Development Committee and is a member of the Innovation Committee.

Jasmeet (Jas) Narang

Non-Executive Director

From February 2019

Previously Associate Non-Executive Director from February 2018

Jasmeet (Jas) Narang is Chief Transformation Officer and Operations Director at Santander Operations UK.

He has over 25 years' experience in global finance services and has worked in India, Japan and the US in the past. He is a qualified Six Sigma 'Master Black Belt' and has held roles leading large operational teams, commercial portfolios and project/ digital transformation and supplier functions. In his current role at Santander, Jas is responsible for driving the bank's transformation overall agenda whilst responsible for Santander UK's Operations delivery and evolution over the coming years.

Jas successfully completed the 'Insight Programme', which supports senior level managers to develop the skills they need to become a Non-Executive in the NHS.

He chairs the Digital and Information Committee of the Board, is a member of the Audit Committee and also chairs the Organ Donation Committee. Jas is the Non-Executive Director with lead for our digital development and provides the lay input to Medical Revalidation.

Chris Schofield

Non-Executive Director

From April 2018

A practising solicitor specialising in corporate law, Chris is the Founding Partner of Schofield Sweeney LLP Solicitors, and a Trustee of the Leeds Hospitals Charity and a number of other local charities, including St Gemma's Hospice. Chris is the Chair of Governors at the One in a Million Free School and a Trustee of the Enhance Academy Trust. Chris is Non-Executive Director of JBA Group and Constant Systems Holdings Limited and is a part-time lecturer (business and commercial law) at Huddersfield University. Chris has served as the Under-Sheriff of West Yorkshire.

Chris was a Non-Executive Director for the NHS Leeds West Clinical Commissioning Group and has strong experience of the NHS.

Chris is the Senior Independent Director, a member of the Building Development and Innovation Committees, an observer of the management Committee for Research and Innovation, is the named Non-Executive Director for Medical Staff in Difficulty, the Health and Wellbeing Guardian and represents the Trust within the City's Health and Social Care Board.

Suzanne Clark

Non-Executive Director

From October 2018

Suzanne is a qualified accountant and currently the Chief Internal Auditor at a UK investment bank. Prior to this she held senior roles at the Bank of England and a number of financial institutions, including as Chief Internal Auditor at the Yorkshire Building Society. Suzanne is also a Trustee at a charity offering alternative educational to young people excluded from mainstream education in Bradford.

Suzanne chairs the Audit Committee, and with this role observes the monthly Risk Management Committee meeting and was the named lead Non-Executive Director for procurement, until the amendments from the publication by NHS England in December on the Non-Executive Champion roles when she became the Non-Executive Director Champion for Security Management.

Rachel Woodman

Associate Non-Executive Director

From December 2020

Rachel is currently Transformation Brand Lead at John Lewis and has a proven track record in leading strategy and transformational change to deliver outstanding business performance with previous roles: Executive Director, Coop Funeral Care Strategy, Transformation and New Business, Director of Strategy and Transformation also with the Coop and Strategy Director, Morrisons.

Rachel is a member of the Quality Assurance and Research and Innovation Committees.

Georgina Mitchell

Associate Non-Executive Director

From July 2021

With over 20 years' experience in financial services and fintech (including 10 years as Head of Investment Services and Head of PR and Communications at Leeds-based Redmayne-Bentley LLP), Georgina now holds a portfolio of Non-Executive Director and advisor roles, including as an independent Non-Executive Director of fund managers Orbis Investments UK and Chair of the ESG (environmental, social and governance) Advisory Board at wealth managers Superbia Group. She also holds pro bono roles in education and healthcare.

Georgina is a member of the Audit, Digital and Information, and Innovation District Committees.

Philomena (Phil) Corrigan

Associate Non-Executive Director

From August 2021

Phil began her career as a qualified nurse in the 1980s. By 1990 she was a Clinical Nurse Specialist at Leeds General Infirmary and throughout the 1990s she gained a great deal of experience in both nursing and senior management in several hospitals in West and South Yorkshire.

Since then, Phil has held a number of senior leadership roles, including at Leeds and Bradford Primary Care Trust and moved to be Chief Executive of NHS Leeds West CCG from 2012 to 2017. She became the first Chief Executive of the newly formed NHS Leeds CCG in 2017, retiring in 2019. She is a Trustee of St Gemma's Hospice.

Phil is a member of the Finance and Performance and Quality Assurance Committees.

John Williams

Associate Non-Executive Director

From December 2020 to November 2021

John is a globally experienced senior leader with a background in retail with over 20 years' experience within the sporting goods and fashion sectors, across a global diverse and multi-channel markets with leading brands such as Puma, Ted Baker as Sales Director and then Managing Director, and Under Armour as Regional Director and currently Head of Sales Western Europe, On Running AG.

John was a member of the Workforce Committee.

Executive Directors of the Board during 2021/2022

Sir Julian Hartley

Chief Executive

From October 2013

Since joining Leeds Teaching Hospitals NHS Trust as Chief Executive in 2013, Julian has created a patient-centred culture by engaging and empowering frontline teams to improve hospital services.

Through the introduction of The Leeds Way, Julian has led the Trust to become the most improved acute trust in the country in the national staff survey across the board, showing significant improvements in Staff Engagement year on year. His commitment to embedding the Leeds Improvement Method as a culture of continuous quality improvement has encouraged over 8,000 members of staff to lead improvement projects across a wide range of clinical and non-clinical areas.

Julian also plays a key leadership role in the local and regional health economy acting as the Chair of the West Yorkshire Association of Acute Trusts, which is a collaboration of six hospital trusts across West Yorkshire and Harrogate working together to deliver the best possible services for patients. Julian is also a core part of the leadership team for the West Yorkshire and Harrogate Care Partnership.

Julian was asked by NHS Improvement to work on the national NHS People Plan, which forms part of the NHS Long Term Plan. During this secondment, from 21 January to 31 March 2019, Julian helped lead discussions on making the NHS a better place to work, ensuring we have a positive and engaging, patient-centred culture and devolving workforce responsibilities more locally. This shows how his commitment to improving Leeds Teaching Hospitals NHS Trust and engaging with staff is making an impact nationally, with other organisations looking to Leeds as an example.

He has been appointed by the Secretary of State for Health as a Non-Executive Director with the Department of Health and Social Care. The Board is the collective strategic and operational leadership of the department, supporting and advising ministers and the department on strategic issues and overseeing risks and performance in the department.

Julian's career in the NHS began as a general management trainee, before working in a number of NHS management posts at hospital, health authority, regional and even national level. He has also worked as Chief Executive at Tameside and Glossop Primary Care Trust, Blackpool, Fylde and Wyre Hospitals, and the University Hospital of South Manchester NHS Foundation Trust.

Dr Phil Wood

Chief Medical Officer and Deputy Chief Executive

From May 2020

As the Chief Medical Officer, Phil has accountability for the outcomes and effectiveness of clinical services across the Trust. From September he became the Deputy Chief Executive.

He is also responsible for the medical workforce, including appraisal and revalidation, and the delivery of medical education and training.

He oversees the research and innovation activity in the Trust, working alongside academic partners, and is the nominated Caldicott Guardian for the Trust.

Phil joined the Trust in 2002 as a Consultant Immunologist and has worked in several operational and strategic roles over the last 15 years, most recently as Medical Director for Strategy and Planning, where he led the development of the Trust's clinical strategy.

He is committed to the development of clinical leadership across systems and has a track record of leading patient-centred change management across services.

Simon Worthington
Director of Finance

From July 2017

Simon, who lives in Leeds, started his career in 1988 as a trainee accountant with Leeds Western Health Authority, based at the Leeds General Infirmary.

After working in financial management in the acute sector for fifteen years he became a Finance Director in 2003. Since then, he has held a variety of Finance Director posts in the NHS working in commissioning, the ambulance service and the acute sector.

A great advocate for finance skills development and clinical engagement on finance, he chairs the Future Focussed Finance Programme nationally as part of the One NHS Finance Programme.

Simon joined the Trust in July 2017 from Bolton NHS Foundation Trust where he was Finance Director and Deputy Chief Executive. He won the Healthcare Financial Management Association (HFMA) Finance Director of the Year award in December 2015 in recognition of his leadership of the financial recovery at Bolton.

Since joining the Trust Simon has led a programme of improvement called "Finance the Leeds Way". The Trust has returned to surplus and the Finance Team won the HFMA "Finance Team of the Year" award in December 2018.

Lisa Grant
Chief Nurse

From April 2019

Lisa joined Leeds Teaching Hospitals NHS Trust in 2019 having previously held the post of Chief Nurse and Chief Operating Officer at the Royal Liverpool University Hospital.

Lisa established the Royal Liverpool Nurse Programme that was later endorsed by NICE. The programme is similar in concept to the Excellence in Practice Programme here at the Trust that began in 2019. The initiative celebrates the professions of nursing and midwifery whilst also creating an educational portfolio for nurses to develop their clinical competencies.

This is Lisa's third Executive Director post, having also previously worked at the Walton Centre NHS Foundation Trust.

Lisa has had a variety of nurse management and leadership roles within Merseyside and Cheshire and in Greater Manchester. Lisa holds a Diploma in Nursing, Diploma in Management, a Masters in Management and Leadership, an MBA and a Post Graduate Certificate in Executive Coaching.

Jenny Lewis
Director of Human Resources and Organisational Development

From August 2018

Jenny Lewis is an experienced Human Resources Director who is passionate about advancing System Development for the benefit of our communities as well as Organisational Development. She was previously the first HR Director for the unique public services partnership in Hampshire.

She is also the Executive Sponsor for the Leeds Health and Care Academy in partnership with Cath Roff MBE, Director of Adults and Health, Leeds City Council.

Jenny is drawing upon her previous experience of developing purposeful partnerships to develop a 'one workforce' approach across Leeds to deliver the Leeds ambition to make Leeds the best city in the UK for health and wellbeing, where people who are the poorest improve their health the fastest.

Clare Smith
Chief Operating Officer

From December 2018

Clare has worked at Leeds Teaching Hospitals since January 2014, most recently as the Director of Operations before becoming the Interim Chief Operating Officer. Prior to joining the Trust she worked as an Acute Trust Divisional General Manager in Scotland.

Clare is responsible for leadership and delivery of the Trust's operational services, ensuring high quality care and delivery of performance standards are achieved through our Clinical Service Units.

Craige Richardson

Director of Estates and Facilities

From August 2019

Craige has been with Leeds Teaching Hospitals NHS Trust for more than 25 years, working in various estates and facilities roles before progressing to the Director of Estates and Facilities. During this time, Craige has been instrumental in managing the ongoing transformation of the Trust estate, which is one of the largest and most complex acute estate portfolios in the NHS.

Craige is the Executive Lead for estate management and strategic development, facilities operational services, sustainability, and violence reduction and prevention, supported by a team of over 2,400. He is committed to ensuring that the estate and supporting services contribute to delivering exceptional patient care.

Craige is a Fellow of the Chartered Management Institution (CMI), is an active member of the West Yorkshire Net Zero Board Leads Network and played a significant role in leading the regional response to managing the COVID-19 pandemic.

Dr Paul Jones

Chief Digital Information Officer

From November 2019

Dr Paul Jones joined the Trust in November 2019. Paul has held senior roles across the public and private sector including as Chief Technology Officer for the NHS in England and Group CIO of Serco.

Paul's background is rooted in technology with a BSc and PhD in Computer Science. He is a Fellow of the British Computer Society and a Chartered IT Professional.

Paul leads a team of more than 400 digital, IT and information specialists, delivering vital services across the Trust to support exceptional patient care. This includes development of the Trust's electronic patient record, applications to support specialist functions, reporting and information insight, data quality and coding and records management. The team is also responsible for information governance and core IT services covering devices, cyber, networks, data centres, service desk and service management.

2.2 Attendance tables

Board of Directors

Name/Date	20 May '21		29 Jul '21		29-30 Sep '21		25 Nov '21		27 Jan '22		31 Mar '22	
Members:	Workshop	Public	Workshop	Public	Workshop	Public	Workshop	Public	Workshop	Public	Workshop	Public
Bob Simpson	✓	✓	✓	✓	✓	✓	✓	Apols	✓	✓	✓	✓
Chris Schofield	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Apols	Apols
Clare Smith	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Craige Richardson	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Gillian Taylor	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Jas Narang	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Jenny Lewis	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
John Williams	✓	✓	Apols	Apols	Apols	Apols						
Julian Hartley	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Laura Stroud	✓	✓	✓	✓	✓	✓	Apols	Apols	✓	✓	✓	✓
Linda Pollard	✓	✓	✓	✓	✓	✓	Apols*	Apols*	✓	✓	✓	✓
Lisa Grant	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Paul Jones	✓	✓	✓	✓	Apols	Apols	✓	✓	✓	✓	✓	✓
Phil Wood	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Rachel Woodman	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Simon Worthington	✓	✓	✓	✓	✓	Apols	✓	✓	✓	✓	✓	✓
Suzanne Clark	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Georgina Mitchel			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Phil Corrigan					✓	✓	✓	✓	✓	✓	✓	✓
Tom Keeney	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
In Attendance:												
Jo Bray	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Apols* - attending NHSE Board meeting - National Leadership Review

- not in post

Board Time-Outs

Name/Date	24 Jun '21	4 Oct '21 (am)	21-22 Oct '21		13 Jan '22	10 Mar '22
Bob Simpson	✓	✓	✓	✓	✓	Apols
Chris Schofield	✓	✓	✓	✓	✓	✓
Clare Smith	✓	✓	✓	✓	✓	✓
Craige Richardson	✓	✓	✓	✓	✓	✓
Gillian Taylor	✓	✓	✓	✓	✓	✓
Jas Narang	✓	✓	✓	✓	✓	✓
Jenny Lewis	✓	✓	✓	✓	✓	✓
John Williams	✓	✓	✓	✓		
Julian Hartley	✓	✓	✓	✓	✓	✓
Laura Stroud	✓	✓	✓	✓		
Linda Pollard	✓	✓	✓	✓	✓	✓
Lisa Grant	✓	✓	✓	✓	✓	✓
Paul Jones	✓	✓	✓	✓	✓	✓
Phil Wood	✓	✓	✓	✓	✓	✓
Rachel Woodman	✓	✓	✓	✓		Apols
Simon Worthington	✓	✓	✓	✓	✓	✓
Suzanne Clark	✓	✓	✓	✓	✓	✓
Georgina Mitchel	✓	✓	✓	✓		✓
Phil Corrigan		✓	✓	✓	✓	✓
Tom Keeney	✓	✓	✓	✓	✓	Apols
In Attendance:						
Jo Bray	✓	✓	✓	✓	✓	✓

Workforce Committee

Name/Date	4 May '21	15 July '21	15 Sept '21	11 Nov '21	12 Jan '22	16 Mar '22
Members						
Tom Keeney (Chair)	✓	✓	✓	✓	✓	✓
Laura Stroud	✓	✓	✓	✓	✓	✓
Rachel Woodman	✓	✓				
John Williams	Apols	Apols	Apols	✓		
Jenny Lewis	✓	✓	✓	✓	✓	✓
Julian Hartley	Apols	Apols	✓	✓	✓	✓
Craige Richardson	✓	✓	✓	✓	✓	✓
Lisa Grant	Apols	✓	✓	✓	✓	✓
Paul Jones	✓	Apols	Apols	Apols	Apols	Apols
Phil Wood	✓	✓	✓	✓	✓	✓
Jo Bray	✓	✓	✓	✓	✓	✓

Quality Assurance Committee

Name/Date	08 Apr '21	08 Jul '21	08 Sept '21	04 Nov '21	03 Feb '22
Members					
Tricia Storey-Hart (Chair- end 17 April)	✓				
Laura Stroud (Chair)	✓	✓	✓	✓	✓
Rachel Woodman	✓	✓	✓	✓	✓
Phil Corrigan			✓	✓	✓
Chris Schofield (Quoracy NED)		✓			
Lisa Grant	✓	✓	✓	✓	✓
Phil Wood	✓	✓	✓	✓	✓
Jo Bray	✓	✓	✓	✓	✓

Finance & Performance Committee

Name/Date	28 Apr '21	19 May '21	23 Jun '21	28 Jul '21	25 Aug '21	29 Sep '21	27 Oct '21	24 Nov '21	15 Dec '21	26 Jan '22	23 Feb '22	30 Mar '22
Members												
Gillian Taylor	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Linda Pollard	✓	✓	✓	✓	✓	✓	✓	Apols	✓	✓	✓	✓
Bob Simpson	✓	✓	✓	✓								
Tom Keeney	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Apols	✓
Phil Corrigan					✓	✓	✓	✓	✓	✓	✓	✓
Julian Hartely	✓	✓	✓	✓	Apols	✓	✓	✓	✓	✓	✓	✓
Simon Worthington	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Clare Smth	✓	✓	✓	✓	Apols	✓	✓	Apols	✓	Apols	Apols	✓
Craige Richardson	✓	✓	✓	Apols	Apols	✓	✓	✓	✓	✓	✓	✓
Paul Jones	✓	✓	✓	✓	✓	✓	Apols	✓	✓	✓	Apols	✓
Jenny Lewis	✓	Apols	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Jo Bray	✓	✓	✓	✓	✓	✓	Apols	✓	✓	✓	Apols	✓

Digital & IT Committee

Name/Date	14 May '21	20 Aug '21	12 Nov '21	11 Feb '22
Members				
Jas Narang (Chair)	✓	✓	✓	✓
Tom Keeney	✓	✓	✓	✓
Georgina Mitchell		✓	✓	✓
John Williams	✓			
Paul Jones	✓	✓	✓	✓
Jenny Lewis		✓	✓	Apols
Phil Wood	✓	✓	✓	Apols
Jo Bray	✓	✓	✓	✓

Innovation District Committee

Name/Date	Nov (informal)	Jan '22	Mar '22
Members			
Linda Pollard (Chair)	✓	✓	✓
Bob Simpson	✓	✓	Apols
Chris Schofield	✓	✓	Apols
Georgina Mitchell	✓	✓	✓
Rachel Woodman	✓	Apols	✓
Jo Bray	✓	✓	✓

Building & Development Committee

Name/Date	Apr '21	May '21	Jun '21	Jul '21	Aug '21	Sep '21	Oct '21	Nov '21	Dec '21	Jan '22	Feb '22	Mar '22
Members												
Bob Simpson (Chair)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Chris Schofield	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Gillian Taylor	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Julian Hartley	✓	✓	✓	✓	Apols	✓	Apols	✓		✓	✓	✓
Simon Worthington	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Jo Bray	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Apols	✓

Audit Committee

Name/Date	06 May '21	28 May '21	09 Sep '21	02 Dec '21	03 Mar '22
Members					
Suzanne Clark	✓	✓	✓	✓	✓
Chris Schofield (Quaracy NED)			✓		✓
Georgina Mitchell			✓	✓	
Jas Narang	✓ (partial)	✓	✓	✓ (partial)	✓ (partial)
John Williams	✓	✓			
Laura Stroud	✓	✓	✓	Apols	✓
In Attendance					
Simon Worthington	✓	✓	✓	✓	✓
Phil Wood	✓	✓	✓	Apols	✓
Jo Bray	✓	✓	✓	✓	Apols

2.3 Governance Report

Annual Governance Statement (2021/22)

1. Scope of responsibility

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

2. The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives of Leeds Teaching Hospitals NHS Trust, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Leeds Teaching Hospitals NHS Trust for the year ended 31 March 2022 and up to the date of approval of the annual report and accounts.

3. Capacity to handle risk

The Board of Directors provides leadership on the overall governance agenda. The Board of Directors is supported by a range of Committees that scrutinise and review assurances on internal control. Our assurance Committees; Audit, Quality Assurance, Finance & Performance, Digital & IT, Workforce, Building Development and Innovation District. The Risk Management Committee and Research & Innovation Committees are executive Committees reporting to the Board of Directors. These Committees have all provided an annual report detailing how they have discharged their duties, with attendance of the respective Committee Chair at the Audit Committee meeting on 5 May 2022, which was received at the 26 May 2022 public Board meeting.

The Board has a number of overarching principles and procedures related to governance that is defined within our risk appetite, underpinned by policies and procedures, with means of monitoring and assurance. Our approach to risk identification, assessment and control, and the management and investigation of incidents is aligned to the values and behaviours set out in the Leeds Way, and a culture of accountability and transparency.

3.1 The Risk Management Committee focuses on the most significant risk exposures and oversees risk treatment to ensure: (a) the correct strategy is adopted for identifying and managing risk; (b) appropriate controls are present and operating effectively: and (c) action plans are robust to mitigate risks to remain within tolerance. The Risk Management Committee is Chaired by myself as Chief Executive and comprises all Executive Directors. Senior Managers, specialist advisors and the Audit Committee Chair routinely attend each meeting. The Trust has kept under review and updated risk management policies during the year. Whilst the Risk Management Committee reports directly to the Board through me, it also works closely with front line Clinical Service Units (CSUs) and all Committees of the Board in order to identify, triangulate and prioritise risk, working together to continuously enhance risk treatment. Chairs of Board Committees escalate, as appropriate, issues to the Risk Management Committee.

3.2 The Board established a Risk Appetite Task & Finish Group in September 2020 which concluded with a publication of our risk appetite framework in April 2021. This defines the key risks categories for our organisation, each underpinned by statements supported by our five point appetite scale. This will be embedded across the Board and its Committee structures moving forward.
http://flipbooks.leedsth.nhs.uk/20210225001

3.3 In line with NHS England and NHS Improvement (NHSE/I) guidance, (Reducing the burden and releasing management capacity) issued in December 2021 in preparation for operational pressures relating to the Omicron variant of the Covid pandemic, the Trust chose to maintain its governance structures with Board and Committee meetings taking place. Noting a streamlined Finance & Performance meeting at the end of January 2022.

3.4 Training and support is provided to relevant staff on risk assessment, incident reporting and incident investigation. In addition, the Board has set out the minimum requirements for staff training required to control key risks. A training need analysis informs the Trust's mandatory training requirements and has been kept under review; this sets out the training requirements for all members of staff and includes the frequency of training in each case.

3.5 Incidents, complaints and patient feedback are routinely analysed to identify for learning opportunities and improve control. Lessons for learning are disseminated to staff using a variety of methods, including Quality and Safety briefings, Learning Points Bulletin and personal feedback where required. The Trust is leading a network with WYAAT partners to share learning from serious incidents, including Never Events and it is an early adopter of the Patient Safety Incident Response Framework, which was published in 2020. The Quality Assurance Committee provides oversight on this process, with a complaints annual report to the Board of Directors each July and a six-month update in January.

3.6 I have ensured that all significant risks of which I have become aware are reported to Board of Directors and Risk Management Committee. All new significant risks are escalated to me as Chief Executive and validated by the Executive Team and Risk Management Committee. The residual risk score determines the escalation of risk.

3.7 The Board of Directors regularly scans the horizon for emergent opportunities or threats and considers the nature and timing of the response required in order to ensure risk is appropriately managed at all times. Collectively the Board reviews the Board Assurance Framework (BAF) and our risk management appetite statement each year.

4. The Risk and Control Framework

4.1 **(i) Determine priorities**

The Board of Directors determines corporate objectives annually and these establish the priorities for Executive Directors and clinical services.

(ii) Risk Identification

Risk is identified in many ways. We identify risk proactively by assessing corporate objectives, work related activities, analysing adverse event trends and outcomes, and anticipating external possibilities or scenarios that may require mitigation by the Trust.

(iii) Risk Assessment

Risk Assessment involves the analysis of individual risks, including analysis of potential risk aggregation where relevant. The assessment evaluates the severity and likelihood of each risk and determines the priority based on the overall level of risk exposure.

(iv) Risk Response (Risk Treatment)

For each risk, controls are ascertained (or where necessary developed), understood and documented. Controls are implemented to avoid risk; seek risk (take opportunity); modify risk; transfer risk or accept risk. Gaps in control are subject to mitigating actions that are implemented to reduce residual risk. The Board of Directors has considered its appetite for taking risk and reviewed its risk appetite to guide the management of risk throughout the Trust.

(v) Risk Reporting

Significant risks are reported at each formal meeting of the Board of Directors and Risk Management Committee. In addition, in the event of a significant risk arising, arrangements are in place to escalate a risk to the Chief Executive and Executive Team. The level at which risk must be escalated is clearly set out in the Risk Management Policy, which is reviewed every two years and was last updated and approved in March 2022. The risk reporting to the Board of Directors also details what actions are being taken, and by whom, to mitigate the risk and monitor delivery. The Audit Committee and Board of Directors have reviewed assurance on the effective operation of controls to manage potential significant risk as set out in the Corporate Risk Register and supporting report to each Board meeting and regular reviews of the Board Assurance Framework.

(vi) Risk Review

a. Those responsible for managing risk regularly review the output from the risk register to ensure it remains valid, reflects changes and supports decision making. In addition, risk profiles for all CSUs remain subject to detailed scrutiny as part of a rolling programme by the Risk Management Committee. The purpose of the Trust's risk review is to track how the risk profile is changing over time; evaluate the progress of actions to treat material risk; ensure controls are aligned to the risk; risk is managed in accordance with the Board's appetite; resources are reprioritised where necessary; and risk is escalated appropriately.

b. Incident reporting and investigation is openly encouraged as a key component of risk and safety management to help us learn and take action in response to patient safety incidents. An electronic incident reporting system is operational throughout the organisation and is accessible to all staff. Incident reporting is promoted through induction and training, regular communications, leadership walk rounds or other visits and inspections that take place (face to face leadership visits were suspended due to Government rules related to social distancing to reduce the risk of transmission). A programme to support staff who have been involved in an incident is in place, Leeds Incident Support Team (LIST) and a process for sharing lessons across the organisation is established, overseen by the lessons learned group. In addition, arrangements are in place for staff to raise any concerns at work confidentially and anonymously if necessary.

4.2 As at 31 March 2022, Leeds Teaching Hospitals NHS has identified a range of significant risks, which are currently being mitigated, whose impact could have a direct bearing on requirements within the NHS Single Oversight Framework, CQC registration or the achievement of Trust policies, aims and objectives should the mitigation plans be ineffective. Currently, the significant risks documented on the Corporate Risk Register at 31 March 2022 and described broadly relate to the following areas:

Workforce Risk

- Workforce Supply: nurse staffing levels and medical staffing including doctors in training
- Workforce Deployment: Leeds vaccination programme

Operational Risk

- Business Continuity: viral pandemic and power failure/lack of IPS/UPS resilience due to the electrical infrastructure and
- Health & Safety: harm due to clinically related behaviours that challenge linked to organic, mental health or other reasons and staff health, safety and wellbeing during the COVID-19 pandemic.
- Change: delivery of the refurbishment of the Generating Station Complex at LGI, risks associated with Building the Leeds Way – hospital of the future project, pathology project and the LGI Site Development Project.

Clinical Risk

- Infection Prevention & Control: healthcare acquired infection.
- Patient Safety & Outcomes: re-commencing normal activity levels due to reduced capacity (COVID-19), patient harm related to falls and hospital acquired pressure ulcers (COVID-19), Information, achieving the Emergency Care Standard, 18-week RTT target, 62-day cancer target, 28-day cancelled operation target, patients waiting 52-week+ in spinal and colorectal services and patients waiting longer than 6 weeks following referral for diagnostics tests.
- Capacity Planning: patient flow and capacity for emergency admissions, levels of medical outliers and Airedale Hospital Infrastructure: potential risk re transferring patients to LTHT.

