

Annual General Meeting / Annual Members' Meeting



A meeting of the Annual General Meeting and Annual Members' Meeting will be held at 09.30am on [Wednesday 20th September 2023](#), in the Lecture Theatre, Education Centre / Trust HQ, QE Hospital Site

A G E N D A

- 1 Welcome from the Chair**
Presented by Mrs A Marshall, Chair of the Board of Directors and Council of Governors
- 2 Apologies for Absence**
- 3 Declarations of Interest**
- 4 Minutes of the Annual General Meeting 2022/23**
To approve the minutes of the previous AGM held on Wednesday 28th September 2022
- 5 Presentation of the Annual Report and Accounts 2022/23**
Overview of the Year
Presented by Dr G Findley, Deputy Chief Executive and Chief Nurse
Showcase Presentation: Gateshead Fertility
Presented by Isaac Evbuomwan and Sophia Jewitt
Quality Report 2022/23
Presented by Mr A Beeby, Medical Director
Financial Accounts 2022/23 and Audit Opinion
Presented by Mrs K Mackenzie, Group Director of Finance and Digital
Showcase presentation: Cervical Screening
Presented by Trudy Johnson and Sharon Denise Clark
- 6 Council of Governors' Annual Report and Constitutional Amendment**
Presented by Mr A Rabin, Lead Governor
- 7 Looking Ahead**
Presented by Dr G Findley, Deputy Chief Executive and Chief Nurse
- 8 Questions and Answers**
- 9 Chair's Closing Remarks**
Presented by Mrs A Marshall, Chair of the Board of Directors and Council of Governors
- 10 Date and Time of Next Meeting**
The next Annual General Meeting and Annual Members' Meeting will be held on Wednesday 18th September 2024

ANNUAL GENERAL MEETING

Minutes of the Annual General Meeting
held at 9.30 am on [Wednesday 28th September 2022](#),
in Rooms 9&10, Education Centre and Microsoft Teams

Present:	
Mrs A Marshall	Chair
Mrs H Adams	Staff Governor
Mr L Brown	Public Governor - Western
Mr M Lamport	Public Governor – Western
Mr R Morrell	Staff Governor
Mrs H Jones	Public Governor – Central
Mr A Rabin	Lead Governor/Public Governor – Central
Mr G Riddell	Public Governor - Western
Mrs K Tanriverdi	Public Governor – Central
Dr L Ternent	Appointed Governor
Mr C Toon	Appointed Governor
In Attendance:	
Mrs J Baxter	Chief Operating Officer
Mr A Beeby	Medical Director
Dr R Bonnington	Non-Executive Director
Miss E Colledge	Communications Officer
Cllr M Gannon	Non-Executive Director
Ms S Leggett	Patient Experience Lead
Mrs K Mackenzie	Group Director of Finance & Digital
Mr J McCourt	Service Line Manager for Breast Services (22/08)
Mr A Moffat	Non-Executive Director
Mrs Y Ormston MBE	Chief Executive
Mrs H Parker	Non-Executive Director
Mrs M Pavlou	Non-Executive Director
Mrs K Robertson	Deputy Director of Corporate Services & Transformation
Mr M Robson	Non-Executive Director
Dr R Sharrock	Consultant Respiratory Physician (22/05)
Mrs A Stabler	Non-Executive Director
Ms D Waites	Corporate Services Assistant
Mrs A Venner	Deputy Director of People & OD
7 members of the public	
Apologies:	
Mr J Bedlington	Public Governor – Central
Miss J Boyle	Company Secretary
Mr S Connolly	Staff Governor
Mrs L Crichton-Jones	Director of People & OD
Mrs G Findley	Chief Nurse
Dr A Lowes	Staff Governor
Prof D Porteous	Appointed Governor
Mr A Robson	Managing Director, QEF

Agenda Item	Discussion and Action Points	Action By
AGM/22/01	CHAIR'S WELCOME:	

Agenda Item	Discussion and Action Points	Action By
	<p>Mrs A Marshall, Chair, opened the Annual General Meeting by welcoming Board members, Governors, members of staff, and members of the public both those joining in person and virtually.</p> <p>She reminded those present of the challenges faced by the Trust over the past year and felt that it was important to share some of the Trust's positive stories and innovations.</p>	
AGM/22/02	<p>DECLARATIONS OF INTEREST:</p> <p>Mrs Marshall requested that members report any revisions to their declared interests or any declaration of interest in any of the items on the agenda.</p>	
AGM/22/03	<p>MINUTES OF THE ANNUAL GENERAL MEETING 2021:</p> <p>The minutes of the Annual General Meeting held on Wednesday 29th September 2021 were approved as a correct record.</p>	
AGM/22/04	<p>OVERVIEW OF THE YEAR:</p> <p>Mrs Y Ormston, Chief Executive, began her review by reminding members that the Trust provides a number of services across secondary care, community services and older person's mental health to the local population. The Trust employs approximately 4,800 staff including support by a number of volunteers within the local community.</p> <p>She highlighted that the past year has been a very challenging time particularly in relation to Covid however focus continues on elective recovery and responding to an increase in non-elective activity alongside national workforce supply challenges and high absences. She thanked staff for their hard work during these pressures and highlighted that the Trust was rated 9 out of 10 for the National Cancer Patient Experience Survey with 97% of respondents saying they were always treated with dignity and respect. Other cancer performance targets are recovering despite an increase in GP referrals particularly around the breast pathway and a presentation on their recovery journey will be provided later in the meeting.</p> <p>There has been a significant focus on the health and well-being of staff and Mrs Ormston drew attention to the support provided by our volunteers which has been invaluable during what has been a really challenging time for both</p>	

Agenda Item	Discussion and Action Points	Action By
	<p>patients and staff. Equality, Diversity and Inclusion and staff networks also continue to play a significant role with a number of different events being held during the year including Black History Month and Disability History Month as well as awareness days for neurodiversity and many other protected characteristics. The Trust has recently began partnership working with Citizen's Advice Gateshead to ensure our cancer service patients receive easy, direct access to social welfare advice and a direct access service for staff has also been launched for staff to receive priority support from a dedicated social welfare adviser.</p> <p>Mrs Ormston provided an update on some of the services provided from QE Facilities and highlighted that patient transport services has been expanded in partnership with North East Ambulance Service to provide services to patients of Newcastle Hospitals NHS Foundation Trust. The team have also worked closely with Newcastle Hospitals to develop a mobile vaccination unit.</p> <p>An update on the Trust's charity work was also provided and highlighted some of the fantastic support from local communities and businesses over the year which has helped the Trust to fund a number of key projects to benefit our staff and patients.</p>	
AGM/22/05	<p>SHOWCASE PRESENTATION – SMOKING CESSATION SERVICE</p> <p>Dr Ruth Sharrock, Consultant in Respiratory Medicine, provided a presentation on the Trust's Tobacco Dependency Treatment Service.</p> <p>Dr Sharrock reported that the serviced launched on 1 April 2022 and since that time, 143 referrals have been received with a quit rate of 34%. She drew attention to the maternity pathway and highlighted that regular face to face appointments are provided throughout pregnancy to remain smokefree and prevent relapse. The Trust is host site for a regional service and staff are therefore eligible for free support to treat tobacco dependency with over 1,000 members of staff being supported since launch.</p> <p>Dr Sharrock highlighted that additional funding is required to sustain the service and plans for a seven-day service therefore support is required from the Trust and Local Authority to embed the service as a clinical priority.</p> <p>Mrs Marshall thanked Dr Sharrock for attending and the group acknowledged the achievements of the service.</p>	

Agenda Item	Discussion and Action Points	Action By
	<p>Following a query from Mr A Moffat, Non-Executive Director, in relation to future initiatives, Dr Sharrock explained that a new Smokefree Policy is due to be introduced for all Trust staff and suggestions have also been received in relation to targeted work within schools and colleges.</p>	
AGM/22/06	<p>QUALITY REPORT 2021/22:</p> <p>Mr A Beeby, Medical Director, introduced the Trust's Quality Report for 2021/22 and highlighted the work undertaken across the Trust in relation to the quality account priorities around patient experience, patient safety, and clinical effectiveness.</p> <p>He also provided an overview of the Quality Account Priorities for 2022/23 which includes plans to reinvigorate volunteer services, the health and well-being of staff and working with patients as partners in improvement. Following a query from Mr L Brown, Governor, around promoting a just, open and restorative culture, Mr Beeby highlighted that a project team is being set up around this and will be monitored via the People and Organisational Development Team.</p>	
AGM/22/07	<p>FINANCIAL ACCOUNTS 2021/22:</p> <p>Mrs K Mackenzie, Group Director of Finance and Digital, presented an overview of the Trust's financial performance for 2021/22.</p> <p>Mrs Mackenzie reported that the Group's outturn position for 2021/22 was a £17.47m surplus with total capital expenditure of £13.3m. She drew attention to some of the income and expenditure headlines including costs around medical and surgical supplies and services and highlighted some of the capital expenditure including the surgical robot, solar panel equipment and expansion to the Sunnyside and Cragside Units.</p> <p>Discussion took place around the work of the External Auditors, Mazars, and Mrs Mackenzie highlighted that the team has been supportive in the relation to the review of the annual report and accounts. The Trust therefore received an unqualified audit opinion for the financial statements which confirms a true and fair view of the financial position of the Trust.</p>	

Agenda Item	Discussion and Action Points	Action By
	<p>Mrs Mackenzie explained that the next financial year is expected to be challenging due to pre-Covid expectations therefore it is unlikely that a surplus position will be reported going forward.</p> <p>Following a query from Mrs H Jones, Governor, in relation to what is included in the “other income” category, Mrs Mackenzie explained that this will relates to funding received in relation to training, research, etc.</p>	
AGM/22/08	<p>SHOWCASE PRESENTATION – BREAST SERVICES OUR RECOVERY JOURNEY:</p> <p>Mr James McCourt, Service Line Manager for Breast Services, provided a presentation on the performance recovery journey for breast services.</p> <p>Mr McCourt reported that there was a breast screening backlog of 19,270 referrals in August 2020 however this was cleared by September 2021 and has been sustained under 100 since this date. The cancer two week wait standard has also recovered and maintained. He highlighted the work of the team in tackling the backlog and additional capacity which was introduced including weekend clinics.</p> <p>The team have been nominated for a Health Service Journal award and the results are expected soon. Mrs Marshall thanked Mr McCourt for his presentation and wished the team good luck in the judging process. Mrs J Baxter, Chief Operating Officer, felt that this was an excellent example of post pandemic recovery work despite the backlog and increase in referrals and thanked the team for their hard work and achievements.</p>	
AGM/22/09	<p>COUNCIL OF GOVERNORS’ ANNUAL REPORT 2021/22:</p> <p>Mr A Rabin, Lead Governor, presented the Council of Governors’ Annual Report for 2021/22 and highlighted the key achievements during the year which included the appointment of the next Lead Governor and he thanked Jenny Gill, for her work and contribution as Lead Governor prior to the end of her terms of office.</p> <p>Mr Rabin drew attention to other key achievements which included the establishment of a new Governor Committee and he highlighted the role of the Governors in providing key links between the Trust and communities by sharing</p>	

Agenda Item	Discussion and Action Points	Action By
	<p>messages particularly during the pandemic. Key priorities for 2022/23 include resuming membership recruitment and engagement and he highlighted that the Membership Strategy Group has recently met for the first time since the pandemic to review plans. A Trust Open Day is planned to take place in October 2022 which will support reconnecting with communities and members. Further work is required in understanding the Governor role in relation to the Integrated Care System and work is being undertaken by the Board and Executive Team to ensure the Trust is involved in discussions.</p> <p>Mr Rabin highlighted the Governors which have been elected during this year and also thanked the Governors who have left during 2021/22. Mrs Marshall wished to thank all Governors for their time and support as part of their voluntary roles.</p>	
AGM/22/10	<p>LOOKING AHEAD 2021/22 AND BEYOND:</p> <p>Mrs Y Ormston, Chief Executive, provided an overview of future plans and reported that the Trust will be launching a new strategy. She drew attention to the Trust's aims and priorities which includes improving the quality and safety of services for patients and ensuring the Trust's workforce are highly engaged.</p> <p>The group acknowledged the challenges and pressures during the past year and Mrs Ormston highlighted that workforce is one of the main priorities for the Trust and focussed work will be undertaken around recruitment and retention. She again thanked staff and colleagues for their hard work and drew attention to the video for "our valued colleagues".</p>	
AGM/22/11	<p>QUESTIONS AND ANSWERS:</p> <p>Mrs Marshall reported that a question was received from Mr Thomas Robinson (a member of the public) prior to the meeting in relation to the waiting times for cancer patients.</p> <p>She explained that the requirement of the National Elective Recovery Programme was to reduce the backlog of 62 day cancer waits and highlighted that the Trust is on plan to achieve this target and the Trust is now achieving the 31 day standard which means that the Trust is treating more than 96% of patients within 31 days.</p>	

Agenda Item	Discussion and Action Points	Action By
	There has been an increase in the number of 2 week wait referrals for breast and lower gastro-intestinal however target measures are routinely achieved. Referrals are being reviewed on a weekly basis via the Elective Care Board to ensure best practice and to minimise waits and this has results in some shared pathways and mutual aid support.	
AGM/22/12	<p>CHAIR'S CLOSING REMARKS:</p> <p>Mrs Marshall closed the meeting by thanking those in attendance and formally thanking the work and efforts undertaken by staff, colleagues, Governors, volunteers, patients and local communities.</p>	
AGM/22/13	<p>DATE AND TIME OF NEXT MEETING:</p> <p>RESOLVED: that the next Annual General Meeting will be held on Wednesday 20th September 2023.</p>	



Gateshead Health NHS Foundation Trust

Annual Report and Accounts 2022/23

Gateshead Health NHS Foundation Trust
Annual Report and Accounts 2022/23

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

Gateshead Health NHS Foundation Trust
Annual Report and Account 2022/23
(for the period 1 April 2022 to 31 March 2023)

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Performance Report

Overview of performance

Chair and Chief Executive's statement

We are delighted to introduce our Annual Report and Accounts for the year ended 31 March 2023.

It has been quite a year for the Trust, our people, patients and partners.

At the start of the year we launched our new Corporate Strategy 2022/23 to 2024/25.

This followed an extensive period of consultation to ensure that we developed a meaningful strategy to help us to deliver the highest quality services for our patients in Gateshead and beyond. We cemented our commitment as an anchor institution, recognising the part we play in the Gateshead community and our contribution to ensuring it is a fantastic place to live, work and receive care.

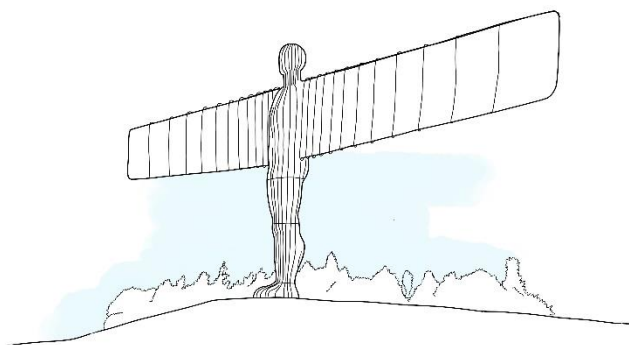
We continued to face challenges posed by the Covid pandemic, particularly during the first part of the year when the Omicron variant remained dominant, whilst delivering our elective recovery programme and responding to increases in non-elective activity. The direct impact of the pandemic reduced during the year, although we know that the indirect impacts will be with us for some time. We have maintained a strong focus on addressing this impact and the risks during the year, with a real focus on the health and wellbeing of our people, as well as the recovery of our elective activity.

As we moved through the year, a further challenge emerged – keeping our patients and people safe and well cared for during industrial action from our nursing, junior doctors and ambulance colleagues. We understand how difficult this has been personally and professionally for all of our colleagues.

Our performance

As you will read in more detail later in the report, operational performance has been challenging, although we continued to benchmark well against our peers both nationally and locally. As an example we were placed 37th out of 139 type 1 (accident and emergency) providers in March 2023. Delivering timely and high quality care is an absolute priority for us and we strive to be the best we can be for our patients. There are lots of targets for us to achieve and this can risk us losing focus on what is important to patients and staff. We have taken the opportunity to identify 10 key indicators that our clinical teams have told us are important. These directly link to patient care and outcomes and which we can all own and contribute towards and this will help us to measure our performance in a much more transparent manner within the organisation, of course, this doesn't mean that we do less work on other targets – simply that we have a shared focus and effort on the things we feel make the most difference..

Some of our patients have experienced longer lengths of stay than needed during 2022/23. This extended stay in hospital is not good for patients or our staff so we will be focussing on



this in 2023/24 with an aim to reduce our overall length of stay and improve patient experience and outcomes.

Despite significant operational pressures our people have delivered some great initiatives over the last year. This has included the fantastic work of our Acute Tobacco Dependence Treatment Team in supporting our patients to stop smoking, the introduction of robotic-assisted operations, new innovations in breast cancer screening and the opening of a new theatre in maternity. Our colleagues in the Trust pharmacy and QE Facilities' patient transport services also received 'good' ratings in Care Quality Commission inspections, which evidences the high quality of services delivered in these areas.



In respect of our financial performance, the funding available to us was less than that received during the Covid years and we reported a small deficit for the Group of £0.296m. We acknowledge the importance of financial sustainability and this will be a significant focus for us in 2023/24 alongside the delivery of our new financial strategy.

Our people

Our people are our greatest asset and we are passionate about making Gateshead a great place to work, with opportunities for career progression and development.

We continued to work closely with our staff networks during the year, with equality, diversity and inclusion remaining a key priority for us.

During the year we continued to strengthen our health and wellbeing offering to colleagues. This included the launch of our Listening Space and a partnership with Gateshead College where students have provided free onsite health and beauty treatments to our staff to help them relax and unwind.

Workforce supply has continued to be a key risk across the NHS and as a Board we identified this as a top priority, both in terms of retention and recruitment. We were delighted to welcome fifty international nurses during our first year of international recruitment. We have also been working hard to reach out to local schools and colleges to provide young people with information about the range of careers available at the Trust and QE Facilities. Recruitment and retention continue to be key objectives and are reflected within our new People Strategy 2023-2025, which our Board approved in March 2023.

To support retention and make Gateshead Health the best place to work, we have launched a revised Agile working policy to encourage and support colleagues to stay working with us in Gateshead.

We were delighted to achieve our highest ever response rate to the staff survey. This provides a rich source of feedback and we have triangulated the results with other important sources of feedback from during the year to help us to formulate our workplan and priorities for 2023/24.

Partnership working

The North East and North Cumbria Integrated Care System became a statutory body in July 2022, formalising the importance and value of partnership working across the region. We have worked closely with partners during the year and are committed to working together to deliver services in the best and most efficient and effective way possible for the people living within our region.

Place-based working is of paramount importance and we have been engaged in Gateshead Cares at place-level as well as working closely with Gateshead Council colleagues to deliver on the important health inequalities agenda.

We were we delighted to partner with Newcastle-upon-Tyne Hospitals NHS Foundation Trust to secure £20m of funding to develop a Community Diagnostic Centre at the Metrocentre in Gateshead. We look forward to seeing this come to fruition over the next year.

Looking ahead

We have already agreed a number of core workstreams for 2023/24. They will help us to become a clinically-led and management supported organisation, putting our patients first and ensuring our greatest asset, our people, are listened to, supported and empowered to deliver a fantastic service.

We recognise that there are a number of risks and challenges to be navigated and mitigated where possible, but through effective planning, a focus on clinical engagement and leadership and collaboration with our partners we will strive to deliver the best quality of care to our patients.

We are extremely proud of the hard work of our Trust and QE Facilities' colleagues, alongside our valued volunteers. We would like to extend our sincere thanks to our Governors, partners and the public for their support and contributions. We are excited to see what we can deliver together in 2023/24.



Trudie Davies
Chief Executive
28 June 2023



Alison Marshall
Chair
28 June 2023

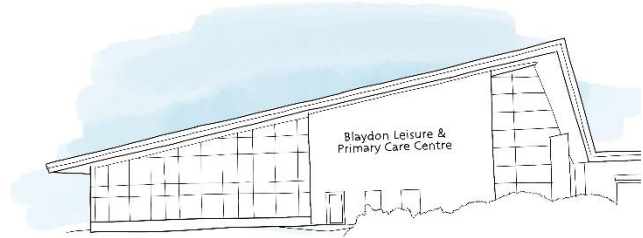


About us – our history, purpose and services

Gateshead Health NHS Foundation Trust was authorised as a Foundation Trust in January 2005. We provide secondary care, community services and older persons' mental health services to a local population of approximately 200,000. We also provide specialist screening services, gynaecology-oncology, pathology and breast services across a wider population, including other parts of the North East, Humberside, Cumbria and Lancashire.

Our services are primarily delivered from three locations in the Gateshead area – the Queen Elizabeth Hospital site, Bensham Hospital and Blaydon Urgent Treatment Centre.

As a group we employ over 5,100 staff and are also supported by many valued volunteers from our local communities.



The Trust also wholly owns its subsidiary QE Facilities Limited (QEF), which was established in 2014. QEF provides estates, facilities, procurement, materials and supply chain management, equipment maintenance and transport services to the Trust. QEF also provides services to other NHS organisations as well as the private sector, with profits reinvested into patient care. QEF's vision is *'to work together with all of our partners to always provide the best non-clinical support services for the benefit of every patient across the NHS and within the communities we serve'*.

We launched our new corporate strategy for 2022/23 to 2024/25 in May 2022 following extensive consultation and engagement with our people and partners. Our corporate strategy puts our patients, people and partners at the heart of everything we do and sets out our vision, which is:

#GatesheadHealth, proud to deliver outstanding and compassionate care to our patients and communities.

Our values are the golden thread that runs through everything we do. Following a Trust-wide consultation with our people, our values remained unchanged as they continue to resonate and remain relevant and important to all that we do.



About us – our strategic objectives and risks

The new corporate strategy retained the five strategic aims which were agreed by the Board of Directors in 2021/22, namely:

1) We will continuously improve the quality and safety of our services for our patients

2) We will be a great organisation with a highly engaged workforce

3) We will enhance our productivity and efficiency to make the best use of our resources

4) We will be an effective partner and be ambitious in our commitment to improving health outcomes

5) We will develop and expand our services within and beyond Gateshead

These strategic aims were underpinned by eleven strategic objectives for 2022/23 to support the delivery of the aims during year one of the corporate strategy. The strategic objectives covered key areas such as:

- Continued improvement in our maternity services, including the implementation of the national Ockenden review recommendations;
- Utilisation of digital technologies where this can make a positive difference to our patients and patient outcomes;
- Growing and developing our workforce;
- Looking after our people through understanding and supporting their health and wellbeing needs;
- Improving the productivity and efficiency of our services through the delivery of our new operating model;
- Achieving financial sustainability; and
- Working collaboratively with partners in Gateshead to improve health and care outcomes for the local population.

Progress against all objectives was monitored by the Board-level committees during the year, with quarterly reports to the Board of Directors on the achievement of the strategic objectives.

We actively utilised our risk management framework and systems to proactively manage the principal risks faced during the year. Strategic and organisational-wide risks were recognised on the Organisational Risk Register (ORR), with cross-linkage to the Board Assurance Framework (BAF) to understand the potential impact of risks on the delivery of the strategic objectives.

The key risks over the last financial year included:

- The continued impact of the pandemic on elective recovery (particularly during the first half of the year);
- The risks associated with delayed transfers of care and increased hospital lengths of stay;
- Risks relating to retention and recruitment, as well as the health and wellbeing of our people;
- Risks relating to the age of the Trust's estate;
- Financial risks relating to the delivery of efficiencies and the capital cost of delivering the Trust's new operating model; and
- Risks to the quality of care we were able to deliver to our patients due to industrial action, which emerged as a new risk during the year.

Many of these risks are likely to remain live in 2023/24 as we continue to focus on elective recovery, reducing lengths of stay, recruitment and retention and our sustainability and efficiency, set against a backdrop of increased costs of living.

Both the ORR and BAF were regularly reviewed and monitored by the Board and its committees throughout the year. This assisted in monitoring the effectiveness of mitigations and enabled additional actions to be taken to manage risks and objectives where required.

Further information on the principal risks and mitigations can be found in the Annual Governance Statement section of the Annual Report.

Despite the challenging operating environment and associated risks, good progress was made during the year in respect of the delivery of our strategic objectives. This included developing our relationships at place as part of Gateshead Cares, increasing our health and wellbeing offering for our people; and developing our work around health inequalities.

Going concern

As an NHS Foundation Trust, the Directors are required to make an assessment as at the balance sheet date as to whether the Trust remains a going concern.

In summary following our assessment, these accounts have been prepared on a going concern basis, in accordance with the definition as set out in section 4 of the Department of Health and Social Care Group Accounting Manual (GAM) which outlines the interpretation of International Accounting Standard 1 (IAS1) 'Presentation of Financial Statements' as "the anticipated continuation of the provision of a service in the future, as evidenced by the inclusion of financial provision for that service in published documents".

The Directors have considered whether there are any local or national policy decisions that are likely to affect the continued funding and provision of services by the Trust. The Trust is a member of the North East and North Cumbria Integrated Care System (NENC ICS). The Integrated Care Strategy for the North East and North Cumbria was published in December 2022 as a joint plan between the region's local authorities, the NHS and other partners. No circumstances were identified within the strategy that would cause the Directors to doubt or question the continued provision of NHS services by the Trust.

This year the Trust excluding the charity returned a deficit of £73k as reported in the Trust's Statement of Comprehensive Income.

2023/24 sees a continuation of the previous year's financial framework. This is a blended tariff approach which consists of fixed and variable payments, with most services being on a fixed payment. For those services on a variable tariff income will be earned based on volume of activity at national tariff and is consistent with the historic PbR (payment by results) funding model. In addition, Elective Recovery Fund income (ERF) can also be earned on the achievement of nationally published activity trajectories. The Trust has planned to achieve these activity targets and therefore has assumed this income within the plan. We recognise that this is potentially uncertain but as it amounts to less than 2% of income to the Trust, we regard this as immaterial to the Going Concern assessment.

The Trust has produced its financial plans based on these assumptions which have been approved by the Trust Board.

The Trust has prepared a cash forecast modelled on the above expectations for funding during the going concern period to June 24. The cash forecast shows sufficient liquidity for the Trust

to continue to operate during that period and there is no expectation of cash support being required, although that option remains available to Foundation Trusts.

In conclusion, these factors, and the anticipated future provision of services in the public sector, support the Trust's adoption of the going concern basis for the preparation of the accounts.

The Directors consider the annual report and accounts, taken as a whole, are fair, balanced, and understandable and provide the information necessary for patients, regulators, and other stakeholders to assess the NHS Foundation Trust's performance, business model and strategy.

Performance analysis

Operational performance

We have in place a range of key performance indicators which we routinely report. This supports our ability to ensure our services are the best they possibly can be, and where needed develop plans for improvement. Alongside this, we aim to meet a series of standards set nationally.

Service line operational reports are provided to support operational teams to help them understand their own performance. These reports are then aggregated up and grouped and reported by business unit which they review as part of their business unit board meetings. Business units are invited to monthly or quarterly oversight meetings with our Executive Directors to review performance and facilitate wider feedback and engagement with the operational teams.

At a higher level we collate and report key performance measures through the Integrated Oversight Report (IOR) to ensure we understand the correlation between activity undertaken, workforce risks and implications whilst providing an assurance of the quality of our services delivered against a range of key performance standards. These include indicators taken from key frameworks such as the Care Quality Commission's (CQC) Key Lines of Enquiry (KLOEs), the NHS England System Oversight Framework (SOF) and the NHS Operational Planning Guidance 2022/23 to provide a holistic and balanced view of overall Trust performance.

Over the past year, as in 2021/22, the pandemic has again placed exceptional pressures on the NHS, requiring changed ways of working with great speed and agility in every existing service, whilst continuing to ensure the safety of all patients and our people. Because of this, the usual monitoring against key targets has continued alongside the focus to recover care activity back to pre-pandemic levels, whilst ensuring that our most urgent patients continue to be treated with equity of access and elements of regional collaboration where appropriate.

Recovery plans were developed in conjunction with business unit teams to return to national compliance as soon as possible, including to reduce the Referral To Treatment (RTT) waiting lists and the number of long waiters. While progress has been made in some areas, challenges in achieving the targets in some areas remain.

Elective activity

The operational planning expectation for 2022/23 was to continue to recover our elective backlogs by focusing on returning to, and in some case exceeding, pre-pandemic levels of activity.

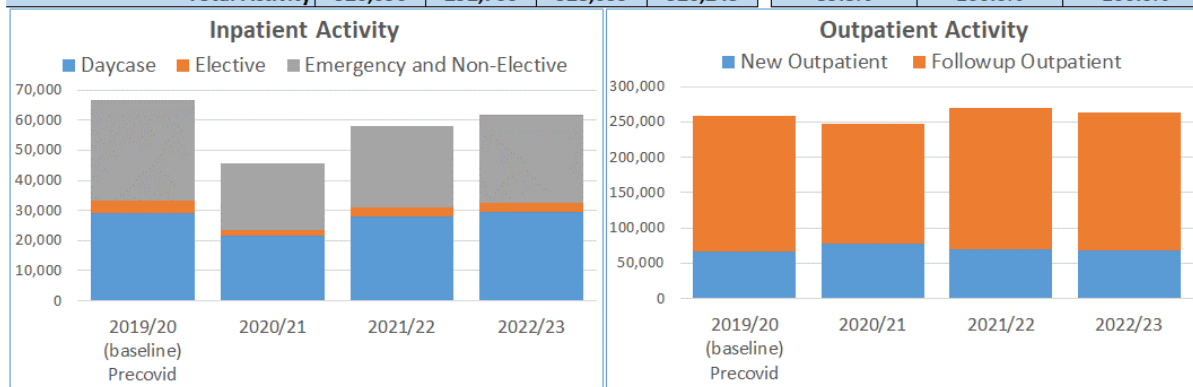
This expectation continued to be a challenge, having to balance this ask with the ongoing impact of Covid, workforce supply issues, high levels of sickness absence, substantial and unprecedented winter pressures, and latterly the impact of industrial action. This necessitated a highly flexible and reactive approach to capacity planning and staffing across the hospital site. As a result some services were unable to return to 100% of pre-Covid activity at any point throughout the year due to the continuing social distancing requirements and increased infection prevention and control regulations.

While remaining lower than pre-Covid levels, overall, in 2022/23 the number of patients admitted for hospital care continued to increase. Compared to the previous year, total inpatient activity stood at 93.0% of the 2019/20 activity, an increase from 87.3% in 2021/22 with 3,772 more attendances recorded. Day case activity increased to account for 100.7% of the 2019/20 baseline, up from 96.0% the previous year. Elective activity was 77.5% of 2019/20, an increase from 77.1% the previous year, and emergency and non-elective activity increased to account for 88.0% of the 2019/20 baseline, an increase from 80.9%.

Within the outpatient setting, overall activity fell slightly compared to the previous year standing at 101.9% of the 2019/20 baseline, a reduction from 104% in the previous year. New outpatient activity was slightly lower at 104% of the baseline year, compared to 106% in 2021/22 (this is equivalent to 1,330 fewer first outpatient appointments). Follow-up outpatient appointments also fell to 101.1% of the baseline, from 103.3% the previous year (this is equivalent to 4,256 fewer follow up outpatient appointments).

Work continues to embed Patient Initiated Follow up (PIFU), with the levels achieved being lower than planned at around 87% of the planned for levels, accounting for around 2.36% of appointments, against a target 5%. However, more positively around a quarter (24.1%) of outpatient contacts were undertaken via remote consultation.

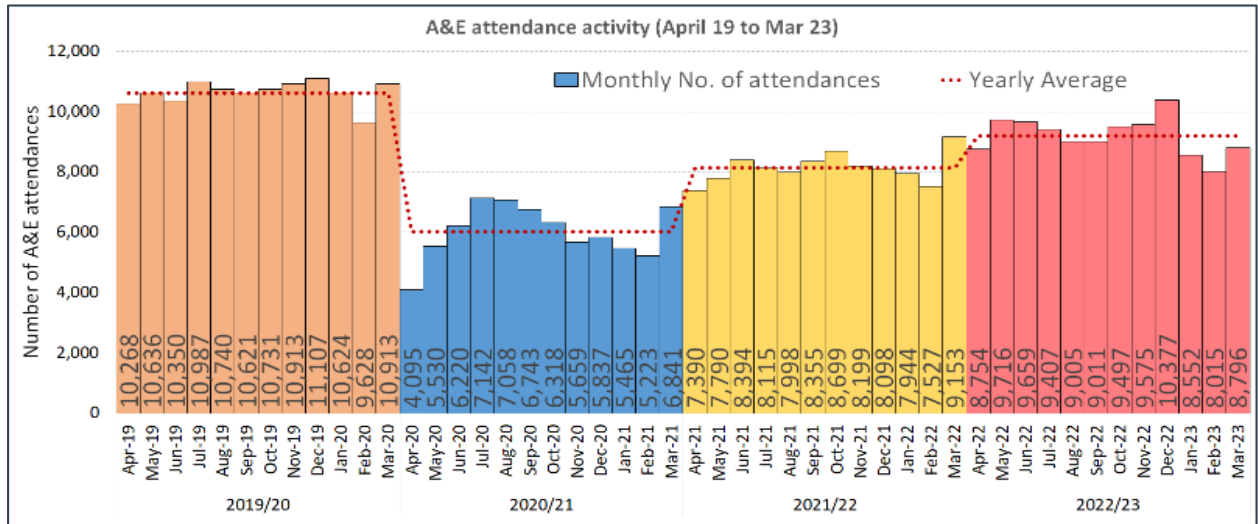
	2019/20 (baseline) Precovid	2020/21	2021/22	2022/23	2020/21 as % of 19/20 baseline	2021/22 as % of 19/20 baseline	2022/23 as % of 19/20 baseline
Total Inpatient Activity	66,652	45,794	58,184	61,956	68.7%	87.3%	93.0%
Daycase	29,297	21,654	28,111	29,494	73.9%	96.0%	100.7%
Elective	3,900	1,973	3,008	3,021	50.6%	77.1%	77.5%
Emergency and Non-Elective	33,455	22,167	27,065	29,441	66.3%	80.9%	88.0%
Outpatient Activity	259,444	246,972	269,875	264,289	95.2%	104.0%	101.9%
New Outpatient	65,946	77,886	69,899	68,569	118.1%	106.0%	104.0%
Followup Outpatient	193,498	169,086	199,976	195,720	87.4%	103.3%	101.1%
Total Activity	326,096	292,766	328,059	326,245	89.8%	100.6%	100.0%



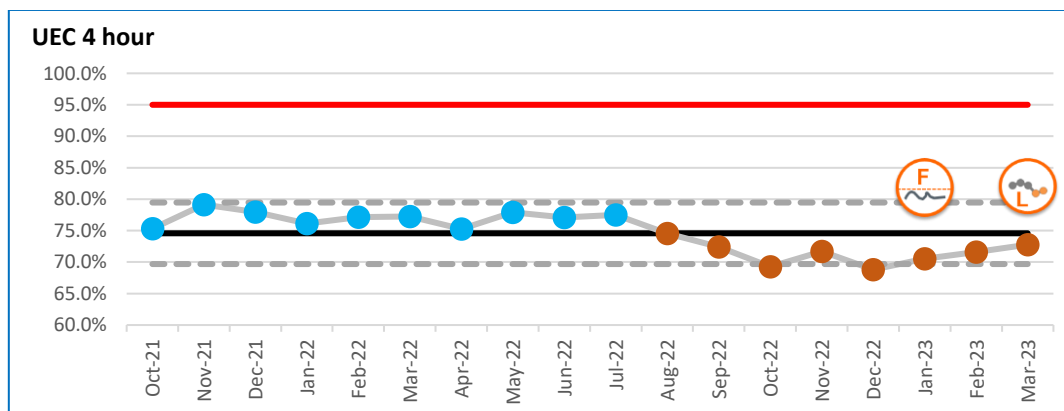
Accident and emergency (A&E) activity and performance

Overall A&E activity continues to be below pre-pandemic levels, however as we recover from the pandemic we are seeing more and more patients attending A&E. The chart below shows

that in 2022/23 there were 110,364 attendances at A&E, which is around 85% of the total attendances seen in 2019/20 but an increase of 13% from the previous year, 12,702 in actual attendances. For the first time since Covid, an individual month saw more than 10,000 attendances (December 2022), and this was at a time of significant winter pressures being noted locally and nationally.



As a result of pressures seen in A&E throughout the year (which were particularly acute in the winter months, linked to higher attendances, high bed occupancy, lower social care discharges, increased IPC bed closures and Covid causing additional challenges in the managing and placing of patients), performance against the A&E four hour standard in 2022/23 was 73.3% across the course of the year. Whilst the 95% target was not met in any of the months, in each month the Trust’s performance was above the national average, and on average benchmarked in the top performing quartile of trusts nationally. The chart below shows since December 2022 performance began a steady trajectory of improvement towards the 2023/24 target of 76% or above.



The pressures noted above also resulted in increased waits in A&E and for ambulance handovers when the patient arrived at the hospital compared to the previous year. There were 1,582 patients who waited in A&E for longer than 12 hours for a hospital bed (of which 54% were in December and January), and overall 5.35% of patients waited more than 12 hours in the department. The volume of ambulance handover delays increased in the year to 859 waiting more than 30 minutes, and 1078 waiting longer than 60 minutes. However even

with these increases the Trust was typically one of the top performing trusts in the North-East against these metrics.

Changing our clinical model

We are currently eighteen months into a three year programme to reconfigure and update parts of the estate to ensure we provide the best possible clinical care and improve the experience for staff and patients. This is referred to as our 'New Operating Model'.

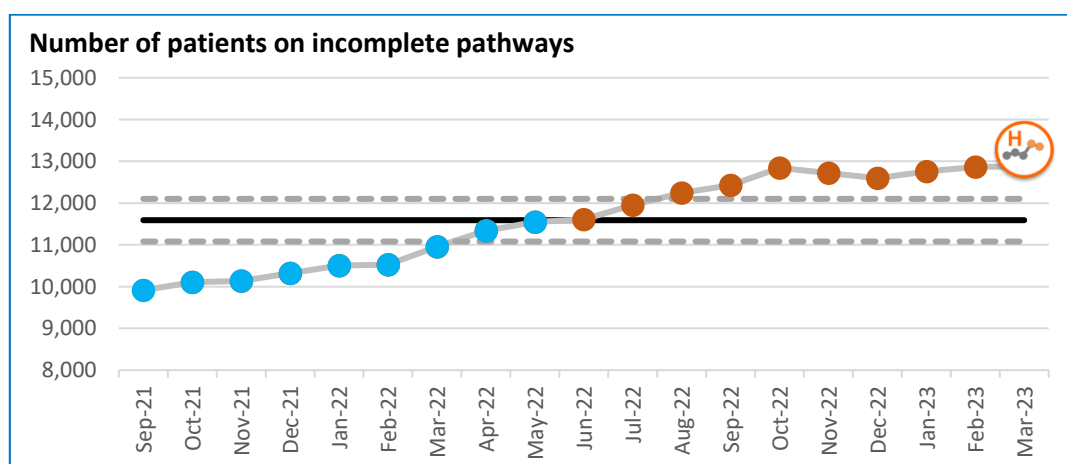
We have delivered on

- Increasing our Same Day Emergency Care (SDEC) capacity to support alternative models to admission;
- Completing estates work on two wards to create a temporary decant / winter ward to accommodate ward changes;
- Completion of a number of ward refurbishments, including the refurbishment of a ward to protect clinically extremely vulnerable patients and create six ensuite cubicles with mechanical airflow, alongside upgrading the bays and bathrooms;
- Completion of refurbishments to create a twenty-bedded stroke and rehab unit; and
- Work has started with an additional capital development to protect elective orthopaedic activity

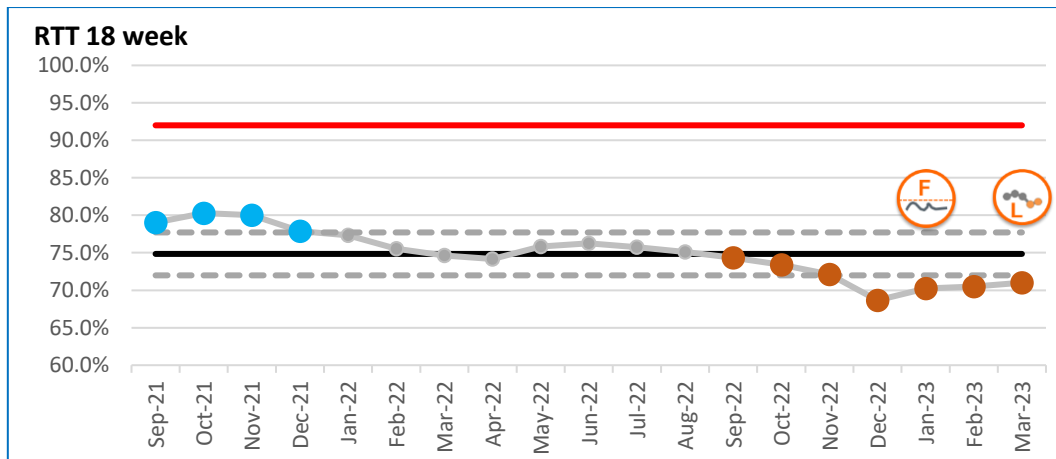
Further information on the New Operating Model can be found in the Accountability Report section.

Referral to Treatment (RRT) waiting times

The elective priority to clear backlog waits and reduce the number of RTT long waiters continued in 2022/23. Overall, in 2022/23 our waiting list increased by 13.6% over the year from 11,336 patients waiting in April 2022 to 12,880 patients waiting at the end of March 2023. A 13.6% increase in the waiting list is broadly consistent with the local Integrated Care Board (ICB) waiting list picture which increased by around 12.6% across the year.



Throughout the year no patients waited over 104 weeks for treatment, and by the end of January 2023 we had no patients waiting more than 78 weeks. However, the volume of over 52-week waiters increased across the course of the year from 52 at the start of the year to 86 in March 2023. As a proportion of the total waiting list, our long waiters accounted for 0.67% at the end of the year, which benchmarks favourably against the local ICB position of around 2.08% at the end of the year.

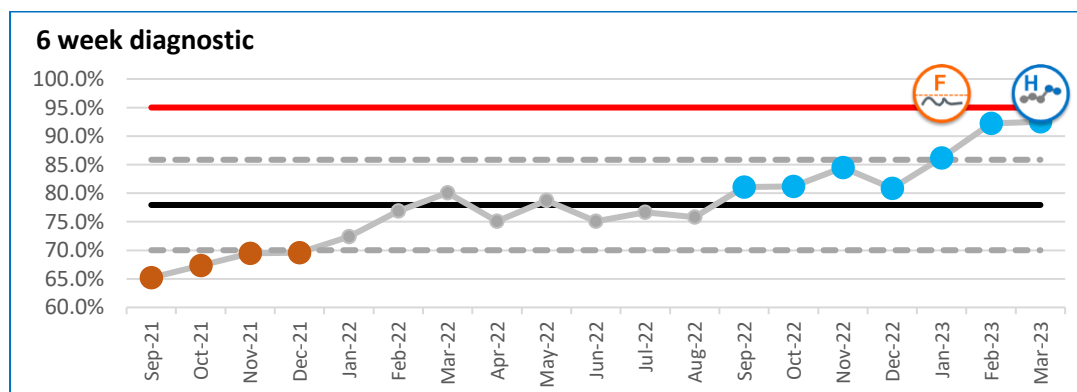


Compliance against the 18-week standard stood at 71.0% at the end of March 2023, a reduction from 74.0% in March 2022. However, we have consistently performed above the national average and the local ICB average throughout the year. Treating our longest waiters has remained a priority during significantly challenging times whilst we experienced non-elective pressures, delayed discharges, Covid waves and workforce-related pressures.

2022/23 has seen further development in relation to the reporting of our waiting list data to include various metrics relating to health inequalities (including outpatient data), which aims to highlight differences in particular cohorts linked to gender, ethnicity, clinical priority and levels of deprivation, for example. The data is updated monthly and viewable to services and waiting list officers. These additional metrics will help the business units to plan to meet strategic objectives, including to reduce health inequalities. In addition to this, a monthly Health Inequalities Board is now in operation to oversee the wider strategic aims and strategic goals relating to health inequalities.

Diagnostics

At end of March 2023, we were only slightly below the 95% 6-week diagnostic test target at 92.5%, having improved from 75.1% at the start of the year. We have seen sustained significant improvement across the course of the year, as shown in the chart. The overall number of diagnostic waiters reduced by -7.6% to 5,469, and those waiting more than 6 weeks by -67% to 410 from 1,260. The previous pressure area of echocardiography improved from achieving only 32.6% of waiters under 6 weeks at the start of the year, to 93.9% at the end with the actual number of waiters reducing by -58% from 1,405 to 589, and those waiting more than 6 weeks by 96% to 36 from 947. Audiology remains a challenge, however a recovery plan is in place which aims to achieve the performance standards by the end of summer 2023.



Overall diagnostic activity continued to exceed planned for levels, and exceed those levels provided in 2019/20. Across the course of the year 114% of the 2019/20 baseline of diagnostic activity was achieved, with some tests such as CT and MRI even higher (around 137% and 147% respectively) as a result of the additional capacity provided at our Blaydon site. Rolling out Rapid Diagnostic Centres (RDCs) is part of an ambitious five-year plan to speed up diagnosis of cancer and other serious conditions to make sure everyone suspected of cancer gets the right tests at the right time in as few visits as possible. We hosted the early adopter and year 1 scheme at Blaydon offering MRI and CT scanning to patients in Gateshead and Newcastle, and this continued in 2022/23 with further capacity planned with the opening of the Community Diagnostic Centre at the Metro Centre next year.

Cancer

We continue to ensure that the review and treatment of patients on cancer pathways remains a priority, in particular the backlog of waiters over 62 days and the 28 days to faster diagnosis. The following table summarises performance across the cancer standards for 2022/23. Where the standard has been met this is shown in green, and where the standard has not been achieved it is shown in red.

Cancer Measures	Standard	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23
All cancers 2 week waits	93%	84.80%	89.40%	88.80%	89.10%	84.70%	79.90%	85.10%	86.60%	83.30%	79.80%	82.30%	82.70%
Exhibited non cancer Breast 2 week waits	93%	96.80%	97.80%	93.60%	94.40%	95.00%	90.30%	100%	89.70%	95.70%	100%	100%	97.20%
28 days faster diagnosis (2ww)	75%	73.20%	69.00%	75.50%	75.70%	78.50%	74.90%	80.10%	79.00%	78.60%	75.70%	78.10%	78.50%
28 days faster diagnosis (Exhibited non cancer breast)	75%	100%	100%	100%	100%	97.50%	100%	96.60%	100%	95.50%	100%	96.00%	97.20%
28 days faster diagnosis (screening)	75%	58.90%	63.60%	71.10%	63.80%	64.50%	66.70%	65.20%	52.80%	51.60%	65.80%	67.50%	53.00%
31 day diagnosis to first treatment	98%	98.20%	96.00%	92.60%	98.60%	97.20%	97.50%	99.20%	100.00%	96.40%	98.30%	95.10%	97.20%
31 day subsequent treatments (drugs)	96%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
31 day subsequent treatments (surgery)	94%	100%	100%	100%	93.80%	100%	96.30%	97.10%	100%	100%	95.00%	100%	100%
62 days referral to treatment (2ww)	85%	67.20%	34.50%	53.60%	63.20%	56.70%	70.50%	58.20%	67.10%	60.40%	53.50%	62.60%	65.20%
62 days referral to treatment (screening)	90%	95.70%	96.70%	92.70%	89.60%	87.30%	91.20%	87.90%	86.60%	91.40%	88.50%	91.80%	93.90%
62 days referral to treatment (upgrade)	90%	100.00%	50.00%	-	50.00%	0.00%	50.00%	66.70%	0.00%	0.00%	0.00%	57.10%	0.00%
62 day backlog waiting list	March 23 - 55	63	57	57	68	32	63	57	43	58	64	62	41

It has been a challenge to work towards the standard of 93% of patients being seen within 2 weeks from urgent referral to a specialist appointment primarily due to capacity issues and increases in referral rates.

The expectation for the faster diagnosis standard is that 75% of patients will have a confirmation of a cancer diagnosis or cancer being ruled out within 28 days of referral. The faster diagnosis standard for those patients on a 2 week wait pathway has been achieved for 9 months of the year, every month for the exhibited non-cancer breast patients and unfortunately for those patients on screening pathways the standard has not been met across the year.

The standard of 96% of patients waiting 31 days or less from the decision to treat to receiving first definitive treatment was achieved in ten months during the year. The 31 day subsequent treatments for drugs was met for every month in 2022/23 and for surgery for eleven of the twelve months of the year.

The 62-day standard aims to achieve 85% of patients waiting 62 days or less from referral to initial treatment for cancer. Challenges continue along these pathways, particularly where services are provided by multiple trusts and treatments are delivered at other hospital sites, lung and urology in particular. We have continued to support the provision of gynaecological oncology across the ICB.

Cancer screening programmes continued during 2022/23 delivering breast screening services for Gateshead and bowel screening services across the North East.

The patients waiting on a 2 week wait, 62 day pathway are regularly monitored and we had a target to achieve no more than 55 patients waiting at the end of March 23. Although the monthly plan was not always met, the year end position of 41 was below the 55.

Financial performance

The financial framework for 2022/23 was broadly the same as 2021/22 whereby we received a block payment allocation for the vast majority of services from the commissioners of NHS services. Whilst the financial framework remained relatively stable the funding available to us was less than that received during the Covid years with the Group returning a small deficit in 2022/23 inclusive of QE Facilities, our subsidiary company, and Charitable Funds.

This year also seen demise of Clinical Commissioning Groups and the creation of Integrated Care Boards as the primary commissioner of NHS services. A greater emphasis on the achievement of overall financial breakeven for the NENC ICS was also introduced.

The Trust and NHS England focus on the non-Generally Accepted Accounting Principles (GAAP) measure of surplus / (deficit) for the year, excluding impairments, revaluations and movements in charitable funds, as being the primary financial KPI, and against this measure the Group reported a deficit of £0.296m.

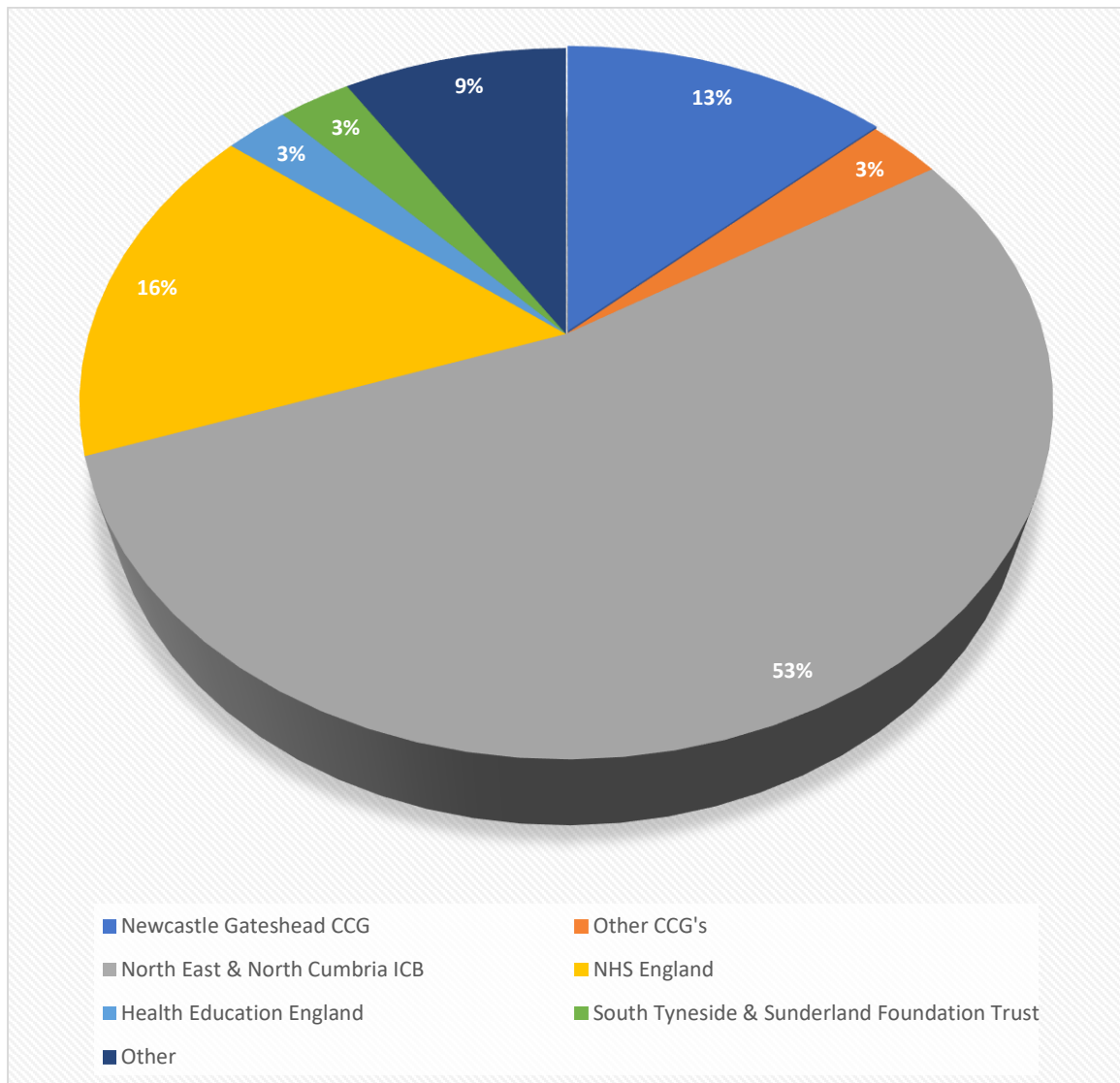
	Group £'000
Income	392,020
Expenditure	(388,671)
Operating surplus	3,349
Net finance costs	(2,712)
Other gains and losses	(12)
Corporation tax	(698)
Surplus / (deficit) for the financial year	(73)
Income and expenditure (reversals) / impairments	(64)
Surplus / (deficit) before impairments and transfers	(137)
Impact of departmental expenditure limits income and expenditure reversals / (impairments)	0
Capital donations / grants	(200)
Consumables donated from other Department of Health and Social Care bodies	41
Surplus / (deficit) for the year before impairments / revaluations and charitable funds	(296)

We prepare the accounts under International Financial Reporting Standards (IFRS) and in line with the HM Treasury Financial Reporting Manual, NHS England's Annual Reporting Manual

and approved accounting policies. The Group accounts include QE Facilities as well as the Trust's Charitable Funds.

Income

We received £392.020m total income for 2022/23, with income for patient care services amounting to £356.974m, of which £332.734m (93.2%) came directly from commissioners of NHS services including NHS England for specialised and public health screening contracts and the NENC ICB for secondary and community care. An analysis of the total income received in 2022/23 is shown in the below chart and reflects the cessation of Clinical Commissioning Groups from 1st July 2022, which were replaced by Integrated Care Boards.

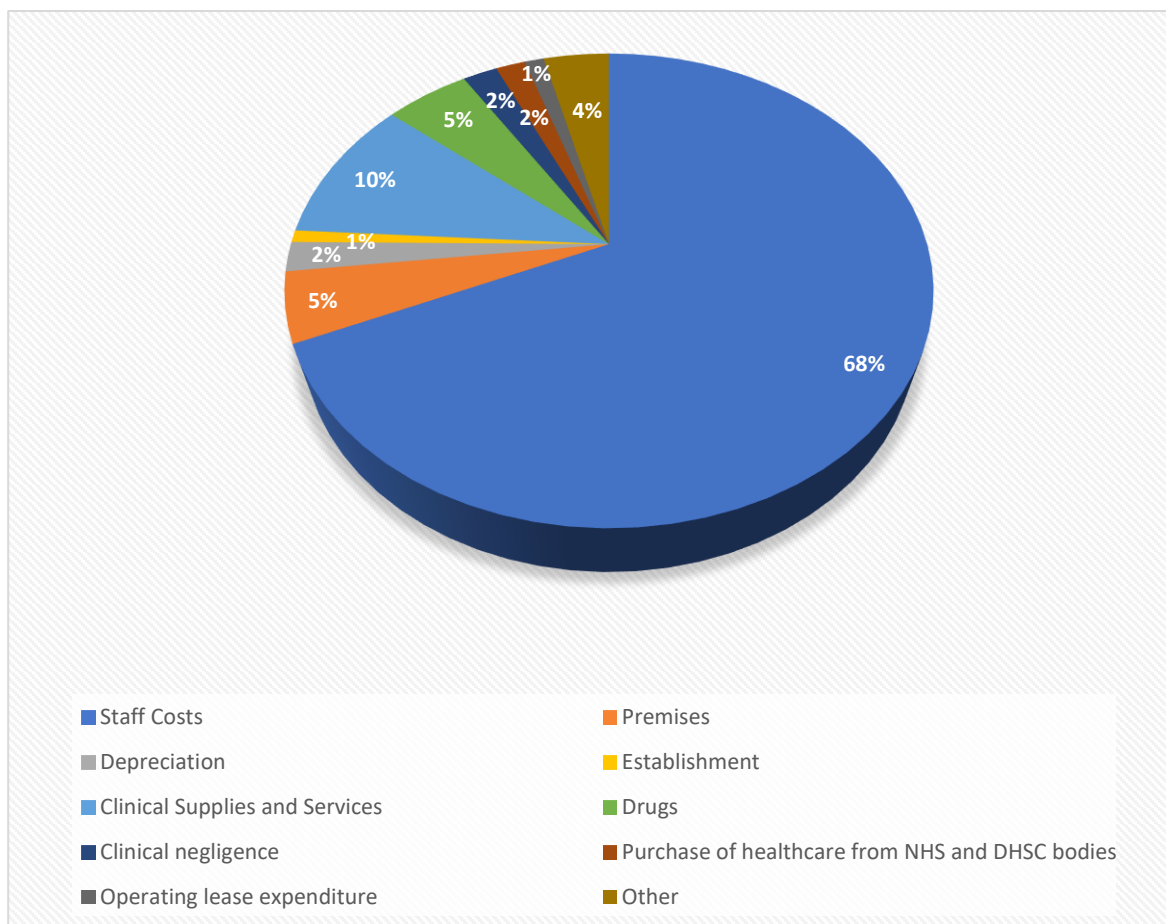


For 2022/2023 our income from private sources stood at 0.18% of total income, marginally lower than previous years. Section 43(2A) of the NHS Act 2006 (as amended by the Health and Social Care Act 2012) requires that the income from the provision of goods and services for the purposes of the health service in England must be greater than its income from the provision of goods and services for any other purposes. The Trust has met this requirement.

Expenditure

Our total expenditure for the year was £388.671m. By far the largest proportion is spent on pay and related expenses for our people - this amounts to £259.605m (67%) of the total. Other

material items of expenditure include medical and surgical consumables and drugs, amounting to £63.118m and premises costs of £18.034m.



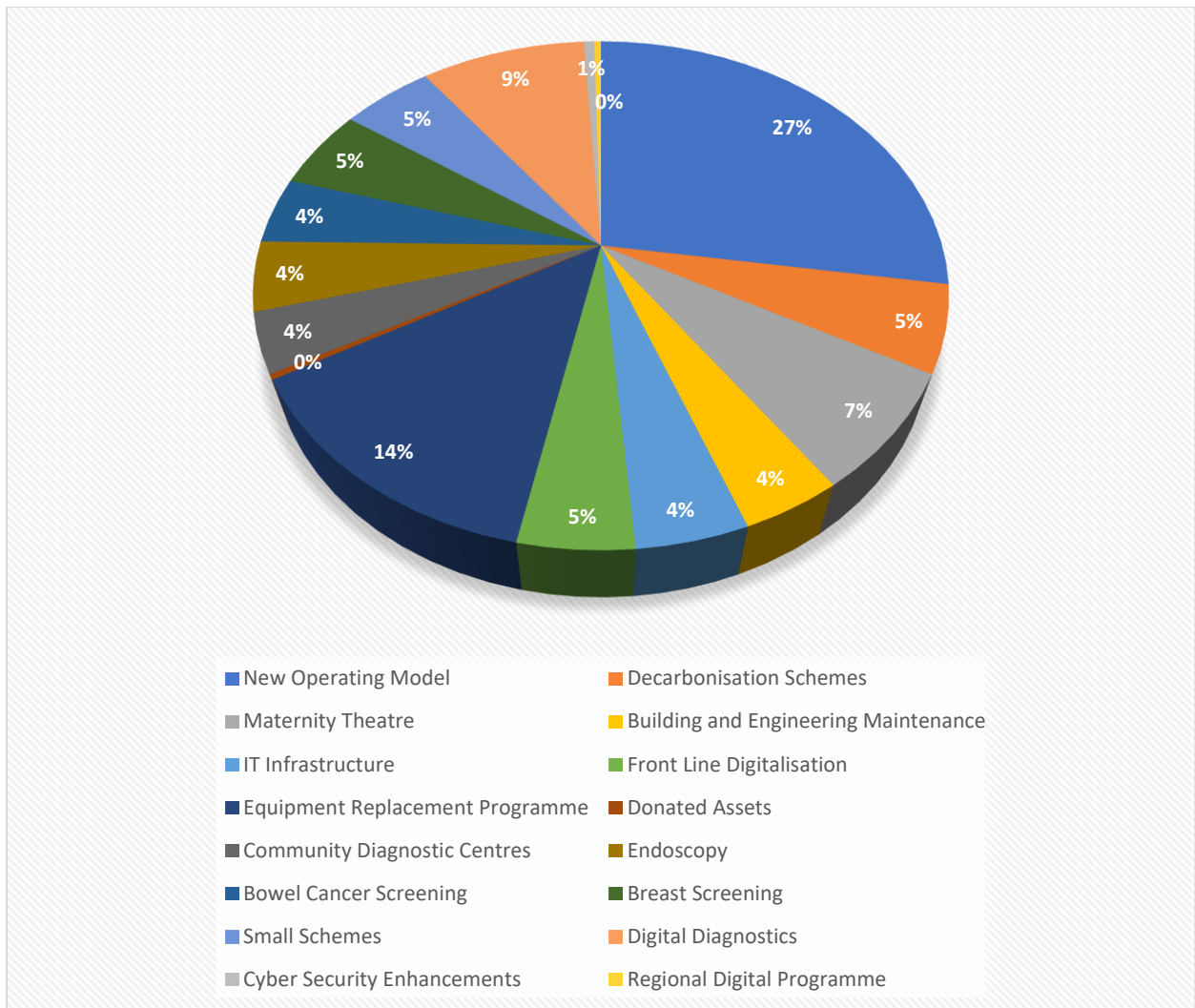
We complied with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information guidance. This is relevant to areas such as Payment by Results, the mechanism by which we receive some of our income, and the production of the annual Reference Cost Return.

We continue to work towards compliance with the Better Payment Practice Code which requires the Trust to aim to pay all valid invoices by the due date of within 30 days of receipt of goods or a valid invoice. In 2022/23 86.5% of invoices (96.1% of value) met this standard. Detailed performance against the Code can be found in note 3.4 to the Financial Statements.

Fees and charges levied by the Group did not exceed £1m and were not otherwise material to the accounts. The total amount of any liability to pay interest which accrued by virtue of failing to pay invoices within the 30-day period where obligated to do so was £60k, although the total amount of interest actually paid in discharge of any such liability was nil.

Capital expenditure

Capital expenditure for the year was £13.275m. Funding for the capital programme was made available from internal depreciation, cash, charitable funds, grant income and external funding of £4.297m.



Looking ahead – our financial plan

The national financial framework has been revised for 2023/24 to reflect the changing environment, pressures and the move away from Covid arrangements. The funding broadly consists of a block contract with variable elements or Elective Recovery Fund (ERF) to facilitate the recovery of elective waiting times and list size, with a significant reduction in Covid funding.

Based on this and a continuation of levels of expenditure seen in 2022/23 the Group has planned for a deficit of £12.588m. This assumes the achievement of activity, workforce and performance requirements within the period. As ever and within this financial environment, we continue to focus on the delivery of sustainable, high quality and safe services.

There are a number of recognised risks to the planned position:

- The assumed level of income from the ERF, dependent on delivery at both a local and system level;
- The assumed level of income from variable activity, dependent on delivery at a local level;
- The delivery of capital schemes to enable recovery;
- The delivery of our efficiency requirement; and
- The impact of delivery of efficiencies and funding flows on the liquidity position.

We will monitor and seek to mitigate the elements of these risks which are within our control.

Audit of the accounts

The full accounts are included at the end of this report. They have been prepared under the Direction issued by NHS England under the National Health Service Act 2006.

The accounts have been fully audited, and the appropriate certificate is included within the body of the accounts.

The Board of Directors acknowledge their responsibilities for the financial statements included in this report. All of the accounting records have been made available to the auditors for the purpose of their audit and all transactions undertaken by the Trust have been properly reflected and recorded in the accounting records. All other relevant records and related information has been made available to the auditors.

The Board is also satisfied that there are no issues arising since the balance sheet date that would materially affect the 2022/23 accounts.

QE Facilities

As outlined earlier in this report, QE Facilities provides non-clinical services to the Trust and other clients, with the aim of generating financial contributions to aid our overall sustainability, as well as supporting innovation and improvement.

Our QE Facilities **Transport** business continued to deliver a high quality service, both to the group and external partners. The service was inspected by CQC in August 2022 for the first time since its launch in March 2021. The patient transport services were awarded a 'good' rating, with 'good' ratings achieved across all five domains.

Our **medical engineering** team rolled out an innovative asset tracking system across the whole of the hospital site meaning we can now track the location of medical equipment devices in real time, optimising equipment and staff utilisation. We were shortlisted for a Global RFID (Radio Frequency Identification) Journal Award in the category of Best RFID or IoT (Internet of Things) Health Care Implementation and were awarded as runner ups.

We implemented our first departmental ISO (Internal Organisation for Standardisation) 14001 accreditation (Environmental Management) within the Medical Engineering Department, supporting our commitment to the group's sustainability plan. The next steps are to extend the accreditation across other departments with QE Facilities.

Our **estates** team have worked closely with the Trust to support key workstreams, such as our New Operating Model implementation, and to enhance our buildings to deliver patient care.

Our **Central Sterile Services Department (CSSD)** expanded its ISO accredited service to incorporate a new sterilisation technology within the department to support the implementation of robotic surgery within the Trust. The equipment used during robotic surgery has very specific cleaning requirement due to the complexity of the instrumentation and the fragility of the scopes. This necessitated the implementation of a low temperature sterilisation technology, which greatly differs from the existing sterilisation process within SSD - the low temperature steriliser uses chemical to sterilise as opposed to steam used within the rest of the department.

As referred to in last year's report, QE Facilities had entered into a project to design and manufacture **masks** with a unique anti-viral layer in collaboration with an external company. The project continued into 2022/23, but despite best endeavours it was ultimately not deemed to be viable and the project was ceased towards the end of the year.

Environmental matters

The Trust is committed to ensuring that the care it provides our patients has minimal impact on the environment to ensure a healthy future for current and future generations.

The Group Sustainability Committee is comprised of leaders and experts from across the Trust, bringing together our ambitions and plans to meet our sustainability and net zero objectives.

The Trust Green Plan 2022 - 2025 was launched in April 2022 detailing our vision, which is to be a leader in sustainable healthcare within the NHS, to the benefit of our local community.



Our objectives to support this vision are:

- To have an educated and engaged workforce who embed sustainability in their everyday actions;
- To improve local air quality through reducing and eliminating (where possible) emissions from vehicles;
- To achieve net zero of our NHS Carbon Footprint by 2040 and NHS Carbon Footprint Plus by 2045 (this is aligned to NHS "Delivering a 'Net Zero' Health Service" Report); and
- To ensure that our activities and care benefit the wider local community.

The Green Plan identifies actions to be taken to deliver our vision and objectives across nine key areas:

1. Workforce System & Leadership
2. Sustainable Models of Care
3. Digital Transformation
4. Travel & Transport
5. Estates & Facilities
6. Medicines
7. Supply Chain & Procurement
8. Food & Nutrition
9. Adaptation

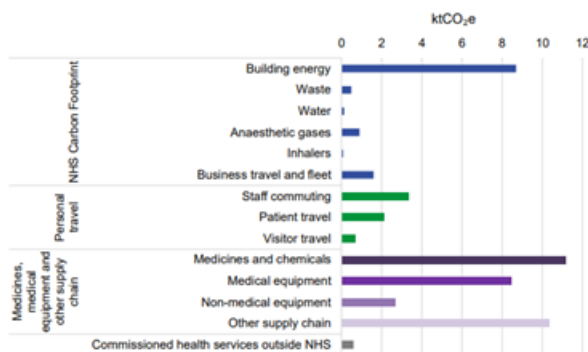
In late 2022 NHS England and Greener NHS published each trust's NHS Carbon Footprint and NHS Carbon Footprint Plus for the year 2019/20 as a baseline year using data from ERIC and other sources.

Trust contributions to the NHS Carbon Footprint Plus



Region NORTH EAST AND YORKSHIRE
 ICS NHS NORTH EAST AND NORTH CUMBRIA ICB
 ICS code QHM
 Trust GATESHEAD HEALTH NHS FOUNDATION TRUST
 Trust code RR7

NHS Carbon Footprint	11,894 tCO ₂ e
Building energy	8,695 tCO ₂ e
Waste	491 tCO ₂ e
Water	134 tCO ₂ e
Anaesthetic gases	896 tCO ₂ e
Inhalers	78 tCO ₂ e
Business travel and fleet	1,600 tCO ₂ e
Personal travel	6,091 tCO₂e
Staff commuting	3,328 tCO ₂ e
Patient travel	2,096 tCO ₂ e
Visitor travel	667 tCO ₂ e
Medicines, medical equipment and other supply chain	32,703 tCO₂e
Medicines and chemicals	11,175 tCO ₂ e
Medical equipment	8,480 tCO ₂ e
Non-medical equipment	2,675 tCO ₂ e
Other supply chain	10,373 tCO ₂ e
Commissioned health services outside NHS	575 tCO ₂ e
NHS Carbon Footprint Plus	51,262 tCO₂e



The table and graph above show our total NHS Carbon Footprint Plus is an estimated 51,000 tonnes of CO₂e in the 12-month period. The highest areas include medicines and chemicals, other supply chain and building energy. This helps us to understand our highest carbon intensity areas and therefore where we should focus our time to achieve the best carbon savings per pound spent.