Financial Risk

- Financial Management & Waste Reduction: delivery of financial targets in 2022/23 and impact on capital resources.

4.3 Detailed risk registers are proactively used throughout the organisation. These set out arrangements for risk treatment, risk appetite thresholds and further mitigating actions planned. We have established arrangements to allow a review of significant risk exposures by the full Board at each formal meeting; the process for this is examined by the Audit Committee to underpin this Statement.

4.4 Equality impact assessments are integrated into core Trust business. All reports to Trust Board follow a standard reporting template, which includes an 'Equality Analysis' section where authors of the report are required to set out any negative equality-related impacts

along with mitigation, and all Trust policies require an equality impact assessment to be completed before Executive Team approval. In organisational change projects, Senior HR Officers support Line Managers in undertaking their duty to prepare equality impact assessments on the proposed change and to then take this into consideration in implementing that change.

4.5 The Trust has a Resource Management Group (RMG) with membership made up of the Trust's Professional Workforce Leads. This group leads and reports on activities with a focus on strategic workforce planning, alignment of workforce planning with finance and performance; initiating and overseeing projects that support workforce planning for the short, medium and longer term such as initiatives to address recruitment and retentions hotspots.

RMG reports into the Board Assurance Committee for Workforce, meeting bi-monthly reporting to Board. This Committee seeks assurance on the seven people priorities set out in our strategy; support and report on activities related to resource management with a focus to develop workforce resource plans; align the developed workforce resource plans with finance and performance and seek assurance on projects that are in place to address specific workforce hotspots and issues.

The Trust has embedded a corporate workforce planning framework ensuring recruitment processes eliminate waste; reduce high-cost agency, promote new roles to support skill mix reviews; effectively deploying staff and focusing on retention, learning and sharing best practice. We are now maturing our workforce planning process and have put in place bespoke sessions with our CSUs to better understand their challenges. Our HR business partners will then work with them to coproduce effective workforce solutions supporting their short, medium and longer term workforce planning.

In addition, our Resourcing Transformation Lead is reviewing the LTHT recruitment process to ensure a stronger focus on equality and diversity from advertisement to appointment. Stakeholders from across the organisation are involved in this work.

5. Care Quality Commission (CQC) Registration

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

5.1 Compliance with the provisions of the Health & Social Care Act 2008 (Registration Regulations) 2010 is co-ordinated by the Director of Quality. The Director of Quality oversees compliance by:

- Reporting and keeping under review, matters highlighted within the Care Quality Commission's Acute Insights Report and inspections;
- Self-assessment against the Key Lines of Enquiry defined within the criteria of the Well-led review, and preparing the Trust for an external review;
- Liaising with the Care Quality Commission and Clinical Service Units to address specific concerns;
- Engaging with the Care Quality Commission on the inspection process, co-ordinating the Trust's response to inspections and recommendations/actions arising from this;
- Analysing trends from incident reporting, complaints, and patient and staff surveys to detect potential non-compliance or concerns in Clinical Service Units;
- Reviewing assurances on the effective operation of controls;
- Receiving details of assurances provided by Internal Audit, and being notified of any Clinical Audit conclusions which provide only limited assurance on the operation of controls; and
- Challenging assurances or gaps in assurance by attending meetings of Risk Management Committee, Quality Assurance Committee, and Audit Committee.

5.2 The Trust is registered with the Care Quality Commission, has no compliance actions in force and is fully compliant with the Fundamental Standards. Their last inspection was undertaken by the Care Quality Commission in August and September 2018, focusing on four core services (critical care, medicine, urgent care and surgery), use of resources and well-led. Leeds Dental Institute was also inspected. The Trust received an overall Good rating when the final report

was published in February 2019, and was rated outstanding for critical care, use of resources and Leeds Dental Institute. The Trust developed an action plan to address the recommendations in the report; this was followed up through the engagement process with the local Care Quality Commission inspectors and Quality Assurance Committee to provide assurance that the Trust was fully compliant with the regulations set out in the report. Work continues to progress to move from a Good to an Outstanding rating.

5.3 The Care Quality Commission carried out the Use of Resources Inspection assessment during August 2018 and rated the Trust as Outstanding.

5.4 During September 2018 the Care Quality Commission carried out a Well-led review with a rating of Good.

5.5 The Trust Chair holds and maintains the 'Fit and Proper Persons Test Register' for the Board. Annually checks are carried out to ensure all those listed are fit and proper against the requirements defined by the Care Quality Commission.

5.6 The Trust is fully compliant with the registration requirements of the Care Quality Commission. In light of COVID-19 we have worked with the new national guidelines regarding staffing levels and have received assurance at Board against our own nursing establishments, which were fully reviewed at the start of April for LTHT.

5.7 The Trust registered the NHS Nightingale Yorkshire & the Humber (NNYH) with the Care Quality Commission, the Statement of Purpose was amended when this facility was decommissioned. The Trust advised the Care Quality Commission on the developments related to the Nightingale surge hub that was established to support the surge related to the Omicron variant; the Care Quality Commission were advised when this service was decommissioned.

5.8 The vaccination centres were registered as a satellite with the Care Quality Commission and the Statement of Purpose updated.

6. Register of interests, including gifts and hospitality

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

6.1 The Trust publishes on its website an up-to-date register of interests, including gifts and hospitality, for decision-making staff (as defined by the Trust with reference to the guidance) within the past 12 months, as required by the '*Managing Conflicts of Interest in the NHS*' guidance. The register for the Board can be found at https://leedsth.mydeclarations.co.uk/reports/GroupReport and the full staff report at https://www.leedsth.nhs.uk/about-us/freedom-of-information/publication-scheme/lists-and-registers/declarations

All gifts donated to the Trust in relation to COVID-19 were recorded, received and distributed through Leeds Hospitals Charity.

7. Pensions

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.

8. Sustainability

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.

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

9.1 As Accounting Officer, I am responsible for ensuring that the Trust has arrangements in place for securing value for money in the use of its resources. To do this I have maintained systems to:

- Set, review and implement strategic and operational objectives;
- Engage actively with patients, staff, members and other stakeholders to ensure key messages about services are received and acted upon;
- Monitor and improve organisational performance; and
- Establish plans to deliver waste reduction programmes.

9.2 The five year integrated plan is refreshed each year and used to develop the annual operational plan for the Trust. The Trust actively engages Commissioners, regulators (NHS Improvement), system functions (West Yorkshire Integrated Care System (WYICS) and West Yorkshire Acute Association of Trusts (WYAAT)), staff and others as necessary to develop and agree detailed financial and operational plans. Planning takes account of system initiatives and their impact to ensure that planning within the broader ICS is aligned. These detailed operational plans and budgets are approved by the Board.

9.3 The Trust approved its annual plan in December 2021 and submitted its Operational Plan for 2021/22 in April 2022 to NHS England and Improvement.

9.4 Updates to the plans include revisions to our operational, financial, workforce and strategic plans. These submissions contain a variety of technical documents prepared by members within the Trust and an overall narrative which describes these submissions and their associated risks. This informs the detailed operational plans and budgets which are also approved by the Board.

9.5 In line with normal practice the Trust agreed its Annual Plan for 2022/23 in December 2021. NHS England and Improvement published draft planning guidance for systems in January 2022 and the Trust has reviewed these in relation to our agreed annual plan.

9.6 The Trust is a key member of WYAAT which in the year has continued to make good progress with the Committee in Common (CiC) meeting four times per year for the governance and accountability of work streams to support transformation across West Yorkshire, reporting and accountable to each sovereign Board. The CiC has membership from each provider organisation with both Executive and Non-Executive membership from each, usually by the Chief Executive and Chair.

9.7 The Board agrees annually a set of corporate objectives which are communicated to colleagues and the public via my Chief Executives report each March. This provides the basis for performance reviews at CSU level. Operational performance is kept under constant review by the Executive Team, Finance & Performance Committee and the Board of Directors. In order to keep under review the delivery of the corporate objectives, the Board reviews at each formal meeting an Integrated Quality & Performance Report covering patient safety, quality, access and experience metrics, and a Finance Performance Report.

9.8 The Trust continues to operate its Financial Management Framework to ensure that the Trust is meeting its strategic target of financial sustainability. Each quarter a fundamental review takes place of the financial position, and this is reviewed by the Board and relevant action plans developed. Each month reports are prepared for the Finance & Performance Committee on the financial position, alongside monthly finance reports issued to CSUs that show performance against budget. These reports contain both financial and non-financial information.

9.9 The Trust has a PMO team in place to support CSUs in achieving their Waste Reduction Programme targets, and through the Leeds Improvement Method increase performance and overarching quality. This is supported by other initiatives within the Trust such as GIRFT and benchmarking against the model hospital.

9.10 Assurances on the operation of controls are commissioned and reviewed by the Audit Committee and, where appropriate, other Committees of the Board of Directors as part of their annual cycle of business.

9.11 The Trust has a co-sourced internal audit function using internal and PwC resources. The External Auditors, Mazars, were re-appointed in January 2021 for a period of three years. The implementation of recommendations made by Internal and External Audit is overseen by the Audit Committee.

10. Information governance

Information Governance incidents within the Trust are managed through rigorous and standardised processes with an appointed Caldicott Guardian and Deputy, a qualified Senior Information Risk Owner and the Data Protection Officer for the Trust. During 2021, there were ten SIRI's or near-miss incidents that required reporting, of which four were reported to the ICO. The Trust Information Governance Team has investigated all of the cases and has worked with all concerned parties to ensure that the appropriate governance and information security procedures have been implemented. The IG Team has also provided advice and guidance on the way in which staff should handle information, in particular the personal, sensitive and corporate data processed by the Trust. This ensures that information is dealt with legally, securely, efficiently and effectively, in order to deliver the best possible care.

11. Data quality and governance

The Data Security Protection Toolkit (DSPT) is an annual self-assessment produced by NHS Digital, the DSPT provides Acute Trusts with 42 assertions to self-assess. These assertions will determine whether an organisation is compliant with national guidance and legislation.

The DSPT contains 42 assertions segregated into 10 specialist areas based on the National Data Guardian Standards. Of these 42 assertions, 37 assertions are mandatory. A total of 149 pieces of evidence are required for the Toolkit. The Trust's Senior Information Risk Owner (SIRO) has requested that all non-mandatory assertions are completed as good practice. The Trust's Internal Audit (PwC) conducted a high-level review of a sample of Data Security Standards and the evidence uploaded was deemed as meeting the requirements of the DSPT.

The Trust was able to successfully submit its DSPTv3 Submission for 2020/21 on 24th June 2021 with all mandatory evidence items being successfully completed.

Of the 39 non-mandatory evidence items the Trusts was able to complete 33 items, achieving a 84% compliance, this is up 1% on last year's compliance.

The IG Team are currently on target to meet the 2021/22 DSPTv4 submission.

12. Review of Effectiveness

As Accountable 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 Directors, my direct reports, Clinical Directors of the CSUs, and Committee Chairs within the NHS Trust who have responsibility for the development and maintenance of the internal control framework. I have drawn on the 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 Committee, our assurance and management Committees reporting to Board and a plan to address weaknesses and ensure continuous improvement of the system is in place.

12.1 The Board of Directors

The Board has set out the governance arrangements including the Committee structure within the Standing Orders. These assurance Committees, Chaired by Non-Executive directors and reporting to Board are: Audit, Finance & Performance Quality Assurance, Digital & IT, Workforce, Building Development, Innovation District and Remuneration. In addition, the Board receives reports from two management Committees; Risk Management and Research & Innovation both Chaired by Executive Directors.

Chairs of the Board's Committees report to the Board at the first available Board meeting after each Committee meeting and urgent matters are escalated by the Committee Chair to the Board as deemed appropriate.

The Board commissioned an independent review into Board governance and Committee effectiveness during 2018/19 in preparation for our Well-led Review by the CQC. The review found no material concerns. Over the Summer months we commissioned an external review of Well-led by AQUA reporting to the public Board in January 2022 with a very positive outcome however we are working to implement recommendations to continue to strengthen our governance.

In October 2019 the Trust Chair was awarded by the Institute of Directors of the Year Award for Best Practice, Governance and Board Leadership, the first time this had been awarded to the public sector, an external validation to the practices of the Board at Leeds Teaching Hospitals NHS Trust. In November 2021, I was awarded Public Sector Director of the Year for 2021 by the Institute of Directors.

12.2 Internal Audit

There were 25 reviews agreed in the Internal Annual Plan for 2021/22, with 23 completed and two have been deferred to 2022/23 (Waiting Lists Management and Staff Wellbeing). Of the 23 completed audits, one was rated high risk, Patient Property and with the Cyber Security audit findings currently in draft format but has highlighted some weaknesses known to management that are likely to result in high/critical risk findings. Therefore, these should be highlighted as an area of significant internal control weakness. Seven were completed in 2021/22 for Building the Leeds Way, with none of these were rated high risk.

Head of Internal Audit opinion states; 'We are satisfied that sufficient internal audit work has been undertaken to allow and opinion to be given as to the adequacy and effectiveness of governance, risk management and control. In giving this opinion, it should be noted that assurance can never be absolute. The most that the internal audit service can provide is reasonable assurance that there are no major weaknesses in the system of internal control'.

12.3 External Audit

External audit provides independent scrutiny on the accounts, annual report, and usually the Annual Governance Statement reporting by exception if the Trust fails to comply with the guidance and as defined by NHSE/I. There was no requirement for assurance on the Annual Quality Report.

12.4 Clinical Audit

Quality Assurance Committee, at the meeting on 8 April 2021, received and were assured by the Clinical Audit Annual Report for 2021/22. This summarised clinical audit activity across the Trust, adhering to the national requirement reflected in the Trust Clinical Audit Procedure, which reflects national best practice. The report also set out the Trust's priorities for 2021/22.

12.5 Health & Safety

The Health & Safety (H&S) team have maintained all of their core activities throughout the coronavirus pandemic over the last 12 months, including the annual Health & Safety Audit and continued to work collaboratively with Infection Prevention and Control, Human Resources (HR), Estates & Facilities and Occupational Health to respond to evolving guidance to keep essential services in place without compromising staff safety or health.

The Health and Safety Team have worked collaboratively as part of the Trust 'Social Distancing Group'. One of the key outputs of this group was the document which supports the Infection Prevention and Control Board Assurance Framework document (IPC BAF) and is known as the 'Working Safely with COVID-19 Assessment'. This document was developed for use in those non-clinical areas of the Trust where IPC controls were also essential.

We continue to be one of a few Healthcare Trusts to receive a Royal Society for the Prevention of Accident (ROSPA) Safety Gold Medal Award for its H&S Management System and this has been upheld for the past six years.

Processes continue to be in place to address all national safety alerts distributed for our attention via the Central Alerting System (CAS).

Health & Safety continue to report modifiable incidents to the HSE and in relation to COVID-19 and RIDDOR reporting there have been no cases to date of occupational disease or death being submitted by Leeds Teaching Hospitals NHS Trust to the HSE, which is consistent with partner organisations following communication through regional network health and safety leads. For an incident to be reportable there must be clear and reasonable evidence to confirm the link between the exposure and the work- related activity.

As Chief Executive I have received reports from the Trust Fire Safety Manager, at the Risk Management Committee, that set out our compliance against the Trust's statutory responsibilities under the Regulatory Reform (Fire Safety) Order. Assurance reports are reported quarterly to the Risk Management Committee. During the year the Committee received a number of assurance reports that have included a strategic fire safety management plan, three-year fire safety plan and various assurance documents.

The Trust continues to receive updates and learning reflecting national fire safety issues that are relevant to healthcare and there is a programme of implementation of any changes.

As the COVID-19 situation has evolved, fire safety has played a key part in planning for the Trust response, especially with regard to the changes to oxygen systems that have been installed or updated, changes to clinical environments to create surge plans and adapting training to meet social distancing requirements. The LTHT Fire Team has also provided the expert reference for fire safety at NHS Nightingale Yorkshire and the Humber (during decommissioning in 2021), the Elland Road Vaccination HUB and the NHS Surge Centre). This involved putting a fire safety strategy into a conference centre / entertainment pavilion, with the former being turned into a 500 bed ICU. As part of this process there was a significant work stream that involved the Team demonstrating statutory compliance was met as far as reasonably practicable and providing assurance to demonstrate this to NHSE/I.

12.6 Promoting Safety

Throughout 2021/22 we have reviewed and evaluated our nurse staffing establishments in response to the COVID-19 Pandemic and the opening of additional surge capacity to support the increased demand on our services. We continued to be compliant with NHS England guidance and national safer staffing policy requirements. The Board have been fully assured in relation to safer staffing requirements, workforce response to the different peaks in the pandemic and assessment of quality indicators against any wards that have reported below their planned staffing levels through the Nursing and Midwifery Quality and Safety Staffing Board report.

The implementation of a Trust wide acuity and dependency tool 'SafeCare' continued throughout the year with full implementation achieved on the 28 February 2022. This allowed the Nurse Staffing Status Report (NSSR) to be discontinued. The NSSR was a temporary solution to provide a risk assessment of available workforce on a shift-by-shift-basis. The SafeCare system provides an overview of the available workforce against the acuity and dependency needs of patients.

Wards rate the safety of each shift based on the acuity and dependency needs of the patients against the available workforce. This provides an evidence based approach to risk assessing safer staffing requirements across the Trust. If any ward has unmitigated safety concerns this is escalated to the Director of Nursing Operations and through the daily staffing meeting. An exception report is also provided to the weekly quality meeting chaired by the Chief Nurse and Chief Medical Officer.

A key focus for 2021/22 was the closing of the registered nurse workforce gap through the recruitment of ethically sourced international nurses. The Trust has worked with Health Education England (HEE) Global Learning Practitioner scheme and two international recruitment agencies to successfully recruit nurses from the World Health Organisation approved list of countries. To date the Trust has over 500 ethically sourced international nurses in post which has significantly reduced the registered nurse vacancy gap to 6.49% in February 2022. Nationally the recruitment of Clinical Support Workers (CSW) has been a challenge; the Trust has also worked NHS England/Improvement to support large scale recruitment events and national campaigns to attract people into CSW roles that are new to care.

In addition to the focus on recruitment and safer staffing the Trust has also introduced a Nursing Quality Review programme to provide additional assurance in relation to patient safety.

The Nursing and Quality Annual Review Programme has been developed to provide assurance about;

- The quality and safety of care provided to our patients
- The quality of the patient experience
- Clinical Service Unit (CSU) processes for managing quality and safety
- Nurse establishment setting based on safer staffing principles and national policy requirements
- Ensuring each CSU has the required workforce, with the right skills, at the right time to meet acuity and dependency needs of our patients
- Patient outcomes in relation to the available nursing workforce
- CSU governance processes
- CSU recovery plans to address areas of improvement/focus.

12.7 As Chief Executive I am working with the 'Freedom to Speak-Up Guardians' to embed and promote a culture of openness for staff to express concerns about patient care and safety. The Board received the annual report received at each at the May Board meeting with a six month update in year in November. Assurance on our processes, were reviewed by the March 2022 Audit Committee meeting. Throughout our Trust wide communications to support staff during COVID-19 we have actively encouraged staff to raise concerns via the Freedom to Speak-up Guardians

12.8 The Chief Medical Officer works with the Guardian of Safe Working (GoSW) to monitor junior doctors' working hours in line with national terms and conditions. The Board of Directors is sighted on this work through reports through the Learning, Education & Training (LET) Committee, a mandatory annual report is received at the Board each May and information included as a statutory requirement within the Quality Account. Where there are increased reports in specific departments, the GoSW escalates this to the Associate Medical Director for Medical Education (AMD ME) who works with the Chief Registrar and one of our Clinical Leadership Fellows to get a detailed trainee narrative around events, then work with the department to explore how we make improvements. Reporting is in most cases related to high workloads as regional units have diverted acute work into LTHT or around care of specific groups of patients where senior cover of trainees continues to be a challenge. The AMD ME has been in discussion with the Deanery and there are plans to provide additional trainees to help generate an additional rota which will improve cover.

12.9 The Trust has put in numerous measures to ensure staff safety during the COVID-19 Pandemic. These include but are not limited to:

- facilitating staff working from home/hybrid working as appropriate and in line with policies and procedures
- where staff have to attend work ensuring social distancing and workplace assessments are in place and regularly reviewed
- ensuring appropriate PPE/training is in place
- ensuring appropriate arrangements are in place for vulnerable staff for example pregnant workers, those with underlying health conditions and that appropriate Risk Assessments have been completed and reviewed
- undertaking positive action for BAME staff to ensure managers have a supporting conversation with BAME colleagues recognising anxiety due to disproportionate impact
- supporting staff testing to reduce the risk of workplace transmission
- offering a range of health & wellbeing support including access to Clinical Psychologists, Shielders coffee mornings, support for those with long covid and access to treatment options.
- development of Health and Wellbeing strategy as the organisation moves towards the reset phase of the pandemic
- reminder forwarded to all staff regarding their ability to raise concerns through the freedom to speak up and other avenues.

Throughout the pandemic we have been working closely with recognised professional bodies and Trade Unions and have ensured mechanisms are in place for health & safety representatives to raise any concerns.

A process is in place to encourage all frontline staff to conduct twice weekly Lateral flow testing for COVID-19. A comprehensive process has been developed for the prevention and management of staff and patient COVID-19 contact events in clinical and non-clinical settings. Investigations in workplace exposure determine if healthcare acquisition is suspected and Occupational Health will contact the staff member to explore this further. If workplace exposure is found and RIDDOR reporting necessary, these details are to be forwarded to Head of Health & Safety to work with CSU's to report to the HSE. All Health & Safety decisions are guided by National Guidance.

13. Significant In-Year Matters

13.1 The Board and its Committee structures receive reports on the performance of the organisation against its duties set out in the provider licence. Reporting information is supplied to provide insight to the actual performance position against constitutional standards, full year to date position displayed by Statistical Process Charts (SPC) charts, and where appropriate agreed trajectories, to enable actual comparisons to be made year on year.

13.2 The delivery of constitutional targets has been significantly impacted during the year, as the response to the COVID-19 pandemic has restricted capacity within our services. These restrictions have been due to the reallocation of staff or space for delivery of care to COVID-19 patients, social distancing reducing patient capacity in some areas and staff absences due to illness or the need to isolate.

13.3 The Board of Leeds Teaching Hospitals were asked to develop one of a number of Nightingale Surge Hubs as part of the response to the Omicron wave during the winter of 2021-22. A temporary structure was built on one of the car park sites at St James's Hospital with potential emergency bed capacity of c80 patients. The hub was constructed during January 2022 but decommissioned in March once it was apparent that the capacity would not be required.

13.4 The Chief Medical Officer reporting to the Board has been the Senior Responsible Officer for the West Yorkshire Vaccination Programme. LTHT delivered the programme from the Thackray Medical Museum and vaccination hub at the Elland Road Pavilion and then a temporary structure at Elland Road from July 2022. This site closed for vaccination on 25th March 2022 and was decommissioned by mid-April 2022 as the vaccination programme moved from large mass vaccination sites to a pop-up model.

13.5 Governance, assurance and risk management of both NNYH and vaccination centres have been reported through the Board and our Committee structures at LTHT during the year.

13.6 At Leeds Teaching Hospitals NHS Trust I believe with my Executive colleagues and the Board we have robust governance structures and systems in place. Under my tenure we have worked hard at establishing an open, honest, fair, accountable way of working with mutual respect that are the heart of the core values that underpin how our organisation works, as defined by our staff and set out in the Leeds Way Values. As a result we drive transparency in an open and honest way of reporting incidents, risk management and mitigation.

13.7 A Level 4 National Incident was again declared by NHS England/Improvement on 19 December 2021 in response to the Omicron wave of the COVID-19 pandemic. National guidance outlined the required interventions that the NHS must enact as follows:

- Ensure the successful ramp-up of the COVID-19 vaccination programme
- Maximise availability of COVID-19 treatments for patients at highest risk of severed disease and hospitalisation.
- Maximise capacity across acute and community settings, enabling the maximum number of people to be discharged safely and quickly and supporting people in their own homes
- Support patient safety in urgent care pathways across all services, and manage elective care
- Support staff, and maximise their availability
- Ensure surge plans and processes are ready to be implemented if needed.

13.8 In response to this national guidance, the Trust

- Continued to support the vaccination programme and promoted the booster campaign among staff and via social media
- The Trust developed the COVID Medicines Delivery Unit, delivering the most advanced treatments against COVID19 initially for all of the West Yorkshire population
- Worked with community partners to explore opportunities to discharge patients who no-longer required secondary care
- Continued to delivery urgent care in-line with guidance on managing COVID-19 risks while at the same time seeking to maximise the delivery of elective outpatient and inpatient treatments.
- Developed the Nightingale Surge Hub at St James's Hospital to ensure that we were able to deliver emergency surge capacity if it were required.

13.9 The Omicron wave significantly impacted on the Trust's ability to deliver against constitutional standards as planned increases in activity were impacted by patient cancellations due to illness and isolation, staff absences and the redesignation of inpatient capacity to care for growing numbers of patients admitted with COVID-19.

13.10 The Trust did not meet the national requirements to treat a minimum of 92% of patients within 18-weeks of referral for those patients on the incomplete standard pathway. By the end of the year 2021/2022 delivery was at 66.8%. Referral rates into our

specialties had recovered after the significant reduction at the start of the pandemic in 2019. The numbers of patients referred to our services has continued to increase from August 2019 to present. We were unable to reinstate outpatient and surgical capacity at the same rate because of our COVID-19 response and the impact of sickness on our patients and staff.

13.11 The most urgent elective procedures were determined in line with guidance developed by the Federation of Specialty Surgical Associations which categorised procedures as requiring treatment within specified time bands. Across the country those deemed to be less clinically urgent experienced growing waits for care. This has resulted in some patients waiting more than two years for treatment. The number of patients experiencing such long waits peaked in January 2022 but increasing activity from January has resulted in the numbers of patients waiting over 104 weeks, 78 weeks and 52 weeks for care falling.

13.12 The Emergency Care Standard national target of 95% of patients to be seen treated, admitted or discharged within four hours of presenting in our Emergency Departments (EDs) was not achieved. The Trust delivered an aggregate position of 71.7% in 2021/22.

13.13 Attendance levels to the EDs was 33.3% higher compared to 2020/21 and 5.8% higher compared to 2019/20 (pre-COVID-19), the majority of this growth has occurred at the LGI from patients self-presenting to the ED. This is coupled with high bed occupancy due to the impact of COVID-19 and the wider impact on people living through the pandemic. This has resulted in an increase in the time it takes to place patients from the EDs to a ward for their care needs. To support mitigation of this we have increased the number of patients accessing Same Day Emergency Care (SDEC) with a "care at home" approach whenever clinically safe to do so.

13.14 Despite increase in attendances throughout 2021/2022 the Trust ambulance handover has remained one of the best in the country with the LGI placed 1st out of all hospital sites for the average time to handover patients arriving by ambulance and SJUH placing 14th out of all hospital sites nationally.

13.15 The Trust did not meet the national requirement for all last-minute cancelled operations to be rebooked within 28 days. There has been an improvement across all four quarters of 2021/2022 in comparison to 2020/2021 for this standard. This improvement is as a result of reduced levels of activity being undertaken across the year in response to COVID-19, which has resulted in fewer last minute cancelled operations and fewer breaches of the 28-day standard.

13.16 The Trust did not achieve the national requirements to undertake 99% of diagnostic tests within six weeks throughout the year, with an aggregate level overall performance of 74% for the year although the position had recovered from the deteriorating position in 2020/21. While increased activity had been seen across a number of the modalities within the month of March 2022, delivering the highest number of diagnostic testing of any month in 2021/22.

13.17 The Trust did not achieve the national requirements to see a minimum of 93% of patients within 14 days for urgent GP referrals for suspected cancer delivering an aggregate position of 67.8%. Activity levels for two-week wait were impacted by social distancing measures, robust IPC cleaning regimes which has impacted outpatient activity and radiology capacity and ongoing increased downtime required following Aerosol Generating Procedures (which has significantly affected performance in Endoscopy). As a result of these measures capacity remained significantly reduced, whilst the trend in referrals continued to show a month-on-month increase. Referral rates reduced slightly during the national lockdown but, this was rapidly reversed with demand remaining high and March 2022 seeing continued high levels of two-week wait referrals.

13.18 The Trust did not meet at aggregate level the 31-day first treatment, achieving 89.8% against a target of 96%. For subsequent surgery the Trust delivered 73.9% against a target of 94%. This is as a result of the reduction in surgical activity to manage in the ongoing COVID-19 response and the subsequent delays to the pathways, along with a significant impact on radiotherapy capacity.

13.19 The Trust delivered against both 31-day subsequent drugs, achieving 99.4% against the 98% standard and 31-day radiotherapy treatments achieving 82.4%, a drop from 2020/21 of 98.3% against a standard of 94%.

13.20 There were 148 reported events during the year that met the criteria for a Serious Incident (SI). Each case has been thoroughly investigated and reported to local commissioners and our Quality Assurance Committee. Detailed action plans have been developed and implemented in response to specific case.

13.21 **Safety**

There were six incidents which qualified for reporting as a Never Event; wrong site interventional procedure (four), administration of medication via the incorrect route and overdose of insulin due to use of incorrect device, misplaced nasogastric tube and administration of medication by wrong route. These incidents have been subject to a Serious Incident investigation; the findings and actions have been discussed with commissioners and shared with staff across the organisation. These were reported to the Quality Assurance Committee.

There was one formal Prevention of Future Death Report (known as Regulation 28 Report) issued by the Coroner. The Trust has addressed the concerns raised by the Coroner in this case.

There were 66 (39 of those relating to staff) events that met the criteria for reporting to the Health & Safety Executive under the provisions of the *Reporting of Injuries, Diseases or Dangerous Occurrences (RIDDOR)* Regulations for the period 2021/22. The RIDDOR reports submitted result from Moving & Handling activities, Slip Trip & Falls and Physical Abuse. In relation to staff groups the causes of Slip, Trip and Fall type incidents are varied with no specific trends being identified. Some of the common causes of these types of incidents are spillages of liquids/liquid residues after cleaning, defective equipment e.g., chairs, stepping up to a higher level to reach objects and falling as a result, stumbling on loose objects on the floor. The Health & Safety team also support the Patient Falls Root Cause Analysis (RCA) review meetings to examine the cause of patient falls.

Moving & Handling and Physical Abuse type injuries arise when staff members are involved in activities which have the potential for significant risk e.g., assisting patients to mobilise or interactions which involve unpredictable patient behaviours e.g. post anaesthetic recovery, medical conditions.

13.22 **Infection Prevention & Control (IPC)**

IPC Team have remained central to the Trust's pandemic response to COVID-19 through 2021/22 and have continued to work with clinical teams to identify the actions required to reduce avoidable healthcare associated infections (HCAI's). Subsequent waves of the SARS-CoV-2 viral pandemic through 2021/22 have required clinical resources to be redirected to the pandemic response. The Trust HCAI objectives for Clostridioides Difficile Infection (CDI), Meticillin Resistant Staphylococcus Aureus (MRSA) and Gram Negative Bloodstream Infections (GNBSI) are determined nationally and usually received from NHSEI prior to the start of the financial year to plan and inform a Trust wide response. Due to the national pandemic, national objectives for 2020/21 were suspended and objectives for 2021/22 were not issued until July 2021. As part of our quality improvement commitment to patients, staff and stakeholders, we reviewed our performance for the period 2019/20 and set internal quality improvement objectives for 2021/22 based on our outturn for 2019/20. Once the national objectives were received from NHSEI we then applied these to run alongside our own internal quality improvement objectives.

In 2021/2022 we saw a reduction in the number of patients who developed an MRSA blood stream infection recording five cases. Of the five cases recorded, four were Hospital Onset Healthcare Associated (HOHA) and one was Community Onset Healthcare Associated (COHA). There is no nationally set objective for Meticillin Sensitive Staphylococcus aureus (MSSA) and as part of our commitment to continuous improvement LTHT sets an internal quality improvement objective. In 2021/22 LTHT saw 108 cases of MSSA bloodstream infection which is an increase from 2020/21 where we saw 78 cases. MRSA/MSSA cases were investigated and the learning shared; a proportion of cases were identified as having no lapse in care whilst in our Trust.

Individual national objectives for Escherichia coli (E. coli), Pseudomonas aeruginosa and Klebsiella spp, formally reported as Gram-negative bloodstream infections (GNBSI's), were introduced for the first time in 2021/22. LTHT recorded a total of 279 E. coli cases under the nationally set objective of 314 and 47 Pseudomonas aeruginosa cases against a national objective of no more than 48 cases. For 2021/22 LTHT recorded a total of 97 Klebsiella species against an objective of 94. It is recognised that the outbreak of multi resistant klebsiella species within our neonatal units will have contributed to the escalation in cases. Following multi-agency involvement, the learning and improvements identified have been shared Trust wide.

The total number of C. difficile cases recorded at LTHT during 2021/2022 was 175 against an objective of no more than 158 cases. It has been acknowledged nationally that there has been an increase in the number of CDI cases and, as a result, NHSEI will be holding national workshops to share lessons learnt and ideas for improvement and LTHT will play a key role in this. The Infection Prevention and Control (IPC) service has continued to prioritise resource to be able to ensure a focus on quality and safety was maintained and will continue to rise to the challenge and respond to national advice from United Kingdom Health Security Agency (UKSA) regarding new and emerging infectious diseases as they arise, as well as continuing to be mindful of travel and admissions with possible MERS and viral haemorrhagic fevers. As we move into the next phases of the pandemic, we will be working hard to bring our C. difficile rates under trajectory and continue to work with our clinical teams to reduce our blood stream infection rates.

13.23 **Aging Estate**

The Trust is mitigating on-going challenges associated with the historic legacy of lack of basic capital and infrastructure investment. Hence the high-level risks within the Corporate Risk Register described as; insufficient capital resources, unserviceable critical IT infrastructure and resilience issues, power failure, limited and/ or dated ventilation systems (which have become more pertinent during COVID-19), lack of IPS/UPS resilience and inability to provide a cardiac catheter laboratory service. In 2019/20 the Trust Board approved the five year financial plan including capital expenditure. In 2020/21 the Trust delivered a record breaking capital programme of c. £96m and in 2021/22 this increased further to c. £105m including investment in new catheter laboratory facilities and IPS/UPS. Following confirmed funding for Building the Leeds Way the 2020/21 capital programme also includes the enabling works for Hospitals of the Future and the centralised pathology laboratory at St James's University Hospital.

The COVID-19 outbreak presented significant clinical and operational challenges and the Trust had to rapidly innovate to address these, including adaptations to our estate and infrastructure. As the NHS moves into recovery and reset, alongside planning for on-going care of patients with COVID-19 our estate, infrastructure and capital programme will need to continue to adapt and respond to meet patient needs.

13.24 **Compliance to other regulatory bodies**

The Medicines and Healthcare Products Regulatory Agency (MHRA) carried out a Good Clinical Practice (GCP) system inspection of the Trust and University of Leeds in December 2018. There was only one major finding relating to the compliance of PPM+ with MHRA guidance, which remains in place. An interim solution has been put in place and work is on-going to provide a full solution before the next MHRA inspection; this is anticipated in late 2022.

It is a legal requirement of all organisations sponsoring and hosting Clinical Trials of an Investigational Medicinal Products (CTIMPs) to comply with UK medicines for human use (clinical trials) regulations (2004). The move in the NHS from paper to electronic health records systems has led to significant compliance issues in relation to GCP in NHS organisations. The Joint Research Governance Committee (JRGC) recognised that this is a complex issue, but it is essential for the Trust to address and resolve non-compliance. A solution to one of the key issues identified by the MHRA, that of gated analysis to only those health records that need to be seen by inspectors for specific trials, has been developed and implemented. The work required to address other issues has been identified and an implementation plan is being developed for issues that we can address in the next nine months, with further discussions planned with the MHRA on some of the other issues which may not be so readily or easily addressable.

The quality of medical education continues to be assessed in quarterly Monitoring the Learning Environment (MLE) meetings, led by senior colleagues from the quality team at Health Education England (HEE). A key purpose is to identify and discuss issues before they become more urgent. At the most recent MLE, the final outstanding E&T 'conditions' were removed, although subsequently recent GMC (General Medical Council) National Training Survey (NTS) and HEE National Education & Training Survey (NETS) surveys have resulted in three requirements being placed on LTHT, relating to working relationships within departments impacting on trainee experience, and trainee workload volumes particularly related to pandemic-related backlogs.

The main challenge in medical workforce capacity continues to be due to the high community prevalence of COVID and the associated enforced sick leave when staff are infected. Medical sickness rates amongst medical trainees are aligned with other staff groups, and at the time of writing are starting to fall.

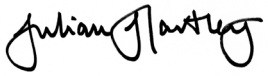
We continue to develop alternative supply routes for our medical workforce, and our international relationships with Jordan, Malta and Pakistan are thriving with more fellows from their institutions being placed in Leeds. We are now supporting a Sri Lankan fellowship in Hospital Administration, have continued to expand the Gateway programme, and have appointed three refugee doctors from Myanmar through our ongoing relationship with NHS Professionals. Our Physician Associate workforce continues to grow, and we have strengthened the governance framework for the PA programmes, working with the lead PA, and the AMDs for Workforce and Medical Education.

Regarding our educational estate we are actively engaged in the planning of education provision for the new hospital build at the General Infirmary site and are looking to support building of an additional teaching facility as part of the development of the innovation arc in the city. A major challenge is the lack of space for clinical trainees to attend virtual teaching and to do their administrative work. The medical education department is looking to try and provide additional workspace for IT access using current estate whilst also helping to develop the new opportunities in the new site.

14. Conclusion

I confirm that there are no significant breaches of internal control that have been brought to my attention in respect of the financial year ended 31 March 2022. This statement aims to capture the priorities of risks and controls relating to our management, reset and recovery, to the date of approval of the annual report and accounts for COVID-19, reset and recovery which has been a truly exceptional challenge for the NHS.

Signed



Sir Julian Hartley, Chief Executive

Date: 16 June 2022

2.4 Remuneration Report

Salary and pension entitlements of Senior Managers (subject to audit)

A) Salaries and allowances

	2021-22					2020-21				
Name and title	Salary	Expense Payments (taxable)	National Clinical Excellence Award	All Pension-related Benefits	TOTAL	Salary	Expense Payments (taxable)	National Clinical Excellence Award	All Pension-related Benefits	TOTAL
	(bands of £5000) £000	Rounded to the nearest £100	(bands of £5000) £000	(bands of £2,500) £000	(bands of £5000) £000	(bands of £5000) £000	Rounded to the nearest £100	(bands of £5000) £000	(bands of £2,500) £000	(bands of £5000) £000
Chair and Non Executive Directors										
Dame L. Pollard DBE DL - Chair	60-65	7	0	0	**60-65**	40-45	7	0	0	**45-50**
S Clark - Non Executive Director	10-15	0	0	0	**10-15**	10-15	0	0	0	**10-15**
P Corrigan - Associate Non Executive Director (from 01 August 2021)	5-10	0	0	0	**5-10**	n/a	n/a	n/a	n/a	n/a
T Keeney - Non Executive Director and Joint Deputy Chair	10-15	0	0	0	**10-15**	10-15	0	0	0	**10-15**
G Mitchell - Associate Non Executive Director (from 01 July 2021)	5-10	0	0	0	**5-10**	n/a	n/a	n/a	n/a	n/a
J Narang - Non Executive Director	10-15	0	0	0	**10-15**	10-15	0	0	0	**10-15**
C Schofield - Non Executive Director	10-15	0	0	0	**10-15**	10-15	0	0	0	**10-15**
R Simpson - Non Executive Director	10-15	0	0	0	**10-15**	10-15	0	0	0	**10-15**
T Storey-Hart - Associate Non Executive Director (to 19 April 2021)	0-5	0	0	0	**0-5**	10-15	0	0	0	**10-15**
Prof L Stroud - Non Executive Director (from 01 December 2020)	10-15	0	0	0	**10-15**	0-5	0	0	0	**0-5**
G Taylor - Non Executive Director and Joint Deputy Chair	10-15	0	0	0	**10-15**	10-15	0	0	0	**10-15**
J Williams - Associate Non Executive Director (from 01 December 2020 to 17 November 2021)	5-10	0	0	0	**5-10**	0-5	0	0	0	**0-5**
R Woodman - Associate Non Executive Director (from 01 December 2020)	10-15	0	0	0	**10-15**	0-5	0	0	0	**0-5**

	2021-22					2020-21				
Name and title	Salary	Expense Payments (taxable)	National Clinical Excellence Award	All Pension-related Benefits	TOTAL	Salary	Expense Payments (taxable)	National Clinical Excellence Award	All Pension-related Benefits	TOTAL
	(bands of £5000) £000	Rounded to the nearest £100	(bands of £5000) £000	(bands of £2,500) £000	(bands of £5000) £000	(bands of £5000) £000	Rounded to the nearest £100	(bands of £5000) £000	(bands of £2,500) £000	(bands of £5000) £000
Executive Directors										
J.M. Hartley - Chief Executive	260-265	0	0	0	**260-265**	265-270	0	0	0	**265-270**
L Grant - Chief Nurse	165-170	0	0	0	**165-170**	165-170	0	0	0	**165-170**
P Jones - Chief Digital and Information Officer	165-170	1	0	35-37.5	**200-205**	165-170	0	0	52.5-55	**220-225**
J Lewis - Director of Human Resources and Organisational Development	165-170	0	0	37.5-40	**205-210**	165-170	0	0	35-37.5	**205-210**
C Richardson - Director of Estates and Facilities	130-135	9	0	27.5-30	**160-165**	135-140	4	0	65-67.5	**205-210**
C Smith - Chief Operating Officer	160-165	0	0	45-47.5	**210-215**	160-165	0	0	70-72.5	**235-240**
Dr P Wood - Chief Medical Officer (from 01 May 2020) and Deputy Chief Executive	210-215	0	15-20	85-87.5	**310-315**	170-175	0	10-15	127.5-130	**310-315**
S Worthington - Director of Finance	190-195	0	0	15-17.5	**210-215**	190-195	0	0	0	**190-195**

- Taxable expense payments are rounded to the nearest £100 in the above table. Pension related benefits are shown in bands of £2,500. All other remuneration is shown in bands of £5,000.
- Salary includes all amounts paid and payable in respect of the period the individual held office, including any salary sacrifice elements.
- The Trust Chair, Dame Linda Pollard, was appointed to lead the team to support the "Messenger Review" of Health and Social Care Leadership for the Department of Health and Social Care in October 2021. This work is in addition to the role at LTHT and is funded by DHSC separately. The remuneration shown in the table is in respect of her role as Chair of the Trust.
- The Chief Executive, Julian Hartley, was appointed to the role of Non-Executive Director for the Department of Health and Social Care in November 2021. The remuneration for this role is not received personally by Julian Hartley but is paid to the Trust. The salary shown in the table represents the remuneration in respect of his role as Chief Executive of the Trust.
- The Chief Medical Officer, Dr Phil Wood, was appointed to the role of Deputy Chief Executive of the Trust in September 2021.
- Taxable expenses for the Chief Digital and Information Officer and the Director of Estates and Facilities relate to lease cars paid via salary sacrifice. All other taxable expenses are in respect of taxable business mileage. The 2020/21 taxable expenses for the Director of Estates and Facilities were overstated in last year's report and have been restated in the table.
- There are no long-term performance pay or bonuses for senior managers in the current or preceding financial years.
- All pension-related benefits are calculated using the HMRC method as set out in Section 229 of the Finance Act 2004. The Department of Health and Social Care have clarified that for NHS bodies this is the "Real increase in pension multiplied by 20 plus the real increase in lump sum less contributions made by the individual equals Accrued Pension Benefits". The NHS Pension Scheme is a "defined benefits" scheme based on final salary and/or career average earnings. Thus where a senior manager's salary increases this results in a larger movement in the overall value of their pension entitlement. Similarly, where there is a limited increase in the value of the pension payable relative to inflation and the employees' contributions, then the HMRC calculation can show a "negative pensions benefits" figure for the year which is then shown as a "nil" figure in the table. These factors mean that year on year there can be significant volatility in the reported pensions' benefits for an individual.

Salary and pension entitlements of Senior Managers (subject to audit)

B) Pension benefits

Name and title	Real increase in pension at pension age	Real increase in lump sum at pension age	Total accrued pension at pension age as at 31 March 2022	Lump sum at pension age related to accrued pension at 31 March 2022	Cash Equivalent Transfer Value at 01 April 2021	Real increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2022
	(bands of £2,500) £000	(bands of £2,500) £000	(bands of £5000) £000	(bands of £5000) £000	£000	£000	£000
P Jones - Chief Digital and Information Officer	2.5-5	0	25-30	45-50	463	27	512
J Lewis - Director of Human Resources and Organisational Development	2.5-5	0	30-35	30-35	524	34	582
C Richardson - Director of Estates and Facilities	0-2.5	2.5-5	20-25	30-35	316	26	352
C Smith - Chief Operating Officer	2.5-5	0	35-40	0	412	27	462
Dr P Wood - Chief Medical Officer	5-7.5	2.5-5	70-75	155-160	1,332	91	1,451
S Worthington- Director of Finance	0-2.5	0	70-75	180-185	1,498	36	1,543

- The Trust is a member of the NHS Pension Scheme which is a defined benefit Scheme, though accounted for locally as a defined contribution scheme. The Trust does not operate nor contribute to a stakeholders' pension scheme. Non-Executive Directors are not members of the Trust pension scheme. Disclosure is made in respect of pension benefits for those Directors who were active members of the NHS Pension Scheme during 2021/22.
- A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures and the other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.
- Real Increase in CETV - This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

2.5 Staff numbers and costs (subject to audit)

Staff Costs

Employee Benefits - Gross Expenditure (£'000s)	2021/22			2020/21
	Permanent £000	Other £000	Total £000	Total £000
Salaries and wages	707,900	32,149	**740,049**	687,232
Social security costs	69,271	-	**69,271**	63,312
Apprenticeship levy	3,633	-	**3,633**	3,275
Employer's contributions to NHS Pensions	125,192	-	**125,192**	116,025
Temporary staff	-	51,165	**51,165**	57,742
Total gross staff costs including capitalised costs	**905,996**	**83,314**	**989,310**	**927,586**
Costs capitalised as part of assets	3,552	-	**3,552**	**3,018**
TOTAL gross staff costs excluding capitalised costs	**902,444**	**83,314**	**985,758**	**924,568**

Staff Numbers

Average staff numbers (WTE basis)	2021/22			2020/21
	Permanent Number	Other Number	Total Number	Total Number
Medical and dental	2,562	52	**2,614**	2,513
Administration and estates	2,918	208	**3,126**	2,974
Healthcare assistants and other support staff	3,979	634	**4,613**	4,258
Nursing, midwifery and health visiting staff	4,542	295	**4,837**	4,576
Nursing, midwifery and health visiting learners	8	-	**8**	7
Scientific, therapeutic and technical staff	2,201	16	**2,217**	2,132
Healthcare science staff	1,119	9	**1,128**	1,093
Social care staff	8	3	**11**	17
Other	629	3	**632**	554
TOTAL	**17,966**	**1,220**	**19,186**	**18,124**

Average staff numbers (WTE basis)	2021/22	2020/21
Number of permanently employed staff	**17,966**	17,101
Other staff	**1,220**	1,023
Total average number of staff (wte)	**19,186**	**18,124**
Staff engaged on capital projects	**60**	55

Staff Sickness and ill health retirements

Staff sickness data and ill health retirements	2021/22	2020/21
Total days lost	206,058	n/a
Total staff years	17,511	n/a
Average working days lost (per WTE)	**11.80**	**n/a**
Number of early retirements on the grounds of ill-health	**15**	8
Value of early retirements on the grounds of ill-health	**649**	340

Details of staff sickness and absence data can be found via NHS Digital publication services on "NHS Sickness Absence Rates"

Exit Packages (subject to audit)

There are no reportable exit packages for 2021/22 or 2020/21.

Consultancy expenditure

Expenditure on consultancy	2021/22	2020/21
Consultancy costs (£'000s)	**957**	1,007

2.6 Fair Pay Multiples (subject to audit)

In accordance with HM Treasury requirements reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the 25th percentile, median and 75th percentile remuneration of the organisation's workforce. Total remuneration is to be further broken down to show the relationship between the highest paid director's salary component of their total remuneration against the 25th percentile, median and 75th percentile of salary components of the organisation's workforce.

Total remuneration comprises salary and allowances, performance pay and bonuses and all taxable benefits. It does not include any severance payments, employer pension contributions and the cash equivalent transfer value of pensions. Remuneration is calculated on the annualised full-time equivalent staff of the Trust at the reporting date (31 March 2022).

The highest paid director in 2021/22 and 2020/21 was the Chief Executive. The Chief Executive has not received any performance pay, bonuses or taxable benefits in either 2021/22 or 2020/21. Therefore remuneration and salary are the same amounts.

The banded remuneration of the highest paid director of the Trust in the financial year 2021/22 was £260-265k (2020/21, £265-270k). The Chief Executive was appointed to the role of Non-Executive Director for the Department of Health and Social Care in November 2021. The remuneration for this role is not received personally by the Chief Executive but is paid to the Trust. The remuneration disclosed above represents the remuneration in respect of his role as Chief Executive of the Trust.

The 25th percentile remuneration for 2021/22 was £21,849 (2020/21 £21,442).

The median remuneration for 2021/22 was £30,466 (2020/21 £29,983)

The 75th percentile remuneration for 2021/22 was £42,152 (2020/21 £41,091)

The average percentage change in remuneration of employees of the Trust as a whole from 2020/21 was an increase of 1.7%. The average percentage change in salary of employees of the Trust as a whole from 2020/21 was an increase of 1.8%.

The relationship to the remuneration and salary of the organisation's workforce is disclosed in the table below:

	Remuneration and Salary		
Year	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2021-22	12.0	8.6	6.2
2020-21	12.5	8.9	6.5

Remuneration ranged from £15-20k to £260-265k in 2021/22 (2020/21 £15-20k to £265-270k).

Payments made to agency staff have been excluded as these mainly relate to payments made to cover absences of existing employees whose whole time, full year equivalent remuneration has already been included in the calculation of the median. Agency costs also include elements for travel, national insurance and the agency's commission which are not separately identifiable and would serve to distort the overall figures.

Off-payroll engagements

Length of all highly paid off-payroll engagements

For all off-payroll engagements as of 31 March 2022, for more than £245 per day:

	Number
Number of existing engagements as of 31 March 2022	5
Of which, the number that have existed:	
for less than one year at the time of reporting	4
for between one and two years at the time of reporting	0
for between two and three years at the time of reporting	0
for between three and four years at the time of reporting	0
for four or more years at the time of reporting	1

Note the £245 threshold is set to approximate the minimum point of the pay scale for a Senior Civil Servant.

Off-payroll workers engaged at any point during the financial year

For all off-payroll engagements between 1 April 2021 and 31 March 2022, for more than £245 per day:

	Number
Number of temporary off-payroll workers engaged between 1 April 2021 and 31 March 2022	29
Of which	
Number not subject to off-payroll legislation	0
Number subject to off-payroll legislation and determined as in-scope of IR35	25
Number subject to off-payroll legislation and determined as out of scope of IR35	4
Number of engagements reassessed for compliance or assurance purposes during the year	0
Of which	
Number of engagements that saw a change to IR35 status following review	0

Off-payroll board member/senior official engagements

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

Number of off-payroll engagements of board members, and/or senior officers with significant financial responsibility, during the financial year	0
Total no. of individuals on payroll and off-payroll that have been deemed "board members, and/or, senior officials with significant financial responsibility", during the financial year. This figure must include both on payroll and off-payroll engagements	21

2.7 Regulatory ratings

Leeds Teaching Hospitals is registered with the Care Quality Commission (CQC), has no compliance actions in force and is fully compliant with the Fundamental Standards. We were last inspected by the CQC in August 2018 and the final report from this inspection was published in February 2019. We received an overall Good rating, with higher ratings in more areas than our previous inspection.

We also received three 'Outstanding' ratings, in Adult Critical Care, the Leeds Dental Institute and for our Use of Resources.

Progress continues to be made, which is monitored through the Quality Assurance Committee. The Trust is fully compliant with the registration requirements of the CQC.

2.8 Modern Slavery Act

The Trust complies with the Modern Slavery Act, specifically section 54 'Transparency in supply chains' which is the section directly relevant to the corporate sector. The Trust uses the Crown Commercial Services Supplier Questionnaire to ask questions of suppliers to ensure their compliance with the Modern Slavery Act. In addition, products purchased through third party distributors, such as NHS Supply Chain, have the assurance of national frameworks to ensure compliance with the Act.

2.9 Our People

The Trust's greatest asset is its people and we value our staff highly. We recognise that they have continued to be dedicated to high quality, compassionate patient care despite working under extreme pressure during the COVID-19 pandemic.

The Trust's goal is to be 'the best place to work' and to achieve this, we have developed seven People Priorities across the organisation. These will enable us to focus action in specific areas to achieve our goal and are:

- Workforce planning
- Clear performance expectation
- Work across the health and care system
- Free from discrimination
- Education, training and development
- Health and wellbeing
- The most engaged workforce

We're committed to investing in our people and actively encourage staff to take part in training and professional development, and to share their ideas on how we can improve patient care and the working environment at the Trust.

This year one of our key focusses has been the health and wellbeing of our staff as part of our plan for 'reset and stabilisation' following the challenges of COVID-19. We are committed to ensuring staff feel supported by both their line manager and the Trust as we move forward.