The Group is committed to reducing our emissions further and throughout 2022/2023 continued a proactive approach to sustainability undertaking the following actions which resulted in some of the positive reductions seen in the data:

- Installation of air source heat pumps and solar panels to generate net zero energy;
- The majority of the Trust Board & QE Facilities' Board Members are certified as carbon literate ensuring that our Boards are educated and committed to our targets and what they mean for the health of the local community;
- Habitat creation and management plans for all sites to improve biodiversity of native species and participation in the "30 Days Wild" campaign with Durham Wildlife. We also undertook a beach clean;
- The ESR 'Building a Net Zero NHS' module is now available for all staff to complete;
- Relunched the Green Champions role to formally engage and promote sustainability within each business unit;
- A travel survey was undertaken in January 2023 to identify areas of improvement in reducing emissions from staff commuting;
- A Heat Decarbonisation Plan for the Queen Elizabeth Hospital site is near finalisation;
- Improved access to recycling across all areas of the Trust, along with the addition of glass and food waste going forwards;
- We increased the use of offensive waste following the pandemic, reducing clinical waste in line with NHS England targets. Looking at the data more closely the volume of hazardous waste decreased 24%, whilst the volume of non-hazardous waste increased 33% compared to the previous year through the work undertaken to revert back to pre-pandemic practice and increase the overall use of the non-infectious waste stream. Overall waste volumes decreased by 27% this year compared to 2021/22; and
- We implemented procurement regulations PPN06/20 and PPN06/21 to ensure our suppliers are committed to social value and carbon reduction in line with our targets.

These highlights are just a small snapshot of the work undertaken over the last 12 months and the Sustainability Committee will continue to progress the remaining actions across the Green Plan over the coming 12 months to ensure we meet our 2025 objectives.

Emergency preparedness, resilience and response

It is a requirement that all NHS providers submit an annual self-assessment statement of assurance against Emergency Preparedness, Resilience and Response (EPRR) core standards to their Trust Board.

The purpose of the EPRR annual assurance process is to assess the preparedness of the NHS, both commissioners and providers, against common NHS EPRR core standards.

<https://www.england.nhs.uk/ourwork/epr/gf/#annual-process>

For 2022/23, NHS England added a number of standards to self-assess against (increasing from 46 in the previous year to 64) as well as some additional evidence requirements for the submission.

A deep dive review was also conducted to gain additional assurance into a specific area, with the subject for this year's submission being 'Evacuation and Shelter'.

The overall EPRR assurance rating is based on the percentage of core standards the organisation can self-assess as fully compliant. This is explained in more detail below:

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

A review of the EPRR core standards and the associated plan has been undertaken and the overall level of compliance within the Trust has currently been assessed as **partial compliance**.

The Trust has been through a rapid period of change and has been faced with the many challenges of responding to recurring waves of operational pressures and preparation for industrial action.

It is acknowledged that although many positive steps forward have recently been taken, some standards continue to require further review and enhancement.

With the introduction of the Health and Care Act 2022, this year's assurance process reflected the establishment of ICBs as Category 1 responders and their local NHS leadership role. This includes the requirement to undertake a self-assessment against the core standards and lead the NHS locally to agree the process to gain confidence of organisational ratings in a peer review approach. This took place with our Trust, North Tees and Hartlepool NHS Foundation Trust and the NENC ICB in October 2022.

In addition, an internal audit was also undertaken on a sample of the Trust's self-assessment that received a substantial assurance rating in October 2022. This was based on an assessment of the processes and controls used to formulate our self-assessment.

A summary of our standards submission assessment scores against the respective core standards is provided below:

Domain	Total Applicable Standards	Fully Compliant	Partially Compliant	Not Compliant	Not Applicable
Governance	6	6	0	0	0
Duty to risk assess	2	2	0	0	0
Duty to maintain plans	11	8	3	0	0
Command and control	2	1	1	0	0
Training and exercising	4	2	2	0	0
Response	7	7	0	0	0
Warning and informing	4	4	0	0	0
Cooperation	4	3	1	0	0
Business continuity	10	6	4	0	0
CBRN	14	11	3	0	0
Total	64	50	14	0	0

Deep Dive	Total Applicable Standards	Fully Compliant	Partially Compliant	Non Compliant	Not Applicable
Evacuation and Shelter	13	10	3	0	0
Total	13	10	3	0	0

This assessment shows that the Trust's current compliance is **78%** which provides a rating of **partial compliance** (as of 20 September 2022).

An action plan has been produced which outlines mitigating actions for those areas of partial compliance and a timeline to enhance Trust resilience. The priorities include:

- Review of the Mass Casualty and Major Incident Plan;
- Review of the Adverse Weather Plan (as part of the Winter Planning for 2023-24);
- Implementation of a new Business Continuity Management System;
- Continued training and exercising across a number of domains; and
- Review of evacuation and shelter.

Our aim is to place ourselves in the best possible position for the 2023 NHSE Core Standards programme.

Addressing health inequalities

We developed a Health Inequalities strategy which aligns to the Gateshead Health and Wellbeing Strategy. Our aim is that the people of Gateshead will live more years in good health, closing the gap in healthy life expectancy between people living in the most and least disadvantaged communities in Gateshead. We are seeking to ensure that people's experience of using services will be better. Our staff will be working in a way that embraces our organisation's core values and beliefs, ensuring our planned care reflects what is affordable and sustainable to meet the health needs for the community of Gateshead.

We are using the framework for action across the NHS: Core20plus5 is NHS England's new approach to tackling health inequalities for both adults and children to identify the key actions to address Health Inequalities and an improvement plan has been developed. Progress against these plans is presented to the Health Inequalities Board which has representatives from across the Trust as well as our partners in public health.

We have continued to develop our Acute Tobacco Service, alcohol navigators, and have appointed a homelessness nurse. Service developments have also included areas such as, learning disabilities, translation services, admiral nurses, working with local foodbanks as well as carrying out health inequalities and clinical research.

Social, community, anti-bribery and human rights issues

We recognise the importance of developing strong links with the communities we serve and working collaboratively with our partners to ensure that we are not only responsive, but proactive in our approach to meeting current healthcare and community needs.

In 2022/23 we continued to work closely with Citizens' Advice Gateshead (CAG) to support the social welfare needs of both our patients and our people. We work alongside CAG to ensure our cancer service patients receive easy, direct access to social welfare advice, information and advocacy services

The CAG team work closely with our health and wellbeing team to ensure we promote and support our colleagues to access this service. This has been particularly important given the cost of living increases that we have experienced in 2022/23. 62 of our people were supported by CAG and through this support over a third were better off, either through financial gain, a reimbursement, referral for charitable support or the rescheduling of payments. On average these individuals saw an annual increase in income of £3,500.

In respect of anti-bribery, there is a Counter-Fraud, Bribery and Corruption Policy in place with regular updates on activity and investigations provided to the Group Audit Committee. The policy was revised and launched in April 2022 and now includes a new counter-fraud champion role, whose role is to support and promote the fight against fraud at both strategic and operational levels, working alongside the Local Counter Fraud Specialist. The Local Counter Fraud Specialist ensures that fraud awareness is communicated and promoted to Trust colleagues through regular articles in the weekly staff newsletter.

We are fully committed to meeting our obligations in respect of human rights, equality, diversity and inclusion (EDI). Our Human Rights and EDI programme board continued to oversee several workstreams and help us to progress in this area.

Equality of service delivery

As an NHS organisation, we aim to provide our services to all groups equally. We are subject to the Public Sector Equality Duty, which was introduced as part of the Equality Act 2010 and requires NHS organisations to eliminate unlawful discrimination, advance equality of opportunity and foster good relations.

The Trust has continued to meet its obligations in respect of the Public Sector Equality Duty by:

- Gathering specific and relevant data as per the EDI metrics for both the Workforce Race and Disability Standards (WRES /WDES);
- A specific detailed EDI action plan in respect of these metrics has been produced and has measurable outcomes; and
- A Human Rights Equality Diversity and Inclusion Programme Board meets on a six weekly basis. This is chaired by the Deputy Director of Corporate Services and Transformation.

The Trust has launched a three day training programme aimed at managers. There have been 26 cohorts since it was launched and 307 managers have attended. One of the programme sessions is focussed on EDI. The sessions are also interactive and the programme (including the EDI session) has evaluated well with 100% of participants stating

that the programme fully met their expectations. EDI is also part of the induction programme for all new employees to the Trust. A bespoke EDI session is also offered to all of the international nurses.

The Trust has signed up to work with Stonewall - a charity dedicated to ensuring that every single lesbian, gay, bi and trans person is accepted without exception. We believe that partnering with Stonewall will help us drive real change.

We ensure that colleagues have access to appropriate learning and development opportunities in respect of EDI. This ensures that we can support the needs of our service users with protected characteristics.

Following the Health and Care Act 2022, the Government introduced a requirement for CQC registered service providers to ensure their employees receive learning disability and autism training appropriate to their role. This is to ensure health and social care workforce have the right skills and knowledge to provide safe, compassionate, and informed care to autistic people and people with a learning disability. We have taken steps to address this and an initial session around neurodiversity has been delivered. Further sessions are being planned for rollout during 2023/24.

Some of our achievements in relation to EDI are as follows:

- Drop-in sessions pertinent to disability have been hosted by the D-Ability Network members;
- The BAME group contributed significantly in ensuring the Trust celebrated Black and South Asian History month; and
- Members of the LGBTQ+ group were involved in the local Pride events.



Gateshead has a significant Jewish community, and we work closely with volunteers from the community who help us to ensure that we are respectful of strict cultural practices and provide tailored support to our patients.

Further information on our commitment to EDI can be found in the Staff Report section.

Trudie Davies
Chief Executive
28 June 2023

Accountability Report

Directors' Report

The Board of Directors is responsible for the overall leadership and strategic direction of the Trust. The Board is comprised of Executive and Non-Executive Directors.

The Board operates a committee structure, with each committee responsible for seeking assurance on matters within its remit. The Board delegates some of its powers to a committee of Directors or to an individual Executive Director and these are set out in the Trust's scheme of delegation. Decision making for the operational running of the Trust is delegated to the Executive Team.

Our Chair and Chief Executive have complementary roles in leadership. Our Chair, Alison Marshall, leads the Board of Directors and ensures its effectiveness. The Chair of the Board also chairs our Council of Governors. The Chair is supported by the Vice Chair and Senior Independent Director, Mike Robson. Our Chief Executive, Trudie Davies, leads the Executive Team and the organisation.

All Directors are required to comply with the requirements of the fit and proper persons test and make an annual declaration of compliance in this regard. All Directors also have a responsibility to declare relevant interests, as defined within our Constitution. A copy of the register of interests is available on request from the Company Secretary (contact details are contained at the end of the Annual Report).

The Code of Governance requires that the Chair's interests are disclosed as part of the Annual Report. The Chair's interests have not changed since her initial appointment. Alison Marshall is a Non-Executive Director of Northern Powergrid (Northeast) plc and Northern Powergrid (Yorkshire) plc, as well as being an ambassador for North Northumberland Hospice Care.

Board composition

The Board of Directors has a range of skills and experience gained from the public, private and voluntary sectors that complement the Trust's service delivery. This includes a wealth of senior experience in the NHS, finance, legal, people and organisational development and senior clinical experience and expertise. The Board of Directors is well-balanced and appropriately experienced and qualified to lead the Trust.

Our Non-Executive Directors bring strong, independent oversight to the Board and all our Non-Executive Directors are independent.

During 2022/23 there were several changes in Board composition.

Yvonne Ormston MBE, Chief Executive, retired in February 2023 after nearly 38 years of service to the NHS. She had served as an Executive Director on the Board from 2005 to 2014, returning to Gateshead Health in 2019 to become the Chief Executive. Yvonne led the organisation through the pandemic, as well as playing a leading role in coordinating the pathology services across the North East and North Cumbria.

In March 2023 we welcomed Trudie Davies as the new Chief Executive. Trudie brings with her a wealth of experience and knowledge, having worked in the NHS for over 30 years, most recently as Deputy Chief Executive and Chief Operating Officer at Mid Yorkshire Hospitals NHS Trust.

In September 2022, Jackie Bilcliff, Group Director of Finance and Digital and Deputy Chief Executive, left the Trust to join the Board of Newcastle-upon-Tyne Hospitals NHS Foundation Trust. The Board welcomed Kris Mackenzie to the role of Group Director of Finance and Digital. Kris had worked at the Trust since 2018 in a number of senior finance roles and has worked in NHS finance for over 20 years.

Dr Mojgan Sani, Associate Non-Executive Director, left the Board in May 2022 following the completion of her placement with the Trust as part of the NHS England NExT Director development scheme. The scheme is aimed at taking positive action to increase the diversity of the NHS talent pool of people who aspire to be NHS non-executive directors.

In May 2022 the Council of Governors approved the re-appointment of Alison Marshall, Chair, for a second term of three years, which commenced on 1 October 2022. In February 2023 the Council of Governors approved the re-appointment of Hilary Parker and Andrew Moffat, Non-Executive Directors, for a second term of three years commencing on 1 July 2023.

As at the year-end the process for the recruitment of two new Non-Executive Directors had commenced in anticipation of Dr Ruth Bonnington and Councillor Martin Gannon completing their second terms at the end of June 2023.

In respect of our wholly-owned subsidiary, QE Facilities, there have also been a number of changes in Board composition. John Robinson, QE Facilities Non-Executive Director, reached the end of his tenure on 30 September 2022. On the recommendation of the QE Facilities' Board, the Trust Board approved the appointment of Maggie Pavlou to the position of QE Facilities' Non-Executive Director from 1 October 2022 to 30 September 2024 (coterminous with her first term as a Non-Executive Director on the Trust Board).

Ben Walker, QE Facilities Finance Director, left the company in October 2022, with the role being undertaken by Philip Glasgow initially on an interim basis, with his substantive appointment confirmed post-year end.

Anthony Robson, QE Facilities Managing Director, left the company at the end of March 2023 to pursue new opportunities. Anthony had worked for Gateshead for nearly 40 years, where he had started his career. Steven Harrison was appointed as Interim Managing Director, commencing in post in early April 2023.

The Trust Board of Directors would like to formally record its sincere thanks to all Board colleagues who left the Trust and QE Facilities during 2022/23.

The Trust Board held 19 meetings in total in 2022/23 (counting public and private Board meetings separately). Where Board Members were not eligible to attend certain meetings, an adjusted denominator is shown (for example private Council of Governors' meetings or where a Board Member served on the Board for only part of the year).

Name and Position	Background	Board 19 meetings in total	Group Audit Committee 7 meetings in total	Board Remuneration Committee 7 meetings in total	Council of Governors 8 meetings in total
Executive Directors					
Trudie Davies, Chief Executive (from March 23)	Trudie joined the Trust from Mid Yorkshire Hospitals NHS Trust where she had held the role of Deputy Chief Executive and Chief Operating Officer. Originally training as a nurse, Trudie has significant operational management experience and system leadership experience.	3 of 3	N/a	0 of 0	0 of 0
Yvonne Ormston, Chief Executive (to February 23)	Yvonne joined the organisation from the North East Ambulance Service in June 2019 where she has been a CEO for more than four years. Prior to that she was the Deputy Chief Executive with this Trust for ten years.	15 of 16	N/a	2 of 2	7 of 8
Kris Mackenzie, Group Director of Finance and Digital (from September 22)	Kris joined the Trust in 2018 as Assistant Director of Finance, having previously held the position of Senior Finance Lead at NHS Improvement. Kris became Deputy Director of Finance in 2019, was Acting Group Director of Finance during the 2021/22 financial year and substantively appointed to the role in September 22.	13 of 13	5 of 5 (since joining the Board)	N/a	3 of 8
Jaqueline Bilcliff, Group Director of Finance and Digital and Deputy Chief Executive (to September 22)	Jackie Bilcliff was our Group Director of Finance and Digital and had worked for the Trust since 2014. Jackie qualified in 1996 with CIPFA and has held several positions within the private, health, and criminal justice sectors. Jackie was also Deputy Chief Executive from January 2022.	4 of 7	2 out of 2	N/a	2 of 2
Joanne Baxter, Chief	Joanne joined the Trust in June 2020 as the Chief	15 of 19	N/a	N/a	3 of 8

Name and Position	Background	Board 19 meetings in total	Group Audit Committee 7 meetings in total	Board Remuneration Committee 7 meetings in total	Council of Governors 8 meetings in total
Operating Officer	Operating Officer. She is an experienced Executive Director having worked at Executive level since 2013 and brings a wealth of experience from over 30 years in the NHS. She is also a registered nurse by background. She joined the Trust from North East Ambulance Service where she was Executive Nurse and Director of Quality Safety Innovation and Improvement.				
Andy Beeby, Medical Director	Andy has been a consultant obstetrician and gynaecologist for the Trust since 1995 and Trust Medical Director since 2016. He is the Trust's Caldicott Guardian responsible for overseeing the appropriate use of personal information. He is joint Senior Responsible Officer for the North East and North Cumbria Local Maternity and Neonatal System.	13 of 19	N/a	N/a	3 of 8
Lisa Crichton-Jones, Executive Director of People and Organisational Development	Lisa joined the trust in October 2020 as Executive Director of People and OD. She is an experienced NHS HR Director, having worked at Executive Level since 2012 and in the NHS since 1999. She has experience working in large complex trusts as well as some time as the first Director of Workforce for the North East and North Cumbria Integrated Care System. She	16 of 19	N/a	6 of 7	3 of 8

Name and Position	Background	Board 19 meetings in total	Group Audit Committee 7 meetings in total	Board Remuneration Committee 7 meetings in total	Council of Governors 8 meetings in total
	is a Governor at Gateshead College.				
Dr Gillian Findley, Chief Nurse	Gill trained as a Registered General Nurse and a Registered Sick Children's Nurse at Great Ormond Street in London. Since qualifying Gill has held various clinical and managerial positions in Leeds, Newcastle, and Durham. Most recently Gill worked in the County Durham Clinical Commissioning Group where she was the Director of Nursing. Gill has also undertaken secondments in Bradford and District Care Trust and Tees, Esk and Wear Valley's NHS Trust.	16 of 19	5 of 7	N/a	6 of 8
<i>Non-Executive Directors</i>					
Alison Marshall, Chair (reappointed for a second term commencing 1 October 22)	Alison Marshall has been Chair since October 2019, having previously been a non-executive director at Northumbria Healthcare NHS Foundation Trust. Before working in the NHS, Alison was a partner in a large law firm specialising in regulatory law and dispute resolution advising clients from both the public and private sector.	19 of 19	N/a	7 of 7	8 of 8
Mike Robson, Vice Chair and Senior Independent Director (second term ends 30 June 24)	Mike is a public sector accountant. He worked in the NHS for over 34 years having been Director of Finance and Corporate Governance and Deputy Chief Executive at South Tyneside NHS Foundation Trust. He previously carried	16 of 19	N/a	6 of 7	8 of 8

Name and Position	Background	Board 19 meetings in total	Group Audit Committee 7 meetings in total	Board Remuneration Committee 7 meetings in total	Council of Governors 8 meetings in total
	out a similar role at the Royal Victoria Infirmary, Newcastle.				
Dr Ruth Bonnington (second term ends 30 June 23)	Ruth has been a GP in Gateshead since 1995 and works in a small practice in Bensham. She has been on the Trust Board as a Non-Executive Director since 2017 and is now Chair of the People and OD Committee as well as being health and wellbeing guardian.	15 of 19	N/a	4 of 7	3 of 8
Councillor Martin Gannon (second term ends 30 June 23)	Martin has been Non-Executive Director of Gateshead Health NHS Trust since July 2017. Martin was elected as a member of Gateshead Council in 1984 and served in various roles including Deputy Leader for six years, before being elected as Leader of the Council in May 2016.	15 of 19	N/a	1 of 7	8 of 8
Hilary Parker (reappointed for a second term commencing 1 July 23)	Hilary joined the Trust Board in July 2020. She became the Chair of the Trust's wholly owned subsidiary company QE Facilities in October 2020. She has a wide experience in both the public and private sectors. She was a partner in a solicitors' practice for 30 years and was also a non-executive director of the Newcastle Hospitals NHS Foundation Trust for many years.	15 of 19	5 of 7	6 of 7	3 of 8
Andrew Moffat (reappointed for a second term)	During his executive career, Andrew has gained experience in the water, telecommunications and ports sectors, occupying	19 of 19	7 of 7	7 of 7	8 of 8

Name and Position	Background	Board 19 meetings in total	Group Audit Committee 7 meetings in total	Board Remuneration Committee 7 meetings in total	Council of Governors 8 meetings in total
commencing 1 July 23)	senior financial, commercial and strategic roles both in the UK and internationally. He was Strategy Director at Orange, Chief Finance Officer at Three (Italy), CFO at Three (UK) and after joining the Port of Tyne as Finance and Commercial Director in 2007 became Chief Executive for 10 years until 2018. He has sat on several regional regeneration Boards including the North East LEP, where he also chaired its Investment Board.				
Anna Stabler (first term commenced 1 July 21)	Anna has worked in the NHS for over 35 years and has worked clinically as a nurse, midwife and health visitor. Anna has worked in senior leadership positions across the NHS in commissioning, regulation and provider services. Her most recent role was as the Executive Chief Nurse in Cumbria. She maintains her registration as a nurse and midwife.	17 of 19	6 of 7	6 of 7	6 of 8
Maggie Pavlou (first term commenced 1 October 21)	Maggie joined the Trust in October 2021. Maggie is a qualified HR professional with extensive experience operating at Board level. Most recently Maggie was the Chief People Officer for Parkdean Resorts. Maggie also has significant experience of non-executive director and trustee roles and was the first female president and chair of the North East Chamber of Commerce. Maggie joined the Board of	15 of 19	3 of 7	6 of 7	6 of 8

Name and Position	Background	Board 19 meetings in total	Group Audit Committee 7 meetings in total	Board Remuneration Committee 7 meetings in total	Council of Governors 8 meetings in total
	QE Facilities on 1 October 22.				
Dr Mojgan Sani , Associate Non-Executive Director (to 31 May 2022)	Mojgan has a background in pharmacy. She joined the Trust on 1 December 2020 as an Associate Non-Executive Director via the NEXt Director scheme. This is a placement to provide the opportunity to learn first-hand about challenges and opportunities associated with being a Non-Executive Director in the NHS today.	0 of 3	N/a	0 of 1	0 of 2

Board appointments and performance

The appointment, re-appointment and, if appropriate, removal role of the Chair and Non-Executive Directors is the responsibility of the Council of Governors. The Council of Governors delegates responsibility to its Governor Remuneration Committee to oversee these processes and make recommendations to the full Council of Governors. Chair and Non-Executive Director appointments are made based on three-year terms, with appointees serving no more than two terms unless exceptional circumstances arise.

Executive Directors are appointed by the Board's Remuneration Committee, which is chaired by the Board Chair with all Non-Executive Directors being members of the Committee. The Executive Director of People and Organisational Development acts as the professional advisor to the Committee, which is also routinely attended by the Chief Executive (except during discussions on her own remuneration). Further information about the Remuneration Committee can be found within the Remuneration Report section.

A robust appraisal process is in place for all Directors. The Chair appraises the Chief Executive, and the Chief Executive carries out performance reviews of the other Executive Directors.

The Chair undertakes the performance review of Non-Executive Directors, and the outcomes of these appraisals are reported to the Council of Governors. During 2022/23, as in previous years, the performance review of the Chair was led by the Senior Independent Director in accordance with a process agreed by the Council of Governors which is in line with the NHS Code of Governance. The outcome was then reported to the Council by the Senior Independent Director.

Group Audit Committee

The Group Audit Committee is a formal committee of the Board with delegated responsibility to conclude upon the adequacy and effective operation of the overall internal control system including an effective system of integrated governance and risk management. The Audit Committee is a Group Audit Committee, overseeing the controls, governance and risk environment of Gateshead Health NHS Foundation Trust and QE Facilities.

The Committee receives the internal and external audit work plans and reports, as well as the counter-fraud work plan, updates and reports.

The Committee also routinely reviews and approves the schedule of losses and special payments, as well as receiving updates on the work of the Group's Executive Risk Management Group.

In 2022/23 the Committee:

- Reviewed the annual report, financial statements and other year-end submissions for the Trust and the Charitable Fund before making recommendations to the respective Boards on the approval of these key documents;
- Reviewed the year-end accounts for QE Facilities, which had been submitted following the approval of the QE Facilities Board;
- Sought assurance over the robustness of risk management processes including the Board Assurance Framework (BAF), with regular update reports from the Executive Risk Management Group. This also helped to provide assurance over the work of the Board committees;
- Reviewed and commented upon the draft Risk Management Strategy as part of its consultation;
- Reviewed Internal Audit updates throughout the year, including providing input on the draft plans presented at the beginning of the year. Progress in implementing audit recommendations was reviewed at each meeting;
- Approved the counter fraud annual work plan and received progress updates as well as updates on ongoing investigations;
- Reviewed the external audit reports in respect of the 2021/22 year-end, as well as the external audit plan for 2022/23;
- Approved the losses and special payment reports;
- Reviewed the clinical audit annual report, seeking assurance over the processes and controls in place to develop and deliver the plan; and
- Reviewed the effectiveness of internal audit, external audit, counter-fraud and the effectiveness of the Committee itself. This was undertaken in a multi-disciplinary way with the aim of identifying good practice and any areas for consideration going forwards.

Mazars LLP are the Trust's external auditor, as appointed by the Council of Governors. The audit of the 2022/23 accounts is the second year of an initial three year contract. Mazars LLP's fee for the core audit work for 2022/23 was £95k.

Mazars LLP also undertake the audit of QE Facilities and a fee of £16k is proposed for 2022/23.

Mazars LLP had been contracted to complete the independent examination of the Charitable Fund for 2021/22, but due to capacity this was not possible and Robson Laidler were appointed as an interim measure to complete the audit before the statutory deadline of 31

January 2023. The fee for this work was £5,400. Robson Laidler will undertake the 2022/23 audit for the same fee.

During the year no non-audit services were provided (except for the audit of the subsidiary company and the independent review of the Charitable Fund accounts). These services are excluded from the National Audit Office's 70% threshold for non-audit services work.

The internal audit function for the Trust and QE Facilities continues to be provided by the NHS Audit Consortium AuditOne. AuditOne also provide the counter-fraud service to the Trust.

Council of Governors

The Council of Governors continues to play a key role in the work of the Trust. The Council of Governors comprises of:

- Seven public governors representing the Central Gateshead constituency;
- Six public Governors representing the Western Gateshead constituency;
- One public Governor representing the Eastern Gateshead constituency (and two vacant positions at the year-end);
- One public Governor representing the Patient / Out-of-Area constituency;
- Six staff Governors representing the views and interests of the colleagues; and
- Four appointed Governors representing the Trust's key stakeholders and partners (and five vacancies at the year-end).

The Council of Governors has several important statutory duties, including appointing and re-appointing the Chair and the Non-Executive Directors, determining their remuneration and terms of service, and approving the appointment of the Chief Executive.

The Council of Governors represents the interests of Foundation Trust public and staff members within the constituencies served, the public and more generally the interests of the stakeholders who hold a position at the Council.

The Council of Governors also holds the Non-Executive Directors to account for the performance of the Board. In setting the Trust's strategy and annual plans the Board have regard for the views of the Council of Governors.

All Governors are required to comply with the Code of Conduct for Governors and to declare any interests which may result in a potential conflict of interest in their role. A copy of the register of interests can be obtained from the Company Secretary using the contact details at the end of the Annual Report.

The Council of Governors met four times in public and four times in private during the year. The Council received weekly email bulletins to inform Governor colleagues of the latest updates and developments throughout the year.

In addition Governor workshops were held in May 2022, November 2022 and January 2023. This included opportunities to engage in the development of the corporate strategy, Quality Account for 2022/23 and the annual plan for 2023/24.

The November workshop was a full day training event, which was delivered by NHS Providers. This included topics such as the role of the Governor, the role of Governors in system working and holding to account. An action plan was developed following the training and the Governance and Development Committee has monitored the implementation of the agreed actions.

The Governance and Development Committee met for the first time in June 2022. This is a new Governor committee, which is chaired by the Lead Governor, and seeks to review a range of governance-related items on behalf of the Council. The Committee then makes recommendations to the Council where appropriate. During the year the Committee reviewed draft versions of key NHS England governance documents to inform the Trust's consultation response. This includes the new Code of Governance and the Addendum to the Guide for Governors. The Committee also undertook the first review of a proposed constitutional change, as well as the results of the Council of Governors' effectiveness survey.

The Governor Remuneration Committee is chaired by Chris Toon, Appointed Governor for Gateshead College. The Committee met 3 times during the year to consider items within its remit, including Non-Executive Director remuneration, the re-appointment of the Chair and Non-Executive Directors and to commence the recruitment to two Non-Executive Director posts. The Committee made recommendations to the Council of Governors on these items.

Information on the Membership Strategy Group is included in the *Foundation Trust membership* section.

During 2022/23 the Council of Governors considered a range of items, which included:

- Ratifying the re-appointment of the Chair and two Non-Executive Directors – Hilary Parker and Andrew Moffat;
- Approving the appointment of the Chief Executive;
- Approving the appointment of the Lead Governor;
- Providing valuable input into the Quality Account for 2022/23;
- An overview of the engagement work being undertaken with schools and colleges in the local area to encourage young people in the community to consider a career with the Trust;
- Approving several constitutional amendments to modernise our membership categories and ensure that they are fit for purpose;
- Receiving Board committee presentations from each Non-Executive Director chair, supporting the Council in its role of holding Non-Executive Directors to account;
- Engaging in the annual planning process and providing feedback on the draft plans;
- Reviewing the outcome of the Council of Governors' effectiveness survey to shape future ways of working; and
- Receiving an assurance report on the outcome of the Chair and Non-Executive Director appraisals, with Governor input into the process via the Lead Governor.



Governor elections 2022/23

Elections in both public and staff constituencies are undertaken on behalf of the Trust by Civica Election Services who are engaged to act as the Returning Officer and Independent Scrutineer for the election process of Gateshead Health NHS Foundation Trust.

Elections were held for nine public Governor positions and two staff Governor positions. Contested elections were held for our Central Gateshead and staff constituencies, with Eastern and Western Gateshead seats unopposed. Two vacancies remained in Eastern

Gateshead, but all other seats were filled. The terms for our elected Governors commenced on 5 January 2023.

We welcomed five new Governors:

- Ray Dennis, Public Governor for Western Gateshead;
- Gordon Main, Public Governor for Western Gateshead;
- Mark Learmouth, Public Governor for Central Gateshead;
- Kiran Singiseti, Staff Governor; and
- Lynsey Curry, Staff Governor.

We welcomed back public Governors Des Costello, Les Brown, Abe Rabin, Steve Connolly and Helen Jones for a further term.

The table below shows the composition of the Council during the 2022/23 financial year, including the term dates of Governors and their attendance at the Council of Governors meetings. Where Governors were not eligible to attend certain meetings, an adjusted denominator is shown (for example where a Governor served on the Council for only part of the year).

Constituency	Governor	Term	Council of Governors meetings attended (maximum of 8)
Central			
	Eileen Adams	Third term: 5 January 2020 – 4 January 2023 <i>Left the Council 14 October 2022</i>	0 of 3
	John Bedlington	First term: 5 January 2019 – 4 January 2022 Second term: 5 January 2022 – 4 January 2025	5 of 8
	Helen Jones	First term: 5 January 2017 – 4 January 2020 Second term: 5 January 2020 – 4 January 2023 Third term: 5 January 2023 – 4 January 2026	5 of 8
	Abe Rabinowitz	First term: 5 January 2017 – 4 January 2020 Second term: 5 January 2020 – 4 January 2023 Third term: 5 January 2023 – 4 January 2026	6 of 8
	Karen Tanriverdi	First term: 5 January 2018 – 4 January 2021 Second term: 5 January – 4 January 2024	8 of 8
	Brenda Webb	First term: 5 January 2022 – 4 January 2025	0 of 8
	Steve Connolly	First term was served as a staff Governor prior to a constitutional change. Third term: 5 January 2023 – 4 January 2026	2 of 2
	Mark Learmouth	First term: 5 January 2023 – 4 January 2024	2 of 2
Western			

Constituency	Governor	Term	Council of Governors meetings attended (maximum of 8)
	Les Brown	First term: 5 January 2020 – 4 January 2023 Second term: 5 January 2023 – 4 January 2026	6 of 8
	Chris Hulley	First term: 5 January 2020 – 4 January 2023 <i>Left the Council on 4 January 2023</i>	0 of 6
	Michael Lamport	First term: 5 January 2018 – 4 January 2021 Second term: 5 January 2021 – 4 January 2024	1 of 8
	Ged Quinn	First term: 5 January 2022 – 4 January 2025	1 of 8
	Geoffrey Riddell	First term: 5 January 2021 – 4 January 2024	3 of 8
	Gordon Main	First term: 5 January 2023 – 4 January 2025	2 of 2
	Ray Dennis	First term: 5 January 2023 – 4 January 2026	2 of 2
Eastern			
	Des Costello	First term: 5 January 2020 – 4 January 2023 Second term: 5 January 2023 – 4 January 2026	0 of 8
	Alan Dougall	First term: 5 January 2020 – 4 January 2022 Second term: 5 January 2022 – 4 January 2025 <i>Left the Council 24 October 2022</i>	0 of 3
	Barry Turnbull	First term: 5 January 2022 – 4 January 2025 <i>Left the Council 10 May 2022</i>	0 of 0
	<i>2 vacancies remain</i>		
Patient / Out of Area			
	Agatha Kanyangu	First term: 5 January 2022 – 4 January 2024	1 of 8
Staff			
	Helen Adams	First term: 5 January 2022 – 4 January 2024	7 of 8
	Steve Connolly	First term: 5 January 2021 – 4 January 2024 <i>Resigned 30 September 2022 due to constitutional change</i>	2 of 2
	Claire Ellison	First term: 5 January 2017 – 4 January 2020 Second term: 5 January 2020 – 4 January 2023 <i>Left the Council on 4 January 2023</i>	0 of 6
	Andrew Lowes	First term: 5 January 2022 – 4 January 2025	5 of 8
	Richard Morrell	First term: 5 January 2022 – 4 January 2025	3 of 8
	Marceline Ndam	First term: 5 January 2021 – 4 January 2024	2 of 8

Constituency	Governor	Term	Council of Governors meetings attended (maximum of 8)
	Kiran Singiseti	First term: 5 January 2023 – 4 January 2026	2 of 2
	Lynsey Curry	<i>First term:</i> 5 January 2023 – 4 January 2024	2 of 2
Appointed			
Northumbria University	Professor Debbie Porteous		3 of 8
Newcastle University	Dr Laura Ternent		1 of 8
Gateshead College	Chris Toon		6 of 8
Gateshead Jewish Community	Aron Sandler		3 of 8
<i>Gateshead Diversity Forum</i>	<i>Vacancy</i>		
<i>Gateshead Youth Assembly</i>	<i>Vacancy</i>		
<i>Gateshead Voluntary Organisation</i>	<i>Vacancy</i>		
<i>Newcastle Gateshead Clinical Commissioning Group</i>	<i>Vacancy</i>		
<i>Gateshead Council</i>	<i>Vacancy</i>		

Governor training and development

During 2022/23 we provided our Governors with a number of training and development opportunities. This included a comprehensive induction, opportunities to attend external courses and a full day of external training delivered by NHS Providers' Governwell team. Quarterly Governor workshops are diarised throughout 2023/24 to protect time for further training, development and engagement out-with the Council meetings.

Lead and Deputy Lead Governors

The Council of Governors appoints a Lead Governor and a Deputy Lead Governor on an annual basis. In 2022/23 the Council appointed Abe Rabin as the Lead Governor, having previously served as Deputy Lead Governor and Acting Lead Governor. There were no expressions of interest for the Deputy Lead Governor role in 2022/23 and the post therefore remained vacant.

The process for appointing the Lead and Deputy Lead Governors for 2023/24 commenced in February 2023 and prior to the year-end it was confirmed that Abe Rabin would continue in his role of Lead Governor for a further period of one year, commencing on 19 May 2023. The nomination and voting period for the Deputy Lead Governor was underway at the year-end, with subsequent confirmation that Steve Connolly, Public Governor for Gateshead Central would take up post on 19 May 2023.

The Board's relationship with the Council of Governors

The Board of Directors and the Council of Governors work together closely throughout the year. All Board Members are invited to attend all meetings of the Council of Governors. Non-Executive Directors are also invited to attend quarterly Governor workshops.

There are two Governor observers appointed to attend specific Board committees. The Governor observers have an opportunity to meet with the Non-Executive Director chairs of the committees to share feedback following the meeting. The Governor observers also share feedback privately with Governor colleagues, supporting them to discharge the role of holding Non-Executive Directors to account.

The standing orders for the Board of Directors details the procedure through which the Council of Governors can raise concerns about the Board of Directors, as required by the Code of Governance.

Foundation Trust membership

Foundation Trust membership seeks to give local people and staff a greater influence on how our services are provided and developed.

There are several different constituencies to which our members belong. Those eligible to become public members are people over the age of 16 who live in Gateshead and the immediate surrounding area which is divided into three constituencies: Western; Central; and Eastern Gateshead. We also have an Out-of-Area constituency, which was broadened this year to be coterminous with the geographical boundaries of the North East and North Cumbria Integrated Care System (NENC ICS). Previously this had included County Durham, Newcastle, North Tyneside, Northumberland, South Tyneside and Sunderland. Broadening the constituency to align with the NENC ICS boundaries fits with the role of the Board and Council to now consider the public at large across the entire ICS when decisions are made and operate for the greatest benefit of people living within the ICS.

People over 16 years of age, living in these areas who wish to become a public member of Gateshead Health NHS Foundation Trust, must complete and have accepted a membership application form. Members can vote to elect Governors for their constituency and can choose to be nominated to stand for election as a Governor.

Patient membership is available to individuals who live outside constituency areas but who have used any of the Trust's services within the seven years immediately preceding the date of their application for membership. Patient members are included in the Out of Area constituency.

As of 31st March 2023, the total number of public members was 12,958, compared to 13,344 at 31st March 2022. Our public membership profile as at 31st March 2023 was as follows:

Population/Public Membership Ratio at 31st March 2023				
	Western	Central	Eastern	Out of Area
Population	77,471	92,828	41,615	Unknown
Membership	3,416	6,792	2,225	525
%	4.4	7.3	5.3	Unknown

We are committed to ensuring that NHS Foundation Trust membership is representative of the whole community. An analysis of membership shows that ethnic makeup is higher than that of the Gateshead demographics. The membership is over represented by people aged over 75 and is under represented in all other age groups.

	Population Demographics	Membership Demographics
Gender		
Male	48.4%	34.9%
Female	51.6%	64.9%
Unknown		0.2%
Age		
Under 16*	19.3%	n/a
16 – 19	4.9%	0.3%
20 – 29	11.4%	4.8%
30 – 59	41.6%	37.0%
60 – 74	15.2%	27.1%
75 and over	7.6%	29.8%
Age unknown		1.4%
Ethnic Breakdown		
White	98.4%	90.2%
Other	1.6%	2.5%
Unspecified		7.3%

Staff directly employed by the Trust or its subsidiary, QE Facilities, are automatically Foundation Trust members for the duration of their employment, unless they choose to 'opt out'. Employees of the Trust cannot be public members.

Staff whose services are contracted for by the Trust, staff not employed by the Trust but who in effect work in and with the Trust for most of their time, and volunteers are given the same status as staff, if they wish, provided they have worked with the Trust for a minimum of one year.

The number of staff members as at 31st March 2023 was 5,179 (compared to 4,891 members as at 31st March 2022).

Governor engagement with members began to recommence in 2022/23. The Membership Strategy Group met for the first time since the start of the pandemic and have begun to discuss plans to re-engage with the Trust's membership and recruit new members. Governor colleagues helped to promote membership to the local community at the Open Day which was held in October 2022.



Mandatory declarations

The Directors consider the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS Foundation Trust's performance, business model and strategy.

Well-led arrangements

The Board has demonstrated due regard to well-led principles and the well-led framework throughout the year. This included commissioning an independent review of compliance with the well-led aspect of the CQC framework. This work was undertaken by the Good Governance Institute (GGI) and involved a desktop review of documentation, interviews, focus groups and observations of the Board and Board committees.

The review concluded in March 2023 with GGI concluding that *'overwhelmingly, we found that the Trust was safe, caring, effective, responsive and well-led'*. The review identified some areas for further development and improvement, as well as areas of good practice. At the year-end a comprehensive thematic review was being undertaken to collate and analyse feedback from a number of sources and identify any additional workstreams needed to support the implementation of improvements. This demonstrates a commitment to continuous improvement and a focus on the importance of ensuring effective governance.

There are no material inconsistencies between the annual governance statement, corporate governance statement and reports from CQC.

Patient care

Continuously improving the quality and safety of our services for patients is one of our strategic aims under the new corporate strategy, which was launched in May 2022. Providing high quality and compassionate care is at the heart of everything we do.

2022/23 saw the reintroduction of the Commissioning for Quality and Innovation (CQUIN) financial incentive scheme, which had been suspended during the first two years of the pandemic. A notional monetary total of £2.781m of the Trust's income in 2022/23 was conditional upon achieving quality improvement and innovation during the year.

Overview of performance against key quality targets

The Quality Governance Committee and the Board of Directors monitor performance against several key quality targets, mapped against the CQC key lines of enquiry through the Trust's Integrated Oversight Report.

Quality is measured through three key domains – patient safety, clinical effectiveness and patient experience. Trust performance is measured against a mixture of nationally mandated indicators and locally determined measures.

The Summary Hospital-level Mortality Indicator (SHMI) reports death rates (mortality) at a Trust level across the NHS in England and is regarded as the national standard for monitoring of mortality. The SHMI has improved during the year (December 2021 to November 2022) and is now lower than expected. The Trust reviews its SHMI monthly at the Mortality and Morbidity Steering group.

The Hospital Standardised Mortality Ratio (HSMR) shows a reduction compared to the previous year, with a figure of 100.1 for the period February 2022 to January 2023, which is just slightly higher than the threshold of 100. During the year we have triangulated

information from several sources to gain a better understanding of mortality trends. This includes triangulating information from the work of our Medical Examiner, mortality reviews, mortality alerts and serious incidents (SIs). This has led to in-depth reviews in some areas, such as around heart failure cases, identifying aspects of good practice and opportunities for learning.

Measure	2020/21	2021/22	2022/23	Target
HSMR	107.0	114.4	100.1*	<100
SHMI Period	Apr 20 to Mar 21	April 21 to March 22	Dec 21 to Nov 22	
SHMI	1.00	1.01	0.87	<=1
SHMI Banding	As expected	As expected	Lower than expected	As expected or lower than expected

*HMSR figures cover February 2022 to January 2023.

With regards to key safety metrics:

- The rate of harm falls per 1,000 bed days was 2.17, below the threshold of 2.25, although the ratio of harm to no harm falls did increase from 22% in 2021/22 to 24% in 2022/23. We have a falls prevention group in place and strengthening the work of this group is one of our quality priorities for 2023/24;
- There were no never events during 2022/23;
- Our patient incidents per 1,000 bed days reduced to 38.3 compared to 38.92 in the previous year;
- There were no MRSA bacteraemia apportioned to the Trust post-48 hours of admission; and
- There was an increase in clostridium difficile infections post 72 hours of admission from 32 to 40, breaching the threshold of 32. A deep dive exercise was being undertaken at year-end to understand themes and trends and identify learnings.

With regards to patient experience, our Friends and Family test scores continued to be high, with 92% of responses being positive as at March 2023.

Monitoring quality compliance

A robust monitoring plan has been enacted to ensure CQC compliance and quality of care. Two assessment tools were in place during 2022/23 and were used within a three-phase approach:

- Phase 1: corporate self-assessment using the Trust's CQC Fundamental Standards compliance tracker (against the Fundamental Standards and regulations);
- Phase 2: corporate / business unit self-assessment using the Trust's CQC Fundamental Standards compliance tracker (against the Fundamental Standards and regulations); and
- Phase 3: service / team level self-assessment using the Trust's KLOE self-assessment framework and its associated prompts as a guide to assess current performance and service delivery against.

In essence the three phases embody a multi-layered gap analysis. This is monitored via the Senior Management Team Meeting and escalated to the Executive Compliance Group as appropriate.

In September 2022 our medicine optimisation service received a 'good' rating from the CQC. The service was inspected as part of a pilot. The service was rated as 'outstanding' in the effective and responsive domains, 'good' in the well-led and caring domains and 'requires improvement' in the safe domain. A number of areas of good practice were highlighted and for the areas highlighted for improvement, plans were put in place swiftly to address the issues identified.



The patient transport aspect of QE Facilities was inspected by CQC in August 2022 for the first time since its launch in March 2021. The patient transport services were awarded a 'good' rating, with 'good' ratings achieved across all five domains.

Service developments

We continued to develop and enhance our services during the year to ensure we provide the best possible care to our patients.

We have continued to implement our **new operating model** transformational programme with the overall aim of reducing admissions, reducing length of stay and supporting the recovery of elective waiting lists. This work commenced in July 2021 and has continued throughout 2022/23, as this is a three year project. The project has involved a number of estates reconfigurations, the launch of Same Day Emergency Care (SDEC) and the development of direct pathways. Good progress has been made against the original objectives of the programme, although the full benefits have not yet been realised due to a number of factors including winter pressures, operational activity surges and ward moves. Benefits which have been realised to-date include:

- Improved utilisation of our discharge lounge, which frees up inpatient beds quicker;
- SDEC has had a positive impact on reducing admissions, although this had not translated into a reduction in the bed base during the year due to an increase in average length of stay. This is a key workstream and Trust priority for 2023/24;
- Development of clinical pathways directly into SDEC, including the falls car service, referrals directly from North East Ambulance Service NHS Foundation Trust (NEAS), chest pain, gynaecology and orthopaedics; and
- Positive patient feedback on the impact of SDEC which demonstrates that 89.4% of patient surveyed rated their overall experience in the unit as 'good'.

In March 23 we became the first NHS organisation in Europe to start using the **Pristina pod for breast cancer screening**. The pod uses a 3D mammography system for screening. It is also designed to be more comfortable for patient positioning, easing anxiety and discomfort. The positioning of the pod on our estate allows easier access to appointments for our patients and helps to increase the capacity of our clinics.



In response to the NHS priority of addressing tobacco dependence within acute trusts, and as an evidenced based strategy for reducing readmissions, creating bed capacity and reducing costs as well as contributing to longer term health prevention – we established an **Acute Tobacco Dependence Treatment Team**.

Led by a Specialist Public Health Midwife and supported by one of our Clinical Leads the team are proactively reaching out to all expectant mothers who have elevated carbon monoxide readings at booking, offering immediate stop smoking support and advice along with products and cigarettes to support them staying tobacco free throughout their pregnancy. The aim is to reduce the number of mothers on 'high risk' antenatal care pathways, reducing demand on ultrasound capacity, risks of miscarriage and stillbirth and requirements for Special Care Baby Unit stays. Smoking at time of delivery rates have reduced from 21% near the beginning of the pandemic to 13%.

Similarly our adult inpatients who smoke are all being offered bedside support and products to remain tobacco free whilst in hospital and supported beyond discharge to embark on a quit attempt. This reduces readmissions by 15% and improves long term management and outcomes of many conditions, such as COPD, cardiovascular disease, diabetes and wound healing following surgery.

The team have received regional and national recognition for being early implementers, featuring on BBC Breakfast news, presenting to All-Party Parliamentary Groups in Westminster and contributing to NHSE national planning groups.

We also continued to explore the use of **artificial intelligence (AI)**, working with Kheiron Medical Technologies as part of the NHS Artificial Intelligence in Health and Care Award. In 2022/23 Kheiron's AI platform, Mia, was used as an audit tool on recently reported breast screening mammograms. This helps our clinical teams understand and provide feedback on how AI might support the national breast screening programme in the future.

We opened a **new state of the art maternity theatre** in August 2022, increasing the capacity for planned and emergency operations to take place. The new theatre is the second theatre room in our maternity unit and allows the unit to safely manage the increasing number of operations required, as well as reduce delays for mothers waiting for planned caesarean sections.



In 2022/23 we partnered with Newcastle-upon-Tyne Hospitals NHS Foundation Trust to secure £20m of funding to develop a **Community Diagnostic Centre (CDC)** at the Metrocentre in Gateshead. The CDC is due to open next year and will offer 145,000 appointments per year, creating 134 jobs. It will provide imaging, respiratory investigations and cardiac investigations, improving access to screening and diagnostic services outside of a hospital setting across Gateshead and Newcastle.

We launched a new pilot **recovery navigator service** in our emergency department. Our recovery navigator supports people with substance misuse issues towards a safer, healthier and more productive lifestyle by delivering bespoke interventions, both in person and through a wide range of partner agencies. The role aims to reduce the impact on emergency services and local communities, recognising that these patients are often frequent attenders at the emergency department. The recovery navigator develops links between GP practices, primary care, local authority and voluntary organisations to improve outcomes and life chances for these patients.



In 2022/23 we performed our first **robotic-assisted operations**. The benefits of robotic surgery include increased precision during the operation which leads to less pain, smaller scars and less time in hospital for recovering patients.

Service user feedback

Listening to the views of our patients, carers and members of the public is important to us. We use this feedback to help us to continually improve our services and the care we provide.

Each weekday our Patient Experience Volunteers visit the wards and spend time talking to patients with the aim of enhancing the experience of our patients during their time in hospital. If a patient raises any concerns, the volunteers feed this back to the ward managers and / or the patient experience team with any issues logged for early resolution.

One of our quality priorities for 2022/23 was to work with our patients as partners in improvement. During the year we held a number of co-design improvement workshops where our people and our patients have worked together to help enhance our services. A

number of notable improvements have been made as a result of these initiatives, including changes made in maternity in respect of our gestational diabetes pathway.

During the year six patients volunteered to take part in ward visits called 'Your Time to Shine' which were designed to help us to identify outstanding practice and test out our systems and processes around quality and safety in a supportive and collaborative way.

We have also worked collaboratively with the NENC ICB in the establishment of a jointly facilitated Patient Forum, with a focus on long term conditions.

Some valuable service user feedback is collated through external sources, such as CQC surveys. An example of this is the CQC maternity survey which invited people aged 16 or above that had given birth at an NHS trust between 1 February and 28 February 2022 to take part. The survey included responses relating to 121 trusts across England, with 139 responses relating to our Trust. The survey results were released in January 2023 and we were ranked eighth in England for our maternity services.

CQC also undertook an adult inpatient survey, with patients who were aged 16 or over and stayed at least one night in hospital in November 2021 able to take part. The results were released in September 2022 and we were ranked in the top 20 trusts in England.

Improvements in patient and carer information

We are continually seeking to improve the information that we provide to our patients and their carers.

During the year we have worked with an external design company to develop our information leaflets into easy read formats. This work remained ongoing at the year-end.

A patient complaint highlighted a communication accessibility issue requirement to us in relation to how we communicate with our patients regarding appointments. It was recognised that not all of our patients would be able to respond to an appointment letter in writing or by telephone (for example patients with certain disabilities). As a result of the patient feedback improvements were tested within our AAA screening and we were able to influence a change in the national letter template to enable us to add an email address for patients to contact. This learning has been taken forward across our Central Booking Team. The patient who had raised the issue was invited to attend a Board meeting and share his story and the impact of the change made, which provided valuable learning.

Complaints handling

Feedback from patients and visitors is invaluable in helping us ensure that the services provided meet the expectations and needs of our patients through a constructive review.

For the year 2022/23 we received a total of 299 formal complaints. Promoting a culture of openness and truthfulness is a prerequisite to improving the safety of patients, staff and visitors as well as the quality of healthcare systems. It involves apologising and explaining what happened to patients who have been harmed as a result of their healthcare treatment when inpatients or outpatients of the Trust. It also involves apologising and explaining what happened to staff or visitors who have suffered harm. It encompasses communication between healthcare organisations, healthcare teams and patients and/or their carers, our

colleagues and visitors and makes sure that openness, honesty and timeliness underpins responses to such incidents.

The Patient Advice and Liaison Service (PALS) offer confidential advice, support and information on health-related matters. They provide a point of contact for patients, their families and carers.

Complaints Performance Indicators	2022/23	2021/22
Complaints received	299	280
Acknowledged within three working days	299	280
Complaints closed	311	279
Closed within agreed timescale (eight weeks)	117	89
Number of complaints upheld	238 (80%)	217 (78%)
Concerns received by PALS	782	598
Number of closed complaints re-opened	34	40
Number of closed complaints referred to the Parliamentary and Health Service Ombudsman	13	8

This demonstrates that there has been a 7% increase in complaints received and an increase of 31% in respect of PALS concerns. All complaints were acknowledged within three days and 37% of complaints were closed within the agreed timescales. Whilst this is an improvement from 31% in the previous year, we still want to deliver much more timely responses for our patients and this is an area of focus in 2023/24.

We note that there has been a 2% increase in the number of complaints upheld in 2022/23. The top five main reasons for a formal complaint were in relation to:

- Communications;
- Clinical treatment – general medical group;
- Clinical treatment – surgical group;
- Clinical treatment – accident and emergency; and
- Values and behaviour (staff).

We are committed to learning from complaints and concerns raised and several initiatives have been implemented during the year including:

- The wearing of red tabards by our clinical colleagues when giving out medication to patients, which informs other colleagues not to interrupt them;
- Improved signage to help patients locate our ultrasound department in the Tranwell Unit building; and
- Improved information for male breast patients, including an information folder, a podcast and male breast cancer posters on display in the department to make male patients feel more at ease.

Stakeholder relationships

During the year we have worked closely with our partners and stakeholders to deliver core services for our patients and our colleagues. We have already outlined our partnership work with Citizens Advice Gateshead and our partnership with Newcastle-upon-Tyne Hospitals NHS Foundation Trust to develop the CDC at the MetroCentre.

The **NENC ICS** became a statutory body in July 2022. We have worked closely with partners to support the ongoing development of the ICS and the principles of place-based working. We form part of the **Provider Collaborative** which supports the work of the ICS through provider trusts working together to innovate and ensure that services are consistently of the highest quality and standard. We have engaged in key projects commenced by the Provider Collaborative, such as the development of an aseptic manufacturing hub and proposals to work together to reduce agency costs and undertake the shared purchase of goods.

We have worked closely with ICS partners throughout the year to coordinate plans and communications around key risks such as industrial action and winter pressures.

We form part of the **North Integrated Care Partnership (ICP)**. The first North ICP Area meeting was held in March 2023 and we are committed to engaging with the ICP and supporting its goal to improve health and care outcomes as well as working together to influence the wider determinants of health within the northern patch of the NENC ICS.

During the year the Trust has continued to be an active partner of **Gateshead Cares**, the Gateshead Health and Care System Board. This is a core way in which place-based working is delivered in our area within the NENC ICS. Partners have worked to ensure increased focus on ensuring Gateshead residents are supported to thrive through collaborative working across health, social care and education.

Our community service business unit works closely in the Gateshead Care Partnership with colleagues from primary care and the local authority to seize on joint initiatives which can prevent people from requiring a hospital admission and keep them better for longer in their home.

As outlined earlier in this report a key focus has been on reducing health inequalities. We have worked with **Age UK** to introduce **Admiral Nurses** who work across physical and mental health to support individuals with dementia. We also work with **Age Concern** in facilitating supported discharge as part of our Home First approach.

We now deliver a service for people who are homeless in conjunction with voluntary sector provider **Oasis**. We host the system post for **People @ the Heart** designed to ensure that we support those with multiple and complex needs who need to access services including health, housing and social support.

We have worked with colleagues at place through the **Gateshead Health and Wellbeing Board** to effectively participate in joint initiatives to lessen health inequalities and promote effective preventative strategies with the voluntary sector such as the Strength and Balance service for those older people who are at risk of falling.

Consultation with local groups, our patients and the local community

We are regular attendees of Gateshead's Care, Health and Wellbeing Overview and Scrutiny Committee. Throughout the year we have collaborated with partners to provide updates with a particular focus on health inequalities.

As outlined earlier, we have sought feedback and input from our patients in a number of ways throughout the year. This has included co-design workshops and patient input into particular services, such as maternity.

As one of the largest employers in the area, we recognise and appreciate the part we play in the community and the corporate social responsibilities that we have. Our impact and influence goes beyond our role as a provider of healthcare services and we want to enact our role as an anchor institution to ensure that Gateshead is a fantastic place to live, work and receive care.

During the year we have engaged with our local community in a number of different ways. We welcomed local students into the hospital for a careers day to showcase the wide range of career opportunities available at the Trust. Our learning and development team have also worked closely with a wide range of local schools and colleges to educate the students about the job roles available in both the Trust and QE Facilities, which total over 1,200 different positions.

A handwritten signature in black ink, appearing to read 'Trudie Davies', with a stylized flourish at the end.

Trudie Davies
Chief Executive
28 June 2023

Remuneration Report

The Trust has in place two remuneration committees:

- In accordance with legislation, the Board has a Remuneration Committee which is responsible for approving executive director appointments and determining their remuneration, allowances and other terms and conditions of office; and
- The Governor Remuneration Committee approves the remuneration, allowances and other terms and conditions for the Chair and Non-Executive Directors. The Committee formulates recommendation regarding appointments for the consideration of the Council of Governors.

Our subsidiary company, QE Facilities, also has its own Remuneration Committee. This makes recommendations to the Trust Board's Remuneration Committee on appointment, remuneration and terms and conditions of QE Facilities' Board Members.

Within this report the term 'senior manager' is used. Guidance issued by NHS England defines senior managers as '*those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS Foundation Trust*'. The guidance states that the Board of Directors should be treated as senior managers as a matter of course. No other members of staff are defined as senior managers for the purposes of this report in the context of Gateshead Health NHS Foundation Trust.

In accordance with the NHS Foundation Trust Annual Reporting Manual 2022/23 this remuneration report is divided into three parts:

- **Annual Statement on Remuneration**, which sets out the major decisions on senior managers' remuneration as well as any substantial changes to senior managers' remuneration which were made during the year and the context in which those changes occurred and decisions have been taken;
- **Senior Managers' Remuneration Policy**, which sets out information about our policy; and
- **Annual Report on Remuneration**, which includes details about the directors' service contracts and other related matters.

Annual Statement on Remuneration

The remuneration committees aim to ensure that both non-executive and executive directors' remuneration is set appropriately, taking into account relevant market conditions. As Chair of the Trust, I chair the Board's Remuneration Committee. I attend the Governor Remuneration Committee, which is chaired by Chris Toon, Appointed Governor from Gateshead College. I make recommendations in relation to the Non-Executive Directors. The Senior Independent Director makes recommendations in respect of my own position, at which point I withdraw from the meeting and take no part in discussions or decision-making.

Non-Executive Directors

The Governor Remuneration Committee met three times during 2022/23. The Committee considered the remuneration for the Chair and Non-Executive Directors, with reference to the NHS England guidance document on remuneration alignment from 2019, as well as local benchmarking information. The Committee approved the recommendation to be prudent and retain current remuneration rates. It was agreed to review this further in 2023/24 when updated NHS England guidance on the matter may be available, following the end of the realignment period. The Committee reviewed remuneration rates again in February 2023

prior to commencing Non-Executive Director recruitment. There had been no updated guidance from NHS England and benchmarking information continued to show broad consistency with partners in the NENC ICS. In the context of the economic climate and the industrial action undertaken locally and nationally over remuneration, the Committee agreed to maintain current remuneration rates, keeping this under future review.

As outlined in the Accountability Report, the Committee supported the Senior Independent Director's recommendation to re-appoint the Chair of the Trust for a further three year term commencing on 1 October 2022. The Committee considered the Chair's annual performance appraisal outcomes, time commitment, the turnover of the Board, the length of tenure, independence and fit and proper person compliance as part of the decision-making. The Committee recommended the re-appointment to the Council of Governors and this was approved.

The Committee undertook a similar process when considering the proposed re-appointment of Hilary Parker and Andrew Moffat for a second term of three years, commencing on 1 July 2023. The Committee recommended their reappointment to the Council and this was approved.

Finally, the Committee played an integral role in the Non-Executive Director recruitment process to replace two Non-Executive Directors who would be reaching the end of their second terms on 30 June 2023. The Committee reviewed the outcome of a skills audit of the Board and supported the proposal to seek one Non-Executive Director with clinical skills and one Non-Executive Directors with transformation / change experience as a desirable criteria. The Committee also reaffirmed its commitment to actively encouraging applications from a diverse range of candidates, recognising the need for the Board to be more representative. The Council of Governors approved the proposals on the recommendation of the Committee and the recruitment process had commenced at the year-end.

Executive Directors

The Board's Remuneration Committee met seven times during 2022/23. At the beginning of the year the Committee was focussed on the recruitment of a new Group Director of Finance and Digital, following the resignation of Jackie Bilcliff to take up the Director of Finance position at Newcastle-upon-Tyne Hospitals NHS Foundation Trust. Remuneration was set in accordance with the Trust's agreed pay scale for this role.

The Committee considered the recommended Very Senior Manager (VSM) cost of living recommendations outlined in NHS England's letter to all trusts on the 2022/23 pay award. The Committee approved the recommended 3% uplift to all Executive Director positions and the QE Facilities Managing Director (on the recommendation of the QE Facilities Remuneration Committee). It is noted that this excluded the Medical Director, whose pay award would be covered separately by the medical and dental pay award.

Following the announcement of the retirement of the Chief Executive, Yvonne Ormston MBE, the Committee met to agree the process for the recruitment of a new Chief Executive. The Committee reviewed and agreed the remuneration for the incoming postholder, Trudie Davies, with reference to NHS England published scales for trusts.

Continuing discussions held in the previous year, the Committee commissioned an external review of executive pay, with Korn Ferry commissioned to provide the independent review. The report had not been considered by the Committee prior to the year-end and was due for consideration in Quarter 1 of 2023/24.

QE Facilities' Remuneration Committee

The QE Facilities' Remuneration Committee met once during the year to consider the application of the NHS England recommended 3% cost of living increase to the QE Facilities' Managing Director post for 22/23. The recommendation to mirror the pay award made to VSMs in the Trust was subsequently approved by the Trust's Remuneration Committee, as previously outlined.



Alison Marshall
Chair of the Trust Board
28 June 2023

Senior Managers' Remuneration Policy

The table below sets out the component parts of our remuneration package for senior managers, excluding Non-Executive Directors.

Component	Specific to:	Strategic Link	Maximum Possible	Description
Salary	All staff	To attract and retain suitably qualified individuals to lead and direct the Trust's activities.	Dependent on salary scale, mindful of the need to attract and retain suitable individuals, subject to periodic benchmarking and retention considerations.	Senior managers, clinical and non-clinical will attract an Agenda for Change / Medical and Dental nationally agreed salary. Executive Directors are subject to a locally determined 3-point scale
Performance bonus	QEF Directors	To attract and retain suitably qualified individuals to lead and direct the company's activities.	Between 5 and 20% of annual salary.	Potential to attract a performance bonus subject to the achievement of key outcomes and the approval of the QEF Remuneration Committee. The Committee determines when and if performance bonuses are triggered.
Lease car scheme	QEF Directors	To attract and retain suitably qualified individuals to lead and direct the company's activities.	£9.2k	Non-contributory lease car or cash equivalent, up to the maximum amount.

Component	Specific to:	Strategic Link	Maximum Possible	Description
Pension	All staff	To attract and retain suitably qualified individuals to lead and direct the Trust / company's activities.	In line with NHS pensions	NHS pension scheme and set contribution rates
QEF salary	QEF Directors	To attract a suitable individual to lead and direct the specific activities of QEF	No limit applied but subject to benchmarking and final approval by the Board's remuneration committee	Additional payment for Company Directorship for Non-Executive Directors. Salary is determined by the QEF Remuneration Committee.
Expenses	All staff	Reimbursement of necessary business expenses	No limit	Reimbursed in line with the Trust's travel and subsistence policy and national terms and conditions.
Additional duties enhancement	Trust Executive Directors	To attract and retain suitably qualified individuals to lead and direct the Trust's activities.	Discretionary – usually no more than £10k per annum	To recognise additional temporary responsibilities

The policy in respect of the Non-Executive Directors and Chair is reviewed annually by the Governor Remuneration Committee. The Committee sets remuneration having regard for benchmarking information and guidance issued by NHS England, as outlined in the Chair's statement on remuneration. The key components are set out in the below table:

Component	Specific to:	Strategic Link	Maximum Possible	Description
Fees	Chair and Non-Executive Directors	To attract and retain suitably qualified individuals to Non-Executive Director positions	As determined by the Council of Governors based on national guidance and local benchmarking.	The fees are set by the Council of Governors having regard to guidance issued by NHS England and local benchmarking. Non-Executive Directors do not participate in any

Component	Specific to:	Strategic Link	Maximum Possible	Description
				performance-related schemes, nor do they receive any pension or private medical insurance or taxable benefits.
Other fees payable to Non-Executive Directors or items considered to be remuneration in nature	Chair and Non-Executive Directors	To attract and retain suitably qualified individuals to Non-Executive Director positions	Vice Chair / Senior Independent Director - £3,165 Group Audit Committee Chair - £3,165	Enhancements were applied on appointment to the additional role.
QE Facilities fees	QE Facilities Non-Executive Directors including the Chair	To attract and retain suitably qualified individuals to Non-Executive Director positions	Salary levels determined by independent benchmarking	Additional payment to reflect company Non-Executive Director role

During the year two senior managers of the Trust and its subsidiary were paid more than the threshold set by the Civil Service (the Prime Minister's ministerial and parliamentary salary). The policy on very senior manager pay is reviewed and benchmarked regularly. Pay scales are set with reference to publicly available, independently produced, sector specific benchmarking information, taking into account the local market too. This ensures that the Trust can offer salaries to recruit and retain the best candidates for these important roles which are proportionate to the market place.

All posts are permanent and may be terminated by mutual agreement, resignation or dismissal. The notice period for Executive Directors is six months. The Trust currently has no provision for compensation for early retirement or payments for loss of office (subject to audit). No payments were made to past senior managers.

In setting the remuneration policy for senior managers, consideration was given to the pay and conditions of employees on Agenda for Change and relevant national guidance. In determining non-incremental pay uplift for executive directors and other senior managers, consideration is given to any national pay award decisions and to appropriate national guidance.

We are committed to the principles of diversity and inclusion, and we recognise the importance of having a Board that is reflective of the population that we serve. Our recruitment processes encourage the emergence of candidates from diverse backgrounds, and we ensure that diversity and inclusion are taken into consideration when evaluating the skills, knowledge and experience needed for each Board-level vacancy. This is in line with our wider recruitment processes for the Trust.

During 2022/23 we appointed 2 Board Members, both of whom are female. As a result, the voting Board is made up of 71% female directors and 29% male directors. We re-engaged with the NHS England NExT Director scheme to seek another placement following the completion of Mojgan Sani's placement in May 2022, but there were no individuals within our area. We recognise the need to continue to strive to increase the diversity of our Board and this features prominently in our recruitment campaign for two new Non-Executive Directors, which was ongoing at the year-end.

Annual report on remuneration

All Non-Executive Directors are members of the Board Remuneration Committee, and their attendance statistics can be seen in the Directors' Report section of the Accountability Report.

The Governor Remuneration Committee met three times during 2022/23 and the Governor membership and attendance can be seen in the below table:

Member	Number of meetings attended (out of a maximum of 3)
Chris Toon – Appointed Governor and Committee Chair	3
Abe Rabin – Lead Governor and Public Governor for Central Gateshead	1
Les Brown – Public Governor for Western Gateshead	2
Agatha Kanyangu – Public Governor for Out of Area	3
Lynsey Curry – Staff Governor (joined the Committee in March 2023)	1 out of 1

The QE Facilities' Remuneration Committee met once during the year and was attended by both of its members – Hilary Parker, Chair of the Committee, and Maggie Pavlou, QE Facilities' Non-Executive Director.

Director and Governor expenses

There were 25 Governors in post at 31 March 2023 (the same number as at 31 March 2022) and no Governors claimed expenses during the year (compared to 1 Governor claiming expenses totalling £78.70 in 2021/22).

As at 31 March 2023 there were 16 Board Members on the Trust and QE Facilities' Boards (noting that 2 individuals sit on both Boards and are only counted here once). This compares to 18 Directors as at 31 March 2022. 11 Directors claimed expenses totalling £2,535.15 compared to no expense claims being received in the previous year.

Remuneration tables (subject to audit)

The remuneration tables on the following pages are subject to audit.