Workforce statistics

Trust Board - at 31 March 2022

Gender	Position Title	Number
Female	Chair	1
	Chief Nurse	1
	Chief Operating Officer	1
	Director of Human Resources and Organisational Development	1
	Associate Non Executive Director	3
	Non Executive Director	3
Female total		**10**
Male	Chief Executive	1
	Chief Medical Officer and Deputy Chief Executive	1
	Director of Finance	1
	Director of Estates & Facilities	1
	Chief Digital Information Officer	1
	Non Executive Director	4
Male total		**9**

The gender division for the rest of the workforce at 31st March 2022, is outlined below:

Gender	Number
Female	15,577
Male	5,331
Grand Total	**20,908**

Gender Pay Gap

In March 2022, the Trust published its Gender Pay Gap information on the Government's website. More information on this can be found on our website: www.leedsth.nhs.uk/about-us/equality-and-diversity/gender-pay-reporting

Organisational Learning

The Organisational Learning team delivers a range of education, learning and development opportunities for Trust staff, beginning on the day they start their career in our hospitals.

Induction

The Trust's Induction Policy stipulates that all staff must undertake a Corporate Induction on their first day of employment. The Trust Chief Executive welcomes all new employees, and essential training is given at our weekly Corporate Induction programme, which is delivered virtually.

Since April 2021, 2,021 employees have completed the Trust Corporate Induction. Alongside moving Corporate Induction to a virtual platform in 2021, new administrative processes were introduced that resulted in a consistently high compliance rates of 99% for Corporate Induction.

In addition to Corporate Induction, all staff must complete a Local Induction within first 28 days of starting employment at the Trust. At Local Induction new starters are inducted to their local working practices and work priorities are set for them. The induction is completed by local managers for new starters, and Organisational Learning leads on the policy, process and recording. Throughout 2021/2022 compliance for Local Induction has consistently been between 80-82%.

Agenda for Change (AfC) Appraisal

Organisational Learning leads on the policy, process, practice and training for AfC appraisals. During the 2021 appraisals season 14,425 staff completed their appraisals, around 91% of the AfC workforce at the Trust. Of these, 83% were completed using the online Training Interface.

This figure represents a significant achievement, as the appraisal season took place once again in the middle of the COVID-19 pandemic, and the 2021 season started only five months after the previous 2020 season ended as this had been extended.

The mandatory question relating to the quality of the appraisal showed that 97.8% of those who had completed their appraisal in 2021 felt that it was a valuable conversation. This represented just over one per cent drop compared to the previous year.

The delivery of the 2021 Appraisal Season was supported with a series of learning bursts designed to support staff in holding quality appraisals conversations: more than 770 staff attended a 90-minute learning burst in 2021.

After the 2021 Appraisal Season closed, an analysis was done that included a review of data from the 'Quality Survey' and the mandatory 'Value' question. As a result of this analysis, a number of recommendations were made to the Executive Team. These included:

- decoupling of the previous 'successful' and 'unsuccessful' classification;
- improvement in engagement with CSUs around the Appraisals process;
- embedding of inclusion as a theme within the AFC Appraisals process.

All the recommendations were approved by the Executive Team in December 2021, and subsequently have been implemented as part of the 2022 Appraisals season.

Mandatory Training

Mandatory and Priority Training provision is governed under the Trust Training Policy. The policy requires that Training Leads provide an annual assurance on each training topic regarding relevance, necessity and capacity to deliver. This is signed off annually by the Executive team to ensure that training needs analysis and capacity plans are robust and adequately resourced. Overall performance for Mandatory Training has been maintained through 2021/22 at 90% compliance.

Compliance has been maintained despite the move to align Mandatory Training topics to meet the requirements of the Health Education England (HEE) Core Skills Training Framework (CSTF). The CTSF is a HEE led quality assurance framework for NHS Mandatory Training. The change to CTSF requirements has meant that all staff at the Trust had to repeat training in topics such as Equality and Diversity (E&D). At the beginning of the alignment to CSTF, certain topics such as E&D saw a significant drop in completion. However, through collaboration with Senior Human resources Business Partners (SHRBP's) and a marketing campaign the compliance for this topic is going up.

During 2021, all the remaining 11 mandatory training topics were aligned against the Core Skills Training Framework to enable more seamless movement of staff between NHS organisations.

Learning and Development

The learning and development prospectus has more than 60 different topics, covered across a variety of learning bursts, one day interactive workshops and short development programmes. These topics are informed by the Training Needs Analysis conducted using the qualitative data contained in appraisals to identify different themes.

The prospectus details the learning and development opportunities available each quarter, which enables Organisational Learning to remain agile and flexible in its response to the organisation's needs.

During 2021/22, 2,193 staff accessed learning and development opportunities, with a further 1,453 staff accessing Management and Leadership development programmes.

Leadership and Management Development

This year 27 Medical Consultants have taken part in Leadership programmes; 19 new Consultants via the Inspiring Leaders Network (ILN) Programme and a further eight Consultants joined colleagues from across Trusts in Leeds as part of the Faculty of Medical Leadership and Management Programme.

In addition, 18 of the Trust's Healthcare Science (HCS) colleagues have undertaken the ILN programme and a further 25 HCS staff started a bespoke Trust Leadership programme. Feedback from the programmes has been positive with delegates reporting that taking part has had a beneficial effect on individual practice. Evaluation has also shown a benefit from working across sectors as well as a desire to increase opportunities to learn across clinical disciplines.

The proposal for 2022/23 is to increase the leadership development opportunities across both various clinical disciplines and the wider Leeds Health and Care system.

Throughout the year the Trust has continued to partner the National Leadership Academy to deliver the Mary Seacole Leadership Development Programme with the support of 10 accredited facilitators from across the Trust. The six-month programme, delivered throughout the year, is designed to equip managers with the skills to operate as compassionate, effective leaders within the Trust. It was attended by 112 delegates with 60 graduating with a nationally recognised accreditation in healthcare leadership. The programme has received positive feedback.

The Well Led Governance Insights programme was a new addition to Organisational Learning for 2021/22. The course has four sessions a quarter and 61 participants have completed it. The modules aim to develop a working knowledge of the purpose of the Board and the inner workings of committees, and to support colleagues in understanding their value to their own area of work.

The programme will grow further in 2022/23 with a simulated committee experience to enhance delegate learning. This will provide participants with the opportunity to develop their learning and experience the committee process in more detail. Chaired by a Non-Executive Director, participants will receive feedback on their performance and guidance to enhance their knowledge of the committee experience. Throughout 2022/23, the Organisational Learning team will be working alongside NHS Providers to develop a programme that will be available nationally to develop and support a succession plan for senior leaders.

Coaching

Over the past year, the Trust's network of internal coaches has grown by 50% and we now have 34 identified internal coaches. These coaches have committed to offer their services to colleagues as an extension of their role within the Trust. Staff can self-refer via the Organisational Learning intranet site or dedicated coaching email. Coaching is promoted via social media and Trust communication campaigns as well as through our leadership and development activity to broaden the offer to any member of staff employed in the Trust.

This year, in response to the request of our coaches, we established a Coaching Community of Practice (CCoP), which has provided an informal network for coaches to meet and discuss approaches to coaching at the Trust. The community seek collective solutions to the challenges of coaching as an extension of their existing role and take opportunities to raise the profile and value of coaching within the Trust as well as access to dedicated Continuing Personal Development events. The CCoP is managed and supported by staff within Organisational Learning.

Highlighted activity for coaching for this year includes;

- 39 LTHT staff connected for coaching (up from 28 in 20/21);
- provision of Coaching supervision internally with two supervision sessions;
- supporting the Leeds City Coaching collaboration with the Trust providing four coaching supervision sessions across the Leeds system;
- hosting a half day coaching Continuing Professional Development event for CCoP members;
- introduction of an assurance process regarding our coaches and their professional practice;
- introduction of a quarterly newsletter for the CCoP providing information and updates including metrics relating to coaching activity.

Trust staff who have engaged in coaching this year have been asked to provide feedback on their experience. The responses below are typical of what has been shared.

> "My experience was excellent. I felt very comfortable being asked challenging questions to help me look at what I wanted and the opportunities I was provided to practice answers/ presentations to possible interview scenarios. I found the work testing but suited exactly what I needed and am sure this helped me get my desired post very soon after finishing. (My coach) was exceptionally supportive and tailored the sessions to what I needed."

> "Coaching has really benefitted me and got me through some difficult working times. (My coach) has challenged me to think from a different perspective and taught me coping strategies when times are tough or if I feel overwhelmed."

The next year will see the CCoP continue to grow and increase the availability of coaching. A minimum of five Trust staff will be funded to begin their coaching qualification through Organisational Learning in 2022/23 with further signposting to nationally funded training schemes, including those targeting colleagues who identify as under-represented.

Work experience, schools' engagement and employability

The Trust has had to pause opportunities for the programmes above during the past two years to prevent the spread of COVID-19.

We are working in partnership with Leeds One Workforce to establish a city-wide approach to supporting employment through targeted interventions to tackle poverty in priority neighbourhoods and supporting businesses and residents to improve skills, helping people into work and into better jobs.

Apprenticeships

The Trust has an award-winning apprenticeship programme and currently more than 900 apprentices are working across 44 different programmes. These support the recruitment of new employees and enable existing staff to access quality education and training opportunities.

Organisational Learning runs the apprenticeship programme and aligns apprenticeship opportunities to workforce plans using a consultancy-based approach. This enables us to grow a flexible and sustainable workforce to support our patient population healthcare needs, now and for the future.

We were delighted that the success of this consultancy model was recognised by the Chartered Institute of Personnel and Development this year, which awarded the Trust the accolade of the "Best Apprenticeship Scheme".

Our recruitment practices for entry level apprentices are focused on diversity, inclusion and widening participation, which supports our ambition to ensure our workforce is reflective of the communities we serve. In recognition of this, the Trust received highly commended in both the Recruitment Excellence and Marco Employer of the year categories at the National Apprenticeship Awards.

The Trust continues to support smaller organisations, including the third and independent sector to develop their workforce, through the use of levy transfer.

Through collaborative apprenticeships, coordinated by the Leeds Health and Care Academy, staff across the Health and Care system can learn together. We currently have 31 staff being supported through a collaborative apprenticeship across a variety of different programmes, including Associate Project Management, Team Leader and Data Analyst.

Health and Wellbeing

The COVID-19 pandemic has had a significant effect on our workforce and has highlighted mental ill health needs within our staff. In 2021, our Health and Wellbeing strategy was reviewed to address staff need. It focuses on three drivers: Engage, Support and Recover.

A key area of work over the year was providing opportunities for staff to enable others within their departments to be involved in health and wellbeing initiatives.

We have strengthened our health and wellbeing training, with a focus on supporting staff to become Mental Health First Aiders. We hold three two-day training courses each month which are attended by 10 to 16 people. All Mental Health First Aiders in the Trust are invited to two development days a year, with guest speakers from external services and speakers who share their lived experiences. The days also include additional training and upskilling to support their role.

Our peer-to-peer Mental Health First Aid support groups allow trained staff to debrief, share experiences and support one another's wellbeing. The Mental Health First Aiders are now embedded in every CSU providing support directly to their peers. Since April 2021 they have provided over 1,000 support contacts for staff.

Our staff support also includes the staff psychology support service, the Employee Assistance Programme, Occupational Health, the Employee Support Fund including clinics with Money Buddies, staff physiotherapy, and Healthy Lifestyle Services with in-house personal trainers.

We have focused on raising awareness of this support package through the staff health and wellbeing website, fortnightly health and wellbeing newsletters for all health and wellbeing champions and Mental Health First Aiders along with resource packs filled with campaigns and additional information.

Our recovery package has helped staff through the reset and recovery of services, and we have reviewed our health and wellbeing training provision to ensure managers and staff have the skills they need to support individuals and teams. The strategy has enabled us to embed comprehensive support for staff, which has been reflected in 60% of staff reporting through staff survey results that the organisation takes positive action on health and wellbeing.

Occupational Health

Over the past year, the flu vaccination programme has been challenging, competing with the staff COVID-19 vaccination programme, including the booster rollout.

Medicines Management led on training and trained an additional 166 peer vaccinators to add to the 188 trained the previous year making a total of 354 available to offer flu vaccination in clinical areas. A funding application to the Leeds Hospitals Charity was successful and this was used to reward peer vaccinators.

COVID-19 also affected how vaccine was offered to those who did not have access to a peer vaccinator, or non-clinical staff. The previous open sessions were not permitted so staff had to book in to a session. In an attempt to increase uptake, flu vaccinations were offered at the COVID-19 vaccination sessions that were set up at the start of 2022 to meet the requirements of Vaccination as a Condition of Deployment (VCOD).

During the campaign the national definition of those staff regarded as frontline workers changed, resulting in a much higher number to vaccinate to achieve the required 85% target. Out of a total 21,248 staff, 18,647 were identified within the new criteria as being frontline and 9,825 – 52.69% were vaccinated. Overall, the number of Trust staff vaccinated was 11,023, or 51.9%.

We have set up a task and finish group to tackle how to improve on this figure and planning has already begun to consider alternative ways to deliver the flu vaccine in 2022/23.

Apart from some health surveillance services that have had to stop temporarily, Occupational Health has continued to offer a full service during the year. Occupational Health clinicians participated with Human Resources (HR) colleagues in sessions to support staff with Long COVID-19, VCOD, Ask HR (staff sessions to ask questions of HR and seek advice), and played a key role in formatting the COVID-19 staff risk assessment forms.

In November 2021, following a review, Occupational Health and the Health and Wellbeing service came together to form one HR Centre of Excellence. Combining the skill sets of both teams should enable us to take a more holistic approach, with one centralised service making it easier for staff and their managers to access the health and wellbeing advice and support they require.

Health and Safety

The COVID-19 pandemic continues to present challenges to our entire workforce.

The Health and Safety team have maintained our usual Health and Safety core activities, working throughout to support staff and work collaboratively with Clinical Support Units (CSUs), Human Resources (HR), Infection Prevention and Control (IPC), Occupational Health and staff side union representatives.

The Health and Safety team have been part of the Trust Social Distancing Group. One of the key outputs of this group was the document which supports the Infection Prevention and Control Board Assurance Framework document (IPC BAF), and which is known as the 'Working Safely with COVID-19 Assessment'. This document was developed for use in those non-clinical areas of the Trust where IPC controls were also essential.

Health and Safety within Leeds Teaching Hospitals is overseen by the Risk Management Committee, alongside supporting assurance groups. Staff involvement and consultation is welcomed and encouraged, and information from the regular planned meetings of the Health and Safety Consultation Committee is posted on the Trust Health and Safety intranet pages.

Minimum performance standards have been set for all health and safety risks (Active Monitoring) and all departments participate in the annual Health and Safety Controls Assurance process which measures levels of compliance. An annual Health and Safety report publishes the results of this auditing process.

We have conducted an audit of the previous year's performance and were extremely pleased that 617 areas – 100% - of the Trust took part, despite the obvious pressures they are experiencing.

Reactive monitoring of Health and Safety data, in particular Reporting of Injuries, Diseases and Dangerous Occurrences (RIDDOR) reports following serious incidents, shows an overall declining number of serious health and safety incidents over time.

Staff RIDDOR reports: significant work-related injuries, dangerous occurrences and occupational diseases

Year	RIDDORs	All reported incidents
2010	117	20679
2011	105	21430
2012	93	24215
2013	68	25221
2014	73	26292
2015	62	28501
2016	50	30873
2017	72	32524
2018	73	32798
2019	54	31857
2020	57	30946
2021	43	35334

The Trust has not received any Health and Safety Executive (HSE) visits for the period 2021/22 to date.

Public and Employers liability claims following alleged harm due to negligent acts by the Trust are also generally decreasing over time.

We are very proud to have once again been awarded the Royal Society for the Prevention of Accidents (RoSPA) Gold Medal Award for the sixth consecutive year for our Health and Safety management systems and arrangements. This award is assessed externally and is a significant achievement.

Staff Survey

Highly engaged staff, that is those who are committed to their organisations and involved in their roles, are more likely to bring their heart and soul to work, to take the initiative, to 'go the extra mile' and to collaborate effectively with others.

There is now an overwhelming body of evidence to show that engagement not only creates a positive working environment for individuals, but also directly contributes towards better patient outcomes and the quality of care delivered.

"The NHS providers with high levels of staff engagement (as measured in the annual NHS Staff Survey) tend to have lower levels of patient mortality, make better use of resources and deliver stronger financial performance" (West and Dawson 2012, as cited in The King's Fund 2015).

This is why becoming the most engaged workforce is one of our seven People Priorities in our goal to become the best place to work.

We measure staff engagement through the annual NHS Staff Survey, a national tool used across all NHS Providers. The survey provides insight into the working lives of our 20,000-strong workforce, with all eligible staff having the opportunity to take part. This ensures that everyone is provided with a voice and the opportunity to let us know what it is like to work for Leeds Teaching Hospitals NHS Trust, what is working well and areas we can improve.

We're delighted that the survey was completed by 11,522 people, which is 59% of our workforce and the highest response rate received since we started conducting a full census survey. This is a significant improvement on the 2021 response rate of 38% and above the national response rate benchmark average. The high response rate has provided greater assurance in the representativeness of the feedback received.

This year, nationally, the survey questions and themes were reviewed and refreshed to align to the NHS People Promise, which is the promise we all make to each other to improve the experience of working in the NHS for everyone. The themes are:

- We are compassionate and inclusive
- We are recognised and rewarded
- We each have a voice that counts
- We are safe and healthy
- We are always learning
- We work flexibly
- We are a team
- Staff engagement
- Morale

These themes provide a valuable tool moving forward to measure our progress against the new aligned national goals, to become the best place to work.

Findings

We are proud that the Trust's results for the Staff Survey themes listed above continue to remain above the national average for our benchmark group, being above average for eight out of the nine themes and in line with the average for the theme, 'We are a team.'

In addition, we continue to perform several percentage points above the national benchmark average for the two questions which ask staff whether they would recommend the Trust as a place to work, and to receive care (5.6% and 8.2% above the national benchmark average respectively).

We're also pleased that the Trust's overall staff engagement score again continues to benchmark above the national average, despite the significant challenges faced by our staff over the last two years.

Staff Survey Results

People Promise Elements		2019	2020	2021
Overall LTHT Response Rate		**42%**	**38%**	**59%**
We are compassionate and inclusive	**LTHT Score**	*	*	**7.4**
	Benchmark Average			7.2
	LTHT Responses			11000
We are recognised and rewarded	**LTHT Score**	*	*	**5.9**
	Benchmark Average			5.8
	LTHT Responses			11204
We each have a voice that counts	**LTHT Score**	*	*	**6.8**
	Benchmark Average			6.7
	LTHT Responses			10835
We are safe and healthy	**LTHT Score**	*	*	**6.0**
	Benchmark Average			5.9
	LTHT Responses			10927
We are always learning	**LTHT Score**	*	*	**5.6**
	Benchmark Average			5.2
	LTHT Responses			10572
We work flexibly	**LTHT Score**	*	*	**6.0**
	Benchmark Average			5.9
	LTHT Responses			11132
We are a team	**LTHT Score**	*	*	**6.6**
	Benchmark Average			6.6
	LTHT Responses			11036
Staff Engagement	**LTHT Score**	**7.2**	**7.1**	**6.9**
	Benchmark Average	7.0	7.0	6.8
	LTHT Responses	7299	6738	11215
Morale	**LTHT Score**	**6.4**	**6.3**	**5.8**
	Benchmark Average	6.1	6.2	5.7
	LTHT Responses	7258	6532	11192

Aims for 2022/23

The Trust's aim continues to be to become the best place to work by 2024, amongst benchmark peers.

To achieve this, we aim to improve our staff engagement score annually. Although it remains above the national average, the score has fallen, in line with the trend seen across the NHS given the challenges of the COVID-19 pandemic. The Trust will use the new Quarterly Pulse Survey of staff as a measure of our trajectory, applying the results to better understand areas for improvement and the impact improvement initiatives are having throughout the year.

The seven Trust People Priorities will continue to guide and inform action, but as the Trust moves into 'reset and recovery', staff engagement and the People Priority 'Most Engaged Workforce', effective workforce planning, absence management and inclusion will be key focuses for 2022/23.

We continue to make progress in the following priority areas for 2021/22: flexible working, remote working, staff rest areas and staff travel, basics that are known to be important to staff. In addition to these fundamental areas of focus, work has been started to support and invest in Trust line managers as we know our managers will play a pivotal role in empowering teams through reset and recovery plans moving forward.

2.10 Equality, Diversity and Inclusion

Leeds Teaching Hospitals NHS Trust is strongly committed to challenging discrimination and promoting equality, diversity and inclusion (EDI) both as an employer and as a major provider of health care services. We recognise it is fundamental to be the best place to work and the best for patient care. We aim to make sure that EDI is at the heart of our work and is embedded into our core business activities and in so doing one of our five values is to be 'Fair'.

The Trust acknowledges all protected characteristics to be of equal importance, including age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. The Trust also acknowledges the limitations of The Equality Act 2010 and in the spirit of fairness goes beyond the consideration of protected characteristics.

2020/21 Realignment

In 2020/21, to ensure a holistically strong focus on EDI with real impact, EDI as it relates to patients was reassigned from Human Resources to Patient Experience and reports into the Chief Nurse. As a result, the Equality, Diversity and Inclusion Patient Action Plan 2021/22 was developed.

EDI as it relates to the workforce remains within Human Resources and reports into the Executive Director of Human Resources and Organisational Development. The Trust People Priority 'Free From Discrimination' continues to be a key area of work within HR and OD and as a result a three-strand approach underpinned by a number of new and established projects has been developed. Collaborative working on EDI between Human Resources and Patient Experience remains a strength, including on key initiatives such as the NHS LGBT+ (Lesbian, Gay, Bisexual, Trans Plus) Rainbow Badge Assessment and the Islamophobia Pledge.

Equality, Diversity and Inclusion Patient Action Plan 2021/22

Throughout 2020/21 a comprehensive EDI Action Plan was developed using what our patients tell us in complaints, PALS and FFT, feedback from Trust staff networks and from feedback provided by Healthwatch and local third sector organisations. The plan has 20 aims covering between them the nine protected characteristics.

The Trust is now collecting demographic information from patients providing feedback via FFT, Complaints and PALS. This will enable us to find out if the demographics of those patients choosing to provide feedback are representative of the demographics of our patient population, as well as identifying whether some groups are having a poorer experience of our service than others. Furthermore, individual CSUs are now asked to report ongoing EDI activity as part of a rolling bi-monthly programme of assurance reports.

Supporting our diverse workforce

Trust People Priority 'Free From Discrimination'

By working in a way which is inclusive and free from discrimination we will value and recognise the contribution of every employee, volunteer and student that will in turn ensure the best possible patient care. Work is underway to bring about the necessary change by way of our People Priority 'Free From Discrimination' that encompasses a three-strand approach that is underpinned by a number of new and established projects:

- Debias our processes
- Engender a fully inclusive culture
- Positive action

Three Strand Approach		Key Action Achieved 2021 to 2022
1	Debias our processes	18% increase in senior BME representation in the last 12 months. Continued to expand number of Inclusion Ambassadors to 27 for Band 8a and above recruitment covering all protected groups, including BME and disability. Successful National Healthcare Support Worker Recruitment Drive with approximately 600 new appointments of which majority BME.
2	Engender a fully inclusive culture	Supported publishing and made available to every member of staff 'Amplifying Voices, Mending Divides' book within which lived experiences of racism shared. Launched a new programme of activity 'Inclusive Conversations' with Senior Management Teams leading the way to ensure every member of staff is part of a substantive and meaningful conversation on inclusion. Increased number of Dignity at Work Advisors to 47, including improving the number of BME, disabled and LGBT+ Dignity at Work Advisors. Increased number of BME Allies to 106 through bespoke BME Allyship Programme and number of BME Champions to 39. Newly appointed Staff Network Chairs for LGBT+, Disability and BME to build upon the work of their successful predecessors with the continued support of Executive Sponsors.
3	Positive Action	Successfully launched second BME Reciprocal Mentoring Programme, pairing up 18 BME Aspiring Leaders with Very Senior Managers. 'Moving Forward' positive action programme for BME staff successfully launched for a third year with 21 staff benefiting. Disability/Lesbian, Gay, Bisexual and Trans+ (LGBT+) positive action support through 'Moving Up' successfully launched with 28 staff benefiting. Employability Programmes and Apprenticeships (Level 2) provided opportunities for BME and disabled individuals that reflected the local community.

The annual NHS staff survey tells us that our staff with particular protected characteristics, including disability, BME (Black Minority Ethnic) and LGB & Other (Lesbian, Gay, Bisexual & Other) are for the most part more positive about their working experiences than they were last year, albeit overall key areas have not improved at the required rate with gaps in experience remaining albeit improving. A number of the most pressing are shown in more detail below.

In 2021/22, the following was achieved:

- maintained Level 2: Disability Confident Employer;
- successfully applied to participate in NHS LGBT+ (Lesbian, Gay, Bisexual, Trans Plus) Rainbow Badge Assessment;
- increased number of a) BME Allies through bespoke BME Allyship Programme, b) Inclusion Ambassadors on recruitment panels for Bands 8A+, c) Dignity at Work Advisors reflective of the workforce demographic profile and d) BME Champions;
- developed additional positive action initiatives for disabled staff complimenting Moving Forward and Reciprocal Mentoring for BME staff;
- launched a new programme of activity 'Inclusive Conversations' to bring about a fully inclusive culture at Leeds Teaching Hospitals Trust supported by the 'Amplifying Voices, Mending Divides' book within which fourteen contributors from across the Trust and beyond share their lived experiences of racism;
- successful National Healthcare Support Worker Recruitment Drive with approximately 600 new appointments of which majority BME;
- signed up and developed objectives in support of the citywide Islamophobia Pledge.

Our valuable assets, the staff networks, went from strength-to-strength with the continued support of Executive Sponsors. Staff networks include:

- BME Staff Network
- LGBT+ Staff Network
- Disabled Staff Network
- Female Leaders Network

2021 Staff Survey Responses	White	BAME	Gap
% staff experiencing discrimination at work in last 12 months	6%	16%	**10%**
% staff believing the organisation provides equal opportunities for career progression/ promotion	64%	48%	**16%**

2021 Staff Survey Responses	Non-Disabled	Disabled	Gap
% staff experiencing discrimination at work in last 12 months	6%	12%	**6%**
% staff believing the organisation provides equal opportunities for career progression/ promotion	62%	56%	**6%**

Please visit the following links for further information on race, disability and gender equality at the Trust aligned to the NHS Workforce Race Equality Standard, NHS Workforce Disability Equality Standard and Gender Pay Gap Reporting:

NHS Workforce Race Equality Standard

NHS Workforce Disability Equality Standard

Gender Pay Gap Reporting

Medical Education

The Trust is one of the largest providers of medical education in the country, delivering high quality learning, education and training to almost 1,000 trainee doctors, and placements and clinical skills teaching to large numbers of medical students. The year has been dominated by the COVID-19 pandemic, but the medical education team was determined to keep disruption to a minimum, to help prevent learners from falling behind.

Medical Education in Leeds continued its year-on-year improvements, despite the challenges posed by the COVID-19 pandemic, in both undergraduate and postgraduate. In addition, the clinical skills and simulation, and digital learning teams have flourished, adapting to the ever-changing education environment, and delivering high quality services to Trust-based learners, as well as trainees across the region and country.

A greater use of technology enabled many elements of the training to be delivered on-line, but the nature of medical training is that some of it by necessity must be delivered face-to-face. Through enhanced IPC, reducing capacity in its rooms, and very careful management, education centres remained open, and a significant amount of in-person clinical skills training was delivered, whilst protecting learners and faculty.

The professional support and wellbeing service has been busy supporting trainee doctors experiencing personal and professional difficulties. In addition to its core role, it also looks after a cohort of wellbeing champions, all trainee doctors, supports the Junior Doctor Body and Forum, works closely with the Guardian of Safe Working and manages rest and mess facilities, all of which help to improve engagement and promote a healthy work-life balance for doctors in training.

The Library and Evidence Service remained open and functioning through the year - albeit on a reduced physical footprint - continuing to provide a full range of services, including personal study space and document searches, as well as the provision of books and journals. It works as part of a Leeds-wide collaboration of health and care libraries, ensuring a joined-up service, and continues to be highly rated by Health Education England.

Trade Union Facility Time Publication Requirements

The Trust fully complies with the requirements of the Trade Union (Facility Time Publication) Regulations 2017. The most recent published data can be found at www.gov.uk/government/statistical-data-sets/public-sector-trade-union-facility-time-data.

SECTION THREE

PATIENT CARE AND EXPERIENCE

Section 3: Patient Care and Experience

The wellbeing of our patients is at the heart of everything we do at Leeds Teaching Hospitals NHS Trust.

We are committed to engaging with patients, their families, carers and the wider public, ensuring their experiences and views play an integral role in shaping our services. Over the last year we focused on priorities that were influenced by what patients told us and an ambition to address common feedback themes arising for people during the COVID-19 pandemic.

Equality

Ensuring equality in service delivery is extremely important for the Trust. It works with other health and social care organisations in Leeds to self-assess its performance against the public equality duties for patients and staff. The self-assessment is validated or challenged during workshops attended by Healthwatch Leeds and local third sector organisations.

Examples of the work being done to promote equality of service delivery at the Trust include our Equality and Diversity (patients) steering group, which is working to deliver an action plan covering all nine protected characteristics, our work on the Accessible Information Standard and the activities of our Deaf and Hard of Hearing Action Group.

3.1 COVID-19 response

We have continued to support patients, families and carers during the COVID-19 pandemic, and some of our initiatives and achievements are described below.

Key Achievements in 2021/22

Engagement with survivors of COVID-19

The Adult Critical Care team asked more than 100 patients treated for COVID-19 in the Intensive Care and High Dependency Units for their experiences of having the virus, their time on the units and their recovery. More than 40 patients responded and their stories were shared in the department. This engagement enabled both patients and staff to reflect on their experiences, supporting psychological recovery at a challenging time. Our staff expressed how much they valued this opportunity.

Research and Innovation

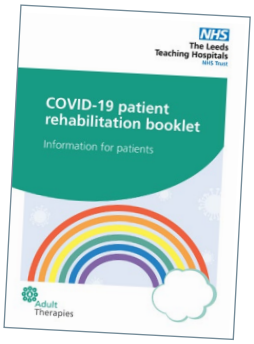
Engagement took place with a community hub made up of members from culturally diverse communities to understand more about common concerns relating to vaccine trials.

They held eight question and answer sessions involving 82 members of the public. These included sex workers, people living with disabilities, people living with mental ill health and older people. Their discussions contributed to the development of an animation that aimed to address concerns. This was translated into Hindu and Punjabi and shared, including outside the region.

Adult Therapies

It has been identified that Allied Health Professionals played a fundamental part in the recovery of patients who experienced COVID-19 and suggested that patients still needed support on discharge.

In response, the Adult Therapies CSU produced a COVID-19 Patient Rehabilitation booklet for patients to continue to record their recovery and achievements after discharge. The booklet was piloted on all wards in the Trust, adapted following patient feedback and has become a vital component of transfer of care for the rehabilitation pathway.



Volunteering support

Our Trust volunteers continued to support initiatives that had been started earlier in the pandemic in response to visiting restrictions. This included delivering:

- 1,238 Letters to Loved Ones (3,931 total);
- 540 Belongings to Loved Ones to patients (827 total);
- 24,000 newspapers to patients (57,000 total).

Capturing people's experiences

The Trust has also continued to be involved in the work of the People's Voices Group (PVG) which brings Health and Care and Third Sector Organisations together across the city to hear from the people of Leeds.

This year, work was carried out to understand community views about COVID-19 vaccination. The information gathered was shared with the people responsible for developing the vaccination programme, so that citizens' views could help influence decisions that were made as the programme continued. This work was carried out with Healthwatch.

Aims for 2022/23

- The Trust will continue to be an active member of the Leeds PVG and to support work arising from this, including community check-in surveys.
- The voluntary services team will explore the volunteering roles that will be needed as the Trust begins to move forward from the COVID-19 pandemic.
- We will continue to use the Trust Patient Experience Sub-Group to hear about the wonderful work undertaken by our services and departments to improve experience, taking into account feedback during the pandemic.

3.2 Involving patients and the public

The Patient, Carer and Public Involvement (PCPI) team support involvement and engagement activities with patients and the public to ensure their views contribute to Trust developments. Face to face interactions continued to be restricted during 2021/22 and most opportunities for involvement have been offered virtually, via digital routes. Despite this, our patient and public partners have continued to be supportive in meeting these challenges.

Our new Patient Experience Strategy was completed last year and focusses on the work of the PCPI team. It was developed in collaboration with patients, carers and members of the public and has three aims:

Aim 1 - To capture the experience of patients, carers and the public.

Aim 2 - To ensure patient, carer and public experience supports service improvement, celebration and assurance.

Aim 3 - To be inclusive in our involvement of patients, carers and the public.

The Patient Reference Group (PRG) offers an opportunity for patients and members of the public to engage with Trust staff and provide feedback on Trust-wide, as well as service-led initiatives. The group met virtually five times during 2021/22.

Topics discussed have included:

- The Patient Experience Strategy
- Digital exclusion and solutions for patient care
- Safeguarding
- The Patient Safety Incident Response Framework
- Development of the Trust Shape Up for Surgery programme

The PCPI team also supported engagement work between Trust clinicians and patients. Since January 2021, clinical staff have been able to use new technology to create bespoke online surveys for use with specific cohorts of patients.

This allows CSUs to engage with their patients and service users in a variety of ways, including through survey links in emails and using ward i-pads. Examples of the feedback that has been sought from services using this technology so far include:

- finding out about children's experiences of forearm fractures;
- assessing the value of Renal Psychology newsletters;
- seeking views on the outsourcing of Outpatient pharmacy services;
- understanding congenital heart patient preferences for Outpatient appointments;
- finding out about what carers would like to be included in carer 'comfort packs';
- asking patients about their ward night-time experience.

Engaging with members

During the year, the PCPI team continued to connect virtually to 1,244 citizens of Leeds to request feedback about subjects which can be easily communicated by e-mail. This enables people to contribute to engagement activity as and when they have time to do so. In 2021/22, 1,984 people supported 86 separate activities, including:

- providing feedback about a C-difficile research recruitment flyer;
- supporting the development of a bereavement booklet;
- contributing to a Safeguarding leaflet review;
- reviewing patient information on Trust internet pages for accessibility;
- sharing the experience of receiving digital appointments;
- involvement in a citywide review of Mental Health services.

The PCPI team also sent regular newsletters throughout the year to keep members updated.

Always Events

'Always Events' are collaborations between the Trust, patients, families, carers and the public to agree actions to be taken to improve patient experience.

Following a pause during the pandemic, a maternity Always Event re-started last year to support mothers to have a skin-to-skin opportunity with their baby after birth.

We gathered feedback following the introduction of initiatives to improve departmental practice. Three questions were first asked during breastfeeding awareness month in August 2021 and were:

- Do you feel you had enough skin-to-skin with your baby/babies for as long as you wanted?
- Did your baby/babies have their first feed skin-to-skin?
- Was this a breastfeed or a bottle feed?

We were delighted to learn that of the people who answered the questions that month, all responded with 'yes' to the first question. Most babies also had their first feed - a breastfeed - during a skin-to-skin interaction. The responses have shown that good progress is being made in supporting mothers and their babies to achieve these aims.

Leeds Children's Hospital

The experiences and views of the children, young people, families and carers who have been involved with Leeds Children's Hospital continue to be extremely important to the Trust. This year, the Trust has been proud to engage with them on a wide variety of issues and activities, some of which are highlighted below.

- the development of a Super Families forum set up by parents;
- a parent attending nursing staff development days to describe their experience of being with a child who was an inpatient;
- the continued involvement of children in the design of the new Leeds Children's Hospital. In May 2021, HRH The Countess of Wessex met young patients and their parents on a video call to hear their ideas for the new hospital. Some of the children had taken part in a Daring Designers competition the previous summer to showcase their designs.

Aims for 2022/23

During 2022/23 the PCPI team will continue to focus on meeting the aims of the Patient Experience Strategy, including:

- understanding where there are gaps in knowledge about the experiences of specific communities and seeking to remedy this - including for disabled young people accessing Trust services, people seeking asylum and those accessing the complaints process;
- improving assurance that actions are taken in the Trust in response to feedback from a number of routes, for example patient stories and complaints, as part of a Patient Experience Assurance Programme;
- signing up to an external assessment and accreditation of our inclusiveness around LGBTQI equality for patients and staff;
- developing the role of 'Community Connector' to support engagement with communities across Leeds.

The team will continue its work with the Safeguarding service to launch an Always Event, which aims to achieve what patients suggest should always happen at their first interaction with staff when a safeguarding concern has been raised.

This follows work during the year to interview 17 people involved in a safeguarding concern. The interviews resulted in a Safeguarding Voices Report, accompanied by a video describing the work which included quotes from the individuals involved.

3.3 Improving patient experience

Our CSUs regularly engage with patients, their families, carers and the public to improve the services they provide. Some examples of this work are described below.

Head and Neck CSU

In November 2021, work began with the Head and Neck CSU to recruit patients to advise on a planned move of the Ophthalmology outpatient service. This is an important change for the service, which has received patient feedback in recent years relating to the quality of the outpatient environment. It was important to engage with patients on the move to ensure the new environment supports patients' needs.

Neurosciences CSU

Patients and the public were also involved in planning the relocation of the Stroke Rehabilitation services to Chapel Allerton Hospital, engaging with the Neurosciences CSU and the Communications team at the Trust, NHS Leeds Clinical Commissioning Group and Voluntary Action Leeds, which sought feedback from Black and Minority Ethnic (BME) communities. This work was reported to the Adults, Health and Active Lifestyles Scrutiny Committee.

Patient stories

The Patient Story programme aims to capture stories from patients who wish to share their experience of our care. A Patient Story is shown at every Trust Board meeting and at other meetings throughout the Trust. They are a valuable tool for identifying areas for celebration, learning and improvement, and can be found in the patient-stories section of the Trust website.

The Trust also continues to be involved in working with Healthwatch on the 'How Does it Feel to Be Me'? programme which captures the experiences of people in Leeds as they navigate the health and social care system.

Interpreting

The Trust aims to ensure patients have access to interpreting services if they need them. We provide patients with spoken interpreting, British Sign Language (BSL) and deaf/ blind communicator guide support using a variety of methods, including face to face, video, audio, telephone, assistive technology on the Trust website and remotely.

Assistive technology provides written and/or spoken translation of Trust web page content, among other features. Limited English speakers can use this technology to access patient information leaflets on the website in their first language. In the six months to mid-February 2022 the function had over 77,350 'hits'. Of these, there were 5,750 uses to access written translation and 10,350 uses to access spoken translation.

Key Achievements in 2021/22

Face to face interpreting was restricted last year due to the COVID-19 pandemic, but despite this, we have been able to use audio and telephone interpreting methods to support patients. We have improved communication for patients by providing virtual interpretation services on demand rather than pre-booking.

A befriending interpreting service for deaf inpatients who feel isolated when in hospital continues to be appreciated, particularly with the visiting restrictions that remain in place.

Video, audio and BSL interpreting were made available to the Vaccination Centres at Elland Road and other locations across Leeds, including on outreach buses which have used an 'Interpreter on Wheels'. These devices were used to support the vaccination process and assist in gaining Friends and Family Test feedback from people whose first language is not English.

Clear face masks have been made available for use in some clinical circumstances, enabling patients who are hard of hearing to lip read or better understand verbal communication.

We formed a Deaf and Hard of Hearing Action Group to gather feedback from the Deaf and Hard of Hearing Community on their patient experience, working together, and with local representative organisations to make improvements. An example of action taken is the addition of an interpreting app on ward devices.

Aims for 2022/23

The activities of the Deaf and Hard of Hearing Action Group will guide Trust teams to develop their services to be sensitive to the requirements of Deaf or Hard of Hearing people. Its aims include:

- improving signposting/directions on hospital sites and immediate access to a sign language interpreter for people who need it;
- the development of staff training videos, made in collaboration with patients and other stakeholders to raise awareness of community needs;
- improving access to the Trust web site by including videos in sign language.

We will also continue to explore the opportunities available to meet the requirements of the Accessible Information Standard. Our Accessible Information Standard steering group measures current compliance and seeks solutions to improve experience.

Friends and Family Test

Since April 2021, the Trust has received feedback from more than 100,000 patients about their hospital experience, using the Friends and Family Test (FFT). Overall, nearly 91% of those who responded were positive about their experience at the Trust.

Feedback from patients is collected using a variety of different methods, including digital, text, voicemail and postcards. Some of the achievements of the Friends and Family Test this year are outlined below.

- For the first time, all women receiving antenatal care were given the opportunity to feed back on their experiences between 28-32 weeks' gestation.
- Rewording of the text messaging survey has been completed to make it softer and more patient focussed.
- Patients who attended video consultations were able to leave feedback digitally via the Trust website. This has been very important during the pandemic.
- FFT Fabulousness Awards were presented to staff who received positive patient feedback through the FFT survey.
- Citizens of Leeds have been able to leave FFT feedback about their vaccination experience. More than 23,000 pieces of data were collected and analysis of the feedback is being undertaken for the city to improve learning for the future.

In 2022/23 we will be exploring how FFT feedback can be gathered following telephone consultations and how we can improve our capture of FFT feedback with patients for whom English is not a first language.

National Patient surveys

The Trust received four CQC nationally mandated survey reports during 2021/22:

- the Urgent and Emergency Care Survey 2020, published in September 2021
- the Adult Inpatient Survey 2020, published in October 2021
- the Children and Young People's Patient Experience Survey 2020, published in December 2021
- the Maternity Survey 2021, published in February 2022.

Key achievements in 2021/22

The Trust's results were comparable to most other trusts for the survey questions, with some exceptions.

Urgent and Emergency Care Survey

This survey showed that the Trust was **better than most** trusts for two questions, which were:

- Before you left A&E did you get the results of your tests?
- If you did not get the results of the tests when you were in A&E, did a member of staff explain how you would receive them?

The Trust was **about the same** as most other trusts for the remaining survey questions (36/38).

The Trust performed **somewhat better** on one question in the Adult Inpatient Survey, which was:

- How did you feel about the length of time you were on the waiting list before your admission to hospital?

The Trust was **about the same** as most other Trusts for 43 of the 44 remaining comparable questions.

Children and Young People's Patient Experience Survey

This survey demonstrated good performance by the Trust in a number of questions. Compared with 124 acute and specialist NHS Trusts providing services to children in England, the Trust performed **better than expected** for the four questions below.

- Did hospital staff keep you informed about what was happening whilst your child was in hospital?
- Before the operation or procedure did hospital staff explain to you what would be done?
- During any operation or procedure did staff play with your child or do anything to distract them?
- Did you feel that your child was well looked after by the hospital staff?

The Trust performed **much better than expected** for two questions.

- Did you feel able to ask staff questions?
- When you spoke to hospital staff did they listen to what you had to say?

The Trust performed **about the same** as other Trusts for the remaining 62 questions.

Maternity Survey

This survey showed that compared with 121 Maternity Units in England, the Trust performed **better than expected** for one question. This was:

- Thinking about your care during labour and birth, were you spoken to in a way you could understand?

The Trust also scored **somewhat better than expected** for one question. This was:

- Were you involved in the decision to be induced?

The Trust was **about the same** as other Maternity Units for 41 of the remaining 48 questions.

Mandated national surveys also provide data on performance against survey questions by protected characteristic. This can be analysed via the survey providers' website.

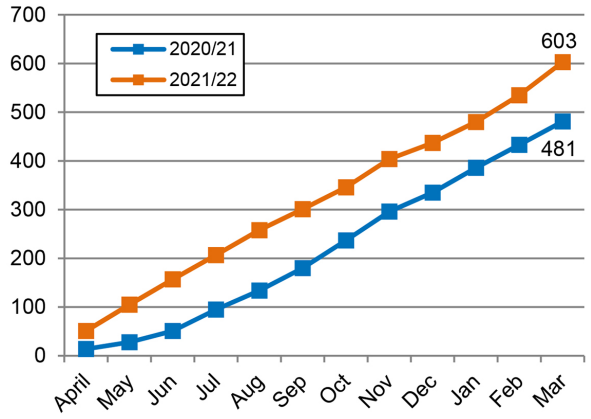
We will continue to use the national patient survey results to drive improvement activity and to monitor that activity through the Trust Patient Experience sub-group.

3.4 Resolving complaints

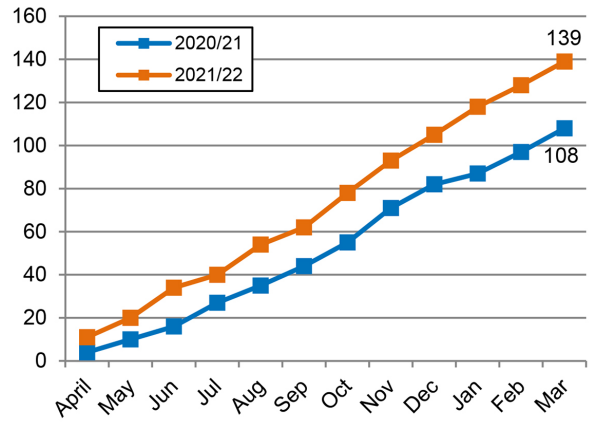
The Trust values all feedback and strives to act on information from complaints to improve our patient care and treatment. Our complaints service aims to provide information and assurance to patients and the public that concerns or complaints will be taken seriously and managed in a way that reflects our Leeds Way values.

The Trust's Complaints Improvement Programme (CIP) began in 2020 and this year, we have continued to focus on improving the experience of those who use the complaints process, the quality and timeliness of our response and how we monitor learning from complaints.

Number of complaints received (cumulative)



Complaints reopened (cumulative)



Key Achievements in 2021/2022

Complaints Improvement Programme (CIP)

A second cohort of Trust CSUs – Abdominal Medicine and Surgery, Neurosciences, Cardio-Respiratory and Women's - completed the Trust CIP in 2021 and achieved a reduction in time taken to complete complaint responses, and an improvement in the percentage of complaints re-opened for reasons they could influence.

Complaints Conference

On 29 September 2021, the Complaints team hosted a Complaints Conference with the agenda focusing on learning from complaints and improving the experience of those using the complaint process. One hundred and eighty-one delegates attended and the feedback was overwhelmingly positive.

Complaints Training Programme

A Complaints Training Programme for staff was developed with AKD Solutions and is currently in progress. Training sessions focus on mediation skills, investigation skills, response writing and a masterclass. Evaluation of the programme is very positive.

Complaints Coaching Programme

A Complaints Coaching Programme providing more ongoing support has been provided by the Complaints team for Trust staff involved in the CIP, with the focus being on complaint response writing. One of the key aims of the programme was to improve the quality of complaint responses, and evidence shows that this is being achieved.

Assurance of complaint themes, learning and improving practice

We are committed to acting on complaints to improve our care and services. This year, we introduced a new method of recording actions from complaints by developing the Trust incident reporting system, DATIX, to be able to capture this information. This provides an opportunity for us to improve how we monitor learning from complaints and from good practice. Testing of this new development is being undertaken as part of the CIP.

Intranet and internet development

The complaints internet page (PALS and Complaints (leedsth.nhs.uk) was developed last year and now includes a new page to demonstrate actions and learning from complaints to the public. During the year there were over 20,000 hits on this page.

Aims for 2022/23

We have developed a Complaints Action Plan, which includes:

- the development of a Patient Experience Assurance Programme (PEAP) to strengthen assurance that themes arising from complaints are addressed;
- participation in the CIP this year by more CSUs. It is expected that the timeliness and quality of complaint responses will continue to improve as a result;
- testing the implementation of a Complaints Competency Framework, which has been developed as an opportunity for staff involved in complaints management to assess their learning needs and access support to improve their knowledge and skills;
- providing dedicated sessions within the Complaints Training Programme for senior doctors, due to a demand from medical staff to access this training. We aim to nurture experience and skills in complaint management, and improve support to junior doctors involved in this role;
- exploring the setting up of an independent complaints review panel to provide oversight of the management of complaints - important for monitoring the complaints process and for ongoing learning.

Patient Advice and Liaison Service (PALS)

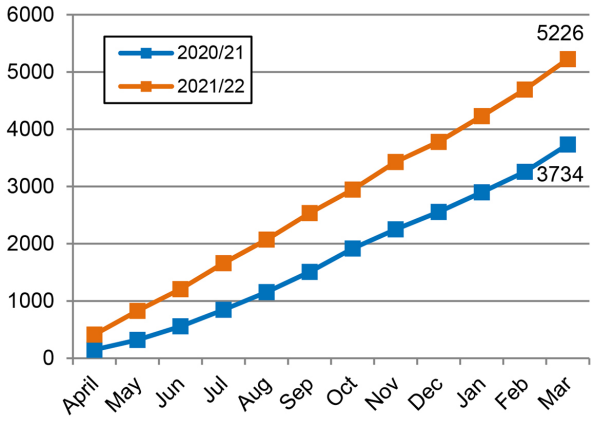
During 2021/22 the Trust recorded 5,090 PALS contacts. This was a significant increase compared to the previous year when fewer PALS were received during the COVID-19 pandemic. This year's figure was comparable to pre-pandemic years.

Of the contacts, 4,454 required input from clinical teams, a 16.7% rise compared to 2020/21.

Wherever possible, the PALS team provides a resolution to a concern at the initial point of contact with the service. If this isn't possible, the concern is shared with the relevant management teams within the Trust for contact with the person raising the concern within two working days.

The graph below shows the increase in the number of PALS over the past year:

New PALS concerns (including out of time complaints and advice/enquiry)



The waiting list time for outpatients was the most frequently reported subject for PALS concerns in 2021/22 and we know that the COVID-19 pandemic has significantly affected this experience for patients. The Volunteering team has successfully obtained funding to consider ways in which volunteers can support patients during their wait for surgical procedures and in the coming year they will be working with the Trust's Shape Up 4 Surgery project. We hope this will improve the experience of people who are waiting and may influence the number of PALS raised about waiting list times in the future.

Despite a difficult year, the Trust continues to receive compliments via PALS for all clinical services. In 2021/22, 449 compliments were received and shared with the relevant teams and individuals.

Key achievements in 2021/22

The PALS team has successfully delivered a full service to the public despite relocating during the year.

The PALS service has changed the way concerns relating to discrimination are recorded. Data is now more accurate, enabling better identification of areas of concern that require action in the future.

Aims for 2022/23

The PALS team has introduced a new way of working which aims to improve the identification of cases that are taking some time to resolve, to offer support in managing backlogs and reduce the time to resolve concerns.

We will review the improved data on PALS concerns relating to inequalities of experience and discrimination, and plan to undertake targeted work to address the findings.

3.5 Working with partners

The Trust continues to build on a project that began in 2019, to test involving interested members of the public in Quality Improvement (QI) work.

There are currently 15 QI Partners supporting the Trust Quality Improvement collaborative workstreams, and work has evolved beyond this to involve the Partners in supporting other Trust activities, including the recruitment of senior Trust staff.

In June 2021, NHS England and NHS Improvement published a Framework for involving patients in patient safety. This expects Trusts to support members of the public to become involved in work which improves safety for patients by becoming Patient Safety Partners (PSPs). The Partner programme team will support our QI Partners to be involved in this work.

Key achievements in 2021/22

HSJ Patient Safety Award

The Partner project team, with the support of a QI Partner, were successful in winning a HSJ Patient Safety Award for the category of Service User Engagement and Co-production. To achieve this, they delivered a presentation entitled, '*Powering Improvement with Patients and the Public*' to the awarding panel, which consisted of the Chief Executive of the Patients' Association and the Director of Patient Engagement for NHS England/Improvement.

Project team, including a QI Partner, celebrating the HSJ success

Celebrating Partners

The first Trust Partner celebration day was held on Monday 4 October 2021. As part of the celebration, the Partners received a gift for their involvement and a letter of thanks from the Trust Medical Director. We aim to deliver a similar event annually.

Peer meetings

Peer meetings are now a key element of our work with Partners. The Partners meet as a community every two months and discuss a variety of topics to support programme delivery and their personal support needs. Recent conversations are exploring the chairing of the meetings being handed over to a Partner rather than a member of the Partner project team.

Demonstrating the difference

A group is looking at how to demonstrate the difference Partners are making, and to understand the experience of staff and Partners involved in the programme.

A survey was sent to all Partners and those who work with them, followed by focus groups in November 2021 to expand on survey findings. We're pleased that initial analysis suggests that Partners and staff are positive about the programme. Partners report being confident sharing their views in the meetings they attend and that they experience Trust staff as being eager to listen to them.

Aims for 2022/23

- Work will continue next year to understand how the Partner programme can be developed to support the introduction of PSPs in the Trust to meet the requirements of the Involving Patients in Patient Safety Framework.
- A report of the learning from the Partner and staff survey will be used to identify areas for improvement and good practice.
- Partner peer meetings will aim to test a Partner in the role of Chair.

Carers

COVID-19 visiting restrictions during 2021/22 have understandably affected patients and their carers. We recognise the essential role carers play in supporting patients' wellbeing and have sought ways to support them.

In 2021/22 we trailed a Carers' Passport on three wards in the Speciality and Integrated Medicine CSU to support carers of our most vulnerable patients and ensure their needs were considered.

The pilot was challenging, as the CSU underwent a significant restructure during the trial period and in addition, not many carers who were eligible for a Passport had been visiting. Nonetheless, it has provided useful learning for development in 2022/23.

Key achievements in 2021/22

Trust visiting guidance

This has been regularly reviewed in line with national guidance and provision has been made throughout the year for carers to be with patients where it is clinically possible and essential to a patient's wellbeing for their carer to be present.

Carers Leeds

Carers Leeds, a local charity supporting carers, provided Carer Awareness Learning Bursts for Trust staff during the year. These educational sessions:

- explained the role of carers and what they do;
- examined the impact of caring on carers' health;
- helped staff identify carers in hospital settings;
- looked at how staff can support carers;
- provided an overview of Carers Leeds' services;
- explained how to make a referral to Carers Leeds.

Two Carers Leeds support workers are based at the Trust and offered support to carers during COVID-19 visiting restrictions. In the last three years the Support Workers have received more than 1,000 referrals for Carer support relating to patients.

Of the referrals received between April - July 2021, 36% related to supporting carers when it became clear their loved one needed a care home.

Aims for 2022/23

The Trust will continue to develop the Carers Passport. Work will also continue through the Trust Carers Group to consider other ways to support carers as much as possible.