2021/22						Name and Title	2022/23					
Salary and fees	Expense payments & benefit in kind	Performance Bonus	Long Term Performance Bonus	Pension-related Benefits	Total		Salary and fees	Expense payments & benefit in kind	Performance Bonus	Long Term Performance Bonus	Pension-related Benefits	Total
(bands of £5000) £000	Rounded to the nearest £100	(bands of £5000) £000	(bands of £5000) £000	(bands of £2500) £000	(bands of £5000) £000		(bands of £5000) £000	Rounded to the nearest £100	(bands of £5000) £000	(bands of £5000) £000	(bands of £2500) £000	(bands of £5000) £000
50 - 55	0	0	0	0	50 - 55	Mrs AR Marshall Chairman	50 - 55	0	0	0	0	50 - 55
N/A	N/A	N/A	N/A	N/A	N/A	Mrs T Davies Chief Executive (from 1st March 2023) *	15 - 20	100	0	0	0	15 - 20
205 - 210	0	0	0	72.5 - 75	280 - 285	Mrs YA Ormston Chief Executive (left 31st March 2023)	210 - 215	0	0	0	55 - 60	270 - 275
135 - 140	0	0	0	95 - 97.5	230 - 235	Mrs J Baxter Chief Operating Officer	145 - 150	0	0	0	70 - 75	215 - 220
180 - 185	300	0	0	2670 - 2672.5	2855 - 2860	Mrs J Bilcliff Group Director of Finance (left 4th Sept 2022)	65 - 70	300	0	0	0	0
100 - 105	500	0	0	145 - 147.5	245 - 250	Mrs K Mackenzie Group Director of Finance (from 5th Sept 2022)	125 - 130	1000	0	0	50 - 55	175 - 180
125 - 130	1900	0	0	42.5 - 45	170 - 175	Mrs L Crichton-Jones Director of People & OD	140 - 145	-100	0	0	90 - 95	230 - 235
80 - 85	0	0	0	55 - 57.5	135 - 140	Dr G Findley Chief Nurse (from August 2021)	130 - 135	700	0	0	165 - 165	295 - 300
145 - 150	5,300	0	0	0	150 - 155	Mr AJ Robson Managing Director QE Facilities (left 31st March 2023)	215 - 220	1,000	0	0	0	215 - 220
85 - 90	0	0	0	0	85 - 90	Mr B Walker, Finance Director QE Facilities Ltd (left 31st October 2022)	110 - 115	300	0	0	0	110 - 115
5 - 10	0	0	0	0	5 - 10	Mr HJE Robinson Non Executive Director QE Facilities (left 30 September 2022)	0 - 5	0	0	0	0	0 - 5
0 - 5	0	0	0	0	0 - 5	Mr JP Hopkinson Non Executive Director (left June 2021)	N/A	N/A	N/A	N/A	N/A	N/A
5 - 10	0	0	0	0	5 - 10	Mr DH Shilton Non Executive Director (left September 2021)	N/A	N/A	N/A	N/A	N/A	N/A
10 - 15	0	0	0	0	10 - 15	Dr R Bonnington Non Executive Director	10 - 15	0	0	0	0	10 - 15
10 - 15	0	0	0	0	10 - 15	Cllr M Gannon Non Executive Director	10 - 15	0	0	0	0	10 - 15
15 - 20	0	0	0	0	15 - 20	Mr M Robson Non Executive Director	15 - 20	0	0	0	0	15 - 20
15 - 20	0	0	0	0	15 - 20	Mr A Moffat Non Executive Director	15 - 20	0	0	0	0	15 - 20

2021/22						Name and Title	2022/23					
Salary and fees	Expense payments & benefit in kind	Performance Bonus	Long Term Performance Bonus	Pension-related Benefits	Total		Salary and fees	Expense payments & benefit in kind	Performance Bonus	Long Term Performance Bonus	Pension-related Benefits	Total
(bands of £5000) £000	Rounded to the nearest £100	(bands of £5000) £000	(bands of £5000) £000	(bands of £2500) £000	(bands of £5000) £000		(bands of £5000) £000	Rounded to the nearest £100	(bands of £5000) £000	(bands of £5000) £000	(bands of £2500) £000	(bands of £5000) £000
15 - 20	0	0	0	0	15 - 20	Mrs H Parker Non Executive Director	15 - 20	0	0	0	0	15 - 20
5 - 10	0	0	0	0	5 - 10	Dr M Sani Non Executive Director (left 31 May 2022)	0 - 5	0	0	0	0	0 - 5
10 - 15	0	0	0	0	10 - 15	Ms M Stabler Non Executive Director (from July 2021)	10 - 15	0	0	0	0	10 - 15
5 - 10	0	0	0	0	5 - 10	Mrs M Pavlou Non Executive Director – Trust and QE Facilities (joined Trust Board on 1 October 2021 and QE Facilities on 1 October 2022)	10 - 15	0	0	0	0	10 - 15
120 - 125 **	0	0	0	0	120 - 125	Mr AR Beeby Medical Director	115 - 120 **	0	0	0	0	115-120

* Mrs T Davies commenced in the role of Chief Executive on 1st March 2023. Following a change to the discount rate used for public service pension schemes that HM Treasury announced on 30 March 2023, the factors used to calculate transfer values (including Greenbury) will change. Until such time as the new factors are available we have been asked to suspend cash equivalent transfer value (CETV) calculations.

** £20k - £25k relates to role as a consultant (2022 = £55k - £60k). The reduction is due to Mr Beeby undertaking less consultant duties.

Salary and Fees includes basic pay, additional programme activity, Clinical Excellence Awards, car allowance, redundancy payments and payments in lieu of notice / annual leave.

Benefits in kind relate to lease car payments made by the Trust.

No other remuneration or pensions contributions are paid to/for these senior managers.

There were no golden hellos or compensation for loss of office.

Pension entitlements (subject to audit)

Name and title	Real increase in pension at pension age	Real increase in lump sum at pension age	Total accrued pension at pension age at 31 March 2023	Lump sum at pension age related to accrued pension at 31 March 2023	Cash Equivalent Transfer Value at 1 April 2022	Real Increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2023	Employers Contribution to Stakeholder Pension
	(bands of £2500) £000	(bands of £2500) £000	(bands of £5000) £000	(bands of £5000) £000	£000	£000	£000	£000
Mrs Y Ormston, Chief Executive (to March 2023)	2.5 - 5.0	0.0 - 2.5	90.0 - 95.0	260.0 - 265.0	2,096	0	91	0
Mrs T Davies, Chief Executive (from March 2023)	Nil	Nil	Nil	Nil	607	0	0	0
Mrs J Baxter, Chief Operating Officer	2.5 - 5.0	2.5 - 5.0	55.0 - 60.0	135.0 - 140.0	1,009	76	1,137	0
Mrs J Bilcliff, Group Director of Finance (to September 2022)	Nil	Nil	30.0 - 35.0	30.0 - 35.0	2,921	0	551	0
Mrs K Mackenzie, Group Director of Finance (from September 2022)	0.0 - 2.5	0.0 - 2.5	30.0 - 35.0	55.0 - 60.0	391	12	451	0
Mrs L Crichton-Jones, Director of People & OD	5.0 - 7.5	5.0 - 7.5	45.0 - 50.0	80.0 - 85.0	671	82	793	0
Dr G Findley, Chief Nurse	7.5 - 10.0	10.0 - 12.5	65.0 - 70.0	100.0 - 105.0	956	144	1,148	0

* Mrs T Davies commenced in the role of Chief Executive on 1st March 2023. Following a change to the discount rate used for public service pension schemes that HM Treasury announced on 30 March 2023, the factors used to calculate transfer values (including Greenbury) will change. Until such time as the new factors are available we have been asked to suspend cash equivalent transfer value (CETV) calculations.

Mr B Walker is not included as he participated in a defined contribution scheme not a defined benefit scheme.

Mr AR Beeby left the NHS pension scheme prior to 22/23 and started participating into a defined contribution scheme, details of which are not disclosed above as it is not a defined benefit scheme.

Mr AJ Robson, Managing Director of QE Facilities Limited, received no pension contributions in the year but does have previous benefits accrued. However no disclosure has been made as to the total of these benefits as the Trust have been informed by the NHS Pension Agency that the information cannot be provided for individuals who did not contribute to the NHS Pension Scheme in year.

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.

Name and title	Real increase in pension at pension age	Real increase in lump sum at pension age	Total accrued pension at pension age at 31 March 2022	Lump sum at pension age related to accrued pension at 31 March 2022	Cash Equivalent Transfer Value at 1 April 2021	Real Increase in Cash Equivalent Transfer Value	Cash Equivalent Transfer Value at 31 March 2022	Employers Contribution to Stakeholder Pension
	(bands of £2500) £000	(bands of £2500) £000	(bands of £5000) £000	(bands of £5000) £000	£000	£000	£000	£000
Mrs Y Ormston, Chief Executive	2.5 - 5.0	7.5 - 10.0	85.0 - 90.0	250.0 - 255.0	1,938	119	2,096	0
Mrs J Baxter, Chief Operating Officer	5.0 - 7.5	7.5 - 10.0	45.0 - 50.0	130.0 - 135.0	891	94	1,009	0
Mrs J Bilcliff, Group Director of Finance / Acting Chief Executive	117.5 - 120.0	340.0 - 342.5	140.0 - 145.0	370.0 - 375.0	418	2,475	2,921	0
Mrs K Mackenzie, Acting Group Director of Finance (from May 2021 to February 2022)	5.0 - 7.5	12.5 - 15.0	25.0 - 30.0	50.0 - 55.0	275	78	391	0
Mrs L Crichton-Jones, Director of People & OD	2.5 - 5.0	0.0 - 2.5	35.0 - 40.0	70.0 - 75.0	614	37	671	0
Dr G Findley, Chief Nurse	0.0 - 2.5	0.0 - 2.5	55.0 - 60.0	85.0 - 90.0	882	32	956	0
Mr AR Beeby, Medical Director	Nil	Nil	60.0 - 65.0	185.0 - 190.0	289	0	0	0

Mr B Walker is not included as he participated in a defined contribution scheme not a defined benefit scheme.

Mr AR Beeby left the NHS pension scheme during 2021/22 and started participating into a defined contribution scheme, details of which are not disclosed above as it is not a defined benefit scheme.

Mr A.J Robson, Managing Director of QE Facilities Limited, received no pension contributions in the year but does have previous benefits accrued. However no disclosure has been made as to the total of these benefits as the Trust have been informed by the NHS Pension Agency that the information cannot be provided for individuals who did not contribute to the NHS Pension Scheme in year.

Fair pay multiple (subject to audit)

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

The banded remuneration of the highest-paid director in the organisation in the financial year 2022/23 was £210k -£215k (2020/21: £205k - £210k). This is a change between years of 3.53%.

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

For employees of the Trust as a whole, the range of remuneration in 2022/23 was from £15k - £20k to £245k - £250k (in 2021/22: £15k - £20k to £255 - £260k). The percentage change in average employee remuneration (based on total for all employees on an annualised basis divided by full time equivalent number of employees) between years is 5%, due to pay awards and additional enhancements being paid. Four employees received remuneration in excess of the highest-paid director in 2022/23, which is consistent with the prior year.

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

2022/23	25th Percentile	Median	75th Percentile
Salary component of pay	£24,027	£32,197	£42,287
Total pay and benefits excluding pension benefits **	£24,027	£32,197	£42,287
Pay and benefits excluding pension: pay ratio for highest paid director	8.9:1	6.6:1	5.1:1

* No ratios for "total salary (which includes any benefits in kind and performance pay)" have been disclosed, on the grounds that the 'salary only' ratios are not significantly different to the ratios for total salary – as the Trust does not have material benefits in kind or performance pay.

**There are no material difference between salary component of pay and total pay and benefits excluding pension benefits as there is no significant BIK and no performance pay.

The median pay in 2022/23 is £32,670 (2021/22: £34,534). This is a change between years of -6.8% and is a result of a fixed rate pay award offset by a reduction in premium rates that had previously been paid for critical shifts during the Covid pandemic. The median is 6.6 times the remuneration of the highest director, an increase from 6.0 times in 2021/22.



Trudie Davies
Chief Executive
28 June 2023

Staff Report

Under our new corporate strategy one of our strategic aims is '*We will be a great organisation with a highly engaged workforce*'. We recognise the importance of looking after our people and making our Trust a great place to work. It has been proven that a supportive and positive working environment for NHS colleagues has a direct impact on patient care and experience. We have placed significant focus on health and wellbeing, growing and developing our workforce and developing our culture programme.

We recognise that 2022/23 continued to be a challenging year for our people. The pandemic continued to have a direct impact earlier in the year and there was a significant focus on recovery, both in terms of elective recovery and key areas where re-prioritisation of tasks and resource to focus on the pandemic response resulted in a backlog of work.

This was then followed later in the year by periods of industrial action from our nursing, junior doctors and ambulance colleagues. We understand how challenging this has been personally and professionally for our colleagues - for those colleagues who took part in the strike, the colleagues helping to keep services running and keep patients safe during these periods and for those involved in the complex and dynamic planning and risk assessments for every strike period. We recognise that the dispute has not been directly with the Trust and we remain supportive of all of our people who have exercised their legal right to strike.

We have placed significant emphasis on health and wellbeing this year under our Balance initiative, which brings together the different strands of mental wellbeing, physical wellbeing, financial wellbeing, self-care, social wellbeing and environmental wellbeing. The dedicated webpages signpost our people to how they can access support both within and out-with the Trust.

In 2022/23 we launched our Listening Space, a dedicated health and wellbeing area, aimed at offering our colleagues a space to decompress and reflect. Our people can use this space for a range of things, including meeting mental health first aiders, to find out where to access targeted support from a member of the health and wellbeing team or to discuss work-related issues with a member of our People and Organisational Development team. The space is also used to host health and wellbeing events and activities, such as staff network meetings, our Carers Circle meetings and Citizens Advice drop-ins. Students from Gateshead College provide our people with free beauty treatments every Friday during term time, including mini manicures, mini pedicures and Indian head massages.



Key headlines – recruitment, retention and absences

Recruitment and retention are significant risks throughout the NHS nationally and have been identified as top priorities by our Board of Directors. We have focussed our efforts on domestic recruitment, international recruitment and retention.

2022/23 was the first year in which we undertook international recruitment. At the year-end we had 50 international nurses, of which 42 had become UK registered staff nurses, with the remaining nurses going through the final part of the training programme. Our international

nurses are supported by a dedicated International Nursing Team. The nurses have a broad on boarding and pastoral programme before attending wards with the team supporting access to the hospital computer systems. The team help them with many of the practical things for settling into a new country, such as opening bank accounts and finding accommodation. There is an extensive comprehensive teaching programme, delivered by the practice development team.

As part of our domestic recruitment we are engaging with local schools and colleges to educate young people about the different career opportunities available to them in the Trust, as outlined earlier in the report. We have also supported 153 colleagues through apprenticeship programmes, with around 36 different types of apprenticeship available across the Trust and QE Facilities.



During 2022/23 we have been working with our partners at place on the development of Gateshead Health and Care Academy, which has been developed in collaboration with Gateshead Cares Workforce Partnership. The Academy aims to provide a sustainable workforce within the Gateshead area alongside high quality learning and development opportunities. This involves collaborative working with Gateshead Council, CBC Health, local colleges and other partners. There are a number of different opportunities in the pipeline, which will be further developed and launched in 2023/24 and beyond.

Our vacancy rate reduced from 8% at the start of the year to 5.5% at year-end, which demonstrates that progress is being made.

We believe that retention is just as important as recruitment and have taken a number of steps to support our colleagues and encourage them to continue their careers with us. This includes increasing our health and wellbeing offering, as described at the beginning of this section, as well as enhancing our learning offerings. This has included our Leading Well and Managing Well programmes for staff which were launched in the previous year. Both programmes have received positive feedback from our people.

Recruitment and retention continues to be a priority and is reflected within our new People Strategy 2023-2025, which was formally approved in March 2023. The People Strategy was developed collaboratively with our people and partners, which helped us to create a strategy that means something to all of us at Gateshead.

Consistent with national trends we saw our sickness absence rates increase during the pandemic. Our continued focus on health and wellbeing is an important part of supporting our colleagues to be well enough to remain at work. We undertook some focussed work between People and OD colleagues and our business units to support colleagues in appropriately managing absences. Our sickness absences rates are starting to decrease, starting the year at 6.3% on a group basis, and ending at 5.3%.

Information on sickness absence is collated nationally by NHS Digital and can be found at the following link <https://digital.nhs.uk/data-and-information/publications/statistical/nhs-sickness-absence-rates>.

The latest information about our staff turnover can also be found on the NHS Digital website: <https://digital.nhs.uk/data-and-information/publications/statistical/nhs-workforce-statistics>

Analysis of staff costs and numbers (subject to audit)

An analysis of our average staff numbers for the year is shown below (in respect of whole-time equivalent numbers). The 'other' category includes apprentices.

	Group				Foundation Trust			
	2022/23 total number	Permanently employed number	Other number	Total 2021/22 number	2022/23 total number	Permanently employed number	Other number	2021/22 number
Medical and dental	466	460	6	454	466	460	6	454
Ambulance staff	0	0	0	0	0	0	0	0
Administration and estates	996	977	19	964	831	812	19	809
Healthcare assistants and other support staff	1,033	1,029	4	950	545	544	0	497
Nursing, midwifery and health visiting staff	1,349	1,242	107	1,330	1,349	1,242	107	1,330
Healthcare scientists	391	381	10	399	450	441	9	388
Scientific, therapeutic and technical staff	450	441	9	427	381	371	10	427
Other	19	19	0	11	7	7	0	4
Total	4,705	4,551	154	4,535	4,029	3,879	150	3,909

*Note that the table does not cast due to minor rounding differences

As at 31 March 2023 the gender split of the workforce was as follows (this table is not subject to audit):

	Male	Female
Directors	4	10
Other senior managers	57	157
Employees	1099	3849

An analysis of our staff costs for the year is shown in the following table (subject to audit):

	Group				Foundation Trust			
	2022/23 total £000	Permanently employed £000	Other £000	Total 2021/22 £000	2022/23 total £000	Permanently employed £000	Other £000	2021/22 £000
Salaries and wages	199,431	188,960	10,471	181,015	180,083	169,728	10,355	164,563
Capitalised salaries and wages	606	606	0	498	606	606	0	498
Social security costs	18,902	17,984	918	17,080	17,148	16,237	911	15,555
Apprenticeship levy	934	886	48	994	846	798	48	906
Pension costs - defined contribution plans. Employers' contributions to NHS Pensions	19,873	18,888	985	18,509	19,088	18,066	1,022	17,685

	Group				Foundation Trust			
	2022/23 total £000	Permanently employed £000	Other £000	Total 2021/22 £000	2022/23 total £000	Permanently employed £000	Other £000	2021/22 £000
Pension cost – employer contributions paid by NHSE on provider’s behalf (6.3%)	8,711	8,260	451	8,099	8,363	7,888	475	7,733
Pension costs – other	393	393	0	375	151	151	0	184
External bank	1,728	0	1,728	990	1,728	0	1,728	990
Agency / contract staff	8,933	0	8,933	5,980	7,619	0	7,619	4,497
NHS Charitable Funds staff	0	0	0	0	0	0	0	0
Termination benefits	93	93	0	170	93	93	0	170
Total	259,605	236,071	23,535	233,710	235,725	213,567	22,158	212,781

*Note that the table does not cast due to minor rounding differences

Staff equality, diversity and inclusion

At Gateshead Health we are passionate about equality, diversity and inclusion (EDI) and we have continued to take steps to ensure that EDI considerations are part of everything that we do. Our Board Members are committed to equality, diversity and inclusion.

We operate within a legislative framework which is underpinned by the Equality Act 2010, which means we need to comply with a range of different requirements, including but not limited to:

- Public Sector Equality Duty;
- Human Rights – Mental Health Code of Practice;
- Equality Delivery System (EDS2);
- Workforce Race Equality Standard (WRES);
- Workforce Disability Standard (WDES);
- Gender Pay Gap; and
- Accessible Information Standard.

We are also progressing towards Stonewall accreditation to demonstrate our commitment to lesbian, gay, bisexual and transgender plus (LGBT+) equality.

Ensuring equality for all is a core part of our organisational culture and compassionate leadership approach. Our policies help us to ensure that we embrace equality, diversity and inclusion both in service delivery and employment with the Trust. As part of policy review and development, all policies must be accompanied by an equality and quality impact assessment (EQiA). The EQiA is reviewed by the Trust’s dedicated Policy Review Group and signed off by the EDI and Engagement Manager prior to a policy being approved. This ensures that there are no unintended negative consequences of a policy for anyone with a protected characteristic.

We have four staff networks in place within the Trust – our BAME network, D-Ability network, women’s network and LGBT+ network. This helps to ensure that the voice of members of staff who share an affiliation with a protected characteristic are actively listened to and inform our continued development.

Our four staff networks provide an invaluable space for mutual peer support, networking and opportunities for personal and professional development of members. Our networks provide a safe space where information, knowledge and experiences can be shared. Their activity helps us to support organisational and cultural development in positive and innovative ways.

Our staff networks played an integral role in helping us to promote and celebrate key occasions with events, celebrations and training. Our D-Ability network supported a number of different national awareness weeks with stalls in our canteen, for example Eating Disorders Awareness Week and Neurodiversity Celebration Week. Our LGBT+ network supported the Transgender Day of Remembrance and Non-Binary Peoples' Day. The LGBT+ network has also been undertaking work with our clinical teams to develop transgender and non-binary policies.



Workforce Disability Equality Standard (WDES)

The WDES was developed to help NHS organisations make a positive impact for all disabled colleagues working in the NHS. The WDES aims to inform year-on-year improvements in reducing those barriers that impact most on the career opportunities and workplace experiences of disabled staff.

The D-Ability network has been integral to this work and has helped us to develop a greater understanding of the experiences of disabled staff. A detailed action plan for the Trust has been developed and this will enable us to measure our progress in this area.

Our latest staff survey results shows that three out of five questions that have a year-on-year comparison have improved in respect of the WDES, with work still to do in relation to bullying and harassment at work, and feeling pressure from managers to come to work. This will form part of our cultural development work with our people to ensure that we provide a supportive and inclusive workplace for all our colleagues.

Our D-Ability Group and the Trust's Human Rights and EDI Programme Board continue to be focussed on the WDES results and improvement actions, but we recognise that it is the responsibility of every member of staff to embrace this.

We are a Disability Confident Level 2 employer which means that we are recognised for actively attracting and recruiting disabled people to help fill opportunities, providing a fully inclusive and accessible recruitment process and we offer guaranteed interviews to disabled people who meet the minimum criteria for roles. We are flexible when assessing applicants to give disabled applicants the best opportunity to demonstrate that they can fulfil the role and we commit to proactively offering and making reasonable adjustments. We are working towards Disability Confident Leader Level 3 accreditation, which will result in the Trust being recognised as a champion within local and business communities.

Workforce Race Equality Standard (WRES)

The WRES was developed with similar principles in mind, helping to ensure that NHS organisations make a positive impact for colleagues from a Black, Asian or Minority Ethnic (BAME) background.

In respect of the four WRES indicators in the NHS staff survey 2022 we saw a reduction in the percentage of BAME staff experiencing bullying and harassment from other staff, which reduced from 29.1% in 2021 to 19.1% in 2022. We also saw a reduction in the percentage of BAME staff experiencing discrimination at work from a colleague, moving from 17.1% to 11.4%. There was an increase in the percentage of our BAME staff who believe the Trust provides equal opportunities for career progression, increasing from 44.8% to 48.8%. There was a slight reduction in the percentage of BAME staff experiencing bullying, harassment or abuse from patients, relatives or the public, moving from 21% to 20.3%. Whilst these results show an improvement we note that that white colleagues still responded more positively to these questions, and we will therefore be ensuring that we continue to undertake further work in these areas. This includes assessing the best way to incorporate our Cultural Ambassadors into the disciplinary and grievance processes.

Due to the pandemic, a virtual session around encouraging BAME communities to apply for jobs within the NHS was organised in conjunction with other trusts within the region. Sessions included supporting people to locate employment opportunities within the NHS, tailoring an application form and interviewing skills. We are now assessing the viability of running this session on a face to face basis and we routinely capture information around who has been successful in applying and being recruited within the Trust.

We have started to look at our own recruitment practices from initial contact to actual appointments and assess where the pitfalls are for anyone in respect of their protected characteristics. We have added in components around tackling conscious and unconscious bias in the recruitment process. This element is covered within the recruitment and selection training that is offered to our managers.

In terms of gender pay gap reporting, in 2022/23 77.6% of our workforce was female. Women occupied 73.8% of the highest paid jobs and 73.8% of the lowest paid jobs. The gender pay median was 12.7% which is consistent with the previous year. Further information on gender pay gap reporting can be found on the Cabinet Office website: <https://gender-pay-gap.service.gov.uk/>

Further information on our approach to EDI can be found on our website via the following link:

<https://www.gatesheadhealth.nhs.uk/about/trust/equality-diversity>

Communicating, consulting and engaging with our colleagues

We actively encourage our colleagues to become involved in identifying improvements and shaping our performance and operations.

We have several consultative forums in place within the Trust. Our Joint Consultation Committee and Local Negotiation Committee are the most formal arenas for consultation with staff side colleagues. They are also supported by several sub-committees (such as policy sub-committee and working groups for example the Medical Workforce Group). In addition, there are forums such as Junior Doctor Forum. Staff side colleagues are involved in our staff network groups.

There has been further development and progression of the transformation programme and portfolio during the year which was referenced in last year's report following its relaunch. The delivery of transformation programmes involves collaboration and key contributions from those colleagues who work in and understand these areas the most. Our transformation team facilitate a wide range of improvement and support activity including:

- Improvement and transformation advice and support;
- Training and development (project, programme management, Lean leaders);
- Kaizen events; and
- Rapid Process Improvement Workshops (RPIWs).

Recent RPIWs have included recruitment processes, endoscopy and occupational health. In addition to leading RPIWs the team have trained a further eight colleagues as Lean leaders to further enhance our capacity to increase our improvement activity across the organisation.

The transformation portfolio has predominately focused on the delivery of the New Operating Model, which has been referenced earlier in this report.

Further RPIWs are planned for 2023/24 and we aim to train more colleagues to be certified leaders, further increasing our capacity to facilitate these important engagement and improvement events as well as increasing the capability and resilience of the organisation, supporting an improvement culture.

We have developed through staff engagement an outline Transformation and Quality Improvement Strategy which will be built upon in 2023/24 to develop an improvement culture for the organisation, including a training and development offer to staff to develop improvement skills for teams.

In 2022/23 we also devised our Communications and Involvement Strategy 2023/24 to 2025/26. This was developed following engagement with our people and sets out our key priorities for communications and involvement and how this will support our achievement of our overall corporate strategy. Our key communications priorities are:

- Maintain positive and effective communication with Trust colleagues;
- Raise the profile of the Trust and proactively promote its work, performance and reputation;
- Demonstrate the Trust's development as an organisation in regard to equality, diversity and inclusion;
- Share proactive and positive stories about patient care that highlight the quality and safety of our services;
- Support and empower senior leaders across the organisation to communicate and engage effectively; and
- Work in partnership with communication professionals to support our patients across Gateshead and wider within the North East and North Cumbria area and beyond.

We communicate with our colleagues using several different channels. The key tools that we use to ensure information is cascaded is through Gateshead Health Weekly (a weekly staff newsletter), an internal staff Facebook group, Team Brief (managers' briefing), and the intranet (Staff Zone) plus other ad-hoc briefings that are distributed as required. Our new Chief Executive, Trudie Davies, also sends out a personalised weekly update to all colleagues and we have recently introduced Facebook Live events, where colleagues can ask questions of our Executive Directors and Senior Management Team.

Freedom to Speak Up

All NHS providers are required to have a Freedom to Speak Up Guardian (FTSUG). Gateshead Health NHS Foundation Trust is committed to achieving the highest possible standards for our patients and people. We are committed to promoting an open and transparent culture to ensure that all members of staff feel safe and confident to speak up.

The FTSUG is employed by the Trust but is independent and works alongside Trust leadership teams to support this goal. The FTSUG reports to the Board and the People and OD Committee twice per year, as well as continuing to report to the National Guardian's Office on a quarterly basis. Our FTSUG supports the delivery of the Trust's corporate strategy and vision as encapsulated in our values.

As well as via the FTSUG, staff may also raise concerns with their trade union or professional organisations as per our Freedom to Speak Up Policy. When concerns are raised via the FTSUG, the Guardian commissions an investigation and feeds back outcomes and learning to the person who has spoken up. The FTSUG is actively engaged in profile raising and education in relation to this role. The FTSUG reports directly to the Chief Executive and has regular meetings with the Director of People and OD and the Non-Executive Director responsible for FTSU.

In 2022/23 we commenced a campaign to recruit some FTSU champions to support our Guardian and enhance the profile and visibility of FTSU across the Trust.

Health and safety performance

We are totally committed to ensuring the health, safety and wellbeing of our people, patients, contractors and members of the public who are in any way affected by the activities of the Trust or QE Facilities across all locations. We ensure the provision of appropriate resources, including staff, finance and equipment in a timely manner so as to conduct our activities in accordance with all statutory and regulatory requirements, seeking to exceed such requirements wherever reasonably practicable. Our key objectives are to:

- prevent accidents and cases of work-related ill health;
- manage health and safety risks in our workplace;
- provide clear instructions and information, and adequate training, to ensure our people are competent to do their work;
- provide personal protective equipment;
- consult with our people on matters affecting their health and safety;
- provide and maintain safe plant and equipment;
- ensure safe handling and use of substances;
- maintain safe and healthy working conditions;
- implement emergency procedures, including evacuation in case of fire or other significant incident;
- review and revise the Health & Safety Policy on a regular basis;
- maintain a culture of co-operation, communication, competency and control for health and safety; and
- protect patients and people other than those at work against risks to their health and safety arising out of work activities.

The Board has identified and assigned roles and responsibilities to management, specialist support subject matter experts and individual staff members including bank and volunteering colleagues across the Group's organisational structure, to ensure the aims and objects of our Group Health & Safety Policy are achieved and maintained.

In delivering these aims, we expect all staff, bank staff, students and contractors to always conduct themselves in line with the policy and to fully engage in all identified health & safety initiatives to deliver continual health & safety improvements.

Assurance on all matters relating to health & safety continues to be achieved through the Group Health & Safety committee meetings and team structure.

As part of the Trust's drive for continued improvement we continue to run our Safer Working Practices Groups which provide additional assurance and governance into the Group Health & Safety Committee. They include the Water Safety, Medical Gas, Violence Reduction, Medical Devices Steering Group, Infection Prevention Control, CERA, Internal Compliance Auditing, PLACE Auditing & Radiation Protect groups.

The Group Health & Safety Committee is well attended across the year, with members representing staff from across the Group, our union colleagues across all locations and all levels of management including our Trust Board accountable Health & Safety lead.

We continue to promote and drive a safe working culture by providing additional education and awareness of shared learnings via internal communications, newsletters and staff social media forums.

Occupational health

The Occupational Health and Wellbeing team delivered both flu and Covid 19 booster vaccinations as part of the annual campaign for health care workers, both in the Occupational Health and Wellbeing department and on wards and departments.

Physiotherapy services for staff were launched in January 2023, with rapid access of physiotherapy treatment, and the delivery of a 'Back Class' for staff with longstanding back pain.

The in-house counselling service was expanded, with the employment of an additional counsellor. Access to external support is available for staff requiring more complex interventions.

The Health and Wellbeing team have successfully integrated with the Occupational Health team. The Health and Wellbeing strategy has been launched and the Health and Wellbeing team are driving this forward. We have achieved the Silver Better Health at Work Award and have received a special recognition award in relation to this.



Countering fraud and corruption

Local Counter Fraud Specialist Services (LCFS) were provided under contract arrangements with AuditOne. As referred to in the *Performance Report* a Counter-Fraud, Bribery and Corruption Policy is in place with regular updates on activity and investigations provided to the Group Audit Committee. The Trust's Conflicts of Interest policy also includes reference to bribery. The Local Counter Fraud Specialist ensures that fraud awareness is regularly communicated and promoted to Trust colleagues through regular articles in the weekly staff newsletter.

Trade union facility time

The tables below outline the facilities we have provided for trade union colleagues during the year and collectively they constitute our facility time report for 2022/23.

Relevant union official:

Number of employees who were relevant union officials during the relevant period	Full Time Equivalent (FTE)
12	11.2

Percentage of time spent on facility time:

Percentage of Time	Number of Employees
0%	3
1%-50%	9
51%-99%	0
100% of their working time	0

Percentage of pay bill spent on facility time

Total Pay Bill	£259,605,000
Total cost of facility time	£26,994.84
Percentage of the total pay bill spent on facility time, calculated as: (Total cost of facility time / total Pay Bill x 100	0.01%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	100%
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Here in Gateshead, whether providing support to individual members of Trust staff, to teams going through changes, or by playing a valuable role in contributing to Trust-wide agendas (for example via Joint Consultative Committees, our Supply Group or People and OD Portfolio Board) we recognise that the participation of trade union representatives supports our partnership approach and our values of openness, respect and engagement.

Expenditure on consultancy

The Trust spent £1.021m on consultancy during 2022/23 (2021/22: £548k).

Exit packages (subject to audit)

Exit packages during 2022/23 are detailed in the following table. All payments made were due to contractual or legal obligations.

Exit package cost band	2022/23 Group				2021/22 Group			
	Number of compulsory departures agreed	Cost of compulsory departures agreed £000	Number of other departures agreed £000	Cost of other departures agreed £000	Number of compulsory departures agreed	Cost of compulsory departures agreed £000	Number of other departures agreed £000	Cost of other departures agreed £000
<£10,000	2	14	0	0	0	0	0	0
£10,001 - £25,000	0	0	0	0	0	0	2	28
£25,001 - £50,000	0	0	0	0	1	35	0	0
£50,001 - £100,000	0	0	1	79	2	133	0	0
£100,001 - £150,000	0	0	0	0	0	0	0	0
£150,001 - £200,000	0	0	0	0	0	0	0	0
>£200,000	0	0	0	0	0	0	0	0
Total	2	14	1	79	3	168	2	28
Redundancy	2	14	1	79	3	168	2	28
Voluntary Severance Scheme	0	0	0	0	0	0	0	0
Total	2	14	1	79	3	168	2	28

Off-payroll transactions

The Trust makes every effort to minimise the use of off-payroll arrangements, which are only used as a last resort, for example where recruitment has failed for critical posts. Only in very exceptional circumstances would off-payroll engagements be undertaken for highly paid staff. When off-payroll engagements arise we strictly apply NHS England requirements to ensure proper protocols are followed and disclosures made.

The following table shows all off-payroll engagements as of 31 March 2023, for more than £245 per day:

Number of existing arrangements as of 31 March 2023	0
Of which:	
Number that have existed for less than one year at time of reporting	0
Number that have existed for between one and two years at time of reporting	0
Number that have existed for between two and three years at time of reporting	0
Number that have existed for between three and four years at time of reporting	0
Number that have existed for four or more years at time of reporting	0

The following table shows all new off-payroll engagements, or those that reached six months in duration, in between 1 April 2022 and 31 March 2023, for more than £245 per day that last longer than six months.

Number of new engagements, or those that reached six months in duration, between 1 April 2022 and 31 March 2023	1
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Of which:	
Number assessed as within the scope of IR35	1
Number assessed as not within the scope of IR35	0
Number engaged directly (via PSC contracted to trust) and are on the Trust's payroll	0
Number of engagements reassessed for consistency/assurance purposes during the year	0
Number of engagements that saw a change to IR35 status following the consistency review	0

There were no off-payroll engagements of Board Members and / or senior officials with significant financial responsibility between 1 April 2022 and 31 March 2023, as shown by the following table.

Number of off-payroll engagements of Board Members, and/or, senior officials with significant financial responsibility, during the financial year.	0
Number of individuals that have been deemed 'Board Members and/or senior officials with significant financial responsibility' during the financial year. This figure must include both off-payroll and on-payroll engagements.	19

Staff survey report

Statement of approach

Increasing staff engagement remains a priority for the Trust and several steps were taken to increase engagement and participation in the 2022 staff survey, including:

- A series of local area roadshows were booked in to allow teams with limited computer access to complete on tablets;
- On-site Staff Survey Hubs where colleagues could either post their paper survey or complete their electronic survey; and
- Trust-wide promotional campaign including use of social media, and weekly emails to line managers with completion rates.

The impact of this was a completion rate of 51%, compared with 47% in 2021. 51% also exceeded the median response rate for our benchmarking group, acute and acute community trusts, which was 44% across 124 organisations.

NHS staff survey

The NHS staff survey is conducted annually. From 2021/22 the survey questions align to the seven elements of the NHS 'People Promise', and retains the two previous themes of engagement and morale. These replaced the ten indicator themes used in previous years. All indicators are based on a score out of 10 for specific questions with the indicator score being the average of those.

2022/23 and 2021/22

Indicators	2022/23		2021/22	
	Trust score	Benchmarking group score	Trust score	Benchmarking group score
People Promise:				
We are compassionate and inclusive	7.5	7.2	7.4	7.2
We are recognised and rewarded	5.9	5.7	5.9	5.8
We each have a voice that counts	6.8	6.6	6.9	6.7
We are safe and healthy	6.0	5.9	6.0	5.9
We are always learning	5.5	5.4	5.1	5.2
We work flexibly	6.1	6.0	6.0	5.9
We are a team	6.8	6.6	6.6	6.6
Staff engagement	6.9	6.8	6.9	6.8
Morale	5.8	5.7	5.9	5.7

2020/21

Scores for each indicator together with that of the survey benchmarking group (acute and acute community trusts) are presented below.

Indicator	2020/21	
	Trust	Benchmarking group score
Equality, diversity and inclusion	9.3	9.1
Health and wellbeing	6.2	6.1
Immediate managers	6.9	6.8
Morale	6.3	6.2
Quality of care	7.5	7.5
Safe environment – bullying and harassment	8.4	8.1
Safe environment – violence	9.5	9.5
Safety culture	7.0	6.8
Staff engagement	7.1	7.0
Team working	6.5	6.5

Staff survey results commentary

Following the publication of the 2021/22 annual staff survey results several key priorities were identified and were overseen by the Staff Survey Steering Group. The priorities were to:

- Increase engagement and completion of the annual staff survey;
- Enhance opportunities for colleagues to develop their careers and access a good quality appraisal;

- Support those who experience discrimination from patients/service users and physical violence from colleagues; and
- Reduce the work-related stress colleagues experience, and monitor staff coming to work when not feeling well enough to do so.

Progress against each of these priorities is outlined below.

Increase engagement and completion of the annual staff survey

Several steps were taken to increase engagement and participation in the 2022 staff survey, including as outlined in the *statement of approach* section of this report. The impact of this was a completion rate of 51%, compared with 47% in 2021.

Enhance opportunities for colleagues to develop their careers and access a good quality appraisal;

A full review of the Trust's annual appraisal form to ensure it was fit for purpose took place in 2021/22. As a result, the 2022 survey demonstrated these changes are improving colleagues' appraisal experience with all of the questions relating to appraisal observing a year-on-year improvement.

In relation to career development, further investment in learning and development opportunities such as continued professional development, the introduction of the learning and development newsletter and investment and promotion of new apprenticeship pathways have led to the People Promise theme *we are always learning* improving from 5.1 to 5.5, which demonstrates the opportunities for career enhancement and learning are improving.

Support those who experience discrimination from patients/service users and physical violence from colleagues

There was a continued focus on Freedom to Speak up throughout 2021/2022. As such the Trust improved one percentage point in the question relating to not experiencing discrimination from patients/service users. This is a positive sign, but there is still further work to do, and the introduction of Freedom to Speak up Champions will continue to support this work moving forward.

Reduce the work-related stress colleagues experience, and monitor staff coming to work when not feeling well enough to do so

There was a three-percentage point increase in 2022 in relation to work related stress. A robust support offer is available via occupational health, and signposting support through the Health and Wellbeing Team to support colleagues experiencing work-related stress. Staff coming to work when not feeling well enough to do so has declined significantly in 2022 and continues to be an area of focus for the Trust. It is observed that staffing pressures may be having an impact, alongside more focus on managing absence through changes to the absence management policy. We score highly in People Promise theme *we are a team*, and this may also be impacting on the scores as coupled with staffing pressures colleagues may come to work to support their team.

2022/23 staff survey analysis

We are either in line with or have exceeded the average scores of our benchmarking group in all of the People Promise & Theme results.

We have seen a drop in both our *Staff Engagement* and *Morale* scores this year with *Advocacy* and *Work Pressure* respectively showing the most significant reduction. Whilst an impact on feelings of work pressure could be expected given the working environment that colleagues have experienced over the last 12 months, a drop in *Advocacy* is an area of interest and relates closely to how engaged colleagues are with the organisation and their reflections on both the staff and patient experience. We will be focusing closely on this

metric, particularly at a team level, to understand thoughts and concerns in more detail and determine those things that will make the most difference to our colleagues' experiences and perceptions of the organisation.

When considering our results at a question level we can see that we have scored significantly better than 2021/22 in 24% of our questions. There are two question subsections with which saw a significant year on year improvement, the first of which is *your personal development and appraisal*, which saw eight out of ten questions significantly improve from 2021/22. The second question subsection with improvement is *your managers*, which saw all nine questions significantly improve compared to 2021/22. This demonstrates the investment in leadership and management development, and as mentioned previously, improvements to appraisal have had the desired impact.

We can also see that we scored significantly worse than 2021/22 in 8% of questions. When we look at the top five questions showing the largest variance the themes suggest concerns regarding the organisation acting on concerns from colleagues, patients and services users, working unpaid additional hours, satisfaction with pay and coming to work when not feeling well enough. Whilst the data shows that there is a similar picture across the sector there are things that we can do at an organisational level to address these. FTSU guardians and champions are a focus for the Trust in 2023/24, alongside a continued focus on managing absence, which will support improvements in these areas.

Our WRES and WDES results have been referenced in the EDI section of the Staff Report. These results will be explored as a key metric through our culture programme. One of the workstreams is focused on creating a psychologically safe environment and bullying and harassment will feature within this. Another route to address this is also the introduction of Freedom to Speak up Champions across the Trust.

Staff Survey – next steps

We continue to engage colleagues with their local results, working in partnership with operational Business Units to understand those factors, at a team level, that have informed this data and support teams to develop their People Action Plans. The 2022/23 staff survey results have contributed to a Trust-wide, thematic analysis of colleague feedback and the development of a people-focused delivery plan. This will be overseen by the People & OD Committee and focuses on engagement, ongoing development and creating a psychological safe working environment.

NHS Foundation Trust Code of Governance

Gateshead Health NHS Foundation Trust has applied the principles of the NHS Foundation Trust Code of Governance on a comply or explain basis. The NHS Foundation Trust Code of Governance, most recently revised in July 2014, is based on the principles of the UK Corporate Governance Code issued in 2012.

Mandatory disclosures

There are several disclosures and statements that we are required to make, even where we are fully compliant – known as mandatory disclosures.

The mandatory disclosures have already been made within the main text of the annual report and section references are provided below to demonstrate where each disclosure has been made.

Code ref	Summary of requirement	Section reference
A.1.1	<p>The schedule of matters reserved for the Board of Directors should include a clear statement detailing the roles and responsibilities of the Council of Governors.</p> <p>This statement should also describe how any disagreements between the Council of Governors and the Board of Directors will be resolved.</p> <p>The annual report should include this schedule of matters or a summary statement of how the Board of Directors and the Council of Governors operate, including a summary of the types of decisions to be taken by each of the Boards and which are delegated to the executive management of the Board of Directors.</p>	The Board's relationship with the Council of Governors
A.1.2	<p>The annual report should identify the chairperson, the deputy chairperson (where there is one), the chief executive, the senior independent director (see A.4.1) and the chairperson and members of the nominations, audit and remuneration committees.</p> <p>It should also set out the number of meetings of the Board and those committees and individual attendance by directors.</p> <p>This requirement is also contained in paragraph 7.46 as part of the remuneration report requirements. The disclosure relating to the remuneration committee should only be made once.</p>	Directors' Report and Board composition sections
A.5.3	<p>The annual report should identify the members of the Council of Governors, including a description of the constituency or organisation that they represent, whether they were elected or appointed, and the duration of their appointments. The annual report should also identify the nominated lead governor.</p>	Council of Governors
FT ARM	<p>The annual report should include a statement about the number of meetings of the Council of Governors and individual attendance by governors and directors.</p>	Council of Governors

Code ref	Summary of requirement	Section reference
		Board attendance shown in the Board composition section table
B.1.1.	The Board of Directors should identify in the annual report each non-executive director it considers to be independent, with reasons where necessary.	Board composition
B.1.4.	The Board of Directors should include in its annual report a description of each director's skills, expertise and experience. Alongside this, in the annual report, the Board should make a clear statement about its own balance, completeness and appropriateness to the requirements of the NHS Foundation Trust.	Board composition
FT ARM	The annual report should include a brief description of the length of appointments of the non-executive directors, and how they may be terminated	Board appointments and performance
B.2.10	A separate section of the annual report should describe the work of the nominations committee(s), including the process it has used in relation to Board appointments.	Annual Statement on Remuneration
FT ARM	The disclosure in the annual report on the work of the nominations committee should include an explanation if neither an external search consultancy nor open advertising has been used in the appointment of a chair or non-executive director.	Not applicable – open advertising used for positions
B.3.1.	A chairperson's other significant commitments should be disclosed to the Council of Governors before appointment and included in the annual report. Changes to such commitments should be reported to the Council of Governors as they arise, and included in the next annual report.	Directors' Report
B.5.6	Governors should canvass the opinion of the trust's members and the public, and for appointed governors the body they represent, on the NHS Foundation Trust's forward plan, including its objectives, priorities and strategy, and their views should be communicated to the Board of Directors. The annual report should contain a statement as to how this requirement has been undertaken and satisfied.	Council of Governors
FT ARM	If, during the financial year, the Governors have exercised their power* under paragraph 10C** of schedule 7 of the NHS Act 2006, then information on this must be included in the annual report. This is required by paragraph 26(2)(aa) of schedule 7 to the NHS Act 2006, as amended by section 151 (8) of the Health and Social Care Act 2012. * Power to require one or more of the directors to attend a governors' meeting for the purpose of obtaining information about the Foundation Trust's performance	Not applicable – these powers were not exercised

Code ref	Summary of requirement	Section reference
	of its functions or the directors' performance of their duties (and deciding whether to propose a vote on the Foundation Trust's or directors' performance). ** As inserted by section 151 (6) of the Health and Social Care Act 2012)	
B.6.1.	The Board of Directors should state in the annual report how performance evaluation of the Board, its committees, and its directors, including the chairperson, has been conducted.	Board appointments and performance
B.6.2.	Where there has been external evaluation of the Board and/or governance of the trust, the external facilitator should be identified in the annual report and a statement made as to whether they have any other connection to the trust.	NHS Improvement's Well-Led Framework
C.1.1.	The directors should explain in the annual report their responsibility for preparing the annual report and accounts, and state that they consider the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for patients, regulators and other stakeholders to assess the NHS Foundation Trust's performance, business model and strategy. Directors should also explain their approach to quality governance in the Annual Governance Statement (within the annual report). See also ARM paragraph 2.108.	Mandatory disclosures in the Directors' Report
C.2.1	The annual report should contain a statement that the Board has conducted a review of the effectiveness of its system of internal controls.	Annual Governance Statement
C.2.2.	A trust should disclose in the annual report: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	Directors' Report – Group Audit Committee
C.3.5.	If the Council of Governors does not accept the audit committee's recommendation on the appointment, reappointment or removal of an external auditor, the Board of Directors should include in the annual report a statement from the audit committee explaining the recommendation and should set out reasons why the Council of Governors has taken a different position.	Not applicable
C.3.9.	A separate section of the annual report should describe the work of the audit committee in discharging its responsibilities. The report should include: <ul style="list-style-type: none"> • the significant issues that the committee considered in relation to financial statements, operations and compliance, and how these issues were addressed; 	Directors' Report – Group Audit Committee

Code ref	Summary of requirement	Section reference
	<ul style="list-style-type: none"> an explanation of how it has assessed the effectiveness of the external audit process and the approach taken to the appointment or re-appointment of the external auditor, the value of external audit services and information on the length of tenure of the current audit firm and when a tender was last conducted; and if the external auditor provides non-audit services, the value of the non-audit services provided and an explanation of how auditor objectivity and independence are safeguarded. 	
D.1.2.	Where an NHS Foundation Trust releases an executive director, for example to serve as a non-executive director elsewhere, the remuneration disclosures of the annual report should include a statement of whether or not the director will retain such earnings.	Not applicable
E.1.5.	The Board of Directors should state in the annual report the steps they have taken to ensure that the members of the Board, and in particular the non-executive directors, develop an understanding of the views of governors and members about the NHS Foundation Trust, for example through attendance at meetings of the Council of Governors, direct face-to-face contact, surveys of members' opinions and consultations.	The Board's relationship with the Council of Governors
E.1.6.	The Board of Directors should monitor how representative the NHS Foundation Trust's membership is and the level and effectiveness of member engagement and report on this in the annual report.	Foundation Trust membership
E.1.4.	Contact procedures for members who wish to communicate with governors and/or directors should be made clearly available to members on the NHS Foundation Trust's website and in the annual report.	Contact information
FT ARM	<p>The annual report should include:</p> <ul style="list-style-type: none"> a brief description of the eligibility requirements for joining different membership constituencies, including the boundaries for public membership; information on the number of members and the number of members in each constituency; and a summary of the membership strategy, an assessment of the membership and a description of any steps taken during the year to ensure a representative membership [see also E.1.6 above], including progress towards any recruitment targets for members. 	Foundation Trust membership
FT ARM	The annual report should disclose details of company directorships or other material interests in companies held by governors and/or directors where those companies or related parties are likely to do business,	Council of Governors

Code ref	Summary of requirement	Section reference
	<p>or are possibly seeking to do business, with the NHS Foundation Trust.</p> <p>As each NHS Foundation Trust must have registers of governors' and directors' interests which are available to the public, an alternative disclosure is for the annual report to simply state how members of the public can gain access to the registers instead of listing all the interests in the annual report.</p>	

Comply or explain

We have complied with the majority of the "comply or explain" disclosures of the Code of Governance, except for one statement. The following table outlines the provision where we did not fully comply with the provision.

Code ref	Summary of requirement	Explanation
D.2.3.	The Council should consult external professional advisers to market-test the remuneration levels of the chairperson and other non-executives at least once every three years and when they intend to make a material change to the remuneration of a non-executive.	During 2019/20 NHS England released new requirements regarding Chair and Non-Executive Director remuneration in November 2019. The aim of this new publication was to align remuneration for Chairs and Non-Executive Directors in both trusts and Foundation Trusts by April 2022. The Governor Remuneration Committee therefore reviewed the proposed national remuneration structures set by NHS England (alongside publicly available benchmarking information), rather than consulting external professional advisers.

NHS Oversight Framework

NHS England's NHS Oversight Framework provides the framework for overseeing systems including providers and identifying potential support needs. NHS organisations are allocated to one of four 'segments'.

A segmentation decision indicates the scale and general nature of support needs, from no specific support needs (segment 1) to a requirement for mandated intensive support (segment 4). A segment does not determine specific support requirements. By default, all NHS organisations are allocated to segment 2 unless the criteria for moving into another segment are met. These criteria have two components:

- a. objective and measurable eligibility criteria based on performance against the six oversight themes using the relevant oversight metrics (the themes are: quality of care, access and outcomes; people; preventing ill-health and reducing inequalities; leadership and capability; finance and use of resources; local strategic priorities)
- b. additional considerations focused on the assessment of system leadership and behaviours, and improvement capability and capacity.

An NHS foundation trust will be in segment 3 or 4 only where it has been found to be in breach or suspected breach of its licence conditions.

Segmentation

As at 25 May 2023 the Trust was placed in segment 2, which was consistent with the position throughout 2022/23. Segment 2 is described in the NHS Oversight Framework as the default position allocated to trusts unless the criteria for moving into another segment are met.

Current segmentation information for NHS trusts and Foundation Trusts is published on the NHS England website: <https://www.england.nhs.uk/publication/nhs-system-oversight-framework-segmentation/>

Modern Slavery and Human Trafficking Act 2015 Annual Statement 2022/23

Gateshead Health NHS Foundation Trust offers the following statement regarding its efforts to prevent slavery and human trafficking in its supply chain.

Section 54 of the Modern Slavery Act 2015 requires all organisations to set out the steps the organisation has taken during the financial year to ensure that slavery and human trafficking is not taking place in any of its supply chains and in any part of its own business or supply chain.

The Organisation

Gateshead Health NHS Foundation Trust provides secondary care, community and older persons' mental health services to a local population of approximately 200,000. Wider populations are served for specialist screening services, gynaecology-oncology services and some breast services, including South of Tyne, Northumberland, Humberside, Cumbria and Lancashire. Our annual turnover is around £391m and we have a workforce of around 5,100 people.

Our Commitment

The Trust considers the potential social impact and effect of its supply chain prior to the commencement of a procurement. It is committed to ensuring its suppliers adhere to the highest standards of ethics and undertakes due diligence when considering new suppliers as well as regularly reviewing existing suppliers.

The Trust recognises that it has a responsibility to take a robust approach preventing and addressing any concerns to slavery and human trafficking.

The organisation is committed to preventing slavery and human trafficking in its corporate activities and to ensuring that its supply chains are free from slavery and human trafficking.

We are committed to acting ethically and with integrity and transparency in all business dealing and to putting effective systems and controls in place to safeguard against any form of modern slavery taking place within the business of our supply chain.

Training

Advice and training regarding modern slavery and human trafficking is available to staff through our safeguarding children and adults training programmes, our safeguarding policies and procedures and our safeguarding lead.

Although specific training has not been undertaken for staff, Trust staff undertake safeguarding training as part of core training which references Modern Day Slavery and informs staff how to raise concerns regarding any vulnerable adult.

Members of the Procurement senior team are Chartered Institute of Purchasing and Supply (CIPS) qualified and abide by the CIPs code of professional conduct.

The Trust's Policy Framework

The Trust has several policies in place which support this agenda including-

- a Recruitment and Selection policies
- b Safeguarding policies
- c Raising Concerns – Freedom to Speak Up

d Managing Conflicts of Interest

Our Due Diligence

As part of our efforts to monitor and reduce the risk of slavery and human trafficking occurring within our supply chain we have taken the following steps:

- Gathered information from the business concerning existing suppliers;
- Identified tier 1 suppliers to our business; and
- Sought confirmation from those suppliers of their own compliance with the Modern Slavery Act (where appropriate) and their commitment to ethical business practices and transparency in their own supply chains.

These steps have been taken to enable us to:

- Establish and assess areas of potential risk in our business and supply chains;
- Monitor potential risk areas in our business and supply chains;
- Train our employees on what to look for (the signs of modern slavery);
- Reduce the risk of slavery and human trafficking occurring in our business and supply chains;
- Provide adequate protection for whistle blowers.

As a result, we undertake a process of due diligence to provide assurance to all relevant interested parties (ie our staff and our customers) that we work alongside reputable organisations.

We also confirm the identities of all new employees and their right to work in the United Kingdom in line with NHS employment check standards within our recruitment and selection practices and pay all our employees above the National Living Wage.

Our core values give staff a platform for our employees to raise concerns about poor working practices or behaviours not in line with those expected.

Risk and Compliance

The Trust has taken steps to evaluate the nature and extent of its exposure to the risk of modern slavery occurring within our supply chain, measured against legislative and regulatory requirements.



Trudie Davies
Chief Executive
28 June 2023

Statement of Accounting Officer's Responsibilities

Statement of the chief executive's responsibilities as the accounting officer of Gateshead Health NHS Foundation Trust

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

NHS England, in exercise of the powers conferred on Monitor by the NHS Act 2006, has given Accounts Directions which require Gateshead Health NHS Foundation Trust to prepare for each financial year a statement of accounts in the form and on the basis required by those Directions. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Gateshead Health NHS Foundation Trust and of its income and expenditure, other items of comprehensive income and cash flows for the financial year.

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

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

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

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

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

A handwritten signature in black ink, appearing to read 'Trudie Davies', with a stylized flourish at the end.

Trudie Davies
Chief Executive
28 June 2023

Annual Governance Statement

Scope of responsibility

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

The purpose of the system of internal control

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

Capacity to handle risk

Risk management leadership

As Accounting Officer, I have ultimate accountability and responsibility for leading our risk management arrangements on behalf of the Board of Directors. Executive leadership for risk management is delegated to the Chief Nurse, as outlined within our risk management framework. The Chief Nurse is responsible for providing leadership for the development and implementation of the Group's risk management strategy, ensuring that we constantly monitor and evaluate the effectiveness of our systems of internal control. This includes ensuring that there is central support in terms of resource and systems in place to deliver the risk management strategy. The Chief Nurse, along with the Medical Director, also leads on all aspects of clinical risk.

Each executive director has responsibility for leadership in respect of risks relating to their own portfolio areas. As an example, the Chief Operating Officer had specific responsibility for operational risk, performance, planning and Emergency Preparedness, Resilience and Response (EPRR)-related risks in 2022/23.

Professional support in respect of the implementation of the risk management strategy and risk systems is provided by the Head of Risk and Patient Safety (who reports to the Chief Nurse), with the Company Secretary providing support in relation to the Board Assurance Framework (BAF).

The Executive Risk Management Group is a dedicated group within our governance structure which seeks assurance over the effective risk management within both the Trust and its wholly-owned subsidiary, QE Facilities (which provides a range of functions including estates, facilities, transport and procurement). During the year the Group was chaired by the Chief Nurse, with the chair role transferring to the new Chief Executive from April 2023, which demonstrates the importance placed on risk management by the senior leadership team.

The Group met 6 times during the year and reviewed the Organisational Risk Register (ORR) at each meeting, as well as the risk registers for each business unit (corporate and operational) and QE Facilities on a cyclical basis. The work of the Group provides constructive challenge and debate on the completeness of risk registers, the appropriateness of risk scores and the frequency and robustness of risk review. The Group formally reports into the Group Audit Committee, with assurance reports provided to every meeting of the Committee to demonstrate the impact of the Group and provide an insight into the risk management control environment.

The work of the Group also informed the risk reporting to other key forums within the governance structure, with the full ORR presented at every Senior Management Team meeting for review, as well as the relevant extracts being presented to the Board committees throughout the year (alongside the BAF extracts). The ORR and BAF were presented in full to the Board of Directors four times per year.

Risk management training

We ensure through our management structures that we provide training and support on the delivery of risk management activities.

Our statutory and mandatory training programme supports staff in risk identification and assessment through subject-specific modules including health and safety, fire safety, moving and handling and falls training, for example. It is recognised that the pandemic has had an impact on training compliance rates, although note that compliance improved during the year.

The Group risk management policy (which applies to the Trust and QE Facilities) provides detailed information on risk reporting, risk register usage, risk review and risk escalation. The Trust's intranet includes additional guidance and information on how to implement the policy.

The Corporate Risk Manager has also delivered one-to-one and group training throughout the year as well as holding bespoke risk review sessions with risk owners.

The Board has received a number of sessions on risk management during the year. In April 2022 a Board development session was held to debate and discuss different models for the Board Assurance Framework, and share a proposed new template with the Board for approval. The Company Secretary provided training for Board Members on the new BAF and developed a comprehensive guide to aid the effectiveness and utilisation of the BAF at Board and committees.

In April 2022 the Board also held a development session to consider the risk appetite and risk management maturity of the Trust. A further session is planned for early 2023/24.

The risk and control framework

The Trust's risk management policy sets out the framework for the management of risk including how risks are being identified, evaluated and controlled. The risk management strategy was under consultation at the year-end with a draft presented to the Group Audit Committee in March 2023 for comment as part of this process.

The policy describes how we use the National Patient Safety Agency (NPSA) risk matrix as a tool to assist in assigning a consequence and likelihood level to risks (using a 5x5 matrix). A standardised approach to risk assessment, scoring and grading is used, with risks being assigned an initial, current and target score. Our response to risk is in proportion to the level of risk identified and in accordance with the risk appetite and tolerance levels set by the Board of Directors.

The Board of Directors set an escalation level of 15, which means that any risks with a current risk score of 15 or above are reported to the Executive Risk Management Group to be considered for inclusion on the ORR. The risk management policy includes a full risk management governance framework to outline how risks escalate from ward to Board.

In April 2021 the Board agreed that the Trust was between the 'risk aware' and 'risk defined' level on the maturity scale, although closer to 'risk defined'. The Board agreed an aim of reaching 'risk enabled' within three years. We recognise that part of this goal will be further defining and embedding risk appetite into our governance and decision-making, so that it proactively informs how we operate.

Another key part of the risk and control framework is the BAF. The BAF provides a method for seeking assurance over the management of the principal strategic risks to meeting the Trust's strategic objectives. The format of the BAF was strengthened in 2022/23, providing a greater focus on the controls following feedback from Board Members and internal audit in the previous year. The BAF identifies key controls and assurances, as well as any gaps and corresponding action plans. Each of the Board's committees was assigned responsibility for seeking assurance over the delivery of specific Board-priority strategic objectives and consequently reviewed the related BAF extracts at every committee meeting. Committees tracked the actions taken to address control and assurance gaps, which helped to mitigate risks which may have impacted upon the ability to deliver the strategic objectives.

The detailed reviews of the committees informed the Board's review of the full BAF document four times each year. As outlined previously the BAF was fully redesigned in 2022/23 with training sessions provided and a guide to the BAF produced for reference. Positive feedback on the format of the BAF was received as part of the independent well-led assessment conducted by the Good Governance Institute during 2022/23.

Our internal auditors undertake an annual review of risk management and the BAF. The 2022/23 review of Trust arrangements concluded that *'governance, risk management and control arrangements provide a good level of assurance that the risks identified are managed effectively. A high level of compliance with the control framework was found to be taking place. Minor remedial action is required'*. This provides good external assurance around the risk and control framework in place during 2022/23.

It is noted that internal audit also conducted a review of risk management arrangements in QE Facilities and provided a conclusion of reasonable assurance for 2022/23, noting some inconsistencies in compliance with the control framework and the requirement for some moderate remedial action to take place. All recommendations have been assigned an implementation date of July 2023 to ensure that the controls and processes are strengthened as a priority.

Governance processes and structures

Our broader governance processes and structures help to ensure that there are effective controls and escalation mechanisms in place to support decision-making and risk management.

Our Board of Directors is supported by the work of six Board committees:

- Group Audit Committee;
- Finance and Performance Committee;
- Quality Governance Committee;
- People and Organisational Development Committee;
- Remuneration Committee; and

- Digital Committee.

Each committee has delegated authority from the Board to review matters outlined with the terms of reference. The committees are chaired by Non-Executive Directors and are assurance-focussed committees. Key assurances, decisions, risks and any matters for escalation are reported to the Board of Directors (except for the Remuneration Committee where appropriate due to the nature of its role). The Trust's subsidiary, QE Facilities, reports into the Finance and Performance Committee in respect of performance against its contract with the Trust. QE Facilities also provides six monthly reports on performance directly to the Board of Directors.

The Board committees themselves are supported by a series of sub-groups, which undertake detailed work / seek assurance on specific matters and are accountable to the Board committees.

The Group Audit Committee has a key role in seeking assurance over the effectiveness of systems of internal control within both the Trust and QE Facilities. It therefore has an important and different role to play in respect of the governance structure.

The Executive Team seeks to ensure that items presented to Board committees have been subject to thorough review and scrutiny prior to consideration at Board committee-level, enabling clear articulation of assurances, risks and well-formulated action plans.

As referred to earlier within the annual report, the Board has demonstrated due regard to well-led principles and the well-led framework throughout the year. This included commissioning an independent review of compliance with the well-led aspect of the CQC framework. This work was undertaken by the Good Governance Institute (GGI) and involved a desktop review of documentation, interviews, focus groups and observations of the Board and Board committees.

The review concluded in March 2023 with GGI concluding that *'overwhelmingly, we found that the Trust was safe, caring, effective, responsive and well-led'*. The review identified some areas for further development and improvement, as well as areas of good practice. At the year-end a comprehensive thematic review was being undertaken to collate and analyse feedback from a number of sources and identify any additional workstreams needed to support the implementation of improvements. This demonstrates a commitment to continuous improvement and a focus on the importance of ensuring effective governance.

During the year the Board has demonstrated a commitment to continuous improvement and reviewing governance structures and processes. This included:

- Commissioning of the independent well-led assessment from the Good Governance Institute;
- Fully reviewing the terms of reference for Board committees, the Senior Management Team and the Executive Management Team to improve assurance flows;
- Embedding the new format BAF and using this to seek assurance over actions taken to address controls or assurance gaps;
- Implementing a revised policy on the development of policies and procedures and embedding the key role that the Policy Review Group places in seeking assurance over compliance with this policy on policies;
- Introducing a new Compliance Group in Quarter 4 with Executive Director membership. This provides a clear place for the escalation and resolution of cross-cutting portfolio issues; and

- A review of governance structures within operational business units resulting in a suite of model templates to support the consistency of approach.

We are committed to continuous improvements in respect of these processes and structures – ensuring that we have effective governance in place enables our Board to be assured over the services we provide to our patients and the working environment we provide for our people.

Having an effective governance structure supports in the identification and management of principal risks to compliance with the NHS Foundation Trust licence condition 4 (FT governance).

Where we have identified potential control weaknesses or opportunities for improvement during the year, we have proactively commissioned reviews. Additional internal audit work was commissioned in specific areas, for example in relation to procurement and the governance of capital and pay expenditure in QE Facilities. A further example is that QE Facilities had entered into a project to design and manufacture **masks** with a unique anti-viral layer in collaboration with an external company. The project continued into 2022/23, but despite best endeavours it was ultimately not deemed to be viable and the project was ceased towards the end of the year.

The Board wanted to proactively undertake learnings from this. As such Deloitte LLP were commissioned to undertake a review of governance arrangements, with a view to identifying any learnings from how these have been structured and operated in practice in order to strengthen and clarify governance and oversight in future. This review was being undertaken at the time of writing.

We are committed to listening and learning from feedback from a variety of sources. At the year-end we were in the process of reviewing recent feedback to identify key themes, trends and actions required. The feedback under review included: the GGI review report; a consultant survey conducted by one of our Staff Governors; the NHS staff survey; anonymous letters received into the Trust; verbal narrative obtained from key meetings; and feedback and observations from the incoming Chief Executive as part of her induction.

In early 2023/24 this analysis of feedback sources culminated in the production of a comprehensive thematic review structured around the following themes:

- Strategy, planning and performance;
- Clinical engagement;
- Board visibility;
- Unitary functions and governance;
- Freedom to Speak Up and organisational culture;
- Communication and engagement;
- Equality, diversity and inclusion;
- Understanding our sustainable and vulnerable services; and
- QE Facilities – its role, vision and governance.

The thematic review is supported by a clear delivery plan with owners and timescales. The delivery plan forms our work plan for the next year and its impact will be measured through identified key indicators. The thematic review has been widely shared with our people (including our Clinical Strategy Group) and stakeholders, including the Integrated Care Board, Council of Governors, Care Quality Commission and NHS England.

The Board has reflected on the thematic review to inform the content of the Annual Governance Statement, Corporate Governance Statement and the assessment of compliance with licence condition 4. The Board confirms compliance, whilst acknowledging that some improvements in our governance and control environment are required, with our Corporate Governance Statement reflecting agreed actions for 2023/24.

As well as formal governance processes and structures, culture is key to ensuring that risk management principles are embedded into the everyday activity of the Trust. Risk management is also embedded into the activity of the organisation through incident reporting. This is openly encouraged throughout the Trust, and we have continued our work to embed the principles of just and restorative culture.

We are committed to complying with the general and specific duties of the Public Sector Equality Duty and monitoring risks and the potential impact on people with protected characteristics. There was a significant focus on the completion of EQiAs for service changes and policy reviews, which again demonstrate an important focus on the wider aspects of risk. We work closely with our staff networks in assessing EDI-related risks and mitigating action plans to help us to continue to improve our services and offerings for both patients and colleagues.

Quality governance

The Quality Governance Committee leads on seeking assurance over all aspects of the quality of clinical care; quality and clinical governance systems; clinical risk issues; research and development; and compliance with regulatory standards of quality and safety.

Groups which report into the Quality Governance Committee include our Safeguarding Committee, SafeCare Risk and Patient Safety Council, Group Health and Safety Committee and our Mortality and Morbidity Steering Group.

The quality of performance information is assessed through a rolling multi-year programme of audit, data quality spot checks and reviews against updated guidance.

The Care Quality Commission (CQC) last fully inspected the Trust in April 2019, when the Trust received an overall rating of 'good'. The Quality Governance Committee monitored the resulting action plan on behalf of the Board. During 2022/23 our medicine optimisation service received a 'good' rating from the CQC. The service was inspected as part of a pilot. The patient transport aspect of QE Facilities was inspected by CQC in August 2022. The patient transport services were awarded a 'good' rating.

Corporate and service-level self assessments of CQC compliance were undertaken during the year, alongside the independent well-led review conducted by GGI, as referenced earlier. A CQC action plan which incorporates key actions and learnings is monitored by our CQC Compliance Group and also reported to our Senior Management Team for assurance.

Key risks during 2022/23

Our key risks during 2022/23 as recorded on our Organisational Risk Register as at 31 March 2023 and where relevant referred to in our BAF were:

Theme	Key risk	Score at year-end	Mitigating actions
Quality outcomes	A risk that our new operating model is	12	<ul style="list-style-type: none"> New Operating Model progress is formally monitored via the New

Theme	Key risk	Score at year-end	Mitigating actions
	unable to be delivered, resulting in a negative impact on our performance and recovery plans		<p>Operating Model Board meeting to track progress and identify any emerging issues</p> <ul style="list-style-type: none"> • Alignment of staffing requirements to activity and service plans. • Bed modelling in place and workforce management plans in place, which are regularly monitored.
Quality outcomes	Delayed transfers of care result in increased lengths of stay, which can have a negative impact on patient health	16	<ul style="list-style-type: none"> • Close daily working with the local authority to examine and manage out of hospital capacity. • Collaborative working with the local authority on discharge capacity and requirements longer term. • Escalation process in place for patients requiring social services and community support.
Quality outcomes	Multiple sources of clinical records stored in a variety of formats, leading to a risk of patient harm if decisions are made on incomplete data	16	<ul style="list-style-type: none"> • Systems management audit programme in place. • Structured change control procedures in place. • Standard operating procedures are in place for each system. • A clinical system business case is in development. • Work is being undertaken to develop a pathway to a digital health record creation.
Quality outcomes	A risk that emergency treatment is delayed for maternity patients due to the location of maternity in a separate building to critical care.	15	<ul style="list-style-type: none"> • Pre-assessment process at place with elective patients who are likely to require critical care following their procedure are operated on in the main theatres. • Estates assessment under way to understand the best locations for all clinical services.
Quality outcomes	Risk of quality failures in patient care due to external causes such as delayed discharges and other external pressures	12	<ul style="list-style-type: none"> • Daily reports in place for all delayed discharges. • Regular meetings in place with social care. • Discharge liaison staff available to support wards and facilitate earlier discharge.
Quality outcomes	Risk of significant and unprecedented service disruption due to industrial action	20	<ul style="list-style-type: none"> • Industrial action working group in place with detailed plans focussing on planning, response and recovery.

Theme	Key risk	Score at year-end	Mitigating actions
			<ul style="list-style-type: none"> • Business continuity planning command and control structure in place. • Partnership working with staff-side and trade unions. • Lessons learned captured after each period of industrial action and used to inform future planning.
Regulation and compliance	Risk of potential non-compliance with current legislation and guidance as a result of policies not being up to date	16	<ul style="list-style-type: none"> • Policy Review Group established as a dedicated forum for policy approvals. • Overdue policy list reviewed at Policy Review Group, Senior Management Team and the Compliance Group. • Revised policy on policies in place to provide clear guidance on the process for reviewing and updating policies.
Reputation	A risk that there is a disconnect between our own plans and those at place / Integrated Care System (ICS) level, resulting in an inability to address health inequalities	9	<ul style="list-style-type: none"> • Health Inequalities Board established with close working with the Director of Public Health for Gateshead and her team. • Board and senior management engagement in place-based meetings and key ICS meetings to develop strong links and collaborative working.
People and resources	Risk of not having the right people in the right place at the right time, resulting in an inability to deliver our strategic aims	16	<ul style="list-style-type: none"> • Staffing task and finish group in place. • International and domestic recruitment plans in place. • A focus on retention through enhanced training and development offering and a focus on organisational culture.
People and resources	Risk of adverse impact on the health and wellbeing of colleagues due to internal and external pressures	12	<ul style="list-style-type: none"> • Increased health and wellbeing service provision through our Balance brand. • Schwartz rounds have recommenced.
Finance and efficiency	Risk of failure to manage information assets by Information Asset Owners, resulting in inappropriate use of data or data breaches	15	<ul style="list-style-type: none"> • Compliance with Information Asset requirements reported to the Senior Management Team and Digital Committee with escalation to the Compliance Group • Systems specific security policy in place for all systems. • Audit programme underway with a focus on critical systems.
Finance and efficiency	Risk posed by malware compromising our systems	10	<ul style="list-style-type: none"> • Patching process in place. • The Trust network is fully supported and maintained.