Volunteering

Trust volunteer Andrew Wilson

Although many volunteers are currently stood down from their roles due to the COVID-19 pandemic, the Voluntary Services Team (VST) have continued good communication with all Trust volunteers. Despite the restrictions, the VST supported more than 100 active volunteers who gifted 5,966 hours to the Trust in the past year.

Active volunteer roles during this period have included a COVID-19 Response role in the Trust and at the Elland Road Vaccination Centre and remote or virtual volunteering opportunities.

Key achievements in 2021/22

- The VST has developed and launched a Volunteer Strategy, created and designed with our volunteers. We are striving for 'Excellence in Volunteering' and the strategy will help achieve this.
- We recruited, trained and supported more than 100 volunteers provided to the Elland Road Vaccination Centre.
- We launched a virtual volunteering pilot, which was a great opportunity to learn how the team could support patients in innovative ways.
- Volunteers took part in a Volunteer to Career pilot and showed an increase in skills, confidence and an interest in a career in health/care.
- A new Volunteer Response Model allows CSUs or departments, like the Communications team, Corporate Nursing or Palliative Care team for example to request volunteer support in advance for specific activities.
- Trust volunteers have been recognised for their contribution in National awards, including Lynn Daniel, a volunteer hypnotherapist who received a highly commended award for her work with the carer of a patient receiving treatment for cancer.

Aims for 2022/23

- To deliver a measurable, volunteer-led intervention promoting the Shape Up 4 Surgery Campaign, which aims to keep people well while they wait for surgery and minimise hospital stays. Funding has been secured from NHS England/Improvement for this work.
- To host, with St John Ambulance, an advanced NHS Cadets scheme for young people in challenging circumstances to gain knowledge and experience for potential careers in the NHS.
- To improve links with the Leeds community and work together on a VST Community Connectors project to address health inequalities.
- To launch the Leeds Way Welcome Team to increase the number of volunteers to welcome and support patients and visitors in the entrances and public spaces in our hospitals.
- To work with the support agency Helpforce on the Back to Health campaign to create high-impact volunteering roles to help the Trust recover from the impact of COVID-19 on its workforce, patients, volunteers and organisational outcomes.
- To move in to its new Volunteer Hub, a central location from which to recruit, support and place volunteers across the Trust's hospitals.
- To work with the National Deaf Children's Society to increase the accessibility of volunteering opportunities.

Healthwatch

The Trust has continued its positive work with Healthwatch, which is highlighted throughout this section and in the example below.

The Trust Head of Patient Experience and Lead Nurses for Patient Experience continue to be members of an Inclusion for All Hub, led by Healthwatch Leeds, which seeks to encourage improvement in the delivery of the Accessible Information Standard (AIS) across Leeds.

This is a forum where organisations share progress in achieving the AIS and hear from healthcare users about the difficulties they have experienced accessing services, to support learning and improvement. In the last six months, Inclusion for All meetings have focussed on public access to interpreting services and British Sign Language (BSL). The Trust has contributed to the discussions taking place and shared details of current Trust interpreting and BSL provision at the meetings.

3.6 Chaplaincy

The Chaplaincy service offers pastoral, spiritual, or religious care to patients, staff, and those important to them. When the matter is urgent, we are there 24 hours a day.

The COVID-19 pandemic has continued to shape service delivery and we have valuable insights on how we can continue to improve the care we offer. The number of urgent requests for care has continued to increase compared to pre-pandemic levels. This has highlighted the need for having 24-hour Muslim on call rota which began in early 2022 alongside a Jewish and Christian on call rota. We always strive to have the appropriate faith or belief representative as needed through our relationships with faith and belief communities.

This year saw the arrival of a non-religious pastoral carer - thanks to support from the Leeds Hospitals Charity - who adds to the diversity of faith and belief represented on the team. She has been supporting staff who need to talk, or with specific needs, allowing them to care for themselves as they care for our patients.

Along with the other chaplains, the pastoral carer works closely with the psychology staff support service and the wider Health and Wellbeing team. Having a non-religious pastoral carer builds on the work of Dr Bob Bury, our honorary non-religious chaplain, who retired this year after many years of much appreciated pastoral care. It demonstrates our commitment to be there for all: the non-religious and the religious. This is highlighted further by our work on reflection and prayer spaces; the creation of A Place to Be in St James' University Hospital and plans at Seacroft and Chapel Allerton Hospitals to make the spaces welcoming to all.

Leeds Hospitals Charity has supported us to provide "virtual" services and ceremonies such as A Time to Remember - a ceremony for those whose babies have died before or just after birth - Sikh Prayer Day and carol services, for which we have received positive feedback. We also held distanced prayers for Chanukah. For the first time we marked Holocaust Memorial Day with prayers, which was shared online.

Finally, we have been working closely with the Kaizen Promotion Office team to begin redesigning processes and systems to release time to care and make a more impactful contribution in resourcing the life of the Trust and the people we serve. The COVID-19 pandemic has highlighted how faith and belief can have an impact on health outcomes. We are beginning to look at how we might understand more, enabling us to help reduce health inequalities and promote better outcomes no matter what faith or belief someone has.

3.7 Emergency preparedness

The Trust has a legal responsibility to be prepared for the hazards and threats that could impact on our patients, staff or delivery of services. The main pieces of legislation are the Civil Contingencies Act 2004 which identifies the Trust as a category 1 responder and the Health and Social Care Act 2012 which places obligations on the Trust as an NHS funded provider for emergency preparedness, resilience and response. These are further defined through the NHS England Emergency Preparedness, Resilience and Response (EPRR) Framework 2015 and the associated Core Standards. In summary the Trust is required to have risk assessments for emergencies and business continuity disruptions, response plans, staff training and regular exercises to test our arrangements.

The Trust undertakes an annual self-assessment against the EPRR core standards which are confirmed by the Board to the Department of Health and Social Care through agreement with the West Yorkshire Local Health Resilience Partnership (LHRP) assurance process and submission through NHS England/ Improvement. The 2021/22 process resulted in an assessment of SUBSTANTIAL compliance against the standards. In November 2021, the internal auditors who had been commissioned to evaluate the accuracy and validity of the self-assessment, agreed with this assessment.

The Accountable Emergency Officer, Clare Smith, is responsible for the delivery of the Trust's emergency preparedness responsibilities at a Board level and the Trust's named Non-Executive Director for Emergency Preparedness, as required by the EPRR Framework, is Professor Laura Stroud. The Emergency Preparedness team comprises the Head of Resilience, Senior Resilience Advisor, Emergency Planning Officer and Clerical Officer.

Regular updates on emergency preparedness risks have been provided to the Risk Management Committee. The Emergency Preparedness Coordinating Group continues to oversee the Trust's emergency preparedness arrangements through the Major Incident Steering Group and High Consequence Infectious Diseases and Pandemic Preparedness Group.

The response to the COVID-19 pandemic continued to form a large part of the Emergency Preparedness work during 2021/22. This consisted of supporting the various command meetings and providing an Incident Coordination Centre function to manage the internal and external communication related to the response. However, as learning from the first year of COVID-19 was incorporated into the Trust's plans for further waves, the response mechanisms such as the command meeting structures, surge planning and reporting processes were subject to fewer changes, which allowed the team to focus more on some of the other emergency preparedness work.

One major piece of work undertaken was to develop and test business continuity plans for PAS, the Trust-wide system on which all patient details are recorded on admission. The system required two planned weekend outages to allow for system upgrades, and the business continuity plans were critical if patients were to be kept safe during these periods. The plans were developed across all departments and then tested through a series of walk-through exercises and two live exercises. This extensive testing ensured that the plans worked seamlessly during both periods of downtime with no disruption to the Trust's services. Further work has started on reviewing the business continuity plans for the Trust's other major IT systems.

In the first year of the pandemic the review of some emergency plans had to be deferred, but that work resumed during 2021/22 and all emergency plans have been reviewed and are up to date. One exciting new development is the recent purchase of a hospital evacuation system. Training for the system and the roll out of the equipment is planned for 2022. This will increase the resilience of the Trust and safety of patients even further in the event of any incident that requires a major evacuation of any part of the Trust's inpatient areas.

Training for those with a key role in responding to any incidents was moved to remote delivery early in the pandemic. This has been successful and has continued in that format. Additional e-learning packages have been produced and made available on the Trust's learning platform during 2021/22. Exercises are important not just to test emergency plans, but also to give colleagues the chance to put into practice their learning. Despite the COVID-19 restrictions a number of exercises were undertaken in 2021/22, including the evacuation of a neonatal unit, receipt of patients evacuated from another hospital, dealing with high consequence infectious disease patients arriving at the Emergency Department, and the provision of portable oxygen for an evacuation of critical care units.

3.8 Leeds Hospitals Charity

Leeds Hospitals Charity raises money for Leeds Teaching Hospitals NHS Trust. The charity's mission is to support NHS staff across all seven Trust hospitals to deliver the best care to more than a million patients and their families each year. Last year the charity gave £4.8 million in grants, thanks to donations and Gifts in Wills.

The charity is independent of the Trust and is governed by a Board of Trustees, with Dr Edward Ziff OBE DL as the Chairman and Dame Linda Pollard CBE DL Hon LLD as the linked Trustee. Esther Wakeman is the Chief Executive and she is supported by a senior leadership team and a further 51 paid staff and 206 volunteers.

Our support for the Trust is founded on strong partnership working. This enables us to ensure applications for charitable funds are aligned with both the Trust and charitable priorities and secure the most benefit for patients and staff.

leeds hospitals charity

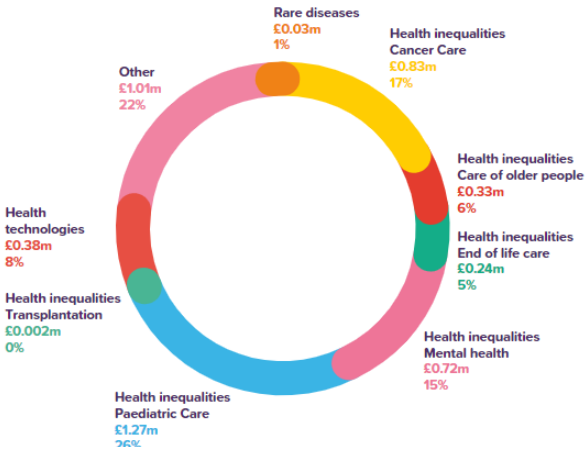
charity number: 1170369

Grant funding

Over the past year, Leeds Hospitals Charity launched its five-year strategy and has continued to prioritise its grant-funding for projects in three areas where it feels it can have a great impact and make a bigger difference to the people of Leeds. These areas have been chosen because they may not have traditional funding through the NHS or may be projects that will benefit a number of people in a short space of time. As the Charity embeds its strategy over the next four years, it will prioritise applications for funding in the three areas listed below.

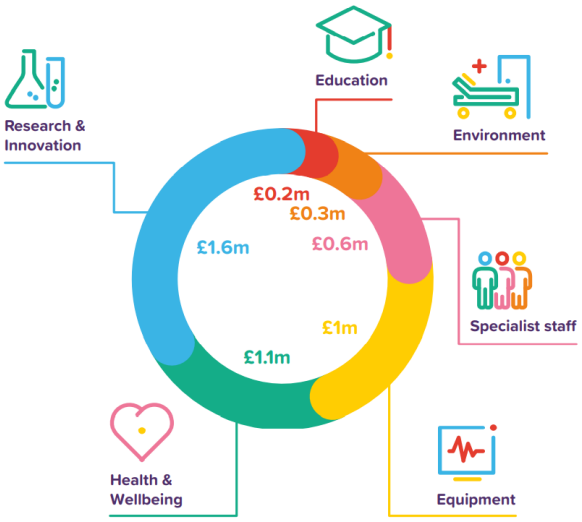
- Innovation and Health Technology
- Treatment of rare conditions
- Reducing health inequalities, with a specific focus cancer treatment and research, paediatric treatment and research, mental health, care of older people and end of life care.

Grant funding 2021/22 by priority impact area



Grant funding 2021/22 by priority funding area

Leeds Hospitals Charity awards funding against six funding priority areas encompassing a range of requests, from small amounts of funding to support older people in hospital at Christmas to pioneering research and cutting-edge equipment.



Examples of making a difference together

During the year, Leeds Hospitals Charity has been delighted to make significant investments in projects across our priority impact areas to fund pioneering work that will help to further treatments and care for patients, not only in Leeds but across the region and elsewhere. The three projects below are just a fraction of this fantastic work.

Innovation and Health Technology

Lifelike artificial eyes for children and young people: £44,000

Leeds Hospitals Charity recently funded innovative 3D technology to help the Leeds Artificial Eye Service manufacture more lifelike artificial eyes for children and young people who have lost an eye due to cancer, glaucoma or trauma.

Two Charitable Foundations donated £44,000 to Leeds Hospitals Charity, enabling this groundbreaking project to come to life.

Each year, around 11,500 artificial eyes are needed in the UK to meet demand from both new and existing patients who need regular replacements.

Artificial eyes are hand-painted and take over six weeks to manufacture. This means some patients must wait a significant amount of time, which has an impact on their rehabilitation and quality of life.

Advances in technology mean that better alternatives to traditional prosthetic eyes are now available and this allows the Leeds Artificial Eye Service to offer more life-like prothesis to patients in a much shorter timeframe.

Thanks to this project, patients will benefit from a more life-like appearance in a shorter timeframe ensuring they are comfortable and confident with their prosthetic eye.

Treatment of rare conditions

Study of white matter diseases: £5,000 in 2021/22, following funding in previous years

Leeds Hospitals Charity is funding Dr Lydia Green, an Academic Paediatric Neurology trainee, to complete a PhD studying a group of rare genetic disorders called inherited white matter diseases.

"As a paediatric neurology trainee with an interest in genetic leukodystrophies, having the opportunity to further investigate the genetic basis and functional implications of some of these very rare diseases is essential, both to develop my own personal skills and understanding, but also to improve the way we investigate and diagnose our patients.

"Having a child with a progressive neurological disorder can be one of the most difficult challenges faced by families. By providing a clear diagnosis we can help make the journey more bearable and are hopeful that by improving our knowledge of leukodystrophies we are taking patients one step closer to the therapies of the future."

Dr Lydia Green,
Academic Paediatric Neurology trainee

Reducing health inequalities

Forcing brain cancer cells to be more vulnerable to treatment: £200,000

On average, more than 12,000 people are diagnosed with brain cancer each year in the UK.

Christopher Yusef Akhunbay-Fudge received a grant of £200,000 from Leeds Hospitals Charity to fund research investigating the cell cycle, how cells multiply and mutate and ultimately what makes them resistant to chemotherapy and radiotherapy.

Using new technologies to insert coloured cancer cells into a normal ball of brain tissue, Christopher will study the cell cycle and hopes to identify at what point a cell changes and why. This information has the potential to lead to breakthroughs in more targeted and precise treatment.

Christopher is one year into his PhD and already the study is revealing some fascinating insights: the pace of cell change in a 24-hour period alone has shown to be significant. Christopher is an aspiring future leader in brain cancer research and supported by an excellent team at Leeds Teaching Hospitals NHS Trust and The University of Leeds.

Christopher says:

"The lab is where you can test real hypotheses and hope to see breakthroughs. If by the end of my three-year project we're able to add to the arsenal available to treat and prolong life, I will feel a great sense of achievement. Although early in my career, I have met with many patients diagnosed with glioblastoma (an aggressive type of brain cancer). It's indiscriminate and wreaks havoc for families."

Fundraising appeals

In September 2021 the charity launched a major fundraising appeal to raise £5 million to build The Rob Burrow Centre for Motor Neurone Disease (MND). This will be a state of the art centre of excellence in Leeds for people living with MND in the city and region.

Spearheaded by the Leeds Rhinos player Rob Burrow MBE and his family, the centre will see all MND services housed under one roof for the first time to give people with MND and their families the best possible care and support, and to promote their wellbeing and improve their quality of life.

Rob has worked tirelessly to raise awareness of MND since he was diagnosed with the condition at the age of 37. He explains:

> *"For carers of those with MND it is important to know that their loved ones are in the best possible place - something every MND sufferer and their families deserve. Although the news won't be any better, it will be easier to come to terms with in a purpose-built care centre that meets the needs of every MND patient."*

Leeds Leads Research Fund

The charity launched an appeal for people to leave a gift in their Will to fund research projects in Leeds. For more information and to see the TV advert please visit the Leeds Hospitals Charity website.

All in it together

Leeds Hospitals Charity is generously supported by the people of Leeds and the wider region, often as a way of saying thank you for the excellent care they, or a friend of family member, have received in one of the hospitals in Leeds.

People arrange events, set up online collections in lieu of gifts, host quizzes and coffee mornings and others run, swim or skip or even shave their head, all to raise money for the Charity!

Corporate partnerships are also a successful way for money to be raised for the Charity and current businesses supporting Leeds Hospitals Charity include Lowell, Philip Howard Books, Hermes, Caddick and Northern Commercials.

We know it's been a challenging year for everyone, and we're very grateful to everyone who makes a donation or leaves a gift in their Will to Leeds Hospitals Charity, enabling us to continue to support the staff at Leeds Teaching Hospitals NHS Trust to provide the best possible care for patients.

SECTION FOUR

FINANCIAL STATEMENTS

Section 4: Financial Statements for 2021/2022

4.1 Statements of responsibility

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

The Chief Executive of NHS Improvement, in exercise of powers conferred on the NHS Trust Development Authority, 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 the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as an Accountable Officer.

Signed

Sir Julian Hartley, Chief Executive

20th June 2022

Statement of Directors' responsibilities in respect of the accounts

The Directors are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of HM Treasury, directs that these accounts give a true and fair view of the state of affairs of the Trust and of the income and expenditure, other items of comprehensive income and cash flows for the year. In preparing those accounts, the Directors are required to:

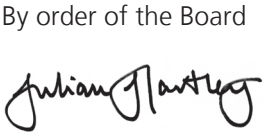
- apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury
- make judgements and estimates which are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts and
- prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the accounts.

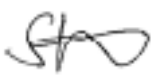
The Directors confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS Trust's performance, business model and strategy.

By order of the Board



Sir Julian Hartley,
Chief Executive

22nd June 2022



Simon Worthington,
Director of Finance

22nd June 2022

4.2 Independent Auditor's Report to the Directors of the Leeds Teaching Hospitals NHS Trust

Qualified opinion on the financial statements

We have audited the financial statements of Leeds Teaching Hospitals NHS Trust ('the Trust') for the year ended 31 March 2022, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Taxpayers' Equity, the Statement of Cash Flows and notes to the financial statements, including the summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual 2021/22 as contained in the Department of Health and Social Care Group Accounting Manual 2021/22, and the Accounts Direction issued by the Secretary of State with the approval of HM Treasury as relevant to NHS Trusts in England.

In our opinion, except for the possible effects of the matter described in the 'Basis for qualified opinion' section of our report, the financial statements:

- give a true and fair view of the financial position of the Trust as at 31 March 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with the Department of Health and Social Care Group Accounting Manual 2021/22; and
- have been properly prepared in accordance with the requirements of the National Health Service Act 2006.

Basis for qualified opinion

We were unable to obtain sufficient appropriate audit evidence about the existence and condition of the inventory balance held by the Trust at 31 March 2021 of £22.545m because we were unable to attend the year-end physical inventory counts due to COVID-19-related travel restrictions. Consequently, we were unable to determine whether any adjustment to this amount at 31 March 2021 was necessary, or whether there was any consequential effect on operating expenses in relation to inventory expenditure for the year ended 31 March 2022.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities section of our report. We are independent of the Trust 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 Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's 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 Directors with respect to going concern are described in the relevant sections of this report.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of the Directors and the Accountable Officer for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. The Directors are required to comply with the Department of Health and Social Care Group Accounting Manual 2021/22 and prepare the financial statements on a going concern basis, unless the Trust is informed of the intention for dissolution without transfer of services or function to another entity. The Directors are responsible for assessing each year whether or not it is appropriate for the Trust to prepare its accounts on the going concern basis and disclosing, as applicable, matters related to going concern.

As explained in the Statement of the Chief Executive's Responsibilities as the Accountable Officer of the Trust, the Accountable Officer is responsible for such internal control as the Accountable Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Accountable Officer is responsible for ensuring that the financial statements are prepared in a format directed by the Secretary of State.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the Trust, we identified that the principal risks of non-compliance with laws and regulations related to the National Health Service Act 2006 (as amended by the Health and Social Care Act 2012) and we considered the extent to which non-compliance might have a material effect on the financial statements.

We evaluated the Accountable Officer's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

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

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

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

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

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

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

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

Matter on which we are required to report by exception

We are required to report to you if, in our opinion, we are not satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2022.

We have not completed our work on the Trust's arrangements. On the basis of our work to date, having regard to the guidance issued by the Comptroller and Auditor General in December 2021, we have not identified any significant weaknesses in arrangements for the year ended 31 March 2022.

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 Accountable Officer

As explained in the Statement of Accountable Officer's responsibilities, the Accountable Officer is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of the Trust's resources.

Auditor's responsibilities for the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We are required under section 21 of the Local Audit and Accountability Act 2014 (as amended) to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources, and to report where we have not been able to satisfy ourselves that it has done so. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our work in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in December 2021.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Code of Audit Practice

In our opinion:

- the parts of the Remuneration and Staff Report subject to audit have been properly prepared in accordance with the Accounts Direction made under the National Health Service Act 2006; and
- the other information published together with the audited financial statements in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception under the Code of Audit Practice

We are required to report to you if:

- in our opinion the Annual Governance Statement does not comply with the guidance issued by NHS Improvement; or
- we refer a matter to the Secretary of State under section 30 of the Local Audit and Accountability Act; or
- we issue a report in the public interest under section 24 and schedule 7(1) of the Local Audit and Accountability Act 2014; or
- we make a written recommendation to the Trust under section 24 and schedule 7(2) of the Local Audit and Accountability Act 2014.

We have nothing to report in respect of these matters.

Use of the audit report

This report is made solely to the Board of Directors of Leeds Teaching Hospitals NHS Trust, as a body, in accordance with part 5 of the Local Audit and Accountability Act 2014. Our audit work has been undertaken so that we might state to the Directors of the Trust those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Directors of the Trust, as a body, for our audit work, for this report, or for the opinions we have formed.

Delay in certification of completion of the audit

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

Mark Dalton, Key Audit Partner

For and on behalf of Mazars LLP

5th Floor, 3 Wellington Place, Leeds LS1 4AP

21 June 2022

Audit Completion Certificate issued to the Directors of Leeds Teaching Hospitals NHS Trust for the year ended 31 March 2022

In our auditor's report dated 21 June 2022 we explained that the audit could not be formally concluded until we had completed the work necessary to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness is its use of resources.

This work has now been completed.

No matters have come to our attention since 21 June 2022 that would have a material impact on the financial statements on which we gave our qualified opinion.

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

We are required to report to you if, in our opinion, we are not satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2022.

On the basis of our work, having regard to the guidance issued by the Comptroller and Auditor General in December 2021, we have nothing to report in this respect.

Certificate

We certify that we have completed the audit of Leeds Teaching Hospitals NHS Trust in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

Mark Dalton, Key Audit Partner

For and on behalf of Mazars LLP

5th Floor, 3 Wellington Place, Leeds LS1 4AP

7 September 2022

4.3 Leeds Teaching Hospitals NHS Trust Annual Accounts 2021/22

Statement of Comprehensive Income for the year ended 31 March 2022

	Note	2021-22 £000	2020-21 £000
Operating income from patient care activities	3	1,492,905	1,282,204
Other operating income	4	235,040	314,591
Operating expenses	5, 7	(1,698,848)	(1,603,609)
Operating surplus/(deficit) from continuing operations		**29,097**	**(6,814)**
Finance income	10	66	15
Finance expenses	11	(15,033)	(14,770)
PDC dividends payable		(7,016)	(5,818)
Net finance costs		**(21,983)**	**(20,573)**
Other gains	12	595	735
Surplus / (deficit) for the year*		**7,709**	**(26,652)**

*The adjusted financial performance for 2021/22 is a surplus of £5.9m (2020/21 £8.1m) and is disclosed in note 37

Statement of Financial Position as at 31 March 2022

	Note	31 March 2022 £000	31 March 2021 £000
Non-current assets			
Intangible assets	13	14,450	9,281
Property, plant and equipment	14	616,355	571,668
Receivables	18	4,717	3,522
Total non-current assets		**635,522**	**584,471**
Current assets			
Inventories	17	22,973	22,545
Receivables	18	66,573	43,314
Non-current assets for sale	19	-	-
Cash and cash equivalents	20	97,109	105,304
Total current assets		**186,655**	**171,163**
Current liabilities			
Trade and other payables	21	(192,748)	(176,288)
Borrowings	23	(11,215)	(12,136)
Provisions	25	(4,697)	(3,637)
Other liabilities	22	(29,838)	(13,215)
Total current liabilities		**(238,498)**	**(205,276)**
Total assets less current liabilities		**583,679**	**550,358**
Non-current liabilities			
Borrowings	23	(162,594)	(173,784)
Provisions	25	(10,213)	(6,252)
Other liabilities	22	-	(30)
Total non-current liabilities		**(172,807)**	**(180,066)**
Total assets employed		**410,872**	**370,292**
Financed by			
Public dividend capital		491,286	458,415
Revaluation reserve		143	4,182
Income and expenditure reserve		(80,557)	(92,305)
Total taxpayers' equity		**410,872**	**370,292**

The notes on pages 108 to 139 form part of these accounts.

The accounts were approved by the Board of Directors at its meeting on 16 June 2022 and signed on its behalf by:

Name:	Sir Julian Hartley	Simon Worthington
Position:	Chief Executive	Director of Finance
Date:	20 June 2022	

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

	Public Dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' equity at 1 April 2021 - brought forward	**458,415**	**4,182**	**(92,305)**	**370,292**
Surplus for the year	-	-	7,709	**7,709**
Other transfers between reserves	-	(4,039)	4,039	-
Public dividend capital received	32,871	-	-	**32,871**
Taxpayers' equity at 31 March 2022	**491,286**	**143**	**(80,557)**	**410,872**

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

	Public Dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' equity at 1 April 2020 - brought forward	**342,261**	**4,182**	**(65,653)**	**280,790**
(Deficit) for the year	-	-	(26,652)	**(26,652)**
Public dividend capital received	116,154	-	-	**116,154**
Taxpayers' equity at 31 March 2021	**458,415**	**4,182**	**(92,305)**	**370,292**

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.

Income and expenditure reserve

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

Statement of Cash Flows for the year ended 31 March 2022

	Note	2021-22 £000	2020-21 £000
Cash flows from operating activities			
Operating surplus / (deficit)		29,097	(6,814)
Non-cash income and expense:			
Depreciation and amortisation	5	34,275	32,736
Net impairments	6	20,657	37,478
Income recognised in respect of capital donations	4	(24,762)	(3,239)
(Increase) / decrease in receivables and other assets		(12,554)	57,777
(Increase) in inventories		(428)	(3,452)
Increase in payables and other liabilities		27,267	17,700
Increase in provisions		5,047	2,997
Net cash flows from operating activities		**78,599**	**135,183**
Cash flows from investing activities			
Interest received		66	15
Purchase of intangible assets		(8,416)	(1,570)
Purchase of property, plant and equipment		(89,669)	(80,770)
Sales of property, plant and equipment		609	1,660
Receipt of cash donations to purchase assets		11,489	921
Net cash flows (used in) investing activities		**(85,921)**	**(79,744)**
Cash flows from financing activities			
Public dividend capital received		32,871	116,154
Movement on loans from DHSC		(2,556)	(65,072)
Capital element of finance lease rental payments		(382)	(169)
Capital element of PFI payments		(9,170)	(8,856)
Interest on loans		(601)	(777)
Interest paid on finance lease liabilities		(474)	(384)
Interest paid on PFI obligations		(13,986)	(13,721)
PDC dividend paid		(6,575)	(4,904)
Net cash flows (used in) / from financing activities		**(873)**	**22,271**
(Decrease) / increase in cash and cash equivalents		**(8,195)**	**77,710**
Cash and cash equivalents at 1 April - brought forward		**105,304**	**27,594**
Cash and cash equivalents at 31 March	20	**97,109**	**105,304**

Notes to the Accounts

1. Accounting policies and other information

1.1 Basis of preparation

The Department of Health and Social Care has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2021/22 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

Accounting convention

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

1.2 Going concern

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

1.3 Interests in other entities

The Trust has no interests in other entities.

1.4 Revenue from contracts with customers

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

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

Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for health care services. In 2021/22 and 2020/21, the majority of the Trust's income from NHS commissioners was in the form of block contract arrangements. The Trust receives block funding from its commissioners, where funding envelopes are set at a Integrated Care System level. For the first half of the 2020/21 comparative year these blocks were set for individual NHS providers directly, but the revenue recognition principles are the same. The related performance obligation is the delivery of healthcare and related services during the period, with the Trust's entitlement to consideration not varying based on the levels of activity performed.

The Trust also receives additional income outside of the block payments to reimburse specific costs incurred and, in 2020/21, other income top-ups to support the delivery of services. Reimbursement and top-up income is accounted for as variable consideration.

In 2021/22, the Elective Recovery Fund enabled systems to earn income linked to the achievement of elective activity targets including funding any increased use of independent sector capacity. Income earned by the system is distributed between individual entities by local agreement. Income earned from the fund is accounted for as variable consideration.

Revenue from research contracts

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

the performance obligation is satisfied over time, and the Trust recognises revenue each year over the course of the contract. Some research income alternatively falls within the provisions of IAS 20 for government grants.

NHS injury cost recovery scheme

The Trust receives income under the NHS Injury Cost Recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when performance obligations are satisfied. In practical terms this means that treatment has been given, it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

1.5. Other forms of income

Grants and donations

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

Apprenticeship service income

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

1.6 Expenditure on employee benefits

Short-term employee benefits

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

Pension costs

NHS Pension Scheme

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

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

National Employment Savings Trust ("NEST") Pension Scheme

The Trust provides certain employees, who are not enrolled into the NHS Pensions Scheme, with cover from the defined contributions scheme which is managed by the National Employment Savings Trust (NEST). The cost to the Trust is taken as equal to the contributions payable to the scheme for the accounting period.

1.7 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

1.8 Discontinued operations

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

to other bodies within the boundary of Whole of Government Accounts are 'machinery of government changes' and treated as continuing operations.

1.9 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

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

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

Subsequent expenditure

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

Measurement

Valuation

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

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

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

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

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

Valuation guidance issued by the Royal Institute of Chartered Surveyors states that valuations are performed net of VAT where the VAT is recoverable by the entity. This basis has been applied to the Trust's Private Finance Initiative (PFI) schemes where the construction is completed by a special purpose vehicle and the costs have recoverable VAT for the Trust.

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

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

Depreciation and impairments

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

Property, plant and equipment which has been reclassified as 'held for sale' cease to be depreciated upon the reclassification. Otherwise depreciation or amortisation is charged to write off the costs or valuation of property, plant and equipment and intangible assets, less any residual value, on a straight-line basis over their estimated useful lives. The estimated useful life of an asset is the period over which the Trust expects to obtain economic benefits or service potential from the asset. This is specific to the Trust and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis.

Assets held under finance leases are depreciated over the shorter of the lease term and the estimated useful life, unless the Trust expects to acquire the asset at the end of the lease term, in which case the asset is depreciated in the same manner as for owned assets.

At each financial year end, the Trust checks whether there is any indication that its property, plant and equipment or intangible assets have suffered an impairment loss. If there is indication of such an impairment, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually at the financial year end.

Impairment losses that arise from a clear consumption of economic benefit are taken to expenditure. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been determined had there been no initial impairment loss. The reversal of the impairment loss is credited to expenditure.

Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

Revaluation gains and losses

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

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

Gains and losses recognised in the Revaluation Reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments

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

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

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

De-recognition

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

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

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

Donated and grant funded assets

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

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

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

Private Finance Initiative (PFI) transactions

PFI transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as 'on-Statement of Financial Position' by the Trust. In accordance with HM Treasury's FReM, the underlying assets are recognised as property, plant and equipment, together with an equivalent liability. Subsequently, the assets are accounted for as property, plant and equipment and/or intangible assets as appropriate.

The annual contract payments are apportioned between the repayment of the liability, a finance cost, the charges for services and lifecycle replacement of components of the asset. The element of the annual unitary payment increase due to cumulative indexation is treated as contingent rent and is expensed as incurred.

The service charge is recognised in operating expenses and the finance cost is charged to finance costs in the Statement of Comprehensive Income.

PFI assets, liabilities and finance costs

The PFI assets are recognised as property, plant and equipment when they come into use. The assets are measured initially at fair value or, if lower, at the present value of the minimum lease payments, in accordance with the principles of IAS17. Subsequently, the assets are measured at current value in existing use.

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the initial value of the assets and is subsequently measured as a finance lease liability in accordance with IAS17.

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.

PFI 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 pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term 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 scheme

Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the Trust's Statement of Financial Position.

Other assets contributed by the Trust to the operator

Other assets contributed (e.g. cash payments, surplus property) by the Trust to the operator before the asset is brought into use, where these are intended to defray the operator's 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.

Useful lives of property, plant and equipment

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

	Min life Years	Max life Years
Land	-	-
Buildings, excluding dwellings	2	80
Dwellings	2	80
Plant and machinery	5	18
Transport equipment	5	10
Information technology	3	11
Furniture and fittings	5	10

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

1.10 Intangible assets

Recognition

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

Internally generated intangible assets

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

Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use
- the intention to complete the intangible asset and use it
- the ability to sell or use the intangible asset
- how the intangible asset will generate probable future economic benefits or service potential
- the availability of adequate technical, financial and other resources to complete the intangible asset and sell or use it, and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Software

Software which is integral to the operation of hardware, eg an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, eg application software, is capitalised as an intangible asset.

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

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

Amortisation

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

Useful lives of intangible assets

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

	Min life Years	Max life Years
Information technology	5	7
Software licences	2	7

1.11 Inventories

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

In 2020/21 and 2021/22, the Trust received inventories including personal protective equipment from the Department of Health and Social Care at nil cost. In line with the GAM and applying the principles of the IFRS Conceptual Framework, the Trust has accounted for the receipt of these inventories at a deemed cost, reflecting the best available approximation of an imputed market value for the transaction based on the cost of acquisition by the Department.

1.12 Investment properties

The Trust does not hold any investment properties.

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.

1.14 Financial assets and financial liabilities

Recognition

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

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

Classification and measurement

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

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

Financial assets and financial liabilities are classified as subsequently measured at amortised cost.

Financial assets and financial liabilities at amortised cost

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

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

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

Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

HM Treasury has ruled that central government bodies may not recognise stage 1 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 and stage 2 impairments against these bodies. Additionally, the Department of Health and Social Care provides a guarantee of last resort against the debts of its arm's length bodies and NHS bodies (excluding NHS charities), and the Trust does not recognise loss allowances for stage 1 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 estimated future cash flows discounted at the financial asset's original effective interest rate.

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

Derecognition

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

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

1.15 Leases

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

The Trust as a lessee

Finance leases

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

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

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

Operating leases

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

Leases of land and buildings

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

The Trust as a lessor

Finance leases

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Trust's net investment outstanding in respect of the leases.

Operating leases

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

1.16 Provisions

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

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

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

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

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

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed at note 25.2 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

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

1.17 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in note 26 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 26, unless the probability of a transfer of economic benefits is remote.

Contingent liabilities are defined as:

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

1.18 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

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

A charge, reflecting the cost of capital utilised by the Trust, is payable as Public Dividend Capital Dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, with certain additions and deductions as defined by the Department of Health and Social Care.

This policy is available at https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out

in the "pre-audit" version of the annual accounts. The dividend calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

1.19 Value added tax

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

1.20 Corporation tax

The Trust does not have any Corporation Tax liaibility.

1.21 Climate change levy

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

1.22 Foreign exchange

The functional and presentational currency of the Trust is sterling.

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

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.

1.23 Third party assets

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

1.24 Losses and special payments

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

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

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.

1.26 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2021/22.

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

IFRS 16 Leases

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

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

On transition to IFRS 16 on 1 April 2022, the Trust will apply the standard retrospectively without restatement and with the cumulative effect of initially

applying the standard recognised in the Income and Expenditure Reserve at that date. For existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000, a lease liability will be recognised equal to the value of remaining lease payments discounted on transition at the Trust's incremental borrowing rate. The Trust's incremental borrowing rate will be defined by HM Treasury. For 2022, this rate is 0.95%. The related right of use asset will be measured equal to the lease liability adjusted for any prepaid or accrued lease payments. For existing peppercorn leases not classified as finance leases, a right of use asset will be measured at current value in existing use or fair value. The difference between the asset value and the calculated lease liability will be recognised in the Income and Expenditure Reserve on transition. No adjustments will be made on 1 April 2022 for existing finance leases.

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

The Trust has estimated the impact of applying IFRS 16 in 2022/23 on the opening Statement of Financial Position and the in-year impact on the Statement of Comprehensive Income and capital additions as follows:

	£000
Estimated impact on 1 April 2022 Statement of Financial Position	
Additional right of use assets recognised for existing operating leases	28,871
Additional lease obligations recognised for existing operating leases	(28,261)
Net impact on net assets on 1 April 2022	**610**
Estimated in-year impact in 2022/23	
Additional depreciation on right of use assets	(7,832)
Additional finance costs on lease liabilities	(282)
Lease rentals no longer charged to operating expenditure	7,967
Estimated impact on surplus / deficit in 2022/23	**(147)**
Estimated increase in capital additions for new leases commencing in 2022/23	**1,501**

From 1 April 2022, the principles of IFRS 16 will also be applied to the Trust's PFI liabilities where future payments are linked to a price index representing the rate of inflation. The PFI 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. Under existing accounting practices, amounts relating to changes in the price index are expensed as incurred. This is expected to increase the PFI liability on the Statement of Financial Position upon transition to IFRS 16. The effect of this has not yet been quantified as final guidance has not yet been issued.

Other standards, amendments and interpretations

IFRS 17 Insurance contracts - Application required for accounting periods beginning on or after 1 January 2021, but not yet adopted by the FReM: early adoption is not therefore permitted. It is not anticipated that adoption of this standard will have a material impact on the financial statements of the Trust.

1.28 Critical judgements in applying accounting policies

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

- Bexley Wing and Wharfedale Hospital, constructed under the Private Finance Initiative (PFI), meet the criteria for inclusion in the financial statements as Finance Leases as the Trust bears the risks and rewards of ownership. See Note 1.9 and Note 28 PFI transactions.
- The Energy Centre development at St James's University Hospital site has been judged to be a finance lease. The site was developed under a 15 year contractual arrangement with Vital Energy and following an assessment under IFRIC 4, the arrangement assessed as containing a lease.
- The Trust has decided to adopt a single site valuation for the Modern Equivalent Asset valuation of the estate following the RICS principles. See Note 1.9 and Note 16.

1.29 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:

- Valuation of Plant, Property and Equipment - Note 1.9 and Note 16

  The Trust has used valuations carried out at 31 March 2022 and 31 March 2021 by its expert independent professional valuer (Cushman & Wakefield) 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

- Provision for Impairment of Receivables - Note 1.14 and Note 18.2

  The Trust is required to judge when there is sufficient evidence to impair individual receivables which is undertaken 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

- Provisions - Note 1.16 and Note 25.

  Provisions, by their nature, are a matter of judgement, with the best estimate made based on the information available at that the time. Once realised provisions can differ from the original estimate, but not materially so.

2. Operating Segments

The Trust has determined that the Chief Operating Decision Maker (as defined by IFRS 8) is the Board of Directors on the basis that all strategic decisions are made by the Board.

The Trust engages in its activity as a single operating segment i.e. the provision of healthcare. Financial results are reported to the Board under the single segment of healthcare. Whilst the Trust operates a number of different clinical services via its clinical service units, they each provide essentially the same service (patient care), have the same customers (commissioners), use similar processes and services and face fundamentally the same risks.

During 2020-21 the Trust was responsible for the operation of the NHS Nightingale Yorkshire & Humber Hospital, the operation of the hospital was considered to be in the same segment as its other operations (provision of healthcare). Therefore the Trust believes that there is only one segment and has reported under IFRS 8 on this basis.

3 Operating income from patient care activities

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4

3.1 Income from patient care activities (by nature)

	2021/22 £000	2020/21 £000
Block contract / system envelope income	1,114,458	994,897
High cost drugs income from commissioners (excluding pass-through costs)	299,977	230,017
Other NHS clinical income	16,131	1,426
Private patient income	3,845	3,706
Elective recovery fund	15,609	-
Additional pension contribution central funding*	38,173	35,270
Other clinical income	4,712	16,888
Total income from activities	**1,492,905**	**1,282,204**

*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.

3.2 Income from patient care activities (by source)

Received from:	2021/22 £000	2020/21 £000
NHS England	702,831	619,924
Clinical commissioning groups	778,854	652,430
Department of Health and Social Care	22	-
Other NHS providers	1,242	83
NHS other	1,420	1,633
Local authorities	-	3
Non-NHS: private patients	3,845	3,706
Non-NHS: overseas patients (chargeable to patient)	418	264
Injury cost recovery scheme	3,310	3,477
Non NHS: other	963	684
Total income from activities	**1,492,905**	**1,282,204**
Of which: Related to continuing operations	1,492,905	1,282,204

Income from NHS England includes £38.2m (2020/21 £35.3m) to cover the increase in the cost of employers contributions to the NHS Pension Scheme (see Notes 7 and 8).

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

	2021/22 £000	2020/21 £000
Income recognised this year	418	264
Cash payments received in-year	**197**	**125**
Amounts added to provision for impairment of receivables	**352**	-
Amounts written off in-year	121	299

4. Other operating income

	2021/22			2020/21		
	Contract income £000	Non-contract income £000	Total £000	Contract income £000	Non-contract income £000	Total £000
Research and development	31,020	-	**31,020**	24,782	-	**24,782**
Education and training	81,243	3,460	**84,703**	77,785	2,535	**80,320**
Non-patient care services to other bodies*	40,878	-	**40,878**	44,562	-	**44,562**
Reimbursement and top up funding	18,820	-	**18,820**	126,494	-	**126,494**
Income in respect of employee benefits accounted on a gross basis	13,688	-	**13,688**	11,602	-	**11,602**
Receipt of capital grants and donations	-	24,762	**24,762**	-	3,239	**3,239**
Charitable and other contributions to expenditure	-	4,427	**4,427**	-	13,437	**13,437**
Rental revenue from operating leases	-	1,384	**1,384**	-	1,394	**1,394**
Other income**	15,358	-	**15,358**	8,761	-	**8,761**
Total other operating income	**201,007**	**34,033**	**235,040**	**293,986**	**20,605**	**314,591**
Of which: Related to continuing operations			**235,040**			**314,591**

*Non-patient care services to other bodies includes £1.4m of income in 2020/21 from other NHS providers in respect of clinical waste contract charges which the Trust has hosted on behalf of a number of organisations since October 2018. This arrangement ceased in April 2020.

**Other income incorporates income received for goods and services which are incidental to the Trust's core activity of healthcare, for example, creche fees and catering.

5. Operating expenses

5.1 Operating expenses analysis

	2021/22 £000	2020/21 £000
Purchase of healthcare from non-NHS and non-DHSC bodies	19,656	12,421
Staff and executive directors costs	962,026	903,440
Remuneration of non-executive directors	215	166
Supplies and services - clinical (excluding drugs costs)*	182,293	164,954
Supplies and services - general	12,794	19,983
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	266,116	237,243
Inventories written down*	-	482
Consultancy costs	957	1,007
Establishment	8,532	7,099
Premises**	74,831	78,021
Transport (including patient travel)	5,733	5,336
Depreciation on property, plant and equipment	30,995	30,128
Amortisation on intangible assets	3,280	2,608
Net impairments	20,657	37,478
Movement in credit loss allowance: contract receivables / contract assets	570	675
Change in provisions discount rate(s)	92	123
Fees payable to the external auditor		
audit services- statutory audit***	102	98
Internal audit costs	384	335
Clinical negligence	41,920	36,800
Legal fees	399	1,560
Insurance	976	896
Research and development	25,355	21,215
Education and training	8,553	7,421
Rentals under operating leases	3,114	2,282
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (PFI)	10,151	10,065
Car parking & security	433	415
Hospitality	76	41
Losses, ex gratia & special payments	50	57
Other services, eg external payroll	1,474	4,873
Other****	17,114	16,387
Total	**1,698,848**	**1,603,609**
Of which: Related to continuing operations	1,698,848	1,603,609

* Supplies and services expenditure in 2021/22 includes the use of donated PPE that was purchased by the DHSC and issued to the Trust of £13.7m (2020/21 £12.3m). Inventory written down in 2020/21 of £482k reflects the PPE stock that was deemed unfit for use as well the adjustment to the carrying value to reflect the current market price.

** Premises expenditure includes the costs in 2020/21 relating to hosted waste management contract which the Trust has hosted on behalf of a number of other provider organisations since October 2018, which ceased in April 2020, and costs incurred in relation to the Covid-19 pandemic.

*** Audit fees include irrecoverable VAT (see Note 1.19)

**** Other expenses incorporates the costs for goods and services which are incidental to the Trust's core activity, for example, hosted services or childcare vouchers and lease cars (both recoverable through income).

5.2 Nightingale Facilities

During 2020/21 the Trust was a host Trust for a Nightingale facility as part of the regional coronavirus pandemic response. The Nightingale facility was closed at the end of March 2021. During 2021/22 the Trust was a host for a Nightingale Surge Hub.

The costs incurred by the Trust in operating these facilities have been included within the operating expenses note in these accounts. The total costs associated with the Nightingale facility in 2020/21 are disclosed below for information; this includes where existing resources were redeployed so the note below does not represent the additional cost to the Trust of operating the facility. Incremental costs associated with operating the facility have been reimbursed by NHS England. The licence agreement for the Yorkshire and the Humber Nightingale was agreed between NHS England and Harrogate Borough Council, the Trust made no payment for rent of the facility. There were, however, payments made to Harrogate Borough Council for staffing and utility costs.

The total costs associated with the Nightingale Surge Hub in 2021/22 are disclosed below for information; this does not include where existing resources were redeployed so the note below represents the additional cost to the Trust of operating the facility. Incremental costs associated with operating the facility have been reimbursed by NHS England. The Surge Hub was hosted on Trust estate and procured through a P22 framework provider.

	2021/22 £000	2020/21 £000
Set up costs:		
Staff costs	-	259
Other operating costs	4,652	11,792
Running costs:		
Staff costs	-	893
Other operating costs	31	6,018
Decommissioning costs:		
Other operating costs	266	5,828
Total gross costs	**4,949**	**24,790**

5.3 Other auditor remuneration

There is no other remuneration paid to the external auditor in either of the financial years 2021/22 or 2020/21.

5.4 Limitation on auditor's liability

There is no limitation on auditor's liability for external audit work carried out for the financial years 2021/22 or 2020/21.

6. Impairment of assets

Net impairments charged to operating surplus / (deficit) resulting from:	2021/22 £000	2020/21 £000
Changes in market price	20,657	37,478
Total net impairments charged to operating surplus / (deficit)	**20,657**	**37,478**
Impairments charged to the revaluation reserve	-	-
Total net impairments	**20,657**	**37,478**

The impairment arises following the full valuation of the Trust's estate undertaken by an independent valuer. Full details can be found in note 16.

7. Employee benefits

	2021/22 £000	2020/21 £000
Salaries and wages	740,049	687,232
Social security costs	69,271	63,312
Apprenticeship levy	3,633	3,275
Employer's contributions to NHS pensions	125,192	116,025
Temporary staff (including agency)	51,165	57,743
Total staff costs	**989,310**	**927,587**
Of which: Costs capitalised as part of assets	3,552	3,018

7.1 Retirements due to ill-health

During 2021/22 there were 12 early retirements from the Trust agreed on the grounds of ill-health (15 in the year ended 31 March 2021). The estimated additional pension liabilities of these ill-health retirements is £464k (£649k in 2020/21).

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

8. Pension costs

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable

NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

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

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2022, is based on valuation data as 31 March 2021, updated to 31 March 2022 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

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

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

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

c) National Employment Savings Trust Pension

Under the terms of the Pensions Act 2008 the Trust is required to provide a pension scheme for employees who are not eligible for membership of the NHS Pension Scheme. Qualifying employees are enrolled in the National Employment Savings Trust (NEST) managed scheme.

NEST is a defined contribution scheme managed by a third party organisation. It carries no possibility of actuarial gain or loss to the Trust and there are no financial liabilities other than payment of the 3% employers contribution of qualifying earnings. Employer contributions are charged directly to the Statement of Comprehensive Income and paid to NEST monthly. At 31st March 2022 there were 1,732 employees enrolled in the scheme (341 at 31 March 2021). Further details of the scheme can be found at www.nestpensions.org.uk.

9. Operating leases

9.1 Leeds Teaching Hospitals NHS Trust as a lessor

This note discloses income generated in operating lease agreements where Leeds Teaching Hospitals NHS Trust is the lessor.

The Generating Station Complex at Leeds General Infirmary is licenced to Engie Ltd who supply the Trust and University of Leeds with electricity. Other leases relate to various retail facilities provided across the Trust's sites.

	2021/22 £000	2020/21 £000
Operating lease revenue		
Minimum lease receipts	1,384	1,394
Total	1,384	1,394

Future minimum lease receipts due:	31 March 2022 £000	31 March 2021 £000
- not later than one year;	1,459	1,440
- later than one year and not later than five years;	4,449	4,268
- later than five years.	1,867	1,549
Total	7,775	7,257

9.2 Leeds Teaching Hospitals NHS Trust as a lessee

This note discloses costs and commitments incurred in operating lease arrangements where Leeds Teaching Hospitals NHS Trust is the lessee.

The Trust has operating leases for items of medical and non-medical equipment, vehicles and short-term property lets. None of these are individually significant. The amounts recognised in these accounts are:

	2021/22 £000	2020/21 £000
Operating lease expense		
Minimum lease payments	3,114	2,282
Total	3,114	2,282

Future minimum lease payments due:	31 March 2022 £000	31 March 2021 £000
- not later than one year;	2,350	2,384
- later than one year and not later than five years;	7,007	5,992
- later than five years.	2,147	2,431
Total	11,504	10,807

10. Finance Income

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

	2021/22 £000	2020/21 £000
Interest on bank accounts	66	15
Total finance income	66	15

11. Finance Expenditure

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

11.1 Interest Expense

	2021/22 £000	2020/21 £000
Loans from the Department of Health and Social Care	599	678
Finance leases	474	384
Main finance costs on PFI schemes obligations	6,961	6,035
Contingent finance costs on PFI scheme obligations	7,025	7,686
Total interest expense	15,059	14,783
Unwinding of discount on provisions	(26)	(13)
Total finance costs	15,033	14,770

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

The Trust has not made any payments under the terms of this legislation in either the current or preceding financial year.

12. Other gains

	2021/22 £000	2020/21 £000
Gains on disposal of assets	611	746
Losses on disposal of assets	(16)	(11)
Total other gains	595	735

During 2020/21, the Trust disposed of a property asset. Obsolete and surplus items of equipment were also sold during the current and preceding financial year. This resulted in an overal surplus of £595k (2020/21 £735k).