Theme	Key risk	Score at year-end	Mitigating actions
			<ul style="list-style-type: none"> Review of end of life hardware and software is underway.
Finance and efficiency	Risk to ongoing business continuity of service provision due to the ageing estate	12	<ul style="list-style-type: none"> Work has been undertaken to develop a draft clinically-led estates strategy for the QE site. Wider work is being undertaken to assess the full estate with the aim of prioritising the best estate for clinical service provision.
Finance and efficiency	Risk of ineffective and inefficient management of services due to the availability and access to appropriate and timely business intelligence	12	<ul style="list-style-type: none"> Programme of work established to improve access to business intelligence from ward to Board. A review of the Integrated Oversight Report content is being undertaken to ensure this is strategic and exception-based.
Finance and efficiency	Operational pressures result in the non-achievement of cost reduction plans	20	<ul style="list-style-type: none"> Delivery closely monitored as part of month end reporting. Efficiency planning and workshops in place to address underlying financial sustainability. Regular discussions held with the ICB on financial efficiency and sustainability.
Finance and efficiency	Risk that the capital cost of delivery of the new operating model continues to increase, resulting in additional revenue implications	12	<ul style="list-style-type: none"> Detailed scrutiny of wider capital programme undertaken to ensure robust forecasting. New Operating Model progress formally monitored via New Operating Model Board meeting to track progress and identify any emerging issues.

A number of these risks will remain live into 2023/24 with the implementation of mitigating actions to reduce the risks down to their target scores, in line with our risk appetite. Our most significant risks will continue to be reported and monitored at every Board committee and Board of Directors meeting.

Safe staffing

We adhere to the principles of safe staffing, as defined in the national guidance, Developing Workforce Safeguards. We use evidence-based tools and data such as the Safer Nursing Care tool, Birthrate Plus, eRostering and model hospital. Alongside this we use professional judgement and other key forms of information (such as patient and staff feedback) to ensure workforce planning is responsive to need and proactive in relation to forward planning.

Nurse staffing is reported to the Board of Directors at every meeting and reported to the Quality Governance Committee on those months when a Board meeting is not held. This ensures that there is Non-Executive Director scrutiny on a monthly basis.

The People and Organisational Development Committee oversees our wider workforce planning, metrics and talent management. The Committee has received regular updates on supply during 2022/23 and this will continue to be a priority area for the Committee in 2023/24.

Data security

The Digital Committee receives assurance on data security as part of key reports presented throughout the year. The Digital Assurance Group and Digital Transformation Group support the work of the Committee. The Committee receives a key performance indicator (KPI) report at every meeting which provides assurance over several indicators, including those relating to information governance and data security. The Trust's Chief Digital Information Officer is also the Senior Information Risk Officer (SIRO).

The Trust has an Information Security Specialist to assist the IT department and the SIRO in identifying gaps in processes, monitoring and management, gaps in security and risk reporting and to be a point of contact for advice, guidance and to monitor progress and action plans.

Mandatory disclosures

The Foundation Trust is fully compliant with the registration requirements of the CQC.

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

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments into the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

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

The Foundation Trust has undertaken risk assessments and has plans in place which take account of the 'Delivering a Net Zero Health Service' report under the Greener NHS programme. The Trust ensures that its obligations under the Climate Change Act and the Adaptation Reporting requirements are complied with.

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

We have robust arrangements in place for setting financial objectives and targets. These included:

- Approval of annual budgets by the Board;
- Approval of the annual plan by the Board, including the financial plan;
- Finance-related strategic objectives were approved at Board and monitored through Finance and Performance Committee;
- Reporting to Board committees and the Board of Directors on key aspects of performance via the Integrated Oversight Report and supporting reports. This enabled triangulation of performance across several different metrics and areas;

- Monthly group financial reporting to the Finance and Performance Committee, enabling close monitoring and scrutiny of performance against revenue and capital plans;
- Reporting on financial performance at every Board meeting;
- Quarterly oversight meetings were held to enable a holistic review of all aspects of business unit performance, including financial performance;
- Relaunch of the financial accountability framework with reporting on exceptions to the Finance and Performance Committee;
- The Trust's transformation programme was in place, including a strong focus on demonstrating efficiencies and value for money, with reporting on progress to the Transformation Board; and
- A business case review process was in place with a Business Case Review Group held to support the prioritisation of business cases in accordance with their linkages to strategy and outputs.

A scheme of delegation and standing financial instructions are in place. We recognise that both will require a review to ensure that they appropriately reflect any recommendations arising from the ongoing governance review.

Information governance

One data incident occurred during 2022/23 which was deemed to meet the threshold of risk and required reporting to the Information Commissioner's Office (ICO). We were informed by the ICO that no further action would be taken as a result of the incident.

Data quality and governance

We recognise that all our decisions – where clinical, managerial or financial – should be based on information which is of the highest quality.

Information and performance data published at Board level is provided with a star rating to indicate whether the data has been fully validated or represents a snapshot, real-time position which may be subject to change.

Processes are in place to validate our performance data and external monitoring returns. Business units and the information team work closely to review exceptions and validate data. A detailed assurance report was presented to the Board in January 2023 to provide an overview of the data quality arrangements for a range of measures, including areas for further focus and development in 2023/24.

With regards to our waiting list, waiting list managers are responsible for validating the waiting list data. They receive twice weekly updates on their waiting lists and the information team review reports on waiting list manager activity to seek assurance over the active management and update on lists. An independent audit conducted in 2021 provided good assurance over the waiting list data for referral to treatment (RTT) waiting lists, although identified that there is no dedicated RTT tracking team. This is currently under review to determine how the control environment can be strengthened and will require a change to the way that RTT is managed.

Internal audit also undertake a number of audits each year which provide an independent assessment of data quality processes and controls. In 2022/23 this included an audit of the A&E four hour waiting time and the 62 day cancer target. The audit received a substantial assurance rating, the highest level of assurance.

Review of effectiveness

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

Maintaining and reviewing the effectiveness of the system of internal control has been undertaken with consideration of the following:

- The BAF provides evidence of the effectiveness of controls and assurances in respect to the principal risks to the achievement of our strategic objectives. The Board committees review the BAF extract at every meeting and the Board reviews the BAF three times a year;
- The Board and Board committees advise me of key assurances, risks and issues, which enable actions to be taken to address identified weaknesses;
- Our corporate governance structure and meeting calendar is planned to enable timely escalation of issues;
- Clinical audit processes are a key element of maintaining and reviewing the effectiveness of the system of internal control. We have an annual clinical audit programme, and the Quality Governance Committee reviews the content and outcomes of the programme throughout the year. We strengthened the process in 2022/23 by ensuring that the Group Audit Committee has a key role in seeking assurance over the process for developing and delivering the programme;
- Internal audit deliver an annual plan for the group, which is developed in conjunction with the Group Audit Committee and Executive Directors with a goal of seeking assurance over controls and processes across several key areas and systems;
- The Group Audit Committee, with full support of executive management, plays a key role in monitoring the implementation of audit recommendations, holding owners to account to ensure that recommendations (which ultimately should strengthen the control environment);
- Four internal audits undertaken in 2022/23 were given limited assurance – IT Change Management; IT Asset Management; Recruitment and Patient Monies. Implementation of the recommendations arising from these audits is progressing as a priority in line with the timescales agreed with internal audit.

Whilst recognising that there are areas for us to improve on, the Head of Internal Audit Opinion for the period 1 April 2022 to 31 March 2023 provides 'good assurance' in respect of the systems of internal control.

Conclusion

Taking into account the above, my review confirms no significant control issues have been identified.

A handwritten signature in black ink, appearing to read 'Trudie Davies', with a stylized flourish at the end.

Trudie Davies
Chief Executive
28 June 2023

Independent Auditor's Report

Independent auditor's report to the Council of Governors of Gateshead Health NHS Foundation Trust

Report on the audit of the financial statements

Opinion on the financial statements

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

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities section of our report. We are independent of the Trust and Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in these regards.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Accounting Officer is required to comply with the Department of Health and Social Care Group Accounting Manual 2022/23 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 public sector entity. The Accounting Officer is responsible for assessing each year whether or not it is appropriate for the Trust and Group to prepare financial statements on the going concern basis and disclosing, as applicable, matters related to going concern.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the Trust and Group, we identified that the principal risks of non-compliance with laws and regulations related to the National Health Service Act 2006 (as amended by the Health and Social Care Act 2012), and we considered the extent to which non-compliance might have a material effect on the financial statements.

We evaluated the Accounting Officer's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, and significant one-off or unusual transactions, and the risk of fraud in revenue recognition.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- discussing with management and the Audit Committee the policies and procedures regarding compliance with laws and regulations;
- communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- considering the risk of acts by the Trust and Group which were contrary to applicable laws and regulations, including fraud.

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

- making enquiries of management and the Audit Committee on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- discussing amongst the engagement team the risks of fraud;
- addressing the risks of fraud through management override of controls by performing journal entry testing, year-end accruals and provisions testing; and
- addressing the risk of fraud through revenue recognition by testing a sample of revenue around the year-end and considering information provided by the Department of Health and Social Care in respect of year end intra-NHS transactions.

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

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

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

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

Matter on which we are required to report by exception

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

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

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

Responsibilities of the Accounting Officer

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

Auditor's responsibilities for the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We are required under Schedule 10(1) of the National Health Service Act 2006 to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources, and to report where we have not been able to satisfy ourselves that it has done so. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our work in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in January 2023.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Code of Audit Practice

In our opinion:

- the parts of the Remuneration and Staff Report subject to audit have been properly prepared in accordance with the requirements of the NHS Foundation Trust Annual Reporting Manual 2022/23; and
- the other information published together with the audited financial statements in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception under the Code of Audit Practice

We are required to report to you if:

- in our opinion the Annual Governance Statement does not comply with the NHS Foundation Trust Annual Reporting Manual 2022/23; or
- the Annual Governance Statement is misleading or is not consistent with our knowledge of the Trust and Group and other information of which we are aware from our audit of the financial statements; or
- we refer a matter to the regulator under Schedule 10(6) of the National Health Service Act 2006; or
- we issue a report in the public interest under Schedule 10(3) of the National Health Service Act 2006.

We have nothing to report in respect of these matters.

Use of the audit report

This report is made solely to the Council of Governors of Gateshead Health NHS Foundation Trust as a body in accordance with Schedule 10(4) of the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Council of Governors of the Trust those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council of Governors of the Trust as a body for our audit work, for this report, or for the opinions we have formed.

Delay in certification of completion of the audit

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



Key Audit Partner
For and on behalf of Mazars LLP

Mazars LLP
The Corner

Bank Chambers

26 Mosley Street

Newcastle upon Tyne

NE1 1DF

29 June 2023

FOREWORD TO THE ACCOUNTS

Gateshead Health NHS Foundation Trust

These accounts for the year ended 31 March 2023 have been prepared, on a going concern basis, by Gateshead Health NHS Foundation Trust under Schedule 7 (paragraphs 24 and 25) of the National Health Service Act 2006 in a form which NHSIE has, with the approval of the Treasury, directed.



Trudie Davies
Chief Executive

**STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED
31 March 2023**

		Group 2022/23	Foundation Trust 2022/23	Group 2021/22	Foundation Trust 2021/22
	Note	£000	£000	£000	£000
Revenue					
Operating Income from patient care activities	2	356,974	356,626	341,649	341,283
Other operating income	2	35,323	23,757	28,829	18,709
Operating expenses	3	(388,942)	(379,734)	(343,506)	(336,976)
Operating (deficit)/surplus from continuing operations		3,355	649	26,972	23,016
Finance Costs					
Finance income	6	1,024	989	115	733
Finance expense - financial liabilities	6.1	(551)	(1,549)	(529)	(2,058)
PDC Dividends payable		(3,150)	(3,150)	(2,497)	(2,497)
Net Finance Costs		(2,677)	(3,710)	(2,911)	(3,822)
Other Gains/ (Losses)		(12)	0	(132)	(178)
Corporation tax (expense)/income	5.0	(698)	0	(775)	0
(Deficit)/Surplus from continuing operations		(32)	(3,061)	23,154	19,016
Surplus / (Deficit) of discontinued operations		0	0	0	0
Surplus/(Deficit)for the financial year		(32)	(3,061)	23,154	19,016
Other comprehensive income					
Impairments	7.0	0	0	0	0
Revaluations	7.0	0	0	4,093	4,093
Other recognised gains and losses		0	0	0	0
Actuarial gains/(losses) on defined benefit pension schemes		0	0	0	0
Other reserve movements		(47)	0	76	0
Total Comprehensive (Expense)/Income for the year		(79)	(3,061)	27,323	23,109

The notes on pages 117 to 160 form part of these accounts.

**STATEMENT OF FINANCIAL POSITION AS AT
31 March 2023**

		Group 31 March 2023	Foundation Trust 31 March 2023	Group 31 March 2022	Foundation Trust 31 March 2022
	Note	£000	£000	£000	£000
Non-current assets					
Property, plant and equipment	8.1-8.4	142,854	141,597	137,786	136,526
Right of Use Assets	9	11,296	3,712		
Investment Property	8.5	80	0	80	0
Investments in Subsidiaries	8.9	0	16,824	0	16,824
Loans to Subsidiaries	8.9	0	7,403	0	11,668
Other Investments (Charitable)	22	1,233	0	1,250	0
Trade and other receivables	10.1	1,960	1,146	1,957	1,227
Total non-current assets		157,423	170,682	141,073	166,245
Current assets					
Inventories	11.1	4,756	2,277	4,577	2,013
Trade and other receivables	10.1	26,507	27,025	22,050	22,801
Non-Current assets for Sale and Assets in disposal Groups		0	0	0	0
Cash and cash equivalents	12	50,565	46,704	56,803	50,519
Total current assets		81,828	76,006	83,430	75,333
Current liabilities					
Trade and other payables	13.1	(54,601)	(54,657)	(52,833)	(51,050)
Borrowings	14.1	(4,652)	(2,981)	(1,022)	(1,719)
Provisions	15	(3,509)	(2,931)	(3,835)	(3,516)
Other liabilities	13.2	(7,673)	(7,323)	(8,113)	(7,890)
Total current liabilities		(70,435)	(67,892)	(65,803)	(64,175)
Total assets less current liabilities		168,816	178,796	158,700	177,403
Non-current liabilities					
Trade and other payables		0	0	0	0
Borrowings	14.1	(19,947)	(56,080)	(13,011)	(55,058)
Provisions	15	(2,279)	(2,279)	(3,122)	(3,122)
Other Liabilities	13.2	(1,849)	(304)	(2,044)	(325)
Total non-current liabilities		(24,075)	(58,663)	(18,177)	(58,505)
Total assets employed		144,741	120,133	140,523	118,898
Financed by taxpayers' equity					
Public Dividend Capital		149,768	149,768	145,471	145,471
Revaluation reserve		9,795	9,795	9,795	9,795
Charitable Fund Reserve		2,338	0	2,344	0
Other Reserves		99	99	99	99
Income and expenditure reserve		(17,259)	(39,529)	(17,186)	(36,467)
Total taxpayers' equity		144,741	120,133	140,523	118,898

The financial statements on pages 111 to 160 were approved by the Board on: and signed on its behalf by:



Trudie Davies
Chief Executive

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

	Group						Foundation Trust				
	Total	Public Dividend Capital	Revaluation Reserve	Charitable Fund Reserve	Other Reserves	Income and Expenditure Reserve	Total	Public Dividend Capital	Revaluation Reserve	Other Reserves	Income and Expenditure Reserve
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Taxpayers' Equity at 1 April 2022	140,523	145,471	9,795	2,344	99	(17,186)	118,898	145,471	9,795	99	(36,467)
Changes in taxpayers' equity for 2022/23											
Impact of implementing IFRS 16 on 1 April 2022	0			0		0	0				0
Retained surplus/(deficit) for the year	(32)	0	0	41	0	(73)	(3,061)	0	0	0	(3,061)
Impairments	0	0	0	0	0	0	0	0	0	0	0
Transfer from Revaluation Reserve to I & E reserve	0	0	0	0	0	0	0	0	0	0	0
Revaluations Property, Plant and Equipment	0	0	0	0	0	0	0	0	0	0	0
Asset disposals	0	0	0	0	0	0	0	0	0	0	0
Other Recognised gains / losses	0	0	0	0	0	0	0	0	0	0	0
Other reserve movements	(47)	0	0	(47)	0	0	0	0	0	0	0
	140,444	145,471	9,795	2,338	99	(17,259)	115,837	145,471	9,795	99	(39,528)
Public Dividend Capital received	4,297	4,297	0	0	0	0	4,297	4,297	0	0	0
Public Dividend Capital repaid	0	0	0	0	0	0	0	0	0	0	0
Taxpayers' Equity at 31 March 2023	144,741	149,768	9,795	2,338	99	(17,259)	120,134	149,768	9,795	99	(39,528)

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

	Group (restated)						Foundation Trust (restated)				
	Total	Public Dividend Capital	Revaluation Reserve	Charitable Fund Reserve	Other Reserves	Income and Expenditure Reserve	Total	Public Dividend Capital	Revaluation Reserve	Other Reserves	Income and Expenditure Reserve
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Taxpayers' Equity at 1 April 2021	107,044	139,315	6,611	1,350	99	(40,331)	89,633	139,315	6,611	99	(56,392)
Changes in taxpayers' equity for 2021/22											
Retained surplus/(deficit) for the year	23,154	0	0	918	0	22,236	19,016	0	0	0	19,016
Impairments	0	0	0	0	0	0	0	0	0	0	0
Transfer from Revaluation Reserve to I & E reserve	0	0	(909)	0	0	909	0	0	(909)	0	909
Revaluations Property, Plant and Equipment	4,093	0	4,093	0	0	0	4,093	0	4,093	0	0
Asset disposals	0	0	0	0	0	0	0	0	0	0	0
Other Recognised gains / losses	0	0	0	0	0	0	0	0	0	0	0
Other reserve movements	76	0	0	76	0	0	0	0	0	0	0
	134,367	139,315	9,795	2,344	99	(17,186)	112,742	139,315	9,795	99	(36,467)
Public Dividend Capital received	6,156	6,156	0	0	0	0	6,156	6,156	0	0	0
Public Dividend Capital repaid	0	0	0	0	0	0	0	0	0	0	0
Taxpayers' Equity at 31 March 2021	140,523	145,471	9,795	2,344	99	(17,186)	118,898	145,471	9,795	99	(36,467)

STATEMENT OF CASHFLOWS FOR THE YEAR ENDED
31 March 2023

	Note	Group		Foundation Trust	
		2022/23	2021/22	2022/23	2021/22
		£000	£000	£000	£000
Cash flows from operating activities					
Operating surplus /(deficit) from continuing operations		3,355	26,973	649	23,015
Operating surplus /(deficit) of discontinued operations		0	0	0	0
		<u>3,355</u>	<u>26,973</u>	<u>649</u>	<u>23,015</u>
Non-cash or non-operating income and expense:					
Depreciation and amortisation		11,376	7,640	11,282	7,542
Impairments and Reversals		(64)	(8,844)	(64)	(8,844)
Non Cash Donations credited to Income		(504)	(1,314)	(504)	(1,314)
Change in Trade and Other Receivables		(4,987)	(724)	(860)	3,661
Change in Inventories		(178)	440	(264)	585
Change in Trade and other Payables		2,212	(4,863)	4,070	(2,393)
Change in Other Liabilities		(635)	3,921	(588)	4,010
Change in Provisions		(1,126)	(898)	(1,428)	(364)
Corporation Tax (paid)/received		(694)	(848)	0	0
Other movements in operating cash flows		(3)	73	(482)	(21)
NHS Charitable Funds - working capital adjustments	22	8	(36)	0	0
Net cash (outflows)/inflows from operating activities		<u>8,760</u>	<u>21,520</u>	<u>11,811</u>	<u>25,877</u>
Cash flows from investing activities					
Interest received		989	88	989	733
Purchase of Property, Plant and Equipment		(13,738)	(13,311)	(13,577)	(13,195)
Proceeds From the Sale of Property, Plant and Equipment		64	504	0	504
Initial direct costs or up front payments in respect of right of use assets (lessee)		0	0	0	0
Receipt of cash lease incentives (lessee)		0	0	0	0
Lease termination fees paid (lessee)		0	0	0	0
Receipt of cash grants/donations to purchase capital assets		504	1,100	504	1,100
Finance lease receipts (principal and interest)		61	0	61	0
NHS Charitable Funds - net cash flow from investing activities	22	0	0	0	0
Net cash outflow from investing activities		<u>(12,120)</u>	<u>(11,619)</u>	<u>(12,023)</u>	<u>(10,858)</u>
Net cash (outflow) / inflow before financing		<u>(3,360)</u>	<u>9,901</u>	<u>(212)</u>	<u>15,019</u>
Cash flows from financing activities					
Public dividend capital received		4,297	6,156	4,297	6,156
Public dividend capital repaid		0	0	0	0
Movement in Loans from the DHSC		(999)	(1,178)	(999)	(1,178)
Capital element of lease liability payments		(2,911)	0	(1,507)	0
Interest element of lease liability		(78)	0	(35)	0
Movement in Finance Lease		0	0	(697)	(672)
Loan Interest paid		(518)	(559)	(518)	(559)
Finance Lease Interest		0	0	(1,476)	(1,529)
PDC Dividend paid		(2,668)	(1,740)	(2,668)	(1,740)
Net cash inflow / (outflow) from financing activities		<u>(2,877)</u>	<u>2,679</u>	<u>(3,603)</u>	<u>478</u>
(Decrease)/Increase in cash and cash equivalents		<u>(6,237)</u>	<u>12,580</u>	<u>(3,815)</u>	<u>15,497</u>
Opening Cash and Cash equivalents at 1 April		<u>56,802</u>	<u>44,223</u>	<u>50,519</u>	<u>35,022</u>
Closing Cash and Cash equivalents at 31 March		<u>50,565</u>	<u>56,802</u>	<u>46,704</u>	<u>50,519</u>

Notes to the Accounts

1 Accounting policies and other information

Basis of preparation

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2022/23 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 and certain financial assets and financial liabilities.

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.

In summary following our assessment, these accounts have been prepared on a going concern basis, in accordance with the definition as set out in section 4 of the DHSC Group Accounting Manual (GAM) which outlines the interpretation of IAS1 'Presentation of Financial Statements' as "the anticipated continuation of the provision of a service in the future, as evidenced by the inclusion of financial provision for that service in published documents".

The Directors have considered whether there are any local or national policy decisions that are likely to affect the continued funding and provision of services by the Trust. The Trust is a member of the North East and North Cumbria Integrated Care System (NENC ICS). The Integrated Care Strategy for the North East and North Cumbria was published in December 2022 as a joint plan between the region's local authorities, the NHS and other partners. No circumstances were identified within the strategy that would cause the Directors to doubt or question the continued provision of NHS services by the Trust.

This year the Trust excluding the charity returned a deficit of £73k as reported in the Trusts Statement of Comprehensive Income.

2023/24 sees a continuation of the previous year's financial framework. This is blended tariff approach which consists of fixed and variable payments, with most services being on a fixed payment. For those services on a variable tariff income will be earned based on volume of activity at national tariff and is consistent with the historic PbR (payment by results) funding model. In addition, Elective Recovery Fund income (ERF) can also be earned on the achievement of nationally published activity trajectories. The Trust has planned to achieve these activity targets and therefore has assumed this income within the plan. We recognise that this is potentially uncertain but as it amounts to less than 2% of income to the Trust, we regard this as immaterial to the Going Concern assessment.

The Trust has produced its financial plans based on these assumptions which have been approved by the Trust Board.

The Trust has prepared a cash forecast modelled on the above expectations for funding during the going concern period to June 2024. The cash forecast shows sufficient liquidity for the Trust to continue to operate during that period and there is no expectation of cash support being required, although that option remains available to Foundation Trusts.

In conclusion, these factors, and the anticipated future provision of services in the public sector, support the Trust's adoption of the going concern basis for the preparation of the accounts.

Accounting policies and other information (continued)

Consolidation

NHS Charitable Fund

The Foundation Trust is the corporate trustee to Gateshead Health NHS Foundation Trust Charitable Fund. The Foundation Trust has assessed its relationship to the Charitable Fund and determined it to be a subsidiary because the Trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the Charitable Fund and has the ability to affect those returns and other benefits through its power over the fund.

The charitable fund's statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on UK Financial Reporting Standard (FRS) 102. On consolidation, necessary adjustments are made to the charity's assets, liabilities and transactions to:

- recognise and measure them in accordance with the Foundation Trust's accounting policies and
- eliminate intra-group transactions, balances, gains and losses.

Other subsidiaries

QE Facilities Limited is a wholly owned subsidiary of the Trust. Subsidiary entities are those over which the Trust is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The income, expenses, assets, liabilities, equity and reserves of subsidiaries are consolidated in full into the appropriate financial statement lines.

Where subsidiaries' accounting policies are not aligned with those of the trust (including where they report under UK FRS 102) then amounts are adjusted during consolidation where the differences are material. Inter-entity balances, transactions and gains/losses are eliminated in full on consolidation. The primary statements and notes to the accounts are presented with separate Group and Trust columns.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Trust's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and the estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimates is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

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

The Trust has made critical judgements, based on accounting standards, in the classification of leases and arrangements containing a lease. The Trust's view in accounting for leases is that when a lease is in place and no definition of term is in place, it is reasonable to assume that the Trust will occupy the property for the next five years as it needs to deliver its services in a local area and there is no intention for these services to be withdrawn. The Trust will review this each year with a view to immediately altering this approach where adjustments are known. Under IFRS 16 and per the GAM, subsequent measurement of the ROU asset should be consistent with the principles for subsequent measurement of property, plant and equipment set out in IAS 16 as adapted by the FReM. Accordingly, the right of use assets should be measured at either fair value or current value in existing use. Where market data is not readily available a regular valuation is expected to be required to estimate the current value in existing use, although noted that there is a practical expedient in place for the cost model to be used where it results in a reliable proxy for current value. The Trust has made the judgement that the cost model is appropriate to use as the basis for representing the right of use assets current value.

The Trust has made critical judgements in relation to the Modern Equivalent Asset (MEA) revaluation as at 31st March 2023. Cushman & Wakefield as the Trust's valuer carries out a professional valuation of the modern equivalent asset required to have the same productive capacity and service potential as existing Trust assets. Judgements have been made by the Trust in relation to floor space, bed space, garden space, car parking areas and all areas associated with the capacity required to deliver the Trust's services as at 31st March 2023.

Accounting policies and other information (continued)

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The Trust's revaluations of land and buildings are based upon the professional valuations provided by Cushman & Wakefield on a Modern Equivalent Asset basis and include estimates relating to the use of BCIS indices by the valuer which can fluctuate year on year. Impairments are recognised on the basis of these valuations.

Consolidation

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 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. A performance obligation relating to delivery of a spell of health care is generally satisfied over time as healthcare is received and consumed simultaneously by the customer as the Trust performs it. The customer in such a contract is the commissioner, but the customer benefits as services are provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligns with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that are substantially the same and have a similar pattern of transfer.

Accounting policies and other information (continued)**Elective Recovery Fund (ERF)**

The ERF enables providers to earn income linked to the achievement of recovery trajectories and weighted activity.

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 grant is used to fund capital expenditure, it is credited to the consolidated statement of comprehensive income once conditions attached to the grant have been met.

Donations are treated in the same way as government grants.

Apprenticeship service income

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider from the Trust's Digital Apprenticeship Service (DAS) account held by the Department for Education, the corresponding notional expense is also recognised at the point of recognition for the benefit.

Expenditure on employee benefits**Short-term employee benefits**

Salaries, wages and employment-related payments 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 employer, general practices and other bodies, allowed under the direction of the 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 contributions payable to the scheme for the accounting period. The contributions are charged to operating expenses as 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.

The scheme is subject to a full actuarial valuation every four years and an accounting valuation every year.

Other Pension Schemes

The group also operates a defined contribution workplace pension scheme which is the National Employment Savings Trust Scheme (NEST). The amount charged to the Statement of Comprehensive Income represents the contributions payable to the scheme in respect of the accounting period.

Ill Health Retirements

There were seven ill health retirements in 2022/2023 at a cost of £209,332

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.

Accounting policies and other information (continued)

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.

Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow to, or service potential be provided to, the trust
- it is expected to be used for more than one financial year and
- the cost of the item can be measured reliably; and
- assets individually have a cost of at least £5,000, or collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have simultaneous 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, e.g., 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 (i.e. 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-specialist buildings - market value for existing use

Specialist buildings - depreciated replacement cost on a modern equivalent asset basis

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

Valuation guidance issued by the Royal Institute of Chartered Surveyors and adopted by the Trust states that valuations are performed net of VAT where the VAT is recoverable by the entity.

Accounting policies and other information (continued)**Property, plant and equipment (continued)***Depreciation*

Items of property, plant and equipment are depreciated over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'held for sale' ceases to be depreciated upon the reclassification. Assets in the course of construction and residual interests 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 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'.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historical cost where the assets have short useful lives or low values or both, as it is not considered to be materially different from current value in existing use.

Accounting policies and other information (continued)

Property, plant and equipment (continued)

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 are reversed. Reversals are recognised in operating income to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

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

De-recognition

Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria 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 economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Donated, government grant and other grant funded assets

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

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

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

Donated non-current assets are capitalised at current value in existing use, if they will be held for their service potential, or otherwise at fair value on receipt.

Investment property

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

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

Accounting policies and other information (continued)

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 any overdraft balances are recorded at current values.

Inventories

Inventories are valued at the lower of cost and net realisable value. Inventories were valued using the weighted average cost method until August 2019. From August 2019, due to a change in software, inventories are now valued on a first in first out basis by reference to supplier information.

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, i.e. 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. 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 leasing arrangements are recognised and measured in accordance with the accounting policy for leases described below.

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), except where the asset or liability is measured at fair value through income and expenditure. 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.

Accounting policies and other information (continued)

Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets or assets measured at fair value through other comprehensive income, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

De-recognition

Financial assets are de-recognised when the contractual rights to receive cash flows from the assets have expired or the Trust has transferred substantially all the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Leases

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration. An adaptation of the relevant accounting standard by HM Treasury for the public sector means that for NHS bodies, this includes lease-like arrangements with other public sector entities that do not take the legal form of a contract. It also includes peppercorn leases where consideration paid is nil or nominal (significantly below market value) but in all other respects meet the definition of a lease. The trust does not apply lease accounting to new contracts for the use of intangible assets.

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

The Trust as lessee

Recognition and initial measurement

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

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

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

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

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.

Accounting policies and other information (continued)

The Trust does not apply the above recognition requirements to leases with a term of 12 months or less or to leases where the value of the underlying asset is below £5,000, excluding any irrecoverable VAT. Lease payments associated with these leases are expensed on a straight-line basis over the lease term or other systematic basis [explain if relevant]. Irrecoverable VAT on lease payments is expensed as it falls due.

Subsequent measurement

As required by a HM Treasury interpretation of the accounting standard for the public sector, the Trust employs a revaluation model for subsequent measurement of right of use assets, unless the cost model is considered to be an appropriate proxy for current value in existing use or fair value, in line with the accounting policy for owned assets. Where consideration exchanged is identified as significantly below market value, the cost model is not considered to be an appropriate proxy for the value of the right of use asset.

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

The Trust as 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.

Initial application of IFRS 16

IFRS 16 Leases as adapted and interpreted for the public sector by HM Treasury has been applied to these financial statements with an initial application date of 1 April 2022. IFRS 16 replaces IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease and other interpretations.

The standard has been applied using a modified retrospective approach with the cumulative impact recognised in the income and expenditure reserve on 1 April 2022. Upon initial application, the provisions of IFRS 16 have only been applied to existing contracts where they were previously deemed to be a lease or contain a lease under IAS 17 and IFRIC 4. Where existing contracts were previously assessed not to be or contain a lease, these assessments have not been revisited.

The Trust as lessee

For continuing leases previously classified as operating leases, a lease liability was established on 1 April 2022 equal to the present value of future lease payments discounted at the Trust's incremental borrowing rate of 0.95%. A right of use asset was created equal to the lease liability and adjusted for prepaid and accrued lease payments and deferred lease incentives recognised in the statement of financial position immediately prior to initial application. Hindsight has been used in determining the lease term where lease arrangements contain options for extension or earlier termination.

No adjustments have been made on initial application in respect of leases with a remaining term of 12 months or less from 1 April 2022 or for leases where the underlying assets has a value below £5,000. No adjustments have been made in respect of leases previously classified as finance leases.

The Trust as lessor

Leases of owned assets where the Trust is lessor were unaffected by initial application of IFRS 16. For existing arrangements where the Trust is an intermediate lessor, classification of all continuing sublease arrangements has been reassessed with reference to the right of use asset.

Accounting policies and other information (continued)*2021/22 comparatives*

Comparatives for leasing transactions in these accounts have not been restated on an IFRS 16 basis. Under IAS 17 the classification of leases as operating or finance leases still applicable to lessors under IFRS 16 also applied to lessees. In 2021/22 lease payments made by the Trust in respect of leases previously classified as operating leases were charged to expenditure on a straight line basis.

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:

HM Treasury's discount rates effective for 31 March 2023

Up to 5 years nominal rate 0.47% (2021: (0.02%))

After 5 years up to 10 years nominal rate 0.70% (2021: 0.18%)

After 10 years up to 40 years nominal rate 0.95% (2021: 1.99%)

Exceeding 40 years nominal rate 0.66% (2021: 1.99%)

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 15 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

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

Contingencies

Contingent liabilities are not recognised, but are disclosed in note 16.3, 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.

Third party assets

Assets belonging to third parties (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 Financial Reporting Manual.

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.

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 remunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS trust. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32. The Secretary of State can issue new PDC to, and require repayment of PDC from, the Trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the NHS Foundation 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 NHS foundation 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 in the PDC dividend policy issued by the Department of Health and Social Care. This policy is available at <https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts>. In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend calculated is not revised should any adjustment to net assets occur as a result of the audit of the annual accounts.

Value added tax

Most of the activities of the NHS Foundation Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

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Corporation tax

QE Facilities Limited is a wholly owned subsidiary of Gateshead Health NHS Foundation Trust and is subject to corporation tax on its profits.

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years. Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided for is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

The Finance Act 2021, was enacted in May 2021 and included the increase to the main rate of corporation tax to 25% from April 2023. As a result of this, closing deferred tax balances at 31 March 2022 and 31st March 2023 have been measured at this increased cost.

Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2022/23.

Note 1.1 Segmental analysis

The Foundation Trust operates within a single reportable segment i.e. healthcare. This primarily covers the provision of a wide range of healthcare related services to the community of Gateshead and additionally the provision of an increasing range of more specialised services to patients outside of the area.

The Board of Directors/Chief Executive acts as the Chief Operating Decision Maker for the Foundation Trust and the monthly financial position of the Foundation Trust is presented/reported to them as a single segment.

	Group		Foundation Trust	
	2022/23	2022/23	2022/23	2022/23
	Total £000	Healthcare £000	Total £000	Healthcare £000
Income				
Income from activities	356,974	356,974	356,626	356,626
Other operating income	35,323	35,323	23,757	23,757
Total Operating Income	392,297	392,297	380,383	380,383

The majority of the Trust's total income from activities is received/derived from Integrated Care Boards and NHS England. Of the £356,974k reported in 2022/23 (2021/22: £341,649k), an amount of £341.445k i.e. 95.65% was attributable to Integrated Care Boards and NHS England (2020/21: £326,806k i.e. 95.76%)

	Group		Foundation Trust	
	2021/22	2021/22	2021/22	2021/22
	Total £000	Healthcare £000	Total £000	Healthcare £000
Income				
Income from activities	341,649	341,649	341,283	341,283
Other operating income	28,829	28,829	18,709	18,709
Total Operating Income	370,478	370,478	359,992	359,992

Note 2. Income**2.1 Operating Income from activities by classification**

	Foundation Trust		Foundation Trust	
	Group	Trust	Group	Trust
	2022/23	2022/23	2021/22	2021/22
	£000	£000	£000	£000
Block contract/system envelope income*	279,118	279,118	276,554	276,554
High Cost Drug Income from Commissioners	17,097	17,097	15,129	15,129
Other NHS Clinical income*	13,461	13,461	16,248	16,248
Community Income	22,153	22,153	20,917	20,917
Additional Income for the delivery of healthcare services	124	124	101	101
Private patient income	630	630	743	743
Elective Recovery Fund	6,315	6,315	2,666	2,666
Agenda for change pay offer central funding	8,049	8,049	0	0
Additional pension contribution central funding	8,711	8,363	8,099	7,733
Other clinical income	1,316	1,316	1,192	1,192
Total Income from Activities	356,974	356,626	341,649	341,283
Research and Development	961	961	640	640
Education and training	10,758	10,664	9,373	9,292
Charitable and other contributions to expenditure	0	0	0	0
Non-patient care services to other bodies	10,286	2,838	8,281	2,071
Re-imburement & Top Up Funding	2,798	2,798	3,277	3,277
Other income	7,303	3,723	2,510	66
Profit on disposal of other tangible fixed assets	0	0	0	0
Profit on disposal of land and buildings	0	0	0	0
Rental revenue from finance leases	0	0	0	0
Income in respect of staff costs	854	854	1,017	1,018
Notional Income from Apprentice Fund	746	746	417	417
Donated Equipment from DHSC for Covid response non cash	0	0	0	0
Contributions to expenditure - inventory donated by DHSC for Covid response	0	0	0	0
Contributions to expenditure - inventory donated by NHSE for Covid response	481	481	585	585
Donation/Grant of Physical Assets	34	34	214	214
Cash Grants for the Purchase of Physical Assets	470	470	1,100	1,100
Rental revenue from operating leases	355	188	350	29
NHS Charitable Funds Incoming resources excluding investment income	277	0	1,063	0
	35,323	23,757	28,829	18,709
Total Operating Income	392,297	380,383	370,477	359,992

All services are commissioner requested except private patients

2.1.1 Private patient income

	Group	
	2022/23	2021/22
	£000	£000
Private patient income	630	743
Total patient related income	356,974	341,649
Proportion (as percentage)	0.18%	0.22%

	Foundation Trust	
	2022/23	2021/22
	£000	£000
Private patient income	630	743
Total patient related income	356,626	341,283
Proportion (as percentage)	0.18%	0.22%

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

2.2 Operating lease income

	Group & Foundation Trust	
	2022/23	2021/22
	£000	£000
Rents recognised as income in the period	355	350
Total	355	350
Future minimum lease payments due		
- not later than one year	355	350
- later than one year and not later than five years	310	310
- later than five years	1,539	1,628
Total	2,204	2,288

2.3 Income from activities by source

	Group	Foundation Trust	Group	Foundation Trust
	2022/23	2022/23	2021/22	2021/22
	£000	£000	£000	£000
NHS Foundation Trusts	13,458	13,458	12,733	12,733
NHS Trusts	0	0	0	0
Integrated Care Boards and NHS England	341,445	341,097	326,807	326,440
Local Authorities	124	124	101	101
Department of Health - grants	0	0	0	0
Department of Health - other	0	0	0	0
Department of Health - social care	3	3	4	4
NHS Other	0	0	85	85
Non-NHS Private patients	630	630	743	743
Non-NHS Overseas patients (non-reciprocal)	74	74	30	30
NHS injury scheme	557	557	377	377
Non NHS other	683	683	770	770
Additional Income for the delivery of healthcare services	0	0	0	0
Total Income from continuing Activities	356,974	356,626	341,649	341,283

Injury cost recovery income is subject to a provision for impairment of receivables of 22.43% to reflect expected rates of collection

2.4 Other Operating Income

	Group	Foundation Trust	Group	Foundation Trust
	2022/23	2022/23	2021/22	2021/22
	£000	£000	£000	£000
Research and development	961	961	640	640
Education and Training	10,758	10,664	9,373	9,292
Charitable and other contributions to expenditure	0	0	0	0
Non-patient care services to other bodies	10,286	2,838	8,281	2,071
Re-imburement and Top-Up funding	2,798	2,798	3,277	3,277
Rental revenue from operating leases	355	188	350	29
Income in respect of staff costs	854	854	1,017	1,018
Notional Income from Apprentice Fund	746	746	417	417
Charitable Funds NHS income excluding investing	277	0	1,063	0
Donated Equipment from DHSC for Covid response non cash	0	0	0	0
Contributions to expenditure - inventory donated by DHSC for Covid response	0	0	0	0
Contributions to expenditure - inventory donated by NHSE for Covid response	481	481	585	585
Cash donations for the purchase of capital assets received from NHS Charities	34	34	214	214
Cash Grants for the Purchase of Physical Assets	470	469	1,100	1,100
Car Parking	774	774	169	169
Pharmacy Sales	187	6	172	3
Creche Services	45	45	96	96
Clinical Test Services	400	400	553	553
Catering	730	0	587	0
Other (note 2.4.1)	5,167	2,499	932	(755)
Total Other Operating income	35,323	23,757	28,829	18,709

2.4.1 Other Operating Income - Other

	Group	Foundation Trust	Group	Foundation Trust
	2022/23	2022/23	2021/22	2021/22
	£000	£000	£000	£000
Central Sterile Supplies Dept.	7	0	2	0
Salary sacrifice	589	585	597	590
Other	4,571	1,914	336	(1,345)
Total Other Operating Income - other	5,167	2,499	935	(755)

Note 3. Expenses

Notes to the Accounts

3.1 Operating expenses comprise:

	Group 2022/23 £000	Foundation Trust 2022/23 £000	Group 2021/22 £000	Foundation Trust 2021/22 £000
Purchase of healthcare from NHS and DHSC Bodies	7,154	7,201	6,709	6,703
Purchase of healthcare from non NHS Bodies	3,590	3,564	2,959	2,755
Purchase of Social Care	0	0	540	540
Staff and Executive Director Costs	257,733	233,853	232,135	211,204
Employee Expenses - Non-executive directors	172	164	184	179
Supplies and services - clinical (excluding drugs costs)	37,734	41,364	34,230	38,570
Supplies and services - consumables donated from DHSC group bodies for Covid response	521	521	1,509	1,509
Supplies and services - general	3,145	27	2,439	0
Supplies and services - general: notional cost of equipment donated from DHSC for Covid response below capital threshold	0	0	0	0
Supplies and services - general notional cost of equipment donated from NHSE for Covid response below capital threshold	0	0	0	0
Establishment	4,037	2,699	3,118	2,248
Research and development - (not included in employee expenses)	19	19	40	21
Research and development - (included in employee expenses)	932	932	691	691
Change in Provisions discount rates	(561)	(561)	514	514
Transport (Business travel only)	753	691	549	514
Transport (Other)	895	3,786	754	3,304
Premises	18,034	36,696	16,408	33,511
Increase/(decrease) in bad debt provision	28	(29)	801	829
Drugs Inventories consumed	21,718	21,446	19,117	19,040
Inventories written down (consumables donated from DHSC group bodies for Covid response)	0	0	0	0
Operating Lease Expenditure Net	0	0	4,404	1,734
Depreciation on property, plant and equipment	11,376	11,282	7,641	7,542
Net Impairments/(Revaluations) of Property, Plant & Equipment	(64)	(64)	(8,844)	(8,844)
Audit fees				
* audit services- statutory audit	147	117	97	81
Other auditors' remuneration				
Other services	0	0	0	0
Audit Fees payable to external auditor of charitable funds accounts	5	0	2	0
Clinical negligence	7,923	7,923	7,871	7,871
Legal Fees	231	157	113	73
Consultancy Costs	1,021	511	548	436
Internal Audit costs - (not included in employee expenses)	240	170	213	157
Training, courses and conferences	2,704	2,531	1,331	1,175
Lease expenditure - short term leases <= 12 months	1,720	(742)		
Car parking & Security	141	0	175	0
Voluntary Severance Payments	0	0	0	0
Redundancy	93	93	170	170
Insurance	503	249	423	187
Other Services	4,616	4,563	4,059	4,059
NHS Charitable funds other resources expended	267	0	171	0
Protective Clothing	0	0	0	0
Professional Fees	0	0	0	0
Other	2,115	571	2,436	204
	388,942	379,734	343,506	336,976

* Mazars LLP Limited liability of £2,000,000.

Statutory audit fees are shown as inclusive of VAT for the Trust and net of VAT for the subsidiary

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

	2022/23	2021/22
	£000	£000
Total liability accruing in the year under this legislation as a result of late payments	60	2

No claims were made against the Foundation Trust during the accounting period under this legislation. No compensation was paid to cover debt recovery under this legislation.

3.3 Better Payment Policy

	2022/23		2021/22	
	Number	£000	Number	£000
Total bills paid in the year	35,395	178,608	28,138	157,147
Total bills paid within target	30,617	171,572	24,153	149,307
Percentage of bills paid within target	86.5%	96.1%	85.8%	95.0%

The Better Payment Practice Code recommends the Trust to aim to pay all valid invoices by the due date or within 30

Note 4. Employee expenses, numbers and benefits**4.1 Employee expenses (Including Executive Directors' Costs)**

	Group		Foundation Trust	
	2022/23	2021/22	2022/23	2021/22
	£000	£000	£000	£000
Salaries and wages	199,431	181,015	180,083	164,563
Capitalised Salaries and wages	606	498	606	498
Social Security Costs	18,902	17,080	17,148	15,555
Apprenticeship levy	934	994	846	906
Pension costs - defined contribution plans				
Employers' contributions to NHS Pensions	19,873	18,509	19,088	17,685
Pension cost - employer contributions paid by NHSE on provider's behalf (6.3%)	8,711	8,099	8,363	7,733
Pension costs - Other	393	375	151	184
External bank	1,728	990	1,728	990
Agency/contract staff	8,933	5,980	7,619	4,497
NHS Charitable Funds staff	0	0	0	0
Termination Benefits	93	170	93	170
Total Gross Staff Costs	259,604	233,710	235,725	212,781

4.2 Number of persons employed at 31st March

(The figures shown represent the Average Whole Time Equivalent as opposed to the number of employees)

	Group				Foundation Trust			
	2022/23 Total Number	Permanently Employed Number	Other Number	2021/22 Total Number	2022/23 Total Number	Permanently Employed Number	Other Number	2021/22 Total Number
Medical and dental	466	460	6	454	466	460	6	454
Ambulance staff	0	0	0	0	0	0	0	0
Administration and estates	996	977	19	964	831	812	19	809
Healthcare assistants and other support staff	1,033	1,029	4	950	544	544	0	497
Nursing, midwifery and health visiting staff	1,349	1,242	107	1,330	1,349	1,242	107	1,330
Healthcare scientists	391	381	10	399	450	441	9	388
Scientific, therapeutic and technical staff	450	441	9	427	381	371	10	427
Other *	19	19	0	11	7	7	0	4
Total	4,704	4,549	155	4,535	4,028	3,877	151	3,909

* Other relates to Apprentices employed by the Trust

4.3 Staff Exit Packages

Exit package cost band	2022/23 Group				2021/22 Group			
	Number of compulsory departures agreed	Cost of compulsory departures agreed £000s	Number of other departures agreed	Cost of other departures agreed £000s	Number of compulsory departures agreed	Cost of compulsory departures agreed £000s	Number of other departures agreed	Cost of other departures agreed £000s
< £10,000	2	14	0	0	0	0	0	0
£10,001 - £25,000	0	0	0	0	0	0	2	28
£25,001 - £50,000	0	0	0	0	1	35	0	0
£50,001 - £100,000	0	0	1	79	2	133	0	0
£100,001 - £150,000	0	0	0	0	0	0	0	0
£150,001 - £200,000	0	0	0	0	0	0	0	0
> £200,001	0	0	0	0	0	0	0	0
Total	2	14	1	79	3	168	2	28
Redundancy	2	14	1	79	3	168	2	28
Voluntary Severance Scheme	0	0	0	0	0	0	0	0
Total	2	14	1	79	3	168	2	28

5. Corporation Tax

	Group	Group
	2022/23	2021/22
	£000	£000
UK corporation tax expense	698	775
Adjustments in respect of prior years	0	0
Current tax expense	<u>698</u>	<u>775</u>
Origination and reversal of temporary differences	0	160
Change in tax rate	0	(160)
Adjustment in respect of previous years	<u>0</u>	<u>0</u>
Deferred tax charge/(credit)	<u>0</u>	<u>0</u>
Total corporation tax expense in Statement of Comprehensive Income	<u>698</u>	<u>775</u>

The Foundation Trust has no corporation tax expense (2021/22 £nil)

Reconciliation of effective tax rate

	2022/23	2021/22
	£000	£000
Surplus for the year	2,989	3,351
Total tax expense	<u>698</u>	<u>775</u>
	<u>3,687</u>	<u>4,126</u>
Tax using the UK corporation tax rate of 19% (2020:19%)	701	784
Adjustments to current tax charge in respect of prior years	0	0
Tax exempt revenues	0	0
Recognition of previously unrecognised deferred tax asset	0	0
Change in tax rate	0	0
Other	(3)	(9)
Total tax (income)/expense	<u>698</u>	<u>775</u>

	Group	Foundation Trust	Group	Foundation Trust
	2022/23	2022/23	2021/22	2021/22
	£000	£000	£000	£000
6. Finance Income				
Interest received on commercial bank accounts	989	989	88	88
NHS Charitable Funds Investment Income	35	0	28	0
Intragroup Loan Interest	0	0	0	645
	<u>1,024</u>	<u>989</u>	<u>115</u>	<u>733</u>

6.1 Finance Expense	Group	Foundation Trust	Group	Foundation Trust
	2022/23 £000	2022/23 £000	2021/22 £000	2021/22 £000
Finance Leases - external	0	0	0	0
Finance Leases - inter group	0	998	0	1,529
Loan Interest	551	551	529	529
	<u>551</u>	<u>1,549</u>	<u>529</u>	<u>2,058</u>

Group & Foundation Trust

7. Impairment / Revaluation of Assets

	2022/23 £000	2021/22 £000
Gross Impairment	0	0
Gross Revaluation	(64)	8,844
(Reversal of Impairment)/Impairment SOCI Charge	0	6,178
Increase/(Decrease) in valuation of assets		
Total (Impairment) / Revaluation in OCI	<u>0</u>	<u>4,093</u>

In 2022/23 £0.064m has been credited as a revaluation in other comprehensive income

In 2021/22 £6.178m has been credited to operating expenses and £3.185m credited as a revaluation in other comprehensive income.

The Foundation Trust had no recorded intangible assets at the Statement of Financial Position date nor in the prior period.

NOTES TO THE ACCOUNTS

8.1 Property, plant and equipment 2022/23 - Group

	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and Machinery	Transport Equipment	Information Technology	Furniture & fittings
2022/23	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2022	223,283	4,806	166,444	0	0	32,012	351	19,409	261
Additions purchased	12,771	0	4,313	0	2,325	3,666	55	2,412	0
Additions donated	504	0	414	0	0	90	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Disposals	(2,470)	0	(76)	0	0	(2,394)	0	0	0
Cost or valuation at 31 March 2023	234,088	4,806	171,095	0	2,325	33,374	406	21,821	261
Accumulated Depreciation at 1 April 2022	85,497	89	48,869	0	0	21,736	144	14,399	260
Provided during the year	8,195	0	3,292	0	0	2,398	37	2,467	1
Impairments	0	0	0	0	0	0	0	0	0
Reversal of impairments	(64)	0	(64)	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Revaluation surpluses	0	0	0	0	0	0	0	0	0
Transferred to disposal group as asset held for sale	0	0	0	0	0	0	0	0	0
Disposals	(2,394)	0	0	0	0	(2,394)	0	0	0
Accumulated Depreciation at 31 March 2023	91,234	89	52,097	0	0	21,740	181	16,866	261
Net book value - 31st March 2022									
- Owned	136,538	4,717	117,575	0	0	9,091	207	4,948	1
- Finance lease	0	0	0	0	0	0	0	0	0
- Donated	1,248	0	0	0	0	1,185	0	63	0
Total NBV at 31 March 2022	137,786	4,717	117,575	0	0	10,276	207	5,010	1
Net book value at 31st March 2023									
- Owned	141,353	4,717	118,472	0	2,325	10,659	225	4,955	0
- Finance lease	0	0	0	0	0	0	0	0	0
- Donated	1,501	0	526	0	0	975	0	0	0
Total NBV at 31 March 2023	142,854	4,717	118,998	0	2,325	11,634	225	4,955	0

8.1 Analysis of tangible fixed assets

	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & Machinery	Transport Equipment	Information Technology	Furniture & fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value									
- Protected assets at 31 March 2023	126,040	4,717	118,998	0	2,325	0	0	0	0
- Unprotected assets at 31 March 2023	16,814	0	0	0	0	11,634	225	4,955	0
Total at 31 March 2023	142,854	4,717	118,998	0	2,325	11,634	225	4,955	0

Notes to the Accounts

Note 8. Property, plant and equipment**8.2 Property, plant and equipment 2022/23 - Foundation Trust**

	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and Machinery	Transport Equipment	Information Technology	Furniture & fittings
2022/23	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2022	221,708	4,806	165,565	0	0	31,799	64	19,213	261
Additions purchased	12,609	0	4,318	0	2,325	3,555	0	2,411	0
Additions donated	504	0	414	0	0	90	0	0	0
Additions -transfer of assets from QEF Limited	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Disposals	(2,394)	0	0	0	0	(2,394)	0	0	0
Cost or valuation at 31 March 2023	232,427	4,806	170,297	0	2,325	33,050	64	21,624	261
Accumulated Depreciation at 1 April 2022	85,182	89	48,837	0	0	21,686	64	14,246	260
Provided during the year	8,106	0	3,282	0	0	2,366	0	2,457	1
Transfer of assets from QEF Limited	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Reversal of impairments	(64)	0	(64)	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Revaluation surpluses	0	0	0	0	0	0	0	0	0
Transferred to disposal group as asset held for sale	0	0	0	0	0	0	0	0	0
Disposals	(2,394)	0	0	0	0	(2,394)	0	0	0
Accumulated Depreciation at 31 March 2023	90,830	89	52,055	0	0	21,658	64	16,703	261
Net book value - 31 March 2022									
- Owned	135,278	4,717	116,728	0	0	8,928	0	4,904	0
- Finance lease	0	0	0	0	0	0	0	0	0
- Donated	1,248	0	0	0	0	1,185	0	63	0
Total NBV at 31 March 2022	136,526	4,717	116,728	0	0	10,113	0	4,967	0
Net book value - 31 March 2023									
- Owned	140,096	4,717	117,716	0	2,325	10,417	0	4,921	0
- Finance lease	0	0	0	0	0	0	0	0	0
- Donated	1,501	0	526	0	0	975	0	0	0
Total NBV at 31 March 2023	141,597	4,717	118,242	0	2,325	11,392	0	4,921	0
8.2 Analysis of tangible fixed assets									
	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & Machinery	Transport Equipment	Information Technology	Furniture & fittings
Net book value	0	0	0	0	0	0	0	0	0
- Protected assets at 31 March 2023	125,284	4,717	118,242	0	2,325	0	0	0	0
- Unprotected assets at 31 March 2023	16,313	0	0	0	0	11,392	0	4,921	0
Total at 31 March 2023	141,597	4,717	118,242	0	2,325	11,392	0	4,921	0

Property is deemed "protected" if it is required for the purposes of providing either the mandatory goods and services or the mandatory education and training as defined in the Terms of Authorisation of the Trust.

8.1 Property, plant and equipment 2021/22 - Group

	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and Machinery	Transport Equipment	Information Technology	Furniture & fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
2021/22									
Cost or valuation at 1 April 2021	207,724	4,216	155,245	0	2,481	26,961	257	18,302	261
Additions purchased	12,883	0	6,643	0	0	5,040	93	1,107	0
Additions donated	214	0	0	0	0	214	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Reclassifications	(1,428)	590	463	0	(2,481)	0	0	0	0
Revaluations	4,093	0	4,093	0	0	0	0	0	0
Disposals	(203)	0	0	0	0	(203)	0	0	0
Cost or valuation at 31 March 2022	223,283	4,806	166,444	0	0	32,012	351	19,409	261
Accumulated Depreciation at 1 April 2021	86,725	356	54,615	0	0	19,892	113	11,496	253
Provided during the year	7,642	0	2,832	0	0	1,869	31	2,903	7
Impairments	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluation	(8,845)	(267)	(8,578)	0	0	0	0	0	0
Revaluation surpluses	0	0	0	0	0	0	0	0	0
Transferred to disposal group as asset held for sale	0	0	0	0	0	0	0	0	0
Disposals	(25)	0	0	0	0	(25)	0	0	0
Accumulated Depreciation at 31 March 2022	85,497	89	48,869	0	0	21,736	144	14,399	260
Net book value - 31st March 2021									
- Owned	119,619	3,930	100,630	0	2,481	5,780	143	6,717	8
- Finance lease	0	0	0	0	0	0	0	0	0
- Donated	1,380	0	0	0	0	1,290	0	90	0
Total NBV at 31 March 2021	120,999	3,930	100,630	0	2,481	7,070	143	6,807	8
Net book value at 31st March 2022									
- Owned	136,538	4,717	117,575	0	0	9,091	207	4,948	1
- Finance lease	0	0	0	0	0	0	0	0	0
- Donated	1,248	0	0	0	0	1,185	0	63	0
Total NBV at 31 March 2022	137,786	4,717	117,575	0	0	10,276	207	5,010	1

8.1 Analysis of tangible fixed assets

	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & Machinery	Transport Equipment	Information Technology	Furniture & fittings
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value									
- Protected assets at 31 March 2022	122,293	4,717	117,575	0	0	0	0	0	1
- Unprotected assets at 31 March 2022	15,493	0	0	0	0	10,276	207	5,010	0
Total at 31 March 2022	137,786	4,717	117,575	0	0	10,276	207	5,010	1

Notes to the Accounts

Note 8. Property, plant and equipment**8.2 Property, plant and equipment 2021/22 - Foundation Trust**

	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant and Machinery	Transport Equipment	Information Technology	Furniture & fittings
2021/22	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2021	206,264	4,216	154,916	0	1,877	26,777	64	18,153	261
Additions purchased	12,768	0	6,697	0	0	5,011	0	1,060	0
Additions donated	214	0	0	0	0	214	0	0	0
Additions -transfer of assets from QEF Limited	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Reclassifications	(1,428)	590	(141)	0	(1,877)	0	0	0	0
Revaluations	4,093	0	4,093	0	0	0	0	0	0
Disposals	(203)	0	0	0	0	(203)	0	0	0
Cost or valuation at 31 March 2022	221,708	4,806	165,565	0	0	31,799	64	19,213	261
Accumulated Depreciation at 1 April 2021	86,509	356	54,598	0	0	19,876	64	11,362	253
Provided during the year	7,543	0	2,816	0	0	1,836	0	2,884	7
Transfer of assets from QEF Limited	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Reversal of impairments	(8,844)	(267)	(8,577)	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Revaluation surpluses	0	0	0	0	0	0	0	0	0
Transferred to disposal group as asset held for sale	0	0	0	0	0	0	0	0	0
Disposals	(26)	0	0	0	0	(26)	0	0	0
Accumulated Depreciation at 31 March 2022	85,182	89	48,837	0	0	21,686	64	14,246	260
Net book value - 31 March 2021									
- Owned	118,377	3,860	100,318	0	1,877	5,612	0	6,702	8
- Finance lease	0	0	0	0	0	0	0	0	0
- Donated	1,378	0	0	0	0	1,289	0	89	0
Total NBV at 31 March 2021	119,755	3,860	100,318	0	1,877	6,901	0	6,791	8
Net book value - 31 March 2022									
- Owned	135,278	4,717	116,728	0	0	8,928	0	4,904	1
- Finance lease	0	0	0	0	0	0	0	0	0
- Donated	1,248	0	0	0	0	1,185	0	63	0
Total NBV at 31 March 2022	136,526	4,717	116,728	0	0	10,113	0	4,967	1
8.2 Analysis of tangible fixed assets									
	Total	Land	Buildings excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & Machinery	Transport Equipment	Information Technology	Furniture & fittings
Net book value	0	0	0	0	0	0	0	0	0
- Protected assets at 31 March 2022	121,446	4,717	116,728	0	0	0	0	0	0
- Unprotected assets at 31 March 2022	15,081	0	0	0	0	10,113	0	4,967	1
Total at 31 March 2022	136,526	4,717	116,728	0	0	10,113	0	4,967	1

Property is deemed "protected" if it is required for the purposes of providing either the mandatory goods and services or the mandatory education and training as defined in the Terms of Authorisation of the Trust.

8.5 Investment property

Valuation	£000
At 1 April 2022	80
At 31 March 2023	80
Net Book Value	
at 31 March 2023	80

Group

	2022/23	2021/22
	£000	£000
Carrying value at 1 April	80	80
Carrying value at 31 March	80	80

8.6 Economic life of property, plant and equipment**Group & Foundation Trust**

	Min Life Years	Max Life Years
Buildings excluding dwellings	1	88
Plant & Machinery	5	6
Transport Equipment	5	7
Information Technology	5	5
Furniture & Fittings	5	5

Group & Foundation Trust**8.7 Profit /loss on disposal of fixed assets**

	2022/23	2021/22
	£000	£000
Profit / Loss on the disposal of fixed assets is made up as follows:		
Profit / Loss on disposal of Property, Plant & Equipment	(12)	0
	(12)	0

8.8 Revaluation reserve - property, plant and equipment**Group & Foundation Trust**

	Total £000
Revaluation reserve at 1 April 2022	9,795
Impairments	0
Revaluations	0
Other reserve movements	0
Revaluation reserve at 31 March 2023	9,795

Revaluation reserve at 1 April 2021	6,611
Impairments	0
Revaluations	4,093
Other reserve movements	(909)
Revaluation reserve at 31 March 2022	9,795

**Foundation
Trust****Foundation
Trust****8.9 Investments in subsidiary undertakings**

	2022/23	2021/22
	£000	£000
Shares in subsidiary undertakings	16,824	16,824
Loans to subsidiary undertakings > 1 Year	7,403	11,668
	24,227	28,492
Loans to subsidiary undertakings < 1 Year	4,265	4,121
	28,492	32,613

The shares in the subsidiary company QE Facilities Limited comprises a 100% holding in the share capital consisting of 16,824,382 ordinary £1 shares.

The principal activity of QE Facilities Limited is to provide estate management and facilities services.

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Note 9.1 Right of use assets Group - 2022/23

Group	Property	Plant &	Transport	Total	Of which:
	(land and buildings)	machinery	equipment		leased from DHSC group bodies
	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2022 - brought forward	-	-	-	-	-
Recognition of Right of use assets for existing operating leases on initial application of IFRS 16 on 1 April 2022	2,825	6,824	387	10,036	2,250
Transfers by absorption	-	-	-	-	-
Additions	3,573	989	315	4,877	-
Remeasurements of the lease liability	-	-	-	-	-
Movements in provisions for restoration / removal costs	-	-	-	-	-
Impairments	-	-	-	-	-
Reversal of impairments	-	-	-	-	-
Revaluations	-	-	-	-	-
Reclassifications	-	-	-	-	-
Disposals / derecognition	-	(570)	-	(570)	-
Valuation /gross cost 31 March 2023	6,398	7,243	702	14,343	2,250
Accumulated depreciation at 1 April 2022 - brought forward	-	-	-	-	-
IFRS 16 implementation - reclassification of existing leased assets from PPE or intangible assets	-	-	-	-	-
IFRS 16 implementation - adjustments for existing subleases	-	-	-	-	-
Transfers by absorption	-	-	-	-	-
Provided during the year	565	2,338	278	3,181	450
Impairments	-	-	-	-	-
Reversal of impairments	-	-	-	-	-
Revaluations	-	-	-	-	-
Reclassifications	-	-	-	-	-
Disposals / derecognition	-	(134)	-	(134)	-
Accumulated depreciation at 31 March 2023	565	2,204	278	3,047	450
Net book value at 31 March 2023	5,833	5,039	424	11,296	1,800

Net book value of right of use assets leased from other NHS providers

Net book value of right of use assets leased from other DHSC group bodies

Note 9.2 Right of use assets Trust - 2022/23

Trust	Property	Plant &	Transport	Total	Of which:
	(land and buildings)	machinery	equipment		leased from DHSC group bodies
	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2022 - brought forward	-	-	-	-	-
Recognition of Right of use assets for existing operating leases on initial application of IFRS 16 on 1 April 2022	624	4,259	-	4,883	624
Transfers by absorption	-	-	-	-	-
Additions	-	364	-	364	-
Remeasurements of the lease liability	-	-	-	-	-
Movements in provisions for restoration / removal costs	-	-	-	-	-
Impairments	-	-	-	-	-
Reversal of impairments	-	-	-	-	-
Revaluations	-	-	-	-	-
Reclassifications	-	-	-	-	-
Disposals / derecognition	-	-	-	-	-
Valuation /gross cost 31 March 2023	624	4,623	-	5,247	624
Accumulated depreciation at 1 April 2022 - brought forward	-	-	-	-	-
IFRS 16 implementation - reclassification of existing leased assets from PPE or intangible assets	-	-	-	-	-
IFRS 16 implementation - adjustments for existing subleases	-	-	-	-	-
Transfers by absorption	-	-	-	-	-
Provided during the year	125	1,410	-	1,535	125
Impairments	-	-	-	-	-
Reversal of impairments	-	-	-	-	-
Revaluations	-	-	-	-	-
Reclassifications	-	-	-	-	-
Disposals / derecognition	-	-	-	-	-
Accumulated depreciation at 31 March 2023	125	1,410	-	1,535	125
Net book value at 31 March 2023	499	3,213	-	3,712	499

Net book value of right of use assets leased from other NHS providers

Net book value of right of use assets leased from other DHSC group bodies

Note 9.3 Reconciliation of the carrying value of lease liabilities

Lease liabilities are included within borrowings in the statement of financial position.

A breakdown of borrowings is disclosed in note 14.1

	Group 2022/23 £000s	Trust 2022/23 £000s
Carrying Value at 31 March 2022		
IFRS 16 implementation - adjustments for existing operating leases	10,036	5,154
At start of period for new FTs		
Transfers by absorption	-	-
Lease additions	4,513	-
Lease liability remeasurements	364	364
Interest charge arising in year	78	35
Early terminations	(436)	-
Lease payments (cash outflows)	(2,989)	(1,571)
Other changes	-	-
Carrying Value at 31 March 2023	<u>11,566</u>	<u>3,982</u>

Note 9.4 Maturity analysis of future lease payments at 31 March 2023

	Group		Trust	
	Total	Of which leased from DHSC group bodies:	Total	Of which leased from DHSC group bodies:
	31-Mar-23	31-Mar-23	31-Mar-23	31-Mar-23
	£000s	£000s	£000s	£000s
Undiscounted future lease payments payable in:				
- not later than one year;	3,466	458	1,750	127
- later than one year and not later than five years;	6,644	1,375	2,300	388
- later than five years.	2,619	0	0	0
Total gross future lease payments	<u>12,729</u>	<u>1,833</u>	<u>4,050</u>	<u>515</u>
Finance charges allocated to future periods	(1,163)	(69)	(68)	(17)
Net lease liabilities at 31 March 2016	<u>11,566</u>	<u>1,764</u>	<u>3,982</u>	<u>498</u>
Of which:				
- Current	3,466	458	1,750	127
- Non-Current	8,100	1,306	2,232	371

Note 9.5 Initial Application of IFRS 16 on 1 April 2022

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

Reconciliation of operating lease commitments as at 31 March 2022 to lease liabilities under IFRS 16 as at 1 April 2023

	Group	Trust
	1 April 2022	1 April 2022
	£000s	£000s
Operating Lease commitments under IAS 17 at 31 March 2022	7,744	2,450
Impact of discounting at the incremental borrowing rate	(118)	(37)
	7,626	2,413
IAS 17 operating lease commitment discounted at incremental borrowing rate		
Less:		
Commitments for short term leases	(2,763)	-
Commitments for leases of low value assets	-	-
Commitments for leases that had not commenced as at 31 March 2015	-	-
Irrecoverable VAT previously included in IAS 17 commitment	-	-
Services included in IAS 17 commitment not included in the IFRS 16 liability	-	-
Other adjustments:		
Differences in the assessment of the lease term	4,954	2,292
Public sector leases without full documentation previously excluded from operating lease commitments	-	-
Variable lease payments based on an index or rate	-	-
Rent increases/(decreases) reflected in the lease liability, not previously reflected in the IAS 17 commitment	219	178
Amounts payable under residual value guarantees	-	-
Termination penalties not previously included in commitment	-	-
Finance lease liabilities under IAS 17 as at 31 March 2015	-	-
Other adjustments	-	-
Total lease liabilities under IFRS 16 as at 1 April 2015	10,036	4,883

Notes to the Accounts

Note 10. Receivables**10.1 Trade and other receivables**

	31st March 2023	Financial assets	Non-financial assets	31st March 2022
	£000	£000	£000	£000
Current - Group				
NHS Contract Receivables *	14,319	14,319	0	8,877
Other receivables with related parties	2,832	2,289	543	2,570
Provision for impaired receivables	(1,598)	(1,398)	(200)	(1,668)
Prepayments	4,456	0	4,456	4,347
Accrued Income	1,378	0	1,378	1,927
Other receivables	5,120	4,310	810	5,997
Total Current Trade and Other Receivables	26,507	19,520	6,986	22,050
Current - Foundation Trust				
NHS Contract Receivables *	12,786	12,786	0	8,537
Other receivables with related parties	2,832	0	2,832	2,570
Provision for impaired receivables	(1,534)	(1,334)	(200)	(1,659)
Prepayments	3,533	0	3,533	3,793
Accrued Income	345	0	345	1,257
Loan repayments from QEF Limited (note 8.9)	4,265	0	4,265	4,121
Other receivables	4,798	3,987	811	4,182
Total Current Trade and Other Receivables	27,025	15,439	11,586	22,801
Non-Current Group				
NHS Contract Receivables *	0	0	0	748
Provision for impaired receivables	(306)	(106)	(200)	(229)
Deferred tax	814	0	814	729
Other receivables	1,452	0	1,452	709
Total Non Current Trade and Other Receivables	1,960	(106)	2,066	1,957
Non-Current Foundation Trust				
NHS Receivables *	0	0	0	708
Provision for impaired receivables	(306)	(106)	(200)	(229)
Other receivables	1,452	648	804	748
Non current trade and other receivables (excluding loans)	1,146	542	604	1,227
Loan repayments from QEF Limited (note 8.9)	7,403	7,403	0	11,668
Total Non Current Trade and Other Receivables	8,549	7,945	604	12,895

* The majority of NHS receivables are with Integrated Care Board and NHS England, as commissioners for NHS patient care services. NHS receivables that are neither past due date nor impaired are expected to be paid within their agreed terms.

Note 10.2 Allowances for Credit Losses - 2022/2023**Group & Foundation Trust**

	Receivables and contract assets	All other
	£000's	£000's
At 1 April 2022 brought forward	1,897	0
Transfers by absorption	0	0
New allowances arising	829	0
Changes in existing allowances	(643)	0
Reversals of allowances	(157)	0
Utilisation of allowances (write offs)	(22)	0
Changes arising following modification of contractual cash flows	0	0
Foreign exchange and other changes	0	0
At 31 March 2023	1,904	0
Loss/(gain) recognised in expenditure	28	

Note 10.2 Allowances for Credit Losses - 2021/2022

At 1 April 2021 brought forward	1,139
Transfers by absorption	0
New allowances arising	730
Changes in existing allowances	200
Reversals of allowances	(130)
Utilisation of allowances (write offs)	(42)
Changes arising following modification of contractual cash flows	0
Foreign exchange and other changes	0
At 31 March 2022	1,897

Note 10.4 Deferred Tax Asset**Recognised deferred tax assets**

Deferred tax assets are attributable to the following:

	Group 2022/2023 £000	Group 2021/2022 £000
Property, plant and equipment	794	709
Temporary tax differences	20	20
Total deferred tax asset	814	729

Movement in deferred tax during the year

	2022/2023 £000	2021/2022 £000
Recognised in income	86	(5)
Property, plant and equipment	0	(155)
Prior year adjustment	(1)	160
	85	0

Note 11. Inventory**Note 11.1 Inventory Balances**

	Group		Foundation Trust	
	31 March 2023 £000	31 March 2022 £000	31 March 2023 £000	31 March 2022 £000
Drugs	1,914	1,713	1,323	1,062
Consumables	2,736	2,764	954	951
Energy	105	100	0	0
Work in Progress	0	0	0	0
Total Inventories	4,756	4,577	2,277	2,013

Note 11.2 Inventories Recognised as an Expense

	Group		Foundation Trust	
	2022/2023 £000	2021/2022 £000	2022/2023 £000	2021/2022 £000
Inventories recognised in expenses	34,849	31,362	12,943	12,421
	34,849	31,362	12,943	12,421

Note 12. Cash and cash equivalents

	Group		Foundation Trust	
	31 March 2023 £000	31 March 2022 £000	31 March 2023 £000	31 March 2022 £000
At 1 April	56,803	44,223	50,519	35,022
Net change in year	(6,238)	12,580	(3,815)	15,497
At 31 March	50,565	56,803	46,704	50,519
Broken down into:				
Cash at commercial banks and in hand	3,861	6,284	0	0
Cash with Government Banking Service	46,704	50,519	46,704	50,519
Other current investments	0	0	0	0
Cash and cash equivalents as in Statement of Financial Position	50,565	56,803	46,704	50,519
Bank overdraft	0	0	0	0
Cash and cash equivalents as in Statement of Cashflows	50,565	56,803	46,704	50,519

Notes to the Accounts

Note 13. Payables and other Liabilities**13.1 Trade and other payables**

Group	Total 31st March 2023	Financial liabilities	Non-financial liabilities	Total 31st March 2022
Current	£000	£000	£000	£000
NHS payables and accruals	2,807	2,807	0	4,751
Trade Payables-Capital	0	0	0	463
Other payables	19,998	8,502	11,496	15,733
Corporation Tax	411	0	411	322
Accruals	31,385	31,385	0	31,564
Total current trade and other payables	54,601	42,694	11,907	52,833

Trust	Total 31st March 2023	Financial liabilities	Non-financial liabilities	Total 31st March 2022
Current	£000	£000	£000	£000
NHS payables and accruals	2,807	2,807	0	4,752
Trade Payables-Capital	(175)	(175)	0	463
Other payables	24,061	16,939	7,122	24,629
Accruals	27,964	27,964	0	21,206
Total current trade and other payables	54,657	47,535	7,122	51,050

13.2 Other Liabilities

	Group		Foundation Trust	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
	£000	£000	£000	£000
Current				
Deferred Income	7,673	8,113	7,323	7,890
Total other current liabilities	7,673	8,113	7,323	7,890
Non-current				
Deferred Income	1,849	2,044	304	325
Total other non current liabilities	1,849	2,044	304	325

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Notes to the Accounts

Note 14. Borrowings**14.1 Borrowings**

	Group		Foundation Trust	
	31 March		31 March	
	2023	31 March 2022	2023	31 March 2022
	£000	£000	£000	£000
Current				
Loans from Independent Trust Financing Facility	1,021	1,022	1,021	1,022
Revenue Support Working Capital Loans	0	0	0	0
Lease liabilities*	3,631		1,239	
Obligations under finance leases	0	0	721	697
Total current borrowing	4,652	1,022	2,981	1,719
Non-current				
Loans from Independent Trust Financing Facility	12,012	13,011	12,012	13,011
Revenue Support Working Capital Loans	0	0	0	0
Lease liabilities*	7,935		2,743	
Obligations under finance leases	0	0	41,325	42,047
Total other non current liabilities	19,947	13,011	56,080	55,058

The Trust Finance Leases have been accounted for in accordance with the GAM.

The £43m obligation under finance leases in the Foundation Trust arises from the arrangements between the Foundation Trust and its subsidiary undertaking, QEF Ltd, for the supply of operational healthcare facilities. This liability and the associated property have both been recognised in the balance sheet of the Foundation Trust following a detailed consideration of the lease terms and the risks and rewards of the arrangement.

*The Trust has applied IFRS 16 to lease arrangements within these accounts from 1 April 2022 without restatement of comparatives. More information about leases and the impact of this change in accounting policy can be found in note 9

	31 March	31 March
	2023	2022
	£000	£000
14.2 Finance lease obligations - Foundation Trust		
Gross Lease Liabilities	42,046	42,744
Of which liabilities are due:-		
- Not later than one year	2,173	2,173
- Later than one year and not later than five years	8,690	8,690
- Later than five years	89,213	91,384
Finance charges allocated to future periods	(58,030)	(59,503)
Net Lease Liabilities	42,046	42,744
- Not later than one year	721	697
- Later than one year and not later than five years	3,146	3,039
- Later than five years	38,179	39,008
	42,046	42,744

The Group does not have any Finance Lease Obligations.

Note 15. Provisions for liabilities and charges - Group

	Current		Non Current	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	£000	£000	£000	£000
Pensions early departure costs	136	144	972	1,326
Pensions injury benefits	107	106	1,306	1,796
Restructuring	0	0	0	0
Equal pay	0	0	0	0
Redundancy	0	37	0	0
Legal claims	73	91	0	0
Other	3,194	3,457	0	0
	3,509	3,835	2,279	3,122

	Pensions early departure costs £000	Pensions injury benefits £000	Legal claims £000	Restructuring £000	Equal Pay £000	Redundancy £000	Other £000	Total £000
At 1 April 2022	1,470	1,902	91	0	0	37	3,457	6,957
Change in the discount rate	(162)	(399)	0	0	0	0	0	(561)
Arising during the year	38	45	42	0	0	0	1,776	1,901
Utilised during the year	(140)	(109)	(12)	0	0	(37)	(265)	(563)
Reclassified	0	0	0	0	0	0	0	0
Reversed unused	(80)	0	(49)	0	0	0	(1,773)	(1,902)
Unwinding of discount	(19)	(25)	0	0	0	0	0	(44)
At 31 March 2023	1,107	1,414	72	0	0	0	3,195	5,788

Expected timing of cash flows:

-not later than one year;	136	107	72	0	0	0	3,195	3,510
-later than one year and not later than five years;	520	410	0	0	0	0	0	930
-later than five years;	451	897	0	0	0	0	0	1,348
	1,107	1,414	72	0	0	0	3,195	5,788

	Pensions early departure costs £000	Pensions injury benefits £000	Legal claims £000	Restructuring £000	Equal Pay £000	Redundancy £000	Other £000	Total £000
At 1 April 2021	1,115	1,706	93	0	0	183	4,786	7,883
Change in the discount rate	368	146	0	0	0	0	0	514
Arising during the year	172	171	35	0	0	0	1,335	1,713
Utilised during the year	(144)	(105)	(37)	0	0	(146)	(365)	(797)
Reclassified	0	0	0	0	0	0	0	0
Reversed unused	(30)	0	0	0	0	0	(2,299)	(2,329)
Unwinding of discount	(11)	(16)	0	0	0	0	0	(27)
At 31 March 2022	1,470	1,902	91	0	0	37	3,457	6,957

Expected timing of cash flows:

-not later than one year;	144	106	91	0	0	37	3,457	3,835
-later than one year and not later than five years;	596	437	0	0	0	0	0	1,033
-later than five years;	730	1,359	0	0	0	0	0	2,089
	1,470	1,902	91	0	0	37	3,457	6,957

£69,745k is included in the provisions of the NHS Resolution at 31/3/2023 in respect of clinical negligence liabilities of the trust which are managed through the NHS risk pooling scheme on behalf of the Foundation Trust (31/3/2022 £109,220k).

i) Pensions relating to directors and other staff represents the present value of quarterly payments to the NHS Pensions Agency in respect of the unfunded element of the pensions of staff and directors who have taken early retirement. The provisions are uncertain to the extent that the period over which payments will be made is an estimate.

ii) Other Legal claims £73k relates to a provision for Employer Liability claims which are covered under the terms of the Trust's commercial insurance. The Trust is liable for excess payments against each claim under the terms of the commercial insurance.

iii) Pensions Injury Provisions £1,415k relate to Service Injury Benefit payments reimbursed to the NHS Pensions Agency in respect of former staff with service related injuries. The provision represents the present value of quarterly payments to the NHS Pensions Agency. The provisions are uncertain with regard to the value of the cash reimbursements and the period of time over which the contribution will be made.

Notes to the Accounts

Note 15. Provisions for liabilities and charges - Trust

	Current		Non Current	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	£000	£000	£000	£000
Pensions early departure costs	136	144	972	1,326
Pensions injury benefits	107	106	1,307	1,796
Restructuring	0	0	0	0
Redundancy	0	37	0	0
Legal claims	73	91	0	0
Other	2,615	3,138	0	0
	2,931	3,516	2,279	3,122

	Pensions early departure costs £000	Pensions injury benefits £000	Legal claims £000	Equal Pay £000	Redundancy £000	Other £000	Total £000
At 1 April 2022	1,470	1,902	91	0	37	3,137	6,637
Change in the discount rate	(162)	(399)	0	0	0	0	(561)
Arising during the year	38	47	42	0	0	1,517	1,644
Utilised during the year	(140)	(109)	(12)	0	(37)	(265)	(563)
Reclassified	0	0	0	0	0	0	0
Reversed unused	(80)	0	(49)	0	0	(1,774)	(1,903)
Unwinding of discount	(19)	(25)	0	0	0	0	(44)
At 31 March 2023	1,107	1,416	72	0	0	2,615	5,210

Expected timing of cash flows:

-not later than one year;	136	107	72	0	0	2,615	2,930
-later than one year and not later than five years;	520	410	0	0	0	0	930
-later than five years;	451	899	0	0	0	0	1,350
	1,107	1,416	72	0	0	2,615	5,210

	Pensions early departure costs £000	Pensions injury benefits £000	Legal claims £000	Equal Pay £000	Redundancy £000	Other £000	Total £000
At 1 April 2021	1,115	1,706	93	0	183	4,786	7,883
Change in the discount rate	368	146	0	0	0	0	514
Arising during the year	172	171	35	0	0	1,335	1,713
Utilised during the year	(144)	(105)	(37)	0	(146)	(365)	(797)
Reclassified	0	0	0	0	0	0	0
Reversed unused	(30)	0	0	0	0	(2,618)	(2,648)
Unwinding of discount	(11)	(16)	0	0	0	0	(27)
At 31 March 2022	1,470	1,902	91	0	37	3,138	6,638

Expected timing of cash flows (restated):

-not later than one year;	144	106	91	0	37	3,138	3,516
-later than one year and not later than five years;	596	437	0	0	0	0	1,033
-later than five years;	730	1,359	0	0	0	0	2,089
	1,470	1,902	91	0	37	3,138	6,638

£69,745k is included in the provisions of the NHS Resolution at 31/3/2023 in respect of clinical negligence liabilities of the trust which are managed through the NHS risk pooling scheme on behalf of the Foundation Trust (31/3/2022 £109,220k).

i) Pensions relating to directors and other staff represents the present value of quarterly payments to the NHS Pensions Agency in respect of the unfunded element of the pensions of staff and directors who have taken early retirement. The provisions are uncertain to the extent that the period over which payments will be made is an estimate.

ii) Other Legal claims £73k relates to a provision for Employer Liability claims which are covered under the terms of the Trust's commercial insurance. The Trust is liable for excess payments against each claim under the terms of the commercial insurance.

iii) Pensions Injury Provisions £1,415k relate to Service Injury Benefit payments reimbursed to the NHS Pensions Agency in respect of former staff with service related injuries. The provision represents the present value of quarterly payments to the NHS Pensions Agency. The provisions are uncertain with regard to the value of the cash reimbursements and the period of time over which the contribution will be made.

16.1 Contractual capital commitments - Group and Foundation Trust

Contractual capital commitments at 31 March 2023 not otherwise included in these financial statements:

	31 March 2023 £000	31 March 2022 £000
Property, plant and equipment	3,150	1,379
Total	<u>3,150</u>	<u>1,379</u>

16.2 Events after the reporting period - Group and Foundation Trust

In May 2023 the government announced an additional pay offer for 2022/23, in addition to the pay award earlier in the year. Additional funding was made available by NHS England for implementing this pay offer for 2022/23 and the income and expenditure has been included in these accounts as guided by the Department of Health and Social Care and NHS England. In May 2023 the government confirmed this offer will be implemented as a further pay award in respect of 2022/23 based upon individuals in employment at 31 March 2023.

16.3 Contingent liabilities - Group and Foundation Trust

	31 March 2023 £000	31 March 2022 £000
Gross estimated value of Non-Clinical Liabilities	0	0
Expected recoverable amount	0	0
Net value contingent liabilities	<u>0</u>	<u>0</u>

16.4 Related Party Transactions - Group and Foundation Trust

The Department of Health and Social Care is regarded as a related party. During the year the Group has had a significant number of material transactions with the Department and with other entities for which the Department is regarded as the parent Department in addition to those in the public sector. These entities are listed below:-

NHS England
 North East and North Cumbria ICB
 Newcastle Gateshead CCG
 South Tyneside CCG
 Sunderland and County Durham CCG
 Cumbria, Northumberland, Tyne and Wear NHS Foundation Trust
 Health Education England
 South Tyneside and Sunderland NHS Foundation Trust
 The Newcastle upon Tyne Hospitals NHS Foundation Trust
 HMRC
 NHS Pension Scheme
 Gateshead Council

16.5 Related Party Transactions - Group and Foundation Trust

Gateshead Health NHS Foundation Trust is required under IAS 24 to disclose material transactions undertaken with a related party.

During the year none of the Board Members or members of the key management staff or parties related to them has undertaken any material transactions with the Trust.

The Foundation Trust has received revenue and capital payments from the Gateshead Health NHS Foundation Trust Charitable Fund. The Foundation Trust acts as the Corporate Trustee for the Charitable Fund.

The total value of Funds Held on Trust at 31st March 2023 was £2,217k. The Foundation Trust owed the Charity £0k and the Charity owed the Trust £254.2k.

On 1st February 2017, North East Transformation System Limited (Company Number 10178726) commenced trading. The controlling parents are Gateshead Health NHS Foundation Trust and Tees, Esk and Wear Valleys NHS Foundation Trust, with each party holding 50% of the £50,000 share capital. 2 directors of Gateshead Health NHS Foundation Trust were also directors of the joint venture whose purpose is to deliver training and coaching on organisational change. The North East Transformation System Limited received income of £Nil (2022: Nil) and spent £Nil (2022: £13) inclusive of £Nil staff costs (2022: £Nil), loss of £Nil(2022: £13 loss). The Trust has not incorporated these figures into the main accounts on the grounds of materiality as per the guidance within the group accounting manual.

On 18th January 2018, Gateshead Health NHS Foundation Trust were allocated 50 shares in Healthcall Solutions Limited (Company Number 10218146), with a further 100 shares allocated in March 2019 (total equity 150 shares; 20% shareholding). The controlling parents are County Durham and Darlington NHS Foundation Trust (20%), Gateshead Health NHS Foundation Trust (20%), The Newcastle Upon Tyne Hospitals NHS Foundation Trust (20%), North Tees and Hartlepool NHS Foundation Trust (20%), Northumbria Healthcare NHS Foundation Trust (6.67%), Cumbria, Northumberland, Tyne & Wear NHS Foundation Trust (6.67%) and South Tees Hospitals NHS Foundation Trust (6.66%). Unaudited results for Healthcall Solutions Limited year ended 31 December 2022 show income of £2.23m (2021: £1.34m), expenses of £2.22m (2021: £1.3m) and profit of £11k (2021:£6k). The Trust has not incorporated these figures into the main accounts on the grounds of materiality as per the guidance within the group accounting manual.

Note 17. Financial assets/liabilities - Group and Foundation Trust**Note 17.1 Carrying Value of Financial Assets**

Assets as per Statement of Financial Position	Group		Foundation Trust	
	Total £000	Loans and receivables £000	Total £000	Loans and receivables £000
Trade and other receivables excluding non financial assets - Note 10	19,413	19,413	23,383	23,383
Cash and cash equivalents at bank and in hand - Note 12	50,565	50,565	46,704	46,704
Charitable Fund Financial Assets - Note 22	1,262	1,262	0	0
Total at 31 March 2023	71,240	71,240	70,087	70,087
Trade and other receivables excluding non financial assets - Note 10	13,408	13,408	22,362	22,362
Cash and cash equivalents at bank and in hand - Note 12	56,803	56,803	50,519	50,519
Charitable Fund investments - Note 23	1,250	1,250	0	0
Total at 31 March 2022	71,461	71,461	72,881	72,881

Note 17.2 Financial liabilities by category

Liabilities as per Statement of Financial Position	Group		Foundation Trust	
	Total £000	Other financial liabilities £000	Total £000	Other financial liabilities £000
Borrowings excluding Finance lease liabilities - Note 14	13,033	13,033	13,033	13,033
Obligations under leases - Note 14	11,566	11,566	46,028	46,028
NHS Trade and other payables excluding non financial liabilities - Note 13	42,694	42,694	47,535	47,535
Provisions under contract - Note 15	0	0	0	0
Charitable Fund Financial Liabilities	154	154	0	0
Total at 31 March 2023	67,447	67,447	106,596	106,596
Borrowings excluding Finance lease liabilities - Note 14	14,033	14,033	14,033	14,033
Obligations under finance leases - Note 14	0	0	42,744	42,744
NHS Trade and other payables excluding non financial liabilities - Note 13	46,105	46,105	46,191	46,191
Provisions under contract - Note 15	0	0	0	0
Charitable Fund Financial Liabilities	135	135	0	0
Total at 31 March 2022	60,273	60,273	102,968	102,968

17.3 Liquidity Risk

The Foundation Trust's net operating costs are incurred for the provision of services commissioned under the NHS standard contract with Integrated Care Boards and NHS England, which are financed from resources voted annually by Parliament. The Foundation Trust also finances its Capital expenditure from retained depreciation and accumulated surpluses. The Foundation Trust has a loan financed by the Independent Trust Financing Facility for £22m which partly funded the construction of the Emergency Care Centre. Deficit support loans totalling £12.235m were drawn in 2018/2019, these loans were converted to PDC in 2020/2021.

17.4 Interest rate risk

67% of the Foundation Trust's current financial assets consist of cash which carries a floating rate of interest.

Finance Lease arrangements are subject to a fixed rate of interest.

The current ITFF loan of £22m is subject to a fixed interest repayment rate of 3.78%

17.5 Foreign currency risk

The Trust has no foreign currency income or expenditure.

17.6 Credit Risk

Due to the continuing service provider relationship that the Trust has with local commissioning bodies and the way those bodies are financed, the NHS Foundation Trust is not exposed to the degree of financial risk faced by other business entities. No collateral is held as security and there are no other credit enhancements.

The carrying value of financial instruments held by the Trust is equal to their fair value and as such this represents the maximum exposure to risk as at the operating date.

Financial assets held by the Trust are made up of cash and other cash equivalents and trade receivables. As the majority of these trade receivables are due from related parties (mainly commissioning bodies) the Trust expects that all non-impaired financial instruments are fully recoverable.

Note 18. Carrying Values - Group and Foundation Trust

The Trust considers book value (carrying value) to be a reasonable approximation of fair value

Note 18.1 Carrying values of financial assets

	Group			
	31 March 2023	31 March 2023	31 March 2022	31 March 2022
	Book Value £000	Fair value £000	Book Value £000	Fair value £000
Cash & cash equivalents	50,565	50,565	56,803	56,803
Current Receivables	19,520	19,520	12,703	12,703
Non Current Receivables	a (106)	(106)	705	705
Charitable Fund Financial Assets	1,233	1,233	1,250	1,250
Total	71,212	71,212	71,461	71,461

	Foundation Trust			
	31 March 2023	31 March 2023	31 March 2022	31 March 2022
	Book Value £000	Fair value £000	Book Value £000	Fair value £000
Cash & cash equivalents	46,704	46,704	50,519	50,519
Current Receivables	15,439	15,439	10,000	10,000
Non Current Receivables	a 542	542	695	695
Loan to Subsidiary	7,403	7,403	11,668	11,668
Total	70,088	70,088	72,882	72,882

Note 18.2 Carrying values of financial liabilities

	Group			
	31 March 2023	31 March 2023	31 March 2022	31 March 2022
	Book Value £000	Fair value £000	Book Value £000	Fair value £000
Provisions under Contract	0	0	0	0
Obligations under finance leases - Note 14	11,566	11,566		
Trade & Other Payables	42,694	42,694	46,105	46,105
Loans	13,033	13,033	14,033	14,033
Charitable Fund Financial Liabilities	154	154	135	135
Total	67,447	67,447	60,272	60,272

	Foundation Trust			
	31 March 2023	31 March 2023	31 March 2022	31 March 2022
	Book Value £000	Fair value £000	Book Value £000	Fair value £000
Provisions under Contract	0	0	0	0
Obligations under finance leases - Note 14	46,028	46,028	42,744	42,744
Trade & Other Payables	47,535	47,535	46,191	46,191
Loans	13,033	13,033	14,033	14,033
Total	106,596	106,596	102,968	102,968

a This relates to a long term finance lease of a property to another NHS body.

Notes to the Accounts

Note 18.3 Maturity of financial liabilities

	Group	Trust	Group	Trust
	31 March	31 March	31 March	31 March
	2023	2023	2022	2022
	£000	£000	£000	£000
In one year or less	47,962	50,176	47,781	33,937
In more than one year but not more than five	12,798	15,943	5,700	8,739
In more than five years	12,252	50,432	10,641	49,649
Total financial liabilities	<u>73,012</u>	<u>116,551</u>	<u>64,122</u>	<u>92,325</u>

Note 19. Third party assets

The Trust held £5,545.96 cash at bank and in hand at 31/03/23 (£3,319.02 at 31/03/22) which relates to monies held on behalf of patients. This has been excluded from the cash at bank and in hand figure reported in the accounts as the Trust holds no beneficial interest.

Note 20. Public dividend capital dividend

The Foundation Trust is required to absorb the cost of capital at a rate of 3.5% of average relevant net assets. The resulting calculation of PDC (Public Dividend Capital) dividend, totalling £3,150,000 was calculated on the average relevant net assets of £90,017,000.

Note 21. Losses and special payments - Group and Foundation Trust

NHS Foundation Trusts are required to follow the guidance issued by the Department of Health and Social Care in accounting for losses and special payments:

- These 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 divided into different categories, which govern the way each individual case is handled.

The number and value of losses and special payment cases:

Ref.	Category of loss / special payment	1 April 2021 - 31 March 2023		1 April 2020 - 31 March 2022	
		Number of cases	Value of cases £000	Number of cases	Value of cases £000
Losses					
1a	Losses of cash due to theft, fraud etc.	0	0	0	0
1b	Losses of cash due to overpayment of salaries etc.	9	9	6	4
1c	Losses of cash due to other causes	0	0	0	0
2	Fruitless payments	0	0	0	0
3a	Bad debts and claims abandoned – private patients	15	4	21	10
3b	Bad debts and claims abandoned – overseas visitors	4	3	4	18
3c	Bad debts and claims abandoned – other	29	5	15	3
4a	Damage to buildings, loss of equipment and property due to theft, fraud etc.	0	0	0	0
4b	Damage to buildings, loss of equipment and property due to other causes	0	0	2	13
4c	Other	3	256	0	0
Total Losses		60	277	48	48
Special Payments					
5	Compensation under legal obligation	0	0	0	0
7a	Ex-gratia payments for loss of personal effects	19	8	22	15
7b	Clinical Negligence with advice	0	0	0	0
7c	Ex-gratia payments for personal injury with advice	0	0	0	0
7d	Other negligence and injury	0	0	0	0
7e	Other employment payments	0	0	1	381
7f	Patient Referrals outside the UK and EEA Guidelines	0	0	0	0
7g	Other	364	236		
Total Special Payments		383	244	23	396
Total Losses and Special Payments		443	521	71	444

Payments made under category 7g relate the reimbursement of lease car VAT refunds to individual employees.

The above values have been calculated on an accruals basis whereby expenditure is recognised in the period in which the associated liability was incurred.

22 Charitable fund reserve

The Trust is the corporate trustee to Gateshead Health NHS Foundation Trust Charitable Fund. The Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary in accordance with IFRS 10, because the Trust has the power to govern the financial and operating policies of the charitable fund so as to obtain benefits from its activities for itself, its patients or its staff. Prior to 2013/14 the Treasury had directed that IFRS 10 should not be applied to NHS Charities, and therefore the FT ARM did not require the Trust to consolidate the charitable fund.

The main financial statements disclose the Foundation Trust's financial position alongside that of the group (which comprises the Foundation Trust, subsidiary and charitable fund).

Gateshead Health NHS Foundation Trust Charity - Summary Statement of financial activities;

	Year ended 31 March 2023 £000	Year ended 31 March 2022 £000
Donated income	174	385
Income from legacies	73	668
Investment income	35	28
Grant Income	30	9
Total incoming resources	<u>312</u>	<u>1,090</u>
Patients' welfare and amenities	177	158
Staff welfare and amenities	4	7
Medical research	51	0
Contributions to the Foundation Trust	34	0
Governance costs	5	7
Total outgoing resources	<u>271</u>	<u>172</u>
Unrealised gain/(loss) on investments	(48)	76
Net incoming/(outgoing) resources	<u>(7)</u>	<u>994</u>

Gateshead Health NHS Foundation Trust Charity - Summary Statement of financial position;

	Year ended 31 March 2023	Year ended 31 March 2022
Investments	1,233	1,250
Receivables	29	14
Cash	1,230	1,216
Payables	(154)	(135)
Total net assets	<u>2,338</u>	<u>2,345</u>
Represented by:		
Unrestricted funds	2,005	1,996
Restricted funds	271	284
Endowment funds	62	65
	<u>2,338</u>	<u>2,345</u>

The total funds are represented in the Group accounts as Charitable Funds Reserve.

Restricted funds are funds donated for a specific purpose. Unrestricted funds may be designated for a particular area but are not restricted on the purpose of expenditure. Endowment funds relate to capital funds where the charity does not hold the power to convert capital into income. The capital must generally be held indefinitely; the income generated by the investment of the funds can be used for charitable purposes at the discretion of the Trustee.

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

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

This work has now been completed.

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

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

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

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

Certificate

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



Cameron Waddell, Key Audit Partner
For and on behalf of Mazars LLP

Mazars LLP
The Corner
Bank Chambers
26 Mosley Street
Newcastle upon Tyne
NE1 1DF

22 August 2023

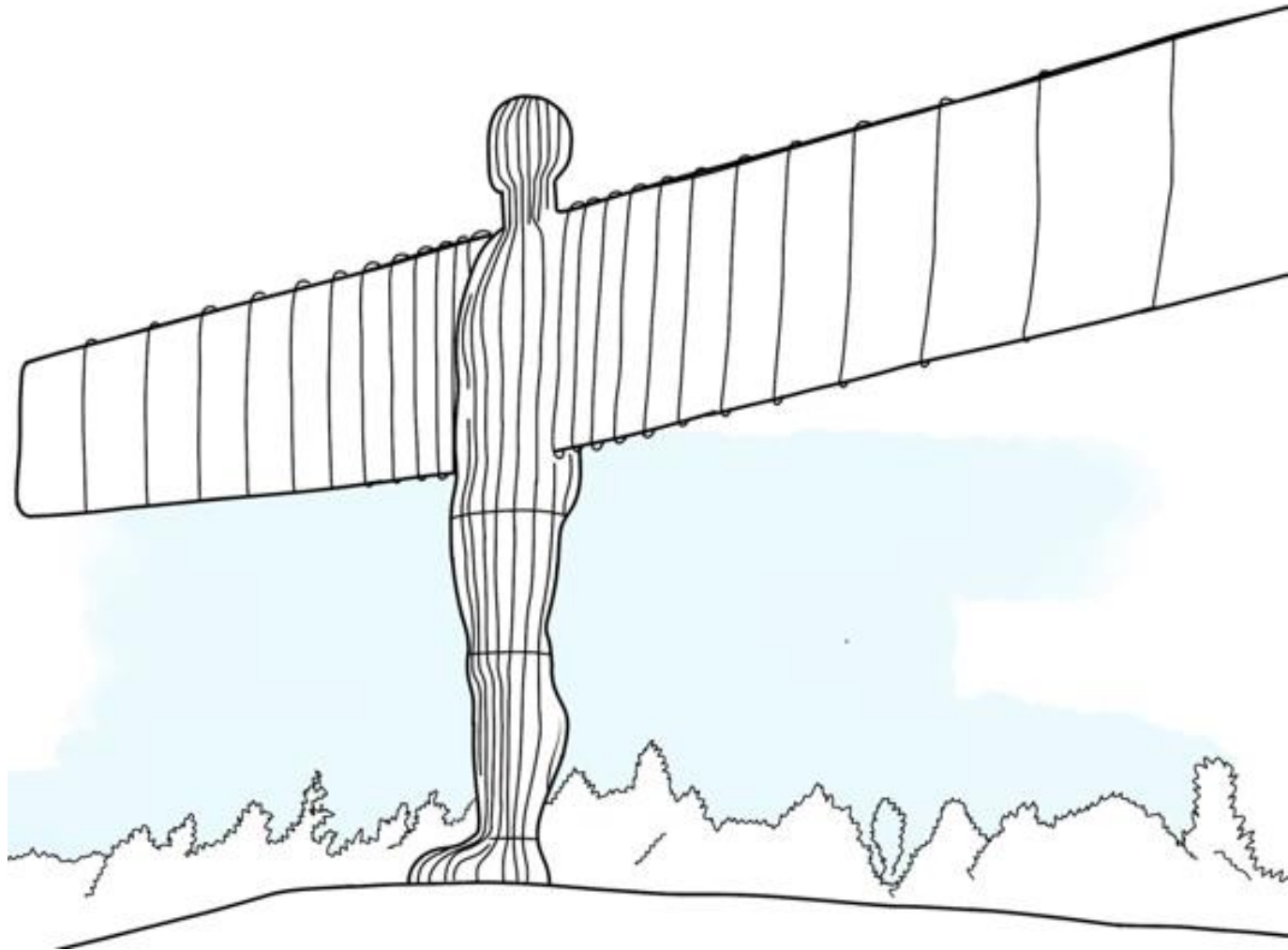
Glossary of terms

		ERF	Elective Recovery Fund
A&E	Accident and Emergency	ESR	Electronic Staff Record
AI	Artificial Intelligence	FFT	Friends and Family Test
ARM	Annual Reporting Manual	FTE	Full Time Equivalent
ART	Response Team	FTSU	Freedom to Speak Up
BAF	Board Assurance Framework	FTSUG	Freedom to Speak Up Guardian
BAME	Black, Asian and Minority Ethnic		
CAG	Clinical Advisory Group	GAAP	Generally Accepted Accounting Principles
CCG	Clinical Commissioning Group	GAM	Government Accounting Manual
CDC	Community Diagnostic Centre	GGI	Good Governance Institute
CERA	Clinical Environmental Risk Assessment	HSMR	Hospital Standardised Mortality Ratio
CIPFA	Chartered Institute of Public Finance and Accountancy	IAS	International Accounting Standards
CIPS	Chartered Institute of Purchasing and Supply	ICB	Integrated Care Board
CNTW	Cumbria, Northumberland, Tyne and Wear NHS Foundation Trust	ICO	Information Commissioner's Office
COPD	Chronic Obstructive Pulmonary Disease	ICORE	Innovation, Caring, Openness, Respect, Engagement (Trust values)
CQC	Care Quality Commission	ICP	Integrated Care Partnership
CT	Computerised Tomography Scan	ICS	Integrated Care System
DHSC	Department of Health and Social Care	IFRS	International Financial Reporting Standards
EDI	Equality, Diversity and Inclusion	IOR	Integrated Oversight Report
EDS	Equality Delivery System 2	KLOE	Key Lines of Enquiry
EPRR	Emergency Preparedness, Resilience and Response	KPI	Key Performance Indicator
EQiA	Equality and Quality Impact Assessment	LCFS	Local Counter Fraud Specialist
		LGBT	Lesbian, Gay, Bisexual and Transgender

MRI	Magnetic Resonance Imaging Scan	SI	Serious Incident
MRSA	Methicillin-Resistant Staphylococcus Aureus	SOF	System Oversight Framework
NEAS	North East Ambulance Service NHS Foundation Trust	SRT	Site Resilience Team
NENC	North East and North Cumbria	STP	Sustainability and Transformation Plan
NEQOS	North East Quality Observatory Service	VCOD	Vaccination as a Condition of Deployment
NHSE	NHS England	WRES	Workforce Race Equality Standard
NOM	New Operating Model	WDES	Workforce Disability Equality Standard
NPSA	National Patient Safety Agency		
OD	Organisational Development		
ORR	Organisational Risk Register		
PALs	Patient Advice and Liaison Service		
PbR	Payment by Results		
PCN	Primary Care Network		
PDC	Public Dividend Capital		
PIFU	Patient-Initiated Follow-Up		
PLACE	Patient-Led Assessments of the Care Environment		
POD	People and Organisational Development		
PSED	Public Sector Equality Duty		
QEF	QE Facilities		
RDC	Rapid Diagnostic Centre		
RPIW	Rapid Process Improvement Workshop		
RTT	Referral to Treatment		
SDEC	Same Day Emergency Care		
SHMI	Summary Hospital-level Mortality Indicator		



Gateshead Health
NHS Foundation Trust



Quality Account

Gateshead Health NHS Foundation Trust

2022/23

Gateshead Health NHS Foundation Trust at a glance...



Local Population
Over 200,000



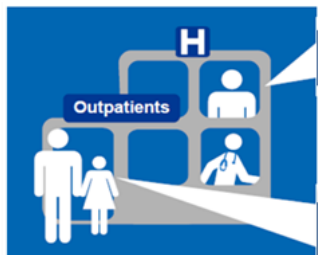
Employ around
4,500 staff

Inspected and rated

Good with
Outstanding for Caring 



CareQuality
Commission



65,653 Inpatient Spells

267,050 Outpatient Attendances



1,717 Births



110,365 Attendances

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Part 1

Quality Account – Chief Executive’s Statement



Statement on Quality from the Chief Executive

#HelloMyNameIs Trudie. I am delighted to be able to present my first Quality Account as Chief Executive of Gateshead Health NHS Foundation Trust. Providing great care and achieving great outcomes for our patients, their families and carers is at the heart of everything we do. There is no doubt that 2022-23 has again been a challenging year for us here at Gateshead as well as across the wider NHS and social care system. Covid-19 has not gone away and we have seen a high number of patients needing urgent and emergency care, twinned with high numbers of patients who are in a hospital bed but who are medically fit and could be cared for elsewhere in our community – all of which present both quality and operational challenges. From my first days at the Trust to the present, I've been blown away by the way our teams respond to challenges and how our dedicated colleagues have continued to transform care for the better, make innovative improvements and improve our culture.

In this Quality Account, we share with you details about the quality of patient care we have provided over the past 12 months and our achievements as well as our quality priority areas for 2023-24. These incorporate the pillars of quality - patient experience, patient safety, clinical effectiveness and for us here at Gateshead, we also include staff experience as it is inextricably linked to the quality of care. Our biggest priority over the next 12 months is to reduce length of stay. Spending a long time in hospital can lead to an increased risk of patients falling, sleep deprivation, catching infections and sometimes mental and physical deconditioning. By ensuring patients return to their usual place of residence, or another care setting, as soon as it's safe to do so, not only will this have a positive impact for our patients in terms of their safety and experience, but also on 'flow' (the movement of patients, information or equipment between wards and departments) which will improve right through the system. Beds will be free for those needing quick admission for emergency care or for a planned operation, which in turn will have a positive impact on reducing crowding in our emergency department. This is not something that can be solved by just working harder, or faster, we need to do something different and I am looking forward to working with our colleagues across the Trust and wider health and social care system to make this a reality.

Gateshead Health NHS Foundation Trust has started on a journey to further increase our partnership working. It is therefore crucial that our Quality Account priorities link with our strategic aims around our patients, people and partners. In terms of enhancing patient experience, we are continuing our journey of collaborative working at PLACE with the introduction of further patient forums which are patient led and patient chaired, in collaboration with the NHS North East and North Cumbria Integrated Care Board. I am committed to lead Gateshead Health with vision and clarity towards our common goal of achieving success and we will continue to do this through developing trusted relationships, being inclusive and respectful of others and ensuring that as a good partner, the standard of care delivered within the hospital and within Gateshead's community remain high.

Over the last twelve months, we have continued to foster an open and responsive culture to inform learning and shape practice and this will continue over 2023-24 as we implement the Patient Safety Incident Response Framework (PSIRF) as one of our Quality Account priorities. We will continue to actively encourage all of our staff to report incidents and any issues they may face, and we will continue to participate in national audits, and share findings across teams to inform practice, and to improve safety and outcomes for our patients.

We understand that in order to ensure high quality care for our patients, we must look after our people and ensure that they have what they need to be able to perform to a high level. In

response to this, we have made a significant investment in staff wellbeing, with a dedicated health and wellbeing team and a comprehensive range of support for our people. These include wellbeing and financial advice, menopause support, wellbeing check-ins, therapy sessions in collaboration with Gateshead College and an enhanced catering offer, particularly in times of extreme pressures such as Opel 4 where we have offered all staff free teas, coffees, breakfasts and soup, in response to staff feedback.

We know we still have so much to do as the NHS, both locally and nationally, continues to face immense challenges. Nevertheless, we have much to be optimistic about and, despite these challenges, I am confident we will continue to improve the quality of care we provide because our dedicated teams focus on what matters most, supporting each other as well as our patients and carers to have the very best of experiences of our services here at Gateshead.

Our staff selflessly step forward both night and day, with courage to care for, help and support patients, families and colleagues in the most challenging of circumstances. As an Executive team, we believe that the people who do the job know best how to do it and we are driven to listen to our staff and encourage innovation. On behalf of myself and our Trust Board, I would like to thank every member of staff, our governors, our volunteers and partners for their hard work and commitment during these challenging times.

To ensure that the Quality Account fairly presents our position, it has been reviewed by key stakeholders and by Trust Board members, including our Non-Executive Directors. I can confirm, in accordance with my statutory duty, that to the best of my knowledge, the information provided in this Quality Account is accurate.

Signed

Date: 21/06/2023



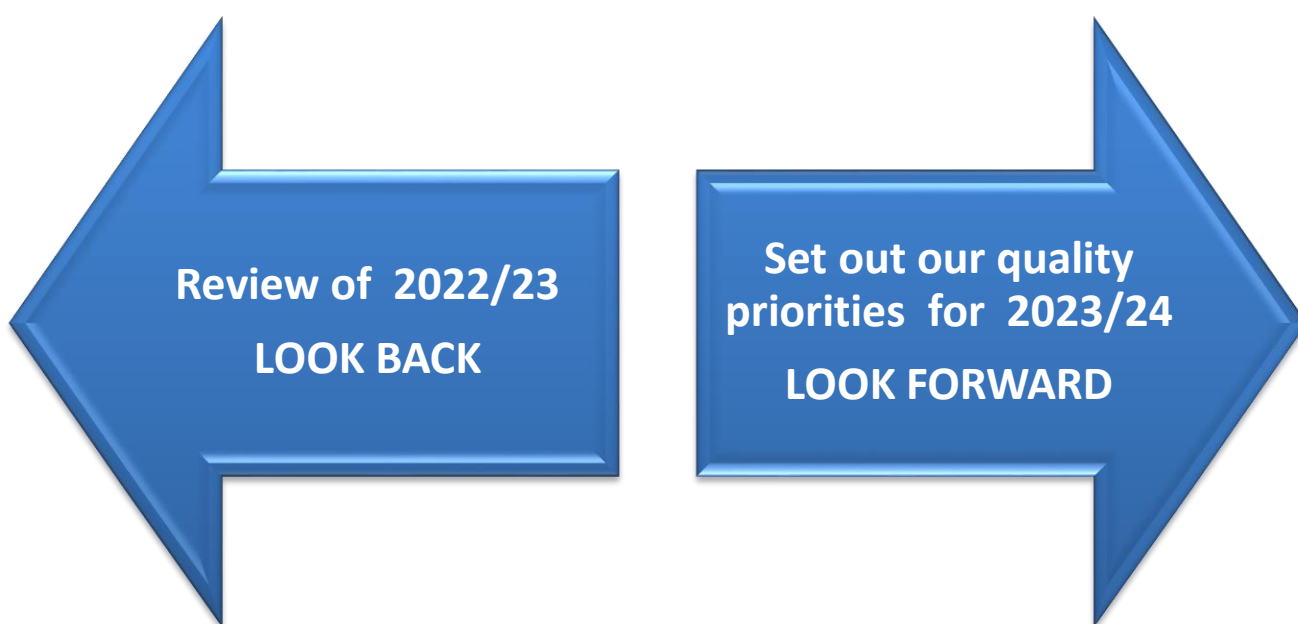
Chief Executive

What is a Quality Account?

The NHS is required to be open and transparent about the quality of services provided to the public. As part of this process all NHS hospitals are required to publish a Quality Account (The Health Act 2009). Staff at the Trust can use the Quality Account to assess the quality of the care we provide. The public and patients can also view quality across NHS organisations by viewing the Quality Accounts on the NHS Choices website: www.nhs.uk.

The dual functions of a Quality Account are to:

- Summarise our performance and improvements against the quality priorities and objectives we set ourselves for 2022/23.
- Outline the quality priorities and objectives we set ourselves going forward for 2023/24.



Part 2

Quality Priorities



2. Priorities for Improvement

2.1 Reporting back on our progress in 2022/23

In our 2021/22 Quality Account we identified 12 quality priorities that we would focus on. This section presents the progress we have made against these.

PATIENT EXPERIENCE:

Priority 1: Reinvalidate the Volunteers Service

➤ What did we say we would do?

- Increase volunteer numbers
- Full evaluation of the 'Response Volunteer Programme' and 'Patient Experience Volunteer Programme'
- Develop a contingency plan for the recruitment and mobilisation of external volunteers

➤ Did we achieve this?

- Yes we achieved this priority.

➤ Progress made:

- We increased the number of people volunteering within the Trust by 50, with further volunteers in our recruitment process.
- Each day (except weekends), our Patient Experience Volunteers visit the wards and spend time talking to patients thus enhancing patient experience. They have also supported our international Nurses on-boarding and acted as patients in preparation for clinical assessments called OSCEs by having their observations such as blood pressure and pulse taken. This has been very successful. If a patient raises any concerns, the volunteers will feedback to the Ward Manager and/or patient experience team and concerns are logged, or comments forwarded to the team/department for early resolution. Our Response volunteers wear an electronic communications device and are available Monday to Friday, to support staff with a wide range of tasks. These include assisting with the delivery and collection of patients notes; and more recently, collecting and delivering Chemotherapy medication to the Chemotherapy Day Unit, so that this vital medication can be administered in a timely manner.
- New volunteer communication materials have been developed which has included videos and blogs which have been shared both internally and externally on social media posts.



- A number of our volunteers have shared their stories about the journey to volunteering and their experiences at the Trust, to both the Patient, Public and Carer Involvement and Engagement Group (PPCIEG) and to the Trust Board of Directors. This was very well received and our volunteers continue to inspire us daily.
- We have evaluated Patient Experience and Response volunteer programmes. The results of this are being shared internally in quarter 1 of 2023/24.
- The Patient Experience Team have worked with the Trust's People and OD team and have agreed the processes that would be needed around external provider volunteer support (such as in future cases of a pandemic). Any recruitment with external providers will be advertised online and prospective volunteers will go through the necessary NHS employment checks.

➤ Next steps:

- Whilst this priority has been achieved, we continue to publicise the fantastic work of our volunteers and welcome prospective volunteers contacting the Trust to explore the opportunities available. A Quality Account priority for 2023/24 relating to volunteers is outlined further within this document.

Priority 2: Understand and improve the experiences of service users with Learning Disabilities and Mental Health needs

➤ What did we say we would do?

- Ensure we identify service users
- Understand the experiences of service users with Learning Disabilities (LD) and Mental Health needs and look at where improvements can be made
- Review patient information leaflets to identify core areas where easy read leaflets are needed
- Provide easy read appointment letters
- Increasing biopsychosocial assessments to a minimum of 60%

➤ Did we achieve this?

- We partially achieved this.

➤ Progress made:

- Alert on Careflow (our patient administration system) for patients who identify as having a learning disability. However, there is still work to do to ensure that everyone is flagged appropriately; issues with information governance in terms of information sharing using GP register, conversations remain ongoing with the ICB to rectify this. Ongoing weekly meeting with the community LD team to link and improve potential alerts to be added.



- Workshop with Lawnmowers; theatre production group ran by and for people with a learning disability was arranged after funding agreed. Formal invitations were sent out to a total of 120 members of staff across the trust of all levels including management. Communications were shared throughout social media and within the Trust's weekly newsletter. This was to provide a training session and hear the voices of this client group from real life experiences. Unfortunately, only 29 members of staff were able to attend.
- Ongoing work with an external design company to work on information leaflets to be made into easy read. Funding was agreed for £6,000 which has had to be shared between the leaflets being reviewed by a service user group and to ensure we get as many leaflets completed as we can-dependent on length of leaflet. We also now have access to the Macmillan easy read leaflets and are accessible via Pandora on the intranet.

➤ Next steps:

- Improving the care and experiences for patients with a learning disability is a priority for 2023/24.

Priority 3: Working with patients as partners in improvement

➤ What did we say we would do?

- Demonstrate that we value the contribution of our patient partners
- Ensure the patient partner voice is heard
- To provide a forum for staff to seek feedback, engagement, and involvement from patient partners

➤ Did we achieve this?

- Yes we achieved this priority.

➤ Progress made:

- We considered developing a policy to enable remuneration and found this was covered in an existing policy
- We have held a number of co-design improvement workshops across the Trust which have provided an opportunity for multidisciplinary point of care staff to work in partnership with patients. This has involved listening to each other's experiences and talking together about what we can learn and improve on based on this. Significant improvements have come to fruition from this such as those across our maternity services in relation to our gestational diabetes pathway.



As a result, two of our Midwives received Chief Midwifery Officer (CMO) Awards in recognition for the improvements implemented.

- A small number of patients now sit on key groups across the Trust including the Mortality & Morbidity Steering Group and six patients volunteered to take part in ward visits called 'Your time to shine'.
- We have worked collaboratively with NHS North East and North Cumbria Integrated Care Board and established a jointly facilitated Patient Forum, with a focus on long term conditions.

➤ Next steps:

- We aim to build on this work around collaborative working in terms of patient engagement and involvement and this will be done through a new Quality Account priority for 2023/24.

GATESHEAD CARES **NHS**

Living with a long-term condition?

Asthma
Diabetes
Heart condition
Stroke
COPD
Diabetes
Stroke
Asthma
Diabetes
Stroke
Asthma
COPD
Diabetes
COPD
Diabetes

Join our friendly group!
We share experiences, support each other and help to shape the NHS services we rely on.
If you live in Gateshead and have a long-term condition, you're **very welcome to join us.**

Want to know more?
Call 0191 217 2996 or email ghnt.involvement@nhs.net

Jointly facilitated by NHS North East and North Cumbria Integrated Care Board and Gateshead Health NHS Foundation Trust

April 2023

STAFF EXPERIENCE:

Priority 4: We will focus on the health and wellbeing (HWB) of our staff

➤ What did we say we would do?

- Being responsive to staff feedback

➤ Did we achieve this?

- We partially achieved this

➤ Progress made:

- Over 200 managers have completed the Managing Well Programme which acts as a prompt and educational opportunity around the importance of HWB check ins.
- New appraisal documentation includes prompts to ensure HWB check ins are conducted on at least an annual basis.
- Flu vaccination campaign completed – 54% of frontline healthcare workers took up the vaccine.
- The trust achieved the Better Health at Work Silver Award in December 2022.
- Many other initiatives have been rolled out including free teas, coffees, soups and breakfasts during periods of extraordinary pressure, free therapy sessions such as massage and nails, hampers, implementation of the 'listening space' etc.
- Further initiatives continue to be tracked through the health and wellbeing board which includes work on menopause support, health and wellbeing check-ins, financial wellbeing and more.
- The organisation approved and ratified its health and wellbeing strategy at senior management team meeting in early September 2022.



➤ Next steps:

- A new campaign, #GHMoneyMatters, has been launched to promote financial wellbeing specifically, while an item bank has been launched on site. The team are currently working to implement the provision of free sanitary products and introduce a staff wellbeing support dog. A staff lottery is being looked at as a means of generating a stable income stream to reinvest directly into staff wellbeing initiatives.
- A health needs assessment is currently being promoted as means of gauging employee views on where support is required most. This also feeds into our work to achieve the Better Health at Work Gold award.
- Work will now commence to promote the official launch of the strategy; and ensure its contents and the commitments within are accessible to all staff. While work is already underway across many of the actions listed within the strategy and its promotion; the task of developing and publishing is now complete.

Priority 5: We will advocate for equality, diversity, and inclusion for all of our staff

➤ What did we say we would do?

- Demonstrate progress in meeting the Workforce Disability Equality Standard (WDES) recommendations
- Demonstrate progress in meeting Workforce Race Equality Standard (WRES) recommendations
- Staff inclusion and ensuring all professional voices are heard (e.g., Allied Health Professionals (AHP), pharmacy, community, staff networks)
- Increase the number of professional development opportunities



➤ Did we achieve this?

- We partially achieved this.

➤ Progress made:

- An overarching Equality and Objectives and Action Plan has been developed for 2020-24.
- Links with community groups and local schools, colleges and universities established.
- Revised data collection has been implemented and analysis.
- Bitesize recruitment and selection training includes elements on diversity, inclusion, unconscious bias and fair recruitment practices.
- D-Ability continue to promote role models, create myth buster, make videos, arrange group discussions to raise awareness and educate staff.
- Reciprocal mentoring programme offered within the Trust.
- Nine Cultural Ambassadors have been trained to be utilised during disciplinary processes where BME members of staff are involved.
- AHP Conference took place in September 2022.
- AHP leads forum has been established. Actions and outcomes from this will be completed at annual AHP review.
- Participated in National Workforce Supply project - 18 month strategic workforce plan submitted. Learning and further actions from the trust have been identified within the AHP five year strategy document which has now been completed.
- National AHP day campaign launched and due for celebration in October 2023.
- Three career events in June/July 2022 have taken place which have highlighted to local school groups the diversity of AHP careers

➤ Next steps:

- A Zero Tolerance Policy to be ratified by Policy Review Group

Priority 6: We will promote a just, open, and restorative culture across the organisation

➤ What did we say we would do?

- We will implement and embed all principles of a just culture across the organisation

➤ Did we achieve this?

- We partially achieved this.

➤ Progress made:

- A dedicated session of the new Patient Safety Incident Response Framework and Learn from Patient Safety Events was delivered to the Trust Board in February 2023.
- Links between People and Organisation & Development (POD) and patient safety in relation to culture and civility saves lives has been established.

➤ Next steps:

- A culture steering group is to be established.
- An organisation wide cultural survey has been devised and will be presented to the Trust's SafeCare/Risk and Patient Safety Council for approval in April 2023.
- Staff survey results to be triangulated with a culture benchmarking survey.

NHS Improvement

A just culture guide

Supporting consistent, constructive and fair evaluation of the actions of staff involved in patient safety incidents

This guide supports a conversation between managers about whether a staff member involved in a patient safety incident requires specific individual support or intervention to work safely, before taking any action. It is not intended to be used as a checklist or to assign blame. The guide highlights important principles that need to be considered before taking management action to support or discipline staff members.

An important part of a just culture is being able to evaluate the approach that will be taken if an incident occurs. A just culture guide can be used by all parties to explore how they will respond to incidents, as a reference point for organisational HR and incident reporting guidance, and as a communication tool to help staff, patients and families understand how the appropriate response in a member of staff involved in an incident can and should differ according to the circumstances in which an error was made. As well as protecting staff from unfair targeting, using the guide helps protect patients by minimising the tendency to hide wider patient safety issues as individual issues.

Please note:

- A just culture guide is not a replacement for an investigation of a patient safety incident. Only a full investigation can identify the underlying causes that need to be acted on to reduce the risk of future incidents.
- A just culture guide can be used at any point of an investigation, but the guide may need to be updated as more information becomes available.
- A just culture guide does not replace will advice and should be used in conjunction with organisational policy and procedure.
- The guide can only be used to take and advise on future to act through the guide at a time. If multiple actions are involved in an incident they must be considered separately.

Start here - Q1. deliberate harm test

1a. Was there any intention to cause harm?

Yes Recommendation: Follow organisational guidance for appropriate management action. This should include: contact relevant regulatory bodies, suspension of staff, and referral to police and disciplinary processes. Where investigation is still needed to understand how and why patients were not protected from the actions of the individual.

No Recommendation: Follow organisational guidance for health issues affecting work, which is likely to include suspension from work. Where investigation is still needed to understand health issues could have been recognised and addressed earlier.

No to all go to next question - Q3. foresight test

3a. Are there agreed protocols/accepted practice in place that apply to the action/omission in question?

Yes Recommendation: Action directed at the individual may not be appropriate. Follow organisational guidance, which is likely to include suspension from work, and disciplinary processes. The patient safety incident investigation should include the wider actions needed to improve safety for future patients.

No to any Recommendation: Action directed at the individual may not be appropriate. Follow organisational guidance, which is likely to include suspension from work, and disciplinary processes. The patient safety incident investigation should include the wider actions needed to improve safety for future patients.

Yes to all go to next question - Q4. substitution test

4a. Are there indicators that other individuals from the same peer group, with comparable experience and qualifications, would behave in the same way in similar circumstances?

Yes Recommendation: Action directed at the individual may not be appropriate. Follow organisational guidance, which is likely to include suspension from work, and disciplinary processes. The patient safety incident investigation should include the wider actions needed to improve safety for future patients.

No to any Recommendation: Action directed at the individual may not be appropriate. Follow organisational guidance, which is likely to include suspension from work, and disciplinary processes. The patient safety incident investigation should include the wider actions needed to improve safety for future patients.

No to all go to next question - Q5. mitigating circumstances

5a. Were there any significant mitigating circumstances?

Yes Recommendation: Action directed at the individual may not be appropriate. Follow organisational guidance, which is likely to include suspension from work, and disciplinary processes. The patient safety incident investigation should include the wider actions needed to improve safety for future patients.

No Recommendation: Action directed at the individual may not be appropriate. Follow organisational guidance, which is likely to include suspension from work, and disciplinary processes. The patient safety incident investigation should include the wider actions needed to improve safety for future patients.

improvement.nhs.uk

Supported by:

collaboration trust respect innovation courage compassion

PATIENT SAFETY:

Priority 7: To maximise safety in maternity services through the implementation of the Ockenden Recommendations

➤ What did we say we would do?

- To fully implement all immediate and essential actions.

➤ Did we achieve this?

- Yes we achieved this.

➤ Progress made:

- We are compliant with all immediate and essential actions.
- Audits of this are built into our audit cycle.
- Monitoring has been built into our Maternity Integrated Oversight Report.



➤ Next steps:

Continue monitoring via the Maternity Integrated Oversight Report, a new priority relating to maternity services is outlined within section 2.2 which will build on this established body of work.

Priority 8: Staffing

➤ What did we say we would do?

- We will calculate clinical staffing requirements based on patients' needs (acuity and dependency) which, together with professional judgement, will guide us in our safe staffing decisions.
- Recruit 50 Nurses within 12 months.

➤ Did we achieve this?

- We partially achieved this.

➤ Progress made:

- A bi-annual assessment was undertaken in January and July 2022, this data was presented to the Board who approved all the recommendations made by the Chief Nurse.
- Standardised display boards are being considered by the Matron teams. A new uniform board has been development and will be shared in all areas.

- A task and finish group has been established to review signage across the trust and will meet monthly to progress work. Initial meeting took place in December 22 and actions assigned.
- The Shelford Group has since supported pilots with safer nursing care tool (SNCT) in the following areas:
 - Emergency Care
 - Mental Health
 - Community



- To date the Trust has welcomed 38 overseas nurses as part of the International Recruitment work. Cohorts are currently undertaken OSCE training and examinations of which 15 have successfully obtained their NMC pin.

➤ Next steps:

- Gateshead Health is committed to welcome 122 Internationally recruited registered nurses before April 2024. National funding has been secured to support a recruitment and pastoral program to support the international workforce joining our team.
- Working with our local schools and colleges to recruit 20 new to healthcare recruits and support through an apprenticeship program to become a registered nurse. This program will take four years to complete but will provide opportunities to the local population of Gateshead to enter the nursing profession who may not have had the ability to do this via the university degree route.
- Working across the organisation to develop our current workforce, providing apprenticeships and academic support to staff who wish to progress into a registered professional role across Nursing, Midwifery and Allied Health professions.
- Build on the tools available to support review and audit of our workforce to help gain a better understanding on future workforce planning.
- Legacy mentorship program to support and retain our experienced staff to remain part of our workforce and support newer staff members to continue to develop.

Priority 9: Undertake improvement work to agree a safe method of processing clinical results

➤ What did we say we would do?

- By March 2023 we will use recognised improvement methodology to design and agree a process for the safe management of clinical results across the organisation.

➤ Did we achieve this?

- We partially achieved this.

➤ Progress made:

- An improvement workshop was held in March 2023, this had been rescheduled from earlier in this year due to operational pressures. The workshop was attended by members of the transformation team, medical director, general surgeon/medical digital lead, patient safety lead, clinical risk lead, clinical effectiveness lead and members of the ICE system team. The workshop mapped out the process for requesting and managing blood test results and the following actions were agreed:
 - Ensure the list of requesting clinicians is accurate by requesting an to update list of clinicians from the workforce information team.
 - Ensure the ICE team are provided with a list of starters and leavers on a monthly basis to ensure the system can be kept up to date.
 - Develop a standard operating procedure to standardise requests and accessing results safely.
 - Develop user guides to showcase best practice.
 - Explore options to develop process to inform patients when blood results are normal.
 - Action plan developed with a deadline for the actions to be completed by end of April 2023.

➤ **Next steps:**

- The half day workshop did not provide enough time to review all elements of the ICE system. A further Rapid Process Improvement Workshop (RPIW) to be held in July 2023 to review process for radiology and histology requests with a view to developing a complete standard operating procedure.
- Audit One to carry out audit of new process in Q4 of 2023/24.
- Priority to be carried over into 2023/24.

CLINICAL EFFECTIVENESS:

Priority 10: We will revisit the core fundamental standards of care

➤ What did we say we would do?

- We will revisit the core fundamental standards of care.

➤ Did we achieve this?

- We partially achieved this.

➤ Progress made:

- There has been a revision of the Care Quality Accreditation Framework (CQAF) programme which includes panel and assessors.
- Professional leadership and development days have been reinstated supported by the Head of Nursing. Matrons are afforded the opportunity to codesign their development requirements in line with the NHSI Matrons handbook. This will support the revisit of the fundamental standards of care.
- Further development is being undertaken by the Head of Nursing to strengthen the panel as a development opportunity for senior nurses.
- It was agreed at the November 2022 SafeCare, Risk and Patient Safety Council that we are going to use a revised audit tool of the six essential safety criteria to allow all wards and outpatient areas to be visited. This has now been implemented and improved compliance levels are being achieved.
- Phases one to three of the implementation of the Trust's CQC monitoring approach have now been implemented.

➤ Next steps:

- Trust's CQC Monitoring approach - this work will be reviewed in 2023 to update the master document with compliance achieved.

Priority 11: We will encourage, help, and support all staff to engage with research

➤ What did we say we would do?

- We will embed research into our ways of working

➤ Did we achieve this?

- We partially achieved this.

➤ Progress made

- Promotion continues that "**Research is Everyone's Business**" and the different ways that staff can get involved. Promotion also continues through annual events.
- There has been an increase of four new Principal Investigators and five Associate Principal Investigators.

➤ Next steps:

- The Royal College of Physicians (RCP) and National Institute for Health and Care Research (NIHR) have published a joint position statement setting out a series of recommendations for making research part of everyday practice for all clinicians which include:
 - Developing strong links between Medical Directors, R&D Directors and Chief Executives
 - Encouraging support for research to be recognised as part of direct clinical activity and not an additional speciality.
 - Including research as a key element in all Trust policies, strategies and documentation.
 - Ensuring that staff have the resources, time and support they need to engage with and/or deliver quality research, which feeds into clinical change.
 - Ensuring that multidisciplinary workforce planning encompasses those who support research.
 - Taking opportunities to implement proportionate training requirements for those involved or would like to be involved, including Good Clinical Practice training, and the Associate Principal Investigator Scheme.



Priority 12: We will support the continual improvement of clinical record keeping (both paper and electronic) throughout the Trust

➤ What did we say we would do?

- Review and reinstate a revised programme of documentation audits

➤ Did we achieve this?

- Yes we achieved this.

➤ How we achieved this:

- We revised the methodology for the documentation audit, this involved reviewing the audit tool, frequency, sampling and group of auditors. This was consulted on and communicated widely across the organisation. The new documentation audit commenced in February 2023.
- 45 sets of notes were audited in the first cycle.

Chart 1 - Trust wide compliance with basic record keeping elements:

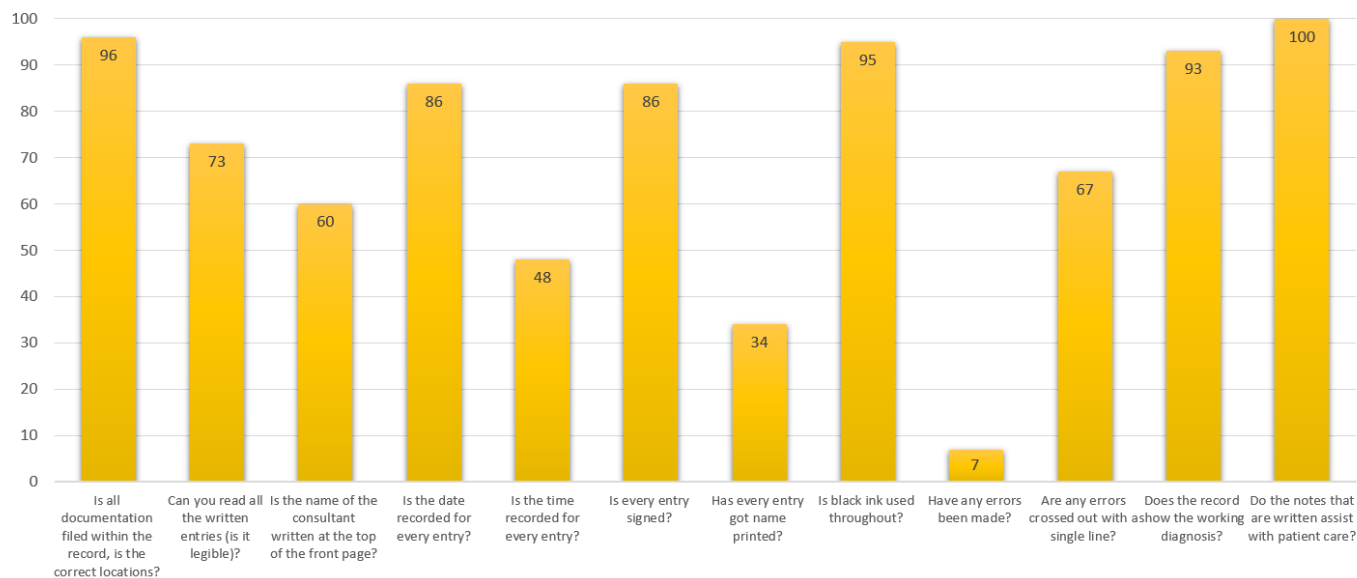


Chart 2 - Overview of compliance with risk assessments:

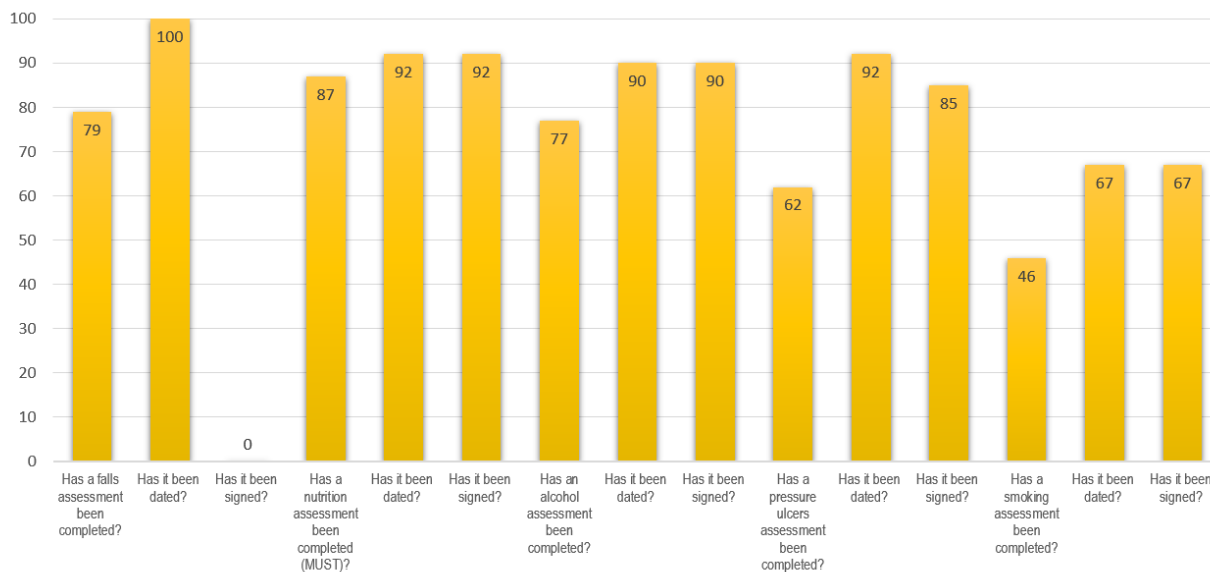


Chart 3 – Overview of compliance with discharge criteria

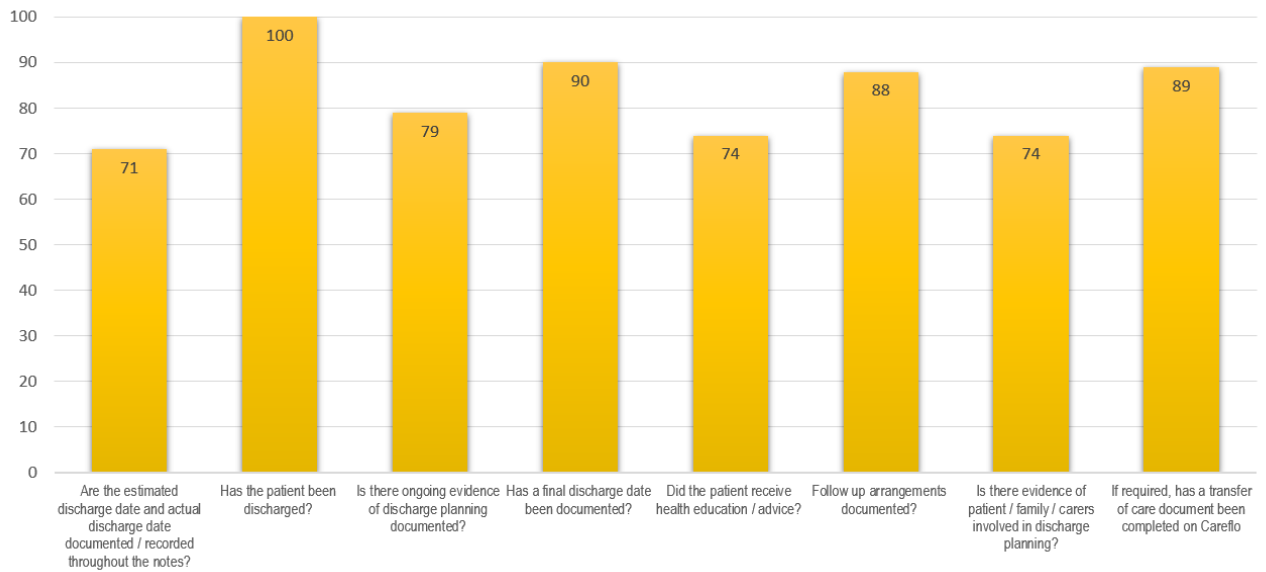


Chart 4 - Overall compliance with each section

Section	Qtr. 4 22/23
Basic Standards	56%
Electronic Records	54%
Nursing Records	59%
Clinical Records	77%
Risk Assessments	82%
Discharge Details	83%
Miscellaneous	89%

➤ Next steps:

- Continue the audit on a quarterly cycle
- Present first quarter results to the SafeCare/Risk and Patient Safety Council in May 2023

2.2 Our Quality Priorities for Improvement 2023/24

PATIENT EXPERIENCE				
Quality Priority	What will we do?	How will we do it?	Expected Outcome?	How will it be measured?
We will work with our Volunteers Service to develop new roles.	We will develop new volunteer roles.	We will review the evaluation of our existing volunteer programmes and consider the suggestion for where volunteers could further support across the organisation.	We will introduce a new volunteer programme.	Number of volunteers joining the new volunteer programme. Evaluation of the new programme.
		We will introduce a volunteer programme task and finish group with multidisciplinary team input to develop volunteer role profiles and associated training requirements and plans (if applicable).		
We will improve the way we learn and make improvements following complaints.	We will demonstrate learning and improvements made as a result of feedback from complaints.	We will implement InPhase.	Evidence of learning and improvements made following complaints will be accessible and will be shared widely across the organisation.	Number of learning bulletins and improvements made as shared on the Learning Library.
		We will develop a section on the Trust's Learning Library to share learning and improvement made.		
		We will work with the Trust's Transformation team to collaboratively support business units to identify opportunities for service and		

		quality improvements		
We will strengthen our partnership working with collaborative patient forums to enhance patient engagement and involvement.	We will develop and introduce new patient forums in collaboration with the North East and North Cumbria Integrated Care System (ICS).	We will seek patient and service line feedback and collaborate with the North East and North Cumbria Integrated Care System (ICS) to identify where further patient forums could be introduced (eg. the specific clinical area such as a Cancer Services Forum)	A new patient forum will have been introduced.	A new patient forum will have been introduced.