13. Intangible assets

13.1 Intangible assets - 2021/22

	Software licences £000	Internally generated information technology £000	Total £000
Valuation / gross cost at 1 April 2021 - brought forward	2,321	16,048	18,369
Additions	415	8,001	8,416
Reclassifications	-	33	33
Valuation / gross cost at 31 March 2022	2,736	24,082	26,818
Amortisation at 1 April 2021 - brought forward	1,227	7,861	9,088
Provided during the year	569	2,711	3,280
Amortisation at 31 March 2022	1,796	10,572	12,368
Net book value at 31 March 2022	940	13,510	14,450
Net book value at 1 April 2021	1,094	8,187	9,281

13.2 Intangible assets - 2020/21

	Software licences £000	Internally generated information technology £000	Total £000
Valuation / gross cost at 1 April 2020 - brought forward	1,502	14,496	15,998
Additions	819	751	1,570
Reclassifications	-	801	801
Valuation / gross cost at 31 March 2021	2,321	16,048	18,369
Amortisation at 1 April 2020 - brought forward	994	5,486	6,480
Provided during the year	233	2,375	2,608
Amortisation at 31 March 2021	1,227	7,861	9,088
Net book value at 31 March 2021	1,094	8,187	9,281
Net book value at 1 April 2020	508	9,010	9,518

14. Property Plant and Equipment

14.1 Property, Plant and Equipment - 2021/22

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2021 - brought forward	11,607	391,166	892	59,159	224,529	532	69,382	1,387	758,654
Additions	-	14,656	-	44,013	23,606	-	14,112	-	96,387
Impairments	-	(37,940)	(3)	-	-	-	-	-	(37,943)
Reversals of impairments	928	2,405	-	-	-	-	-	-	3,333
Reclassifications	-	30,923	-	(34,643)	-	-	3,687	-	(33)
Disposals / derecognition	-	-	-	-	(944)	-	-	-	(944)
Valuation/gross cost at 31 March 2022	12,535	401,210	889	68,529	247,191	532	87,181	1,387	819,454
Accumulated depreciation at 1 April 2021 - brought forward	-	-	-	-	141,510	532	43,557	1,387	186,986
Provided during the year	-	13,927	26	-	8,808	-	8,234	-	30,995
Impairments	-	(13,927)	(26)	-	-	-	-	-	(13,953)
Disposals / derecognition	-	-	-	-	(929)	-	-	-	(929)
Accumulated depreciation at 31 March 2022	-	-	-	-	149,389	532	51,791	1,387	203,099
Net book value at 31 March 2022	12,535	401,210	889	68,529	97,802	-	35,390	-	616,355
Net book value at 1 April 2021	11,607	391,166	892	59,159	83,019	-	25,825	-	571,668

14.2 Property, Plant and Equipment - 2020/21

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2020 - brought forward	10,705	407,530	941	30,232	209,898	532	59,428	1,387	720,653
Additions	-	25,812	-	44,060	19,429	-	5,687	-	94,988
Impairments	-	(52,241)	(49)	-	-	-	-	-	(52,290)
Reversals of impairments	902	-	-	-	-	-	-	-	902
Reclassifications	-	10,065	-	(15,133)	-	-	4,267	-	(801)
Disposals / derecognition	-	-	-	-	(4,798)	-	-	-	(4,798)
Valuation/gross cost at 31 March 2021	11,607	391,166	892	59,159	224,529	532	69,382	1,387	758,654
Accumulated depreciation at 1 April 2020 - brought forward	-	-	-	-	139,809	532	33,826	1,387	175,554
Provided during the year	-	13,883	27	-	6,487	-	9,731	-	30,128
Impairments	-	(13,883)	(27)	-	-	-	-	-	(13,910)
Disposals / derecognition	-	-	-	-	(4,786)	-	-	-	(4,786)
Accumulated depreciation at 31 March 2021	-	-	-	-	141,510	532	43,557	1,387	186,986
Net book value at 31 March 2021	11,607	391,166	892	59,159	83,019	-	25,825	-	571,668
Net book value at 1 April 2020	10,705	407,530	941	30,232	70,089	-	25,602	-	545,099

14.3 Property, Plant and Equipment Financing- 2021/22

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture and fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2022									
Owned - purchased	12,535	275,002	889	51,371	75,162	-	34,101	-	449,060
Finance leased	-	532	-	-	-	-	-	-	532
On-SoFP PFI contracts	-	118,115	-	-	11,685	-	-	-	129,800
Owned - donated/ granted	-	7,561	-	17,158	10,955	-	1,289	-	36,963
NBV total at 31 March 2022	**12,535**	**401,210**	**889**	**68,529**	**97,802**	**-**	**35,390**	**-**	**616,355**

14.4 Property, Plant and Equipment Financing- 2020/21

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture and fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2021									
Owned - purchased	11,607	267,939	892	58,985	59,191	-	25,747	-	424,361
Finance leased	-	523	-	-	-	-	-	-	523
On-SoFP PFI contracts	-	115,198	-	-	13,696	-	-	-	128,894
Owned - donated/ granted	-	7,506	-	174	10,132	-	78	-	17,890
NBV total at 31 March 2021	**11,607**	**391,166**	**892**	**59,159**	**83,019**	**-**	**25,825**	**-**	**571,668**

15. Donations of property, plant and equipment

During the year the Trust received grants and donations to fund capital assets from the following:

	2021/22 £000	2020/21 £000
Leeds Hospitals Charity (previously Leeds Cares)	581	406
Northern Pathology Imaging Co-operative	9,874	1,035
Cancer Research UK	-	166
Health Education England	76	78
Department of Health & Social Care	1,401	1,220
Salix	12,607	21
Others	223	313
Total donations for property, plant and equipment	**24,762**	**3,239**

The grants received from Northern Pathology Imaging Co-operative are funding digital pathology investment. 2020/21 represented wave 1 funding whilst 2021/22 is Wave 2. The Salix grant has been awarded to fund de-carbonisation investments across the Trust.

16. Revaluations of property, plant and equipment

A full 5 yearly cyclical valuation of the Trust's entire estate was carried out during 2019/20. For 2020/21 and 2021/22, a desktop exercise was conducted by Cushman and Wakefield, who issued their reports dated 31 March 2021 and 31 March 2022 respectively. The valuations were based on existing use. The report for 2020/21, completed in accordance with guidance issued by Royal Institution of Chartered Surveyors ("RICS"), gave a value of the estate of £403.7m. For 2021/22, the report completed in accordance with guidance issued by RICS, gave a value of the estate of £414.6m.

17. Inventories

	31 March 2022 £000	31 March 2021 £000
Drugs	8,223	7,798
Consumables	13,861	14,217
Energy	889	530
Total inventories	**22,973**	**22,545**

Inventories recognised in expenses for the year were £411,155k (2020/21: £361,451k). Write-down of inventories recognised as expenses for the year were £0k (2020/21: £482k).

In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2021/22 the Trust received £3,713k of items purchased by DHSC (2020/21: £12,339k).

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.

18. Receivables

18.1 Receivables analysis

	31 March 2022 £000	31 March 2021 £000
Current		
Contract receivables	42,178	31,671
Capital receivables	13,066	1,194
Allowance for impaired contract receivables / assets	(3,186)	(2,897)
Prepayments (non-PFI)	7,700	7,506
PFI lifecycle prepayments	1,188	911
PDC dividend receivable	141	582
VAT receivable	5,173	4,004
Other receivables	313	343
Total current receivables	**66,573**	**43,314**
Non-current		
Contract receivables	3,096	3,072
Allowance for impaired contract receivables / assets	(736)	(689)
PFI lifecycle prepayments	192	-
Other receivables	2,165	1,139
Total non-current receivables	**4,717**	**3,522**
Of which receivables from NHS and DHSC group bodies:		
Current	21,481	12,388
Non-current	2,165	1,139

The majority of trade is with NHS England and Clinical Commissioning Groups. As NHS bodies are funded by Government to buy NHS patient care services, credit scoring of them is not considered necessary.

Non-current other receivables represent costs to be reimbursed by NHS England in relation to the Clinicians' Pension Tax provision (Note 25.1).

18.2 Allowances for credit losses

	2021/22	2020/21
	Contract receivables and contract assets £000	Contract receivables and contract assets £000
Allowances as at 1 April - brought forward	**3,586**	**3,529**
New allowances arising	570	675
Utilisation of allowances (write offs)	(234)	(618)
Allowances as at 31 Mar 2022	**3,922**	**3,586**

18.3 Exposure to credit risk

Since the majority of the Trust's revenue comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2022 are in receivables from customers, as disclosed in the contracts receivables note (Note 18.1).

19. Non-current assets held for sale

	2021/22 £000	2020/21 £000
NBV of non-current assets for sale at 1 April - brought forward	-	**914**
Assets sold in year	-	(914)
NBV of non-current assets for sale at 31 March	-	-

During 2020/21 the Trust completed the disposal of one property asset. Further details are disclosed at Note 12.

20. Cash and cash equivalents

20.1 Cash and cash equivalents movements

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

	2021/22 £000	2020/21 £000
At 1 April	**105,304**	**27,594**
Net change in year	(8,195)	77,710
At 31 March	**97,109**	**105,304**
Broken down into:		
Cash at commercial banks and in hand	19	20
Cash with the Government Banking Service	97,090	105,284
Total cash and cash equivalents as in SoCF	**97,109**	**105,304**

20.2 Third party assets held by the Trust

Leeds Teaching Hospitals NHS Trust held cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties and in which the trust has no beneficial interest. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	31 March 2022 £000	31 March 2021 £000
Bank balances	10	15
Total third party assets	**10**	**15**

21. Trade and other payables

	31 March 2022 £000	31 March 2021 £000
Current		
Trade payables	55,869	56,323
Capital payables	22,790	17,004
Accruals	78,943	71,496
Social security costs	11,540	10,243
Other taxes payable	10,426	9,324
Other payables	13,180	11,898
Total current trade and other payables	**192,748**	**176,288**
Of which payables from NHS and DHSC group bodies:		
Current	3,112	2,805

22. Other liabilities

	31 March 2022 £000	31 March 2021 £000
Current		
Deferred income: contract liabilities	29,838	13,215
Total other current liabilities	**29,838**	**13,215**
Non-current		
Deferred income: contract liabilities	-	30
Total other non-current liabilities	**-**	**30**

Deferred income: Contract Liabilities includes, amongst other elements, research projects. In line with IFRS 15 where income is received that relates to a performance obligation that is to be satisfied in a future period the income is deferred and recognised as a contract liability until the performance obligation is delivered.

23. Borrowings

23.1 Borrowings analysis

	31 March 2022 £000	31 March 2021 £000
Current		
Loans from DHSC	2,080	2,582
Obligations under finance leases	423	383
Obligations under PFI contracts	8,712	9,171
Total current borrowings	**11,215**	**12,136**
Non-current		
Loans from DHSC	15,394	17,450
Obligations under finance leases	9,379	9,801
Obligations under PFI contracts	137,821	146,533
Total non-current borrowings	**162,594**	**173,784**

On 2 April 2020 Department of Health and Social Care's announced that interim loans will be converted into Public Dividend Capital ("PDC") during 2020/21. This was transacted in September 2020 with new PDC of £62m being issued to the Trust and used to repay interim revenue support loan of £37.3m and interim capital loans of £24.7m.

23.2 Reconciliation of liabilities arising from financing activities - 2021/22

	Loans from DHSC £000	Finance leases £000	PFI schemes £000	Total £000
Carrying value at 1 April 2021	**20,032**	**10,184**	**155,704**	**185,920**
Cash movements:				
Financing cash flows - payments and receipts of principal	(2,556)	(382)	(9,170)	**(12,108)**
Financing cash flows - payments of interest	(601)	(474)	(6,962)	**(8,037)**
Non-cash movements:				
Application of effective interest rate	599	474	6,961	**8,034**
Carrying value at 31 March 2022	**17,474**	**9,802**	**146,533**	**173,809**

23.3 Reconciliation of liabilities arising from financing activities - 2020/21

	Loans from DHSC £000	Finance leases £000	PFI schemes £000	Total £000
Carrying value at 1 April 2020	**85,204**	**294**	**164,559**	**250,057**
Cash movements:				
Financing cash flows - payments and receipts of principal	(65,072)	(169)	(8,856)	**(74,097)**
Financing cash flows - payments of interest	(777)	(384)	(6,034)	**(7,195)**
Non-cash movements:				
Additions	-	10,059	-	10,059
Application of effective interest rate	677	384	6,035	**7,096**
Carrying value at 31 March 2021	**20,032**	**10,184**	**155,704**	**185,920**

24. Finance Leases

24.1 Leeds Teaching Hospitals NHS Trust as a lessee

Obligations under finance leases where Leeds Teaching Hospitals NHS Trust is the lessee.

	31 March 2022 £000	31 March 2021 £000
Gross lease liabilities	**13,096**	**13,904**
of which liabilities are due:		
- not later than one year;	832	808
- later than one year and not later than five years;	3,587	3,480
- later than five years.	8,677	9,616
Finance charges allocated to future periods	(3,294)	(3,720)
Net lease liabilities	**9,802**	**10,184**
of which payable:		
- not later than one year;	423	383
- later than one year and not later than five years;	2,155	1,964
- later than five years.	7,224	7,837
	9,802	**10,184**

Finance lease obligations include the Catering Receipt and Distribution Unit (RADU) at Seacroft Hospital. The unit was constructed in 2002 by a private partner and will revert to Trust ownership upon expiry of the lease in 2027. The arrangement has been determined as a finance lease on the grounds that the Trust has the substantive risks and rewards associated with control of the facility. Accounting treatment is in line with the policy described in Note 1.15.

During 2020/21 the Trust entered into an arrangement with Vital Energi Energy Solutions for the energy centre at St James's University Hospital. The Combined Heating and Power plant at the St James University Hospital Site is a privately funded development with Vital Energi Energy Solutions to supply sustainable, efficient heating and power supply for the hospital. The plant was formally commissioned for operational use on the 18 June 2020 with a contract service concession period of 15 years. Following an assessment under IFRIC 4, the arrangement has been assessed as containing a lease.

25. Provisions for liabilities and charges

25.1 Provisions for liabilities and charges analysis

	Pensions: early departure costs £000	Pensions: injury benefits £000	Legal claims £000	Other £000	Total £000
At 1 April 2021	**2,821**	**2,677**	**2,956**	**1,435**	**9,889**
Change in the discount rate	-	92	-	-	**92**
Arising during the year	117	23	984	4,533	**5,657**
Utilised during the year	(243)	(135)	(92)	(96)	**(566)**
Reversed unused	(61)	-	-	(75)	**(136)**
Unwinding of discount	-	(26)	-	-	**(26)**
At 31 March 2022	**2,634**	**2,631**	**3,848**	**5,797**	**14,910**
Expected timing of cash flows:					
- not later than one year;	245	140	3,731	581	**4,697**
- later than one year and not later than five years;	980	560	117	566	**2,223**
- later than five years	1,409	1,931	-	4,650	**7,990**
Total	**2,634**	**2,631**	**3,848**	**5,797**	**14,910**

Pensions related provisions represent amounts payable to the NHS Business Services Authority - Pensions Division to meet the costs of early retirements and industrial injury benefits. Amounts are determined by the NHS Business Services Authority - Pensions Division based on actuarial estimates of life expectancy and there is therefore, a degree of uncertainty regarding the value of future payments.

Legal claims relate to personal injury and other claims where the Trust has received advice that settlement is probable. The final amounts and timings of payments remain subject to negotiation or legal judgement. Included are claims with a value of £228k (£206k in 2020/21) which are being handled on behalf of the Trust by NHS Resolution who have advised on their status. The value represents amounts which the Trust may bear as its share of any settlement. The balance of claims are being dealt with directly by the Trust as they represent settlement values likely to fall below NHS Resolution's excess level. Legal claims also includes provision for contractual disputes which are subject to on-going legal discussions.

Other provisions include those for employment related claims where the Trust disputes liability but recognises some probability of payment

Other provisions also include clinician's pension tax reimbursement. During 2019/20 a national decision was made to resolve a taxation issue linked to pensions relating to senior clinical staff. Under this interim arrangement, the NHS Trust incurs the additional tax charge which is then reimbursed by NHS England. This remains the case for 2021/22. A provision is recognised in the Trust's accounts with a corresponding receivable from NHS England (Note 18.1)

Other provisions includes a dilpaidations provision. During 2021/22, as part of the preparation for the introduction of IFRS16, a decision was made to assess the potential liability for dilapidation costs that that could arise in relation to properties leased by the Trust. The value of the provision for 2021/22 is £3.5m.

25.2 Clinical negligence liabilities

At 31 March 2022, £934,551k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Leeds Teaching Hospitals NHS Trust (31 March 2021: £601,592k).

26. Contingent assets and liabilities

	31 March 2022 £000	31 March 2021 £000
Value of contingent liabilities		
NHS Resolution legal claims	(144)	(124)
Other	(336)	(282)
Gross value of contingent liabilities	**(480)**	**(406)**
Amounts recoverable against liabilities	-	-
Net value of contingent liabilities	**(480)**	**(406)**

NHS Resolution contingent liabilities consist entirely of claims for personal injury where the probability of settlement is very low. The NHS Resolution have advised on their status. In all cases, quantum has been assessed on a "worst case scenario" and represents the maximum of any payment which may be made. "Other" contingencies relate to personal injury claims which are being managed internally by the Trust. In all cases, the potential payment values have been assessed on a "worst case scenario" basis by reference to independent advice. Settlement of these claims is considered highly improbable but the values quoted represent the Trust's maximum exposure to loss.

27. Contractual capital commitments

	31 March 2022 £000	31 March 2021 £000
Property, plant and equipment*	62,246	16,250
Intangible assets	5,974	5,308
Total	**68,220**	**21,558**

*Capital commitments have increased to £66m as at 31 March 2022 due to the progress on the Trust's Building the Leeds Way programme. Construction works have commenced following full business case approval for the new Pathology Lab at St James's and enabling and design works are underway for the new hospital on the LGI site.

28. On-SoFP PFI arrangements

Institute of Oncology at St James's Hospital - Bexley Wing

This is a 30 year contract which expires in 2037. It provides for the construction, maintenance and partial equipping of Bexley Wing by the PFI partner in return for an annual charge to the Trust. The Trust has full use of the facilities to provide healthcare services and will take ownership of the building and equipment at the end of the contract period. The PFI partner is responsible for providing a managed maintenance service for the length of the contract after which the responsibilities revert to the Trust. The contract contains payment mechanisms providing for deductions from the annual charge for any poor performance or unavailability. Future charges to the Trust will be determined by reference to the Retail Price Index.

Wharfedale Hospital

This is a 30 year contract which expires in 2034. It provides for the construction and maintenance of Wharfedale Hospital by the PFI partner in return for an annual unitary charge to the Trust. The Trust has full use of the Wharfedale Hospital to provide healthcare services and will take ownership of the building at the end of the contract period. The PFI partner is responsible for providing a managed maintenance service for the length of the contract after which the responsibilities revert to the Trust. The contract contains payment mechanisms providing for deductions from the annual charge for any poor performance or unavailability. The unitary charge is subject for an annual uplift for future price increases determined by reference to the Retail Price Index.

28.1 On-SoFP PFI arrangement obligations

The following obligations in respect of the PFI arrangements are recognised in the Statement of Financial Position:

	31 March 2022 £000	31 March 2021 £000
Gross PFI liabilities	**206,114**	**222,208**
Of which liabilities are due		
- not later than one year;	15,301	16,094
- later than one year and not later than five years;	53,499	55,425
- later than five years.	137,314	150,689
Finance charges allocated to future periods	(59,581)	(66,504)
Net PFI obligation	**146,533**	**155,704**
- not later than one year;	8,712	9,171
- later than one year and not later than five years;	30,442	31,028
- later than five years.	107,379	115,505
	146,533	**155,704**

28.2 Total on-SoFP PFI commitments

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

	31 March 2022 £000	31 March 2021 £000
Total future payments committed in respect of the PFI arrangements	**474,455**	**521,646**
Of which payments are due		
- not later than one year;	33,847	35,212
- later than one year and not later than five years;	118,703	125,211
- later than five years.	321,905	361,223
	474,455	**521,646**

28.3 Analysis of amounts payable to service concession operator

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

	2021/22 £000	2020/21 £000
Unitary payment payable to service concession operator	**34,420**	**33,758**
Consisting of:		
- Interest charge	6,961	6,035
- Repayment of balance sheet obligation	9,170	8,856
- Service element and other charges to operating expenditure	10,151	10,065
- Capital lifecycle maintenance	645	1,116
- Contingent rent	7,025	7,686
- Addition to lifecycle prepayment	468	-
Total amount paid to service concession operator	**34,420**	**33,758**

29. Financial Instruments

29.1 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. Due to the continuing service provider relationship that the NHS Trust has with commissioners and the way those commissioners are financed, the NHS Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The NHS Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS Trust in undertaking its activities.

The 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 its 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 borrows from government for capital expenditure, subject to approval by NHS England/ Improvement. The borrowings are for 1 - 25 years, in line with the life of the associated assets. Interest is charged at the National Loans Fund rate, fixed for the life of the loan. The Trust therefore has low exposure to interest rate fluctuations.

Credit Risk

Since the majority of the Trust's revenue comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures as at 31 March 2022 are in receivables from customers, as disclosed in the contracts receivables note (Note 18.3).

Liquidity Risk

The Trust's operating costs are incurred under contracts with NHS commissioning organisations, which are financed from resources voted annually by Parliament. The Trust funds its capital expenditure from funds obtained within its Capital Resource Limit. The Trust is not, therefore, exposed to significant liquidity risks.

29.2 Carrying values of financial assets

	Held at amortised cost £000	Total book value £000
Carrying values of financial assets as at 31 March 2022		
Trade and other receivables	56,895	**56,895**
Cash and cash equivalents	97,109	**97,109**
Total at 31 March 2022	**154,004**	**154,004**
Carrying values of financial assets as at 31 March 2021		
Trade and other receivables	33,833	**33,833**
Cash and cash equivalents	105,304	**105,304**
Total at 31 March 2021	**139,137**	**139,137**

29.3 Carrying values of financial liabilities

	Held at amortised cost £000	Total book value £000
Carrying values of financial liabilities as at 31 March 2022		
Loans from the Department of Health and Social Care	17,474	**17,474**
Obligations under finance leases	9,802	**9,802**
Obligations under PFI contracts	146,533	**146,533**
Trade and other payables	170,782	170,782
Provisions under contract	3,466	**3,466**
Total at 31 March 2022	**348,057**	**348,057**
Carrying values of financial liabilities as at 31 March 2021		
Loans from the Department of Health and Social Care	20,032	**20,032**
Obligations under finance leases	10,184	**10,184**
Obligations under PFI contracts	155,704	**155,704**
Trade and other payables	156,721	156,721
Provisions under contract	2,622	**2,622**
Total at 31 March 2021	**345,263**	**345,263**

29.4 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 2022 £000	31 March 2021 £000
In one year or less	192,966	178,827
In more than one year but not more than five years	66,764	67,629
In more than five years	153,589	169,031
Total	**413,319**	**415,487**

29.5 Fair values of financial assets and liabilities

Due to the nature of the Trust's financial assets and finacial liabilities, book value (carrying value) is considered a reasonable approximation of fair value.

30. Losses and special payments

	2021/22		2020/21 restated*		2020/21	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
Losses						
Cash losses	3	-	7	1	7	1
Bad debts and claims abandoned	118	253	142	637	142	637
Stores losses and damage to property	1	-	3	-	3	-
Total losses	**122**	**253**	**152**	**638**	**152**	**638**
Special payments						
Ex-gratia payments*	108	161	167	4,171	166	150
Total special payments	**108**	**161**	**167**	**4,171**	**166**	**150**
Total losses and special payments	**230**	**414**	**319**	**4,809**	**318**	**788**

*Guidance issued for 2020/21 year end required employers to accrue the costs of overtime corrective payments based on nationally generated estimates. These payments are out of court settlements and therefore considered special payments. NHS England sought national special payment approval from HM Treasury on local employers' behalf based on national calculations and notified variations. As the losses and special payments note is prepared on an accruals basis (excluding provisions), the amount accrued for has been disclosed in the restated balance for 2020/21.

31. Related Parties

During the year none of the Department of Health and Social Care Ministers, Trust board members or members of the key management staff, or parties related to any of them, have undertaken any material transactions with the Leeds Teaching Hospitals NHS Trust.

The Department of Health and Social Care is regarded as a related party. During the year Julian Hartley, the Trust's Chief Executive, became a Non-Executive Director of the Department of Health and Social Care. The Leeds Teaching Hospitals NHS Trust has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department. These include NHS England and Leeds CCG. In addition, the Trust has had a number of material transactions with other government departments, central and local government bodies (including Leeds City Council) and the University of Leeds.

The Trust has also received revenue and capital payments from a number of charitable funds, including Leeds Hospitals Charity. Leeds Hospitals Charity have given £2.3m in revenue (2020/21 - £1.0m) and £0.6m in capital donations (2020/21 - £0.4m). At 31 March 2022 £0.5m of these donations were still to be received (at 31 March 21 - £0.7m). The Trust's Chair, Dr Linda Pollard and Chris Schofield, a Non Executive Director are both Trustees of Leeds Hospitals Charity. Leeds Hospitals Charity is independently managed but raises funds for, manages donations received on behalf of, and makes grants to the Trust.

Professor Laura Stroud, Non Executive Director, is the Deputy Dean and Director of the Institute of Medical Education at the University of Leeds. During the year the Trust's income from the University was £8.3m (2020/21 - £5.9m) of which £1.6m remained to be paid at 31 March 2022 (31 March 2021 - £1.1m). Expenditure with the University was £15.5m (2020/21 - £17.6m) of which £1.4m remained to be paid at 31 March 2022 (31 March 2021 - £22k). Philomena Corrigan, Non Executive Director, is a Strategic Advisor to Liaison Group, a financial and healthcare consultancy firm. During the year the Trust spent £11k on services supplied by Liaison Group.

In addition Gillian Taylor, Non Executive Director, is a board member of Beyond Housing, a housing association, Chris Schofield, Non Executive Director is a partner in the law firm Schofield Sweeney LLp, Georgina Mitchell, Non Executive Director, is a Trustee of Harrogate Neighbours Housing Association and Lisa Grant, Chief Nurse, has a registered interest in Marave Ltd. The Trust has not made any payments to these organisations during either 2021/22 or 2020/21.

32. Prior period adjustments

There are no prior period adjustments with the exception of the disclosure in note 30 of the treatment overtime corrective payments.

33. Events after the Reporting Date

There are no events that have occurred after the reporting period which have a material impact on these financial statements.

34. Better Payment Practice Code

	2021/22 Number	2021/22 £000	2020/21 Number	2020/21 £000
Non-NHS payables				
Total non-NHS trade invoices paid in the year	246,472	810,350	230,823	781,468
Total non-NHS trade invoices paid within target	240,227	785,218	209,323	707,607
Percentage of non-NHS trade invoices paid within target	**97.5%**	**96.9%**	**90.7%**	**90.5%**
NHS payables				
Total NHS trade invoices paid in the year	21,259	131,949	20,318	101,955
Total NHS trade invoices paid within target	20,229	129,044	16,490	89,005
Percentage of NHS trade invoices paid within target	**95.2%**	**97.8%**	**81.2%**	**87.3%**

The Better Payment Practice code requires the NHS body to aim to pay all valid invoices by the due date or within 30 days of receipt of valid invoice, whichever is later.

35. External Financing Limit

The Trust is given an External Financing Limit against which it is permitted to underspend:

	2021/22 £000	2020/21 £000
Cash flow financing	28,958	(35,653)
Other capital receipts	-	-
External financing requirement	**28,958**	**(35,653)**
External Financing Limit (EFL)	28,958	62,202
Underspend against EFL	**-**	**97,855**

36. Capital Resource Limit

The Trust is given a Capital Resource Limit which it is not permitted to overshoot:

	2021/22 £000	2020/21 £000
Gross capital expenditure	104,803	96,558
Less: Disposals	(15)	(926)
Less: Donated and granted capital additions	(24,762)	(3,239)
Charge against Capital Resource Limit	**80,026**	**92,393**
Capital Resource Limit (CRL)	80,026	92,436
Underspend against CRL	**-**	**43**

37. Breakeven duty financial performance

	2021/22 £000	2020/21 £000
Adjusted financial performance surplus (control total basis)	5,917	8,107
Breakeven duty financial performance surplus	**5,917**	**8,107**

*Adjusted financial performance (control total basis):	2021/22 £000	2020/21 £000
Surplus / (deficit) for the year	7,709	(26,652)
Remove net impairments not scoring to the Departmental expenditure limit	20,657	37,478
Remove I&E impact of capital grants and donations	(22,893)	(1,861)
Remove net impact of inventories received from DHSC group bodies for COVID response	444	(858)
Adjusted financial performance surplus	**5,917**	**8,107**

38. Breakeven duty rolling assessment

	2008/09 £000	2009/10 £000	2010/11 £000	2011/12 £000	2012/13 £000	2013/14 £000	2014/15 £000
Breakeven duty in-year financial performance		963	2,051	4,207	3,089	1,615	(24,386)
Breakeven duty cumulative position	3,868	4,831	6,882	11,089	14,178	15,793	(8,593)
Operating income		910,556	934,527	970,709	1,002,444	1,044,916	1,086,638
Cumulative breakeven position as a percentage of operating income		**0.5%**	**0.7%**	**1.1%**	**1.4%**	**1.5%**	**(0.8%)**

	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Breakeven duty in-year financial performance	(30,194)	(1,901)	18,880	52,925	13,956	8,107	5,917
Breakeven duty cumulative position	(38,787)	(40,688)	(21,808)	31,117	45,073	53,180	59,097
Operating income	1,115,720	1,172,927	1,238,267	1,335,847	1,414,740	1,596,795	1,727,945
Cumulative breakeven position as a percentage of operating income	**(3.5%)**	**(3.5%)**	**(1.8%)**	**2.3%**	**3.2%**	**3.3%**	**3.4%**

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