STAFF EXPERIENCE

Quality Priority	What will we do?	How will we do it?	Expected Outcome?	How will it be measured?
We will improve the way we listen, act upon and learn from concerns.	Develop supporting leaflets on Freedom to Speak Up for both staff and leaders in the organisation.	Consider timing for further campaigns to recruit more champions again.	Increasing the number of Freedom to Speak Up Champions, we have across the organisation.	Training figures compliance for all staff groups and Board members.
	Update our Freedom to Speak Up Policy based on national guidance and local people strategy.	Review a proactive approach to reach out to people who we think will be good at the champion role.	Increasing staff awareness of what Freedom to Speak Up is and who the champions across the organisation are.	
	Refresh our approach to reporting on Freedom to Speak Up across the organisation.			

	Develop a communication plan to make staff aware of what Freedom to Speak Up is, communicate what the role involves and look to seek expressions of interest for additional Freedom to Speak Up Champions.			
We will listen to staff experience in relation to waste and duplication.	We will listen to staff experience in relation to waste and duplication.	On a monthly basis, the Trust's Directors will hold events in the Hub and dedicated sessions will be initiated that are focused on reducing waste and duplication.	A number of events will have been facilitated and there will be a reduction in waste and duplication.	A target % is to be agreed by the Trust.
We will focus on safe staffing, including reducing the movement of staff between clinical areas.	We will use approved tools for all clinical areas in line with national requirements, making sure we are assessing staffing appropriately eg. Birthrate plus, SNCT, Mental Health Optimal Staffing Tool (MHOST) etc.	<p>We will understand our staffing data.</p> <p>We will recruit to posts where a staffing gap is identified.</p> <p>We will manage staffing in accordance with Trust policy.</p>	We will reduce the movement of staff between clinical areas.	A target % is to be agreed by the Trust.

PATIENT SAFETY

Quality Priority	What will we do?	How will we do it?	Expected Outcome?	How will it be measured?
We will reduce length of stay.	We will reduce length of stay.	<p>We will understand our data and know what our length of stay is and metrics associated.</p> <p>A Task and Finish group will be set up.</p> <p>We will have a robust monitoring and reporting structure in place.</p>	Length of stay will reduce.	A target % is to be agreed by the Trust.
We will implement the Patient Safety Incident Response Framework (PSIRF) with further work streams on falls and civility.	We will create a project board and working group.	Workstreams will have leads with a weekly report.	Implementation of PSIRF	Measures will be agreed by national deadline for 2023.
		Oversight and liaison with ICB to agree Patient Safety Incident Response Plan (PSIRP).		
	We will strengthen our existing falls prevention group workstreams through improved engagement with business units.	We will review the current falls prevention capacity in the organisation, identifying any capacity to provide in-patient in-reach, or whether a business case will be required to meet deficits.	Reduced inpatient falls, particularly those resulting neck of femur fractures and head injuries.	Reduction in the number of falls.
Understand the organisations current position with regards to		Culture survey	Reduction in number of instances of incivility	Reduction in number of instances of incivility
		Thematic analysis of incident reporting related to incivility		

	civility and its impact on patient safety and staff wellbeing.	Restorative conversations		
We will undertake improvement work around the safe processing of clinical results.	Building on the workshop held in Q4 we will hold a full rapid process improvement workshop (RPIW) to review the processes for managing all results on the ICE system with a view to developing a standard operating procedure	<p>Hold full RPIW with key stakeholders in Q2</p> <p>Map current processes</p> <p>Develop standard operating procedure</p> <p>Communication strategy to raise awareness of new process</p> <p>Videos/paper how to guides to be developed</p>	Reduction in incidents in relation to ICE reporting	<p>Monitoring via incident management system</p> <p>Mortality reviews</p> <p>RPIW 30, 60, 90 day report out</p>
We will implement a maternity and neonatal improvement plan.	Continue to give the Board of Directors assurance around the Trust's compliance with the Immediate and Essential Ockenden action (IEA).	Audits of seven IEA built into audit cycle.	All required audits will be completed and assurance is gained.	Monitoring via Maternity Integrated Oversight report which is presented to a range of meetings across the Trust.
	Review existing bodies of work that are running concurrently and incorporate into an overarching maternity and neonatal plan for the Trust. This will	Implementation of a delivery plan steering group.	Delivery plan steering group will be set up by May 2023.	<p>Regional monitoring via quarterly reports to NENC LMNS and regional perinatal surveillance and oversight group</p> <p>Implementation of the Delivery plan steering group.</p>

	include the national Maternity and Neonatal Delivery Plan; any actions outlined by CQC in the latest Maternity inspection report as well as existing projects such as Birmingham Symptom Specific Obstetric Triage System (BSOTS) and cycles of audit.			
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CLINICAL EFFECTIVENESS

Quality Priority	What will we do?	How will we do it?	Expected Outcome?	How will it be measured?
We will embed a culture of research in the Trust and make "Research Everyone's Business".	Offer every patient and member of staff the opportunity to "Be Part of Research"	Make research more visible and accessible to our staff and patients and highlight that we are a Research Active Trust.	The number of recruitment accruals will increase.	Recruitment figures in the National Institute for Health Research (NIHR) Open Data Platform (ODP) Database
		Attract and host more commercial studies.	Increased funding and Trust reputation.	Increased number of hosted commercial studies (North East North Cumbria (NENC) Clinical Research Network (CRN) Local Portfolio Management System (LPMS) Weekly Report

		Incorporate recently released National research strategies into the Trust's policies, strategies and documentation to highlight that the Trust is research active.	That all Trust policies strategies and documentation are updated to include research. That research is included as a key element within the job descriptions of all clinical staff. The number of hosted research projects in Paediatrics / Mental Health will increase.	Attendance/ membership of Trust decision making councils/forums.
		Broaden our hosted research portfolio, especially in under- served clinical specialty areas and in areas of health inequality.	The number of health inequality studies will increase.	Increased number of hosted studies (NENC CRN LPMS Weekly Report)
		Encourage a research positive culture and ensure that staff have the resources, time and support they need to engage with and/or deliver quality research, which feeds into clinical change.	As a minimum staff should have an awareness of research activity so that they are able to signpost patients to the relevant Research Team(s).	
We will strengthen how we learn from deaths.	Expand the medical examiner system to non coronial deaths outside of the Acute Trust	Expand the medical examiner system to non coronial deaths outside of the Acute Trust by April 2024	All non coronial deaths that occur outside of the Acute Trust will be scrutinised by a Medical Examiner	Quarterly returns to the National Medical Examiner Office.

We will work with our clinical effectiveness team to improve the experiences of people with a learning disability, mental health or autism.	Raise awareness of learning disabilities and autism to improve the healthcare outcomes and reduce health inequalities for this group of patients.	In line with the Diamond Standards, roll out of the mandatory level 1 learning disability and autism training for staff from April 2023.	Increase staff awareness of learning disabilities and autism and their individualised needs	ESR reports Evaluation pre and post training Audit of MCA 1, 2 and DoLs Audit of DNACPRs for patients with a learning disability and autism
		Encourage patient facing staff to complete the level 2 learning disability and autism training – prior to this becoming mandatory with the publication of the Oliver McGowan Code of Practice training – expected to be during 23/24.	Reduction in those cases where there is room for improvement in clinical and organisational care following Mortality Council reviews	
		Promote the roll of the Learning Disability Nurse via attending professional forums, team meetings, via Trust's social media channels.	Increase in staff confidence when caring for patients with a learning disabilities and autism	
		Share good practice and patient stories across the organisation.	Increase in number of MCA1 and 2 and DoLs completed correctly DNACPRs to be completed correctly and appropriately	

2.3 Statements of Assurance from the Board

During 2022/23 the Gateshead Health NHS Foundation Trust provided and/or sub-contracted 30 relevant health services. The Gateshead Health NHS Foundation Trust has reviewed all the data available to them on the quality of care in 100% of these relevant health services. The income generated by the relevant health services reviewed in 2022/23 represents 100% of the total income generated from the provision of relevant health services by Gateshead Health NHS Foundation Trust for 2022/23.

Participation in National Clinical Audits 2022/23

During 2022/23, 36 National Clinical Audits and four National Confidential Enquiries covered relevant health services provided by Gateshead Health NHS Foundation Trust.

During that period Gateshead Health NHS Foundation Trust participated in 89% of National Clinical Audits and 100% of National Confidential Enquiries which it was eligible to participate in.

The National Clinical Audits and National Confidential Enquiries that Gateshead Health NHS Foundation Trust participated in, and for which data collection was completed during 2022/23, are listed below alongside the number of cases submitted to each audit or enquiry as a percentage of the number of registered cases required by the terms of that audit or enquiry.

Audit title	Participation	% of cases submitted/number of cases submitted
Cardiac Rhythm Management	Yes	169 cases submitted no minimum requirement
National Heart Failure Audit	Yes	392 cases submitted no minimum requirement
Acute coronary syndrome or Acute myocardial infarction (MINAP)	Yes	244 cases submitted no minimum requirement
Falls & Fragility Fractures (FFFAP) - National Hip Fracture Database	Yes	337 cases submitted no minimum requirement
UK Parkinson's Audit	Yes	100% (20/20)
Dementia	Yes	40 cases submitted no minimum requirement
National Diabetes Core Audit	Yes	Data not yet available
Major Trauma Audit (TARN)	Yes	40.3% (485 cases submitted of 80% requirement)
Care at the End of Life (NACEL)	Yes	49 cases submitted no minimum requirement
Chronic obstructive pulmonary disease	Yes	867 cases submitted no minimum requirement
National Lung Cancer Audit	Yes	238 cases submitted no minimum requirement
Pulmonary Rehabilitation	Yes	98 cases submitted no minimum requirement
Cardiac Rehabilitation	Yes	Data not yet available
Adult Asthma (Secondary Care)	Yes	79 cases submitted no minimum requirement

Sentinel Stroke National Audit Programme (SSNAP)	Yes	199 cases submitted no minimum requirements – data is up to end of Q3, Q4 not yet available
National Cardiac Arrest Audit	Yes	62 cases submitted no minimum requirement
Learning Disability Mortality Review Programme (LeDeR)	Yes	100%
National Emergency Laparotomy Audit (NELA)	Yes	122 cases submitted no minimum requirement
Case Mix Programme (ICNARC)	Yes	735 cases submitted no minimum requirement
Bowel Cancer (NBOCAP)	Yes	215 cases submitted no minimum requirement
Oesophago-gastric cancer (NAOGC)	Yes	58 cases submitted no minimum requirement
Maternity and Perinatal Audit (NMPA)	Yes	100%
Paediatric Diabetes (NPDA)	Yes	140 cases submitted no minimum requirement
Neonatal Intensive and Special Care (NNAP)	Yes	100%
Elective Surgery (PROMS)	Yes	533 cases submitted no minimum requirement
National Joint Registry (NJR)	Yes	Data not yet available
Prostate Cancer	Yes	184 cases submitted no minimum requirement
National Pregnancy in Diabetes Audit	Yes	16 cases submitted no minimum requirement
National Audit of Cardiac Rehabilitation	Yes	348 cases submitted no minimum requirement
National Audit of Inpatient Falls	Yes	22 cases submitted no minimum requirement
Pain in children	Yes	23 cases submitted no minimum requirement
Mental health self-harm	Yes	94 cases submitted no minimum requirement
National Audit of Seizures and Epilepsies in Children and Young People	No	Due to clinical commitments at present the teams do not have the capacity to participate.
Inflammatory Bowel Disease Audit IBD Registry	No	Benefits of the audit did not outweigh the cost to participate.
National Early Inflammatory Arthritis Audit	No	Due to staffing levels, we would have to reduce our clinic capacity to allow time for collecting & uploading data.
Diabetes Foot Care	No	Due to staffing levels, we have been unable to upload the required information during this annual period

Participation in National Confidential Enquiries 2022/23

Enquiry	Participation	% of cases submitted
Child Health Clinical Outcome Review Programme National	Yes	Data not yet available
Confidential Enquiry into Patient Outcome and Death	Yes	Data not yet available

Learning Disabilities Mortality Review Programme NHS England	Yes	100%
National Confidential Inquiry into Suicide and Safety in Mental Health	Yes	Data not yet available
Transition from child to adult health services: Organisational questionnaire Clinician questionnaire	Yes	Questionnaire not yet completed 6/6 questionnaires not yet completed
Crohn's disease: Organisational questionnaire Clinician questionnaire	Yes	Questionnaire not yet completed 4/4 questionnaires not yet completed
Epilepsy Study: Organisational questionnaire Clinician questionnaire	Yes	Questionnaire not yet completed 6/6 questionnaires not yet completed
Community Acquired Pneumonia Hospital Attendances: Clinician questionnaire	Yes	7/7 questionnaires not yet completed

The Trust utilises clinical audit as a process to embed clinical quality at all levels in the organisation and create a culture that is committed to learning and continuous organisational development. Learning from clinical audit activity is shared throughout the organisation.

The reports of six national clinical audits were reviewed by Gateshead Health NHS Foundation Trust in 2022/23 and Gateshead Health NHS Foundation Trust intends to take the following actions to improve the quality of healthcare provided:

National Hip Fracture Database (NHFD)

The Queen Elizabeth Hospital has been one of the top performing hip fracture units in England for a number of years, data supplied by the NHFD for the 2021-22 year has shown the Trust to be the top performing unit in England over this period for overall achievement of Best Practice Tariff and hip fracture care and the best performing unit in the northeast. This proud achievement has been recognised by trust management and is a level that we will endeavour to maintain. We performed well in all areas, notably in the top quartile nationally for timely admission to the Orthopaedic ward, perioperative medical assessment, efficient assessment by the physiotherapy, nutrition and mental health teams, timely surgery and efficient discharge practice. We continue to improve our performance in terms of the frequency of perioperative pressure damage and now lie below the national average for this area. The only area for ongoing improvement is the hip fractures sustained by existing inpatients and this is being addressed by the falls team as part of the National Audit of Inpatient Falls (NAIF).

Action Points:

- All hip fracture cases who fail to meet Best Practice Criteria for any reason are reviewed in the monthly Orthopaedic department SafeCare meetings. Any learning points are recorded and fed back, with a Datix completed in each case. This practice will continue. Further work is planned to further review our situation regarding inpatient fractures and will look to instigate the actions of the falls team audit. These include better awareness of falls risk in vulnerable patients and optimising the availability of nursing and healthcare staff for this patient group.

National Joint Registry (NJR)

The Trust continues to contribute to the NJR. Data is entered regarding all hip, knee, ankle, elbow and shoulder replacement operations, enabling the monitoring of the performance of joint replacement implants and the effectiveness of different types of surgery. In 2014 the NJR introduced annual data completeness and quality audits for hip and knee cases, with the aim of improving data quality. From 2020/21 the data quality audit was extended to include ankle, elbow and shoulder cases. The Trust continues to contribute to these audits and was awarded as an NJR Quality Data Provider for 2021/22.

Action Points:

- Continue to ensure that robust systems are in place to guarantee that a Minimum Dataset form is generated for all eligible NJR procedures.

The Case Mix Programme (CMP)

The Case Mix Programme is an audit of patient outcomes from adult and general critical care units (intensive care and combined intensive care/high dependency units) covering England, Wales, and Northern Ireland. It is run by the Intensive Care Audit and Research Centre (ICNARC). Data is collected on all patients admitted to the Critical Care Unit. Data on various outcomes and process measures are then compared with the outcomes from other Critical Care Units in the UK. In the past 12 months the Critical Care Unit has uploaded data on 735 patients to the CMP. The increased frequency of data submission requested by ICNARC in response to the Covid-19 pandemic has reduced and data uploads are being performed on an approximately weekly basis. CMP/ICNARC continue to publish Quarterly Quality Reports (QQR) for each individual critical care unit. Our most recent QQR, including data up to the end of Q3 22/23 shows good performance in all areas reported on. Our overall standardised mortality rate was slightly below what would have been expected (17.6% v 18.4%), and mortality for patients with a predicted mortality of <20% was at the low end of the normal range (3.2% v 4.3%).

The Software system for collecting and submitting data has changed in the last 12 months, moving from WardWatcher to Medicus which is a new web-based system. This has involved a significant amount of input and training with several problems encountered during the implementation which have mostly been resolved.

Action Points:

- Continue to collect and submit data to Intensive Care National Audit and Research Centre (ICNARC)/CMP.
- Continue to work with Medicus to ensure that any issues with the data collection system are resolved.
- Ongoing education of ward clerks and Nursing/Medical staff regarding the correct entry of data, assisted by the ICNARC data clerk.
- Consideration of the ICNARC data clerk role becoming a full-time role to allow more data collection to occur e.g., quality measure data, etc.
- Use the QQR to ensure timely identification of any areas of deterioration in performance and address these when they occur.
- Continue to share QQR and other CMP/ICNARC data with relevant teams within the Trust.

Trauma Audit & Research Network (TARN)

The latest TARN report for Queen Elizabeth Hospital Gateshead was published in March 2023 which includes data up to 30/09/2022. Case ascertainment was 69% in 2022 compared with 40.3% in 2021. This is an improvement compared with previous years and represents a

degree of recovery from Covid-19 performance. However, remains below the target of 80% set by TARN. Data remains difficult to interpret with ongoing questions about reliability.

Action Points:

- After updating our business intelligence report and moving to electronic documentation we are still experiencing difficulties identifying all of the patient eligible for TARN submission. We are due to make a site visit to a neighbouring Trust in order to review their TARN processes. Following this we intend to implement further improvements.
- We have charitable funding secured for the recruitment of a Trust Trauma Coordinator and possibility of a TARN data administrator. We will advertise the post once the job description has been completed.
- The Trust are also preparing for a trauma network peer review that is due in June 2023.

National Audit of Inpatient Falls (NAIF)

From January 2019, NAIF changed to become a continuous audit of in-patient falls resulting in in-patient hip fractures, one of the most severe harm events occurring as a result of falling. The records are cross linked with the National Hip Fracture Database (NHFD) which is part of the same audit programme. The NAIF report 2022 uses 2021 clinical data. 22 cases of inpatient femoral fracture were uploaded during this period. There were five key performance indicators (KPI). 91% of patients had a multi-factorial risk assessment (MFRA) done prior to the fall. Five out of six components of the MFRA completed was deemed a high-quality assessment. The median quality score for the Trust was five. Undertaking and recording of lying and standing blood pressure was the most poorly completed component, only done in 45% of cases. KPI two, three and four relate to post fall checks. 95% of patients were checked for signs of injury before moving, flat lifting equipment was used in 41% (29% nationally) and medical assessment within 30 minutes in 32% of patients (69% nationally).

Action Points:

- The latter two aspects could be improved by adequate access and training to flat lifting equipment and the roll out of the Nervecentre (electronic system) post falls assessment (currently developed but under review for use).
- Although not a KPI, hot debrief after an inpatient femoral fracture was not done in any cases, perhaps reflective of the lack of a dedicated inpatient falls team. As per the previous audit there is no mandatory falls training for all clinical staff (in 50% trusts this is the case).
- A number of initiatives have been identified to support the increase in compliance with undertaking lying and standing blood pressure including; how to guides produced, training for individual wards, recording the outcomes on an electronic system. More recent compliance has subsequently increased.

National Paediatric Diabetes Audit (NPDA) 2022-23

Real time data is collected and reviewed locally quarterly by the diabetes team and six monthly by the Northeast & North Cumbria Regional Children and Young People's (CYP) Diabetes Network. We have submitted data on 140 patients to the NPDA during 2022-23: 134 of these patients had Type 1 diabetes; 64.2% are on insulin pump therapy; 33.6% are on an intensive multiple daily injection regime; 71% are on continuous glucose monitoring (CGM) with alarms; 100% of patients had a HbA1C; 98.1% had a BMI; 91.7% had their thyroid function; 93.7% had a blood pressure; 87.3% had a urinary albumin; 81.7% had their feet examined; 100% new patients had thyroid screening and 100% had coeliac screening within 90 days diagnosis, 100% newly diagnosed patients had dietetic support with

carbohydrate counting within 14 days diagnosis; 97.2% were recommended influenza immunisation; 73.1% were given sick day rules advice. The mean HbA1C was 64.5mmol/mol (median 62mmol/mol.) This is an improvement since the 2021-22 audit.

Action Points:

Over the last year 2022-23 the CYP Diabetes team has:

- Continued to develop our service for CYP living with Type 2 diabetes in line with NICE and the National Guidelines including dietetic and psychology led support and education clinics in addition to their routine three monthly MDT clinics. However there has been no MDT dietitian January 2023 onwards. A new dietitian has been appointed and is expected to start in June 2023.
- Continued to participate in a Poverty Proofing Project with Children Northeast and Type 1 Kidz patient support group to increase awareness of healthcare professionals and the trust of the difficulties those CYP and families living with T1 diabetes face and to enable strategies to be put in place to facilitate equitable access to health care and diabetes technologies. This is particularly important as 69% of CYP in our clinic live within the two most deprived quintiles which is significantly higher than the regional and national average and a greater proportion of those living in the least deprived quintile had access to insulin pump therapy and rtCGM compared to those in the other four quintiles (data from 2020-21 NPDA report)

The reports of three local clinical audits were reviewed by Gateshead Health NHS Foundation Trust in 2022/23 and Gateshead Health NHS Foundation Trust intends to take actions to improve the quality of healthcare provided. Below are examples from across the Trust that demonstrate some of the actions taken to improve the quality of our services:

Business Unit	Speciality	Actions identified
Community	Mental Health	<p>Community Mental Health Nursing (CMHN) Teams Initial Assessment Documentation Audit</p> <p>Audit has shown pockets of excellent note keeping. However overall standard is not meeting that outlined in Operational Policy for CMHN teams. There were several incidences where assessments were not completed in timeframe set within policy therefore not meeting required standards which could potentially impact patient care. Audit has been fed back through team meetings and will be re-audited in July 2023. Training to be put in place to support team with current standards. Areas for improvement are training regarding good practice in relation to note keeping. Review of current Operational Policy and standards. Timeframes of completion of assessment documentation.</p> <ul style="list-style-type: none"> • Training, awareness, review of policies- further audit this has been linked to transformation work- task and finish group. Teams working as one.

		<ul style="list-style-type: none"> Part of transformation work and ongoing and workforce strategy meetings. Identification of training sessions e.g. Face Risk Train the trainer sessions for FACE risk completed- sessions to be set up for teams. Session on Duty of Candour and Defensible documentation. Continued review of training needs through Education and Workforce strategy group. Required to Review of current pathways/processes/policies a Working group set up with Clinical leads across services- policies/processes to be review and updated accordingly- ongoing work
Community	Cragside	<p>Audit and Re-audit on the current practice of documentation of NEWS score on the MDT document in the Old age Psychiatry inpatient wards</p> <p>A sample of eight patients were taken and around 35 MDT documents/meetings were then reviewed, from the sample of patients taken from the old age inpatient wards, it was identified that on the MDT documents, the NEWS score was documented in only 34.2% times on the MDT meetings over a four week period.</p> <p>From the sample of patients taken from the old age inpatient wards staff were assigned/documentated to each plan documented on the MDT document for about 45.7% times on the MDT documents/meetings over a 4 week period.</p> <p>From this reaudit, it is evident that there has been a significant improvement in the documentation of NEWS score and staff member being assigned to each plan documented on the MDT document after the weekly MDT meeting. Thus, there has been a reduction in risk in terms of patient safety, documentation, clinical care/treatment and clinical communication.</p> <ul style="list-style-type: none"> From the sample of patients, NEWS score was documented for a total of 79%. From the sample of patients, staff member was assigned to each of the plan documented in about 85%. It was discussed in the junior doctor/trainee meeting that there has been a huge improvement in the documentation of NEWS score and staff assigned to each plan documented after the weekly MDT meeting. A small percentage of sample did not have the above-mentioned parameters documented after the weekly MDT meeting.

		<ul style="list-style-type: none"> • It was agreed to document the NEWS score and to assign a staff member to each plan documented after the weekly MDT meeting. • Practice changed before the MDT meeting begins, trainee documented the MDT meeting to ensure that NEWS score is reviewed on the Nerve centre and to document this before the MDT meeting begins.
Clinical Support & Screening	Diagnostic Imaging	<p>The Importance of Patient Centering on CT Radiation Dose Optimisation</p> <p>This study has shown that patient mis centering occurs frequently in clinical practice and impacts radiation doses and image quality. It remains essential for CT radiographers to endeavour for accurate patient positioning in the isocentre of the CT gantry. Where positioning is not performed correctly, the position compensation system can automatically detect mis centering and modify the scan but this only compensates the dose on larger distances.</p> <ul style="list-style-type: none"> • Extra training regarding patient positioning within CT gantry was required, this has been offered via a Webinar presentation available to all CT staff by GE on Dose optimisation and patient centring.

Participation in clinical research

The number of patients receiving NHS services provided or sub-contracted by Gateshead Health NHS Foundation Trust in 2022/23 that were recruited during that period to participate in research approved by the Health Research Authority (HRA) was 1,818.

Recruitment by Managing Specialty	Total
Ageing	43
Anaesthesia, Perioperative Medicine and Pain Management	4
Cancer	294
Cardiovascular Disease	2
Critical Care	15
Dementias and Neurodegeneration	158
Diabetes	78
Gastroenterology	2
Haematology	5
Health Services Research	6
Hepatology	18
Metabolic and Endocrine Disorders	10
Musculoskeletal Disorders	1
Public Health	13
Reproductive Health and Childbirth	995

Stroke	26
Surgery	29
Trauma and Emergency Care	119
Total	1818

In line with the Research Strategy, Gateshead Health NHS Foundation Trust remains a research active organisation which ensures that our patients have access to the very latest treatments and technologies. Evidence shows clinically research active hospitals have better patient care outcomes. Our top recruiting studies include: -

INGR1D2 **INvestigating Genetic Risk for type 1 Diabetes (2)**

Type 1 diabetes is a common chronic disease in childhood and is increasing in incidence. The clinical onset of type 1 diabetes is preceded by a phase where the child is well but has multiple beta-cell auto-antibodies in their blood against insulin-producing beta cells, which are present in the pancreas.

Neonates and infants who are at increased risk of developing multiple beta cell auto-antibodies and type 1 diabetes can now be identified using genetic markers. This provides an opportunity for introducing early therapies to prevent beta-cell autoimmunity and type 1 diabetes.

The objective of this study is to determine the percentage of children with genetic markers putting them at increased risk of developing type 1 diabetes, and to offer the opportunity for these children to be enrolled into phase II b primary prevention trials.



Cervical Ripening at Home or In-Hospital - prospective cohort study and process evaluation (CHOICE study)

In most pregnancies labour starts on its own, but sometimes induction of labour (IOL) is needed. The first part of IOL is 'cervical ripening', where medication or a specialised balloon is used to prepare the cervix (neck of the womb) for labour.

Cervical ripening used to be performed only in hospitals. However, about half of UK maternity units now offer 'home cervical ripening' – where women have the procedure started off in hospital, then spend some time at home whilst waiting for the treatment to work. This may help reduce demands on maternity services and reduce the time women spend in hospital. Women may also prefer it. However, the benefits are not yet proven.

The CHOICE study aims to see if home cervical ripening is safe, acceptable to women and their partners, and cost-effective for the NHS.

Contraception after you've had a baby in the Northeast and North Cumbria: The PoCo Study

Postnatal contraception (contraception provided up to eight weeks after a birth, defined by NICE as the postnatal period) is vital in preventing unplanned pregnancy and in reducing the risk of harm associated with a short inter-pregnancy interval and with having an abortion.

However, it is known that relatively few women access contraception services in the postnatal period, and that some vulnerable groups are poorly served by services and more likely to miss out on contraception counselling and support.

The aim of the PoCo Study is to undertake a comprehensive review of the current provision of postnatal contraception in the Northeast and North Cumbria, in both community and maternity settings, to better understand the current provision in relation to National guidelines.



Evaluation of MCM5 in postmenopausal bleeding patients

The objective of this study is to evaluate the performance Arquer's in vitro diagnostic test kit ADXGYNAE, an MCM5 ELISA as an aid in detecting endometrial cancer using urine specimens. Research has shown that detection of MCM5 in urine sediment is a sensitive and specific diagnostic test for endometrial cancer.

The results obtained with the MCM5 ELISA will be compared with the diagnosis based on standard of care clinical investigations in order to establish its utility in helping to diagnose endometrial cancer.



DETERMIND

Improvement in quality of life, the assessment and management of inequalities in people with dementia and their carers

The DETERMIND Study

Dementia is one of the most common and serious disorders with over 800,000 affected in the UK, costing £23billion annually. Negative impacts on those with dementia and their families are profound. Evidence has emerged of major inequalities in care for dementia driven by factors including ethnicity, whether your care is self-funded or paid for by local authorities, and whether you are diagnosed earlier or later.

DETERMIND is designed to address critical, fundamental, and as yet unanswered questions about inequalities, outcomes and costs following diagnosis with dementia. These answers are needed to improve the quality of care, and therefore the quality of life, of those with dementia and their carers.



PROcalcitonin and NEWS2 evaluation for Timely identification of sepsis and Optimal use of antibiotics in the Emergency Department

Sepsis is a common, potentially life-threatening complication of infection. The optimal treatment for sepsis includes early recognition, prompt antibiotics and fluids into a vein (intravenous/IV).

Currently, clinicians assess severity in patients in the Emergency Department with a scoring system based on simple to measure observations: The National Early Warning Score (NEWS2).

NEWS2 helps clinicians identify the sickest patients, but it is not specific and tends to over diagnose sepsis leading to over prescribing of antibiotics and promoting antimicrobial resistance.

The PRONTO study is looking to improve assessment of patients with suspected sepsis in the Emergency Department using a 20-minute Procalcitonin (PCT) blood test, which is not widely used in the NHS and helps to identify bacterial infection.

The Trust continues to demonstrate its commitment to improving the quality of care it offers and making its contribution to wider health improvement, including the UK R&D Roadmap mission <https://www.gov.uk/government/publications/uk-research-and-development-roadmap/uk-research-and-development-roadmap> which sets out to inspire and enable people from all backgrounds and experiences to engage and contribute to research and innovation and show that science (and research) is for everyone.

In September, the R&D Team launched the Allied Health Professions' Research & Innovation Strategy for England at their conference at the Marriott Hotel, Gateshead.

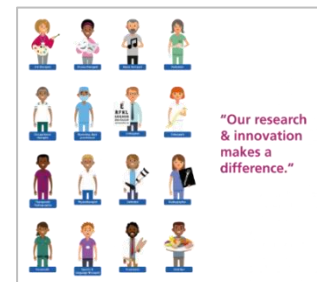
The scope of the Strategy addresses four domains. Each of these aspects are inter-dependent and are all equally important to achieve transformational impact and sustainable change.

Capacity and engagement of the AHP workforce community, to implement research into practice;

Capability for individuals to undertake and achieve excellence in research and innovation activities, roles, careers and leadership;

Context for AHPs to have equitable access to sustainable support, infrastructures and investment;

Culture for AHP perceptions and expectations of professional identities and roles that "research is everybody's business".



In October the R&D Team attended the first ever Health Care Support Workers (HCSWs) conference at the Marriott Hotel, Gateshead to encourage HCSWs to become **Research Champions** to help promote research awareness within the Trust.



The R&D Team have also been promoting the **Associate Principal Investigator Scheme** which aims to develop doctors, nurses and other health professionals to become the Principal

Investigators (PIs) of the future. (A PI is the person responsible for the conduct of a research study at a site).

The Associate PI Scheme is a six month in-work training opportunity, providing practical experience for healthcare professionals starting their research career who would not normally have the opportunity to take part in clinical research in their day-to-day role. The scheme gives them the chance to experience what it means to work on and deliver a NIHR portfolio trial under the mentorship of an enthusiastic Local PI as a trainee PI.

Participating healthcare professionals receive formal recognition of engagement in NIHR Portfolio research studies through the certification of Associate PI status, endorsed by the NIHR and Royal Colleges and is open to any healthcare professional willing to make a significant contribution to the conduct and delivery of a local research over a period of at least six months:



The Trust needs to maintain a strategic overview of how research and development resources are being used to deliver the management and governance requirements for NIHR portfolio trials.

Research activity within the Trust attempts to achieve National priorities, however without a sustainable, supported research delivery workforce and healthcare professionals unable to undertake the role of Principal Investigator because they are not allocated the time to deliver research, nor is it seen as a key element of their job description, research will just remain a limited “add on” activity and embedding it as core business in line with National priorities will be unachievable.

Use of the Commissioning for Quality and Innovation Framework (CQUIN)

A proportion of Gateshead Health NHS Foundation Trust income in 2022/23 was conditional on achieving quality improvement and innovation goals agreed between Gateshead Health NHS Foundation Trust (and any person or body they entered into a contract, agreement, or arrangement with for the provision of relevant health services), through the Commissioning for Quality and Innovation payment framework. A notional monetary total of £2.781m of the Trust’s income in 2022/23 was conditional upon achieving quality improvement and innovation goals, however due to their suspension as part of the NHS Covid-19 funding regime the funding was received into the Trust without full achievement of the targets.

Registration with the Care Quality Commission (CQC)

Gateshead Health NHS Foundation Trust is required to register with the Care Quality Commission and its current registration status is registered without conditions.

The Care Quality Commission has not taken enforcement action against Gateshead Health NHS Foundation Trust during 2022/23.

Gateshead Health NHS Foundation Trust has not participated in any special reviews or investigations by the Care Quality Commission during the reporting period.

There was one announced inspection by the CQC in 2022/23. This was focussed on Maternity Services and took place in February 2023. At year end of 2022/23, the Trust are awaiting the outcome from this inspection. In September 2022, the Trust voluntarily took part in a Medicines Optimisation pilot inspection and received an overall rating of “Good”. As this was a pilot inspection, the results were made available to the Trust and shared via social media, but not published by CQC to their website.

There was one Mental Health Act (1983) Monitoring visit to Sunnyside in May 2022.

Data Quality

Gateshead Health NHS Foundation Trust recognises that it is essential for an organisation to have good quality information to facilitate effective delivery of patient care, and this is essential if improvements in the quality of care are to be made.

Gateshead Health NHS Foundation Trust submitted records during 2022/23 to the Secondary Uses Service (SUS) for inclusion in the Hospital Episode Statistics (HES) which are included in the latest published data. The percentage of records in the published data is shown in the table below:




Which included the patient's valid NHS Number was:	Trust %	National %
Percentage for admitted patient care*	99.8%	99.6%
Percentage for outpatient care*	99.9%	99.8%
Percentage for accident and emergency care†	99.2%	95.5%

Which included the patient's valid General Medical Practice Code was:	Trust %	National %
Percentage for admitted patient care*	99.8%	99.7%
Percentage for outpatient care*	99.8%	99.5%
Percentage for accident and emergency care†	99.9%	98.2%

* SUS+ Data Quality Dashboard - Based on the April-22 to March-23- SUS+ data at the Month 11 inclusion date extracted on the 17th of March 2023

† ECDS DQ Dashboard from Friday 1st April 2022 up to and including Thursday 31st March extracted on Tuesday 18th April

Key

	The Trust % is equal or greater than the National % valid
	The Trust is up to 0.5% below the National % valid
	The Trust % valid is more than 0.5% below the National % valid

Information Governance Toolkit

Gateshead Health NHS Foundation Trust's Information Governance Assessment Report overall score for 2022/23 graded as – submission is 30/06/2023 and draft audit report has not been provided.

Standards of Clinical Coding

Gateshead Health NHS Foundation Trust was not subject to the Payment by Results clinical coding audit during 2022/23 by the Audit Commission.

Gateshead Health NHS Foundation Trust will be taking the following actions to improve data quality:

We are currently updating our data quality strategy to support the continual improvement of data entry/quality/validity and, therefore, ensuring that Trust decision making is based on clean and accurate information.

2.4 Learning from Deaths

During 2022/23, there were 1,196 patient deaths within Gateshead Health NHS Foundation Trust. This comprised the following number of deaths which occurred in each quarter of that reporting period:

- 267 in the first quarter;
- 257 in the second quarter;
- 347 in the third quarter;
- 325 in the fourth quarter.

Seasonal increases in mortality are seen each winter in England and Wales.

In early April 2023, 891 case record reviews and 52 investigations have been carried out in relation to 1,196 of the deaths included above.

In 28 cases a death was subjected to both a case record review and an investigation.

The number of deaths in each quarter for which a case record review or an investigation was carried out was:

- 151 in the first quarter;
- 120 in the second quarter;
- 319* in the third quarter;
- 325* in the fourth quarter.

*increase to due to change in process from 10th October 2022 – Medical Examiner undertaking all 1st level reviews.

Zero deaths representing 0% of the patient deaths during the reporting period were judged to be more likely than not to have been due to problems in the care provided to the patient. In relation to each quarter, this consisted of:

- 0 representing 0% for the first quarter;
- 0 representing 0% for the second quarter;
- 0 representing 0% for the third quarter;
- 0 representing 0% for the fourth quarter.

These numbers have been estimated using the Trust's 'Learning from Deaths' policy. Reviewed cases are graded using the Hogan preventability score and National Confidential Enquiry into Patient Outcome and Death (NCEPOD) overall care score following case note review.

179 case record reviews and 83 investigations were completed after 1st April 2022 which related to deaths which took place before the start of the reporting period. 1 death representing 0.6% (1/179) of the patient deaths before the reporting period are judged to be more likely than not to have been due to problems in the care provided to the patient.

This number has been estimated using the Trusts 'Learning from Deaths' policy. Reviewed cases are graded using the Hogan preventability score and NCEPOD overall care score following case note review.

Summary of learning/Description of Actions:

Good practice identified:

- Good practice was identified around obtaining a second opinion from a colleague in complex cases which highlighted effective team working.
- Evidence of joint working with mental health care for patients with severe mental illness
- Collaboration between teams
- Provision of activity co-ordinators on wards
- Continuity of care for patients
- Safety netting advice given appropriately
- Supporting patient to comfort eat at end of life

Learning themes identified:

Sharing investigation results with patients:

- Results from investigations should be shared fully with patients and/or their families in an appropriate manner, this should be carried out in a face to face consultation when the results are significant. Radiology team to ensure that any results that require urgent review are flagged to the requesting consultant.

Discharge / handover of frail elderly patients:

- Theme emerged around patients being discharged home late in the day and concerns around the handover of discharge information to care homes. This theme has also been identified through the Safeguarding Team, a Rapid Process Improvement Workshop (RPIW) has been planned to review these processes.

Caring for patients with a learning disability:

- In order to support patients with a learning disability alert on Medway will be reviewed to explore the option of adding extra info in terms of how to best support them during the admission or appointment.
- Severity of learning disability and how this affected the deceased patient to be added to learning disability mortality review proforma to assist with whether reasonable adjustments made where required and also to determine whether the care given was appropriate for their needs and was not hindered by the learning disability.
- Issues with MCA 1 & 2 and DoLS not being completed correctly continue to be a theme.
- When patients struggle to communicate their symptoms due to a cognitive impairment, it can be difficult to perform an assessment, consider consultant review for these patients to prevent any misdiagnosis.
- Learning disability patients being brought to A&E on their own – to target triage team to highlight this with care homes/ care providers
- Learning disability nurse not being alerted of admission of learning disability patients
- Capacity assessments for patients with a learning disability to be documented – even when they have capacity
- DNACPR completion remains an issue in some cases – mock up DNACPR form to be used as good practice

Caring for end of life patients in inpatient mental health units:

- In order to ensure the appropriate support for staff and patients is in place, involve the specialist palliative care team for those patients at the end of life on the inpatient mental health units.

Communication:

- Being able to contact staff on busy wards via the telephone can be very challenging. Explore the possibility of having a dedicated telephone line for the ward clerks for internal calls.
- Ensure that all documentation and terminology is grammatically correct as this sets the tone for the care provided including replacing 'patient refuses treatment' with 'patient declines treatment'.

Caring for patients with a serious mental illness

- Patients can suffer with constipation be mindful of this during assessments
- Smoking cessation/health screening for patients with serious mental illness – work to be done to ensure this group of patients are engaged in health promotion
- Access to EEGs is problematic, good access for critical care patients, however an issue for patients on base wards
- Lithium level monitoring requires pharmacy expertise and JAC prompt to be explored

Care and treatment

- Accessibility of Careflow for out of hours GPs
- Senior clinicians to be involved in NG tube insertion for patients with difficult access
- Lack of earlier senior review for patients when there has been multiple failed attempts at a procedure
- Confirmation bias for patients with decompensated liver failure – they can have other conditions
- Plan B required for treatment for patients who self-discharge
- Pathways required for patients who present with leg weakness to ensure CT scans undertaken when required
- Importance of continuing to manage electrolytes in metastatic breast cancer

Governance

- Reminder to log all inpatient falls on Datix
- Reminder to log all self discharges on Datix
- Improve the process of feeding back outcomes of reviews to junior doctors for learning and educative opportunities
- Civility/ professionalism important in terms of looking after patients who don't always comply with treatment – this could be for various reasons

2.5 Seven Day Hospital Services

The Trust has fully implemented priority standards five (access to diagnostics) and six (access to consultant directed interventions) from the ten clinical standards as identified via the seven-day hospital services NHS England recommendations.

The Covid-19 pandemic delayed further work around this agenda and we had to temporarily adapt our ways of working considerably during this time. As we came out of the pandemic, we reviewed and changed our model of care, concentrating on patient flow especially around non-elective care. The original NHS England recommendations around seven-day hospital services are several years old and need to be reconsidered in light of new models of care (both locally and nationally). The priority for the Trust moving forward will be to improve the quality of care by improving length of stay through better use of clinical pathways. The original NHSE recommendations may need to be revised in this light and the standards redefined.

2.6 Freedom to Speak Up

As a result of Sir Robert Francis QC's follow up report to his Mid Staffs Report, all NHS Trusts are required to have a Freedom to Speak Up Guardian (FTSUG). Gateshead Health NHS Foundation Trust is committed to achieving the highest possible standards/duty of care and the highest possible ethical standards in public life and in all its practices. We are committed to promoting an open and transparent culture to ensure that all members of staff feel safe and confident to speak up. The FTSUG is employed by the Trust but is independent and works alongside Trust leadership teams to support this goal. The FTSUG reports to the Board and the People and Organisational Development Committee twice per year, as well as continuing to report to the National Guardian Office on a quarterly basis. Our FTSUG supports the delivery of the Trust's corporate strategy and vision as encapsulated in our ICORE values. As well as via the FTSUG, staff may also raise concerns with their trade union or professional organisations as per our FTSU Policy. When concerns are raised via the FTSUG, the Guardian commissions an investigation and feeds back outcomes and learning to the person who has spoken up. The FTSUG is actively engaged in profile raising and education in relation to this role. The FTSUG now reports directly to the Chief Executive and has regular meetings with the Director of People and OD and the Non-Executive Director (NED) responsible for FTSU.

2.7 NHS Doctors and Dentists in training – annual report on rota gaps and the plan for improvement to reduce these gaps

The Trust Board via the People and Organisational Development Committee receives quarterly reports from the Guardian of Safe Working summarising identified issues, themes, and trends. The exception report data are scrutinised by the Medical Workforce Group with representation from all business units and actions to support areas and reduce risk/incident levels identified on a quarterly basis. These actions are escalated to the People and Organisational Development by exception when it is deemed necessary due to difficulty in reaching local resolution.

The Trust Board via the People and Organisational Development receives an annual report from the Guardian of Safe Working which includes a consolidated report on rota gaps and actions taken by the Medical Workforce Group. This report is provided to the Local Negotiating

Committee (LNC) by the Guardian of Safe Working and the LNC representation at the Medical Workforce Group.

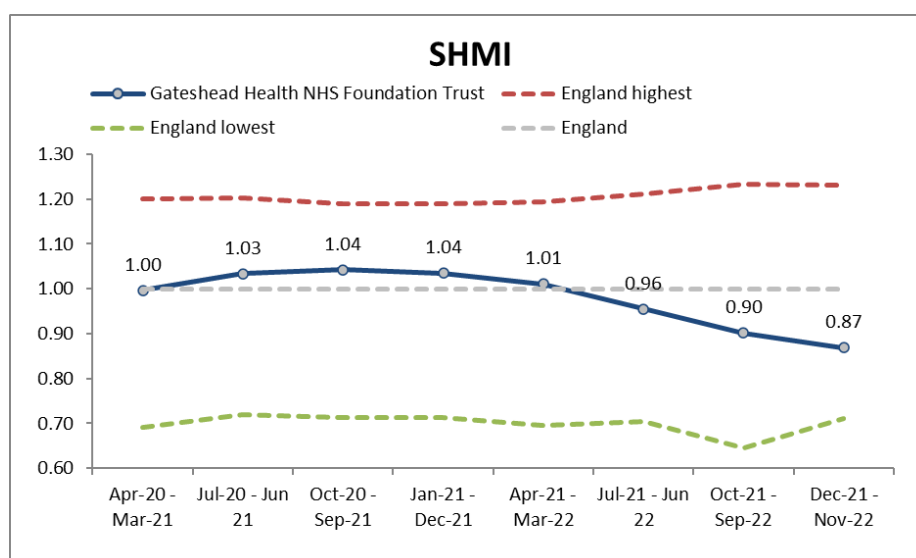
The Medical Workforce Group meets monthly and reviews the recently developed medical workforce dashboard which summarises rota fill rates and staffing absences by service / specialty area and by business unit. The Trust Medical Staffing Team are now established and manage the medical staffing rosters on a day-to-day basis to ensure maximal roster fill rates and medical staffing cover. Gap management is proactive to ensure full rota compliance.

2.8 Mandated Core Quality Indicators

(a) SHMI (Summary Hospital-level Mortality Indicator)

SHMI	Apr-20 - Mar-21	Jul-20 - Jun 21	Oct-20 - Sep-21	Jan-21 - Dec-21	Apr-21 - Mar-22	Jul-21 - Jun 22	Oct-21 - Sep-22	Jan-21 - Dec-22
Gateshead Health NHS Foundation Trust	1.00	1.03	1.04	1.04	1.01	0.96	0.90	0.87
England highest	1.20	1.20	1.19	1.19	1.19	1.21	1.22	1.22
England lowest	0.69	0.72	0.71	0.71	0.70	0.70	0.65	0.71
Banding	2	2	2	2	2	2	2	3

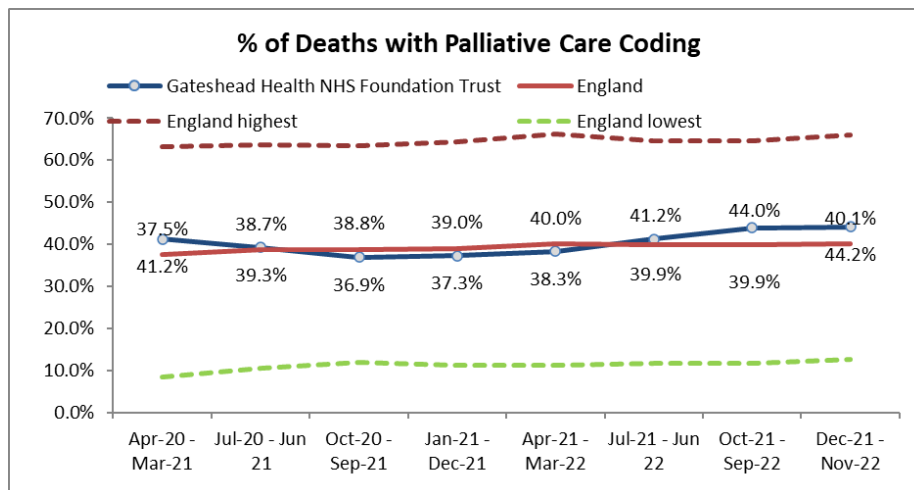
Source: www.digital.nhs.uk/SHMI



(b) The percentage of patient deaths with Palliative Care coded at either diagnosis or specialty level

% Deaths with palliative coding	Apr-20 - Mar-21	Jul-20 - Jun 21	Oct-20 - Sep-21	Jan-21 - Dec-21	Apr-21 - Mar-22	Jul-21 - Jun 22	Oct-21 - Sep-22	Jan-21 - Dec-22
Gateshead Health NHS Foundation Trust	41.2%	39.3%	36.9%	37.3%	38.3%	41.2%	44.0%	44.2%
England highest	63.3%	63.6%	63.3%	64.3%	66.3%	64.6%	64.6%	66.0%
England lowest	8.5%	10.6%	12.0%	11.2%	11.1%	11.7%	11.8%	12.6%
England	37.5%	38.7%	38.8%	39.0%	40.0%	39.9%	39.9%	40.1%

Source: www.digital.nhs.uk/SHMI



Gateshead Health NHS Foundation Trust considers that this data is as described for the following reasons:

- The Summary Hospital-level Mortality Indicator (SHMI) reports death rates (mortality) at a Trust level across the NHS in England and is regarded as the national standard for monitoring of mortality. For all SHMI calculations since October 2011, mortality for the Trust is banded 'as expected' except for the most recent data release banding the Trust as having Lower than expected deaths. The Trust reviews its SHMI monthly at the Mortality and Morbidity Steering group.

Gateshead Health NHS Foundation Trust has taken the following actions to improve the indicator and percentage in (a) and (b), and so the quality of its services, by:

- The Trust reviews cases for individual diagnosis groups where the SHMI & HSMR demonstrates more deaths than expected or an alert is triggered for a diagnosis group. The Trusts mortality review process can be used to review the Hogan preventability score & NCEPOD quality of care score and interrogate the narrative from the review to identify specific learning or learning themes.
- In response to a mortality alerts, and concerns from the medical examiner office, extraordinary Mortality Councils have been set up to review certain patient cohorts, for example heart failures death and frailty / end of life care.
- The Trust reviews the clinical coding for alerting diagnosis groups to determine whether the appropriate diagnosis was assigned and to refine the coding where appropriate.
- The Trust continues to review palliative care coding to ensure palliative care is recorded for all cases where this is appropriate. Palliative care coding is in line with the national level.

Patients on Care Programme Approach (CPA) who were followed up within seven days after discharge from psychiatric inpatient care.

In March 2020, the collection was suspended due to the coronavirus illness (COVID-19) and the need to release capacity across the NHS to support the response. This indicator is not included because of the suspension and has not yet been reinstated.

PROMs (Patient Reported Outcome Measures) for Hip Replacement and Knee Replacement:

Gateshead Health NHS Foundation Trust considers that the outcome scores are as described for the following reasons:

Gateshead Health NHS Foundation Trust has taken the following actions to improve these outcome scores, and so the quality of its services, by:

Awaiting publication of national data

Emergency Readmissions within 30 Days

➤ Aged 0 – 15yrs

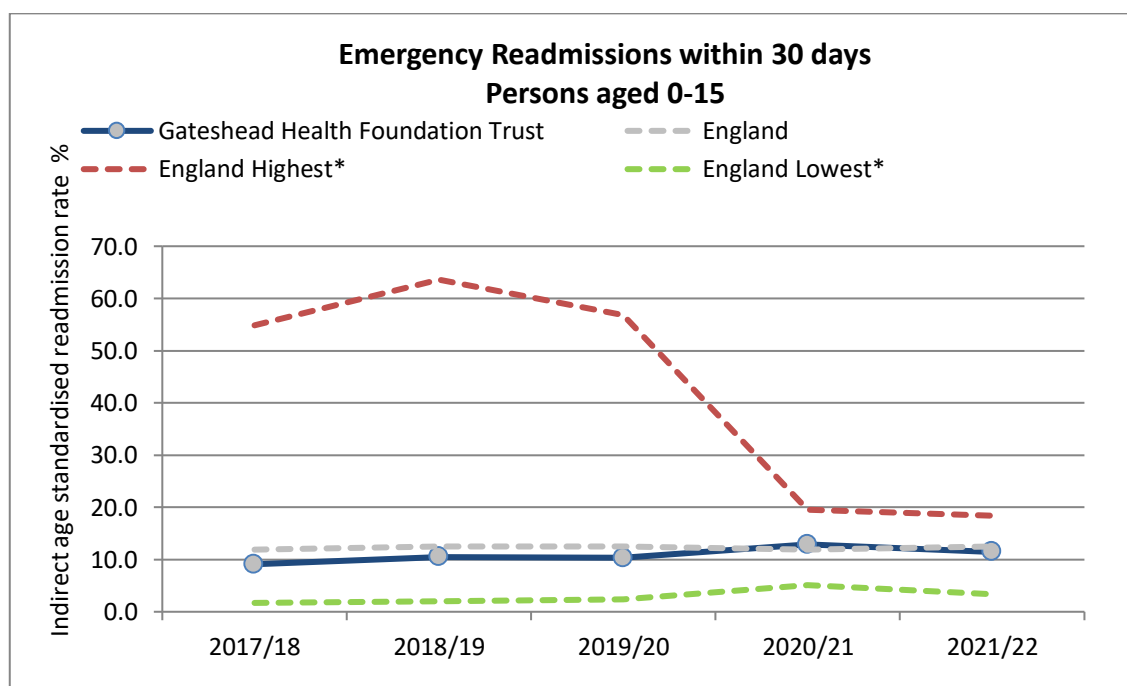
Emergency readmissions within 30 days of discharge from hospital Persons aged 0-15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Gateshead Health Foundation Trust	10.9	10.4	9.1	10.5	10.3	12.9
Banding	W	W	B1	B5	B5	W
England	11.5	11.6	11.9	12.5	12.5	11.9
England Highest*	19.3	16	54.9	63.6	56.8	19.5
England Lowest*	1.3	5.1	1.7	2.0	2.4	5.1

B1 = Significantly lower than the national average at the 99.8% level

B5 = Significantly lower than the national average at the 95% level but not at the 99.8% level

W = National average lies within expected variation (95% confidence interval)

*excluding caution in interpretation of data records. Numbers of patients discharged too small for meaningful comparisons (i.e., below 200).



Gateshead Health NHS Foundation Trust considers that the data is as described for the following reasons:

- Whilst Emergency readmission rates have increased slightly in 2020/21, they have broadly remained static over the last five years, tracking 'Significantly lower' or within than the national average in each of the last six years. The increase this year remains within the expected variation from the national average.

Gateshead Health NHS Foundation Trust has taken the following actions to improve these outcomes, and the quality of its services, by:

- The Trust will continue to monitor performance and undertake further investigations/actions should the increase in rates continue.
- Aged 16 years or over

Emergency readmissions within 30 days of discharge from hospital Persons aged 16+	2017/18	2018/19	2019/20	2020/21	2021/22
Gateshead Health Foundation Trust	13.6	13.4	14.0	15.4	18.8
Banding	W	B1	B5	W	A1
England	14.1	14.6	14.7	15.9	14.7
England Highest*	23.5	22.9	23.1	31.5	18.8
England Lowest*	2.5	3.9	4.1	1.1	2.1

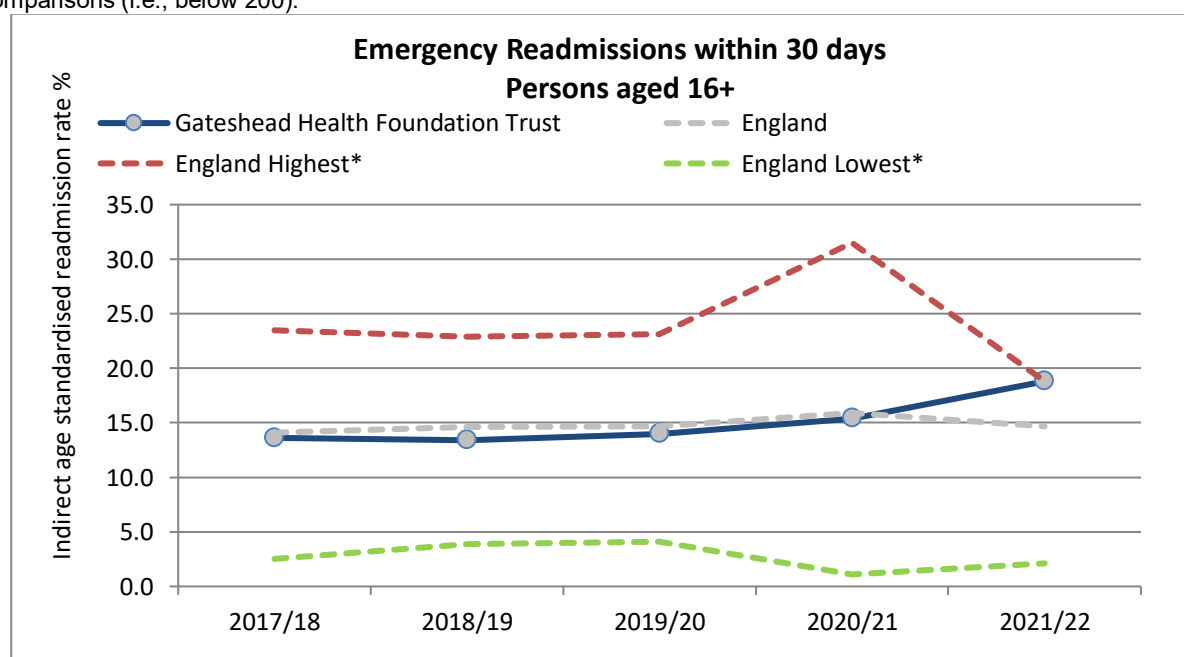
A1 = Significantly higher than the national average at the 99.8% level.

B1 = Significantly lower than the national average at the 99.8% level

B5 = Significantly lower than the national average at the 95% level but not at the 99.8% level

W = National average lies within expected variation (95% confidence interval)

*excluding caution in interpretation of data records. Numbers of patients discharged too small for meaningful comparisons (i.e., below 200).



Gateshead Health NHS Foundation Trust considers that the data is as described for the following reasons:

- Emergency readmission rates look to have risen significantly in 2021/22 and are at a similar level to the highest nationally. However, this is largely due to a change in how we record our SDEC activity following a new operating model. Due to the data capture changes, there now appears to be an increase in readmissions because of the follow-up care onto the unit. A further deep dive into the data reveals that the increase in readmissions is artificially inflated because of the clinical need of the SDEC reattenders. The true shift in average readmissions is circa 6 per month – the impact on percentage readmission rate is therefore minimal, demonstrating a slight drop in the average readmission rate overtime.

Gateshead Health NHS Foundation Trust has taken the following actions to improve these outcomes, and the quality of its services, by:

- Local monitoring of readmissions by ward and speciality to ensure that there is oversight of outlying areas.
- Reviews of readmissions that highlight failed / inappropriate discharges to better understand where practices can be improved and help ensure lessons are learned.
- Successfully appointed a number of Discharge Coordinators across the Trust to improve discharge arrangements for patients and more robustly ensure patients' needs are met on discharge.

Trust's responsiveness to the personal needs of its patients

Gateshead Health NHS Foundation Trust considers that this data is as described for the following reason:

The Gateshead Health NHS Foundation Trust has taken the following actions to improve these percentages, and so the quality of its services, by:

Awaiting publication of national data

Percentage of staff employed by, or under contract to the Trust who would recommend the Trust as a provider of care to their family or friends

The Gateshead Health NHS Foundation Trust considers that these percentages are as described for the following reasons:

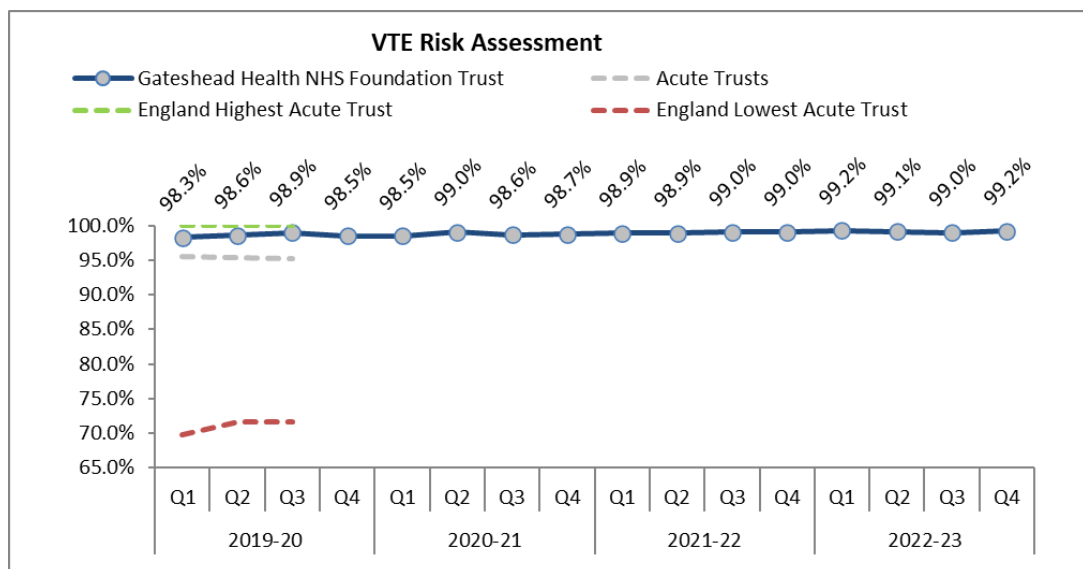
The Gateshead Health NHS Foundation Trust has taken the following actions to improve these percentages, and so the quality of its services, by:

No longer collecting this data – replaced by People's Pulse

Percentage of patients who were admitted to hospital and who were risk assessed for venous thromboembolism

Year	Quarter	Gateshead Health NHS Foundation Trust	England Highest Acute Trust	England Lowest Acute Trust	Acute Trusts
2019-20	Q1	98.3%	100.0%	69.8%	95.6%
	Q2	98.6%	100.0%	71.7%	95.4%
	Q3	98.9%	100.0%	71.6%	95.3%
	Q4	98.5%			
2020-21	Q1	98.5%			
	Q2	99.0%			
	Q3	98.6%			
	Q4	98.7%			
2021-22	Q1	98.9%			
	Q2	98.9%			
	Q3	99.0%			
	Q4	99.0%			
2022-23	Q1	99.2%			
	Q2	99.1%			
	Q3	99.0%			
	Q4	99.2%			

Collection suspended to release capacity to manage COVID-19 and yet to be reinstated



The Gateshead Health NHS Foundation Trust considers that these percentages are as described for the following reasons:

- Gateshead Health NHS Foundation Trust Compliance with DVT risk assessment has reached 95% in all areas of the hospital which use the JAC prescribing site and reassurance have been gained regarding robust assessment in Critical Care which use a paper documentation. A customised area has been set up on Datix to report cases of Hospital Acquired Thrombosis.

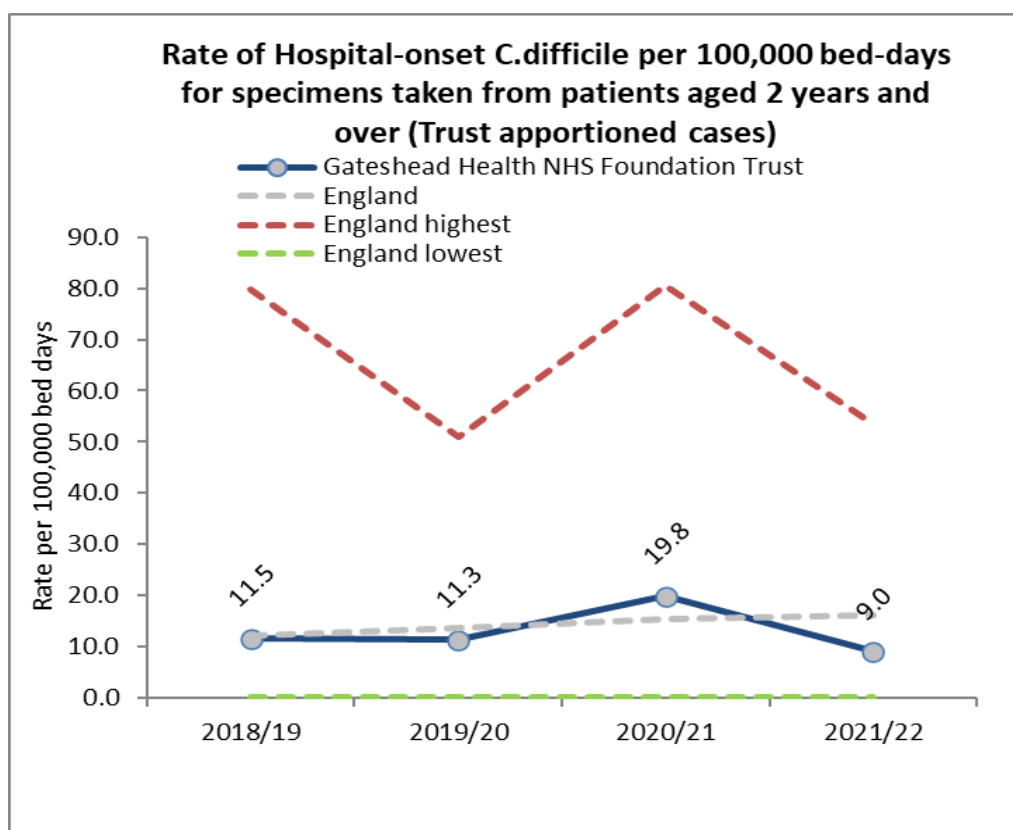
The Gateshead Health NHS Foundation Trust intends to take the following actions to improve these percentages, and so the quality of its services, by:

- A Venous Thromboembolism Committee meet regularly to update all guidelines and raise awareness of deep vein thrombosis and pulmonary embolism and the impact on health. Education of junior doctors and nursing staff have been commenced with regular sessions in the Clinical Leads Nursing meeting and SafeCare meetings. The intranet has been updated with these guidelines and an e-learning module for this has been set up with the help of the Practice and Development Team.
- All new NICE guidelines are monitored on a monthly basis and the relevant updates sent to the respective teams.
- An abstract of the Trust's three-year audit on hospital acquired thrombosis has been accepted for presentation at the Thrombosis UK Conference and a poster has been submitted. This study has shown results which are at par with nationally agreed standards.
- The Trust hospital acquired thrombosis data is also shared with GIRFT.

The rate per 100,000 bed days of cases of *Clostridium difficile* infection (CDI) reported within the Trust amongst patients aged 2 or over.

Rate of Hospital-onset <i>C.difficile</i> per 100,000 bed-days for specimens taken from patients aged 2 years and over (Trust apportioned cases)	2018/19	2019/20	2020/21	2021/22
Gateshead Health NHS Foundation Trust	11.5	11.3	19.8	9.0
England highest	79.8	51.0	80.6	53.6
England lowest	0.0	0.0	0.0	0.0
England	12.2	13.6	15.4	16.2

<https://www.gov.uk/government/statistics/clostridium-difficile-infection-annual-data>



Gateshead Health NHS Foundation Trust considers that these percentages are as described for the following reasons:

- Clostridium difficile infection (CDI) remains an unpleasant, and potentially severe or even fatal infection that occurs mainly in elderly and other vulnerable patient groups, especially those who have been exposed to antibiotic treatment. Reduction of CDI continues to present a key challenge to patient safety across the Trust, therefore ensuring preventative measures and reducing infection is very important to the high quality of patient care we deliver.
- The Trust reports Healthcare associated CDI cases to Public Health England via the national data capture system against the following categories:
 - Hospital onset healthcare associated (HOHA): cases that are detected in the hospital 2 or more days after admission (where day of admission is day 1)
 - Community onset healthcare associated (COHA): cases that occur in the community (or within 2 days of admission) when the patient has been an inpatient in the trust reporting the case in the previous 4 weeks.
- Nationally the financial sanctions for CDI have been removed and the 'appeals' process no longer in use, and the expectation that organisations will perform local review of cases.
- The Trust is required under the NHS Standard Contract 2022/23 to minimise rates of Clostridioides difficile (C. difficile) so that it is no higher than the threshold level set by NHS England and Improvement.
- For 2022/23 we reported forty (40) cases of healthcare associated CDI against the threshold of thirty-two (32). Twenty-seven (27) hospital onset healthcare associated, and thirteen (13) community onset healthcare associated cases.
- The Trust has reported an increase of eight (8) cases in CDI cases for 2022/23.

Gateshead Health NHS Foundation Trust will continue to take the following actions to improve these percentages, and so the quality of its services by using the following approaches:

- An internal review is held for all healthcare associated CDI cases, supported by root cause/human factors review as necessary, where good practice and lessons learnt can be identified. The learning is then linked, if appropriate, to the key themes of sample submission, antimicrobial prescribing, documentation, patient management and human factors. The good practice and lessons learnt are then cascaded back to through the internal safe care mechanisms.
- Where there is an increased incidence of CDI associated with a particular clinical area, a multidisciplinary meeting will review all the cases collectively, consider if any cross infection may have occurred then formulate and enable an action plan to address any shortcomings identified.
- A weekly C-Difficile review round on the relevant clinical areas takes place with the Consultant microbiologist, Infection Prevention and Control practitioner and pharmacist to ensure that patients have timely reviews and specialist clinical intervention if required.
- Validation hand hygiene audits of the clinical areas are undertaken by the IPC team.
- When there is an increased incidence of CDI cases associated with a particular clinical area Ribotyping is arranged with the Clostridium difficile Ribotyping Network (CDRN) to determine if cross infection has taken place.
- Appropriate cleaning of the clinical area where CDI is identified.
- The Diarrhoea Assessment Management Pathway (DAMP) tool provides guidance for clinical staff managing those patients experiencing loose stools, and has been assimilated into the suite of electronic documents available on Nerve Centre
- Enhanced personal protective equipment is worn when caring for patients with suspected infective diarrhoea.

- Patients are risk assessed and prioritised, ensuring those patients requiring a level of isolation are identified.
- To enhance antimicrobial stewardship Trust guidelines are developed to reflect the national five-year antimicrobial resistance strategy.

The number and rate of patient safety incidents per 1,000 bed days reported within the Trust.

Patient Safety Incidents per 1,000 bed days	Oct 19 - Mar 20		Apr 20 – Mar 21*		Apr 21 – Mar 22*	
	Gateshead Health NHS Foundation Trust	Acute (non specialist) Organisations	Gateshead Health NHS Foundation Trust	Acute (non specialist) Organisations	Gateshead Health NHS Foundation Trust	Acute (non specialist) Organisations
Total number of incidents occurring	2,929	838,722	4,638	1,550,306	4,886	1,767,264
Rate of all incidents per 1,000 bed days	34.8	N/A	35.3	N/A	31.4	N/A
Number of incidents resulting in Severe harm or Death	19	2,536	75	6,828	67	7,116
Percentage of total incidents that resulted in Severe harm or Death	0.23%	0.30%	1.62%	0.44%	1.37%	0.40%

Source: www.england.nhs.uk/patient-safety/organisation-patient-safety-incident-reports/

*NRLS Organisational workbooks now published annually whereas previously these were six-monthly

The Gateshead Health NHS Foundation Trust considers that these percentages are as described for the following reasons:

** NB The last two periods relate to a 12-month period, reporting was previously based on 6 months periods.

- The table above demonstrates a small increase in the overall reporting of patient safety incidents to the NRLS in 2021-2022. Though set against the increased number of beds open due to increased pressures this percentage has dropped slightly. The shortened capture tool was implemented several times throughout the year during periods of pressure, and staff feedback in relation to the current DATIX system, has been a significant driver in the procurement of a new system Inphase Oversight due to be implemented Q1 2023-24.

This system has many organisational benefits but from a reporting perspective it is SMART enabled, though will not affect the figures for the next reporting period of 2022-2023.

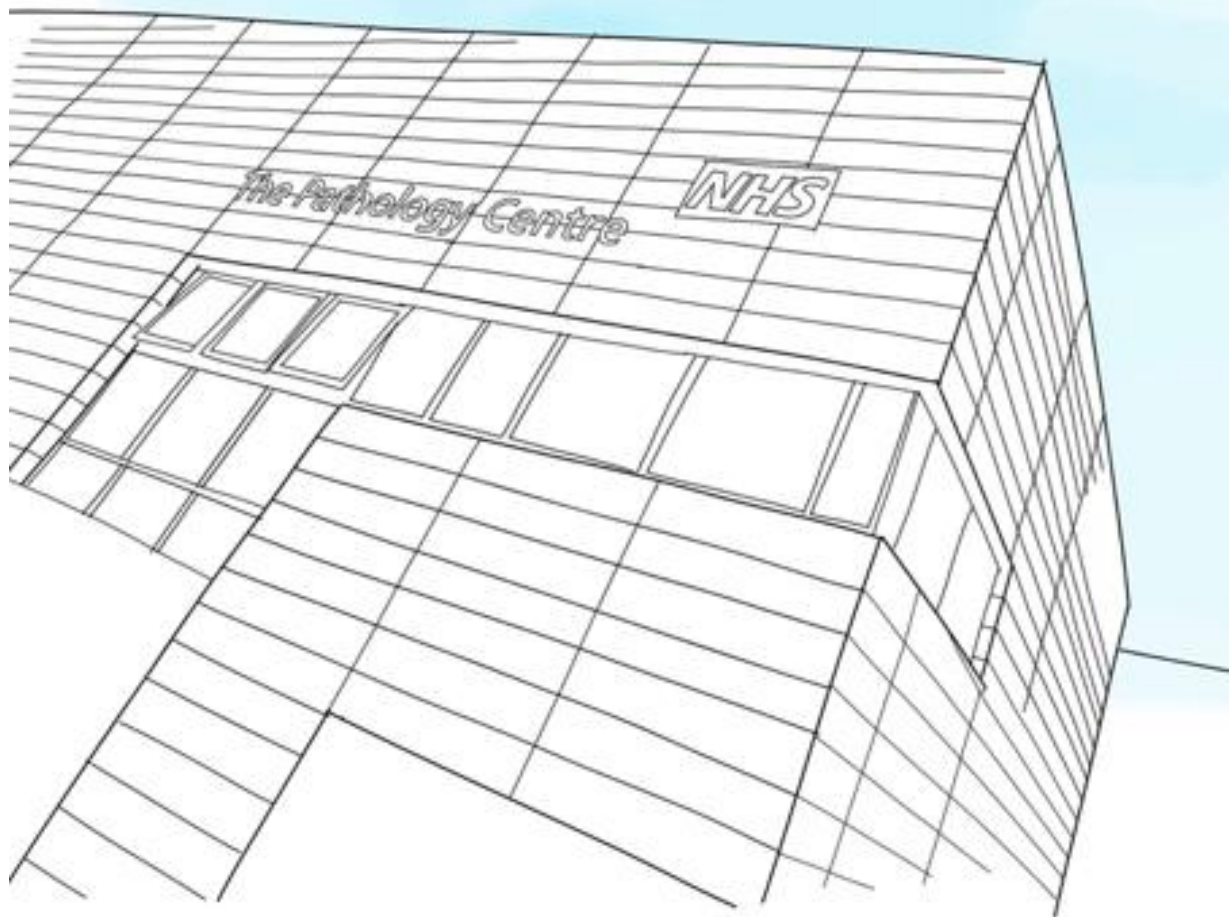
- Figures for this 2021-2022 period related to severe and death level reviews are broadly congruent with the previous 12-month period, and in line with national percentages for these areas.

The Gateshead Health NHS Foundation Trust has taken the following actions to improve these percentages, and so the quality of its services:

- Training continues to be offered to meet the needs of the Trust in relation to incident and risk management, duty of candour and just and restorative culture. It is anticipated that the just and restorative culture work ongoing will improve reporting going forward.
- Alongside the implementation of a new incident management system, the weekly multi-disciplinary meeting (Safety Triangulation Group) continues to review all incidents reported as moderate or above. The impact of this won't be apparent until next year's figures are produced, though the years figures may be from two systems with the anticipated national shift to Learn from patient safety events (LFPSE) in September 2023. The patient safety team in anticipation of Patient Safety Incident Response Framework (PSIRF) have produced and had Trust approval for a suite of new learning response templates that are rooted in safety science and just culture principles.
- A gap analysis was undertaken following the re launch of the National Patient Safety Strategy in September 2022 and work towards compliance continues at pace to compliance by September 2023
- A business intelligence report was developed to assist all areas of the Trust to see their incident trends including no harm/low harm incidents. Following this the patient safety team have worked across the business units to help area devise and address these themes and trends.
- The Trusts Falls prevention group have rolled out the Think Yellow initiative and have undertaken a concurrent pilot of the AFLOAT tool with the Trusts current falls risk assessment tool. The results showed a change to AFLOAT was required, and this has been agreed at Risk and Patient SafeCare Council for Trust wide roll out within Nervecentre.

Part 3

Review of Quality Performance



Review of quality performance

2022/23 has been a successful year in relation to the three domains of quality:

- Patient Safety
- Clinical Effectiveness
- Patient Experience

The Council of Governors has a key role in our assurance processes – both representing the interests of members, the public, staff and stakeholders, as well as holding our Non-Executive Directors to account for the performance of the Board. As part of the Council of Governors' meetings, our Chief Executive delivers an overview of our performance against key quality metrics, with opportunities to question our Board Members on this. Two Governors are also nominated observers of our Quality Governance Committee and we have put in place new structures to support representatives to share feedback on the quality of debate and contributions with the rest of the Council. This provides further opportunities for Governors to seek assurance and hold our Non-Executive Directors to account in respect of quality.

The following sections provide details on the Trust's performance on a range of quality indicators. The indicators themselves have been extracted from NHS nationally mandated indicators, and locally determined measures. Trust performance is measured against a mixture of locally and nationally agreed targets. The key below provides an explanation of the colour coding used within the data tables.

	Target achieved
	Although the target was not achieved, it shows either an improvement on previous year or performance is above the national benchmark
	Target not achieved but action plans are in place

Where applicable, benchmarking has been applied to the indicators using a range of data sources which are detailed in the relevant sections. The Trust recognises that benchmarking is an important tool that allows the reader to place the Trust performance into context against national and local performance. Where benchmarking has not been possible due to timing and availability of data, the Trust will continue to work with external agencies to develop these in the coming year.

3.1 PATIENT SAFETY

Reducing Harm from Deterioration:

Safe Reliable care	2020-21	2021-22	2022.23	Target
HSMR	107.9	114.4	100.1*	<100
SHMI Period	Apr-20 to Mar-21	Apr-21 to Mar-22	Dec-21 to Nov-22	
SHMI	1.00	1.01	0.87	<=1
SHMI Banding	As Expected	As Expected	Lower than expected	As expected or lower than expected

SHMI - Percentage of provider spells with palliative care coding(contextual indicator)	2.7%	2.1%	2.1%	N/A
Crude mortality rate taken from CDS	2.32%	1.83%	1.71%	<1.99%
Number of calls to the CRASH team	113	164	176	N/A
Of the calls to the arrest team what percentage were actual cardiac arrests	38.1%	40.2%	34.7%	N/A
Cardiac arrest rate (number of cardiac arrests per 1000 bed days)	0.83	0.41	0.35	N/A
Hospital Acquired Pressure Damage (grade 2 and above)	115	87	127	Year on year Reduction
Community Acquired Pressure Damage (grade 2 and above)	1565	1451	1469	N/A
Number of Patient Slips, Trips and Falls	1415	1525	1589	N/A
Rate of Falls per 1000 bed days	10.36	9.51	9.03	Reduction (<8.5)
Number of Patient Slips, Trips and Falls Resulting in Harm	318	335	382	N/A
Rate of Harm Falls per 1000 bed days	2.33	2.09	2.17	Reduction (Less than <2.25)
Harm Falls Rate Change	23.6% Increase	10.3% Reduction	3.8% Increase	N/A
Ratio of Harm to No Harm Falls (i.e. what percentage of falls resulted in Harm being caused to the patient)	22.5%	22.0%	24.0%	Year on Year reduction

*HSMR figures are February 2022 to January 2023

Reducing Avoidable Harm:

Reducing Avoidable Harm	2020-21	2021-22	2022-23	Target
No Harm	529	620	738	N/A
Minimal Harm	75	84	129	N/A
Moderate Harm	4	4	8	<8
Severe	2	1	3	0
Death	1	0	0	0
Total	611	709	878	N/A
Never Events	2	0	0	0
Patient Incidents per 1,000 bed days	46.52	38.92	38.3	N/A
Rate of patient safety incidents resulting in severe harm or death per 100 admissions	0.19	0.15	0.13	N/A

Infection Prevention and Control:

Infection Prevention & Control	2020-21	2021-22	2022-23	2022-23 Objective
MRSA bacteraemia apportioned to acute trust post 48hrs	0	0	0	0
MRSA bacteraemia rate per 100,000 bed days	0	0	0	0
NB: <i>Clostridium difficile</i> Infections (CDI) post 72hr cases	40	32	40	<=32
<i>Clostridium difficile</i> Infections (CDI) rate per 100,000 bed days	29.28	20.58	22.74	-

Infection Prevention & Control	2020-21	2021-22	2023-23
Hospital Onset Healthcare Associated C.difficile per 100,000 occupied overnight beds	17.72	14.15	17.37

Other Indicators:

Other Indicators	2020-21	2021-22	2022-23	Target	Benchmark
Percentage of Cancelled Operations from FFCE's†	0.24%	0.55%	0.41%	0.80%	1.00%**
Percentage of Patients who return to Theatre within 30 days (Unplanned / Planned / Unrelated)	4.40%	4.89%	5.00%	Improve Year on Year	N/A
Fragility Fracture Neck of Femur operated on within 48hrs of admission / diagnosis	93.9%	92.7%	90.1%	90%	N/A
Proportion of patients who are readmitted within 28 days across the Trust*	10.43%	14.33%	14.06%	Improve year on year	N/A
Proportion of patients undergoing knee replacement who are readmitted within 30 days*	5.66%	6.21%	8.43%	Improve Year on Year	N/A
	6 Patients readmitted	10 Patients readmitted	15 Patients readmitted		
Proportion of patients undergoing hip replacement who are readmitted within 30 days*	7.34%	9.83%	8.49%	Improve Year on Year	N/A
	8 patients readmitted	17 patients readmitted	18 patients readmitted		

Safeguarding Children and Adults

- The Safeguarding of children and vulnerable adults has remained a priority across the Trust. There has been a national picture of increased safeguarding in particular mental health issues for children and adults and an increase in incidents of domestic violence. These figures are reflected in the numbers of cause for concerns and referrals coming through to the safeguarding teams and in response to this we have undertaken various pieces of work.

- We continue to provide monthly updates within the Gateshead Health Weekly and Safeguarding newsletter providing valuable updates on current safeguarding issues and promotes training opportunities.
- The Adult and Children Safeguarding teams provide monthly safeguarding link meetings where up to date safeguarding information and any significant learning can be shared with the safeguarding link representatives from each ward or practice area within the trust.
- Within the quarterly Safeguarding Committee, we bring the lived experiences of service users by sharing patient stories at every meeting.
- The children's safeguarding team offer opportunities to staff for restorative supervision and debrief after difficult cases. Regular supervision is provided by both teams to appropriate staff teams across the Trust.
- There is up to date guidance and links available on the safeguarding staff zone pages for staff who have experienced any challenging or distressing safeguarding cases.
- Safeguarding adults and children's training is provided via e-learning and face to face across the Trust. The teams have listened to staff preferences for onsite training.
- The Adult Safeguarding team work with the Local Authority and Community Services in relation to provider concerns.
- The safeguarding teams and charitable funds team continue to work together to provide grab bags which include essential items for people who are fleeing domestic abuse situations.
- The children and adult teams continue to promote the use of the Safeguarding Exploitation Grooming and Risk Identifier tool (SEGRI) to include both vulnerable adults and children at risk sexual exploitation, criminal exploitation, and modern-day slavery. County lines training is included in Level 3 training across the Trust.
- Young people who are care experienced have an increased likelihood of an unplanned teenage pregnancy therefore, the Looked After Children's team have linked up with Gateshead sexual health service to look at ways of improving access to sexual health services for young people.
- The Adults team are continuing to roll out training on capacity assessments in line with Mental Capacity Act legislation for staff awareness and in preparation for the potential change in legislation in relation to Deprivation of Liberties.
- As part of safeguarding week, the children's' and adult's team raise awareness across the Trust of relevant safeguarding issues in Gateshead.
- The children's safeguarding team work closely with the Gateshead Safeguarding Children Partnership to learn from cases and improve practice across the area. The team disseminate that learning across the Trust via various forums.
- The adults safeguarding team work closely with partner agencies to ensure best practice is incorporated across the Trust and any learning is disseminated.
- The teams work together to deliver a joint adult and children safeguarding conference. The next conference is planned for the 19th September 2023.

3.2 CLINICAL EFFECTIVENESS

Getting it Right First Time (GIRFT)

GIRFT is a national programme designed to improve the treatment and care of patients through in-depth review of services, benchmarking, and presenting a data-driven evidence base to support change. The programme undertakes clinically led reviews of specialties, combining wide-ranging data analysis with the input and professional knowledge of senior clinicians to examine how things are currently being done and how they could be improved.

During 2022/23 there has been one 'deep dive' visit:

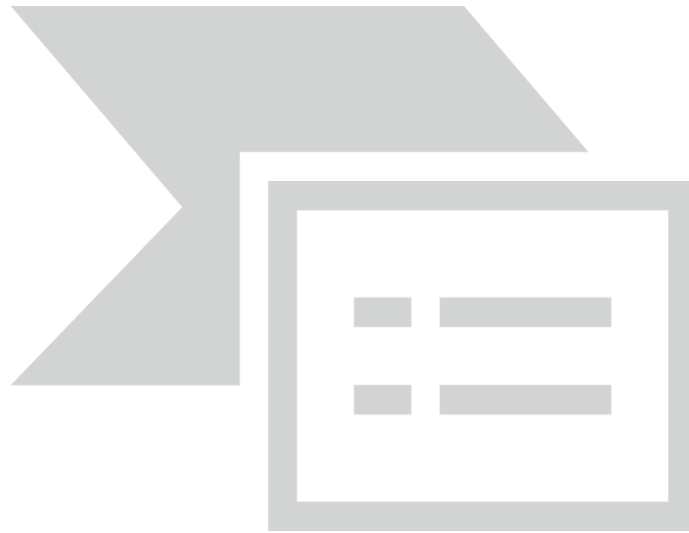
Speciality	Good practice/opportunities for improvement identified
Critical Care May 2022	<p>Although this visit took place in May 2022 the formal feedback was not available for inclusion in the last six monthly report, hence the reason for inclusion here.</p> <p>The team identified the rehab nurses taking patients out into the garden as an area of good practice.</p> <p>In terms of opportunities for improvement, the following were identified:</p> <ul style="list-style-type: none"> - Staffing problems/recruitment – need to increase the recruitment of staff - Bed shortages – looking to manage bed capacity in the aftermath of Covid - Discharge issues – delayed discharges and patient flow remains an issue

A deep dive was scheduled for Acute Medicine in November 2022, however, this was stood down by the GIRFT national team. This is currently being rearranged.

3.3 PATIENT EXPERIENCE

Friends & Family Test





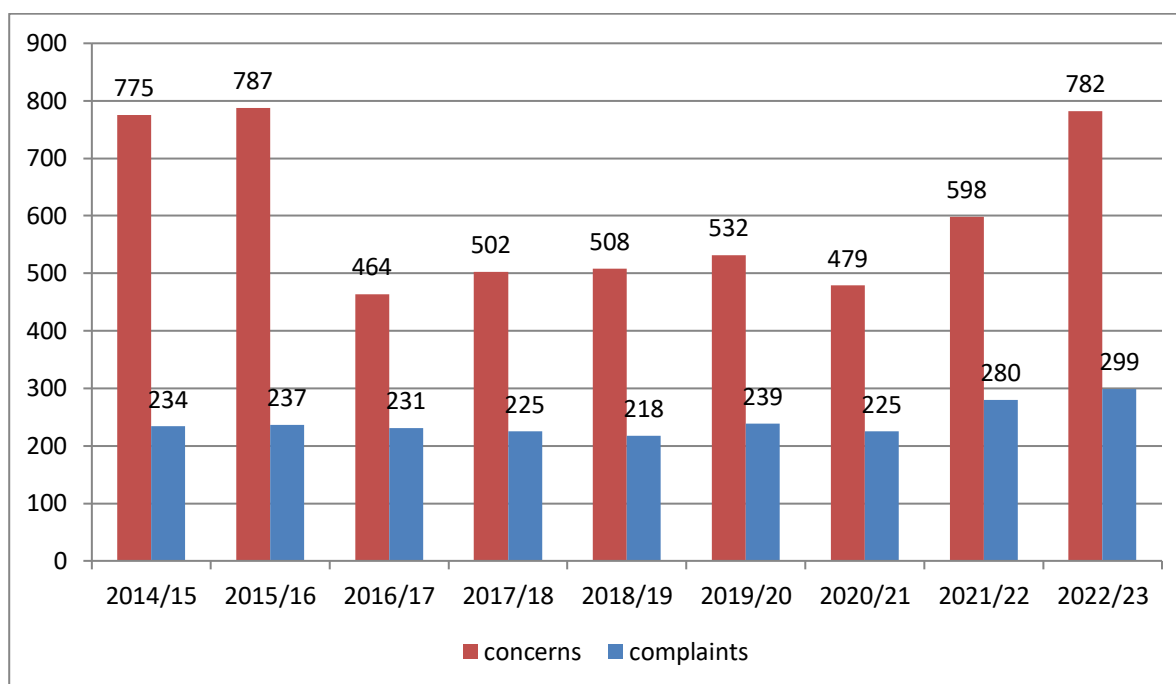
Listening to Concerns and Complaints, Compliments

The Trust acknowledges the value of feedback from patients and visitors and continues to encourage the sharing of personal experiences. This type of feedback is invaluable in helping us ensure that the service provided meets the expectations and needs of our patients through a constructive review.

For the year 2022/23 we received a total of 299 formal complaints. Promoting a culture of openness and truthfulness is a prerequisite to improving the safety of patients, staff and visitors as well as the quality of healthcare systems. It involves apologising and explaining what happened to patients who have been harmed as a result of their healthcare treatment when inpatients or outpatients of the Trust. It also involves apologising and explaining what happened to staff or visitors who have suffered harm. It encompasses communication between healthcare organisations, healthcare teams and patients and/or their carers, staff and visitors and makes sure that openness, honesty and timeliness underpins responses to such incidents.

The Patient Advice and Liaison Service (PALS) offer confidential advice, support and information on health-related matters. They provide a point of contact for patients, their families and carers.

Complaints and Concerns 2014 to 2023



During 2022/23 the top five main reasons to raise a formal complaint were in relation to:

- Communications (59 complaints).
- Clinical Treatment – General Medical Group (56 complaints).
- Clinical Treatment – Surgical Group (46 complaints).
- Clinical Treatment – Accident & Emergency (42 complaints).
- Values & Behaviours (Staff) (25 complaints).

Complaints Performance Indicators	Total 2022/23
Complaints received	299
Acknowledged within three working days	299
Complaints closed	311
Closed within agreed timescale (eight weeks)	117
Number of complaints upheld	238
Concerns received by PALS	782

Complaints Indicators	Total 2022/23
Number of closed complaints reopened	34*
Number of closed complaints referred to Parliamentary & Health Service Ombudsman	13

Outcome of complaints referred to Parliamentary & Health Service Ombudsman (PHSO)	Total 2022/23
Considering whether to investigate	5

Currently investigating	1
Complaints upheld	0
Part upheld	0
Declined to be investigated	3
Agreed actions with Trust (incl as a result of learning)	4

***Number of closed complaints reopened.**

In the year 2022/23 34 closed complaints were reopened. This compares to 40 in 2021/22. Reasons for reopening cases include where the complainant has additional questions/concerns.

As a result of complaints and concerns raised over the past year several initiatives have been implemented.

The provision for and experience of male breast patients has been identified as an area for investigation by the Breast Team and patients concerns provided supporting evidence for this work.

- A questionnaire has been designed and completed by male patients to highlight issues and identify areas for improvement.
- This feedback acted upon to display male breast cancer posters in the Breast Unit waiting areas with the aim of increasing awareness and reducing any uncomfortable feelings for those in attendance.
- A male specific information folder has been created for male breast cancer patients.
- A podcast discussing male breast cancer has been recorded.

Red tabards now in use worn by staff when giving out medication to patients, to tell staff not to interrupt. This is as a direct result of an incident/complaint.

In response to a complaint regarding cancellation of surgery, we have since taken steps to ensure that if a patient is cancelled at short notice, we ask the team who are handling our theatre cancellations to ensure that a patients covid status is checked and the patient informed by a suitable individual in a timely way to ensure they do not attend for the original appointment.

In response to an A&E complaint, Consultant in Emergency Medicine has reviewed the patient's medical notes and recognises that although a fracture was identified on the initial x-ray, the fracture was underappreciated and has used this as an opportunity to provide further teaching to the Advanced Clinical Practitioner involved regarding these types of fractures to prevent a similar event happening in the future. Consultant has reviewed the pathways in the department and ensured that a thorough mobility assessment is now carried out within the department, prior to discharge.

In response to a complaint relating to Radiology, the department has reviewed their processes to ensure there is now a robust patient checking process in place. Radiology now has a process in place whereby the Radiology Support Workers will ask every patient in the waiting area on a regular basis (every 30mins) if they are warm enough. Radiology has also purchased a blanket warmer to use for the blankets of any patient who is particularly cold or in the waiting area for any length of time.

In response to a complain regarding Ultrasound signage, the signage the patient on the chair should have been made visible from the outside of the Tranwell Unit when the Sonographer

and Radiology Support Worker leave the building. This had not happened on this occasion. To prevent this type of incident reoccurring all the ultrasound staff have been reminded to place the signage in a prominent position when they leave the Tranwell Unit. The ultrasound department has also ordered a weatherproof blue and white signage which will be attached externally near the entrance to the Tranwell Unit. The signage will advise patients to go to, or ring, the main ultrasound department if there is no response from the buzzer.

3.4 Good News Stories

Trust staff participated in a number of promotional, awareness raising and celebration events throughout the year.

Teams recognised with awards



Breast care nurse wins Innovation Champion Award at Bright Ideas in Health Awards 2023 ceremony.

Our Gynaecological Oncology centre was recognised as a centre for excellent for advanced ovarian cancer surgery by the European Society for Gynaecological Oncology



Medicines Optimisation service rated 'Good' by CQC

Maternity staff received chief nursing officer awards including CMO silver award and MSW awards



Chief Nursing Officer presented silver awards for outstanding dedication to nursing and the NHS for Jane Ramms, Allison Grapes and Chris Fawcett

Breast services were finalists for the Performance Recovery Award at the HSJ awards



New initiatives implemented

Pilot of recovery navigator service launched in the emergency care department to support people with substance abuse towards a safer, healthier and more productive lifestyle.



Cancer prehabilitation project launched to support patients providing advice on a healthy diet, physical activity and mental wellbeing.

A new state of the art maternity theatre opening, due to increasing numbers of operations required, the new theatre allows more capacity for planned and emergency operations to take place.

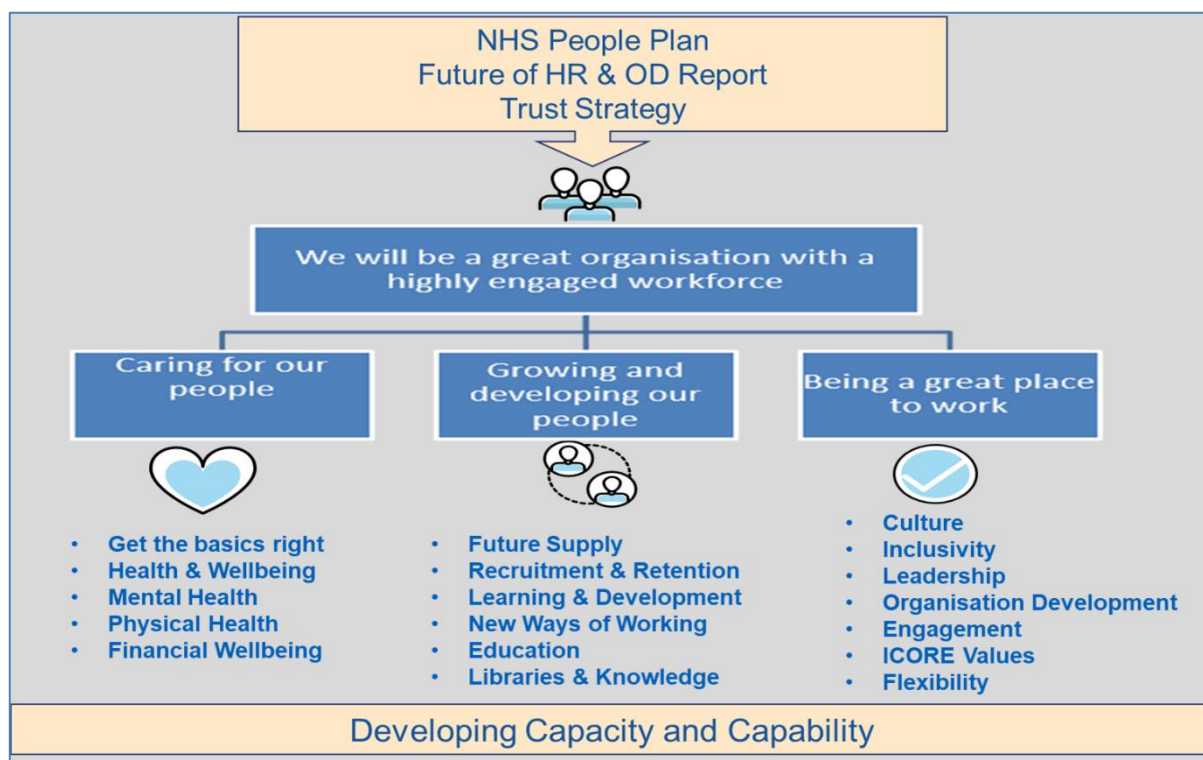


3.5 Focus on staff

Our People Strategy

There is no denying, over the past couple of years it has been a challenging time to work in the NHS with each one of our people's experiences shaping the way they continue to do the jobs they love. The world of work has also changed at a pace none of us could have ever imagined, and we have all had the opportunity to begin to think about what matters to us. We know that the future of health services is also changing – there is rising demand, a need to integrate services and a shift towards prevention and addressing health inequalities. We simply cannot keep doing the same things and hope that it will be enough. In order for us to deliver outstanding and compassionate care to our patients and communities, we must first focus on our people.

Our people are key to achieving our vision for our patients and communities and this year has seen us embark on an exciting journey to develop a People Strategy that is fit for 2023 and beyond. A strategy that takes us to 2026. A strategy for our people, across all professions and in all areas. A strategy that outlines how the Trust will care for our people, provide opportunities for their development and growth, and continue to make Gateshead a great place to work which in turn builds both capacity and capability.



We have developed this strategy collaboratively by drawing on the huge wealth of information relating to people that we have access to, both within the Trust, across the wider NHS and within our people profession. Taking the opportunity to engage with both our People and OD teams and the Trust's Senior Management teams about the draft from September 2022 onwards, which has enabled us to produce a strategy that means something to all of us at Gateshead. Being presented and discussed in Board Development days as well as our People and OD Committee in early 2023, leading to final Board sign off in March 2023. We are confident that this strategy will mean something to all our People at Gateshead, providing a

framework for us to concentrate on our people priorities, supporting the delivery of care to our local population.

The strategy underpins our current strategic people aim of being a great organisation and aligns to each of our three 2022-23 strategic objectives, of which there are many key achievements to celebrate over the course of the past 12 months;

1. Protect and understand the health and wellbeing of our staff by looking after our workforce;
2. Growing and developing the Workforce;
3. Development and Implementation of a Culture Programme.

Health and Wellbeing

As a Trust, Gateshead Health is committed to the health and wellbeing of its people, recognising the impact of both short and long-term absence on the workforce, and therefore as part of our commitment to addressing our supply issues a new, ***focused absence management approach*** has been adopted this year. The aim of which is to support staff to remain at work, wherever possible and where this is unavoidable, provide effective solutions to assist a timely return to work. In time this has been operational gradual improvements have been reported in the absence figures across all clinical business units. Seasonal variations have affecting some of the month-on-month comparison, but this is not unusual. This is a success definitely worth celebrating given the well-recognised evidence base that suggests work is generally good for physical and mental health and wellbeing, as well as maximising the workforce availability to provide direct patient care.

Launched in June 2022, Gateshead Health's dedicated Occupational Health and Wellbeing website ***balancegateshead.com*** provides all colleagues with anytime access to self-care as well as physical, mental, financial, social and environmental wellbeing support resources. Previously, such support had only been available through the organisation's intranet and on trust devices, limiting the ability of the organisation to effectively signpost and support colleagues.

Since its launch, 7,600 unique users have visited the website over 34,000 times with the website now clearly established as the 'go-to' place for all things health and wellbeing. The website continues to expand month on month and is regularly updated with the latest wellbeing news, acting as an effective means of promoting wellbeing support, offers, resources and more.

In July 2022, the Trust opened its very own ***Listening Space***, a dedicated health and wellbeing area, available for any member of staff to use at any time, it is designed to offer our colleagues with an identified space to decompress. Staff might visit to meet a mental health first aider for a chat, find out where to access targeted support from a member of the health and wellbeing team or chat with one of our colleagues around a work-related issue that is troubling them.

The Listening Space is also used to host various health and wellbeing events activities and the organisation's Carer's Circle and its Menopause Warriors support group and staff network groups meet their regularly. It also provides a space for the weekly drop-in sessions provide by Citizens Advice and weekly free salon treatments delivered to staff with the aid of Gateshead College.

2022 also saw the introduction of ***Schwartz Rounds*** at Gateshead Health; with the aim of helping colleagues better understand the challenges and rewards of providing care, bringing

these to life through their experiences. The focus of Schwartz Rounds is very much on reflection, with evidence showing that staff who attend feel less stressed and less isolated. All staff regardless of their role in the Trust are encouraged and welcomed to attend these events.

Throughout the year, approximately 150 colleagues have participated in a Schwartz Round session and feedback has been overwhelmingly positive from attendees, with:

- 93% agreeing that they gained insights which would help them to meet the needs of patients;
- 94% sharing that Schwartz Round helped them to work more effectively with colleagues and that the group discussion was useful to them;
- 99% agreeing that they had a better understanding of how colleagues felt about work and;
- 99% indicating that they would recommend Schwartz rounds to their colleagues.

Supporting people within mental health and wellbeing has also extended to **financial wellbeing**. In recognition of the financial pressures many colleagues are facing, and which have been and continue to be well reported in the media, a concerted campaign was launched in early 2023 to support staff with financial wellbeing matters. Titled #GHMoneyMatters, the start of the campaign was marked with the launch of the #GHMoneyMatters Guide to Financial Wellbeing, bringing together all of the financial support available to colleagues. With the aim of offering something for everyone, the campaign continues to promote financial wellbeing support for all colleagues across the Trust – whether this be due to them struggling financially, looking to purchase a home, planning for the future and/or retirement, looking to get the most from their money or otherwise. As part of this work, we have seen the introduction and review of partnerships with external organisations, such as the likes of Citizens Advice Gateshead, Schroders, Barclays and others to provide training, expert advice and much more.

A grant was secured this year to fund the launch of the **Leg-Up Project**. An initiative aimed to provide colleagues in financial hardship with access to hot meals at work, in recognition of the social, physical and mental benefits of ensuring colleagues can access quality food and drink while at work as well as the positive effect this then in turn has on patient care. Following a successful introduction which enabled the provision of 500 meals, further funding was provided to extend the project into 2023 and distribute vouchers for a further 564 meals. A targeted approach has been taken throughout the project with the support of Chaplaincy, who led distribution and worked to ensure those more likely to be experiencing financial pressures were aware of voucher availability. Adding to the 1,064 meals provided, a number of festive meal vouchers provided as a gift from the organisation to colleagues were donated to the Leg-Up Project and redistributed to those in need.

Through the fantastic work and investment, we have put into developing our Health and Wellbeing Offer, 2022 has seen Gateshead Health achieve the **Better Health at Work Silver Award** – this award provides a Health and Wellbeing framework to work to and benchmark ourselves against, all with the aim of improving the colleague experience at Gateshead. In 2023 we are aiming high and plan to go for Gold.

Finally, more recently, in March 2023, the Occupational Health and Wellbeing Team completed a **Rapid Process Improvement Workshop** with the primary aim of reducing the time between a management referral and a patient's first appointment.

In addition to a reduction of 66% in waiting times, the workshop also led to a number of other positive outcomes. Included amongst these are patient experience improvements such as the reintroduction of an always-staffed reception area, the Occupational Health and Wellbeing

phone line and a visible board to help direct visitors to the correct room. In addition, drop-in clinics, were reintroduced, providing colleagues with more flexibility, while new follow-up letters help provide patients with appropriate signposting during any waiting times.

Elsewhere, a new referral form streamlines the colleague referral process and brings all types of referrals in one place. This feeds into a new and improved triage process, which has made processing a much quicker task and ultimately helps the team support colleagues more efficiently. Furthermore, a review of estates helped lead to the introduction of a further clinical room – helping to increase capacity by a further 29 appointments per month and tackle a growing backlog. A new physiotherapy room was also sourced, providing a more suitable space to deliver appointments.

Growing and Developing the Workforce

Nationally, there are significant staff shortages, which are well reported, with an urgent need to focus on nurse supply. 2022 saw the appointment of a **People Analyst** a new role and the first of its kind for the People and OD team at Gateshead Health. The introduction of this role has really supported the Trust to better understand our local people picture in Gateshead, through effective analytics. Our People Analyst has supported with the production of high-quality analysis and interpretation of a wide range of data sources, providing expert advice on interpretation of data and visualisation. They have begun to develop strong Trust wide relationships to translate complex information into actionable insight, helping the Trust track performance, monitor delivery, and plan for the future workforce through the supply and analysis of robust, reliable, and useful data.

With the aim of addressing some of the supply challenges mentioned this year as a Trust, we have grown our nursing workforce through an **international recruitment programme**, appointing international nurses and supporting them to become registered Nurses across Gateshead Health. Our dedicated international nursing team have established and embedded a 10-week programme to support international recruits through their training, Objective Structured Clinical Examination (OSCE) and NMC registration as well as a 2-week pastoral programme incorporating language support and ward readiness. To date, as a Trust our OSCE first time pass rate is 60% increasing to 94% at second attempt and all of our international recruits to date have passed by their third attempt. We are delighted with the high standard of international recruits we have welcomed to the Trust and the feedback received from those who have joined us to date has been extremely positive.

As we reflect on the year, **industrial action** has also presented additional and unique challenges around workforce supply and availability. Locally and nationally industrial action has been and continues to take place and for some unions this is the first time they have ever balloted their member for strike action. As a Trust we have deeply aware of how complicated this issue is for many colleagues, and that that they may be feeling conflicted or torn in the decisions that they and their colleagues are making. Gateshead Health recognise that our people have a legal right to take industrial action, respecting the decision each and every one of our colleagues make. Our priority throughout each period of industrial action has been and continues to be to deliver high quality and safe care.

To date, the trust has continued to manage the impact of the industrial action and mitigate the risk to ensure there is minimal disruption to patient care and emergency services can continue to operate as normal through a robust, multi-disciplinary planning framework. Strong partnerships between the trust's Senior Management Team, People at OD and both

operational and clinical colleagues, the Emergency Preparedness, Resilience and Response team and Trade Unions have been key.

We have now been through a number of periods of industrial action and through them all we have pulled together to support each other and patients, at what has been a really challenging time. We know that each period of industrial action brings knock on effects and that the cumulative pressures continue to build up. We are continually impressed by our people's resilience and appreciative of their ongoing commitment to our patients and service users. We know that at times, this has not been easy. Continuous improvement is a key part of what we are about at Gateshead and have developed a strong debrief process that enables us to reflect on the positive outcomes from any action and associated planning in addition to giving consideration of any learning points.

Continuing with the theme of supply, in order to support our supply challenges in an ever challenging and equally competitive job market we continue to focus on **recruitment**, ensuring that applicants have a positive, seamless and timely candidate experiencing when applying for roles at Gateshead Health. Over the course of the past two years our in-house recruitment team have been on an intensive improvement journey in order to deliver, a high functioning, efficient and effective recruitment service which recruits staff to the Trust as quickly and as safely as possible. This has included investment in a new recruitment system to support the management of recruitment activity, implementation of a series of recommendation and a number of improvement workshops in 2022, which provided the tools to significantly improve our service offering. As such, we have seen our time to hire reduce considerably and the team are regularly outperforming the target.

As part of our longer-term supply pipeline in April 2022, as a Trust we began to open our doors, post pandemic, taking small steps towards a "new normal" and progressing our **widening participation** agenda. An agenda that involves increasing not only the number of young people entering higher education, but also the proportion of under-represented groups. As a result, we have looked to adopt a more strategic approach to engaging with schools and colleges in addition to both internal and external stakeholders that support the Trust (and our partner's) workforce pipeline and recruitment. This involves supporting work experience placements and both T Level and Project Choice students. T Levels, offer students practical learning via on-the-job, industry placement experience. On the other hand, Project Choice is a supported internship course that promotes employment opportunities for individuals with learning difficulties, disabilities and/or Autism. Since April 2022, we have supported 74 work experience placements, 22 T Level Students and 25 Project Choice internships.

Over the course of the last six months in particular we have actively attended events with local schools and Gateshead college in particular, educating students that we have over 1,200 different job roles in the Trust alone. We have showcased job roles from entry level and outlined progression pathways, emphasising that there is a place for everyone regardless of skill set, ability, interests or background, with the aim of opening up different supply pipeline into the Trust.

Going forward we commit to continue to offer a robust work experience programme, including medical shadowing. Project Choice also continues to go from strength to strength. It not only supports students across Gateshead with learning difficulties but also looks at the potential of the students joining the workforce in entry-level roles.

We also continue to be part of Gateshead College's Employer Skills Board with other partners in the local area, reviewing the current college curriculum, mapping and sharing ideas on how we can input into the offer they provide to help shape a future-ready workforce.

As part of our continued commitment to education, learning and development, 2022 saw us begin to develop the **Gateshead Health and Care Academy**. The academy is an approach and branding of our workforce development offer and is a partnership with the local authority and college. The long-term strategic aim of which is to provide a sustainable workforce within the Gateshead area – local jobs, for local people. Within the next 12 months the Health and Care Academy is looking to open up new apprenticeship routes within the Trust but also in a joint approach with the local authority, host joint events with our local partners and support the Step into Work programme. Step into Work being an employability programme for adults aged 19+ supporting them to develop employability skills and qualities in order to secure health and social care roles, through a blended approach of work placements and training, which takes place over a 6-to-12-week period.

As part of the Trust's objective to grow and develop our workforce Gateshead Health officially launched its internal **Managing Well** Programme in May 2022 and what a success it has been.

This was designed in response to the Executive Team's aspiration to be a value led organisation where managers are compassionate, kind and inclusive, a commitment to the NHS People Promises, the need to strengthen leadership and management across health in addition to the requirement to reinvest in management development following the pandemic.

The programme provides a balance between management theory and a practical overview of support available to managers within the Trust, supporting them to be the best people manager they can be. Designed to support managers at all levels of the organisation the programme provides experienced managers with the opportunity to reflect refresh and refocus on the key principals of effective management and less experienced managers with a foundation in the principals of effective management but most importantly the allows all participants to become part of a supportive network of managers across the Trust.

With over 25 cohorts to date, and over 300 managers attending, the programme has evaluated very positively, with 100% of participants being likely or highly likely to recommend this programme to another manager in the organisation.

Following on from Managing Well, we have also **Leading Well**. Leading Well is our flagship Leadership Development programme and builds upon the NHS 'Our Leadership Way' principals, providing clarity around expectations of a leader. The programme takes participants through a journey of self-reflection through to understanding their impact, the responsibility that they carry and the importance of taking a broader, strategic approach to their leadership practice. The course has attracted participants from across the organisation, in all professions and the feedback continues to be extremely positive. Plans for the coming year are to build on from Leading Well with a focus on clinical leadership development, collective clinical leadership and profession specific development pathways including, for example, matron development.

Over the last 18 months, we have also worked closely with an external provider to deliver a programme of **development for our senior leadership team**. This began with an opportunity to pause and reflect on the impact of the pandemic and those lessons learned and over the course of 2022-23 supported the senior team to create clarity around the roles and responsibilities of the team. With an ongoing focus on collective leadership, the programme allows time and space for strategic thinking and provides an operating framework that can be

shared with new members, ensuring consistency of approach moving forward. In 2023 development has focused more closely on 1:1 support, preparing for the change that a change in leadership will inevitably bring, whilst collectively addressing some of the larger organisational challenges currently being faced, including staffing and finances.

Finally, as a Trust, we are delighted that this year we have had six colleagues accepted onto the regional **Executive Director Pathway**, an inclusive talent scheme which aims to support aspiring executive leaders progress in their careers through a series of targeted development opportunities. The pathway, which takes between 12 and 24 months to complete, provides a clear development journey to senior executive leadership, combining best practice in both talent management and leadership development.

Culture Programme

2021-22 saw the People and OD department embark on a journey to strive towards Delivering Excellence in People Practice, with capacity creation and a high-quality customer focused service underpinning this delivered by people experts, providing specialist people advice. The new model of service delivery saw investment in and the introduction of a new **OD offer and team**, which we have seen fully embed throughout 2022. The structure allows our teams to closely partner with each of our Business Units, through a matrix model of working, and provide bespoke support to both our corporate and operational teams and to date we have received positive feedback on this offer from across the organisation. In addition, the team also lead on key people projects including the Annual Staff Survey, People Pulse Survey, Talent Management, Leadership Development, Team Engagement and Culture, providing a cohesive and centralised OD service to the Trust.

As we mention **staff survey**, this year's staff survey results are in and as Trust, we are thrilled to see our response has again increased, with 51% of our people responding to in 2022, meaning that one in every two of our staff have taken the time to pause, reflect and tell us how they are feeling, and as such the results are more representative than ever.

The past year has been incredibly challenging, but our people have all pulled together to support each other and our patients. This is reflected in the results, which show that 88% of people feeling that they can make a difference to patients in their role and 80% of people agreeing that caring for our patients remains our top priority.

Many of the responses demonstrate that our people embody and appreciate our compassionate culture, with 72% of staff saying that they feel valued by their team, that the people they work with are kind and considerate, and that colleagues are polite and treat each other with respect. While around three quarters of people agree that the organisation respects individual differences, and feel that their manager values their work, and cares about their concerns. This really echoes the 'team Gateshead' ethos we have – working together to overcome the challenges that are thrown our way. We are thrilled that our people continue to recommend Gateshead as a place to work, an area where our average score is significantly higher than the national average.

Engagement and more specifically, **team engagement**, has been a focus of activity this year and will continue into 2023. This builds on the work of Professor Michael West in the area of Home Teams and the importance of these for patient safety. This has resulted in a number of team development initiatives including the launch of department level staff survey results dashboards, Building an Effective Team training, Managing Conflict guidance, pilot of TED, which is a team engagement diagnostic tool and a series of team focused communications that

will launch in May 2023. Teams and the importance of team leadership, management and membership will be a primary focus for us through 2023-24.

Building on our culture and engagement work, at Gateshead Health we encourage a working environment where we can all speak up and speak out about issues that concern us. Along with our Freedom to Speak Up Guardian, as part of the Trust's commitment to **Freedom to Speak Up**, we are currently looking to build a support network of Freedom to Speak Up Champions who will play an important role in positively promoting the key messages about speaking up and widening the reach of the freedom to speak up agenda. We are pleased to have recently recruited five champions who are all about to embark on their training.

As part of the wider cultural piece, finally, we are delighted to share that the Gateshead Health **Culture Programme** will launch in April 2023, it is anticipated this will be a programme of work over the next two to three years and focuses on six key workstreams including Vision, Values & Behaviours; Just and Restorative Culture; Compassionate & Inclusive Leadership; Psychological Safety; Colleague Experience; and Colleague Engagement. These themes emerged as part of the large colleague engagement exercise took place this year, which was used to shape the Trust's vision, values and behaviours.

3.6 National targets and regulatory requirements

The following indicators are all governed by standard national definitions

Indicator	2020/21	2021/22	2022/23	Target	
Maximum time of 18 weeks from point of referral to treatment in aggregate – patients on an incomplete pathway	69.0%	78.6%	73.0%	92.0%	
A&E – maximum waiting time of four hours from arrival to admission / transfer / discharge	91.4%	81.6%	73.3%	95.0%	
All cancers: 62 day wait for first treatment from: urgent GP referral for suspected cancer	68.1%	64.4%	59.9%	85.0%	
NHS Cancer Screening Service referral	76.4%	85.9%	90.2%	90.0%	
All cancers: 31 day wait for second or subsequent treatment, comprising:	Surgery	95.8%	86.5%	93.4%	94.0%
	Anti-cancer drug treatments	98.9%	96.9%	98.4%	98.0%
All cancers: 31 day wait from diagnosis to first treatment	97.9%	96.3%	97.2%	96.0%	
Cancer: two week wait from referral to date first seen, comprising:	All urgent referrals (cancer suspected)	67.3%	83.2%	84.7%	93.0%
	Symptomatic breast patients (cancer not initially suspected)	91.8%	96.2%	95.6%	93.0%
Cancer Faster Diagnosis Standard	Faster diagnosis standard (FDS): Maximum 28-day wait to communication of definitive cancer/not cancer diagnosis for patients referred urgently (including those with breast symptoms) and from NHS cancer screening	N/A	N/A	76.4%	75.0%
	Maximum two-month (62-day) wait to first treatment from urgent GP referral (including for breast symptoms) and NHS cancer screening	N/A	N/A	98.8%	75.0%
	Maximum one-month (31-day) wait from decision to treat to any cancer treatment for all cancer patients	N/A	N/A	61.4%	75.0%
Maximum 6-week wait for diagnostic procedures	55.8%	70.6%	81.3%	99.0%	

Annex 1: Feedback on our 2022/23 Quality Account

4.1 Gateshead Overview and Scrutiny Committee

Based on Gateshead Care, Health and Wellbeing OSC's knowledge of the work of the Trust during 2022-23 we feel able to comment as follows:-

Quality Priorities for 2023-24

OSC is supportive of the Trust's proposed Quality Priorities for Improvement.

Progress Against Quality Priorities for 2022-23

OSC expressed its thanks to all the Trust's staff and volunteers for its excellent work in continuing to make some real improvements in quality and safety whilst still facing significant challenges. Areas to particularly note were around the increase in the number of nursing staff and overseas nurses as well as an increase in volunteer numbers. Although there is further work continuing in this area, progress was good.

The Trust has carried out some good work around patients as partners in improvement, holding co-design improvement workshops and working collaboratively with ISB / Gateshead Place to establish a Patient Forum. The Trust has maintained its focus on the health and wellbeing of staff particularly focusing on enhanced staff offers during very busy periods and achieved the Better Health at Work Silver Award during the year. OSC also noted it is working towards the Gold award.

In addition, the Trust has in place an overarching Equality and Diversity Objections action plan for Workforce Disability Equality Standard (WDES) and Workforce Race Equality Standard (WRES) and has trained 9 Cultural Ambassadors to be utilised during disciplinary processes where BME members of staff are involved.

The Trust has taken forward work to maximise safety in maternity services and has a fully staffed maternity unit. The Trust has made good progress in terms of improving the experiences of service users with Learning Disabilities and Mental Health needs and acknowledged that further work is continuing around clinical coding.

The Trust has worked towards, and will continue to promote, a just, open and restorative culture across the organisation. There has been dedicated Patient Safety Incident Response Framework (PSIRF) sessions held and work will continue in this area as part of the 2023/24 priorities.

Maternity Service

OSC sought clarification as to the reasons why an improvement plan was being developed for the Trust's Maternity Services. OSC was informed that this was following Maternity Services generally coming under a lot of scrutiny across the country with various reports being published in relation to other Trusts that contained a number of actions to be taken forward. A new three-year plan was produced therefore and the Trust has recognised the need to have these pieces of work in one place to

facilitate good strategic oversight and to demonstrate what the Trust is doing in this area.

OSC also enquired about the CQC inspection carried out in February 2023 and it was noted that the Trust is awaiting the outcome of the inspection. OSC asked to be updated on the outcome in due course as part of its work programme.

Volunteers

OSC queried to what extent the growth in volunteers reflected staff shortages and cuts in funding. OSC was informed that, in times of pressure, the Trust recognises that there would not be enough resources to offer additional support to patients and staff without the help and input of volunteers. The OSC was also informed that volunteers can help in terms of recruitment and retention with some people coming into a career in nursing through the volunteering route.

Working with patients as partners in improvement

OSC queried how the Trust is ensuring it hears the voice of those with the most difficult of circumstances and those unlikely to attend engagement workshops. OSC was informed that this is included within wider health inequality work, where Trust representatives are proactively going out to meet patients in their own communities. There are also a number of mechanisms for patient and family feedback which is used to inform service change.

Health and Wellbeing of Staff

OSC sought to understand how the cost of living crisis has been taken into account in terms of the wellbeing of staff at the Trust. The Trust continues to support its staff and is aiming to tailor its staff health and wellbeing initiatives further so that staff can get the most from them.

CQC Inspection Outcomes

OSC noted that the Care Quality Commission has not taken enforcement action against Gateshead Health NHS Foundation Trust during 2022-23.

4.2 Northeast and North Cumbria Newcastle Gateshead Integrated Care Board



**North East and
North Cumbria**

**Commissioner Statement from
North East and North Cumbria Integrated Care Board (NENC ICB)
Gateshead Health NHS Foundation Trust
Quality Account 2022/23**

As commissioners, North East and North Cumbria Integrated Care Board (NENC ICB), is committed to commissioning high quality services from Gateshead Health NHS Foundation Trust (GHFT) and take seriously the responsibility to ensure that patients' needs are met by the provision of safe high-quality services and that the views and expectations of patients and the public are listened to and acted upon. The ICB

welcomes the opportunity to review and comment on the 2022/23 Quality Account for GHFT.

Firstly, like many organisations across the country, GHFT has faced another challenging year, as the NHS continued its recovery from the pandemic and the impact of unprecedented industrial action. The ICB would like to commend the Trust and all its staff for the excellent commitment and dedication demonstrated throughout these difficult times and for ensuring that patient care continued to be delivered to an extremely high standard.

The quality of services delivered, and associated performance measures are the subject of discussion and challenge at the Quality Review Group (QRG) meetings. The QRG meetings provide an opportunity to gain assurance that there are robust systems in place to support the delivery of safe, effective and high-quality care. These meetings have continued to be held on a virtual basis during 2022/23 which created significant efficiencies in terms of staff time. The ICB would like to take this opportunity to thank the Trust for continuing to engage in the QRG meetings at a time of heightened operational pressures.

The Trust's Quality Account provides an honest, comprehensive and transparent appraisal of both the quality achievements and challenges faced by the Trust over the past year and its aspirations for the coming twelve months. The ICB welcomes that safe and high quality-care has remained a priority and progression has been made towards achieving the 2022/23 quality priorities.

It is positive to note that the quality priority to reinvigorate the volunteers service has been achieved. It is fully acknowledged that the support volunteers provide to patients, relatives and staff is invaluable and the ICB would like to commend them for their fantastic contribution. The ICB look forward to hearing the outcome of the evaluation of the Patient Experience and Response Volunteer Programme via the QRG meeting. The ICB fully supports the continuation of this quality priority to further develop volunteer roles in 2023/24 across the organisation.

The ICB recognises the progress made with the quality priority to improve the experiences of services users with learning disabilities and mental health needs. It is positive to see that a wide range of easy read leaflets have been produced, which were reviewed by a service user group. The workshop ran by the learning disabilities theatre production group Lawnmowers was an excellent initiative and it was disappointing that more staff were unable to attend this training. It is noted that further work is needed to ensure patients with a learning disability are appropriately flagged and plans are in place to progress this. The ICB acknowledges the Trust's continued commitment to ensuring patients with a learning disability, mental health or autism have access to services that will help to improve their health and wellbeing, providing a positive and safe patient experience. The ICB therefore fully supports the Trust's plans to build further on this important work in 2023/24.

The Trust is to be congratulated on the excellent progress made with the working with patients as partners in improvements quality priority, which included working collaboratively with the ICB to establish a joint patient forum. It is also positive to note that patient representatives now sit on key groups across the Trust, and they have also participated in the 'Your time to shine' ward visits. The ICB fully supports the

quality priority for 2023/24 to strengthen partnership working with collaborative patients forums to enhance patient engagement and involvement.

It is acknowledged that the pandemic has had a significant effect on staff and the ICB commends the Trust for their comprehensive approach in supporting staff and promoting their health and wellbeing. Whilst it is noted that the Trust did not fully achieve all of its aims with this quality priority it was very encouraging to see the breadth of work that has taken place over the past year. The Trust is also to be congratulated for achieving the Better Health at Work Silver Award in December 2022, which is an excellent achievement. The ICB fully supports the Trust's ongoing commitment to promoting the health and wellbeing of its staff and the next steps outlined in the report.

The Trust has made good progress with the quality priority to advocate for equality, diversity and inclusion for all staff. The D-Ability Staff Network which includes all levels of disabled employees, with many diverse and hidden disabilities represented, is an excellent initiative and it is positive to see that they continue to raise awareness and provide education to staff. Allied Health Professionals (AHPs) are the third largest clinical workforce in the NHS and are recognised in the NHS Long-Term Plan as having an essential role in supporting services to meet current and future demands. The ICB therefore commends the Trust for the work they have undertaken with regards to their AHP workforce, including an annual conference, establishing a leads forum and the work planned to compile the AHP five-year strategy.

It is noted that the Trust partially achieved the quality priority to promote a just, open and restorative culture across the organisation. It is positive to see that a dedicated session on the new Patient Safety incident Response Framework (PSIRF) and Learn from Patient Safety Events was delivered to the Board in February 2023. We look forward to working in partnership with the Trust on their transition to phase one of the PSIRF by Autumn 2023 and fully support that this is taken forward as a quality priority in 2023/24.

In light of the Ockenden and East Kent Maternity Reports there has been considerable attention nationally on all maternity services across England therefore, the QRG meetings have maintained a strong focus on maternity safety. It is very reassuring to note that the Trust has fully achieved their quality priority to maximise safety in maternity services and are compliant with all the immediate and essential actions of the Ockenden report. The ICB recognises the Trust's continued commitment to improve the quality and safety of care for pregnant women and fully supports this important work continuing in 2023/24 to implement a maternal and neonatal improvement plan.

Whilst it is acknowledged that the staffing quality priority was partially achieved, there has been good progress made. Overseas staff make a significant contribution to the care of patients in the NHS and organisations benefit greatly from their expertise and the new knowledge and skills they bring. It was therefore positive to note the Trust has been successful in their first international recruitment campaign and welcomed 38 overseas nurses. The ICB supports the 2023/24 quality priority to focus on safe staffing, including reducing the movement of staff between clinical areas.

Due to operational pressures the Trust were unable to achieve all of its aims in their quality priority to undertake improvement work to agree a safe method of processing

clinical results. It is noted that a rapid process improvement workshop (RPIW) took place in March 2023 to map out the process for requesting and managing blood tests, with a number of agreed actions. The ICB fully supports that this quality priority is carried forward in 2023/24 with a further RPIW event to be held in July 2023 to review the process for radiology and histology requests. The ICB look forward to learning the outcomes from these two RPIW events at a future QRG meeting.

The ICB recognises the good progress made with the quality priority to revisit the core fundamental standards of care. It is particularly positive to see that a revised programme of environmental audits was implemented, and improved compliance levels are being achieved. The ICB recognises that phases one to three of the Trust's CQC monitoring approach have now been implemented and supports the plans in place to progress this work further over the coming year.

The commissioners acknowledge that progress has been made with the quality priority to encourage, help and support staff to engage with research. Clinical Research is a major driver of innovation and is central to NHS practice for maintaining and developing high standards of patient care. Therefore, the ICB fully supports the Trusts plans in 2023/24 to embed a culture of research and make everyone's business. The ICB would also like to congratulate the Trust for achieving the quality priority to support the continual improvement of clinical record keeping by reviewing and reinstating a revised programme of documentation audits, which will be undertaken on a quarterly basis.

The emphasis that the Trust gives to national clinical audits and confidential enquiries demonstrates that they are focussed on delivering evidence-based best practice, noting participation in 89% of national clinical audits and 100% of national confidential enquiries. The ICB commends the Trust for their continued commitment to clinical research and for remaining a research active organisation to ensure patients have access to the latest treatments and technologies.

It is noted that there has been a reduction in the rate of falls per 1000 bed days however there has been an increase in the ratio of patient harm. It is positive to see that the Falls Prevention Group has rolled out the Think Yellow initiative and the AFLOAT tool has been rolled out trust wide following a successful pilot. The ICB supports the plans in place as part of the implementation of PSIRF in 2023/24 to strengthen the falls prevention work to reduce inpatient falls, particularly those resulting in a fractured neck of femur and head injury.

The ICB would like to commend the Trust for their strong performance in the National Patient Surveys and for the positive results they received, in particular the CQC Maternity Survey, which ranked the Trust as one of the top providers of maternity care in England, which is an excellent achievement.

It is fully acknowledged that the NHS faced huge pressures due to the COVID-19 pandemic and this significantly impacted on the Trust's performance across a number of the key national priorities. The ICB is fully cited on the ongoing challenges with the cancer and referral to treatment targets and the diagnostic pressures. Commissioners will continue to work in partnership with the Trust and fully support the ongoing work to reduce waiting lists and the cancer improvement plans, which will support recovery, and improve performance and patient experience.

The ICB was impressed by the good news stories and quality improvements initiatives the Trust has implemented over the past year, as set out in the report. These are all fantastic achievements, and the ICB would again like to thank the Trust and all its staff for their continued hard work and commitment in delivering high quality, effective and compassionate care to patients.

The ICB congratulates the Trust for the positive results received in the NHS Staff Survey; with 80% of staff agreeing that caring for patients remains a top priority and 88% agreeing that their role makes a difference to patients. Although some scores were lower than the previous year, the ICB recognises that this is consistent with the national decline in staff satisfaction across the whole NHS. It is acknowledged that where improvement areas have been identified appropriate action is taken to address these.

The Quality Account clearly defines the key priorities for 2023/24, which are aligned to the four domains of clinical effectiveness, patient safety, patient experience and staff experience. They include detailed explanation of how progress will be measured to deliver safe, clinically effective services and to improve peoples' experience. The ICB welcomes and fully supports these quality priorities as appropriate areas to target for continuous evidence-based quality improvement, which link well with the commissioning priorities.

The ICB can confirm that to the best of their ability the information provided within the Annual Quality Account is an accurate and fair reflection of the Trust's performance for 2022/23. It is clearly presented in the format required and contains information that accurately represents the Trust's quality profile and is reflective of quality activity and aspirations across the organisation for the forthcoming year.

The commissioners look forward to continuing to work in partnership with the Trust to assure the quality of services commissioned in 2023/24.



Richard Scott
Director of Nursing (North)
NENC ICB
May 2023

4.3 Gateshead Healthwatch



Response from Healthwatch Gateshead Gateshead Health NHS Foundation Trust Annual Quality Account 2022/23

30th May 2023

Healthwatch Gateshead comments and feedback on the Quality Account are under the following headings -

1. Feedback on progress on 2022/23 Quality Priorities
2. Feedback on 2023/24 proposed Quality Priorities
3. Any other feedback

Healthwatch Gateshead welcome this year's Quality Account as it shows that Gateshead Health NHS Foundation Trust (GHFT) have continued to focus their approach and they are working to achieve their ambitions. We welcome the continual review they are undertaking to ensure that resources are used effectively, and we support their continued vision to deliver outstanding and compassionate care to our patients and communities.

1. Feedback on progress on 2022/23 Quality Priorities

Healthwatch Gateshead acknowledge the continue impact of the Covid 19 pandemic and the aftereffects it has had on GHFT services throughout 2022/23.

We welcome the endeavours taken by GHFT to achieve its twelve priorities it set for 2022/23. Healthwatch Gateshead especially welcomes the work done following the loss of volunteers due to Covid 19 restrictions and the priority to address this through further recruitment. We also appreciate the work done on trying to improve the patients experience through the development of a collaborative forum for long term conditions which is wider than just the Trust and the delivery of the patients' voice workshops.

Overall, Healthwatch Gateshead feel GHFT has performed positively in trying to achieve in its priorities in 2022/23, in the context of added pressures put upon the service during the aftereffects of the pandemic and the ongoing staff industrial actions.

Healthwatch Gateshead would like to commend GHFT for their work in this year on improvements to maternity services which has seen the Trust ranked eighth in England by the CQC in March 2023.

2. Feedback on 2023/24 proposed Quality Priorities

Healthwatch Gateshead welcomes the priorities chosen by GHFT for 2023/24 that cut across all the four quality domains.

- Patient experience

Healthwatch Gateshead supports the continued development of the volunteer offer within GHFT and the introduction of a new volunteering programme. We also support the GHFT aim to learning from delivery and the investment in the collaborative patient's forum, as well as continuing with wider engagement.

- Staff experience

Healthwatch Gateshead supports GHFT priority to listen and learn from staff, and we especially welcome the introduction of speak up champions. Staff training/events to reduce waste within GHFT and hence improving environmental impact by having less waste is a priority we endorse too.

- Patient safety

Healthwatch Gateshead supports the priorities to improve patient safety with the implementing of the Patient Safety Incident Response Framework (PSIRF) and the improvement work around the safe processing of clinical results, as well as the implement a maternity and neonatal improvement plan.

- Clinical effectiveness

Healthwatch Gateshead welcomes the activities that GHFT are developing to embed a culture of research. We also endorse the priority for learning from deaths. Also the aim to improve the experiences of people with a learning disability, mental health, or autism.

3. Any other feedback

Throughout 2022/23 Healthwatch Gateshead and Healthwatch Newcastle have been engaging with the public across the two areas. The feedback received from local people suggested that hospital experiences varied from person-to-person with some sharing positive stories and others sharing less positive experiences.

- Where experiences were positive, local people tended to focus on medical staff carrying out their roles in a transparent way through fulfilment of their duties and keeping the patient informed. People often felt that they were treated with respect and dignity.
- Where experiences were less positive, people focused on waiting times, both at initial consultation and waiting lists further into their hospital journey. Staff attitudes and poor service, due to a lack of resources and organisation, were highlighted as issues by a small number of people.

Healthwatch Gateshead welcomes the continued commitment from GHFT towards improving the patient experience and their willingness to address the issues. We appreciate the energy GHFT put into maintaining strong relationships with the Healthwatch network in the North East and we also offer our support to GHFT for their delivery in 2023/24.

Finally, we recognise that 2022/23 was a difficult year for NHS Hospital Trusts and we understand why GHFT have not been able to achieve all the key actions as planned due to prioritising patient care in response to unprecedented demands.

Healthwatch Gateshead thank everyone at GHFT for their continuing commitment to provide a quality and safe service to the communities and we look forward to further working in partnership with GHFT over the next twelve months.



Michael Brown
Chair of Healthwatch Gateshead

The role of Healthwatch Gateshead.

Healthwatch Gateshead is an independent, not-for-profit service. We help people of all ages and from all backgrounds have their say about social care and health services in Gateshead. This includes every part of the community, so we give a voice to people who sometimes struggle to be heard. We also offer free, confidential and independent information about social care and health services in the area.

Healthwatch Gateshead is one of 153 Healthwatch groups in England and each local authority is linked to a Healthwatch for their area. We have statutory powers under the Health and Social Care Act 2012, including the ability to:

- Request information from commissioners and service providers (they have to respond within 20 days).
- Visit publicly funded health or social care services to see how they are working (known as 'enter and view' visits).
- Represent the views of the public on the Gateshead Health and Wellbeing Board.

Healthwatch Gateshead work to make sure that the people who plan and run social care and health services are listening to their service users. When people's voices can be heard, we can make positive change. Together, we can create services that cater to what real people actually need and want.

4.4 Council of Governors

The Council of Governors had the opportunity to partake in two dedicated workshops on the development of the Quality Account and quality priorities on 30th January 2023 and 19th April 2023. In addition, the completed draft of the Quality Account was shared with all Governors as part of the consultation process. We have used our knowledge of the Trust gained through attendance at meetings and other engagement opportunities during 2022/23 to determine whether the content of the document presents a fair reflection of the achievements, challenges, risks and opportunities experienced during the year, as well as whether the quality priorities for 2023/24 are focussed on what we feel are the key areas.

In general, we believe the document is well presented, concise, comprehensive and informative. It demonstrates the work which has been achieved during the year and is a positive reflection on the quality work completed by the Trust.

We also shared a number of specific points for consideration:

- How the Trust is preparing for the possibility of another pandemic;
- How the actions taken during the year can be measured in respect of the impact on outcomes for patients and staff;
- How further examples can be shared regarding transformational and rapid process improvement workshops undertaken in respect of their benefits to patients, staff and the organisation;
- The inclusion of safe staffing levels assessments and intention to enhance freedom to speak up are particularly welcomed; and
- Further information on the Trust's intention on the 'zero tolerance of bullying campaign' would also be welcomed.

We did raise some further points of operational significance which are important and assurance received that they would be addressed and responded to through appropriate governance and communication channels.

Annex 2: Statement of directors' responsibilities in respect of the quality account

The Directors are required under the Health Act 2009 and the National Health Service (Quality Accounts) Regulations to prepare Quality Accounts for each financial year.

NHS Improvement has issued guidance to NHS Foundation Trust Boards on the form and content of annual quality reports (which incorporate the above legal requirements) and on the arrangements that NHS foundation Trust boards should put in place to support the data quality for the preparation of the quality report.

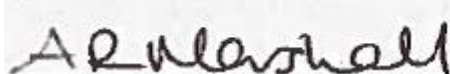
In preparing the Quality Report, directors are required to take steps to satisfy themselves that:

- the content of the Quality Report meets the requirements set out in the NHS Foundation Trust Annual Reporting Manual 2021/22 and supporting guidance.
- the content of the Quality Report is not inconsistent with internal and external sources of information including:
 - board minutes and papers for the period April 2022 to March 2023
 - papers relating to quality reported to the board over the period April 2022 to March 2023
 - feedback from Northeast and North Cumbria Newcastle Gateshead Integrated Care Board dated – 30/05/2023
 - feedback from governors dated - 17/05/2023
 - feedback from local Healthwatch organisations dated – 30/05/2023
 - feedback from Overview and Scrutiny Committee dated – 16/05/2023
 - the Trust's complaints report published under regulation 18 of the Local Authority Social Services and NHS Complaints Regulations 2009 – 05/2022
 - the 2022 national patient survey – 02/2023
 - the 2022 national staff survey – 02/2023
 - the Head of Internal Audit's annual opinion of the Trust's control environment dated – TBC
 - CQC inspection report dated CQC Inspections and rating of specific services dated – 14/08/2019
- the Quality Report presents a balanced picture of the NHS Foundation Trust's performance over the period covered
- the performance information reported in the Quality Report is reliable and accurate
- there are proper internal controls over the collection and reporting of the measures of performance included in the Quality Report, and these controls are subject to review to confirm that they are working effectively in practice
- the data underpinning the measures of performance reported in the Quality Report is robust and reliable, conforms to specified data quality standards and prescribed definitions, is subject to appropriate scrutiny and review and
- the Quality Report has been prepared in accordance with NHS Improvement's annual reporting manual and supporting guidance (which incorporates the Quality Accounts

regulations) as well as the standards to support data quality for the preparation of the Quality Report.

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the Quality Report.

By order of the board



Date: 21/06/2023

Chairman:



Date: 21/06/2023

Chief Executive:

Glossary of Terms

‘Always Events®’

‘Always Events®’ are aspects of the patient experience that are so important to patients and family members that health care providers must aim to perform them consistently for every individual, every time. These can only be developed with the patient firmly being a partner in the development of the event, and the co-production is key to ensuring organisations meet the patients’ needs and what matters to them.

Care Quality Assurance Framework (CQAF)

CQAF provides wards and departments with a coordinated set of standards that will provide information in relation to quality and safety.

Care Quality Commission (CQC)

The CQC is the independent regulator of all health and adult social care in England. The CQC aim is to make sure better care is provided for everyone, whether that’s in hospital, in care homes, in people own homes, or elsewhere.

Clinical Audit

Clinical audit measures the quality of care and service against agreed standards and suggests or makes improvements where necessary.

***Clostridium difficile* infection (CDI)**

Clostridium difficile is a bacterium that occurs naturally in the gut of two-thirds of children and 3% of adults. It does not cause any harm in healthy people; however, some antibiotics can lead to an imbalance of bacteria in the gut and then the *Clostridium difficile* can multiply and produce toxins that may cause symptoms including diarrhoea and fever. This is most likely to happen to patients over 65 years of age. The majority of patients make a full recovery however, in rare occasions it can become life threatening.

Commissioning for Quality and Innovation (CQUIN)

The CQUIN framework was introduced in April 2009 as a national framework for locally agreed quality improvement schemes. It enables commissioners to reward excellence by linking a proportion of English healthcare provider’s income to achievement of local quality improvement goals.

Commissioners

Commissioners are responsible for ensuring that adequate services are available for their local population by assessing need and purchasing services.

Datix

Datix is an electronic risk management software system which promotes the reporting of incidents by allowing anyone with access to the Trust Intranet to report directly into the software on easy-to-use web pages. The system allows incident forms to be completed electronically by all staff.

Foundation Trust

A Foundation Trust is a type of NHS organisation with greater accountability and freedom to manage themselves. They remain within the NHS overall, and provide the same services as traditional Trusts, but have more freedom to set local goals. Staff and members of the public can join the board or become members.

Friends and Family Test (F&FT)

The Friends and Family Test is an important feedback tool that supports the principle that people who use NHS services should have the opportunity to provide feedback on their experience. It asks people if they would recommend the services they have used and offers a range of responses.

Getting It Right First Time (GIRFT)

Getting It Right First Time is a national programme designed to improve the quality of care within the NHS by reducing unwarranted variations. By tackling variations in the way services are delivered across the NHS, and by sharing best practice between trusts, GIRFT identifies changes that will help improve care and patient outcomes, as well as delivering efficiencies such as the reduction of unnecessary procedures and cost savings.

Hospital Standard Mortality Ratio (HSMR)

The HSMR is an indicator of healthcare quality that measure whether the death rate at a hospital is higher or lower than would be expected.

Healthwatch

Healthwatch is an independent arm of the CQC who share a commitment to improvement and learning and a desire to improve services for local people.

Healthcare Evaluation Data (HED)

HED is an online benchmarking solution designed for healthcare organisations. It allows healthcare organisations to utilise analytics which harness Hospital Episode Statistics (HES) national inpatient and outpatient and Office of National Statistics (ONS) Mortality data sets.

Hospital Episode Statistics (HES)

HES is a data warehouse containing a vast amount of information on the NHS, including details of all admissions to NHS hospitals and outpatient appointments in England. HES is an authoritative source used for healthcare analysis by the NHS, Government, and many other organisations.

Integrated Care Board (ICB)

A statutory NHS organisation responsible for developing a plan for meeting the health needs of the population, managing the NHS budget and arranging for the provision of health services in the Integrated Care System (ICS) area.

Integrated Care System (ICS)

Integrated care systems are partnerships of organisations that come together to plan and deliver joined up health and care services, and to improve the lives of people who live and work in their area.

Joint Consultative Committee (JCC)

JCC is a group of people who represent the management and employees of an organisation, and who meet for formal discussions before decisions are taken which affect the employees.

Just Culture

The fair treatment of staff supports a culture of fairness, openness and learning in the NHS by making staff feel confident to speak up when things go wrong, rather than fearing blame. Supporting staff to be open about mistakes allows valuable lessons to be learnt so the same errors can be prevented from being repeated.

Methicillin Resistant *Staphylococcus aureus* (MRSA)

MRSA is a bacterium responsible for several difficult to treat infections in humans. MRSA is, by definition, any strain of *Staphylococcus aureus* bacteria that has developed resistance to antibiotics. It is especially prevalent in hospitals, as patients with open wounds, invasive devices and weakened immune systems are at greater risk of infection than the general public.

National Confidential Enquiries

These are enquiries which seek to improve health and healthcare by collecting evidence on aspects of care, identifying any shortfalls in this, and disseminating recommendations based on these findings. Examples include Mothers and Babies: Reducing Risk through Audits and Confidential Enquiries in the UK (MMBRACE) and the National Confidential Enquiry into Patient Outcome and Death (NCEPOD).

National Confidential Enquiry into Patient Outcome and Death (NCEPOD)

NCEPOD's purpose is to assist in maintaining and improving standards of medical and surgical care for the benefit of the public by reviewing the management of patients. This is done by undertaking confidential surveys and research, and by maintaining and improving the quality of patient care and by publishing the results.

National Patient Survey

The NHS patient survey programme systematically gathers the views of patients about the care they have recently received because listening to patients' views is essential to providing a patient-centred health service.

National Reporting and Learning System (NRLS)

The National Reporting and Learning System is a central database of all patient safety incident reports. Since the NRLS was set up in 2003, over four million incident reports have been submitted.

Nervecentre

Nervecentre is an electronic clinical application used to record a variety of patient observations and assessments.

NHS England (NHSE)

NHS England leads the National Health Service (NHS) in England. They set the priorities and direction of the NHS and encourage and inform the national debate to improve health and care.

Overview and Scrutiny Committee

The Overview and Scrutiny Committees in local authorities have statutory roles and powers to review local health services. They have been instrumental in helping to plan services and bring about change. They bring democratic accountability into healthcare decision-making and make the NHS more responsive to local communities.

Patient Advice and Liaison Service (PALS)

PALS is an impartial service designed to ensure that the NHS listens to patients, their relatives, their carers, and friends answering their questions and resolving their concerns as quickly as possible.

Pressure Ulcers

Pressure ulcers are also known as pressure sores or bed sores. They occur when the skin and underlying tissue becomes damaged. In very serious cases the underlying muscle and bone can also be damaged.

Research

Clinical research and clinical trials are an everyday part of the NHS and are often conducted by medical professionals who see patients. A clinical trial is a particular type of research that tests one treatment against another. It may involve people in poor health, people in good health or both.

Risk

The potential that a chosen action or activity (including the choice of inaction) will lead to a loss or an undesirable outcome.

Special Review

A special review is carried out by the Care Quality Commission. Each special review looks at themes in health and social care. They focus on services, pathways, and care groups of people. A review will usually result in assessments by the CQC of local health and social care organisations as well as supporting the identification of national findings.

Staff Advice and Liaison Service

Brings together a range of support services that are available to staff.

Standard Operating Procedure

A Standard Operating Procedure is a set of step-by-step instructions compiled to help workers carry out complex routine processes.

Trust Board

The Trust Board is accountable for setting the strategic direction of the Trust, monitoring performance against objectives, ensuring high standards of corporate governance, and helping to promote links between the Trust and the community. The Chair and Non-Executive Directors are lay people drawn from the local community and are accountable to the Secretary of State. The Chief Executive is responsible for ensuring that the Board is empowered to govern the organisation and to deliver its objectives.

Auditor's Annual Report

Gateshead Health NHS Foundation Trust
– year ended 31 March 2023

August 2023



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01 Introduction

02 Audit of the financial statements

03 Commentary on VFM arrangements

04 Other reporting responsibilities

Appendix

A. Further information on our audit of the financial statements

01

Section 01: **Introduction**

1. Introduction

Purpose of the Auditor's Annual Report

Our Auditor's Annual Report (AAR) summarises the work we have undertaken as the auditor for Gateshead Health NHS Foundation Trust ('the Trust') for the year ended 31 March 2023. Although this report is addressed to the Trust, it is designed to be read by a wider audience including members of the public and other external stakeholders.

Our responsibilities are defined by the Local Audit and Accountability Act 2014 and the Code of Audit Practice ('the Code') issued by the National Audit Office ('the NAO'). The remaining sections of the AAR outline how we have discharged these responsibilities and the findings from our work. These are summarised below.



Opinion on the financial statements

We issued our audit report on 29 June 2023. Our opinion on the financial statements was unqualified.



Wider reporting responsibilities

In line with group audit instructions issued by the NAO, on 29 June 2023 we reported that the Trust's consolidation schedules were consistent with the audited financial statements.



Value for Money arrangements

In our audit report issued we reported that we had not completed our work on the Trust's arrangements to secure economy, efficiency and effectiveness in its use of resources and had not issued recommendations in relation to identified significant weaknesses in those arrangements at the time of reporting. Section 3 confirms that we have now completed this work and provides our commentary on the Trust's arrangements.

Following the completion of our work we have issued our audit certificate which formally closes the audit for the 2022/23 financial year.

02

Section 02:

Audit of the financial statements

2. Audit of the financial statements

Our audit of the financial statements

Our audit was conducted in accordance with the requirements of the Code, and International Standards on Auditing (ISAs). The purpose of our audit is to provide reasonable assurance to users that the financial statements are free from material error. We do this by expressing an opinion on whether the statements are prepared, in all material respects, in line with the financial reporting framework applicable to the Trust and whether they give a true and fair view of the Trust's financial position as at 31 March 2023 and of its financial performance for the year then ended. Our audit report, issued on 29 June 2023 gave an unqualified opinion on the financial statements for the year ended 31 March 2023.

A summary of the significant risks we identified when undertaking our audit of the financial statements and the conclusions we reached on each of these is outlined in Appendix A. In this appendix we also outline the uncorrected misstatements we identified and any internal control recommendations we made.

Other reporting responsibilities

Reporting responsibility	Outcome
Annual Report	We did not identify significant inconsistencies between the content of the annual report and our knowledge of the Trust. We confirmed that the Governance Statement had been prepared in line with Department of Health and Social Care (DHSC) requirements.
Annual Governance Statement	We did not identify any matters where, in our opinion, the governance statement did not comply with the guidance issued by NHS Improvement.
Remuneration and Staff Report	We reported that the parts of the Remuneration and Staff Report subject to audit have been properly prepared in accordance with the National Health Service Act 2006.

03

Section 03:

**Our work on Value for Money
arrangements**

3. VFM arrangements

Overall Summary



3. VFM arrangements – Overall summary

Approach to Value for Money arrangements work

We are required to consider whether the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The NAO issues guidance to auditors that underpins the work we are required to carry out and sets out the reporting criteria that we are required to consider. The reporting criteria are:



Financial sustainability - How the Trust plans and manages its resources to ensure it can continue to deliver its services



Governance - How the Trust ensures that it makes informed decisions and properly manages its risks



Improving economy, efficiency and effectiveness - How the Trust uses information about its costs and performance to improve the way it manages and delivers its services

Our work is carried out in three main phases.

Phase 1 - Planning and risk assessment

At the planning stage of the audit, we undertake work so we can understand the arrangements that the Trust has in place under each of the reporting criteria; as part of this work we may identify risks of significant weaknesses in those arrangements.

We obtain our understanding of arrangements for each of the specified reporting criteria using a variety of information sources which may include:

- NAO guidance and supporting information
- Information from internal and external sources including regulators
- Knowledge from previous audits and other audit work undertaken in the year
- Interviews and discussions with staff and directors

Although we describe this work as planning work, we keep our understanding of arrangements under review and update our risk assessment throughout the audit to reflect emerging issues that may suggest there are further risks of significant weaknesses.

Phase 2 - Additional risk-based procedures and evaluation

Where we identify risks of significant weaknesses in arrangements, we design a programme of work to enable us to decide whether there are actual significant weaknesses in arrangements. We use our professional judgement and have regard to guidance issued by the NAO in determining the extent to which an identified weakness is significant.

We outline the risks that we have identified and the work we have done to address those risks on page [x].

Phase 3 - Reporting the outcomes of our work and our recommendations

We are required to provide a summary of the work we have undertaken and the judgments we have reached against each of the specified reporting criteria in this Auditor's Annual Report. We do this as part of our Commentary on VFM arrangements which we set out for each criteria later in this section.

We also make recommendations where we identify weaknesses in arrangements or other matters that require attention from the Trust. We refer to two distinct types of recommendation through the remainder of this report:

- **Recommendations arising from significant weaknesses in arrangements**
We make these recommendations for improvement where we have identified a significant weakness in the Trust arrangements for securing economy, efficiency and effectiveness in its use of resources. Where such significant weaknesses in arrangements are identified, we report these (and our associated recommendations) at any point during the course of the audit.
- **Other recommendations**
We make other recommendations when we identify areas for potential improvement or weaknesses in arrangements which we do not consider to be significant but which still require action to be taken

The table on the following page summarises the outcomes of our work against each reporting criteria, including whether we have identified any significant weaknesses in arrangements or made other recommendations.

3. VFM arrangements – Overall summary

Overall summary by reporting criteria

Reporting criteria	Commentary page reference	Identified risks of significant weakness?	Actual significant weaknesses identified?	Other recommendations made?
 Financial sustainability	11	No	No	No
 Governance	14	No	No	No
 Improving economy, efficiency and effectiveness	18	No	No	No

3. VFM arrangements

Financial Sustainability

How the body plans and manages its resources to ensure it can continue to deliver its services



3. VFM arrangements – Financial Sustainability

Overall commentary on Financial Sustainability

Background to the NHS financing regime in 2022/23

Following the onset of the Covid-19 pandemic in March 2020, the original NHS Planning Guidance 2020/21 was suspended and a new financial regime was implemented during 2020/21 and 2021/22 whereby systems were established as the key unit for financial allocations. In 2022/23, this approach has been continued, with the aim to encourage greater collaboration and collective responsibility for financial performance.

The Covid-19 pandemic necessitated the implementation of interim 'block' allocations to ensure that systems had sufficient resource to respond to the pandemic. From 2022/23, programme funding allocations were reset to move back towards a 'fair share' distribution of resource. ICB programme allocations have been based on annualised system funding envelopes (comprising previous CCG allocations and system top-up components) for H2 of 2021/22. These were then annualised for 2022/23, and adjusted to include uplifts for inflationary pressures and further adjustments (replacing CCG pace of change) to drive convergence to fair share allocations.

In support of programme allocations, trusts also received a number of other ICB funding allocations. Moving out of the pandemic, Covid-19 block payments have been replaced by local contracting and commissioning. Elected funding was allocated to commissioners at 104% of the pre-pandemic 2019/20 levels. Systems, working with providers, agreed activity plans with funding adjustments then based on the percentage of this activity achieved. ICB allocations for primary medical care services and running cost allocations remain broadly consistent with the previous system delivered by CCG's, reflecting demographics of the serviced populations and broader economic factors.

During 2022/23, the focus of the funding regime shifted from responding to the immediate challenges caused by COVID-19 to supporting recovery in the healthcare system. This facilitated the need for collaborative working between commissioners and providers, and planning guidance for 2022/23 supported the transition back to local agreement of contracts requiring systems to achieve a breakeven position each year. This will continue to necessitate further collaboration through the planning process, as individual organisations work together to achieve system-level outcomes.

The Trust's financial planning and monitoring arrangements

Per the annual accounts for 2022/23, the Trust delivered a financial deficit before impairments, revaluations and movements in charitable funds of £0.296m – which is lower than the Trust's planned objective of delivering a surplus of £1.6m. The position reflects the Trust's activity in year, with the Trust's Annual report noting that "the financial framework remained relatively stable the funding available to us was less than that received during the Covid years"

The Trust's Statement of Financial Position has strengthened during 2022/23 when compared to the prior year, which can be demonstrated by total assets employed increasing to £120.133m compared to a prior year position of £118.898m. The Group position also increased to £144.741m as at 31 March 2023, compared to £140.523m as at 31 March 2022. The increase is attributable to an increase in property, plant and equipment balances (Trust position has increased from £136.526m to £141.597m) although the Trust's cash position has decreased in year (Trust position has decreased from £50.519m to £46.704m) as at 31 March 2023.

We confirmed through review of Board minutes there was regular reporting of the Trust's financial position during the year. Reports contained a clear summary of the Trust's performance and provided explanation of variances against budget. We confirmed through review of minutes that Trust operational performance was regularly reviewed and reported to the Trust Board and sub-committees. The reports included detail of variances against targets and actions to be taken to address any under-delivery. We observed detailed reports presented at Board level.

As well as monitoring by the Board, who receive a finance update report on monthly basis, the Trust also has a Finance and Performance Committee who are responsible for finance risks. This Committee assists with the Trust's understanding of the financial information available and to inform decision making. Per discussions with officers and through review of minutes, we have confirmed that meetings have taken place throughout 2021/22. The meetings were used to track financial performance for 2021/22 and assist with planning for future periods.

We confirmed the arrangements for the 2023/24 planning through discussion with officers and review of minutes. The Trust submitted the detailed financial plan for 2023/24 to the North East and North Cumbria Integrated Care System (NENC ICS) in April 2023. The plan is based on a number of key assumptions including: 23/24 pay award, minimum cost reduction targets, retraction of covid funding as well as percentage uplifts for prices, covid and minimum growth targets. The Trust recognises several risks within the plan such as activity delivery and receipt of available Elective Recovery Funding which is assumed to be consistent with 22-23 until further notice is given.

Reporting to Board confirms that the 2023/24 projected deficit is mainly driven by a reduction in income flowing to the Trust which is the result of a loss of non-recurrent financial support which was provided during 2022/23, much of which was required to mitigate historic cost increases. It is clear that the Trust is closely monitoring the progress against plan to date, is fully aware of where the gaps lie and continues to identify mitigating actions to bridge the funding gap. However, they are aware of the risk to the financial plan, including capacity to achieve required cost efficiencies as well as the sustained impact of industrial action on both income and direct costs. Therefore, although the Trust is forecasting a deficit in 23/24, we are satisfied that there is not a significant weakness in the Trust's arrangements in relation to financial sustainability.

3. VFM arrangements – Financial Sustainability

Overall commentary on the Financial Sustainability reporting criteria - continued

The Trust's arrangements for the identification, management and monitoring of funding gaps and savings

As noted above financial planning over the last few years has been dictated by the arrangements put in place to address the pressures created by COVID. We are not aware of any significant issues that were included in the end of year position that had not already been highlighted to the Board through in-year reporting. The Trust has a history of meeting its financial challenges and our review of the Board minutes in year confirms NHSI has not identified any issues with the Trust's plan.

In terms of accounting measures we are not aware of any unusual or inappropriate one off accounting measures that indicate the Trust is struggling to meet its financial targets. As part of our work, we held discussions with officers to understand if there were any unusual proposed provisions or similar one-off accounting entries. No significant matters raised in these discussions to indicate measures to address financial targets (and specifically the need to break even). Some issues identified in our year end work with regards to provisions, however these are not material and are due to a difference in professional judgement between management and the audit team with regards to what should be included as a provision. Other adjustments made are in line with guidance provided by NHSI

The Trust also has a Transformation Programme in place, which is overseen by a Transformation Portfolio Programme Board. Per discussion with officers, the Transformation Portfolio Board was re-established in February 2022 and priorities were agreed by the Executive Team. The Transformation Portfolio Performance Board report to the Finance and Performance Committee, who in turn provide regular updates to the Board via their Assurance Report.

The Trust's arrangements and approach to 2023/24 financial planning

We confirmed the Trust has developed its 2023/24 financial plan in line with national and regional timetables. There have been several iterations of the plan with the final version submitted in May 2023. Through discussions with officers, review of minutes and our understanding of the region we believe the refinements to plans follow the instructions of NHSE/I and are not indicative of any weakness in the Trust's arrangements. We observed the process the plan went through in development including review through the Trust's Finance and Performance Committee, as well as the regular updates provided to the Trust Board.

Overall risk management arrangements have remained in place and include consideration of impact on the Trust's Finances. The Board Assurance Framework 2023/24 was approved at the Board meeting in July 2023. The most recent version of the Operational Risk Register (ORR) was also presented at the same meeting and includes the following risks:

- '3102 – Activity is not delivered in line with planned trajectories, resulting in the Trust having reduced access to core funding'
- '3103 – Efficiency requirements are not achieved'
- '3127 – There is a considerable risk that the Trust is unable to meet the financial projections included in its plan (There is a considerable risk that the trust will not be able to meet the planned trajectory of £12.588m adjusted deficit. Contributory risks include delivery of planned elective activity limiting access to income, delivery of CRP, impact of inflation, realisation of mitigations and cost of ongoing service pressures resulting from unscheduled care activity and further periods of industrial action)'
- '3128 - There is a Risk that the capital cost of delivery of the new operating model continues to increase resulting in revenue implications.

Recognised actions include continued reporting on financial position, including continued divisional finance reporting as well as additional detail regarding non-recurrent spending and mitigations actions. These arrangements will develop as the financial planning requirements become clearer. The planning arrangements include detailed input from divisions within the organisation on revenue run rates. These arrangements would identify any emerging pressures which created a risk to the Trust's financial plans

Based on the above considerations, we are satisfied there is not a significant weakness in the Trust's arrangements in relation to financial sustainability.

3. VFM arrangements

Governance

How the body ensures that it makes informed decisions and properly manages its risks



3. VFM arrangements – Governance

Overall commentary on Governance

The Trust's risk management and monitoring arrangements

The Trust has a comprehensive risk management system in place which is embedded into the governance structure of the organisation. We confirmed that the Trust Constitution is in place and, along with other documents, details the governance structure of the Trust. We confirmed that corporate governance includes clear and defined decision making and internal controls within the Trust. The other documents include Standing Financial Instructions (SFIs), Scheme of Delegation and Standing Orders, and Reservations of Powers and Delegations of Powers (SO's).

Following review of a report taken to Audit Committee in March 2022, we previously reported that the Trust is planning to undertake a review of the Trust's core governance documentation, starting with a review of the Constitution and Standing Orders. Through our review of Board minutes, we confirmed that there has been oversight of the Constitution by the Board with specific changes agreed by both the Council of Governors and the Board of Directors as necessary throughout the year.

In July 2022, the Trust reported to Board that a full review of the SFIs was due to commence in summer 2022 with a paper expected to be presented in September 2022. Following the initial work carried out, the Trust later reported via the Board Assurance Framework report that the review had become a wider piece of work than initially intended and that "Progress being made on updating internal governance processes that will feed into and inform the SFIs and Scheme of Delegation". Further updates and reporting of progress were provided to the Board throughout the year, with the most recent update in July 2023 noting that the Deloitte review was anticipated by the end of the month and a delivery plan would be agreed once the findings were known. Therefore although the review has taken longer than anticipated, this is due to a wider scope and more thorough review of overall internal governance processes and we are satisfied that there has been regular reporting to Board across the period to explain the progress being made.

The Trust also has a Board Assurance Framework (BAF), which "*reflects the aims and priority objectives agreed by the board, as well as the strategic risks to these that were identified*" and is regularly reported to the Trust Board throughout the year. The 2022/23 BAF was presented to the Board for review in July 2022 and confirmed that a new format BAF has been designed for 22-23 in response to feedback from the Board and Internal Audit.

The new format BAF is a 'dynamic document' which is continually updated during the year, and reviewed by the Board on a quarterly basis, with the Board committees reviewing their related extracts at each meeting. The BAF utilises a RAG-rating system when considering progress against action plans to address gaps in controls and assurances. The ratings are as follows:

- Blue – not yet started
- Purple – Started and on track, no risks to delivery
- Amber – plan in place with some risks to delivery.
- Red – off track, risks to delivery and or no plan/timescales and or objective not achievable
- Green – complete.

Confirmed through review of minutes and BAF that this process has occurred throughout 2022/23.

Internal audit also undertake an annual review of risk management and the BAF. The 2022/23 review of Trust arrangements concluded that 'governance, risk management and control arrangements provide a good level of assurance that the risks identified are managed effectively. A high level of compliance with the control framework was found to be taking place. Minor remedial action is required'. This provides good external assurance

Other governance reports regularly reviewed by the Trust Board includes the Corporate Risk Register. Each risk is given a current risk level, mitigating actions along with due dates and owners for each action, plus a progress rating. Through attendance and review of minutes of Group Audit Committee throughout the year, we observed that risks are monitored and progress on the actions taken against each risk is reported regularly.

The Trust Committee structure includes the Group Audit Committee which oversees the controls, governance and risk environment of the Trust and QE Facilities. As detailed in the Committee's Annual report, approved by the Audit Committee in June 2022 "The Group Audit Committee is a formal committee of the Board with delegated responsibility to conclude upon the adequacy and effective operation of the overall internal control system including an effective system of integrated governance and risk management". The Committee is attended by Non-Executive Directors, and has members with a wide range of skills and knowledge, including members with financial, and clinical experience. This skill mix is well balanced and provides comprehensive oversight and challenge in relation to the Trust's risks and associated controls. We have attended all meetings held since our appointment as the Trust's auditors and reviewed the minutes of all meetings prior and identified no evidence that the objectives and performance of the Committee as designed were not being achieved.

In order to provide assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud, the Trust has appointed internal auditors (IA) and local counter fraud specialists. We confirmed a comprehensive Internal Audit Plan was developed for the 2022/23 financial year, noting that the planned work appears appropriate and reasonable. The Plan was presented to, and agreed by, the Audit Committee.

3. VFM arrangements – Governance

Overall commentary on the Governance reporting criteria - continued

Internal Audit progress reports are presented to each Audit Committee meeting, including follow up reporting of recommendations not fully implemented by due dates. This allows the Committee to effectively hold management to account on behalf of the Board.. We observed Committee members providing scrutiny and challenge on findings and recommendations

The Head of Internal Audit opinion for 2022/23 was presented to Group Audit committee in June 2023, and provides *“good assurance that there is a sound system of internal control, governance and risk management designed to meet the organisation’s objectives and that controls are generally being applied consistently”*. No matters noted to indicate a significant weakness in internal control environment.

The Trust has a comprehensive fraud risk assessment that is continually reviewed and influences the annual fraud work plan. The Trust have a dedicated Fraud Team with robust processes, reporting and assurance in place. A comprehensive policy is in place to detail to Trust approach to fraud prevention. The Trust’s counter fraud work plan for 2022/23 covered the period from 1 July 22 to 30 June 2023.

This Fraud team, alongside the Internal Audit team, report to the Group Audit Committee as demonstrated through our attendance at the meetings in 22/23. Report are given appropriate attention at Audit Committee meetings and appropriate actions taken where deemed to be necessary.

In report presented to Group Audit Committee in June 23, the counter fraud update report noted that the 2022/23 counter fraud functional standard return (CFFSR)was *“submitted to the NHS Counter Fraud Authority (NHSCFA) by the counter fraud specialist (CFS), following approval by the group director of finance and audit committee chair. The trust continued to maintain an overall green rating for 2022/23, and the full submission details will be included within the 2022/23 counter fraud annual report, which is scheduled to be provided for the September 2023 audit committee”*

The Annual Work Plan for 2023/24 (covering period 1 July 2023 to 30 June 2024) was also presented to and approved by the Audit Committee at the meeting in June 2023.

No matters have been identified from our review of the above monitoring arrangements which suggest a weakness in arrangements.

The Trust’s arrangements for budget setting and budgetary control

The Trust developed a detailed Financial Plan for 2023/24 and submitted the final version of the plan to NHSE/I in May 2023. From our review of minutes, we have confirmed that the Trust carried out regular review and monitoring of the financial plan with revisions and updates to assumptions made as soon as the information became available. We have observed evidence that the 2023/24 plan has been produced and submitted in line with NHS/I requirements.

Sufficient evidence has been seen through review of minutes and attendance at Audit Committees throughout the year to provide assurance that the budget setting and monitoring processes are reported frequently and in sufficient detail that allows for effective review and challenge at senior leadership and Board level.

Strategic objectives are reflected in the annual plan and budget with performance against budget monitored monthly through the centre and departmental structures. This is consolidated and reported to Board with a monthly return submitted centrally to NHSE/I. This information supports the year end process with corrective action on performance escalated and approved by Board. Financial governance arrangements are managed within the corporate governance framework which includes Standing Orders, Standing Financial Instructions and a Scheme of Delegation.

In the 2021/22 Auditor’s Annual Report, an ‘other’ recommendation was raised for the Trust to review the year end close down processes and make improvements, particularly in relation to the reconciliations between Trust and Group figures as well as supporting working papers. This was a result of the audit not being signed off by the statutory submission deadline date of 22 June 2022, noting that the delay was not attributable to one specific issue but was a combination of factors including the complexity of the sale of Dunston Hill, the need to resolve several accounting issues, plus delays in receiving and reviewing information from officers due to resourcing issues at the Trust.

However, for 2022/23 we can confirm that the audit opinion was signed on 29 June 2023, ahead of the deadline of 30 June 2023, and therefore the other recommendation raised in the prior year is no longer relevant. We are satisfied that the weakness identified in the prior year has been sufficiently addressed

The Trust’s decision-making arrangements and control framework

The Trust has an established governance structure, which was in place during 2022/23 as set out within its Annual Governance Statement.

This is supported by the Trust’s Constitution, which is available on the Trust’s website. The Trust Constitution includes details of clearly defined delegation of powers and decision making groups/individuals. Executive Directors have clear responsibilities linked to their roles and the Board Sub-Committee structure in place at the Trust allows for effective oversight of the Trust’s operations and activity. Decisions are based on value for money principles.

3. VFM arrangements – Governance

Overall commentary on the Governance reporting criteria - continued

The Trust has various groups and committees that undertake a governance and risk approach, such as Trust Board, and the Group Audit Committee. We have reviewed the minutes of these meetings as part of our work and are satisfied that there is effective review and challenge of the Trust's activity. Furthermore, from our attendance at Audit Committee we have not identified evidence of a failure to challenge or hold officers to account.

The Trust has appropriate standards of business conduct process, reporting and governance in place to manage and gain assurance that the Trust meet regulatory requirements. Appropriate checks are taken to ensure the declarations are managed effectively, that Fit and Proper persons checks are carried out and reporting of such is made effectively to the Audit Committee. The Trust has a comprehensive policy in place to detail the Trust approach to Standards of Business Conduct.

Based on the above considerations, we are satisfied there is not a significant weakness in the Trust's arrangements in relation to governance.

3. VFM arrangements

Improving Economy, Efficiency and Effectiveness

How the body uses information about its costs and performance to improve the way it manages and delivers its services



3. VFM arrangements – Improving Economy, Efficiency and Effectiveness

Overall commentary on Improving Economy, Efficiency and Effectiveness

The Trust's arrangements for assessing performance and evaluating service delivery

The Trust monitors performance across four key areas: financial, operational, workforce, and quality. Key performance measures for each are reported to Board committees with both current performance and trends reviewed and challenged. We confirmed the formal reporting of performance is through a monthly Integrated Oversight Reports to the Board. The Reports provide an integrated overview of the Trust's position. Our review confirms the reports provide sufficient detail to understand performance and published minutes demonstrate sufficient challenge from non-executive directors on the Trust's costs, performance and service delivery.

We have reviewed the Trust's Annual Report and Annual Governance Statement and found them to be consistent with the performance reported during the financial year.

The Trust's arrangements for effective partnership working

The Trust has well-developed mechanisms for engagement with third party bodies at all levels across the organisation. We have confirmed through review of minutes that there has been regular engagement with partners during the year.

Nine positions on the Council of Governors are allocated to partner organisations to ensure that partners are able to feed into the Trust's strategic and operational plans. A further 6 positions are allocated to staff representatives and other positions are elected by members (who may be staff, local residents or patients). Governors receive regular financial and operational reporting and are able to challenge management, through the non-executive directors, on performance.

The Trust has engaged with Integrated Care System (ICS) partners and in the North East & North Cumbria Provider Collaborative. The Trust has worked with the ICS partners in the financial planning submission. This required the Trust to work with ICS partners in developing a financial plan within the funding allocated.

The Trust signed up to the Gateshead Cares Alliance agreement in April 2021. The agreement and associated documents reported to the Board confirms the overarching framework for the strengthening of place-based collaborative arrangements for health and care provision in Gateshead and replaces the memorandum of understanding that was already in place for the partners who were already working together as 'Gateshead Cares'. The Trust is an active partner in the "Gateshead Cares" system board, which is used by the organisations involved to discuss how they can work differently to improve care.

Our review of Board reports confirms that the Board is regularly briefed on the Trust's engagement with System partners and any emerging issues. We have not identified any evidence of a significant weakness in the Trust's arrangements for working with partners.

The Trust's arrangements for commissioning services

Per discussions with management, services are not usually outsourced, but where this is required the procurement is usually managed by the Trust's subsidiary QE Facilities Limited (QEF) as part of the facilitated healthcare agreement between the two parties. Group management receive regular reporting on the activities of QEF from QEF management and financial and operational performance reporting considered above is usually for the Group as a whole. This was confirmed via review of Board minutes throughout the year.

Per discussion with officers, QEF follow the Group's Standing Orders (SOs) and Standing Financial Instructions (SFIs), including procurement processes. The SFIs includes a specific section on tendering and procurement procedures "21. Tendering and Contracting Procedure". The SFIs were updated in July 2022 to reflect revisions that were made to Public Procurement Thresholds. Furthermore, as noted in the Governance section above, the Trust commenced a full review of SFIs during summer 2022 with the findings and report from the external review expected in the coming period.

Trust employees are obliged to declare any actual or potential conflicts of interest with suppliers and this information is reviewed and published on an annual basis. We have confirmed this during our review of the related party disclosures in our audit opinion work. The Trust's policies are designed to meet the 'Managing Conflicts of Interest in the NHS' guidance.

We confirmed that Trust employees are obliged to declare any actual or potential conflicts of interest with suppliers. This information is reviewed and published on an annual basis. Our consideration of related party transactions confirmed this. The Trust's policies are designed to meet the Managing Conflicts of Interest in the NHS guidance. Registers of declared interests are available on the Trust website.

Based on the above considerations, we are satisfied there is not a significant weakness in the Trust's arrangements in relation to improving economy, efficiency and effectiveness.

04

Section 04:

**Other reporting responsibilities and
our fees**

4. Other reporting responsibilities and our fees

Other reporting responsibilities

Statutory recommendations and public interest reports

Under section 7 of the Local Audit and Accountability Act 2014, auditors of an NHS body can make written recommendation to the audited bodies. Auditors also have the power to make a report if they consider a matter is sufficiently important to be brought to the audited body or the public as a matter of urgency, including matters which may already be known to the public, but where it is in the public interest for the auditor to publish their independent view.

We did not issue any statutory recommendations or exercised our power to make a report in the public interest during 2022/23.

Section 30 referrals

Auditors of an NHS body have a duty to consider whether there are any issues arising during their work that indicate possible or actual unlawful expenditure or action leading to a possible or actual loss or deficiency that should be referred to the Secretary of State, and/or relevant NHS regulatory body as appropriate.

We have not issued a Section 30 referral to the Secretary of State.

Reporting to the National Audit Office (NAO)

The NAO, as group auditor, requires us to report to them whether consolidation data that the Trust has submitted is consistent with the audited financial statements. The NAO also included the Trust in its sample of component bodies for the purpose of its audit of the DHSC group.

We reported to the NAO that consolidation data was consistent with the audited financial statements. We also reported to the NAO in line with its group audit instructions.

Fees for our work as the Trust's auditor

We reported our proposed fees for the delivery of our work under the Code of Audit Practice in our Audit Strategy Memorandum presented to the Group Audit Committee. Having completed our work for the 2022/23 financial year, we can confirm that our fees are as follows:

Area of work	2022/23 fees	2021/22 fees
Planned fee in respect of our work under the Code of Audit Practice	£79,552	£81,175
Additional fees due to additional time taken in respect of Dunston Hill Hospital, provisions and delays in receiving evidence and responding to queries during the audit	-	£11,975
Additional fees in respect of additional work due to the introduction of IFRS 16	£5,000	-
Total fees	£84,552	£93,150

Fees for other work

We confirm that we have not undertaken any non-audit services for the Trust in the year.



Appendix

A. Further information on our audit of the financial statements

Significant risks and audit findings

As part of our audit, we identified significant risks to our audit opinion during our risk assessment. The table below summarises these risks, how we responded and our findings.

Risk	Our audit response and findings
<p>Management override of controls</p> <p>In all entities, management at various levels within an organisation are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such override could occur, we consider there to be a risk of material misstatement due to fraud and thus a significant risk on all audits.</p>	<p>We addressed this risk through performing audit work over:</p> <ul style="list-style-type: none"> • Accounting estimates impacting amounts included in the financial statements; • Consideration of identified significant transactions outside the normal course of business; and • Journals recorded in the general ledger and other adjustments made in preparation of the financial statements. <p>Overall findings</p> <p>Our work provided the assurance we sought in each of these areas and did not highlighted any material issues to report.</p>

A. Further information on our audit of the financial statements

Significant risks and audit findings (continued)

Risk

Our audit response and findings

Revenue recognition

The risk of fraud in revenue recognition is presumed to be a significant risk on all audits due to the potential to inappropriately shift the timing and basis of revenue recognition as well as the potential to record fictitious revenues or fail to record actual revenues.

For the Trust we deem the risk to relate specifically to the timing of income recognition, and in relation to judgements made by management as to when income has been earned. The pressure to manage income to deliver forecast performance in a challenging economic environment increases the risk of fraudulent financial reporting leading to material misstatement and means that we are unable to rebut the presumption.

This does not imply that we suspect actual or intended manipulation but that we approach the audit with due professional scepticism

We completed a range of substantive procedures including:

- Evaluating the Trust's accounting policy in respect of revenue recognition to ensure that it was in line with the requirements of the Group Accounting Manual (GAM).
- Testing revenue transactions that are recorded by journal entries. Journals were selected for testing on the basis of meeting one or more fraud risk indicators that we determined to be applicable to the revenue recognition significant risk.
- Testing a sample of revenue around the year end by agreeing the transactions to appropriate source documentation and obtaining assurance that each item was recorded in the correct financial year and at the correct value.
- Testing a sample of year end receivables by agreeing the transactions to appropriate source documentation and obtaining assurance that each item was recorded in the correct financial year and at the correct value.
- Considering information provided by the Department of Health and Social Care in respect of year end intra-NHS transactions. We considered any significant differences between the Trust's position and that of the counterparty and obtained assurance that the Trust's position is supported by appropriate evidence

Overall findings

Our work provided the assurance we sought in each of these areas and did not highlighted any material issues to report.

A. Further information on our audit of the financial statements

Significant risks and audit findings (continued)

Risk

Valuation of property, plant and equipment

Land and buildings are the Trust's highest value assets. Management engage Cushman and Wakefield, as an expert, to assist in determining the current values of property to be included in the financial statements. Changes in the value of property may impact on the Statement of Comprehensive Income depending on the circumstances and the specific accounting requirements of the Group Accounting Manual

Our audit response and findings

We completed a range of substantive procedures including:

- Obtaining an understanding of the skills, experience and qualifications of the valuer, and considering the appropriateness of the instructions to the valuer from the Trust.
- Obtaining an updated understanding of the basis of valuation applied by the valuer in the year. This included understanding and challenging the methodology applied to estimate the gross replacement cost of the Trust's operational land and buildings on a modern equivalent asset basis. We evaluated the Trust's application of a 'single-site' valuation methodology which covered its existing hospital sites.
- Sample testing the completeness and accuracy of underlying data provided by the Trust and used by the valuer as part of their valuations.
- Testing the accuracy of how valuation movements are presented and disclosed in the financial statements.
- Using relevant market and cost data to assess the reasonableness of the valuation as at 31 March 2023

Overall findings

Our work provided the assurance we sought in each of these areas and did not highlighted any material issues to report.

A. Further information on our audit of the financial statements

Summary of uncorrected misstatements

		SOCI		SOFP	
		Dr (£'000)	Cr (£'000)	Dr (£'000)	Cr (£'000)
1	Dr: Provisions			606	
	Cr: Expenditure		606		
	As recorded in section 04 of this document the Trust have recognised a provision of £0.6m associated with asbestos works. In our view no obligation existed at the 31 March 2023 and as such a provision is not appropriate per IAS 37.				
2	Dr: PPE – IT assets			334	
	Cr: Expenditure (depreciation)		334		
	As recorded in section 04 of this document, the Trust have written down to nil net book value a number of IT assets which are still in operation as at 31 March 2023. The above quantifies what the impact is if the Trust were to have extended the useful lives of these assets by an extra year, and review their lives again at 31 March 2024.				
3	Dr: Accrued income			448	
	Cr: Income		448		
	Dr: Expenditure	212			
	Cr: Payables and other liabilities – accruals				212
	Our audit work identified an issue where the amount of income accrued for by the Trust at the 31 March 23 was less than the amount received by the Trust post year end. Per discussion with the Trust, the amount accrued for was a prudent estimate relating to an arrangement the Trust has with an external third party who manage an IT Framework for which the Trust receives milestone based payments from other customers. There is a corresponding payable amount which was also under accrued for and relates to the amount paid by the Trust to the external party for running the service for them.				
4	Dr: Payables and other liabilities – accruals (Group)			453	
	Cr: Expenditure (Group)		453		
	Our sample testing of Group accruals identified an error where the amount had been over-accrued for at the year-end by £50,000. When extrapolated this gives an amount of £453,000 error.				
Total unadjusted misstatements		212	1,841	1,841	212

A. Further information on our audit of the financial statements

Internal control observations

As part of our audit of the financial statements, we obtained an understanding of internal controls sufficient to plan our audit and determine the nature, timing and extent of testing performed. Although our audit was not designed to express an opinion on the effectiveness of internal control, we are required to communicate to the Audit Committee any significant deficiencies identified during the course of our work.

The purpose of our audit was to express an opinion on the financial statements. As part of our audit we have considered the internal controls in place relevant to the preparation of the financial statements in order to design audit procedures to allow us to express an opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of internal control or to identify any significant deficiencies in their design or operation.

The matters reported are limited to those deficiencies and other control recommendations that we have identified during our normal audit procedures and that we consider to be of sufficient importance to merit being reported. If we had performed more extensive procedures on internal control we might have identified more deficiencies to be reported or concluded that some of the reported deficiencies need not in fact have been reported. Our comments should not be regarded as a comprehensive record of all deficiencies that may exist or improvements that could be made.

Our findings and recommendations are set out below. We have assigned priority rankings to each of them to reflect the importance that we consider each poses to your organisation and, hence, our recommendation in terms of the urgency of required action. In summary, the matters arising fall into the following categories:

Description of deficiency

All leases recognised in the accounts should be supported by lease/tenancy agreements. Two of our samples per our lease testing had a tenancy at will document rather than a formal lease agreement.

Potential effects

This makes valuation more subjective and increases the risk of differences of opinion with lessors regarding the terms of the lease including; lease term, frequency of rent reviews and rental increases.

Recommendation

The Trust should negotiate formal lease agreements for all the property leases that it holds and ensure that they are signed, with clear commencement and termination dates by 31 March 2024.

Management response

Recommendation noted and accepted. The Trust will engage with all relevant parties to confirm formal lease/tenancy arrangements including legal agreements as recommended; and maintain on a central register.

A. Further information on our audit of the financial statements

Follow-up on previous years recommendations

Description of deficiency

Our sample testing of employees to contracts has identified that personal files are not maintained. This meant the Trust found it difficult to provide details of contracts or letters of employment for individuals included in our sample. We note that no records could be provided for 23 of the 35 employees sampled.

Potential effects

The Trust is unable to confirm that employees are being paid in line with contracts.

Recommendation

Responsibility for maintaining staff records should be considered and allocated.

2022/23 update

From the sample of employees tested as part of our audit work in 2022/23, we noted that only 15 of the 27 contracts requested were provided, with only 3 of them signed. No records were provided for the other 12 employees included in the sample, and therefore the recommendation remains outstanding.

Description of deficiency

Our testing of valuations identified an issue with floor areas such that the area used in the valuation was not consistent with floor plans held by the Trust. This error was also existent in the 2020/21 period.

Potential effects

The valuations reflected in financial statements are materially misstated.

Recommendation

Checks should be carried out to ensure that the information included in the valuer's calculations is accurate and consistent with the data held by the Trust.

2022/23 update

The Trust carried out an exercise to review the data held on floor areas which was then provided to the Valuer to use in their 2022/23 valuations. Our review of floor areas did not identify any issues and as such we are satisfied that the deficiency reported in the prior year has been adequately addressed.

A. Further information on our audit of the financial statements

Follow-up on previous years recommendations

Description of deficiency

The predecessor auditor had raised control recommendations in respect of the segregation of duties within QEF, most notably with regards to the completion and review of bank reconciliations. Per our testing of the bank reconciliations in 2021/22, there was no record of who completed or reviewed the reconciliation. Therefore, the recommendation remained open, with the additional commentary that evidence of who completes and reviews the bank reconciliations even when carried out electronically.

Potential effects

The Trust is unable to confirm that employees are being paid in line with contracts.

Recommendation

Responsibility for maintaining staff records should be considered and allocated.

2022/23 update

Per our testing of the bank reconciliations in 2022/23, there was no record of who reviewed the reconciliation. Therefore, this recommendation remains open,

Description of deficiency

Our review of the fixed asset register in 2021/22 identified that there was a large number of non-land and buildings assets which are fully depreciated in the Trust's asset register and as such the recommendation remains outstanding. (Note this was an area highlighted by the predecessor audit who had raised control recommendation for management to carry out a review of the Fixed Asset Register following identification of a number of assets which were fully depreciated in the 2020/21 audit).

Potential effects

This high proportion of fully depreciated assets implies there is a risk that a number of these assets are no longer in use by the Trust and should have been removed from the asset register and financial statements.

Recommendation

If assets are still in use, management should consider whether the useful lives applied to these categories of assets are appropriate as it may indicate that assets are routinely used beyond the current accounting useful lives. The predecessor auditor understood management were planning a review of the fixed asset register during 2021-22, therefore recommended management include verification of the continuing use of all recorded assets and a review of accounting useful lives as part of this review.

2022/23 update

As per section 04 of our report, the Trust has carried out a review of the fixed asset register and undertaken an exercise to identify those assets that have nil net book value but are still in use by the Trust and those which are no longer in use. Where assets are still in use by the Trust, the impact has been calculated but is not considered material so included as unadjusted misstatement in section 06 below. Where assets are no longer in use, the fixed asset register has been updated and the balances have been appropriately treated in the accounts.

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*where permitted under applicable country laws.



Gateshead Health
NHS Foundation Trust

Council of Governors' Annual Report 2022/23

Extract from the Trust's Annual Report

Covering the period 1 April 2022 to 31 March 2023

Introduction

This annual report describes the main activities undertaken by the Council of Governors over the past year on behalf of their members who elected them or the partner organisations who appointed them. It demonstrates how the Governors have fulfilled their general or statutory duties.

Council of Governors

The Council of Governors continues to play a key role in the work of the Trust. The Council of Governors comprises of:

- Seven public governors representing the Central Gateshead constituency;
- Six public Governors representing the Western Gateshead constituency;
- One public Governor representing the Eastern Gateshead constituency (and two vacant positions at the year-end);
- One public Governor representing the Patient / Out-of-Area constituency;
- Six staff Governors representing the views and interests of the colleagues; and
- Four appointed Governors representing the Trust's key stakeholders and partners (and five vacancies at the year-end).

The Council of Governors has several important statutory duties, including appointing and re-appointing the Chair and the Non-Executive Directors, determining their remuneration and terms of service, and approving the appointment of the Chief Executive.

The Council of Governors represents the interests of Foundation Trust public and staff members within the constituencies served, the public and more generally the interests of the stakeholders who hold a position at the Council.

The Council of Governors also holds the Non-Executive Directors to account for the performance of the Board. In setting the Trust's strategy and annual plans the Board have regard for the views of the Council of Governors.

All Governors are required to comply with the Code of Conduct for Governors and to declare any interests which may result in a potential conflict of interest in their role. A copy of the register of interests can be obtained from the Company Secretary using the contact details at the end of the Annual Report.

The Council of Governors met four times in public and four times in private during the year. The Council received weekly email bulletins to inform Governor colleagues of the latest updates and developments throughout the year.

In addition Governor workshops were held in May 2022, November 2022 and January 2023. This included opportunities to engage in the development of the corporate strategy, Quality Account for 2022/23 and the annual plan for 2023/24.

The November workshop was a full day training event, which was delivered by NHS Providers. This included topics such as the role of the Governor, the role of Governors in system working and holding to account. An action plan was developed following the training and the Governance and Development Committee has monitored the implementation of the agreed actions.

The Governance and Development Committee met for the first time in June 2022. This is a new Governor committee, which is chaired by the Lead Governor, and seeks to review a range of

governance-related items on behalf of the Council. The Committee then makes recommendations to the Council where appropriate. During the year the Committee reviewed draft versions of key NHS England governance documents to inform the Trust's consultation response. This includes the new Code of Governance and the Addendum to the Guide for Governors. The Committee also undertook the first review of a proposed constitutional change, as well as the results of the Council of Governors' effectiveness survey.

The Governor Remuneration Committee is chaired by Chris Toon, Appointed Governor for Gateshead College. The Committee met 3 times during the year to consider items within its remit, including Non-Executive Director remuneration, the re-appointment of the Chair and Non-Executive Directors and to commence the recruitment to two Non-Executive Director posts. The Committee made recommendations to the Council of Governors on these items.

Information on the Membership Strategy Group is included in the *Foundation Trust membership* section.

During 2022/23 the Council of Governors considered a range of items, which included:

- Ratifying the re-appointment of the Chair and two Non-Executive Directors – Hilary Parker and Andrew Moffat;
- Approving the appointment of the Chief Executive;
- Approving the appointment of the Lead Governor;
- Providing valuable input into the Quality Account for 2022/23;
- An overview of the engagement work being undertaken with schools and colleges in the local area to encourage young people in the community to consider a career with the Trust;
- Approving several constitutional amendments to modernise our membership categories and ensure that they are fit for purpose;
- Receiving Board committee presentations from each Non-Executive Director chair, supporting the Council in its role of holding Non-Executive Directors to account;
- Engaging in the annual planning process and providing feedback on the draft plans;
- Reviewing the outcome of the Council of Governors' effectiveness survey to shape future ways of working; and
- Receiving an assurance report on the outcome of the Chair and Non-Executive Director appraisals, with Governor input into the process via the Lead Governor.



Governor elections 2022/23

Elections in both public and staff constituencies are undertaken on behalf of the Trust by Civica Election Services who are engaged to act as the Returning Officer and Independent Scrutineer for the election process of Gateshead Health NHS Foundation Trust.

Elections were held for nine public Governor positions and two staff Governor positions. Contested elections were held for our Central Gateshead and staff constituencies, with Eastern and Western Gateshead seats unopposed. Two vacancies remained in Eastern Gateshead, but all other seats were filled. The terms for our elected Governors commenced on 5 January 2023.

We welcomed five new Governors:

- Ray Dennis, Public Governor for Western Gateshead;
- Gordon Main, Public Governor for Western Gateshead;
- Mark Learmouth, Public Governor for Central Gateshead;
- Kiran Singiseti, Staff Governor; and
- Lynsey Curry, Staff Governor.

We welcomed back public Governors Des Costello, Les Brown, Abe Rabin, Steve Connolly and Helen Jones for a further term.

The table below shows the composition of the Council during the 2022/23 financial year, including the term dates of Governors and their attendance at the Council of Governors meetings. Where Governors were not eligible to attend certain meetings, an adjusted denominator is shown (for example where a Governor served on the Council for only part of the year).

Constituency	Governor	Term	Council of Governors meetings attended (maximum of 8)
Central			
	Eileen Adams	Third term: 5 January 2020 – 4 January 2023 <i>Left the Council 14 October 2022</i>	0 of 3
	John Bedlington	First term: 5 January 2019 – 4 January 2022 Second term: 5 January 2022 – 4 January 2025	5 of 8
	Helen Jones	First term: 5 January 2017 – 4 January 2020 Second term: 5 January 2020 – 4 January 2023 Third term: 5 January 2023 – 4 January 2026	5 of 8
	Abe Rabinowitz	First term: 5 January 2017 – 4 January 2020 Second term: 5 January 2020 – 4 January 2023 Third term: 5 January 2023 – 4 January 2026	6 of 8
	Karen Tanriverdi	First term: 5 January 2018 – 4 January 2021 Second term: 5 January – 4 January 2024	8 of 8
	Brenda Webb	First term: 5 January 2022 – 4 January 2025	0 of 8
	Steve Connolly	First term was served as a staff Governor prior to a constitutional change. Third term: 5 January 2023 – 4 January 2026	2 of 2
	Mark Learmouth	First term: 5 January 2023 – 4 January 2024	2 of 2

Constituency	Governor	Term	Council of Governors meetings attended (maximum of 8)
Western			
	Les Brown	First term: 5 January 2020 – 4 January 2023 Second term: 5 January 2023 – 4 January 2026	6 of 8
	Chris Hulley	First term: 5 January 2020 – 4 January 2023 <i>Left the Council on 4 January 2023</i>	0 of 6
	Michael Lamport	First term: 5 January 2018 – 4 January 2021 Second term: 5 January 2021 – 4 January 2024	1 of 8
	Ged Quinn	First term: 5 January 2022 – 4 January 2025	1 of 8
	Geoffrey Riddell	First term: 5 January 2021 – 4 January 2024	3 of 8
	Gordon Main	First term: 5 January 2023 – 4 January 2025	2 of 2
	Ray Dennis	First term: 5 January 2023 – 4 January 2026	2 of 2
Eastern			
	Des Costello	First term: 5 January 2020 – 4 January 2023 Second term: 5 January 2023 – 4 January 2026	0 of 8
	Alan Dougall	First term: 5 January 2020 – 4 January 2022 Second term: 5 January 2022 – 4 January 2025 <i>Left the Council 24 October 2022</i>	0 of 3
	Barry Turnbull	First term: 5 January 2022 – 4 January 2025 <i>Left the Council 10 May 2022</i>	0 of 0
	<i>2 vacancies remain</i>		
Patient / Out of Area			
	Agatha Kanyangu	First term: 5 January 2022 – 4 January 2024	1 of 8
Staff			
	Helen Adams	First term: 5 January 2022 – 4 January 2024	7 of 8
	Steve Connolly	First term: 5 January 2021 – 4 January 2024 <i>Resigned 30 September 2022 due to constitutional change</i>	2 of 2
	Claire Ellison	First term: 5 January 2017 – 4 January 2020 Second term: 5 January 2020 – 4 January 2023 <i>Left the Council on 4 January 2023</i>	0 of 6
	Andrew Lowes	First term: 5 January 2022 – 4 January 2025	5 of 8

Constituency	Governor	Term	Council of Governors meetings attended (maximum of 8)
	Richard Morrell	First term: 5 January 2022 – 4 January 2025	3 of 8
	Marceline Ndam	First term: 5 January 2021 – 4 January 2024	2 of 8
	Kiran Singiseti	First term: 5 January 2023 – 4 January 2026	2 of 2
	Lynsey Curry	<i>First term:</i> 5 January 2023 – 4 January 2024	2 of 2
Appointed			
Northumbria University	Professor Debbie Porteous		3 of 8
Newcastle University	Dr Laura Ternent		1 of 8
Gateshead College	Chris Toon		6 of 8
Gateshead Jewish Community	Aron Sandler		3 of 8
<i>Gateshead Diversity Forum</i>	<i>Vacancy</i>		
<i>Gateshead Youth Assembly</i>	<i>Vacancy</i>		
<i>Gateshead Voluntary Organisation</i>	<i>Vacancy</i>		
<i>Newcastle Gateshead Clinical Commissioning Group</i>	<i>Vacancy</i>		
<i>Gateshead Council</i>	<i>Vacancy</i>		

Governor training and development

During 2022/23 we provided our Governors with a number of training and development opportunities. This included a comprehensive induction, opportunities to attend external courses and a full day of external training delivered by NHS Providers' Governwell team. Quarterly Governor workshops are diarised throughout 2023/24 to protect time for further training, development and engagement out-with the Council meetings.

Lead and Deputy Lead Governors

The Council of Governors appoints a Lead Governor and a Deputy Lead Governor on an annual basis. In 2022/23 the Council appointed Abe Rabin as the Lead Governor, having previously served as Deputy Lead Governor and Acting Lead Governor. There were no expressions of interest for the Deputy Lead Governor role in 2022/23 and the post therefore remained vacant.

The process for appointing the Lead and Deputy Lead Governors for 2023/24 commenced in February 2023 and prior to the year-end it was confirmed that Abe Rabin would continue in his role of Lead

Governor for a further period of one year, commencing on 19 May 2023. The nomination and voting period for the Deputy Lead Governor was underway at the year-end, with subsequent confirmation that Steve Connolly, Public Governor for Gateshead Central would take up post on 19 May 2023.

The Board's relationship with the Council of Governors

The Board of Directors and the Council of Governors work together closely throughout the year. All Board Members are invited to attend all meetings of the Council of Governors. Non-Executive Directors are also invited to attend quarterly Governor workshops.

There are two Governor observers appointed to attend specific Board committees. The Governor observers have an opportunity to meet with the Non-Executive Director chairs of the committees to share feedback following the meeting. The Governor observers also share feedback privately with Governor colleagues, supporting them to discharge the role of holding Non-Executive Directors to account.



The standing orders for the Board of Directors details the procedure through which the Council of Governors can raise concerns about the Board of Directors, as required by the Code of Governance.

Foundation Trust membership

Foundation Trust membership seeks to give local people and staff a greater influence on how our services are provided and developed.

There are several different constituencies to which our members belong. Those eligible to become public members are people over the age of 16 who live in Gateshead and the immediate surrounding area which is divided into three constituencies: Western; Central; and Eastern Gateshead. We also have an Out-of-Area constituency, which was broadened this year to be coterminous with the geographical boundaries of the North East and North Cumbria Integrated Care System (NENC ICS). Previously this had included County Durham, Newcastle, North Tyneside, Northumberland, South Tyneside and Sunderland. Broadening the constituency to align with the NENC ICS boundaries fits with the role of the Board and Council to now consider the public at large across the entire ICS when decisions are made and operate for the greatest benefit of people living within the ICS.

People over 16 years of age, living in these areas who wish to become a public member of Gateshead Health NHS Foundation Trust, must complete and have accepted a membership application form. Members can vote to elect Governors for their constituency and can choose to be nominated to stand for election as a Governor.

Patient membership is available to individuals who live outside constituency areas but who have used any of the Trust's services within the seven years immediately preceding the date of their application for membership. Patient members are included in the Out of Area constituency.

As of 31st March 2023, the total number of public members was 12,958, compared to 13,344 at 31st March 2022. Our public membership profile as at 31st March 2023 was as follows:

Population/Public Membership Ratio at 31st March 2023				
	Western	Central	Eastern	Out of Area
Population	77,471	92,828	41,615	Unknown
Membership	3,416	6,792	2,225	525
%	4.4	7.3	5.3	Unknown

We are committed to ensuring that NHS Foundation Trust membership is representative of the whole community. An analysis of membership shows that ethnic makeup is higher than that of the Gateshead demographics. The membership is over represented by people aged over 75 and is under represented in all other age groups.

	Population Demographics	Membership Demographics
Gender		
Male	48.4%	34.9%
Female	51.6%	64.9%
Unknown		0.2%
Age		
Under 16*	19.3%	n/a
16 – 19	4.9%	0.3%
20 – 29	11.4%	4.8%
30 – 59	41.6%	37.0%
60 – 74	15.2%	27.1%
75 and over	7.6%	29.8%
Age unknown		1.4%
Ethnic Breakdown		
White	98.4%	90.2%
Other	1.6%	2.5%
Unspecified		7.3%

Staff directly employed by the Trust or its subsidiary, QE Facilities, are automatically Foundation Trust members for the duration of their employment, unless they choose to 'opt out'. Employees of the Trust cannot be public members.

Staff whose services are contracted for by the Trust, staff not employed by the Trust but who in effect work in and with the Trust for most of their time, and volunteers are given the same status as staff, if they wish, provided they have worked with the Trust for a minimum of one year.

The number of staff members as at 31st March 2023 was 5,179 (compared to 4,891 members as at 31st March 2022).

Governor engagement with members began to recommence in 2022/23. The Membership Strategy Group met for the first time since the start of the pandemic and have begun to discuss plans to re-engage with the Trust's membership and recruit new members. Governor colleagues helped to promote membership to the local community at the Open Day which was held in October 2022.



Get in touch

To find out more about becoming a Governor or to contact a Governor, please send your enquiry to: ghnt.foundation.enquiries@nhs.net

Alternatively you can submit your query to: The Membership Office, FREEPOST NAT14353, Gateshead Health NHS Foundation Trust, Queen Elizabeth Hospital, Sheriff Hill, Gateshead NE9 5BR

You can also visit <https://www.gatesheadhealth.nhs.uk/>

Information on membership, the Council of Governors and events is available on the following channels:

 <https://www.facebook.com/GatesheadHealth>

 https://twitter.com/Gateshead_NHS

 <https://www.instagram.com/gegateshead/>



Report Cover Sheet

Agenda Item: 6

Report Title:	Constitutional Amendments			
Name of Meeting:	Annual General Meeting / Annual Members' Meeting			
Date of Meeting:	20 September 2023			
Author:	Jennifer Boyle, Company Secretary			
Sponsor:	Alison Marshall, Chair			
Report presented by:	Abe Rabin, Lead Governor			
Purpose of Report <i>Briefly describe why this report is being presented at this meeting</i>	Decision: <input checked="" type="checkbox"/>	Discussion: <input type="checkbox"/>	Assurance: <input type="checkbox"/>	Information: <input type="checkbox"/>
	To provide members with an opportunity to consider the constitutional amendments made during the last 12 months It is recommended members approve the changes made.			
Proposed level of assurance – to be completed by paper sponsor:	Fully assured <input checked="" type="checkbox"/> <i>No gaps in assurance</i>	Partially assured <input type="checkbox"/> <i>Some gaps identified</i>	Not assured <input type="checkbox"/> <i>Significant assurance gaps</i>	Not applicable <input type="checkbox"/>
Paper previously considered by: <i>State where this paper (or a version of it) has been considered prior to this point if applicable</i>	Board of Directors Council of Governors			
Key issues: <i>Briefly outline what the top 3-5 key points are from the paper in bullet point format</i> <i>Consider key implications e.g.</i> <ul style="list-style-type: none"> • Finance • Patient outcomes / experience • Quality and safety • People and organisational development • Governance and legal • Equality, diversity and inclusion 	<ul style="list-style-type: none"> • Constitutional changes which impact on the powers or role of the Council of Governors are required to be approved by members, as well as the Board of Directors and Council of Governors. • Two constitutional amendments were approved by the Board and Council in the last 12 months which have an impact on Governors via changes to the constituency criteria and boundaries. • The changes were enacted during the year but would be reversed should members withhold their approval. 			
Recommended actions for this meeting: <i>Outline what the meeting is expected to do with this paper</i>	In summary members are recommended to approve the following: <ul style="list-style-type: none"> • The constitutional amendment to recognise volunteers as public members (noting that they 			

	<p>would need to register as Foundation Trust members individually); and</p> <ul style="list-style-type: none"> the constitutional amendment to extend the Out of Area constituency to the geographical area covered by the NENC ICS (other than Western, Central and Eastern Gateshead, which have their own constituencies). 				
Trust Strategic Aims that the report relates to:	Aim 1 <input checked="" type="checkbox"/>	We will continuously improve the quality and safety of our services for our patients			
	Aim 2 <input checked="" type="checkbox"/>	We will be a great organisation with a highly engaged workforce			
	Aim 3 <input checked="" type="checkbox"/>	We will enhance our productivity and efficiency to make the best use of resources			
	Aim 4 <input checked="" type="checkbox"/>	We will be an effective partner and be ambitious in our commitment to improving health outcomes			
	Aim 5 <input checked="" type="checkbox"/>	We will develop and expand our services within and beyond Gateshead			
Trust corporate objectives that the report relates to:	<p>SA4.2 Work collaboratively as part of Gateshead Cares system to improve health and care outcomes to the Gateshead population</p> <p>SA5.1 We will look to utilise our skills and expertise beyond Gateshead in order to ensure organisational sustainability and contribute towards innovative care and provision within 23/24</p>				
Links to CQC KLOE	Caring <input type="checkbox"/>	Responsive <input type="checkbox"/>	Well-led <input checked="" type="checkbox"/>	Effective <input type="checkbox"/>	Safe <input type="checkbox"/>
Risks / implications from this report (positive or negative):					
Links to risks (identify significant risks and DATIX reference)	-				
Has a Quality and Equality Impact Assessment (QEIA) been completed?	Yes <input type="checkbox"/>	No <input type="checkbox"/>		Not applicable <input checked="" type="checkbox"/>	

Constitutional Amendments

1. Introduction

- 1.1. The Constitution is one of the core governance documents of the Trust. It is based on the NHS Model Constitution, although each trust can tailor this accordingly for local requirements.
- 1.2. The Constitution provides a framework for the governance of the Trust, particularly in respect of the Board of Directors and the Council of Governors.
- 1.3. Any amendment to the Constitution requires approval by both the Council of Governors and Board of Directors. Amendments require more than half of the Governors voting to approve the amendment and more than half of the Board of Directors voting to approve the amendment.
- 1.4. Where an amendment is made in relation to the powers or duties of the Council of Governors it also require members to vote on whether they approve the amendment. The amendment can be enacted before the Annual Members' Meeting on the understanding that it would require reversal should members not approve the amendment.
- 1.5. This is set out in the below clauses within the Constitution:

14.9.4 Where an amendment is made to the constitution in relation to the powers or duties of the Council of Governors -

(a) at least one member of the Council of Governors must attend the next annual meeting of members and present the amendment, and

(b) the Trust must give the members an opportunity to vote on whether they approve the amendment.

14.9.5 If more than half of the members voting approve the amendment, the amendment continues to have effect; otherwise it ceases to have effect and the Trust must take such steps as are necessary as a result.

- 1.6. Within the last 12 months the Board of Directors and Council of Governors have approved two amendments to the Constitution which impact upon Governors.
- 1.7. The Lead Governor, Abe Rabin, presents these amendments to members for approval as part of the Annual Members' Meeting 2023.

2. Constitutional Amendment: Governors and Volunteers

- 2.1. Since July 2019 volunteers were classified for the purposes of Foundation Trust membership as being within the staff membership category. This meant that any volunteers who wished to stand for election as Governors would then need to stand as staff Governors, with both staff and volunteers being eligible to vote within staff Governor elections.
- 2.2. A number of unintended implications of this categorisation were identified in 2022. The approach potentially reduced the chances of volunteers becoming Governors (as the staff category had become highly contested and staff

members significantly outnumber volunteer members within this category), and also prevented public Governors becoming volunteers (as they would need to resign as a public Governor and re-stand as a staff Governor at the next election). In this regard it discouraged Governors from becoming volunteers, which was not in line with the strategy of recruiting more volunteers, given the invaluable support they provide to patients and colleagues.

- 2.3. Benchmarking with local trusts identified that Gateshead was an outlier compared to most other trusts, who classify volunteers as public members (if they wish to join the Foundation Trust membership).
- 2.4. In September 2022 both the Board and Council approved the recommendation to reclassify volunteers as public members (should they choose to sign up as members) on the basis that it encourages volunteering amongst Governors and encourages volunteers to stand for Governor positions. The impact of the amendment on the Constitution is shown in Appendix 1.
- 2.5. It is recommended that members approve the change to recognise volunteers as public members (noting that they would need to register as Foundation Trust members individually).

3. Constitutional Amendment – Geographical Coverage of the Out of Area Membership Constituency

- 3.1. The Out of Area constituency covered most of the North East region, with the exception of aspects of the south, for example Teesside.
- 3.2. In 2022/23 the Board and Council both considered a proposal to expand the Out of Area constituency to be coterminous with the North East and North Cumbria Integrated Care System (NENC ICS) geographical boundaries. This would accurately reflect the principles that providers in the ICS should operate for the greatest benefit of the people living within the ICS area, i.e. for the people at large.
- 3.3. It was therefore deemed appropriate to ensure that those living within the boundaries of the ICS could become Foundation Trust members, as decisions are made with their interests in mind and they could access Trust services from time to time.
- 3.4. Another key benefit of the change was that it enabled candidates from a wider area who wish to apply to be a Non-Executive Director to be eligible to do so (as Non-Executive Directors must be members of the Trust). This was an identified barrier within a previous recruitment round, where a strong candidate within a commutable distance was ineligible to continue in the process due to living just outside of the membership boundaries.
- 3.5. Expanding the Out of Area constituency maximises the opportunities for the Trust to attract high calibre, diverse candidates in any forthcoming Non-Executive Director recruitment.
- 3.6. The Council of Governors approved the amendment in February 2023 and the Board of Directors approved the amendment in March 2023. The impact of the amendment on the Constitution is shown in Appendix 2.

- 3.7. It is recommended that members approve the constitutional amendment to extend the Out of Area constituency to the geographical area covered by the NENC ICS (other than Western, Central and Eastern Gateshead, which have their own constituencies). It is noted that this amendment does not impact upon the definition of any other constituency or prevent patients or carers from outside of the region who have received Trust services within the last 7 years from being eligible to become a member in the out-of-area constituency.

4. Recommendations

- 4.1. In summary members are recommended to approve the following:
- The constitutional amendment to recognise volunteers as public members (noting that they would need to register as Foundation Trust members individually); and
 - the constitutional amendment to extend the Out of Area constituency to the geographical area covered by the NENC ICS (other than Western, Central and Eastern Gateshead, which have their own constituencies).

Appendix 1: Constitutional Amendment: Governors and Volunteers

The impact of this amendment is to remove the following wording from the Constitution:

- Paragraph 5.5.1 (b)
- Paragraph 5.5.1 (c) (ii)

Paragraph 6.2 (c) would be reworded to state: *6 staff Governors*

The original wording is shown below for illustrative purposes:

- (c) who satisfy the minimum duration requirements set out in paragraph 3(3) of Schedule 1 to the 2003 Act, that is to say:
 - (i) in the case of individuals described at (a) above:
 - (aa) who are employed by the Trust under a contract of employment which has no fixed term or a fixed term of at least 12 months, or
 - (bb) who have been continuously employed by the Trust for at least 12 months;
 - (ii) in the case of individuals described at (b) above, who have served as a volunteer for a continuous period of 12 months; and
- (d) who are not disqualified for Membership under paragraph 6.4 below; and who have been invited by the Trust to become a Member of that Constituency and have not informed the Trust that they do not wish to do so

5.5.2 The minimum number of Members required for the Staff Constituency is 2,000.

5.5.3 A person who is eligible to be a Member of the Staff Constituency (see paragraph 5.4.1 above) may not become or continue as a Member of any Constituency other than the staff Constituency.

6.2 The Council of Governors of the Trust is to include:

- (a) 17 Public Governors
- (b) 6 Staff Governors of whom a maximum of 2 may be staff volunteers
- (c) 1 Clinical Commissioning Group Governor
- (d) 1 Local Authority Governor
- (e) 7 Partnership Governors

The number of Public Governors comprise more than half the total Membership of the Council.

Appendix 2: Constitutional Amendment – Geographical Coverage of the Out of Area Membership Constituency

The revised wording of Annex 1 (d) following amendment is shown below:

Annex 1

Public Constituencies Of The Trust

Name of Constituency	Area	Minimum number of Members	Number of Governors
(a) Western Gateshead	The Western area will consist of Prudhoe, Crawcrook & Greenside, Chopwell & Rowlands Gill, Winlaton & High Spen, Blaydon, Ryton, Crookhill & Stella, Whickham North, Whickham South & Sunnyside, Dunston & Teams, Dunston Hill & Whickham East.	600	6
(b) Central Gateshead	The Central area will consist of Lamesley, Birtley, Lobley Hill & Bensham, Bridges, Saltwell, Deckham, Low Fell, Chowdene, High Fell Chester-Le-Street, Ouston and Pelton, Washington.	700	7
(c) Eastern Gateshead	The Eastern area will consist of Felling, Windy Nook & Whitehills, Pelaw & Heworth, Wardley and Leam Lane and parts of Jarrow & Hebburn.	300	3
(d) Out of Area	The geographical area covered by the North East and North Cumbria Integrated Care System other than any areas noted above and users of Trust services living outwith the areas (a) (b) (c) and (d)	100	1